NEWS RELEASE

Trading Symbol: TSX: NUX **February 28, 2012**

New Pacific Metals Corp. enters into a Memorandum of Understanding to acquire a 75% interest in the Longmenchang Silver-Gold-Lead-Zinc Property in Youxi County, Fujian Province, China

VANCOUVER, BRITISH COLUMBIA (February 28, 2012) –New Pacific Metals Corp. (TSX:NUX) (the "Company") is pleased to announce it has entered into an arm's length non-binding Memorandum of Understanding ("MOU") with Fujian Henyuan Mining Co., Ltd. ("Fujian Henyuan") to acquire a 75% interest in the LMC silver-gold-lead-zinc Property, Fujian Province, China (the "Property"). The Property is located approximately 100 kilometres to the west of Fuzhou, the capital city of Fujian Province, China, and consists of an exploration permit for an area of 1.54 square kilometres and a 300 ton-per-day flotation mill plant. An area of 1.03 square kilometres has been approved for mining by the local government within the current exploration permit. The applicable mining license for the Property is expected in the near future.

Terms of the MOU

Pursuant to the terms of the MOU, the Company will pay, upon signing of a definitive agreement, a total of RMB210 million to acquire a 75% interest of the Property. The RMB210 million payment consists of an upfront cash payment by the Company of RMB80 million and the issuance of Company shares (the "Shares") equivalent of RMB100 million to Fujian Henyuan. The issue price of the Shares will be based on the date the definitive agreement is executed between the parties, but will not exceed $1.20/Share. In addition, the first RMB30 million in profits from commercial operations at the Property will be paid to Fujian Henyuan. For reference as of February 27, 2012 one RMB = 0.158 Canadian dollars.

Any definitive agreement between the parties (and any payment of cash or issuance of Shares) is subject to the Company completing a confirmation drill program to verify historical drill data and the geological model of the Property mineralization. Also, the definitive agreement is further subject to Fujian Henyuan completing a consolidation for 100% ownership of the Property and obtaining the applicable mining license. The issuance of any Shares and the definitive agreement may be subject to TSX and other regulatory approvals.

To note, the owners of the Fujian Henyuan also operate several other silver polymetallic properties in Fujian Province which the Company is currently reviewing. The parties have orally agreed that the Company be granted a right to acquire any of these properties at the Company's discretion.

Property information

The Property is situated at the southeast margin of the Wuyi mineralization belt, which is one of the 16 prominent metallogeny belts in China. Silver-gold-lead-zinc mineralization is hosted in a sequence of Permian marine clastic sediments and limestone which are overlain by a Jurassic terrestrial sedimentary sequence and underlain by Proterozoic metasedimentary rocks. Numerous porphyritic rhyolite dykes intrude into these sequences. Based on historical Property exploration reports, economic mineralization of the Property is the oxidized silver-gold-lead-zinc mineralization associated with multiple prominent gossanous zones developed in the upper clastic sediments of the Permian sequence close to the unconformity surface with the overlying Jurassic sediments. The oxidized mineralization zones are near surface, sub-horizontal, and stratiform. Exploration of the Property began in the 1980's, and included geological mapping, trenching, diamond drilling, and aditing. 39 holes totalling 6,880 meters were drilled and 379 meters of underground adits were completed.

Disclosure of historical estimates

All resource estimates for the Property as set out in this news release are historical. A historical resource estimate was made in 2010 (Table 1) by a local Chinese exploration group, which shows a resource of 4.83 million tonnes of mineralized material with an average grade of 133g/t silver and 0.23g/t gold (Chinese category 332+333). No National Instrument 43-101 (NI 43-101) compliant technical report has ever been completed for the Property, (or any other technical report, for the matter, has been completed for the Property). No party should rely on any of the historical estimates set out herein as the assumptions, parameters, and methods used to prepare the historical estimates herein are not known to the Company. The historical estimates do not use categories, and do not comply with sections 1.2 and 1.3 of NI 43-101, but rather use the Chinese Mineral Resources and Mineral Reserves Reporting Standard which are significantly different. There are no more recent estimates or data available to the Company. A NI 43-101 technical report is needed to verify the historical estimates set out herein. **A Qualified Person has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves; and the Company is not treating the historical estimates as current mineral resources or mineral reserves.**

