FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **New Break Resources Ltd.** (the "Issuer").

Trading Symbol: **NBRK**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

See attached condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022.

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

(b) A description of the transaction(s), including those for which no amount has been recorded.

(c) The recorded amount of the transactions classified by financial statement category.

(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

(e) Contractual obligations with Related Persons, separate from other contractual obligations.

(f) Contingencies involving Related Persons, separate from other contingencies.

See Note 9 to the condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

New Break issued 300,000 common shares during the period July 1 to September, 2023 (see Note 8(b) to the condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022 for details of the issuance of common shares).

The 300,000 common shares issued were in respect of the acquisition of mineral claims, which closed on July 21, 2023. The vendors of the property were at arm's length to the Issuer (see Note 8(b)(xiii) in the condensed interim financial statements).

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
	Common Shares							
July 21, 2023	Common shares	Property acquisition	300,000	$0.11	$33,000	Property	Arm's Length	N/A

(b) summary of options granted during the period,

Details of stock options are included in Note 8(c) to the condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022. No stock options were granted during the period July 1 to September 30, 2023.

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions;

See Note 8(a) to the condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022.

(b) number and recorded value for shares issued and outstanding,

See Note 8(b) to the condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022.

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value; and

See Note 8(d) "Stock Options" and Note 8(e) "Warrants" to the condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022.

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

See Note 8(c) to the condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

See page 20 of the attached management's discussion and analysis for the three and nine months ended September 30, 2023 dated November 29, 2023.

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

See attached management's discussion and analysis for the three and nine months ended September 30, 2023 dated November 29, 2023.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated November 29, 2023.

Michael Farrant
Name of Director or Senior Officer

s (Michael Farrant)
Signature

President and CEO
Official Capacity

Issuer Details Name of Issuer **New Break Resources Ltd.**	For Quarter Ended **September 30, 2023**	Date of Report YY/MM/DD **23/11/29**
Issuer Address **110 Yonge Street, Suite 1601**		
City/Province/Postal Code **Toronto, Ontario M5C 1T4**	Issuer Fax No. **N/A**	Issuer Telephone No. **416-278-4149**
Contact Name **Michael Farrant**	Contact Position **President and CEO**	Contact Telephone No. **416-278-4149**
Contact Email Address michael@michaelfarrant.ca	Web Site Address www.newbreakresources.ca	

NEWBREAK
RESOURCES

Condensed Interim Financial Statements

For the three and nine months ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)
(Unaudited)

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Management's Responsibility for Financial Statements

The accompanying condensed interim financial statements of New Break Resources Ltd. (the "Company" or "New Break") are the responsibility of management and the Board of Directors. These condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards ("IFRS") appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the condensed interim financial statements and (ii) the condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "Michael Farrant"	*(signed) "Jim O'Neill"*
Michael Farrant	Jim O'Neill
President and Chief Executive Officer	Chief Financial Officer

Toronto, Canada
November 29, 2023

Notice to Reader

The accompanying condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Stands for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with standards established by the Canadian Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

The accompanying condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The condensed interim financial statements as at and for the three and nine months ended September 30, 2023 have not been reviewed by the Company's auditor.

NEWBREAK RESOURCES

Condensed Interim Statements of Financial Position
As at
(Unaudited)

(Expressed in Canadian Dollars)		**September 30, 2023**	December 31, 2022
Assets			
Current assets			
Cash		**$ 200,739**	$ 230,462
HST receivable		**45,483**	38,849
Other amount receivable	Note 6	**21,000**	140,000
Prepaid expenses		**75,988**	188,781
		343,210	598,092
Non-current assets			
Mineral claim deposits	Note 6	**52,110**	52,110
Mineral properties	Note 6	**543,000**	225,000
Total Assets		**$ 938,320**	$ 875,202
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	Note 7	**$ 167,435**	$ 87,671
Flow-through share premium liability	Notes 8(b), 11	**22,918**	41,500
Total Liabilities		**190,353**	129,171
Shareholders' Equity			
Share capital	Note 8(b)	**3,456,142**	2,653,107
Warrant reserve	Note 8(e)	**194,430**	290,865
Stock option reserve	Note 8(d)	**308,388**	269,435
Deficit		**(3,210,993)**	(2,467,376)
Total Shareholders' Equity		**747,967**	746,031
Total Liabilities and Shareholders' Equity		**$ 938,320**	$ 875,202

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 11)
Subsequent events (Note 12)

Approved by the Board of Directors and authorized on November 29, 2023:

"*Michael Farrant*"
Michael Farrant
Director

"*Thomas Puppendahl*"
Thomas Puppendahl
Director

The accompanying notes form an integral part of these unaudited condensed interim financial statements

Condensed Interim Statements of Loss and Comprehensive Loss
For the periods ended
(Unaudited)

(Expressed in Canadian Dollars)		Three Months Ended September 30, **2023**	2022	Nine Months Ended September 30, **2023**	2022
Expenses					
Exploration and evaluation	Note 6	**$ 312,954**	$ 255,608	**$ 489,104**	$ 639,977
Management fees	Note 9	**37,500**	37,500	**112,500**	112,500
Consulting fees	Note 9	**788**	2,635	**12,849**	16,135
Professional fees		**9,980**	47,663	**43,089**	114,207
Investor relations		**46,538**	24,537	**193,067**	29,970
General and administrative		**25,641**	22,408	**75,022**	58,029
Shareholder costs and filing fees		**10,654**	18,561	**28,929**	37,243
Travel		**-**	-	**935**	9,648
Share-based compensation	Note 8(d)	**2,967**	-	**42,683**	-
Loss before the undernoted		**(447,022)**	(408,912)	**(998,178)**	(1,017,709)
Bank charges		**(205)**	(233)	**(932)**	(897)
Part X11.6 tax		**73**	-	**73**	-
Interest income		**4,102**	3,226	**6,596**	6,278
Flow-through share premium recovery	Note 11	**38,128**	81,175	**85,342**	230,121
Net loss and comprehensive loss for the period		**$ (404,924)**	$ (324,744)	**$ (907,099)**	$ (782,207)
Net loss per share					
Basic and diluted loss per share		**$ (0.01)**	$ (0.01)	**$ (0.02)**	$ (0.02)
Weighted average number of shares outstanding – basic and diluted		**47,507,383**	39,716,891	**43,896,223**	38,624,813

The accompanying notes form an integral part of these unaudited condensed interim financial statements

NEWBREAK RESOURCES

Condensed Interim Statements of Changes in Shareholders' Equity

(Unaudited)

		Share Capital		Reserves			
(Expressed in Canadian Dollars)	Note	Number of Shares	Amount	Warrants	Stock Options	Deficit	Total
Balance at December 31, 2021		**37,772,750**	**$ 2,138,423**	**$ 233,951**	**$ 261,100**	**$ (1,510,184)**	**$ 1,123,290**
Shares issued for cash as part of unit financings	8(b)(i)(ii)	1,258,000	314,500	-	-	-	314,500
Warrants issued as part of unit financings	8(b)(i)(ii)	-	(85,806)	85,806	-	-	-
Exercise of warrants	8(b)(iv)(v)(vi)(vii)	875,000	159,340	(28,090)	-	-	131,250
Exercise of stock options	8(b)(iii)	250,000	43,650	-	(18,650)	-	25,000
Net loss for the period		-	-	-	-	(782,207)	(782,207)
Balance at September 30, 2022		**40,155,750**	**2,570,107**	**291,667**	**242,450**	**(2,292,391)**	**811,833**
Flow-through shares issued for cash	8(b)(viii)	830,000	124,500	-	-	-	124,500
Flow-through premium	8(b)(viii)	-	(41,500)	-	-	-	(41,500)
Expiry of warrants	8(e)	-	-	(802)	-	802	-
Share-based compensation	8(d)	-	-	-	26,985	-	26,985
Net loss for the period		-	-	-	-	(175,787)	(175,787)
Balance at December 31, 2022		**40,985,750**	**2,653,107**	**290,865**	**269,435**	**(2,467,376)**	**746,031**
Flow-through shares issued for cash	8(b)(xi)	3,338,000	500,700	-	-	-	500,700
Flow-through premium	8(b)(xi)	-	(66,760)	-	-	-	(66,760)
Share issue costs	8(b)(xi)	-	(17,459)	4,544	-	-	(12,915)
Shares issued for purchase of mineral claims	8(b)(x)(xiii)	1,800,000	228,000	-	-	-	228,000
Exercise of warrants	8(b)(ix)(xii)	1,448,850	256,919	(39,592)	-	-	217,327
Issuance of incentive warrants	8(b)(xii)	-	(98,365)	98,365	-	-	-
Expiry of warrants	8(e)	-	-	(159,752)	-	159,752	-
Expiry of stock options	8(d)	-	-	-	(3,730)	3,730	-
Share-based compensation	8(d)	-	-	-	42,683	-	42,683
Net loss for the period		-	-	-	-	(907,099)	(907,099)
Balance at September 30, 2023		**47,572,600**	**$ 3,456,142**	**$ 194,430**	**$ 308,388**	**$ (3,210,993)**	**$ 747,967**

The accompanying notes form an integral part of these unaudited condensed interim financial statements

Condensed Interim Statements of Cash Flows
For the periods ended
(Unaudited)

(Expressed in Canadian Dollars)		Three Months Ended September 30, **2023**	2022	Nine Months Ended September 30, **2023**	2022
Cash flows from operating activities					
Net loss for the period		**$(404,924)**	$(324,744)	**$ (907,099)**	$ (782,207)
Adjustments not affecting cash:					
Flow-through share premium recovery	Note 11	**(38,128)**	(81,175)	**(85,342)**	(230,121)
Share-based compensation	Note 8(d)	**2,967**	-	**42,683**	-
Operating cash flows before changes in non-cash working capital:		**(440,085)**	(405,919)	**(949,758)**	(1,012,328)
Changes in non-cash working capital:					
HST receivable		**(16,722)**	(52,093)	**(6,634)**	(83,519)
Other amount receivable	Note 6	**(21,000)**	(60,000)	**119,000**	(60,000)
Prepaid expenses		**6,803**	5,682	**112,793**	(267,125)
Accounts payable and accrued liabilities		**52,815**	46,490	**79,764**	73,526
Cash used in operating activities		**(418,189)**	(465,840)	**(644,835)**	(1,349,446)
Cash flows from investing activities					
Purchase of mineral claims	Note 6	**(10,000)**	-	**(90,000)**	-
Cash used in investing activities		**(10,000)**	-	**(90,000)**	-
Cash flows from financing activities					
Proceeds from private placements	Note 8(b)	**-**	-	**500,700**	314,500
Share issue costs	Note 8(b)(xi)	**-**	-	**(12,915)**	-
Exercise of warrants	Note 8(e)	**-**	131,250	**217,327**	131,250
Exercise of stock options	Note 8(d)	**-**	25,000	**-**	25,000
Cash provided by financing activities		**-**	156,250	**705,112**	470,750
Decrease in cash during the period		**(428,189)**	(309,590)	**(29,723)**	(878,696)
Cash, beginning of period		**628,928**	668,522	**230,462**	1,237,628
Cash, end of period		**$ 200,739**	$ 358,932	**$ 200,739**	$ 358,932
Supplemental cash flow information:					
Value of finders' warrants issued	Note 8(b)(xi)	**$ -**	$ -	**$ 4,544**	$ -
Value of common shares issued for Purchase of mineral claims	Note 6	**$ 33,000**	$ -	**$ 228,000**	$ -

The accompanying notes form an integral part of these unaudited condensed interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

New Break Resources Ltd. (the "Company" or "New Break") is a Canadian mineral exploration company currently engaged in the acquisition, exploration and evaluation of mineral properties in Canada. All of the Company's mineral property interests are currently in the exploration and evaluation stage.

The Company was incorporated under the name "8861587 Canada Corporation" under the laws of Canada on April 18, 2014. Effective December 28, 2018, the Company changed its name to New Break Resources Ltd. On November 24, 2021, New Break was also registered as Extra-Territorial in Nunavut, Canada. On September 7, 2022, the Company became listed on the Canadian Securities Exchange (the "CSE") and trades under the symbol NBRK. The address of the Company's corporate office and principal place of business is 110 Yonge Street, Suite 1601 Toronto, Ontario, M5C 1T4, Canada.

