

## Announces Results of Confirmation Drilling at Silver Sand

VANCOUVER, BRITISH COLUMBIA--(Marketwired - July 20, 2017) -

NOT FOR DISSEMINATION IN THE UNITED STATES OR TO U.S. NEWSWIRE SERVICES

New Pacific Holdings Corp. ("New Pacific" or the "Company") (TSX VENTURE:NUX) announces that its wholly-owned subsidiary New Pacific Investment Corp. Limited has closed its previously announced acquisition (the "Acquisition") of Empresa Minera Alcira S.A., a private Bolivian incorporated mining company ("Alcira") from its three shareholders (the "Vendors") pursuant to the terms of a share purchase agreement (the "Agreement") dated March 28, 2017.

Alcira has seven silver-polymetallic mineral properties or ATEs (Temporary Special Authorization) in Bolivia. The most significant property is the Silver Sand Property located in the Potosí Department, which has been subjected to some small-scale, historic mining and was drilled during the period 2012 through 2015 by Alcira. The other six are early-stage exploration projects, which have either been subject to limited small-scale mining or historical drilling.

The Company acquired Alcira for cash payments of US\$36,000,000 to the Vendors and pursuant to the terms of the Agreement, the Company is required to pay an additional US\$4,000,000 within 90 days of closing and a final payment of US\$5,000,000 is due to the Vendors once the Company has received certain specified permits and licenses from the authorities of Bolivia necessary for mining and milling operations, or once Alcira has commenced commercial production. (Please see press release dated April 10, 2017 for further details on the Acquisition).

The Acquisition constitutes a change of business (the "Change of Business") of the Company from an investment issuer to a resource issuer under TSX Venture Exchange (the "TSXV") policies. The Company obtained shareholder approval to the Change of Business at its special meeting of shareholders held on June 30, 2017. The Company's shares are currently halted in connection with the Acquisition, and it is expected that trading will resume on July 24, 2017 at which time the Company will be classified as a Tier 2 mining issuer on the TSXV, will change its name back to "New Pacific Metals Corp." and will trade under a new ticker symbol "NUAG". The Acquisition, Change of Business and the resumption in trading of the shares of the Company are still subject to the final approval of the TSXV.

The Company also wishes to announce that the subscription receipts of the Company (the "Subscription Receipts") issued to subscribers in the previously announced private placement which closed on July 17, 2017 have been automatically converted into common shares of the Company with no further action upon behalf of the subscribers in connection with the closing of the Acquisition. In connection with the private placement the Company has paid finder's fees to certain finders in the total amount of US\$393,300.

### Results of Confirmation Drilling

According to the share transfer agreement reached between New Pacific and the shareholders of Alcira on March 28, 2017, New Pacific carried out a diamond confirmation drilling program from mid April to the end of May 2017 at Silver Sand. A total 1,546 meters were completed in four holes drilled on Zone I, of which three are twin holes (DSS4601 vs ZK4601, DSS5401 vs ZK5401, DSS6602 vs ZK6601), and one hole DSS6601 is a scissors hole on section 66. Drill hole DSS4601 is located at approximately 1,100 meters north along the strike of the Zone 1 from the drill hole DSS6602, DSS5401 is located approximately in the middle of these two holes.

A total of 1,021 core samples were taken from the four confirmation holes by halving drill core with diamond saw with an average sampling interval of one and half meters. Samples were prepared and analyzed by ALS, a certified commercial analytical laboratory. Assay results of all core samples have been received. Table 1 is a summary of mineralized intersections from the four confirmation drill holes on Zone I. For the historical drill holes and their results referred in this news release, please refer to the Company's news release dated April 10, 2017.

Overall, the assay results of the confirmation drill holes are in conformity to historical drill results. On section 54, the confirmation twin hole DSS5401 compares very well to the historical hole ZK5401: 187.5m @ 162 gram per tonne silver from the confirmation twin hole DSS5401 vs 195.3m @ 168 gram per tonne silver from the historical hole ZK5401. The hole DSS5401 hit three mineralized intervals in Zone I in comparison to four mineralized intersections hit the historical ZK5401. The third mineralized interval of DSS5401 is equivalent to a combination of the third and the forth intervals of ZK5401.

On section 66, the confirmation twin hole DSS6602 compares well to the historical holes ZK6601: 133.5m @ 226 gram per tonne silver from the confirmation twin hole DSS6602 vs 191.3m @ 245 gram per tonne silver from the historical hole ZK6601. Both holes hit three higher grade mineralized intervals, but the length of intervals from DSS6602 is shorter, as the dip of DSS6602 is shallower. One low grade mineralized interval was also hit in the footwall of Zone in hole DSS6602. The scissors confirmation hole DSS6601 returned a mineralized interval of 102m @ 197 gram per tonne silver, which consists of four higher

grade intersections. Results from this scissor hole largely confirmed the mineralization in Zone 1 as modeled from results of the historical hole ZK6601. Besides the mineralized intersections of Zone 1, several low grade mineralized intervals were hit by DSS6601 in the footwall of Zone 1.

On section 46, silver grades from the confirmation hole DSS4601 are much lower than those of the historical hole ZK4601 in spite of similar length of mineralized intersections from both holes, which is believed to be likely due to local geological variations.

