



**New Pacific Metals Corp**  
新太平洋金属有限公司

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**PRESS RELEASE**

**Trading Symbol: TSX-V: NUX**

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**NEW PACIFIC METALS CORP. ANNOUNCES RESULTS**  
**FOR THE YEAR ENDED JUNE 30, 2007**

**VANCOUVER, BRITISH COLUMBIA - (October 18, 2007) - New Pacific Metals Corp. (TSX-V:NUX) (the “Company”)** announces its 2007 audited consolidated annual loss of \$1,606,290, or \$0.06 basic and fully diluted loss per share, respectively, and a net cash inflow of \$9,028,111. For the fourth quarter ended June 30, 2007, the Company recorded a loss of \$174,179. All figures are expressed in Canadian dollars, other than share data.

**2007 HIGHLIGHTS (12 Months) - Audited**

For the year ended June 30, 2007, the Company incurred a loss of \$1,606,290 (2006 - \$701,491) resulting in a loss per share of \$0.06 (2006 - \$0.04) on weighted average number of shares outstanding of 25,660,772 (2006 - 17,579,220). The loss increase of \$904,799 over the prior year is mainly attributed to the development and enhancements to the Company’s infrastructure that are related to its increased exploration, development, and investor communication activities.

During the year ended June 30, 2007, the Company raised net proceeds of \$12,683,808 through the sale of 5,175,000 Units at \$2.50 per Unit. Each Unit is comprised of one common share and one-half of one share purchase warrant entitling the warrant holder to acquire one additional common share at \$3.00 for a period of one year from closing. The proceeds will be utilized for continuing work on the Kang Dian and Huaiji Gold Projects and for general operating capital.

For the year ended June 30, 2007, working capital increased by \$12,658,518 to \$16,001,022, mainly as a result of the consolidation of the financial positions of SNP and Huaxi since September 1, 2006, along with the issuance of shares under a private placement, and upon exercise of stock options and warrants.

During the year ended June 30, 2007, the Company’s cash and cash equivalents increased by \$9,028,111 (2006 - \$76,663) to \$10,174,978 (2006 - \$1,146,867) as a result of: cash used by operating activities of \$620,625 (2006 - \$155,057); cash used by investing activities of \$4,554,511 (2006 - \$1,433,170); offset by cash provided by financing activities of \$14,203,247 (2006 - \$1,664,890).

Cash and cash equivalents plus short term investments, as at June 30, 2007 amounted to \$14,988,483 (2006 - \$3,346,867) and are unencumbered. Short term investments are invested in high quality money market instruments.

The Company does not invest in any asset backed commercial paper and therefore does not consider that it has any exposure to the current uncertainties in the marketplace.

**FOURTH QUARTER HIGHLIGHTS (3 Months)**

During the fourth quarter ended June 30, 2007, the Company incurred a loss of \$174,179 (Q4-2006 - \$335,292). The loss decrease of \$161,113, over the same period in the prior year, is mainly due to the reduction of stock based compensation costs by \$327,067, offset by increases in: consulting fees of \$64,198; investor relations of \$56,377; management fees of \$66,001; office and miscellaneous of \$35,530;

travel and promotion of \$44,323; foreign exchange loss of \$225,978; that are attributed to the development and enhancements to the Company's infrastructure that are related to its increased exploration, development, and investor communication activities.

## **OUTLOOK**

The company will continue to review its current financial position and may raise additional funds for working capital purposes, to fund the continuity of its exploration, and development of its current portfolio of China based projects, and to be well funded for future acquisitions of high quality mineral projects throughout China.

The Company's overall focus is to strengthen and grow through the exploration and development of its current portfolio of China based projects, in conjunction with seeking the acquisition of high quality mineral projects throughout China, to deliver, within a reasonable period of time, enhanced shareholder value. In conjunction with this focus, the Company will continue to further promote and enhance its infrastructures, internal controls, and corporate governance practices to support its mandate to become a self-sufficient metals producer utilizing its operating experience in China.

To achieve its mandate, the Company will initiate definition drilling programs on its Ni/Cu Nantianmen Project, on the Huaiji Project and a tunneling program on the Cu/Zn Bingdihong Project. In addition, the Company will continue on its diligent acquisition and definition program for Ni/Cu + PGM metals in the prospective Panxi Rift Belt in Sichuan Province, China.

*The Company's Audited Consolidated Financial Statements and Management's Discussion and Analysis are available for review on our website at [www.newpacificmetals.com](http://www.newpacificmetals.com) and through SEDAR at [www.sedar.com](http://www.sedar.com).*

### **About New Pacific Metals Corp.**

New Pacific Metals Corp. is a development stage company engaged in the acquisition and exploration of mineral properties in the People's Republic of China.

For Further Information:

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**The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.**