These financial statements have been prepared on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern, and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. Such adjustments could be material. It is not possible to predict whether the Company will be able to raise adequate financing or to ultimately attain profitable levels of operations. Changes in future conditions could require material write downs of the carrying values.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that the exploration programs will result in profitable operations. The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition of these assets.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, indigenous claims, and non-compliance with regulatory, environmental and social licensing requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

The Company has not realized a profit from operations and has incurred expenditures related to property exploration, resulting in a cumulative deficit of $3,210,993 as at September 30, 2023 (December 31, 2022 - $2,467,376). The recoverability of the carrying value of mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its property interests on an advantageous basis. Management cannot provide assurance that it will be successful in future financing activities or be able to execute its business strategy. As at September 30, 2023, the Company had current assets of $343,210 (December 31, 2022 - $598,092) to cover current liabilities of $167,435 (December 31, 2022 - $87,671), exclusive of non-cash flow-through share premium liability. These conditions indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

Statement of Compliance

These condensed interim financial statements (the "financial statements") have been prepared in accordance with IAS 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and include interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The preparation of these unaudited condensed interim financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expense. In management's opinion, all adjustments considered necessary for a fair presentation have been included in these unaudited condensed interim financial statements. Interim results are not necessarily indicative of the results expected for the financial year. Actual annual results may differ from interim estimates. The significant judgments made by management applied in the preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended December 31, 2022. For a description of the Company's critical accounting estimates and assumptions, please refer to the Company's audited financial statements and related notes for the year ended December 31, 2022.

Basis of Presentation

These financial statements have been prepared on the historical cost basis, except for financial instruments designated at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These financial statements do not include all the information required for full annual financial statements and therefore should be read in conjunction with the audited financial statements of the Company as at and for the year ended December 31, 2022. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes to the Company's financial position and performance since the last audited annual financial statements.

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

Adoption of New Accounting Standards

These financial statements have been prepared following the same accounting policies and methods of computation as the audited annual financial statements for the year ended December 31, 2022. The Company adopted the following accounting standards and amendments to accounting standards, effective January 1, 2023:

On February 12, 2021, the IASB issued Definition of Accounting Estimates (Amendments to IAS 8). The amendments require the disclosure of material accounting policy information rather than disclosing significant accounting policies and clarifies how to distinguish changes in accounting policies from changes in accounting estimates. The adoption of the new standard did not impact the financial statements of the Company.

On February 12, 2021, the IASB issued Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgments). The amendments help companies provide useful accounting policy disclosures. The adoption of the new standard did not impact the financial statements of the Company.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES (Continued)

New Accounting Standards Issued but Not Yet Effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after September 30, 2023:

• Classification of Liabilities as Current or Non-current (Amendments to IAS 1) effective for annual periods beginning on or after January 1, 2024.

• Lease Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases) effective for annual periods beginning on or after January 1, 2024.

None of these pronouncements are expected to have a significant impact on the Company's financial statements upon adoption. The Company does not intend to early adopt these standards

Approval of the Financial Statements

These financial statements of the Company for the three and nine months ended September 30, 2023 and 2022 were approved and authorized for issue by the Board of Directors on November 29, 2023.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT

Use of Estimates and Judgment

The preparation of financial statements in conformity with IFRS requires that management make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities, profits and expenses. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended December 31, 2022.

4. FINANCIAL INSTRUMENTS

The Company manages its exposure to a number of different financial risks arising from its operations as well as its use of financial instruments including market risks (commodity prices, foreign currency exchange rate and interest rate), credit risk and liquidity risk through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility.

4. FINANCIAL INSTRUMENTS (Continued)

Financial risks are primarily managed and monitored through operating and financing activities and, if required, through the use of derivative financial instruments. The Company does not use derivative financial instruments for purposes other than risk management. The financial risks are evaluated regularly with due consideration to changes in the key economic indicators and up to date market information.

Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The Company may use derivative financial instruments such as foreign exchange contracts and interest rate swaps to manage certain exposures. These market risks are evaluated by monitoring changes in key economic indicators and market information on an ongoing basis.

Commodity Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company monitors commodity prices as they relate to gold and the stock market to determine the appropriate course of action to be taken.

Liquidity Risk

Liquidity risk encompasses the risk that a company cannot meet its financial obligations in full. The Company's main source of liquidity is derived from its common stock issuances. These funds are primarily used to finance working capital, operating expenses, capital expenditures and acquisitions.

The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. The 2023 Moray exploration budget is being funded from flow-through funds raised in December 2022 and May 2023, while the 2023 operating expenses are being predominantly funded from amounts raised in 2022 and the exercise of warrants in 2023. There is no certainty of the Company's ability to complete additional financings.

As at September 30, 2023 the Company held current assets of $343,210 (December 31, 2022 - $598,092) to settle current liabilities of $167,435 (December 31, 2022 - $87,671), exclusive of non-cash flow-through premium liability.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash bears interest at market rates. In the event that the Company held interest bearing debt, the Company could be exposed to interest rate risk. The Company does not have any interest-bearing debt. Other current financial assets and liabilities are not exposed to interest rate risk because of their short-term nature.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash. The Company has reduced its credit risk by investing its cash with a Canadian chartered bank.

(Expressed in Canadian Dollars)

4. FINANCIAL INSTRUMENTS (Continued)

The Company's financial assets and liabilities as at September 30, 2023 and December 31, 2022 were as follows:

	Amortized Cost	FVPL	Total
December 31, 2022			
Financial assets			
Cash	$ 230,462	$ -	$ 230,462
HST receivable	$ 38,849	$ -	$ 38,849
Other amount receivable	$ 140,000	$ -	$ 140,000
Financial liabilities			
Accounts payable and accrued liabilities	$ 87,671	$ -	$ 87,671
September 30, 2023			
Financial assets			
Cash	$ 200,739	$ -	$ 200,739
HST receivable	$ 45,483	$ -	$ 45,483
Other amount receivable	$ 21,000	$ -	$ 21,000
Financial liabilities			
Accounts payable and accrued liabilities	$ 167,435	$ -	$ 167,435

The fair values of these financial instruments approximate their carrying values because of their short- term nature.

5. CAPITAL MANAGEMENT

The Company defines capital management as the manner in which it manages its share capital. As at September 30, 2023, the Company’s share capital was $3,456,142 (December 31, 2022 - $2,653,107).

There were no changes in the Company’s approach to capital management during the period ended September 30, 2023. The Company is not subject to any externally imposed capital requirements.

The Company's objective in managing capital is to maintain the entity's ability to continue as a going concern, support the Company's normal operating requirements and to continue the exploration and evaluation of its mineral properties.

The Board of Directors does not establish a quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company regularly monitors and reviews the amount of capital in proportion to risk and future development and exploration opportunities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new debt or equity or similar instruments to obtain additional financing.

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES

Acquisition Costs	**September 30, 2023**	December 31, 2022
Moray Gold Project	**$ 543,000**	$ 225,000
Total Mineral Properties	**$ 543,000**	$ 225,000

Moray Gold Project

In September 2020, New Break acquired a 100% interest in certain unpatented mining claims in Zavitz, Hincks and Hutt Townships, southeast of Timmins, Ontario (the "Moray property") from a private company, Exiro Minerals Corp. ("Exiro") in exchange for $100,000 in cash and 2,500,000 common shares of New Break. The 2,500,000 common shares were issued on July 15, 2020 at an estimated fair value of $125,000.

On May 23, 2023, New Break acquired a 100% interest in certain additional mineral claims contiguous to the northern Moray property boundary (the "Beyers claims") from three arm's length vendors in exchange for $80,000 in cash and 1,500,000 common shares of New Break at an estimated fair value of $195,000, based on their market price of $0.13 per share.

On July 21, 2023, New Break acquired a 100% interest in certain additional mineral claims in Zavitz Township contiguous to the western Moray property boundary (the "Zavitz claims") from two arm's length vendors in exchange for $10,000 in cash and 300,000 common shares of New Break at an estimated fair value of $33,000, based on their market price of $0.11 per share.

On March 1, July 11, July 27 and September 19, 2023, New Break staked additional mineral claims contiguous to the Moray property. The costs of staking have been expensed.

Certain of the claims acquired from Exiro ("Exiro Claims") are subject to a 2% Net Smelter Return ("NSR") royalty and certain other of the claims ("Voyageur Claims") are subject to a 1% NSR royalty in favour of Exiro. The Voyageur Claims are also subject to a 1% NSR royalty in favour of a previous property owner. New Break can repurchase 50% of the Exiro NSR royalty at any time for a payment of $1.0 million and can repurchase 50% of the Voyageur NSR royalty at any time for a payment of $750,000. In addition, the Beyers claims are subject to a 1.5% NSR royalty in favour of the previous property owners. New Break can reduce the NSR to 0.5% at any time for a payment of $750,000.

Effective October 22, 2021, the Company entered into a memorandum of understanding (the "MOU") with the Matachewan First Nation and Mattagami First Nation (collectively, the "First Nations") as it relates to carrying out Prescribed Exploration Activities, as such term is defined by the Ontario Mining Act, on the Moray Property. Under the terms of the MOU, New Break made payments of $5,000 to each First Nation and on November 19, 2021, the Company granted stock options to each of the First Nations to purchase up to 50,000 common shares of the Company at a price of $0.10 per share for a period of five years. As Prescribed Exploration Activities are conducted, New Break will make payments to the First Nations equal to 2% of the cost of such activities. Subject to New Break's adherence to the terms and conditions of the MOU, the First Nations agree to support the Moray Project while the MOU remains in force.

The Company was reimbursed $200,000 by the Ontario Ministry of Northern Development under an Ontario Transfer Payment Agreement as a 50% reimbursement of certain exploration and evaluation expenditures for work and activities performed on the Moray property from April 1 to December 31, 2022. $60,000 was received November 7, 2022 and $140,000, shown as receivable as at December 31, 2022, was received March 20, 2023. The reimbursements were netted against exploration and evaluation expenditures in fiscal 2022.

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES (Continued)

In November 2023, the Company received $30,000 from the Ontario Ministry of Mines under an Ontario Transfer Payment Agreement as a 50% reimbursement of certain exploration and evaluation expenditures for work and activities performed on the Moray property from April 1 to September 30, 2023. As at September 30, 2023 the Company had recorded a receivable of $21,000 in respect of the interim payment due under the 2023 Ontario Junior Exploration Program ("OJEP"). The expected reimbursement was netted against exploration and evaluation expenditures during the three months ended September 30, 2023.

Sundog Gold Project

Effective September 1, 2021, the Company entered into an Inuit Owned Lands Mineral Exploration Agreement ("MEA") with Nunavut Tunngavik Incorporated ("NTI") for exclusive rights to a 100% interest in the minerals within, upon or under a 9,415-hectare exploration area on Inuit Mineral Title Lands parcel AR-35 in Kivalliq Region, Nunavut (the "Sundog Gold Project").

Per the terms of the MEA, New Break is required to make the following annual rent payments to NTI on the anniversary date of the MEA and meet the following annual work requirements in order to maintain the agreement in good standing:

Years	Hectares ("ha")	Annual Rent ($/ha)	Annual Rent	Annual Work ($/ha)	Annual Work Requirement
1	9,415	$1.00	$9,415 (paid)	$5.00	$47,075 (completed)
2	9,415	$2.00	$18,830 (paid)	$5.00	$47,075 (completed)
3	9,415	$2.00	$18,830 (paid)	$10.00	$94,150
4-5	9,415	$2.00	$18,830	$10.00	$94,150
6-10	9,415	$3.00	$28,245	$20.00	$188,300
11-15	9,415	$4.00	$37,660	$30.00	$282,450
16-20	9,415	$5.00	$47,075	$40.00	$376,600

In the event that New Break establishes a mineral resource estimate in accordance with National Instrument 43-101 of a minimum of one million ounces of gold in a Measured category, as defined by the Canadian Institute of Mining Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources and Mineral Reserves ("CIM Definition Standards"), the Company will make a bonus payment to NTI of $1.0 million. Further bonus payments are payable, contingent upon each of New Break establishing an estimated Measured mineral resource of a minimum of five million ounces of gold ($5.5 million), making the decision to conduct a Feasibility Study ($3.0 million) and the commencement of commercial production ($5.0 million). In addition, the Company is subject to advance royalty payments in the event that a Feasibility Study is approved, which confirms the economic viability of a minimum of one million ounces of estimated gold mineral resources in a Measured category.

Nunavut Gold Projects on Crown Land

In February, March, April and July 2021, the Company staked certain claims, located in Kivalliq Region, Nunavut, referred to as the Sy, Esker/Noomut and Angikuni Lake claims. During the year ended December 31, 2021, the Company paid $52,110 in refundable work charges to Crown-Indigenous Relations and Northern Affairs Canada ("CIRNAC") in relation to the first year's work requirement on these claims. The amounts are refundable following the issuance of a certificate of work by CIRNAC in respect of completion of the related exploration work requirement for the period associated with the deposit. These amounts have been recorded as mineral claim deposits.

