



New Pacific Metals

TSX: NUAG NYSE-A: NEWP

NEWS RELEASE

New Pacific Intersects 505 Metres Grading 1.22 Grams Per Tonne Gold at the Carangas Project, Bolivia

VANCOUVER, BRITISH COLUMBIA – JANUARY 24, 2023 – New Pacific Metals Corp. (“New Pacific” or the “Company”) (TSX: NUAG; NYSE American: NEWP), together with its local Bolivian partner, report assay results for four deep drill holes at its Carangas Silver-Gold Project, Oruro Department, Bolivia (the “Carangas Project” or the “Project”). These deep step-out holes were drilled south of the previous gold intercepts. At Carangas, thick gold mineralization occurs beneath a shallow silver horizon measuring approximately 1,000 metres (“m”) long, 800 m wide and up to 200 m thick. Detailed results and drill hole specifications are provided in Tables 1 and 2, as well as Figure 1.

A total of 50,368 m was drilled in 115 holes at the Carangas Project in 2022. Assay results from 43 of these holes have been received and released to date, while the results of the remaining 72 drill holes are pending. Since June 2021, a total of 63,578 m in 150 holes has been drilled at the Carangas Project.

HIGHLIGHTS

Hole DCAr0094 intersected, from 228.5 m to 733.12 m, a 504.62 m gold interval grading 1.22 grams per tonne (“g/t”) gold (“Au”) and 13 g/t silver (“Ag”), including a 124.69 m higher grade interval (from 479.46 m to 604.15 m) grading 2.77 g/t Au, 14 g/t Ag and 0.11% copper (“Cu”), including a 44.73 m sub-interval (from 559.42 m to 604.15 m) grading 5.03 g/t Au, 19 g/t Ag and 0.16% Cu. The hole also intersected, from 47.65 m to 149.23 m, a 101.58 m silver interval grading 64 g/t silver equivalent (“AgEq”), comprising 18 g/t Ag, 0.2%Pb, and 0.85% Zn .

Hole DCAr0067 intersected, from 24.27 m to 166.0 m, a 141.73 m silver interval grading 119 g/t AgEq, comprising 67 g/t Ag, 0.43% Pb and 1.03% Zn, including a 24.38 m interval (from 62.15 m to 86.53 m) grading 331 g/t AgEq, comprising 251 g/t Ag, 0.69% Pb and 1.66 Zn%. From 171.34 m to 685.0 m, the hole intersected a 513.66 m gold interval grading 0.72 g/t Au and 7 g/t Ag, including a 112.11 m interval (from 450.42 m to 562.53) grading 1.82 g/t Au and 9 g/t Ag. This hole was terminated in gold mineralization at 688 m depth due to down hole drill difficulties.

Hole DCAr0078 intersected, from 24.2 m to 174.4 m, a 150.20 m silver interval grading 45 g/t AgEq, comprising 12 g/t Ag, 0.22% Pb and 0.69% Zn, and, from 179.3 m to 848 m, a 668.7 m gold interval grading 0.48 g/t Au, 5 g/t Ag and 0.22% Zn. This hole is collared in the southern portion of the Central Valley, about 110 m to the southeast of hole DCAr0067.

Hole DCAr0081 intersected, from 4.93 m to 136.72 m, a 131.79 m silver interval grading 93 g/t AgEq, comprising 42 g/t Ag, 0.51% Pb and 0.95% Zn, and, from 141.5 m to 545.75 m, a 404.25 m gold interval grading 0.42 g/t Au, 7 g/t Ag, 0.18% Pb and 0.45% Zn, and, from 579.2 m to 664.74 m, a second gold interval of 85.54 m grading 0.65 g/t Au, 6 g/t Ag and 0.1% Cu.

2023 DRILL PROGRAM AND RESOURCE ESTIMATES FOR THE CARANGAS PROJECT

The Company plans to drill 15,000 m during the first quarter of 2023 at Carangas to test the eastern extension of gold mineralization beneath the East Dome and expand parts of the shallow silver horizon. Following this drill program, an inaugural resource estimate is planned in the second quarter of 2023.