Table 1 Historical Estimates

	Resource Cat.	Tonnage ('000t)	Contained Metal		Average Grade		
			Ag (tonne)	Au (kilogram)	Ag (g/t)	Au (g/t)	TFe (%)
Silver	332	1,587	204.73	373.46	129	0.24	
	333	3,245	440.17	708.08	135.64	0.23	
	332+333	4,832	644.9	1081.54	133.46	0.23	
Iron	333	3,115*					36.17*
	333	6,724					35.51
	333	9,839					35.72
Note	Cutoff of 40g/t silver is used. Asterisk * means iron is associated with silver mineralization 332-indicated intrinsic economic resource 333-inferred intrinsic economic resource						

Company geologists reviewed all available geological information and historical exploration data, and made two site visits to the Property in December 2011 and January 2012. During these visits, the geologists examined the historical drill cores and noticed that some intervals of silver-lead-zinc sulphide mineralization were included in the oxidized mineralized zones. To verify the assay data, the cores of sulphide intervals were quartered using a diamond saw. The assay results of verification samples were deemed consistent with historical grades. No verification samples were taken from the oxidized portions as the oxidized cores were mixed and no individual sample intervals could be identified. However, Company geologists took chip samples at the outcrops and artisanal open cuts of the oxidized zones and silver mineralization was confirmed in the gossanous zones. Historical drill intercepts and the results of verification sampling are summarized in Table 2 and Table 3. Assay results of surface chip samples of oxidized zones are summarized in Table 4.

The Company infers that the primary sulphide mineralization may represent multiple subvertical silver-lead-zinc sulphide veins. This interpretation is supported by observations of silver-lead-zinc sulphide veins exposed by underground drift workings adjacent to the Property. To better evaluate the economic potential of the Property, the Company will initiate a confirmation drill program in February and March 2012 to verify the historical drill results of the oxidized zones and the geometry of the primary silver-lead-zinc sulphide veins.

Table 2 Historical Drill Intercepts (Lead and Zinc were not assayed)

Hole_ID	Zone #	Depth (meter)		Interval	True Width	Ag	Au	TFe	Remarks
		From	To	(meter)	(meter)	g/t	g/t	%	
ZK407	DAg1	23.56	24.56	1	0.97	41	0.03		oxidized
ZK401	Ag4	4.4	6.22	1.82	1.82	147.58	0.11	9.11	oxidized
ZK401	DAg1	15.36	16.9	1.54	1.52	45	0.04	9.7	oxidized
ZK404	Ag4	26.86	29.19	2.33	2.33	125.28	0.05		oxidized
ZK406	Ag3	22.7	30.27	7.57	7.52	104.82	0.2		oxidized
	DAg2	38.41	43.11	4.7	4.63	61.23	0.17		oxidized
	Ag4	47.88	49.09	1.21	1.21	125.1	0.37		oxidized
	DAg3	57.8	59.51	1.71	1.7	68.12	0.15		oxidized
	Ag5	61.97	63.57	1.6	1.6	124.83	0.26		oxidized
	Ag6	77.28	79.64	2.36	2.36	118.28	0.15		oxidized
	Ag7	81.66	84.93	3.27	3.27	114.4	0.25		oxidized
	Ag8	96.79	98.63	1.84	1.84	81.72	0.08		oxidized
	DAg4	108.4	109.37	0.97	0.97	48	0.14		oxidized
	DAg5	111.45	112.55	1.1	1.1	59.2	0.74		oxidized
	Ag9	160.71	163.07	2.36	2.31	89.14	0.02		oxidized
	DAg6	163.07	163.97	0.9	0.88	43.2	0.03		oxidized
	DAg7	171.92	173.53	1.61	1.61	64.57	0.01		oxidized