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES (Continued)

Exploration and Evaluation Expenditures

For the three months ended September 30, 2023

	Moray	Sundog	Other	Total
Consulting fees	$ 38,671	$ 2,500	$ -	$ 41,171
Drone survey	10,864	-	-	10,864
Prospecting and mapping	6,218	33,793	-	40,011
Stripping and channel sampling	118,460	-	-	118,460
Structural mapping and sampling	92,645	-	-	92,645
Land management	2,050	18,830	549	21,429
Travel	4,059	-	-	4,059
Staking costs	3,750	-	450	4,200
Other	-	-	1,115	1,115
OJEP reimbursement	(21,000)	-	-	(21,000)
	$ 255,717	$ 55,123	$ 2,114	$ 312,954

For the three months ended September 30, 2022

	Moray	Sundog	Other Nunavut	Other	Total
Consulting fees	$ 25,068	$ 7,485	$ 7,750	$ -	$ 40,303
Drone survey	11,013	-	-	-	11,013
VLF+MAG survey - Voyager	39,248	-	-	-	39,248
Stripping and channel sampling	70,556	-	-	-	70,556
Structural mapping & sampling	117,818	-	-	-	117,818
Land management	5,542	18,980	2,809	-	27,331
Other	8,898	441	-	-	9,339
OJEP reimbursement	(60,000)	-	-	-	(60,000)
	$ 218,143	$ 26,906	$ 10,559	$ -	$ 255,608

For the nine months ended September 30, 2023

	Moray	Sundog	Other	Total
Consulting fees	$ 178,918	$ 2,500	$ -	$ 181,418
Drone survey	10,864	-	-	10,864
Prospecting and mapping	21,229	33,793	-	55,022
Stripping and channel sampling	118,460	-	-	118,460
Structural mapping and sampling	92,645	-	-	92,645
Land management	5,875	18,830	549	25,254
Travel	16,917	-	-	16,917
Staking costs	6,150	-	450	6,600
Other	-	1,809	1,115	2,924
OJEP reimbursement	(21,000)	-	-	(21,000)
	$ 430,058	$ 56,932	$ 2,114	$ 489,104

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES (Continued)

For the nine months ended September 30, 2022

	Moray	Sundog	Other Nunavut	Other	Total
Consulting fees	$ 78,378	$ 102,972	$ 73,357	$ 6,947	$ 261,654
Data purchases	20,000	-	10,000	-	30,000
Drone survey	11,013	-	-	-	11,013
VLF survey	33,653	-	-	-	33,653
VLF+MAG survey - Voyager	39,248	-	-	-	39,248
Till sampling survey	30,100	-	-	-	30,100
Stripping and channel sampling	109,020	-	-	-	109,020
Structural mapping & sampling	117,818	-	-	-	117,818
Community relations	-	10,419	-	-	10,419
Land management	8,281	19,520	3,734	-	31,535
Technical report	7,517	-	-	-	7,517
Other	15,449	1,091	-	1,460	18,000
OJEP reimbursement	(60,000)	-	-	-	(60,000)
	$ 410,477	$ 134,002	$ 87,091	$ 8,407	$ 639,977

7. ACCOUNTS PAYABLE

Accounts payable and accrued liabilities consist primarily of outstanding vendors' invoices and accrued expenses incurred during the periods. The balances owing to the creditors are payable in accordance with the vendors' individual credit terms.

	September 30, 2023	December 31, 2022
Trade and other payables	**$ 145,965**	$ 59,851
Accrued liabilities for audit and tax services	**22,470**	27,820
	$ 167,435	$ 87,671

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

(a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Issued and outstanding

Share Capital	Note 8(b)	Number of Common Shares	Amount
Balance at December 31, 2021		**37,772,750**	**$ 2,138,423**
Private placement of $0.25 units – March 30, 2022	(i)	578,000	144,500
Less: warrant valuation	(i)	-	(39,362)
Private placement of $0.25 units – May 31, 2022	(ii)	680,000	170,000
Less: warrant valuation	(ii)	-	(46,444)
Private placement of $0.15 F-T common shares – December 30, 2022	(viii)	830,000	124,500
Less: flow-through premium on F-T common shares	(viii)	-	(41,500)
Exercise of stock options – cash proceeds	(iii)	250,000	25,000
Exercise of stock options – fair value	(iii)	-	18,650
Exercise of warrants – cash proceeds	(iv, v, vi, vii)	875,000	131,250
Exercise of warrants – fair value	(iv, v, vi, vii)	-	28,090
Balance at December 31, 2022		**40,985,750**	**2,653,107**
Private placement of $0.15 F-T common shares – May 31, 2023	(xi)	3,338,000	500,700
Less: flow-through premium on F-T common shares	(xi)	-	(66,760)
Share issue costs – cash	(xi)	-	(12,915)
Share issue costs – fair value of warrants	(xi)	-	(4,544)
Common shares issued for mineral claims – May 23, 2023	(x)	1,500,000	195,000
Common shares issued for mineral claims – July 21, 2023	(xiii)	300,000	33,000
Exercise of warrants – cash proceeds	(ix, xii)	1,448,850	217,327
Exercise of warrants – fair value	(ix, xii)	-	(39,592)
Less: warrant valuation of incentive warrants – June 23, 2023	(xi)	-	(98,365)
Balance at September 30, 2023		**47,572,600**	**3,456,142**

(i) On March 30, 2022, the Company completed a non-brokered private placement for gross proceeds of $144,500 through the issuance of 578,000 units at a price of $0.25 per unit. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder thereof to purchase one common share at an exercise price of $0.35 for a period of twenty-four months from September 7, 2022, the date the Company listed on the CSE. The issue date fair value of the warrants was estimated to be $39,362 based on their Black-Scholes value, using assumptions in Note 8(e).

(ii) On May 31, 2022, the Company completed a non-brokered private placement for gross proceeds of $170,000 through the issuance of 680,000 units at a price of $0.25 per unit. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder thereof to purchase one common share at an exercise price of $0.35 for a period of twenty-four months from September 7, 2022, the date the Company listed on the CSE. The issue date fair value of the warrants was estimated to be $46,444 based on their Black-Scholes value, using assumptions in Note 8(e).

(iii) On July 18, 2022, stock options to purchase 250,000 common shares of the Company at a price of $0.10 were exercised for proceeds of $25,000 by a former director of the Company. Grant date fair value of $18,650 was transferred from stock option reserve to share capital in connection with the exercise.

8. SHARE CAPITAL (Continued)

(iv) On July 19, 2022, warrants to purchase 250,000 common shares of the Company at a price of $0.15 were exercised for proceeds of $37,500. Issue date fair value of $8,026 was moved from warrant reserve to share capital.

(v) On August 11, 2022, warrants to purchase 100,000 common shares of the Company at a price of $0.15 were exercised for proceeds of $15,000. Issue date fair value of $3,210 was moved from warrant reserve to share capital.

(vi) On August 16, 2022, warrants to purchase 150,000 common shares of the Company at a price of $0.15 were exercised for proceeds of $22,500. Issue date fair value of $4,815 was moved from warrant reserve to share capital. 60,000 of these warrants were exercised by a director of the Company.

(vii) On August 25, 2022, warrants to purchase 375,000 common shares of the Company at a price of $0.15 were exercised for proceeds of $56,250. Issue date fair value of $12,039 was moved from warrant reserve to share capital.

(viii) On December 30, 2022, the Company completed a non-brokered private placement for gross proceeds of $124,500 through the issuance of 830,000 F-T Shares at a price of $0.15 per F-T Share. An officer of the Company subscribed for 30,000 of the F-T Shares issued. The Company recognized an aggregate flow-through premium of $41,500 as a result of the issuances of the F-T Shares.

(ix) On April 28, 2023, warrants to purchase 375,000 common shares of the Company at a price of $0.15 were exercised for proceeds of $56,250. Issue date fair value of $7,425 was moved from warrant reserve to share capital.

(x) On May 23, 2023, the Company issued 1,500,000 common shares in connection with the purchase of additional mineral claims associated with the Moray Project. The fair value of the 1,500,000 shares was estimated at $195,000 based on their market price of $0.13 per share (see Note 6).

(xi) On May 31, 2023, the Company completed a non-brokered private placement for gross proceeds of $500,700 through the issuance of 3,338,000 F-T Shares at a price of $0.15 per F-T Share. The Company paid aggregate finder's fees of $12,915 and issued 51,000 finder warrants. Each finder warrant is exercisable into one common share at a price of $0.15 per share for 24 months from the date of closing. The issue date fair value of these warrants was estimated to be $4,544 based on their Black-Scholes value, using the assumptions in Note 8(e) and recorded as share issuance costs. The Company recognized an aggregate flow-through premium of $66,760 as a result of the issuances of the F-T Shares.

(xii) On June 23, 2023, warrants to purchase an aggregate of 1,073,850 common shares of the Company at a price of $0.15 were exercised for proceeds of $161,077. Issue date fair value of $32,167 was moved from warrant reserve to share capital. A director of the Company and a greater than 10% security holder exercised 25,000 and 173,000 of these warrants, respectively. Pursuant to a common share purchase warrant exercise incentive program, the Company issued 1,073,850 warrants ("Incentive Warrants") to those warrant holders who exercised. Each Incentive Warrant entitles the holder thereof to purchase one common share at an exercise price of $0.20 for a period of thirty-six (36) months until June 23, 2026 (see Note 8(e)).

(xiii) On July 21, 2023, the Company issued 300,000 common shares in connection with the purchase of additional mineral claims associated with the Moray Project. The fair value of the 300,000 shares was estimated at $33,000 based on their market price of $0.11 per share (see Note 6).

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

(c) Escrow Shares

On August 4, 2022, the Company entered into an escrow agreement (the "Escrow Agreement") pursuant to which 4,348,000 common shares were placed in escrow and are subject to release in tranches over time in accordance with the policies of the Canadian Securities Administrators. The Escrow Agreement provides that 10% of the escrowed shares will be released from escrow upon the original CSE listing date of September 7, 2022, and that an additional 15% will be released therefrom every six-month interval thereafter, over a period of 36 months, with the next escrow release on March 7, 2024.

	Number of Common Shares
Opening balance – August 4, 2022	**4,348,000**
Released from escrow – September 7, 2022	(434,800)
Balance at December 31, 2022	**3,913,200**
Released from escrow – March 7, 2023	(652,200)
Added to escrow pursuant to warrant exercise – June 23, 2023	25,000
Released from escrow – June 23, 2023	(6,250)
Released from escrow – September 7, 2023	(655,950)
Balance at September 30, 2023	**2,623,800**

The common shares underlying the exercise of 25,000 warrants by a director of the Company on June 23, 2023, are subject to the Escrow Agreement. 6,250 of those shares or 25% were eligible for immediate release. The other 18,750 shares were added to the balance held in escrow.

(d) Stock Options

The Company has a stock option plan to provide directors, officers, employees and consultants with options to purchase common shares of the Company. The maximum number of common shares reserved for issuance upon the exercise of options, is not to exceed 10% of the total number of common shares outstanding immediately prior to such issuance. The stock options have a maximum term of five years and a vesting period and exercise price determined by the board of directors. The exercise price of the stock options is fixed by the board of directors and may not be less than the market price of the shares at the time of grant, subject to all applicable regulatory requirements.

The following table reflects the continuity of stock options for the three months ended September 30, 2023 and the year ended December 31, 2022.

	Number of Stock Options	**Weighted Average Exercise Price**	
Outstanding at December 31, 2021	**3,500,000**	**$**	**0.10**
Granted	350,000	$	0.10
Exercised	(250,000)	$	0.10
Outstanding at December 31, 2022	**3,600,000**	**$**	**0.10**
Granted	500,000	$	0.10
Cancelled	(50,000)	$	0.10
Outstanding at September 30, 2023	**4,050,000**	**$**	**0.10**

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

Stock Option Grants

On December 30, 2022, the Company granted options to purchase up to 350,000 common shares of the Company to a director and a consultant at a price of $0.10 per share for a period of five years. The options vested immediately. The Company recorded $26,985 of share-based compensation expense, being the entire grant date fair value.

On January 20, 2023, the Company granted options to purchase up to 200,000 common shares of the Company to a consultant at a price of $0.10 per share for a period of five years. The options vest 25% after three months, 25% after six months, 25% after nine months and 25% after one year. The Company recorded $2,967 of share-based compensation during the three months ended September 30, 2023 and $15,503 during the nine months ended September 30, 2023.