Table 1 Summary of Drill Intercepts

Hole_ID	Depth_from	Depth_to	Interval_m	Ag_g/t	Au_g/t	Pb_%	Zn_%	Cu_%	AgEq_g/t
DCAr0067	24.27	166.00	141.73	67	0.03	0.43	1.03	0.03	119
	<i>incl.</i>	62.15	86.53	24.38	251	0.02	0.69	0.03	331
		171.34	685.00	513.66	7	0.72	0.07	0.05	68
	<i>incl.</i>	450.42	562.53	112.11	9	1.82	0.04	0.07	148
DCAr0078	24.20	174.40	150.20	12	0.02	0.22	0.69	0.02	45
		179.30	848.00	668.70	5	0.48	0.09	0.22	54
DCAr0081	4.93	136.72	131.79	42	0.02	0.51	0.95	0.02	93
		141.50	545.75	404.25	7	0.42	0.18	0.45	60
		579.20	664.74	85.54	6	0.65	0.01	0.05	64
DCAr0094	47.65	149.23	101.58	18	0.07	0.20	0.85	0.06	64
		228.50	733.12	504.62	13	1.22	0.08	0.07	110
	<i>incl.</i>	479.46	604.15	124.69	14	2.77	0.05	0.01	224
	<i>incl.</i>	559.42	604.15	44.73	19	5.03	0.03	0.01	395

Notes:

1. Drill location, altitude, azimuth, and dip of drill holes are provided in Table 2
2. Drill intercept is core length, and grade is length weighted. True width of mineralization is unknown due to early stage of exploration without adequate drill data.
3. Calculation of silver equivalent ("AgEq") is based on the long-term median of the August 2021 Street Consensus Commodity Price Forecasts, which are US\$22.50/oz for Ag, US\$0.95/lb for Pb, US\$1.10/lb for Zn, US\$3.40/lb for Cu, and US\$1,600/oz for Au. The formula used for the AgEq calculation is as follows: $AgEq = Ag\ g/t + Pb\ g/t * 0.0029 + Zn\ g/t * 0.00335 + Cu\ g/t * 0.01036 + Au\ g/t * 71.1111$. This calculation assumes 100% recovery. Due to the early stage of the Project, the Company has not yet completed metallurgical test work on the mineralization encountered to date.
4. A cut-off of 20 g/t AgEq is applied to calculate the length-weighted intercept. At times, samples lower than 20 g/t AgEq may be included in the calculation of consolidation of mineralized intercepts.

