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**High Grade Copper-Silver Zone discovered in the Jinhe Permit and layered  
Copper-Nickel-Cobalt-Platinum-Palladium mineralization discovered in the Nantianwan  
Permit of the Kang Dian Project, Sichuan Province, China**

VANCOUVER, BRITISH COLUMBIA--(January 16, 2007) - New Pacific Metals Corp. ("NUX") reports its exploration progress on the Jinhe and the Nantianwan prospects of the Kang Dian Project, Sichuan Province, China for the year of 2006. The Jinhe and the Nantianwan permit areas are located at the north and south ends of a Permian aged gabbro-pyroxenite layered batholith approximately 20 km in length and about 10 km in width in late Precambrian dolomitic limestone sequences within the Panxi Rift. Numerous ultramafic sills that intruded in the batholith and late Cambrian sediments contain Copper (Cu), Silver (Ag), Nickel (Ni), Platinum (Pt), Palladium (Pd) mineralization.

**Jinhe Permit Area**

A rich copper-silver mineralized zone was discovered through testing the soil geochemical anomalies of about 2,500 metre long and 400 metre wide toward the east boundary of the Jinhe Permit area. The copper-silver mineralization zone (HCW zone) occurs in the Cambrian dolomitic limestone interbedded with silt slates that were intruded by ultramafic sills. The HCW copper-silver mineralization zone was traced almost 2,000 m long by surface trenches and mapping, extending near north-south direction and dipping to the west at about a 60 degree angle. In addition to the HCW main zone, two branch copper-silver zones were also mapped out.

In surface outcrops and trenches, copper-silver mineralization exists as copper-bearing limonitic fracture materials due to weathering, whereas in the tunnels, carbonate vein structure containing massive tetrahedrite (copper-silver bearing mineral) nodules or bands occurs along the shear fault near the contacts between ultramafic sill (hanging wall) and dolomitic limestones (footwall). Two tunnels, PD1 (1670 metre elevation) and PD2 (1590 metre elevation) at about 80 metre vertical interval have been developed to access the HCW zone and only 150 metre long drift tunnels through PD1 were completed along the vein so far. An old tunnel, LD1 (elevation 1715 m) is located about 40 metres above the tunnel PD1 at 1710 metre elevation. Massive tetrahedrite (copper-silver bearing mineral) nodules or bands were exposed at all three cross-cut and drift tunnels.

Assay results from surface trenches are outlined in Table 1 and results from tunnels are outlined on Table 2. Trench results are much lower than those from tunnels as a result of surface leaching. The highest assay results from surface trenches are from TC 2009, grading 11.05% Cu and 1,090 gram per tonne (g/t) Ag. The highest result from tunnels yields grades of 26% copper and 876 g/t Ag over a 0.24 m

true width at tunnel PD1.

**Table 1: Surface Trench Assay Results**

Trench No.	Sample No.	Sampling Length (metre)	Cu (%)	Ag (g/t)	Remark
TC208	H1	Grab sample	0.011	< 5	grab
TC209	H9	Grab sample	11.05	1090	grab
TC201	M380066	1	0.09	no assay	channel
TC201	M380067	1	0.17	no assay	channel
TC201	M380068	1	0.08	no assay	channel
BT202	M380076	0.3	0.09	no assay	channel
TC201S	M380107	1	0.2	no assay	channel
TC215	TC215-H8	1.2	0.1	6.55	channel
TC216	TC216-H1	0.4	1.52	112	channel
TC217	TC217-H3	1.1	0.022	< 5	channel
TC217	TC217-H5	0.7	0.022	< 5	channel
TC220	TC220-H1	0.25	0.15	< 5	channel
TC220	TC220-H2	1.5	0.015	< 5	channel
TC220	TC220-H3	Grab sample	0.45	17.3	grab

**Table 2: Tunnel Assay Results**

Tunnel No.	Elevations (metre )	Sample No.	Distance to PD1 (to north '+',to south '-') (metre)	True Thickness (metre )	Cu (%)	Ag (g/t)
LD1	1715	M380010		0.39	1.05	no assay
LD1	1715	M380015		0.39	9.09	no assay
LD1	1710	M380417		0.18	16.82	no assay
LD1	1710	M380422		0.17	9.39	no assay
LD1	1710	M380423		0.17	2.54	no assay
LD1	1715	M380092		0.45	3.48	no assay
LD1	1715	M380093		0.32	2.36	no assay
LD1	1715	M380094		0.6	1.08	no assay
PD1-Nym1	1670	H32	+67	0.09	1.63	19.2
PD1-Nym1		H25	+52	0.14	11.49	112
PD1-Nym1		H23	+47	0.23	21.48	272
PD1-Nym1		H21	+42	0.1	4.27	58.7
PD1-Nym1		H15	+26	0.13	4.73	47.5
PD1-Nym1		H13	+21	0.16	2.75	51.6
PD1-Nym1		H10	+16	0.14	17.45	307
PD1-Nym1		H7	+11	0.12	3.71	37.7