On June 2, 2023, the Company granted options to purchase up to 300,000 common shares of the Company to two consultants at a price of $0.10 per share for a period of five years. The options vested immediately. The Company recorded $27,180 of share-based compensation expense, being the entire grant date fair value.

The fair value of the options granted, are estimated on the dates of grant using the Black-Scholes option pricing model with the following assumptions:

Grant Date	Stock Price	Exercise Price	Risk-free Interest Rate	Expected Stock Price Volatility	Expected Life (in years)	Expected Dividend Rate	Expected Forfeiture Rate
November 19, 2021	$0.10	$0.10	1.45%	100%	5	0%	0%
December 30, 2022	$0.10	$0.10	3.41%	103%	5	0%	0%
January 20, 2023	$0.10	$0.10	2.82%	127%	5	0%	0%
June 2, 2023	$0.10	$0.10	3.49%	146%	5	0%	0%

Stock Option Exercise

On July 18, 2022, stock options to purchase 250,000 common shares of the Company at a price of $0.10 were exercised for proceeds of $25,000 by a former director of the Company. Grant date fair value of $18,650 was transferred from stock option reserve to share capital in connection with the exercise.

Stock Option Cancellation

Effective March 31, 2023, stock options to purchase up to 50,000 common shares of the Company at a price of $0.10 per share, granted to a consultant on November 19, 2021, were cancelled. Grant date fair value of $3,730 was transferred to deficit.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

The following table reflects the stock options outstanding and exercisable at September 30, 2023:

Date of Grant	Number of Options Outstanding	Exercise Price	Weighted Average Remaining Life (years)	Date of Expiry	Number of Options Exercisable	Grant Date Fair Value
November 19, 2021	250,000	$ 0.10	0.05	October 19, 2023	250,000	$ 18,650
November 19, 2021	2,950,000	$ 0.10	3.13	November 18, 2026	2,950,000(1)	220,070
December 30, 2022	350,000	$ 0.10	4.25	December 27, 2027	350,000	26,985
January 20, 2023	200,000	$ 0.10	4.30	January 19, 2028	100,000	15,503
June 2, 2023	300,000	$ 0.10	4.67	June 1, 2028	300,000	27,180
	4,050,000	**$ 0.10**	**3.21**		**3,950,000**	**$ 308,388**

(1) 1,950,000 of these stock options are subject to the escrow agreement entered into by the Company on August 4, 2022. In the event that any of these options are exercised, the underlying shares will be released from escrow on the same schedule as outlined in Note 8 (c), beginning from September 7, 2022, the date of listing on the CSE.

The weighted average remaining contractual life of options outstanding and exercisable at September 30, 2023 is 3.21 years (December 31, 2022 - 3.78 years) at a weighted average exercise price of $0.10 (December 31, 2022 - $0.10).

(e) Warrants

The following table reflects the continuity of warrants for the three months ended September 30, 2023 and the year ended December 31, 2022:

	Number of Warrants	Issue Date Fair Value	Weighted Average Exercise Price
Balance at December 31, 2021	**7,641,200**	**$ 233,951**	**$ 0.16**
Issued	1,258,000	85,806	$ 0.35
Exercised	(875,000)	(28,090)	$ 0.15
Expired	(25,000)	(802)	$ 0.15
Balance at December 31, 2022	**7,999,200**	**290,865**	**$ 0.19**
Issued	1,124,850	102,909	$ 0.20
Exercised	(1,448,850)	(39,592)	$ 0.15
Expired	(5,200,350)	(159,752)	$ 0.15
Balance at September 30, 2023	**2,474,850**	**$ 194,430**	**$ 0.28**

Warrant Exercises and Expiries

On April 28, 2023, warrants to purchase 375,000 common shares of the Company at a price of $0.15 were exercised for proceeds of $56,250. Issue date fair value of $7,425 was moved from warrant reserve to share capital.

On June 8, 2023, the Company announced the repricing of 1,715,500 warrants having an expiry date of June 23, 2023 from an exercise price of $0.20 per share to an exercise price of $0.15 per share. In addition, the Company announced a warrant exercise incentive program ("Incentive Program") in respect of 5,925,500 warrants due to expire on June 23, 2023, having an exercise price of $0.15, including the repriced warrants (the "Subject Warrants").

Under the Incentive Program, for each Subject Warrant exercised, the holder thereof would receive a new warrant with an exercise price of $0.20 for a period of three years from the date of issuance.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

Effective June 23, 2023, 418,850 of the repriced warrants were exercised for proceeds of $62,827. Issue date fair value of $11,141 was moved from warrant reserve to share capital. In addition, 1,296,650 of the repriced warrants and 14,500 warrants having an exercise price of $0.20 which could not be repriced, expired unexercised. Issue date fair value of $34,877 was moved from warrant reserve to deficit.

Effective June 23, 2023, 655,000 warrants having an original exercise price of $0.15 were exercised for gross proceeds of $98,250. Issue date fair value of $21,026 was moved from warrant reserve to share capital. In addition, 3,555,000 of these warrants expired unexercised. Issue date fair value of $114,114 was moved from warrant reserve to deficit.

On June 23, 2023, 334,200 finder warrants having an exercise price of $0.15 expired unexercised. Issue date fair value of $10,761 was moved from warrant reserve to deficit.

Warrant Issuances

On May 31, 2023, the Company issued 51,000 finder warrants with an exercise price of $0.15 for a period of 24 months (see Note 8(b)(xi)). Issue date fair value of $4,544 was recorded as share issuance costs.

On June 23, 2023, the Company issued 1,073,850 warrants with an exercise price of $0.20 for a period of three years in connection with the Incentive Program. Issue date fair value of $98,365 was moved from share capital to warrant reserve.

As at September 30, 2023, the following warrants were outstanding, which entitle the holders to purchase the stated number of common shares at the exercise price on or before the expiry date:

Issue Date	Warrants Outstanding	Exercise Price	Weighted Average Remaining Life (years)	Expiry Date	Issue Date Fair Value
December 10, 2021	12,000	$0.30	0.19	December 8, 2023	$ 323
December 30, 2021	80,000	$0.35	0.94	September 6, 2024(1)	5,392
March 30, 2022	578,000	$0.35	0.94	September 6, 2024(1)(2)	39,362
May 31, 2022	680,000	$0.35	0.94	September 6, 2024(1)	46,444
May 31, 2023	51,000	$0.15	1.66	May 30, 2025	4,544
June 23, 2023	1,073,850	$0.20	2.73	June 23, 2026(3)	98,365
	2,474,850	$0.28	1.73		$ 194,430

(1) These warrants are subject to a potential acceleration clause should the trading price of the common shares equal or exceed $0.50 for a period of ten (10) consecutive trading days.

(2) 218,000 of these warrants are subject to the escrow agreement entered into by the Company on August 4, 2022. In the event that any of the warrants subject to the escrow agreement are exercised, the underlying shares will be released from escrow on the same schedule as outlined in Note 8 (c), beginning from September 7, 2022, the date of listing on the CSE.

(3) These warrants are subject to a potential acceleration clause should the trading price of the common shares equal or exceed $0.40 for any five (5) non-consecutive trading days over a 365-day period.

The weighted average remaining contractual life of warrants outstanding as at September 30, 2023 is 1.73 years (December 31, 2022 – 0.67 years) at a weighted average exercise price of $0.28 (December 31, 2022 - $0.19).

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

The Company follows the fair value method of accounting for warrants using the Black-Scholes option pricing model. The fair values of warrants issued were calculated based on the following assumptions:

Issue Date	Stock Price	Exercise Price	Risk-free Interest Rate	Expected Stock Price Volatility	Expected Life (in years)	Expected Dividend Rate	Expected Forfeiture Rate
December 10, 2021	$0.10	$0.30	0.97%	100%	2	0%	0%
December 30, 2021	$0.183	$0.35	0.98%	100%	2	0%	0%
March 30, 2022	$0.182	$0.35	2.31%	100%	2	0%	0%
May 31, 2022	$0.182	$0.35	2.67%	100%	2	0%	0%
May 31, 2023	$0.13	$0.15	4.22%	145%	2	0%	0%
June 23, 2023	$0.12	$0.20	4.25%	149%	3	0%	0%

9. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key Management Compensation

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Current key management of New Break includes the President and Chief Executive Officer, Vice-President, Exploration and Chief Financial Officer.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	**2023**	2022
Management fees	**$ 37,500**	$ 37,500	**$ 112,500**	$ 112,500
Management fees included in exploration and evaluation	**22,500**	22,500	**67,500**	67,500
Consulting fees paid to a non-independent director	**-**	-	**-**	10,500
Total fees paid to management and directors	**$ 60,000**	$ 60,000	**$ 180,000**	$ 190,500
Exploration and evaluation consulting fees charged by a geological consulting company, the President & CEO of which, is also a director of New Break	**$ 83,419**	$ 109,653	**$ 157,009**	$ 274,189

Related Party Transactions

Related parties include the Board of Directors, senior management, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

On August 16, 2022, warrants to purchase 150,000 common shares of the Company at a price of $0.15 were exercised for proceeds of $22,500. 60,000 of these were exercised by an investment company that is wholly-owned by one of the Company's directors (see Note 8(b)(vi)).

On December 30, 2022, the Company completed a non-brokered private placement for gross proceeds of $124,500 through the issuance of 830,000 F-T Shares at a price of $0.15 per F-T Share. An officer of the Company subscribed for 30,000 of the F-T Shares issued (see Note 8(b)(viii)).

9. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION (Continued)

On December 30, 2022, the Company granted options to purchase up to 350,000 common shares of the Company at a price of $0.10 per share for a period of five years. 250,000 of these were granted to a director of the Company (see Note 8(d)).

On June 23, 2023, warrants to purchase 1,073,850 common shares of the Company at a price of $0.15 were exercised for proceeds of $161,077. 25,000 of these were exercised by an investment company that is wholly-owned by one of the Company's directors (see Note 8(b)(xii)). As a result of the exercise, the investment company was also issued 25,000 incentive warrants at $0.20 for a period of three years (see Note 8(e)).

As at September 30, 2023, $90,196 (December 31, 2022 - $24,397) included in accounts payable and accrued liabilities was owing to related parties, including $59,077 (December 31, 2022 - $16,669) owed to a geological consulting company, the President and Chief Executive Officer of which, is also a director of New Break. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

10. LOSS PER SHARE

Net loss per share has been calculated by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The effect of stock options and warrants was anti-dilutive and hence, the diluted loss per share equals the basic loss per share.

11. COMMITMENTS AND CONTINGENCIES

As at September 30, 2023, the Company had a commitment to spend $171,888 (December 31, 2022 - $124,500) on eligible Canadian Exploration Expenditures ("CEE"), from amounts raised from flow-through financing, by December 31, 2024.

Flow-Through

Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on eligible qualifying CEE. Certain interpretations are required to assess the eligibility of flow-through expenditures that if changed, could result in the denial of renunciation. The Company has indemnified current and previous flow-through subscribers for any tax and related costs payable by them in the event the Company does not incur the required exploration expenditures. No amounts have been recorded in these financial statements for potential liabilities relating to these indemnities as a triggering event has not taken place. Upon issuance of the flow-through shares during 2023 and 2022 in the amounts of $500,700 and $124,500, respectively (2021 - $855,300), the Company recorded flow-through share premium liability amounts of $66,760 and $41,500, respectively (2021 - $371,942). As eligible CEE is incurred, the amounts are drawn down as income through the statement of loss. During the three months ended September 30, 2023, the Company incurred $285,954 (September 30, 2022 - $227,360) in eligible CEE and recorded a flow-through share premium recovery of $38,128 in the statement of loss (September 30, 2022 - $81,175). During the nine months ended September 30, 2023, the Company incurred $453,312 (September 30, 2022 - $601,015) in eligible CEE and recorded a flow-through share premium recovery of $85,342 in the statement of loss (September 30, 2022 - $230,121.

Environmental

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

11. COMMITMENTS AND CONTINGENCIES (Continued)

Contingent Payments

Effective October 1, 2021, the Company became party to certain consulting agreements that contain clauses that could require additional aggregate payments of $180,000 upon termination without cause and $360,000 upon termination in connection with a change of control. These clauses are only applicable if a triggering event occurs after the Company has raised aggregate gross proceeds from financings of at least $2.0 million since October 1, 2021. As a triggering event has not taken place, the contingent payments have not been reflected in these financial statements.

12. SUBSEQUENT EVENTS

Stock Option Expiry

On October 19, 2023, stock options to purchase up to 250,000 common shares of the Company at a price of $0.10 per share, granted to the Company's former Chairman on November 19, 2021, expired unexercised.

