South Pacific Metals Corp. Announces Closing of Shares for Debt Transaction with Convertible Debenture Holders

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Vancouver, B.C. – March 20, 2024 – South Pacific Metals Corp. (TSX-V: SPMC; FSE: 6J00) ("**SPMC**" or the "**Company**") announces that, further to its news release dated March 14, 2024, SPMC has completed a shares for debt transaction to settle the outstanding principal amount of C$1,270,000 plus accrued interest of C$79,726.63 owed to the 10% secured convertible debenture holders (the "**2023 Debentures**"). In total, the Company has issued 6,748,631 common shares of the Company at a price of C$0.20 per share to settle total indebtedness of C$1,349,726.63 (the "**Shares for Debt Transaction**").

The Company believes that the Shares for Debt Transaction will result in a stronger balance sheet with the elimination of the indebtedness owed under the 2023 Debentures.

All securities issued in connection with the Shares for Debt Transaction are subject to a four month and one day hold period from the date of issuance in accordance with the Canadian securities law. The Shares for Debt Transaction has received final acceptance of the TSX Venture Exchange.

Snowfields Wealth Management Limited ("**Snowfields**"), which is controlled by Geoffrey Lawrence, a director of the Company, and Dain Currie, a director of the Company, are insiders of the Company. Snowfields and Mr. Currie held $291,138.88 and $100,000, respectively, of the 2023 Debentures. As a result of the Shares for Debt Transaction, Snowfields was issued 1,550,752 common shares to settle the principal amount of $291,138.88 plus accrued interest of $19,011.53, and Mr. Currie was issued 526,503 common shares to settle the principal amount of $100,000 plus accrued interest of $5,300.55. Accordingly, the insider participation in the Shares for Debt Transaction constitutes a "related party transaction" for the Company within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval under MI 61-101 as the fair market value of each of the insider's participation in the Shares for Debt Transaction does not exceed more than 25% of the market capitalization of the Company, as set forth in Sections 5.5(a) and 5.7(1)(a) of MI 61-101.

About South Pacific Metals Corp. (SPMC)

SPMC is an Asia-Pacific focused gold mining company with four highly prospective gold-copper projects, Kili Teke, KRL South, KRL North and the May River Project. All projects are located in premier mining regions in PNG. Both KRL North and KRL South show potential to host high-grade epithermal and porphyry mineralisation, as seen elsewhere in the high-grade Kainantu Gold District. The May River project is near the world-renowned Frieda River Copper-Gold Project, with historical drilling indicating the potential for significant copper-gold projects. Kili Teke is an advanced development project with an existing inferred mineral resource. SPMC has a highly experienced board and management team with a proven track record of working together in the region; and an established in-country partner.

South Pacific Metals Corp.
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Disclaimer and Forward-Looking Information

Statements contained in this release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of SPMC. In making the forward-looking statements, SPMC has applied certain assumptions that are based on information available, including SPMC's strategic plan for the near and mid-term. There can be no assurance that such

information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. SPMC does not undertake to update any forward-looking information, except in accordance with applicable securities laws.