

JUNE 2024

Silver Sand PFS Presentation



New Pacific Metals Corp.

TSX: **NUAG** | NYSE American: **NEWP**

Cautionary Note

CAUTIONARY NOTE REGARDING RESULTS OF PRELIMINARY ECONOMIC ASSESSMENT

The results of the PEA prepared in accordance with NI 43-101 titled "Technical Report – Silver Sand Deposit Preliminary Economic Assessment" dated February 16, 2023 and with an effective date of November 30, 2022 and prepared by certain qualified persons associated with AMC Consultants are preliminary in nature and are intended to provide an initial assessment of the Project's economic potential and development options of the Project. 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 Consultants (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 for the purposes of NI 43-101 are Mr. John Morton Shannon, P. Geo., General Manager and Principal Geologist at AMC Consultants, Mr. Wayne Rogers, P. Eng. and Mr. Mo Molavi, P. Eng., both Principal Mining Engineers with AMC Consultants, Mr. Andrew Holloway P. Eng., Process Director with Halyard Inc., and Mr. Leon Botham P. Eng., Principal Engineer with NewFields Canada Mining & Environment ULC, in addition to Ms. Dinara Nussipakynova, P. Geo., Principal Geologist formerly with AMC Consultants, who estimated the Mineral Resources (collectively, the "Technical Report Authors"). All qualified persons for the PEA have reviewed the disclosure of the PEA herein. The PEA is based on the MRE, which was reported on November 28, 2022. The effective date of the MRE is October 31, 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.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain of the statements and information in this presentation 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: the results of the PEA; the results of the PFS, including, but not limited to, the anticipated post-tax NPV and IRR at the Project, the anticipated annual payable metal production at the Project, the anticipated capital costs at the Project, the anticipated pre-tax all-in sustaining cost at the Project and the anticipated capital and operating costs at the Project; expectations regarding the Project, including, but not limited to, the anticipation that the Project will be an open-pit mining operation, the anticipation that mining at the Project will be completed by a contract mining company, the anticipation that there will be a mineral processing plant producing silver doré on site at the Project, the anticipation that the mine at the Project will be connected to the national electricity grid, the anticipation that ore will be hauled to a crusher or to ROM stockpiles, the anticipation that waste will be hauled to external and in-pit waste rock dumps, the anticipation that 28.0 million tonnes of pre-production mining will occur over a two-year pre-production period, the anticipation that mining will commence in Year 2, the anticipation that peak open-pit production will be 18.0 Mt of total material mined in Year 8, the anticipation that 52.0 Mt of ore will be mined from open pit operations over the life of mine, the anticipation that thickened tailings from the CCD circuit will be filtered with pressure filters before being conveyed to the nearby waste storage (waste rock and tailings) facility, the anticipation that a waste storage facility will be built up using mine waste, the anticipation that, upon mine closure, the tailings disposal area will be capped with mine rock, the anticipation that process water will be primarily sourced from dammed water reservoir adjacent to the process plant and recycled water from the dry stack tailings supplemented by runoff from the waste storage facility, plant site and open pits, the expectation of broader communities that ASM activities will cease, the anticipation that the Company will achieve a favorable resolution with respect to ASM activities, the anticipation of positive development outcomes for the Project, benefiting local communities, the Plurinational State of Bolivia, and the Company's shareholders over the next two decades, and beyond, pending positive exploration success, the anticipated project site layout, the anticipated project process flow sheet, the anticipation of signing a coexistence agreement with CoOps and the anticipation of obtaining the ratification and approval of the signed MPC; estimates regarding Mineral Reserves and Mineral Resources; 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 PFS; and estimates of the Company's revenues and capital expenditures; and other future plans, objectives or expectations of the Company.

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 public health crises (such as a resurgence of the COVID-19 novel coronavirus); 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, 2023 (the "AIF"). 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 presentation 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: global economic and social impact of public health crises 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 MPC with the COMIBOL, the Bolivian state mining corporation, by the Plurinational Legislative Assembly of Bolivia; 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 presentation 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 presentation 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 presentation.

CAUTIONARY NOTE TO US INVESTORS

This presentation 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 United States companies subject to the disclosure requirements of the SEC.

Additional information relating to the Company, including the AIF, can be obtained under the Company's profile on SEDAR+ at www.sedarplus.ca, on EDGAR at www.sec.gov, and on the Company's website at www.newpacificmetals.com.