OJEP Payment From Ontario Ministry of Mines

In November 2023, the Company received $30,000 from the Ontario Ministry of Mines under an Ontario Transfer Payment Agreement as a reimbursement of 50% of certain exploration and evaluation expenditures for work and activities on the Moray Gold Project (see Note 6).

NEW BREAK RESOURCES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023

GENERAL

The following management's discussion and analysis ("**MD&A**") of the financial condition and results of the operations of New Break Resources Ltd. ("**New Break**", or the "**Company**") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended September 30, 2023 ("**third quarter of 2023**" or "**Q3 2023**"). The comparative period is for the three and nine months ended September 30, 2022 ("**third quarter of 2022**" or "**Q3 2022**"). This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the years ended December 31, 2022 and 2021, and the unaudited condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022, together with the notes thereto ("the **financial statements**"). Results are reported in Canadian dollars, unless otherwise noted.

The financial statements and the financial information contained in this MD&A were prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**"). Please refer to Note 3 of the annual audited financial statements as at and for the years ended December 31, 2022 and 2021 for disclosure of the Company's significant accounting policies.

The audit committee of the Company has reviewed this MD&A and the unaudited condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022 and the Company's Board of Directors approved these documents prior to their release.

This MD&A is dated November 29, 2023 and is current to that date.

Additional information relating to the Company is available free of charge on the System for Electronic Document Analysis and Retrieval Plus ("**SEDAR+**") website at www.sedarplus.ca, on New Break's website at www.newbreaksources.ca and under the Company's profile on the Canadian Securities Exchange ("**CSE**") website at www.thecse.com.

Caution Regarding Forward Looking Information

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address future exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Qualified Person

Technical information contained in this MD&A has been prepared by or under the supervision of Peter C. Hubacheck, P. Geo., consulting geologist to New Break, who is a Qualified Person ("QP") for the purpose of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("**NI 43-101**"). He has verified the data comprising such technical information, including sampling, analytical and test data underlying the information or opinions contained herein.

OVERVIEW

New Break was incorporated under the name "8861587 Canada Corporation" under the laws of Canada on April 18, 2014. Effective December 28, 2018, the Company changed its name to New Break Resources Ltd. On November 24, 2021, New Break was also registered as Extra-Territorial in Nunavut, Canada. On September 7, 2022, the Company became listed on the Canadian Securities Exchange ("**CSE**") and trades under the symbol **NBRK**. The address of the Company's corporate office and principal place of business is 110 Yonge Street, Suite 1601 Toronto, Ontario, M5C 1T4, Canada.

New Break is a Canadian mineral exploration and evaluation stage company, focused principally on gold exploration at its 100% owned Moray property and at its four gold projects located in Kivalliq Region, Nunavut. The Moray property covers approximately 8,483 hectares located in the southern Abitibi greenstone belt, approximately 49 km southeast of Timmins, Ontario and 32 km northwest of the Young-Davidson gold mine operated by Alamos Gold Inc. New Break's Nunavut projects include the Sundog Gold Project, covering approximately 9,415 hectares within parcel AR-35 on Inuit Owned Land, first discovered by famed Canadian prospector Ken Reading and the 100% owned Esker/Noomut, Sy and Angikuni Lake Gold Projects, covering approximately 21,960 hectares on Crown Land acquired through staking in 2021.

HIGHLIGHTS

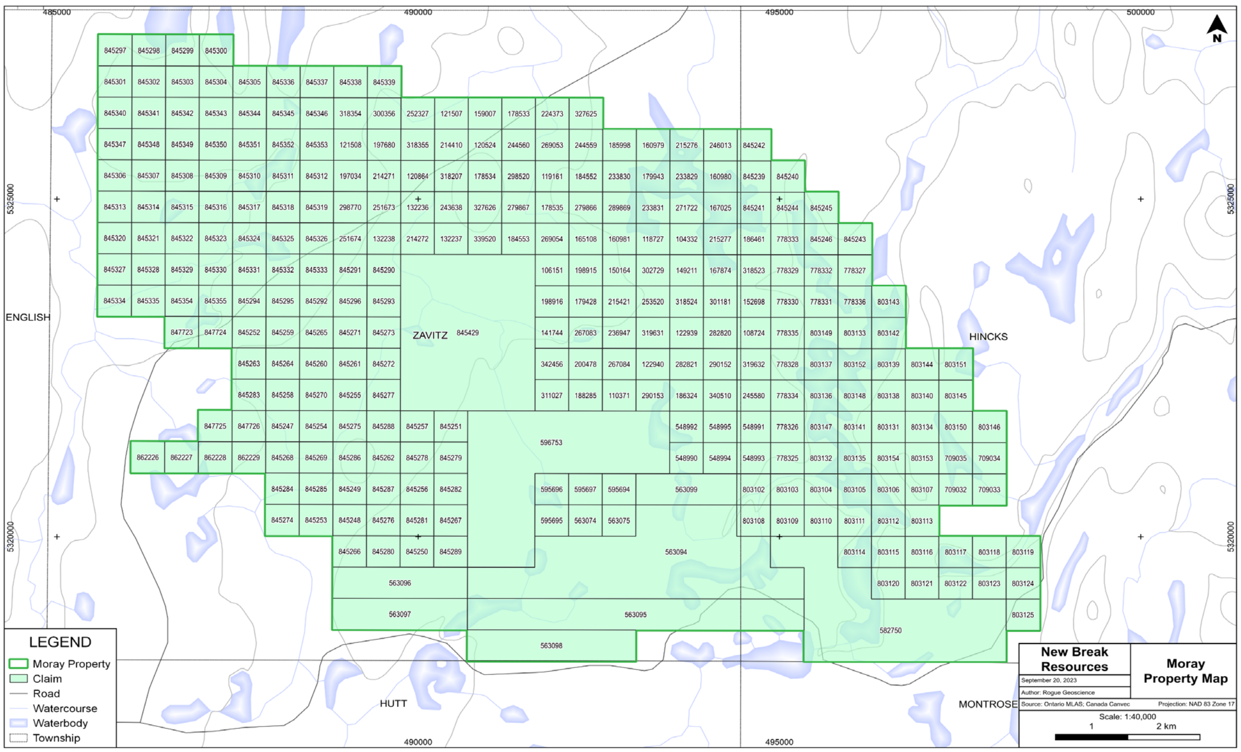
- July 11, 2023 – New Break staked 1,446 hectares of additional mineral claims at Moray, adjacent to the western property boundary at a cost of $3,350.
- On July 13, 2023, New Break was notified by the Ontario Ministry of Mines that the Company has been accepted to participate in the 2023-2024 Ontario Junior Exploration Program ("OJEP"). New Break had submitted an application in January 2023 for a limited scope exploration work program at Moray budgeted at $140,000, which if completed, would receive a reimbursement of $70,000.
- July 21, 2023 – New Break completed the acquisition of 1,511 hectares of additional mineral claims at Moray, adjacent to the western property boundary for $10,000 in cash and 300,000 common shares of New Break. These claims are royalty free and the vendors have agreed to invest $20,000 in New Break's next hard dollar financing.
- July 27, 2023 – New Break staked 86 hectares of additional mineral claims at Moray, adjacent to the western property boundary at a cost of $200, bringing the total size of the Moray property to 8,397 hectares.
- August 24, 2023 – New Break held its Annual General Meeting of shareholders. All matters, including the election of directors, were overwhelmingly approved.
- September 10, 2023 – a New Break field team comprised of Ken Reading, Shaun Parent P. Geo. and a field assistant, visited and sampled the Sundog Gold Project ("**Sundog**") in Kivalliq Region, Nunavut.
- September 19, 2023 – New Break staked 86 hectares of additional mineral claims at Moray, adjacent to the western property boundary at a cost of $200, bringing the total size of the Moray property to 8,483 hectares.
- September 21, 2023 - New Break received a new exploration permit #PR-23-000236 for the Moray Project, which will allow planned drilling to extend to areas on ground newly acquired in 2023.
- October 5, 2023 – New Break changed its registered address to 110 Yonge Street, Suite 1601, Toronto, ON M5C 1T4 from its previous address of 18 King Street East, Suite 901, Toronto, ON M5C 1C4.
- November 2023 – New Break received $30,000 from the Ontario Ministry of Mines as an OJEP reimbursement of Moray exploration expenditures.

Developments from July 1, 2023 up to November 29, 2023

Mineral Properties and Exploration and Evaluation Activities

Moray Project - Matachewan, Ontario

The 8,483-hectare Moray property ("**Moray**"), is located approximately 49 km south of Timmins, Ontario and 32 km northwest of the Young-Davidson gold mine, operated by Alamos Gold Inc. ("**Alamos**").



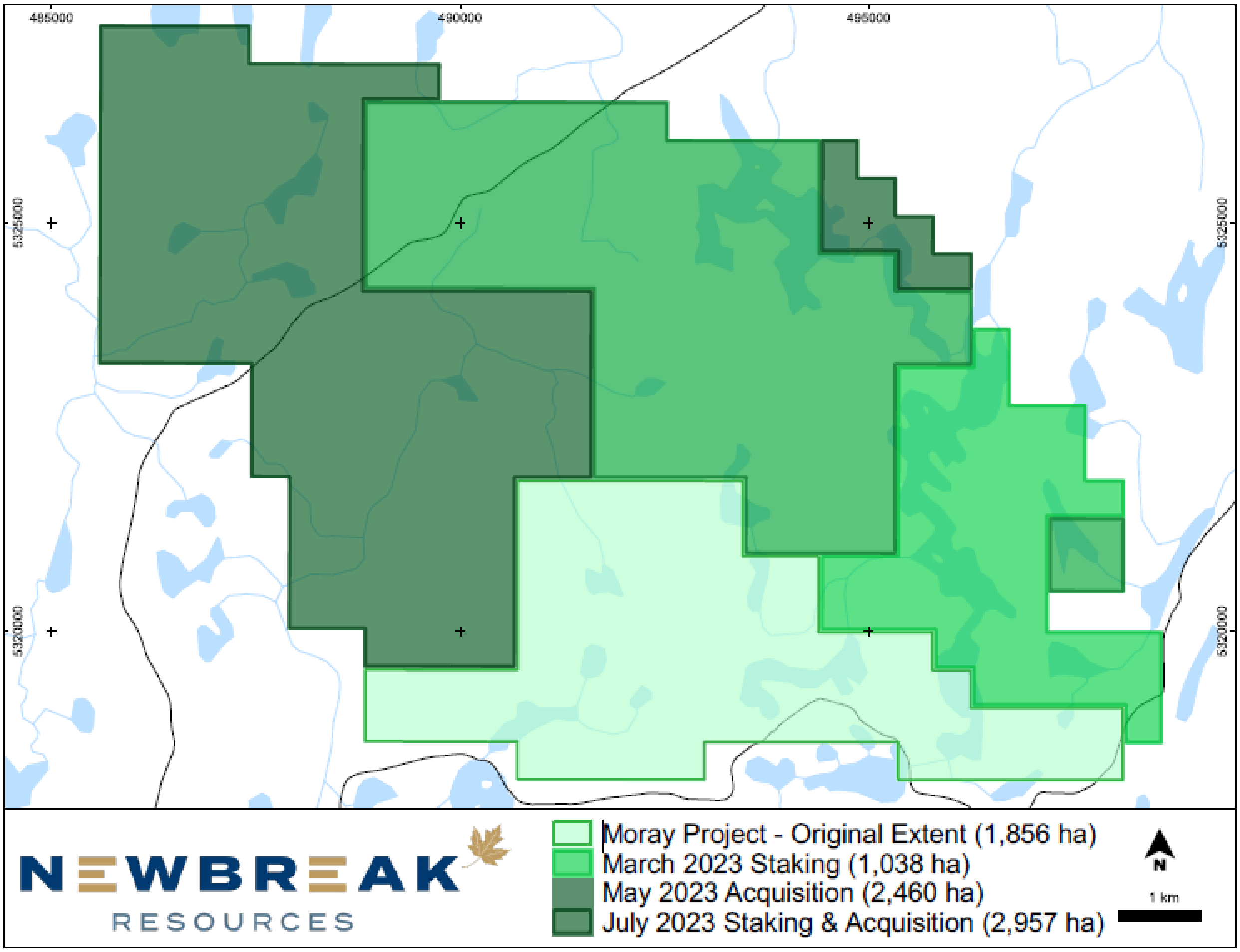
*(**Figure 1** – Moray Project, property map)*

Since March 1, 2023, New Break has increased its property position at Moray by 6,627 hectares to 8,484 hectares through staking and acquisitions, which include the following:

- March 1, 2023 – staked 1,038 hectares at a cost of $2,400;
- May 23, 2023 – acquired 2,460 hectares for $80,000 and 1,500,000 shares and a 1.5% NSR which can be reduced at any time to 0.5% for a cash payment of $750,000;
- July 11, 2023 – staked 1,446 hectares at a cost of $3,350;
- July 21, 2023 – acquired 1,511 hectares for $10,000 and 300,000 shares (no royalty);
- July 27, 2023 – staked 86 hectares at a cost of $200.
- September 19, 2023 – staked 86 hectares at a cost of $200.