Hole_ID	Zone #	Depth (meter)		Interval	True Width	Ag	Au	TFe	Remarks
	Ag10	173.53	174.36	0.83	0.83	80.8	0.01		oxidized
ZK801	Ag4/Fe1	2.8	12.45	9.65	9.26	130.31	0.09	41.62	oxidized
ZK808	Ag3	5.6	24.48	18.88	15.85	101.22	0.07		oxidized
ZK814	DAg10	10.72	13	2.28	1.99	60.03	0.34		oxidized
	DAg11	24.02	27.23	3.21	2.79	52.59	0.51		oxidized
	DAg12	37.14	38.57	1.43	1.14	43.2	0.27		oxidized
	Ag3	40.32	44.22	3.9	3.29	92.49	0.01		oxidized
	DAg8	44.22	46.97	2.75	2.38	75.77	0.03		oxidized
	Ag3-1	46.97	50.52	3.55	3.08	89.36	0.05		oxidized
	DAg13	84.93	86.68	1.75	1.63	62.05	0.06		oxidized
ZK818	Ag3	23.74	30.23	6.49	6.18	98.27	0.2		oxidized
	Ag3-1	35.09	36.09	1	0.95	93.3	0.04		oxidized
	DAg	39.29	48.69	9.4	8.71	54.9	0.2		oxidized
ZK1601	Fe2	80	94.37	14.37	12.65			46.86	oxidized
ZK1616	Dag	7.45	11.96	4.51	3.9	63.63	0.05		oxidized
	Ag2	11.96	14.7	2.74	2.37	104.33	0.04		oxidized
	Dag	23.45	25.9	2.45	2.33	41.9	0.04		oxidized
	Dag	36.4	56.18	19.78	18.6	51.6	0.07		oxidized
	Ag3	60.38	65.9	5.52	5.27	143.96	0.09		oxidized
	Ag4	85.35	97.65	12.3	11.48	129.46	0.04		oxidized
	Dag	97.65	100.54	2.89	2.7	68.42	0.02		oxidized
ZK2408	Ag4	31.25	41.5	10.25	10.14	200.22	0.21	18.67	oxidized
ZK2420	DAg17	39.47	42.47	3	2.88	53.68	0.02		oxidized
	Ag4	56.96	64.01	7.05	6.7	99.97	0.03		oxidized
	DAg18	86.84	88.64	1.8	1.75	62.9	0.12		oxidized
ZK2801	Ag2	52.24	55.29	3.05	2.96	118.75	0.14	23.42	oxidized
ZK2802	Ag3	27.9	33.5	5.6	5.04	213.17	0.91	21.75	oxidized
	Ag4	78.6	87.6	9	8.4	208.07	0.77	19.1	oxidized
ZK803	Ag1	30.4	36.7	6.3	6.13	177.52	0.69	21.72	oxidized
	Ag2	70.8	74	3.2	3.18	183.25	0.64	18.75	oxidized
ZK3203	Fe4	8.86	10.81	1.95	1.74			32.7	oxidized
	Ag3	18.74	27.75	9.01	8.02	118	0.43	35.5	oxidized
	DAg20	27.75	30.91	3.16	2.81	48.81	0.15	30.44	oxidized
	Ag3	30.91	46.16	15.25	13.59	173.79	0.07	10.86	oxidized
	Ag4	60.48	65	4.52	3.99	97.77	0.04	1.26	oxidized
	Ag4-2	68	69.61	1.61	1.42	111	0.02	4.42	oxidized
ZK3218	Ag2	44.79	48.4	3.61	3.03	118.2	0.1		oxidized
	DAg21	88.7	94.6	5.9	5.21	75.02	0.14		oxidized