Silver Sand: High Grade, Near Surface Deposit

NI 43-101 Mineral Resources Estimate

Class	Tonnes (Mt)	Ag (g/t)	Ag (Moz)
Measured	14.9	131	62.6
Indicated	39.4	110	139.2
Measured + Indicated	54.3	116	201.8
Inferred	4.6	88	13.0

Notes:

- CIM Definition Standards (2014) were used for reporting the Mineral Resources.
- The qualified person (as defined in NI 43-101) is Dinara Nussipakynova, P.Geo. of BBA, formerly employed with AMC Consultants (Canada) Ltd. ("AMC Consultants).
- Mineral Resources are constrained by optimized pit shells at a metal price of US\$22.50/oz Ag, recovery of 91% Ag and cut-off grade of 30 g/t Ag.
- Drilling results up to July 25 2022.
- The numbers may not compute exactly due to rounding.
- Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Source: AMC Mining Consultants (Canada) Ltd.

NI 43-101 Mineral Reserve Estimate

Class	Tonnes (Mt)	Ag (g/t)	Ag (Moz)
Proven	15.1	121	58.8
Probable	36.9	98	116.6
Proven + Probable	52.0	105	175.4

Notes:

- CIM Definition Standards (2014) were used for reporting the Mineral Reserves.
- The qualified person is Wayne Rogers, P.Eng. of AMC Consultants.
- Cut-off grade of 27 g/t Ag for material inside the administrative mining contract ("AMC"), and 29 g/t Ag outside the AMC limit based on operating costs of 16.71 US\$/t of ore, 91% Ag metallurgical recovery, 0.50 US\$/oz Ag treatment and selling costs, 6% royalty within AMC, 12% royalty outside AMC, and 99.00% payable silver.
- Ag price assumed is US\$23.00 per oz.
- Mineral Reserves include dilution and mining recovery.
- Mineral Reserves are converted from Mineral Resources through the process of pit optimization, pit design, production schedule and supported by a positive cash flow model.
- The totals may not sum due to rounding.
- Probable Mineral Reserves are based on Indicated Mineral Resources only.
- Proven Mineral Reserves are based on Measured Mineral Resources only.
- Ag metal (Moz) represents contained metal.

Source: AMC Mining Consultants (Canada) Ltd.

PFS Contributors

- **Mineral resource:** AMC Mining Consultants (Canada) Ltd.
- **Geotechnical and Hydrogeological:** Itasca Chile and HydroTechnica Ltd
- **Mining and infrastructure:** AMC Mining Consultants (Canada) Ltd.
- **Metallurgy and processing:** Halyard Inc.
- **Tailings, water and waste management:** NewFields Canada Mining & Environment ULC.
- **Environmental & Social:** Tierralta/Wood
- **Financial analysis:** AMC Mining Consultants (Canada) Ltd.



PFS Highlights

- **Post-Tax NPV (5%):** \$740 million (\$24.00/oz Ag)
 - \$638 million (\$22.50/oz Ag)
- **Post-Tax IRR: 37%** (\$24.00/oz Ag)
 - 33% (\$22.50/oz Ag)
- **Initial capital costs:** \$358 million
 - **Sustaining capital:** \$85 million
- **Total AISC:** \$10.69/oz
- **Post-tax payback:** 1.9 years (\$24.00/oz Ag)

Items	Unit	Value
Total Ore Mined ¹	Kt	52,014
Open Pit Strip Ratio	t:t	3.3:1
Annual Processing Rate	Kt	4,000
LOM Silver Head Grade	g/t	105
Silver Recovery (Tank Leaching + Merrill Crowe) ²	%	90%
Mine Life ³	Years	13
First 3 years Annual Silver Production	Moz	15
Silver Price	US\$/oz	24.00
Silver Payable	MOz	157

Note:

1. LOM average strip ratio. Does not consider material mined during the pre-production period.
2. LOM Average
3. Excludes pre-production period.

PFS Capital Cost Estimate

Description	Cost (\$M)
Mine pre-production and development costs	76
Processing plant	207
TSF ² and site infrastructure	54
Owner's cost	21
Initial capital	358
Life of mine sustaining capital ³	85

Project Advantages

- **Contract mining:** eliminates procurement of mining fleet and sustaining capital for fleet replacement
- **Connection to the electrical grid:** low-cost power
- **Access via government highways:** access road is currently being upgraded by the government

Key Differences from the PEA¹

- 10Mt of waste material moved from production phase of the PEA to pre-production phase (~\$30 M)
- Larger silver leach circuit(~\$20 M)

Note:

1. Silver Sand Deposit Preliminary Economic Assessment, effective date of November 30, 2022, available at www.newpacificmetals.com or SEDAR+
2. Tailings capital includes initial earthworks, liners/membranes, and a water management facility. The cost of transporting and placement of material to build the tailings embankment is included in mine pre-production and development costs. Ongoing tailings embankment costs are included in mine operating costs and sustaining capital.
3. Sustaining capital costs include expansion of the TSF, refurbishment and replacement of processing equipment, and mine closure.