PD1-Nym1		H4	+6	0.22	6.87	86.9
PD1-Nym1		H2	+1	0.09	5.94	109
PD1-Sym1		H4	-5	0.06	1.39	54.9
PD1-Sym1		H12	-20	0.25	10.33	135
PD1-Sym1		H15	-24	0.33	14.59	157
PD1-Sym1		H18	-29	0.26	15.46	224
PD1-Sym1		H29	-50	0.27	2.09	51.8
PD1-Sym1		H31	-55	0.27	14.03	205
PD1-Sym2		H33	-66	0.21	8.76	236
PD1-Sym1		H40	-71.5	0.18	26.00	876
PD1-Sym1		H42	-75	0.4	11.71	486
PD1	1696	SS-1	Raise	0.34	11.65	200
PD2	1590	PD2 - H14	Cross - cut	0.73	3.73	290

Four massive tetrahedrite sheets or shoots ranging from 10 m to 30 metre in length yielding high copper-silver grade were identified in tunnel PD1 through sampling at 5-metre intervals along the 150 m long drift tunnel. The massive tetrahedrite sheets have a cumulated length of 75 metre out of 150 metre long drift, yielding a 50% ratio of high grade mineralization. The highest result from the drift graded 26% copper and 876 g/t silver over a 0.24 m interval. Tunnel PD2, approximately 80 metre below tunnel PD1, crosscuts the HCW zone, yielding grades of 3.73% copper and 290 g/t silver over a 0.75 m interval.

Currently access to the HCW zone is by trail and tunneling is powered by diesel fuel. Due to current weather conditions and limited access tunneling has been temporarily suspended. NUX plans to build road and install power line in 2007 to expand the tunneling program to include at least four new tunnels with the objective of defining a high grade copper-silver resource that will lead to an early production decision.

#### Nantianwan Permit Area

A new Cu-Ni-Co mineralization layer was discovered in layered gabbro intrusion in the Da-Ping-Zi, area located near the northern border of the Nantianwan Permit. Surface mapping and trenching has outlined an east-west Cu-Ni-Co zone of approximately 50 metres wide and over 300 metres long, which remains open along the strike. Assay results of two trenches have indicated long intervals of mineralization as listed below:

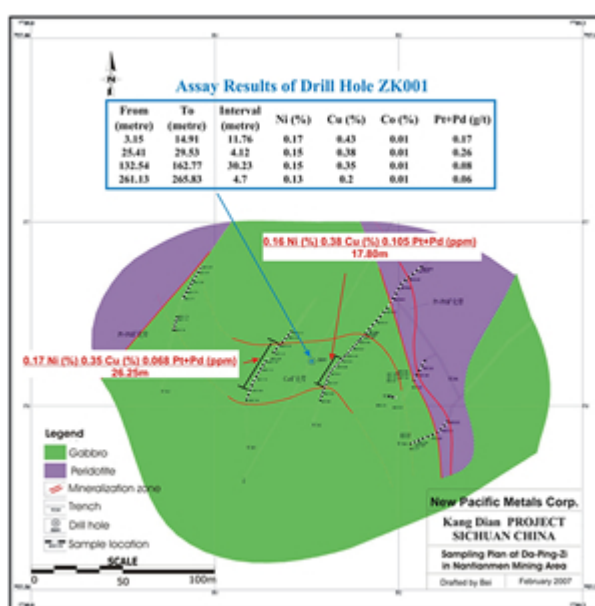
**Table 3**

No.	Interval (metre)	Cu (%)	Ni (%)	Pt+Pd (ppm)
TC301	36.00	0.33	0.16	0.06
TC302	57.00	0.34	0.15	0.102

A diamond drill hole, ZK001, near the first trench TC301 was drilled to a depth of 297.71 metres to test the surface Cu-Ni zone. Major rock units intercepted in the drill hole include medium to fine grained, layered gabbro. Assay results of the drill hole are outlined in Table 4 below:

**Table 4**

From (metre)	To (metre)	Interval (metre)	Ni (%)	Cu (%)	Co (%)	Pt+Pd (g/t)
3.15	14.91	11.76	0.17	0.43	0.01	0.17
25.41	29.53	4.12	0.15	0.38	0.01	0.26
132.54	162.77	30.23	0.15	0.35	0.01	0.08
261.13	265.83	4.70	0.13	0.20	0.01	0.06



Sampling Plan at Da-Ping-Zi in Nantianmen Mining Area

### Quality Control

The company has implemented a quality control program to ensure best practice in sampling and analysis of the tunnel and drill hole samples. All samples are shipped directly in security sealed bags to the two certified Laboratories, the Laboratory of Sichuan Bureau of Geology and Mineral Resources in Chengdu and the Testing Centre of Yunnan Province Bureau of Non-ferrous Metals Geology for cross checking. Both laboratories are certified by China Bureau of Quality Control and Quality Assurance. In the laboratories, samples are dried, crushed, split, pulverized to 200 mesh, and then assay according the standardized ICP program. The Exploration work is carried out by Huaxi Mining Co. Ltd., a 75% subsidiary company of NUX and is directly supervised by Mr. Jigui Sun (BA, Geology), the General Manager of Huaxi and by Dr. Rui Feng, President of New Pacific.

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