



New Pacific Holdings Corp.

NEWS RELEASE

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NEW PACIFIC REPORTS FINANCIAL RESULTS FOR THE THREE AND NINE MONTHS ENDED MARCH 31, 2017

VANCOUVER, BRITISH COLUMBIA – May 12, 2017: New Pacific Holdings Corp. (“New Pacific” or the “Company”) today announced its unaudited condensed consolidated interim financial results for the three and nine months ended March 31, 2017.

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 on SEDAR at www.sedar.com and are also available on the Company's website at www.newpacificholdings.ca. All figures are expressed in Canadian Dollars (CAD) unless otherwise stated.

HIGHLIGHTS FOR THE NINE MONTHS ENDED MARCH 31, 2017

- Successful in signing a binding share purchase agreement to acquire a 100% interest in Empresa Minera Alcira S.A., a private Bolivian incorporated mining company;
- Bonds portfolio continued to perform well, fair value gain and interest earned combined were \$935,088 for the period, representing an annualized return of 8.48%;
- Successfully acquired equity investments from the open market and private placements. Gain on equity investments during the period was \$2.8 million; and
- Net income attributable to equity holders of \$2.92 million, or \$0.04 per share, compared to net income attributable to equity holders of \$1.64 million or \$0.02 per share in the prior year period.

HIGHLIGHTS FOR THE THIRD QUARTER ENDED MARCH 31, 2017

- Fair value gain and interest earned on bonds combined were \$323,368 for Q3 Fiscal 2017 compared to \$177,173 for the prior year period;
- Mining industry focused equity investment portfolio achieved a gain of \$2.1 million compared to \$1.4 million for the prior year period;
- Achieved a total realized gain of \$1.56 million on disposal of certain equity investments for proceeds of \$2.95 million; and
- Net income attributable to equity holders of \$1.57 million, or \$0.02 per share, compared to net loss attributable to equity holders of \$0.17 million or \$0.00 per share in the prior year period.

FINANCIALS

For the nine months ended March 31, 2017, net income attributable to equity holders was \$2,924,118 or \$0.04 per share compared to net income of \$1,642,678 or \$0.02 per share for the nine months ended March 31, 2016.

For the three months ended March 31, 2017, net income attributable to equity holders was \$1,570,466 or \$0.02 per share compared to net loss of \$165,165 or \$0.00 per share for three months ended March 31, 2016.

Major items impacting financial performance are as follows:

Income from investments for the nine months ended March 31, 2017 was \$3,741,354 compared to \$1,591,142 for nine months ended March 31, 2016. This significant increase was a direct result of the Company's business change from exploration and development on mineral properties to investing in publicly-traded or privately-held corporations and other marketable instruments such as bonds. Within the investments income, \$2,774,305 was a gain on the Company's equity investments and \$935,088 was from fair value change and interest earned on bonds.

For the three months ended March 31, 2017, income from investments was \$2,420,122 compared to income of \$1,543,806 for three months ended March 31, 2016. Within the income, \$2,096,479 was a gain on the Company's equity investments in the mining industry. Fair value change and interest earned on bonds for the quarter was \$323,368.

Operating expenses for the nine months ended March 31, 2017 was \$1,350,664 compared to \$809,370 for the nine months ended March 31, 2016. For three months ended March 31, 2017, operating expenses was \$698,410 compared to \$257,168 for the same prior year period. The increase in operating expenses was a result of the Company's increased activities in acquiring the Bolivian mining property.

Foreign exchange gain for the nine months ended March 31, 2017 was \$445,152 compared to \$800,270 in the same prior year period. The Company holds a large portion of cash and cash equivalents and bonds in US dollars while the Company's functional currency is the Canadian dollar, the fluctuation in exchange rates between the US dollar and Canadian dollar will impact the financial results of the Company. During the nine months ended March 31, 2017, the US dollar appreciated by 2.4% against Canadian dollar (from 1.3009 to 1.3322) while in the same prior year period the US dollar appreciated by 4.0% against Canadian dollar (from 1.2474 to 1.2971). The slowdown in the US dollar appreciation against the Canadian dollar in the relative periods was the reason for the reduced amount of foreign exchange gains.

For the three months ended March 31, 2017, foreign exchange loss was \$153,676 compared to \$1,456,306 for the same prior year period.

UPDATE ON ALCIRA ACQUISITION

The Company on April 10, 2017 announced it had signed a binding share purchase agreement dated March 28, 2017 (the "Agreement") to acquire a 100% interest in Empresa Minera Alcira S.A., ("Alcira"), a private Bolivian incorporated mining company. As per the Agreement the Company has made an initial payment of US\$250,000 and loaned US\$3.5 million to the largest shareholder of Alcira. The loan is for a term of 120 days, bearing interest of 5% and is secured by its 30% interest in the outstanding shares of the Alcira. The Company has been actively carrying out a confirmation drilling program in Bolivia to twin three drill holes drilled by Alcira in the past. It is expected that the confirmation drilling will be completed within the timeframe allowed for in the Agreement.

The Company has set June 27, 2017 as the date for a Special Shareholders meeting at which shareholders will be asked to approve: (i) a change of the Company's business from an investment issuer engaged in investing in

privately held and publicly traded corporations to a mining issuer engaged in mineral exploration through the acquisition of Alcira; and, (ii) a change of name of the Company from New Pacific Holdings Corp. back to New Pacific Metals Corp. An information circular is currently being prepared and is expected to be mailed out around the end of May 2017.

It is anticipated that trading in the Company's shares will remain halted until completion of the Change of Business and the completion of the transaction which is scheduled for July 26, 2017. Closing of the transaction is subject to satisfactory confirmation drilling, shareholder approval, regulatory approval, and other conditions as set out in the Agreement.

DIRECTOR RESIGNATION

Today, Mr. Fengzhen Yan tendered his resignation as a member of the New Pacific Holdings Corp. board of directors due to personal reasons. The Company would like to thank Mr. Yan for his contributions to the Company over the last four years.

ABOUT NEW PACIFIC

New Pacific is a Canadian Investment Issuer engaged in investing in privately held and publicly traded corporations.

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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, 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.