Figure 1 Simplified Geology and Drill Plan Map of Carangas

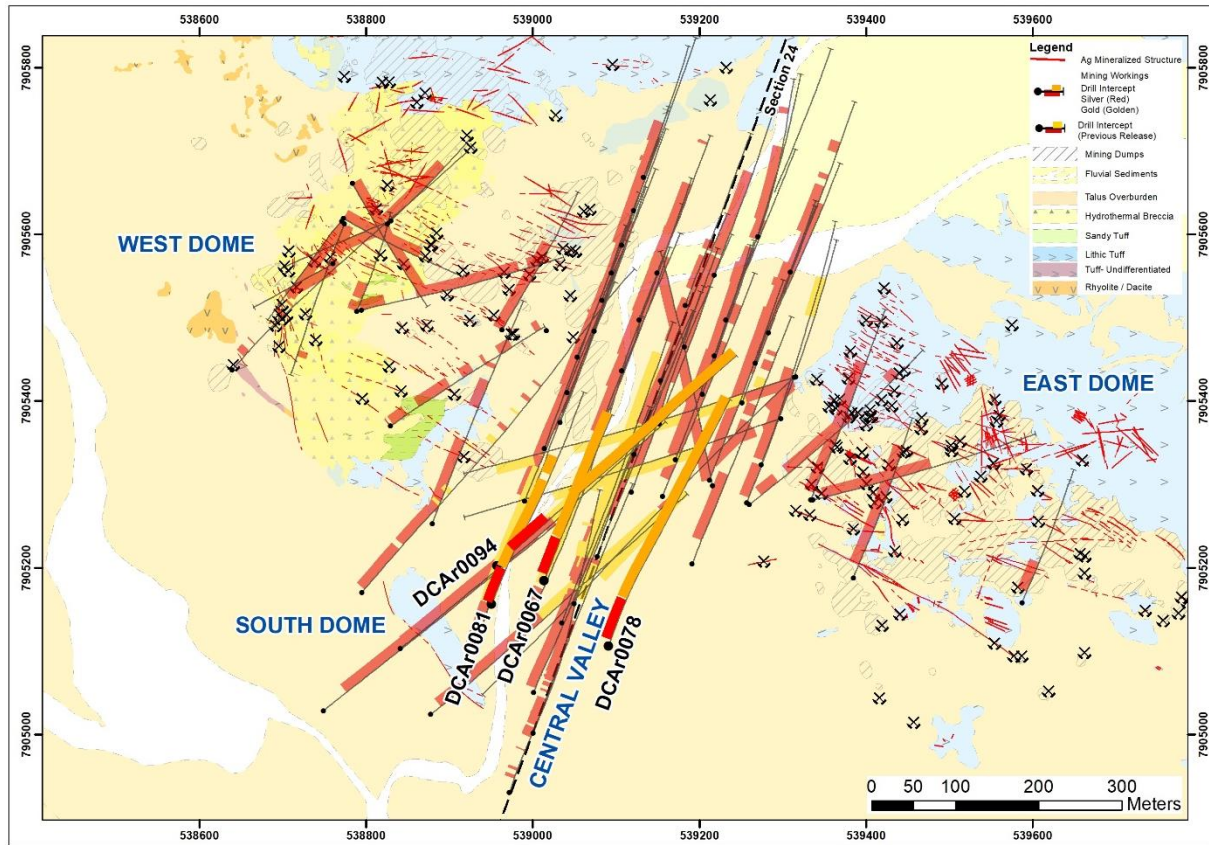


Table 2 Summary of Drill Holes of Carangas Project

Hole_ID	Easting	Northing	Altitude	Depth_m	Azimuth (°)	Dip (°)	Date_completion	Target
DCAr0067	539013.65	7905184.23	3905.17	688.00	20	-70	8/5/2022	CV
DCAr0078	539093.76	7905104.69	3905.74	848.00	20	-70	8/28/2022	CV
DCAr0081	538950.83	7905156.27	3904.67	1004.00	20	-70	8/29/2022	CV
DCAr0094	538957.18	7905202.16	3905.03	800.00	49	-55	9/20/2022	CV

- Note:
1. Drill collar coordinate system is WGS1984 UTM Zone 19S
 2. Coordinate of drill collar is picked with Real Time Kinematics (RTK) GPS
 3. CV - Central Valley; WD - West Dome; ED - East Dome

QUALITY ASSURANCE AND QUALITY CONTROL

The Company maintains tight sample security and QA/QC for all aspects of its exploration program at the Carangas Project. Drill core is logged, photographed and split on-site by the company and stored under secure conditions until being shipped in security-sealed bags by New Pacific staff in Company vehicles, directly from the project to ALS Global in Oruro, Bolivia for preparation, and ALS Global in Lima, Peru for geochemical analysis. ALS Global is an ISO 17025 accredited laboratory independent from New Pacific. All samples are first analyzed by a multi-element ICP package (ALS code ME-MS41) with ore grade specified limits for silver, lead, and zinc, further analyzed using ALS code OG46. Further silver samples over specified limits are

analyzed by gravimetric analysis (ALS code of GRA21). Gold is assayed first by ICP and then by fire assay with AAS finish (ALS code of Au-AA25). Certified reference materials, various types of blank samples and duplicate samples are inserted into normal drill core sample sequences prior to delivery to the laboratory for preparation and analysis. The overall ratio of quality control samples in sample sequences is around twenty percent.

QUALIFIED PERSON

The scientific and technical information contained in this news release has been reviewed and approved by Alex Zhang, P. Geo., Vice President of Exploration, who is a Qualified Person for the purposes of National Instrument 43-101 — *Standards of Disclosure for Mineral Projects* (“NI 43-101”). The Qualified Person has verified the information disclosed herein using standard verification processes, including the sampling, preparation, security and analytical procedures underlying such information, and is not aware of any significant risks and uncertainties or any limitations on the verification process that could be expected to affect the reliability or confidence in the information discussed herein.

ABOUT NEW PACIFIC

New Pacific is a Canadian exploration and development company with precious metal projects in Bolivia. The Company’s flagship Project, the Silver Sand Silver Project, has released its inaugural PEA study in January 2023. The PEA study shows a post-tax NPV (5% discount) of US\$726 millions and IRR 39%, underpinned by a total silver production of 171 million ounces in 14 years of mine life. At the recently discovered Carangas Silver-Gold Project, a resource drilling program of more than 50,000 meters was completed in 2022. The third project, the Silverstrike Silver-Gold Project, had a 6,000 m discovery drill program ongoing since June 2022.

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For additional information and to receive company news by e-mail, please register using New Pacific’s website at www.newpacificmetals.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain of the statements and information in this news release constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “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. Such statements include, but are not limited to: statements regarding anticipated exploration, drilling, development, construction, and other activities or achievements of the Company; timing of receipt of permits and regulatory approvals; timing and content of the PEA, and estimates of the Company's revenues and capital expenditures; and other future plans, objectives or expectations of the Company.