An NI 43-101 technical report on the Moray Project ("**Moray Technical Report**") dated February 25, 2022 with an effective date of December 31, 2021 can be found on the Company's website at www.newbreakresources.ca. It has not been further updated to include any additional exploration work or information subsequent to December 31, 2021.

Figure 2 below, depicts the consolidation of the Moray property, other than the additional 86 hectares of mineral claims that were staked July 27, 2023 and the 86 hectares staked on September 19, 2023.



*(**Figure 2** – Moray Project, property map showing property additions)*

The original Moray claims covering approximately 1,856 hectares (Moray Project – Original Extent), were acquired in September 2020 from Exiro Minerals Corp. ("**Exiro**"), a private junior mineral exploration company, for 2,500,000 shares of New Break and $100,000 in cash.

The newly staked and acquired ground during 2023, is not subject to any area of influence requirement and is automatically added to the area covered by the October 22, 2021, Memorandum of Understanding between New Break and the Matachewan and Mattagami First Nations.

The results of exploration work completed by New Break during 2022, appear to support the Company's thesis of pursuing a Young-Davidson gold mineralization model at Moray, including mafic volcanic hosted and syenite hosted auriferous quartz vein zones. First discovered in 1916, Young-Davidson produced one million ounces of gold from 1934 to 1957 from open pit and underground development. Commercial production resumed in 2012. Current annual gold production at Young-Davidson runs 190,000 to 200,000 ounces at an average grade of 2.3 grams per tonne gold ("**g/t Au**"), generating in excess of US$100 million of free cash flow annually at current gold prices. It should be noted that the mineralization style and setting associated with the Young-Davidson gold mine is not necessarily indicative of the mineralization observed on the Moray property.

In aggregate, New has raised $625,200 in flow-through funds ($124,500 – December 30, 2022 and $500,700 – May 31, 2023) to be spent on 2023 exploration programs.

Initially, the Company was focused on conducting a drilling program at Moray that tested the following targets:

Drill Targets Resulting from Structural Interpretation

- Trench 12 - The intersection of the extensional and shear veins should be tested by a drillhole that is collared on the western edge of the stripped area with a west-east azimuth. The drillhole should also test the potential extension of the Lamprophyre and potentially new shear veins.
- Trench 12 - A drillhole should be planned to test the intersection of the NW-SE sulphide zone and the southern end of the stripped area.
- Trench 12 - Consideration should also be given to testing the NE strike of the main shear vein in light of the potential proximity of the contact between the mafic volcanics and the Fiset syenite. There is an expectation of a “competency” contrast between the brittle syenite and the more ductile mafic volcanics.
- Trench 1 – The gold bearing NOR 1 vein has not been properly tested by diamond drilling. Newmont drillhole Z-80-05 (no assays disclosed) reported variably mineralized sections of mafic syenite from 71.3 to 303.9 metres which implies that there is mineralized syenite northeast of Trench 1.

While New Break is still committed to drilling these prospective targets, the staking and acquisition of a much larger land position at Moray, in particular the May 23, 2023 acquisition of highly prospective ground contiguous with the northern property boundary at Moray, has allowed the Company to conduct new prospecting, trenching and stripping under an existing exploration permit that was already in place in respect of the new claims, grab and channel sampling and structural mapping, to tie together features of a larger mineralized system. As at September 30, 2023, New Break has incurred $417,275 in flow-through eligible exploration expenditures during 2023 at Moray, leaving $171,888 to be spent on further activities. Trenching, stripping, channel sampling and structural mapping at Moray continued through the month of October 2023.

New Break Receives New Exploration Permit for Moray

New Break submitted a new exploration permit application to the Ontario Ministry of Mines, which would allow for additional stripping and drilling in areas not currently covered by New Break’s existing exploration permit or by the exploration permit associated with the newly acquired ground. This was necessitated after analyzing the results of New Break’s 2022 exploration program and after examining the preliminary results of new work performed on the newly acquired ground. The new permit #PR-23-000236 was issued by the Ontario Ministry of Mines on September 21, 2023.

The overall goal of New Break’s exploration programs is to facilitate the discovery of a larger economic mineralized system, which would make the Company a prime target for acquisition by a producer or development stage entity.

2023-2024 Ontario Junior Exploration Program

New Break successfully participated in the 2022-2023 OJEP with the Province of Ontario whereby the Company received a reimbursement of $200,000 against eligible Moray expenditures incurred between April 1 and December 31, 2022.

On July 13, 2023, New Break was notified by the Ontario Ministry of Mines that the Company has been accepted to participate in the 2023-2024 OJEP. New Break had submitted an application in January 2023 for a limited scope exploration work program at Moray budgeted at $140,000, which if completed, would receive a reimbursement of $70,000. At the end of September 2023, New Break submitted its interim report under the 2023-2024 OJEP and in November 2023, the Company received a payment of $30,000 from the Ontario Ministry of Mines as the initial reimbursement against Moray expenditures under this year's program. New Break would like to thank and recognize the government of the Province of Ontario for supporting junior exploration in the province.

Nunavut Exploration Activities

In September 2023, a New Break field team comprised of famed Canadian prospector Ken Reading, Shaun Parent, P. Geo. of Superior Exploration Ltd. and a field assistant, accessed the Sundog Gold Project in Kivalliq Region, Nunavut by float plane from Thompson, Manitoba. The team performed a reconnaissance site visit to confirm access to the project area, assess the impact of environmental changes, reproduce historical gold assays from a small sample of historical trenches and gather samples from previously unsampled vein structures near existing historical trenches. For further information see New Break's news release dated November 8, 2023.

Annual General Meeting of Shareholders

The Company held its Annual General Meeting of shareholders on Thursday, August 24, 2023 (the "**Meeting**"). A total of 29,052,820 common shares were represented in person or by proxy at the Meeting, representing 61.07% of the Company's issued and outstanding common shares. All directors nominated as listed in the Management Information Circular dated July 24, 2023 (the "**Circular**"), were re-elected. In addition, shareholders unanimously re-appointed McGovern Hurley LLP, Chartered Professional Accountants as the auditor of New Break and unanimously re-approved the Company's stock option plan.

Change of Registered and Mailing Address of Company

On October 5, 2023, New Break changed its registered address to 110 Yonge Street, Suite 1601, Toronto, ON M5C 1T4 from its previous address of 18 King Street East, Suite 901, Toronto, ON M5C 1C4.

NEWBREAK RESOURCES

Overview of Financial Results

(Expressed in Canadian Dollars)	Three Months Ended September 30, **2023**	2022	Nine Months Ended September 30, **2023**	2022
Expenses				
Exploration and evaluation	**$ 312,954**	$ 255,608	**$ 489,104**	$ 639,977
Management fees	**37,500**	37,500	**112,500**	112,500
Consulting fees	**788**	2,635	**12,849**	16,135
Professional fees	**9,980**	47,663	**43,089**	114,207
Investor relations	**46,538**	24,537	**193,067**	29,970
General and administrative	**25,641**	22,408	**75,022**	58,029
Shareholder costs and filing fees	**10,654**	18,561	**28,929**	37,243
Travel	**-**	-	**935**	9,648
Share-based compensation	**2,967**	-	**42,683**	-
Loss before the undernoted	**(447,022)**	(408,912)	**(998,178)**	(1,017,709)
Bank charges	**(205)**	(233)	**(932)**	(897)
Part X11.6 tax	**73**	-	**73**	-
Interest income	**4,102**	3,226	**6,596**	6,278
Flow-through share premium recovery	**38,128**	81,175	**85,342**	230,121
Net loss and comprehensive loss for the period	**$ (404,924)**	$ (324,744)	**$ (907,099)**	$ (782,207)
Net loss per share				
Basic and diluted loss per share	**$ (0.01)**	$ (0.01)	**$ (0.02)**	$ (0.02)
Weighted average number of shares outstanding – basic and diluted	**47,507,383**	39,716,891	**43,896,223**	38,624,813

Three months ended September 30, 2023 vs. three months ended September 30, 2022

- Overall, the Company recorded a net loss and comprehensive loss of $404,924 or $0.01 per share for the quarter ended September 30, 2023 compared to a net loss and comprehensive loss of $324,744 or $0.01 per share for the quarter ended September 30, 2022.
- Exploration and evaluation expenses were $312,954 in the third quarter of 2023, including $276,717 on the Moray property before a $21,000 OJEP reimbursement, $55,123 on the Sundog project and $2,114 on other, compared to $255,608 in the third quarter of 2022, including $278,143 on the Moray property before a $60,000 OJEP reimbursement, $26,906 on the Sundog project and $10,559 on other Nunavut properties. The 2023 Moray expenditures includes $276,717 spent principally on stripping and channel sampling, structural mapping and sampling, a drone survey and consulting fees, net of an accrual of $21,000 for an expected OJEP reimbursement from the Ontario Ministry of Mines. The 2022 amount includes $278,143 spent principally on the same activities as 2023 plus a VLF and MAG survey, net of an accrual of $60,000 for an expected OJEP reimbursement. The 2023 work was carried out on new ground acquired during 2023, while the 2022 expenditures were carried out on the initial 1,856-hectare Moray property area. The 2023 Sundog expenditures included $18,830 for the year 3 rent payment to Nunavut Tunngavik Incorporated ("NTI") and $33,793 on a three-person prospecting trip to the Sundog property. The 2022 Sundog expenditures included $18,830 for the year 2 rent payment to NTI and consulting fees. For further information see Note 6 to the third quarter Financial Statements.

- Management fees were $37,500 in the third quarter of 2023 compared to $37,500 in the third quarter of 2022. These fees relate to amounts charged by the Company's President and CEO and by the Chief Financial Officer.
- Consulting fees were $788 in the third quarter of 2023 compared to $2,635 in the third quarter of 2022.
- Professional fees were $9,980 in the third quarter of 2023 compared to $47,663 in the third quarter of 2022. In general, these costs relate to legal fees and the accrual of audit and tax return preparation fees. $40,702 of the 2022 amount relates to legal and accounting fees in connection with the Company's Long-Form Prospectus and preparation of listing materials for the CSE associated with the Company becoming publicly traded on September 7, 2022.
- Investor relations expenses were $46,538 during the third quarter of 2023 compared to $24,537 during the third quarter of 2022. These costs relate principally to the amortization of prepaid fees associated with marketing and advertising programs, which began to be amortized once the Company became publicly traded on September 7, 2022. In addition, in January 2023, the Company retained SmallCap Communications Inc. to provide social media communications management services and in February 2023, New Break engaged the services of Venture Liquidity Providers Inc. to assist with market liquidity. No such costs existed in the third quarter of 2022. The 2022 amount principally relates to the amortization fees prepaid for advertising and marketing campaigns.
- General and administrative expenses were $25,641 during the third quarter of 2023 compared to $22,408 during the third quarter of 2022.
- Shareholder costs and filing fees were $10,654 during the third quarter of 2023 compared to $18,561 during the third quarter of 2022. In general, these costs relate to filing fees, the monthly CSE listing fee, transfer agent fees and the cost of disseminating and filing news releases. The 2022 amount includes an aggregate of $12,380 in filing fees associated with the Company's Prospectus, listing fees paid to the CSE and going public related fees paid to the Company's transfer agent.
- Share-based compensation was $2,967 during the third quarter of 2023, compared to $nil during the third quarter of 2022. The Q3 2023 amount relates to the amortization of the fair value of stock options granted in January 2023. This is a non-cash expense.
- Flow-through share premium recovery was $38,128 during the third quarter of 2023 on eligible CEE of $285,954 from flow-through funds raised in 2022 and 2023 compared to $81,175 during the third quarter of 2022 on eligible CEE of $227,360 from flow-through funds raised in 2021. These recoveries are non-cash amounts.