Table 1 Summary of Mineralized Intersections of Confirmation Drilling

Drill Hole Number	Cross Section (NE-SW)	Distance to SE Grid End (m)	Ave Sample Length (m)	Mineralized Interval			Average Ag (g/t)	
				From (m)	To (m)	Length (m)		
DSS4601	46	1,500	1.50m	86	90.5	4.5	74	
				188	296	108	86	
				<i>Incl.</i>	188	246.5	58.5	134
				<i>Incl.</i>	279.5	296	16.5	88
DSS5401	54	1,100	1.50 m	139.5	327	187.5	162	
				<i>Incl.</i>	139.5	157.5	18	150
				<i>Incl.</i>	178.5	234	55.5	293
				<i>Incl.</i>	283.5	327	43.5	256
DSS6601 scissors hole	66	500	1.50 m	31.5	37.5	6	39	
				67.5	79.5	12	33	
				96	105	9	88	
				144	169.5	25.5	40	
				187.5	289.5	102	197	
				<i>Incl.</i>	187.5	226.5	39	264
				<i>Incl.</i>	231	235.5	4.5	76
				<i>Incl.</i>	240	249	9	127
				<i>Incl.</i>	256.5	289.5	33	251
				<i>Incl.</i>	258.5	284	25.5	45
DSS6602	66	500	1.50m	48.5	182	133.5	226	
				<i>Incl.</i>	48.5	90.5	42	380
				<i>Incl.</i>	107	149	42	218
				<i>Incl.</i>	162.5	182	19.5	259

Notes: g/t = grams per metric tonne.

Intervals are drill core length in meters. True widths are not known.

A 30 g/t Ag minimum grade was used to determine the average silver (Ag) grades.

Some composited intervals may contain values less than 30 g/t Ag.

All confirmatory drill holes have down-hole surveys.

#### Quality Assurance and Quality Control

Drill cores are HQ and NQ size. Core samples from the entire hole were split into halves by diamond saw cutting with an average sample interval of one and half meters. Half cores are stored in a secured core storage rented by the Company at a local town for future reference and check, and the other half core samples were shipped in security sealed bags to ALS Global in Oruro, Bolivia for preparation, and ALS Global in Lima, Peru for geochemical analysis with the code of OG46.

A standard quality assurance and quality control protocol was employed to monitor the quality of sample preparation and analysis. Standards of certified reference materials, blanks and duplicates were inserted in normal core sample sequences prior to shipment to lab at a ratio of thirty to one, i.e., every thirty samples contain at least one standard sample, one blank sample and one duplicate sample. The assay results of QAQC samples did not show any significant bias of analysis or contamination during sample preparation.

Donald J. Birak, an independent consultant geologist and Qualified Person as defined under National Instrument 43-101, has reviewed and approved the scientific and technical information in this news release.

#### About New Pacific

[New Pacific Holdings Corp.](#) is a Canadian investment company with investment focus on mineral resource industry. [Silvercorp Metals Inc.](#) (TSX:SVM), the largest primary silver producer in China, is the major shareholder.

## 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 relate to, among other things: the payment of an additional US\$9,000,000 to the Vendors; resumption of trading in the Company's shares; the Company being listed a Tier 2 mining issuer; and change of the Company's name and stock symbol.*

*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: the ability of the Company to integrate the Target Company into the Company's existing operations; current global financial conditions; operating in Bolivia including possible expropriation or nationalization without adequate compensation, changing political and fiscal regimes, and economic and regulatory instability, unanticipated changes to royalty and tax regulations, unreliable or undeveloped infrastructure, labour unrest and labour scarcity, difficulty obtaining key equipment and components for equipment, regulations and restrictions with respect to imports and exports; high rates of inflation, extreme fluctuations in currency exchange rates and the imposition of currency controls, the possible unilateral cancellation or forced re-negotiation of contracts, and uncertainty regarding enforceability of contractual rights, inability to obtain fair dispute resolution or judicial determinations because of bias, corruption or abuse of power, difficulties enforcing judgments generally, and in particular those obtained in Canadian courts against assets located outside of those jurisdictions, difficulty understanding and complying with the regulatory and legal framework respecting the ownership and maintenance of mineral properties, mines and mining operations, and with respect to permitting, local opposition to mine development projects, which include the potential for violence, property damage and frivolous or vexatious claims, violence and more prevalent or stronger organized crime groups; terrorism and hostage taking, military repression and increased likelihood of international conflicts or aggression, and increased public health concerns; fluctuating commodity prices; calculation of resources, reserves and mineralization and precious and base metal recovery; interpretations and assumptions of mineral resource and mineral reserve estimates; exploration and development programs; feasibility and engineering reports; title to properties; property interests; joint venture partners; acquisition of commercially mineable mineral rights; economic factors affecting the Company; timing, estimated amount, capital and operating expenditures and economic returns of future production; competition; operations and political conditions; environmental risks; insurance; risks and hazards of mining operations; key personnel; conflicts of interest; and dependence on management.*

*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, 2016 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 and 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 and 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 and information.*

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Investors are cautioned that, except as disclosed in the Management Information Circular prepared in connection with the transaction, any information released or received with respect to the Change of Business may not be accurate or complete and should not be relied upon. Trading in the securities of New Pacific should be considered highly speculative.

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