



New Pacific Metals Corp.

TSX-V: NUAG | OTCQX: NUPMF

NEWS RELEASE

Trading Symbol: TSX Venture: NUAG
OTCQX: NUPMF

NEW PACIFIC REPORTS FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2018

VANCOUVER, BRITISH COLUMBIA – September 13, 2018: New Pacific Metals Corp. (“New Pacific” or the “Company”) today announced its audited consolidated financial results for the year ended June 30, 2018.

This earnings release should be read in conjunction with the Company's Management Discussion & Analysis, Financial Statements and Notes to Financial Statements for the corresponding period, which have been posted under the Company's profile on SEDAR at www.sedar.com and are also available on the Company's website at www.newpacificmetals.com. All figures are expressed in Canadian Dollars (CAD) unless otherwise stated.

FISCAL 2018 HIGHLIGHTS

- Completed the Alcira acquisition becoming owner of the Silver Sand Property in Bolivia for a total cash consideration of US\$45,000,000;
- Successfully received exploration permits for the Silver Sand Property in October 2017 and immediately commenced a 30,000 metre exploration drilling program; and
- Raised US\$57,002,700 through three private placements including strategic financing with Pan American Silver Corp. and Silvercorp Metals Inc. as a part of the funding source of the acquisition and exploration for the Silver Sand Property.

FISCAL 2018 FINANCIAL SUMMARY

Net loss attributable to equity holders of the Company for the year ended June 30, 2018 was \$4,106,450 or \$0.03 per share (year ended June 30, 2017 - net income of \$1,372,544 or \$0.02 per share). The Company's financial results were mainly impacted by the following: (i) loss from investments of \$1,539,759 compared to income of \$3,032,548 in the prior year, and, (ii) operating expenses of \$3,103,712 compared to \$2,107,187 in the prior year.

Loss from investments for the year ended June 30, 2018 was \$1,539,759 (year ended June 30, 2017 - income of \$3,032,548). Within the loss from investments, \$1,081,767 was loss on the Company's equity investments and \$472,432 was loss from fair value change on bonds net of interest earned.

Operating expenses for the year ended June 30, 2018 was \$3,103,712 (year ended June 30, 2017 - \$2,107,187). The increase in operating expenses was a result of the Company's increased activity.

Foreign exchange gain for the year ended June 30, 2018 was \$470,966 (year ended June 30, 2017 - foreign exchange loss of \$78,944). The Company holds a large portion of cash and cash equivalents and bonds in US dollars while the Company's functional currency is Canadian dollar. The fluctuation in exchange rates between the US

dollar and Canadian dollar will impact the financial results of the Company. During the year ended June 30, 2018, the US dollar appreciated by 1.5% against Canadian dollar (from 1.2977 to 1.3168) while in the prior year the US dollar depreciated by 0.2% against Canadian dollar (from 1.3009 to 1.2977).

FOURTH QUARTER FINANCIAL SUMMARY

For the quarter ended June 30, 2018 ("Q4 Fiscal 2018"), the Company reported net loss attributable to equity holders of \$1.20 million or \$0.01 per share, compared to net loss of \$1.55 million or \$0.02 per share for the quarter ended June 30, 2017 ("Q4 Fiscal 2017").

Major financial items impacting the fourth quarter financial results were as follow: (i) loss from investments of \$995,797 in Q4 Fiscal 2018 compared to loss from investments of \$708,806 in Q4 Fiscal 2017; (ii) operating expenses of \$616,622 in Q4 Fiscal 2018 compared to \$756,523 in Q4 Fiscal 2017, and (iii) foreign exchange gain of \$406,203 in Q4 Fiscal 2018 compared to foreign exchange loss of \$524,096 in Q4 Fiscal 2017.

SILVER SAND PROPERTY

In October 2017, the Company successfully received exploration permits required by the relevant Bolivian government authorities and immediately commenced a 30,000 metre exploration drilling program on the Silver Sand Property. For the year ended June 30, 2018, total expenditures of \$6,553,301 were capitalized under the property. These expenditures were mainly related to the drilling program, site and camp preparation, and building a competent management team and workforce for the property.

ABOUT NEW PACIFIC

New Pacific Metals Corp. is a Canadian exploration and development company which owns the Silver Sand Project, in the Potosi Department of Bolivia, the Tagish Lake Gold Project in Yukon, Canada and the RZY Project in Qinghai Province, China.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain of the statements and information in this press release constitute "forward-looking information" within the meaning of applicable Canadian provincial securities laws. Any statements or information that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategies", "targets", "goals",

“forecasts”, “objectives”, “budgets”, “schedules”, “potential” or variations thereof or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements or information.

Forward-looking statements or information are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, risks relating to: fluctuating equity prices, bond prices, commodity prices; calculation of resources, reserves and mineralization, foreign exchange risks, interest rate risk, foreign investment risk; loss of key personnel; conflicts of interest; dependence on management and others.

This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements or information. Forward-looking statements or information are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements or information due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in the Company’s Annual Information Form for the year ended June 30, 2017 under the heading “Risk Factors”. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information.

The Company’s forward-looking statements or information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this press release, and other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements or information if circumstances or management’s assumptions, beliefs, expectations or opinions should change, or changes in any other events affecting such statements or information. For the reasons set forth above, investors should not place undue reliance on forward-looking statements or information.