Hole_ID	Zone #	Depth (meter)		Interval	True Width	Ag	Au	TFe	Remarks
	Ag3	117.07	118.49	1.42	1.34	103.2	0.26		oxidized
ZK3219	Dag22	43.58	55.6	12.02	9.6	56.01	0.42	17.88	oxidized
	Ag1	55.6	103.78	48.18	38.51	139.87	0.2	16.81	oxidized
	Ag1	103.78	106.15	2.37	2.37	145.67	0.08	20.73	Primary
ZK4020	DAg24	0	2.7	2.7	2.65	50.56	0.2	22.8	oxidized, Fe7: 33.82% from 9.59 to 35.87m
	Ag2	15.59	40.19	24.6	18.68	122.53	0.12	31.34	oxidized
	DAg27	40.19	42.59	2.4	2.35	64.08	0.02	4.39	oxidized
	Ag2-1	46.84	47.84	1	0.98	248.8	0.01	5	oxidized
	DAag28	49.34	51.49	2.15	2.1	51.25	0.1	7.87	oxidized,Fe6 34.36% from 65.65 to 70.53m
ZK4028	Ag1/Fe6	65.65	73.53	7.88	7.62	92.51	0.52	32.49	oxidized
	DAg24	78.28	79.48	1.2	1.18	41.7	0.48	36	oxidized,Fe6 37.62% from 100.72 to 111.09m
	Ag2/Fe6	100.72	104.25	3.53	3.5	132.13	0.15	36.19	oxidized
ZK4402	Ag1	32.81	40.76	7.95	7.91	130.11	0.14	14.7	oxidized
	Ag2	86.65	89.59	2.94	2.94	71.03	0.17	14.42	Primary
	Ag2	89.59	92.22	2.63	2.63	142.71	0.35	13.04	oxidized
ZK4401	Ag1	39.5	48.7	9.2	8.92	120.53	0.12	13.24	oxidized
	Ag2	51.72	53.22	1.5	1.46	92.3	0.01	12.75	oxidized
	Ag2	86	92.19	6.19	5.99	127	0.17	16.8	oxidized
	Ag2	95.19	96.73	1.54	1.49	88.6	0.13	8.88	oxidized
ZK5201	Ag11	80.08	81.37	1.29	1.09	165	0.09	15.69	oxidized
ZK5601	Ag11	37.1	38.5	1.4	1.36	93.8	0.26	20.41	Primary
ZK6001	Ag	163.55	167.76	4.21	4.21	89.26	0	8.04	Primary
ZK1603	Ag4	67.71	75.05	7.34	7.34	111.85	0.18	13.71	oxidized
ZK2410	Ag3	10.93	16.69	5.76	4.07	125.82	0.25	17.48	oxidized
	Ag4	31.39	40.7	9.31	8.99	113.41	0.22	16.17	oxidized
ZK2804	Ag4	51.92	61.45	9.53	8.24	131.32	0.25	22.21	oxidized
ZK3220	DAg22	105.55	110.46	4.91	2.56	52.82	0.23	18.66	oxidized
	Ag1	110.46	131.48	21.02	12.06	106.3	0.15	19.59	oxidized
ZK3601	Ag3	52.34	62.88	10.54	9.55	108.97	0.27	17.89	oxidized
ZK3602	Ag2	39.37	44.78	5.41	5.02	105.19	0.16	14.75	oxidized
ZK4030	Ag	72.9	81.13	8.23	6.05	114.28	0.1	23.38	oxidized
ZK4403	Ag3	38.58	46.96	8.38	7.84	96.05	0.19	13.17	oxidized
ZK4404	Ag2	41.55	51.38	9.83	9.51	114.92	0.23	13.88	oxidized
	Ag2	138.14	144.7	6.56	6.56	106.31	0.15	11.52	Primary