Nine months ended September 30, 2023 vs. nine months ended September 30, 2022

- Overall, the Company recorded a net loss and comprehensive loss of $907,099 or $0.02 per share for the nine months ended September 30, 2023 compared to a net loss and comprehensive loss of $782,207 or $0.02 per share for the nine months ended September 30, 2022.
- Exploration and evaluation expenses were $489,104 in the first nine months of 2023, including $451,058 on the Moray property before a $21,000 OJEP reimbursement, $56,932 on the Sundog project and $2,114 on other, compared to $639,977 in the third quarter of 2022, including $470,477 on the Moray property before a $60,000 OJEP reimbursement, $134,002 on the Sundog project, $87,091 on other Nunavut properties and $8,407 on other. The 2023 Moray expenditures includes $451,058 spent principally on stripping and channel sampling, structural mapping and sampling, prospecting, a drone survey and consulting fees, net of an accrual of $21,000 for an expected OJEP reimbursement from the Ontario Ministry of Mines. The 2022 amount includes $470,477 spent principally on the same activities as 2023 plus VLF, MAG and till sampling surveys, the purchase of

historical IP data and the completion of the NI 43-101 technical report, net of an accrual of $60,000 for an expected OJEP reimbursement. The 2023 work was carried out on new ground acquired during 2023, while the 2022 expenditures were carried out on the initial 1,856-hectare Moray property area. The 2023 Sundog expenditures included $18,830 for the year 3 rent payment to Nunavut Tunngavik Incorporated ("NTI") and $33,793 on a three-person prospecting trip to the Sundog property. The 2022 Sundog expenditures included $18,830 for the year 2 rent payment to NTI, costs associated with a community relations trip to meet with the Hunters and Trappers Organization in Arviat and consulting fees associated with exploration data compilation work. For further information see Note 6 to the third quarter Financial Statements.

- Management fees were $112,500 in the first nine months of 2023 compared to $112,500 in the first nine months of 2022. These fees relate to amounts charged by the Company's President and CEO and by the Chief Financial Officer.
- Consulting fees were $12,849 in the first nine months of 2023 compared to $16,135 in the first nine months of 2022. The 2022 amount relates principally to fees paid to the Company's former Chairman in the first quarter of 2022.
- Professional fees were $43,089 in the first nine months of 2023 compared to $114,207 in the first nine months of 2022. In general, these relate to legal fees and the accrual of audit and tax return preparation fees. $93,169 of the 2022 fees relate to legal and accounting fees incurred in connection with the Company's Long-Form Prospectus and preparation of listing materials for the CSE associated with the Company becoming publicly traded on September 7, 2022.
- Investor relations expenses were $193,067 in the first nine months of 2023 compared to $29,970 in the first nine months of 2022. These costs relate principally to the amortization of prepaid fees associated with marketing and advertising programs, which began to be amortized once the Company became publicly traded on September 7, 2022. In addition, in January 2023, the Company retained SmallCap Communications Inc. to provide social media communications management services and in February 2023, New Break engaged the services of Venture Liquidity Providers Inc. to assist with market liquidity. No such costs existed in the first half of 2022. The 2022 amount principally relates to the Company's attendance at the Nunavut Mining Symposium in May 2022.
- General and administrative expenses were $75,022 during the first nine months of 2023 compared to $58,029 during the first nine months of 2022.
- Shareholder costs and filing fees were $28,929 in the first nine months of 2023 compared to $37,243 in the first nine months of 2022. In general, these costs relate to filing fees, the monthly CSE listing fee, transfer agent fees and the cost of disseminating and filing news releases. The 2022 amount includes $25,495 filing fees associated with the Company's Prospectus and listing fees paid to the CSE and going public related fees paid to the Company's transfer agent.
- Travel expenses were $935 in the first nine months of 2023, compared to $9,648 in the first nine months of 2022, which related to travel to Nunavut.
- Share-based compensation was $42,683 during the first nine months of 2023 compared to $nil during the first nine months of 2022. The 2023 amount relates to the amortization of the fair value of stock options granted in January and June 2023. This is a non-cash expense.
- Flow-through share premium recovery was $85,342 during the first nine months of 2023 on eligible CEE of $453,312 from flow-through funds raised in 2022 and 2023 compared to $230,121 during the first nine months of 2022 on eligible CEE of $601,015 from flow-through funds raised in 2021. These recoveries are non-cash amounts.

Selected Quarterly Financial Information

The following table is a summary of selected financial information for the Company for the eight most recently completed financial quarters. It has been derived from the unaudited condensed interim financial statements of the Company. The information has been prepared by management in accordance with IFRS and is expressed in Canadian dollars.

	Q3 Sept. 2023 (unaudited)	Q2 June 2023 (unaudited)	Q1 March 2023 (unaudited)	Annual Dec. 2022 (audited)	Q4 Dec. 2022 (unaudited)
Revenue	$ -	$ -	$ -	$ -	$ -
Loss and comprehensive loss	$ (404,924)	$ (270,456)	$ (231,719)	$ (957,994)	$ (175,787)
Loss per share – basic and diluted	($0.01)	($0.01)	($0.01)	($0.02)	($0.00)
Assets	$ 938,320	$ 1,292,590	$ 590,447	$ 875,202	$ 875,202

	Q3 Sept. 2022 (unaudited)	Q2 June 2022 (unaudited)	Q1 March 2022 (unaudited)	Annual Dec. 2021 (audited)	Q4 Dec. 2021 (audited)
Revenue	$ -	$ -	$ -	$ -	$ -
Loss and comprehensive loss	$ (324,744)	$ (282,395)	$ (175,068)	$ (821,721)	$ (482,079)
Loss per share – basic and diluted	($0.01)	($0.01)	($0.00)	($0.03)	($0.01)
Assets	$ 1,075,008	$ 1,278,187	$ 1,459,178	$ 1,543,060	$ 1,543,060

Liquidity and Capital Resources

The Company's cash decreased by $428,189 during the quarter ended September 30, 2023, compared to a decrease of $309,590 during the quarter ended September 30, 2022. The Company's cash decreased by $29,723 during the nine months ended September 30, 2023, compared to a decrease of $878,696 during the nine months ended September 30, 2022. As at September 30, 2023, the ending cash balance was $200,739 compared to $230,462 as at December 31, 2022.

Working Capital

As at September 30, 2023, the Company had a working capital surplus of $175,775 compared to a surplus of $510,421 as at December 31, 2022. The non-cash flow-through share premium liability amount has been excluded from current liabilities in the calculation of working capital. As at September 30, 2023, $171,888 of flow-through funds raised May 31, 2023, must be spent on eligible Canadian exploration expenditures ("**CEE**") by December 31, 2024.

A summary of the Company's cash position and changes in cash for the three and nine months ended September 30, 2023 and 2022 are provided below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	**2023**	2022
Cash used in operating activities – gross	**$ (440,085)**	$ (405,919)	**$ (949,758)**	$ (1,012,328)
Changes in non-cash operating working capital	**21,986**	(59,921)	**304,923**	(337,118)
Cash used in operating activities – net	**(418,189)**	(465,840)	**(644,835)**	(1,349,446)
Cash used in investing activities	**(10,000)**	-	**(90,000)**	-
Cash provided by financing activities	**-**	156,250	**705,112**	470,750
Decrease in cash	**(428,189)**	(309,590)	**(29,723)**	(878,696)
Cash, beginning of period	**628,928**	668,522	**230,462**	1,237,628
Cash, end of period	**$ 200,739**	$ 358,932	**$ 200,739**	$ 358,932

Three months ended September 30, 2023 vs. three months ended September 30, 2022

Operating Activities

Cash used in operating activities before changes in non-cash working capital during the three months ended September 30, 2023 was $440,085 compared to $405,919 for the three months ended September 30, 2022. The difference is primarily the result of higher exploration and evaluation expenses during Q3 2023 of $312,954 compared to $255,608 during Q3 2022.

Investing Activities

Cash used in investing activities during the three months ended September 30, 2023 was $10,000 compared to $nil for the three months ended September 30, 2022. The Q3 2023 outlay relates to the cash portion of the acquisition of additional mineral claims in the Zavitz Township contiguous to the western Moray property boundary that closed on July 21, 2023.

Financing Activities

Cash provided by financing activities during the three months ended September 30, 2023 was $nil compared to $156,250 for the three months ended September 30, 2022. The Q3 2022 amount relates to $131,250 in proceeds from the exercise of 875,000 warrants at $0.15 per share and $25,000 in proceeds from the exercise of 250,000 stock options at $0.10 per share.

Nine months ended September 30, 2023 vs. nine months ended September 30, 2022

Operating Activities

Cash used in operating activities before changes in non-cash working capital during the nine months ended September 30, 2023 was $949,758 compared to $1,012,328 for the nine months ended September 30, 2022. The difference is primarily the result of higher exploration and evaluation expenses during the first nine months of 2022.

Investing Activities

Cash used in investing activities during the nine months ended September 30, 2023 was $90,000 compared to $nil for the nine months ended September 30, 2022. The 2023 outlay relates to the cash portion of the acquisition of an additional 2,460 hectares of mineral claims at Moray that closed on May 23, 2023 and the $10,000 cash portion of the acquisition of additional mineral claims in the Zavitz Township contiguous to the western Moray property boundary that closed on July 21, 2023.

Financing Activities

Cash provided by financing activities during the nine months ended September 30, 2023 was $705,112 compared to $470,750 for the nine months ended September 30, 2022.

The 2023 amount includes gross proceeds of $500,700 from a non-brokered private placement consisting of the issuance of 3,338,000 flow-through common shares at $0.15 per flow-through share that closed on May 31, 2023, less finder's fees of $12,915. In addition, in Q2 2023, common share purchase warrants to purchase 1,448,850 common shares at $0.15 per share were exercised for proceeds of $217,327.

The 2022 amount includes gross proceeds of $314,500 from a non-brokered private placement of units at $0.25 per unit, 578,000 of which were issued on March 30, 2022 and 680,000 of which were issued on May 31, 2022. In addition, during July and August 2022, common share purchase warrants to purchase 875,000 common shares at $0.15 per share were exercised for gross proceeds of $131,250 and on July 18, 2022, stock options to purchase 250,000 common shares at $0.10 per share were exercised for gross proceeds of $25,000.

Liquidity Outlook

As at September 30, 2023, the Company had $200,739 in cash, $45,483 of HST receivable and $21,000 owing from the Ontario Ministry of Mines in respect of a reimbursement of exploration expenditures under the Ontario Junior Exploration Program. In November 2023, New Break received $30,000 in OJEP funds from the Ontario Ministry of Mines. The Company also had a remaining commitment to spend $171,888 on eligible CEE by December 31, 2024 from flow-through funds raised May 31, 2023.

The Company does not expect to have to incur additional exploration expenditures during 2023 to maintain its Nunavut properties in good standing, however New Break is required to spend a minimum of $94,150 in year 3 on its Sundog property to maintain the property in good standing. Approximately $35,000 of this was incurred in September 2023 on the prospecting trip to Sundog by New Break's technical team which included prospector Ken Reading.

Overall, New Break expects that it will have to raise additional funds to fully fund the next twelve months corporate operating budget, to complete the planned drilling program at its Moray property, under the new exploration permit, received on September 21, 2023 from the Ontario Ministry of Mines and to complete the work necessary to maintain its Sundog property in good standing.

In general, completion of all of the Company's ongoing and future exploration and development initiatives and its ability to continue as a going concern are subject to successfully raising additional funding (see "Risks and Uncertainties" in the annual MD&A for the year ended December 31, 2022).

Related Party Transactions and Key Management Compensation

Key Management Compensation

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Key management of New Break includes the President and Chief Executive Officer, Vice-President, Exploration and Chief Financial Officer.

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Management fees	**$ 37,500**	$ 37,500	**$ 112,500**	$ 112,500
Management fees included in exploration and evaluation	**22,500**	22,500	**67,500**	67,500
Consulting fees paid to a non-independent director	**-**	-	**-**	10,500
Total fees paid to management and directors	**$ 60,000**	$ 60,000	**$ 180,000**	$ 190,500

Exploration and evaluation consulting fees charged by a geological consulting company, the President & CEO of which, is also a director of New Break	**$ 83,419**	$ 109,653	**$ 157,009**	$274,189

Related Party Transactions

Related parties include the Board of Directors, senior management, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

On August 16, 2022, warrants to purchase 150,000 common shares of the Company at a price of $0.15 were exercised for proceeds of $22,500. 60,000 of these were exercised by an investment company that is wholly-owned by one of the Company's directors.

On December 30, 2022, the Company completed a non-brokered private placement for gross proceeds of $124,500 through the issuance of 830,000 F-T Shares at a price of $0.15 per flow-through share. An officer of the Company subscribed for 30,000 of the flow-through shares issued.

On December 30, 2022, the Company granted options to purchase up to 350,000 common shares of the Company at a price of $0.10 per share for a period of five years. 250,000 of these were granted to a director of the Company.

