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Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief granted from requirement to file a technical report concurrently with the annual information form provided the annual information form contain cautionary language and the technical report is filed within 140 days of issuer's year end

Applicable British Columbia Provisions

National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, ss. 4.2(3) and 9.1

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA, MANITOBA AND ONTARIO

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF NEVSUN RESOURCES LTD.

MRRS DECISION DOCUMENT

- ¶ 1 WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Manitoba and Ontario (the "Jurisdictions") has received an application from Nevsun Resources Ltd. ("Nevsun") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") for relief from the requirement contained in section 4.2(3) of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") that a technical report supporting information describing mineral projects on a property material to Nevsun be filed concurrently with the filing of Nevsun's annual information form;
- ¶ 2 AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the British Columbia Securities Commission is the principal regulator for this application;

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¶ 3 AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions*;

¶ 4 AND WHEREAS Nevsun has represented to the Decision Makers that:

1. Nevsun was incorporated on July 19, 1965 under the laws of British Columbia and its head office is located in Vancouver, British Columbia;
2. Nevsun is a reporting issuer in each of the Jurisdictions and is not in default of any requirement under the Legislation;
3. the authorized capital of Nevsun is 250,000,000 Common shares without par value, of which 49,482,381 Common shares were issued and outstanding as of February 11, 2003;
4. Nevsun's common shares are listed and posted for trading on the Toronto Stock Exchange;
5. Nevsun filed, and mailed to its shareholders, its audited financial statements for the year ended December 31, 2002 on February 10, 2003, which is 99 days earlier than the required filing deadline under the Legislation;
6. Nevsun is preparing an annual information form for the year ended December 31, 2002 (the "AIF") and will file the AIF as soon as possible after the date of this decision;
7. Nevsun is preparing and will file an updated technical report on its most significant material property, the Tabakoto property, concurrently with the filing of its AIF;
8. in July 2002, Nevsun acquired an 80% interest in the Segala property in Mali (the "Segala Property"); the Segala Property, which represents approximately 24% of Nevsun's assets, is a material property to Nevsun;
9. since its acquisition of the Segala Property, Nevsun has issued a number of news releases and filed material change reports disclosing the results of a work program on the Segala Property, including the drill program completed on December 12, 2002;
10. the disclosure in the news releases and the material change reports was prepared under the supervision of F. William Nielsen, P.Geo., a "qualified person" as defined by NI 43-101;

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11. the disclosure in the AIF will contain no material information which has not previously been disclosed by Nevsun in news releases and material change reports prepared in accordance with NI 43-101 and will be reviewed by a qualified person;
 12. Nevsun has engaged Snowden Mining Industry Consultants (“Snowden”) of Perth, Australia to prepare an independent technical report (the “Technical Report”) relating to the Segala Property but Nevsun will not be in a position to file the Technical Report prior to February 27, 2003 due to the following circumstances:
 - (a) Nevsun acquired the Segala Property on July 24, 2002;
 - (b) the Segala Property was not a material property to the previous owner and, to the knowledge of Nevsun, no technical reports were ever filed by the previous owner;
 - (c) Nevsun wants to include recent drill results in the Technical Report but the drill program was only completed on December 12, 2002;
 - (d) Snowden needs more time to complete its work on the Technical Report;
 13. the Technical Report is scheduled to be completed on or before May 20, 2003;
 14. the AIF will contain the following statement (the “Cautionary Language”):

“The technical disclosure in this annual information form with respect to the Segala Property has not been supported by a technical report prepared in accordance with National Instrument 43-101. The technical report is being prepared by a qualified person as defined under National Instrument 43-101 and it will be available on SEDAR (www.sedar.com) on or before May 20, 2003. Readers are advised to refer to that technical report when it is filed.”
- ¶ 5 AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the “Decision”);
- ¶ 6 AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the Decision has been met;
- ¶ 7 The Decision of the Decision Makers under the Legislation is that Nevsun is exempt from the requirement to file a technical report to support information in

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Nevsun's AIF with respect to the Segala Property concurrently with the filing of the AIF, provided that:

- (a) the disclosure in the AIF contains no material information which has not previously been disclosed by Nevsun in news releases and material change reports prepared in accordance with NI 43-101;
- (b) the AIF includes the Cautionary Language; and
- (c) Nevsun prepares and files the Technical Report no later than May 20, 2003.

¶ 8 February 27, 2003

Brenda Leong
Director