The PEA study results of Silver Sand Project are preliminary in nature and are intended to provide an initial assessment of the project's economic potential and development options. The PEA mine schedule and economic assessment includes numerous assumptions and is based on both Indicated and Inferred mineral resources. Inferred resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the project economic assessments described herein will be achieved or that the PEA results will be realized. The estimate of mineral resources may be materially affected by geology, environmental, permitting, legal, title, socio-political, marketing or other relevant issues. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. Additional exploration will be required to potentially upgrade the classification of the Inferred Mineral Resources to be considered in future advanced studies. AMC Mining Consultants (Canada) Ltd. (mineral resource, mining, infrastructure and financial analysis) was contracted to conduct the PEA in cooperation with Halyard Inc. (metallurgy and processing), and NewFields Canada Mining & Environment ULC (tailings, water and waste management). The Qualified Persons for the PEA are Mr. Wayne Rogers P.Eng and Mr. Mo Molavi P.Eng both Principal Mining Engineers with AMC Mining Consultants (Canada) Ltd, Mr. Andy Holloway P.Eng, Process Director with Halyard Inc., and Mr. Leon Botham P.Eng., Principal Engineer with NewFields Canada Mining & Environment ULC. This is in addition to Ms. Dinara Nussipakynova, P.Geo., Principal Geologist with AMC Consultants (Canada) Ltd. who estimated the Mineral Resources. All QPs have reviewed the technical content of the January 9, 2023, news release for the Silver Sand deposit and have approved its dissemination. The Silver Sand PEA is based on the updated Mineral Resource Estimate which was reported on November 28, 2022. The effective date of the 2022 Mineral Resource Estimate for Silver Sand is 31 October 2022. The cut-off applied for reporting the pit-constrained Mineral Resources is 30 g/t silver. Assumptions made to derive a cut-off grade included mining costs, processing costs and recoveries and were obtained from comparable industry situations. The model is depleted for historical mining activities. Mineral Resources are constrained by optimized pit shells at a silver price of US\$22.50 per ounce, silver metallurgical recovery of 91%, silver payability of 99%, open pit mining cost of US\$2.6/t, processing cost of US\$16/t, G&A cost of US\$2/t, and slope angle of 44-47 degrees. Key assumptions used for pit optimization for the PEA mining pit include silver price of US\$22.50 per ounce, silver metallurgical recovery of 91%, silver payability of 99%, open pit mining cost of US\$2.6/t, incremental mining cost of US\$0.04/t (per 10 m bench), processing cost of US\$16/t, tailing storage facility operating cost of US\$0.7/t, G&A cost of US\$2/t, royalty of 6.00%, mining recovery of 92%, dilution of 8%, and cut-off grade of 30 g/t silver.

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: global economic and social impact of COVID-19; fluctuating equity prices, bond prices, commodity prices; calculation of resources, reserves and mineralization, general economic conditions, foreign exchange risks, interest rate risk, foreign investment risk; loss of key personnel; conflicts of interest; dependence on management, uncertainties relating to the availability and costs of financing needed in the future, environmental risks, operations and political conditions, the regulatory environment in Bolivia and Canada; risks associated with community relations and corporate social responsibility, and other factors described under the heading "Risk Factors" in the Company's Annual Information Form for the year ended June 30, 2022 and its other public filings.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements or information.

The forward-looking statements are necessarily based on a number of estimates, assumptions, beliefs, expectations and opinions of management as of the date of this news release that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates, assumptions, beliefs, expectations and options include, but are not limited to, those related to the Company's ability to carry on current and future operations, including: the duration and effects of COVID-19 on our operations and workforce; development and exploration activities; the timing, extent, duration and economic viability of such operations; the accuracy and reliability of estimates, projections, forecasts, studies and assessments; the Company's ability to meet or achieve estimates, projections and forecasts;

the stabilization of the political climate in Bolivia; the Company's ability to obtain and maintain social license at its mineral properties; the availability and cost of inputs; the price and market for outputs; foreign exchange rates; taxation levels; the timely receipt of necessary approvals or permits, including the ratification and approval of the Mining Production Contract with COMIBOL by the Plurinational Legislative Assembly of Bolivia; the ability of the Company's Bolivian partner to convert the exploration licenses at the Carangas Project to AMC; the ability to meet current and future obligations; the ability to obtain timely financing on reasonable terms when required; the current and future social, economic and political conditions; and other assumptions and factors generally associated with the mining industry.

Although the forward-looking statements contained in this news release are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. All forward-looking statements in this news release are qualified by these cautionary statements. Accordingly, readers should not place undue reliance on such statements. Other than specifically required by applicable laws, the Company is under no obligation and expressly disclaims any such obligation to update or alter the forward-looking statements whether as a result of new information, future events or otherwise except as may be required by law. These forward-looking statements are made as of the date of this news release.

CAUTIONARY NOTE TO US INVESTORS

This news release has been prepared in accordance with the requirements of the securities laws in effect in Canada which differ from the requirements of United States securities laws. The technical and scientific information contained herein has been prepared in accordance with NI 43-101, which differs from the standards adopted by the U.S. Securities and Exchange Commission (the "SEC"). Accordingly, the technical and scientific information contained herein, including any estimates of mineral reserves and mineral resources, may not be comparable to similar information disclosed by U.S. companies subject to the disclosure requirements of the SEC.

Additional information relating to the Company, including the Company's Annual Information Form, can be obtained under the Company's profile on SEDAR at www.sedar.com, on EDGAR at www.sec.gov, and on the Company's website at www.newpacificmetals.com.