On June 23, 2023, warrants to purchase 1,073,850 common shares of the Company at a price of $0.15 were exercised for proceeds of $161,077. 25,000 of these were exercised by an investment company that is wholly-owned by one of the Company's directors. As a result of the exercise, the investment company was also issued 25,000 incentive warrants at $0.20 for a period of three years.

As at September 30, 2023, $90,196 (December 31, 2022 - $24,397) included in accounts payable and accrued liabilities was owing to related parties, including $59,077 (December 31, 2022 - $16,669) owed to a geological consulting company, the President and Chief Executive Officer of which, is also a director of New Break. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

Subsequent Events

Stock Option Expiry

On October 19, 2023, stock options to purchase up to 250,000 common shares of the Company at a price of $0.10 per share, granted to the Company's former Chairman on November 19, 2021, expired unexercised.

OJEP Payment From Ontario Ministry of Mines

In November 2023, the Company received $30,000 from the Ontario Ministry of Mines under an Ontario Transfer Payment Agreement as a reimbursement of 50% of certain exploration and evaluation expenditures for work and activities on the Moray Gold Project.

Outstanding Capital and Share Data

New Break's authorized capital stock consists of an unlimited number of common shares without par value. As at November 29, 2023 there were 47,572,600 common shares issued and outstanding.

As at November 29, 2023, the Company also had the following items issued and outstanding:
- 2,474,850 common share purchase warrants at a weighted average exercise price of $0.28.
- 4,050,000 stock options at an exercise price of $0.10.

Off-Balance Sheet Arrangements

As at September 30, 2023, the Company has not entered into any off-balance sheet arrangements.

Proposed Transactions

In the normal course of business, the Company evaluates property acquisition and sale transactions and, in some cases, makes proposals to acquire or sell such properties. These proposals, which are usually subject to Board and sometimes regulatory and shareholder approvals, may involve future payments, share issuances and property work commitments. These future obligations are usually contingent in nature and generally the Company is only required to incur the obligation if it wishes to continue with the transaction.

As of November 29, 2023, there are no material property acquisitions or possible transactions that the Company is examining.

Financial Instruments

The Company manages its exposure to a number of different financial risks arising from its operations as well as its use of financial instruments including market risks (commodity prices, foreign currency exchange rate and interest rate), credit risk and liquidity risk through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility.

Financial risks are primarily managed and monitored through operating and financing activities and, if required, through the use of derivative financial instruments. The Company does not use derivative financial instruments for purposes other than risk management. The financial risks are evaluated regularly with due consideration to changes in the key economic indicators and up to date market information.

Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The Company may use derivative financial instruments such as foreign exchange contracts and interest rate swaps to manage certain exposures. These market risks are evaluated by monitoring changes in key economic indicators and market information on an ongoing basis.

Commodity Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company monitors commodity prices as they relate to gold and the stock market to determine the appropriate course of action to be taken.

Liquidity Risk

Liquidity risk encompasses the risk that a company cannot meet its financial obligations in full. The Company's main source of liquidity is derived from its common stock issuances. These funds are primarily used to finance working capital, operating expenses, capital expenditures and acquisitions.

The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. The 2023 Moray exploration budget is planned to be partially funded from flow-through funds raised in December 2022 and May 2023, while the 2023 operating expenses will be partially funded from amounts raised in 2022 and the exercise of warrants in 2023. There is no certainty of the Company's ability to complete additional financings.

As at September 30, 2023 the Company held current assets of $343,210 (December 31, 2022 - $598,092) to settle current liabilities of $167,435 (December 31, 2022 - $87,671), exclusive of non-cash flow-through share premium liability.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash bears interest at market rates. In the event that the Company held interest bearing debt, the Company could be exposed to interest rate risk. The Company does not have any interest-bearing debt. Other current financial assets and liabilities are not exposed to interest rate risk because of their short-term nature.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash. The Company has reduced its credit risk by investing its cash with a Canadian chartered bank.

The Company's financial assets and liabilities as at September 30, 2023 and December 31, 2022 were as follows:

	Amortized Cost	FVPL	Total
December 31, 2022			
Financial assets			
Cash	$ 230,462	$ -	$ 230,462
HST receivable	$ 38,849	$ -	$ 38,849
Other amount receivable	$ 140,000	$ -	$ 140,000
Financial liabilities			
Accounts payable and accrued liabilities	$ 87,671	$ -	$ 87,671

September 30, 2023						
Financial assets						
Cash	$	200,739	$	-	$	200,739
HST receivable	$	45,483	$	-	$	45,483
Other amount receivable	$	21,000	$	-	$	21,000
Financial liabilities						
Accounts payable and accrued liabilities	$	167,435	$	-	$	167,435

The fair values of these financial instruments approximate their carrying values because of their short-term nature.

Going Concern

The unaudited condensed interim financial statements of the Company have been prepared on the basis that the Company will continue as a going concern, which presumes that it will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has no history of operations and is in the early stage of development. Due to continuing operating losses, the application of the going concern basis is dependent upon the Company achieving profitable operations to generate sufficient cash flows to fund continuing operations or in the absence of adequate cash flows from operations, obtaining additional financing to support operations for the foreseeable future. It is not possible to predict whether such financing will be available, or if available, will be on reasonable terms, or if the Company will attain profitable levels of operations. These factors may cast significant doubt on the entity's ability to continue as a going concern. The unaudited condensed interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern. If management is unsuccessful in securing capital, the Company's assets may not be realized or its liabilities discharged at their carrying amounts and these differences could be material. Changes in future conditions could require material write-downs of the carrying amounts of mineral properties.

Critical Accounting Policies and the Use of Estimates and Judgment

The preparation of the condensed interim financial statements in conformity with IFRS requires that management make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses and income during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates. A detailed summary of the Company's significant accounting policies and use of estimates, is included in Notes 2 and 3 of the Company's audited financial statements for the year ended December 31, 2022. The accounting policies and management estimates applied in the condensed interim financial statements for the three and nine months ended September 30, 2023, are consistent with those used in the Company's audited financial statements for the year ended December 31, 2022.

Adoption of New Accounting Standards

The accounting policies and management estimates applied in the condensed interim financial statements for the three and nine months ended September 30, 2023, are consistent with those used in the Company's audited financial statements for the year ended December 31, 2022. The Company adopted the following accounting standards and amendments to accounting standards, effective January 1, 2023:

On February 12, 2021, the IASB issued Definition of Accounting Estimates (Amendments to IAS 8). The amendments require the disclosure of material accounting policy information rather than disclosing significant accounting policies and clarifies how to distinguish changes in accounting policies from changes in accounting estimates. The adoption of the new standard did not impact the financial statements of the Company.

On February 12, 2021, the IASB issued Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgments). The amendments help companies provide useful accounting policy disclosures. The adoption of the new standard did not impact the financial statements of the Company.

New Accounting Standards Issued but Not Yet Effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after September 30, 2023:

• Classification of Liabilities as Current or Non-current (Amendments to IAS 1) effective for annual periods beginning on or after January 1, 2024.

• Lease Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases) effective for annual periods beginning on or after January 1, 2024.

None of these pronouncements are expected to have a significant impact on the Company's financial statements upon adoption. The Company does not intend to early adopt these standards

Commitments

As at September 30, 2023, the Company had a commitment to spend $171,888 (December 31, 2022 - $124,500) on eligible CEE, from amounts raised from flow-through financing, by December 31, 2024.

Flow-Through

Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on eligible qualifying CEE. Certain interpretations are required to assess the eligibility of flow-through expenditures that if changed, could result in the denial of renunciation. The Company has indemnified current and previous flow-through subscribers for any tax and related costs payable by them in the event the Company does not incur the required exploration expenditures. No amounts have been recorded in these financial statements for potential liabilities relating to these indemnities as a triggering event has not taken place. Upon issuance of the flow-through shares during 2023 and 2022 in the amounts of $500,700 and $124,500, respectively (2021 - $855,300), the Company recorded flow-through share premium liability amounts of $66,760 and $41,500, respectively (2021 - $371,942). As eligible CEE is incurred, the amount is drawn down as income through the statement of loss. During the three months ended September 30, 2023, the Company incurred $285,954 (September 30, 2022 - $227,360) in eligible CEE and recorded a flow-through share premium recovery of $38,128 in the statement of loss (September 30, 2022 - $81,175). During the nine months ended September 30, 2023, the Company incurred $453,312 (September 30, 2022 - $601,015) in eligible CEE and recorded a flow-through share premium recovery of $85,342 in the statement of loss (September 30, 2022 - $230,121).

Environmental

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Contingent Payments

Effective October 1, 2021, the Company became party to certain consulting agreements that contain clauses that could require additional aggregate payments of $180,000 upon termination without cause and $360,000 upon termination in connection with a change of control. These clauses are only applicable if a triggering event occurs after the Company has raised aggregate gross proceeds from financings of at least $2.0 million since October 1, 2021. As a triggering event has not taken place, the contingent payments have not been reflected in the condensed interim financial statements.

Risks and Uncertainties

Readers of the MD&A should give careful consideration to the information included or incorporated by reference in this document and the Company's unaudited condensed interim financial statements and related notes. New Break's business of exploring and developing mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry, including the limited extent of the Company's assets, the Company's state of development and the degree of reliance upon the expertise of management. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative. Only those persons who can bear the risk of the entire loss of their investment should participate.

An investor should carefully consider the risks described in the Company's audited financial statements for the year ended December 31, 2022 and the "Risks and Uncertainties" discussion in the Company's MD&A for the year ended December 31, 2022, dated April 25, 2023, before investing in the Company's common shares. Readers are also encouraged to read and consider the risk factors more particularly described in Note 4 to the unaudited condensed interim financial statements for the three and nine months ended September 30, 2023, which have been posted on SEDAR+ at www.sedarplus.ca and on the Company's website at www.newbreakresources.ca. The risks described in these documents is not an exhaustive list. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business in the future. If any of the risks noted in the Company's financial disclosure occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. In this event, investors may lose part or all of their investment.

Regulatory standards continue to change, making the review process longer, more complex and more costly. Even if an apparently mineable mineral deposit is developed, there is no assurance that it will ever reach production or be profitable, as its potential economics are influenced by many key factors such as commodity prices, foreign exchange rates, equity markets and political interference, which cannot be controlled by management. As a result, the Company's future business, operations and financial condition could differ materially from the forward-looking information contained in this MD&A and described in the "Forward-Looking Statements" section below.

Forward Looking Statements

This report may contain forward-looking statements that involve a number of risks and uncertainties, including statements regarding the outlook for the Company's business and operational results. By nature, these risks and uncertainties could cause actual results to differ materially from what has been indicated. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to failure to establish estimated resources and reserves, the grade and recovery of ore which is mined from estimates, capital and operating costs varying significantly from estimates, delays or failure in obtaining governmental, environmental or other project approvals and other factors including those risks and uncertainties identified above. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information as a result of new information, future results or other such factors, which affect this information, except as required by law.

Management's Evaluation of Disclosure Controls

Management is responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company is made known to the Company's certifying officers. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the effectiveness of the Company's disclosure controls and procedures as at September 30, 2023 and have concluded that these controls and procedures are effective.

Internal Control over Financial Reporting:

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with accounting principles generally accepted in Canada. Based on a review of its control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures are appropriately designed as at September 30, 2023.

Other MD&A Requirements

Additional Disclosure for Companies Without Significant Revenue

Additional disclosure concerning New Break's exploration and evaluation expenditures, mineral property costs and general and administrative expenses is provided in the Company's unaudited condensed interim financial statements and in Note 6 of the unaudited condensed interim financial statements for the three and nine months ended September 30, 2023 and 2022 that are available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.newbreakresources.ca.

Approval

The Board of Directors of New Break approved the disclosure contained in this MD&A on November 29, 2023. A copy of this MD&A will be provided to anyone who requests it from the Company.

Additional Information

Officers:
Michael Farrant, President, Chief Executive Officer
William Love, Vice President, Exploration
Jim O'Neill, Chief Financial Officer and Corporate Secretary

Non-Independent Directors
Ashley Kirwan, Director (1) (2) (Compensation, Governance and Nominating Committee Chair)
Michael Skutezky, Director
Michael Farrant, Director

Independent Directors
Andrew Malim, Non-Executive Chairman and Director (1) (2)
Thomas Puppendahl, Director (1) (2) (Audit Committee Chair)

(1) Member of the Audit Committee

(2) Member of the Compensation, Governance and Nominating Committee

Legal Counsel, Auditors and Transfer Agent

Peterson McVicar LLP, Dennis Peterson
McGovern Hurley LLP, Auditors
TSX Trust Company, Transfer Agent