Table 3 Assay Results of Primary Sulphide Intervals

				Historical Assay					Confirmation Assay				
Hole ID	Depth (meter)		Interval	Au	Ag	Cu	Pb	Zn	Au	Ag	Cu	Pb	Zn
	From	To	(meter)	(g/t)	(g/t)	(%)	(%)	(%)	(g/t)	(g/t)	(%)	(%)	(%)
ZK2801	216.55	218.12	1.57	0.12	63	0.38	9.04	9.15	0.17	68	0.36	7.97	8.21
ZK3219	103.78	107.14	3.36	0.06	113.36	0.31	0.35	8.72					
including	103.78	106.15	2.37	0.08	145.24	0.43	0.49	11.25	0.26	153	0.41	0.43	10.96
ZK4402	88.52	92.22	3.7	0.38	114.58	0.13	2.93	12.02					
including	89.59	92.22	2.63	0.35	142.78	0.17	3.74	16.31	0.67	178	0.2	2.97	12.55
ZK5601	37.1	38.5	1.4	0.26	93.8	0.22	4.43	1.06					
ZK6001	163.55	167.76	4.21	0	89.3	0.03	10.51	19.97					
including	163.55	164.65	1.1	0	106	0.04	24.14	31.44	0.03	125	0.07	>20	>30
	165.84	167.76	1.92	0	135	0.03	9.21	25.76					

Table 4 Assay Results of Surface Rock Sampling from Open Pit and Surface Outcrop

Location	Sample ID	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
D01	LM01	5	0.19	172	0.3	0.15	0.53
	LM02	5	0.46	95	0.39	0.43	0.77
	LM03	5	0.35	18	0.19	0.17	0.41
	LM04	5	0.17	19	0.19	0.06	0.59
	LM05	5	0.23	130	0.32	0.09	0.29
	LM06	5	0.45	16	0.09	0.36	0.16
D02	LM08	grab	0.25	98	0.3	0.18	0.35
D03	LM07	5	0.11	39	0.23	0.26	0.46
D05	LM09	4	0.17	13	0.3	0.48	0.52
	LM10	5	1.5	290	0.27	0.25	0.41
	LM11	3.5	0.23	6	0.09	0.2	0.22

Quality Control

Company geologists, during their visits to the Property carried out the verification sampling on site. Samples were quartered from the remaining half cores using a diamond saw, sealed and shipped directly to the ALS lab at Guangzhou City, China (ALS). At ALS, samples were dried, crushed and pulverized to -200 mesh. Analysis for gold is standard fire assay plus AAS finish with overlimits going to gravimetric method. Silver, copper, lead, and zinc are assayed using four acid digestion by conventional ICP-AES analysis.

Alex Zhang, P.Geo., VP Exploration of the Company, is the Qualified Person under NI 43-101, has reviewed and given consent to the technical information in this press release.

Correction of news release dated February 27, 2012

The Company would like to correct the disclosure set out in a previous news release; the exploration permit is valid from February 23, 2012 to February 22, 2017, (instead of February 27, 2017).

About New Pacific Metals Corp.

New Pacific Metals Corp. is a Canadian near-term gold and silver production mining company engaged in the exploration and development of gold poly-metallic properties in the Yukon, Canada. The Company's current material project is the Tagish Lake Gold Property in Yukon Territory. With experienced management and sufficient technical and financial resources, the Company is well positioned to build shareholder value through discovery, exploration and resource development.

For more information about New Pacific, visit New Pacific's website at www.newpacificmetals.com or contract New Pacific Metals Corp., Jason Nickel, Vice President Engineering, Phone: (604) 669-9397, Fax: (604) 669-9387, or New Pacific Investor Relations at 604-633-1368 or send inquires to info@newpacificmetals.com Website: www.newpacificmetals.com

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 price of metals; the accuracy of mineral resource estimates at the Company's material properties; the sufficiency of the Company's capital to finance the Company's operations; estimates of the Company's capital expenditures; and timing of receipt of permits and other regulatory approvals.

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: exploration and development risks associated with our mineral operations; permitting matters; calculations of mineral resources and corresponding grades; fluctuation in commodity prices; reliance on key personnel; government regulations; risks associated with acquisitions; environmental liability claims and insurance; the need for additional financing; title matters; the volatility of our common share price and volume; dilution; the absence of dividends; competition; and the potential for conflicts of interests among certain officers, directors or promoters with certain other projects. 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, 2011 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 news 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.