PFS Project Economics

Items	Unit	Value
Annual Processing Rate	Kt	4,000
LOM Silver Head Grade	g/t	105
Silver Recover	%	90%
Silver Price	\$/oz	24.00
Initial Capital Costs	\$M	358
LOM Total Gross Revenue	\$B	3.8
Mining cost	\$/t milled	9.3
Processing cost (including tailings)	\$/t milled	13.7
General and Administration cost	\$/t milled	1.65
Operating Costs (Total)	\$/t milled	24.63
Total All-In Sustaining Cost	US\$/oz Ag	10.69
Payback Period (Post-tax)	Yrs	1.9
Cumulative Net Cash Flow (Pre-tax)	\$M	1,733
Cumulative Net Cash Flow (Post-tax)	\$M	1,162
Post-tax NPV (5%)	\$M	740
Post-tax IRR	%	37%
NPV to Capex Ratio	:\$	2.1:1

PFS Economic Sensitivities

	Silver Price Sensitivity				
Silver Price (US\$/Troy Oz.)	\$18.00	\$21.00	\$24.00	\$27.00	\$30.00
Results (post-tax NPV (5%) / IRR)	329 / 22%	535 / 30%	740 / 37%	936 / 43%	1,124 / 48%
	Cost Sensitivity (post-tax NPV (5%) / IRR)				
Sensitivity Items	-20%	-10%	100% (Base Case)	+10%	+20%
Mine Operating Cost	784 / 38%	762 / 37%	740 / 37%	719 / 36%	697 / 36%
Process Operating Cost	803 / 39%	773 / 38%	740 / 37%	708 / 36%	676 / 35%
Life-of-Mine CAPEX	797 / 46%	770 / 41%	740 / 37%	711 / 33%	682 / 30%

Next Steps for Silver Sand

1. Work to finalize Environmental Impact Assessment Study submission, requires:
 - a) Surface rights for project area (land lease agreements)
 - b) Resettlement and compensation plan
 - c) Implementation of measures to safeguard cultural and historical heritage
2. Engage with Corporación Minera de Bolivia (COMIBOL) to obtain ratification of the signed Mining Production Contract (MPC)

Silver Sand – Precious Metals Comparison

Silver Projects	Silver Sand	Cordero	Corani	Diablillos	Terronera
Company	New Pacific	Discovery Silver	Bear Creek	AbraSilver	Endeavour Silver
Study	2024 PFS	2024 FS	2019 FS	2024 PFS	2021 FS
Mining Method	Open Pit	Open Pit	Open Pit	Open Pit	Underground
Processing Capacity (Mtpa)	4.0	19.2	9.9	3.2	0.6
Annual Payable Ag Production (Moz)	12	12	10	8	3
LOM Payable Ag Production (Moz)	157	230	144	103	39
LOM Ag Revenue / Total Revenue (%)	100%	42%	50%	58%	56%
Initial & Expansion Capex (US\$M)	\$358	\$914	\$579	\$373	\$175
Post-Tax NPV 5% (US\$M)	\$740	\$1,177	\$532	\$494	\$174
NPV 5% / Initial & Expansion Capex	2.1	1.3	0.9	1.3	1.0
IRR (%)	37%	22%	23%	26%	21%
Post-Tax Payback (year)	1.9	5.2	2.4	2.4	3.6

Gold Projects	Silver Sand	Tocantinzinho	Valentine	Twin Hills	Nyanzaga
Company	New Pacific	G Mining	Calibre Mining	Yintai Gold	Perseus
Study	2024 PFS	2022 FS	2022 FS	2023 FS	2022 FS
Mining Method	Open Pit	Open Pit	Open Pit	Open Pit	OP/UG
Processing Capacity (Mtpa)	4.0	4.6	4.0	5.0	4.0
Annual Payable Au Production (koz)	150^a	175	179	152	234
Initial & Expansion Capex (US\$M)	\$358	\$427	\$397	\$365	\$474
Post-Tax NPV 5% (US\$M)	\$740	\$622	\$486	\$480	\$618
NPV 5% / Initial & Expansion Capex	2.1	1.5	1.2	1.3	1.3
IRR (%)	37%	24%	22%	28%	25%
Post-Tax Payback (year)	1.9	3.2	2.8	2.2	3.7

Note a: AuEq based on \$25/oz Ag and \$2,000/oz Au
Sources: S&P Capital IQ, Company filings.

World-Class Silver and Gold Deposits in Bolivia

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