

**NEW BREAK RESOURCES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022**

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, 2022 ("**third quarter of 2022**" or "**Q3 2022**"). The comparative period is for the three and nine months ended September 30, 2021 ("**third quarter of 2021**" or "**Q3 2021**"). 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, 2021 and 2020, and the unaudited condensed interim financial statements for the three and nine months ended September 30, 2022 and 2021, 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, 2021 and 2020 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, 2022 and 2021 and the Company's Board of Directors approved these documents prior to their release.

This MD&A is dated November 14, 2022 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 ("**SEDAR**") website at www.sedar.com, 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 CSE and trades under the symbol NBRK. The address of the Company's corporate office and principal place of business is 18 King Street East, Suite 902 Toronto, Ontario, M5C 1C4, Canada.

Description of the Business

New Break is a Canadian mineral exploration and evaluation stage company, focused principally on gold exploration at its 100% owned Moray property, covering approximately 1,856 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. and at its four gold projects located in Kivalliq Region, Nunavut. The Sundog Gold Project covers approximately 9,415 hectares within parcel AR-35 on Inuit Owned Land. The 100% owned Esker/Noomut, Sy and Angikuni Lake Gold Projects, cover approximately 21,960 hectares on Crown Land and were acquired through staking in 2021.

Developments during the three months ended September 30, 2022 and up to November 14, 2022

Mineral Properties and Exploration and Evaluation Activities

Moray Project - Matachewan, Ontario

Phase 1 Exploration Program

In late June 2022, New Break engaged CXS Canadian Exploration Services Ltd. (“**CXS**”) out of Larder Lake, Ontario, to complete a planned mechanical stripping, washing and channel sampling program of the Voyager and Fiset areas of the Moray property, and dewatering in certain areas to accommodate a structural mapping program to be conducted by Orix Geoscience 2018 Inc. (“**Orix**”). CXS completed the mechanical stripping component of the program from June 20-30, 2022. The washing and channel sampling phase of the program continued through July 17, 2022 and included the washing of newly stripped areas and the washing of historical trenches from a 2012 trenching program completed by SGX Resources Inc. (“**SGX**”). The channel sample areas were marked by New Break personnel and cut by CSX.

On July 13, 2022, Orix arrived on the property to oversee the channel sampling program. After arriving on the property, Orix completed a high-resolution drone survey of the Voyager and Fiset areas, including all newly stripped areas and all of the historical SGX trenches. Orix then completed a program of geological and structural mapping and interpretation of the Voyager and Fiset areas, which included taking 74 grab samples from various areas of the Moray property, including in and around the historical SGX Trench 12. The highest-grade grab sample of 70.60 grams per tonne gold (“**g/t Au**”) was located at the south end of the main Trench 12. Five samples from New Break’s program yielded assays higher than the highest 21.8 g/t Au assay from the 2012 SGX prospecting and trenching program.

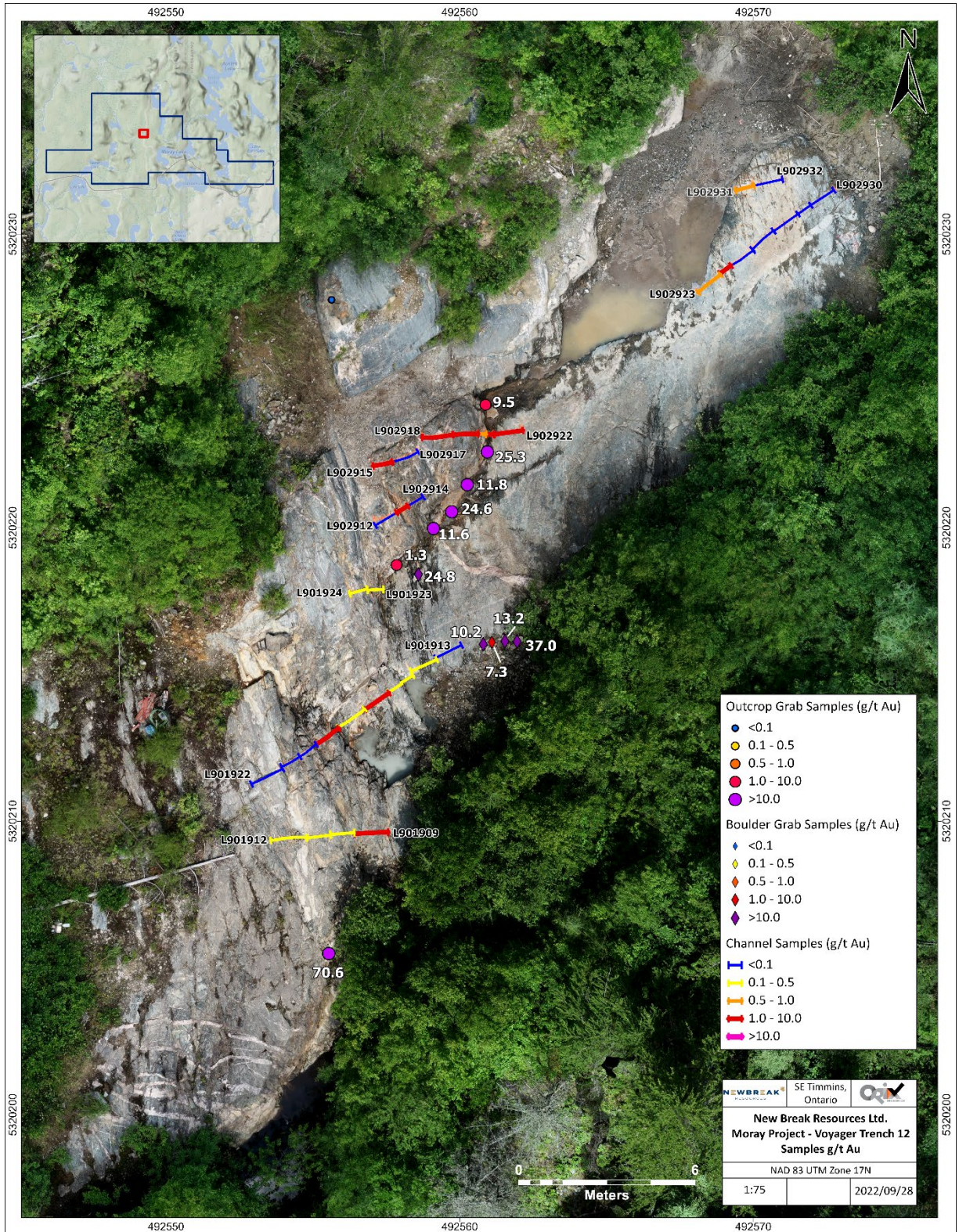
Highlights from the outcrop and boulder surface grab sampling program are presented in the following table:

Table 1: Grab Sampling Program Assays – Trench 12, Voyager Area (July – August 2022)

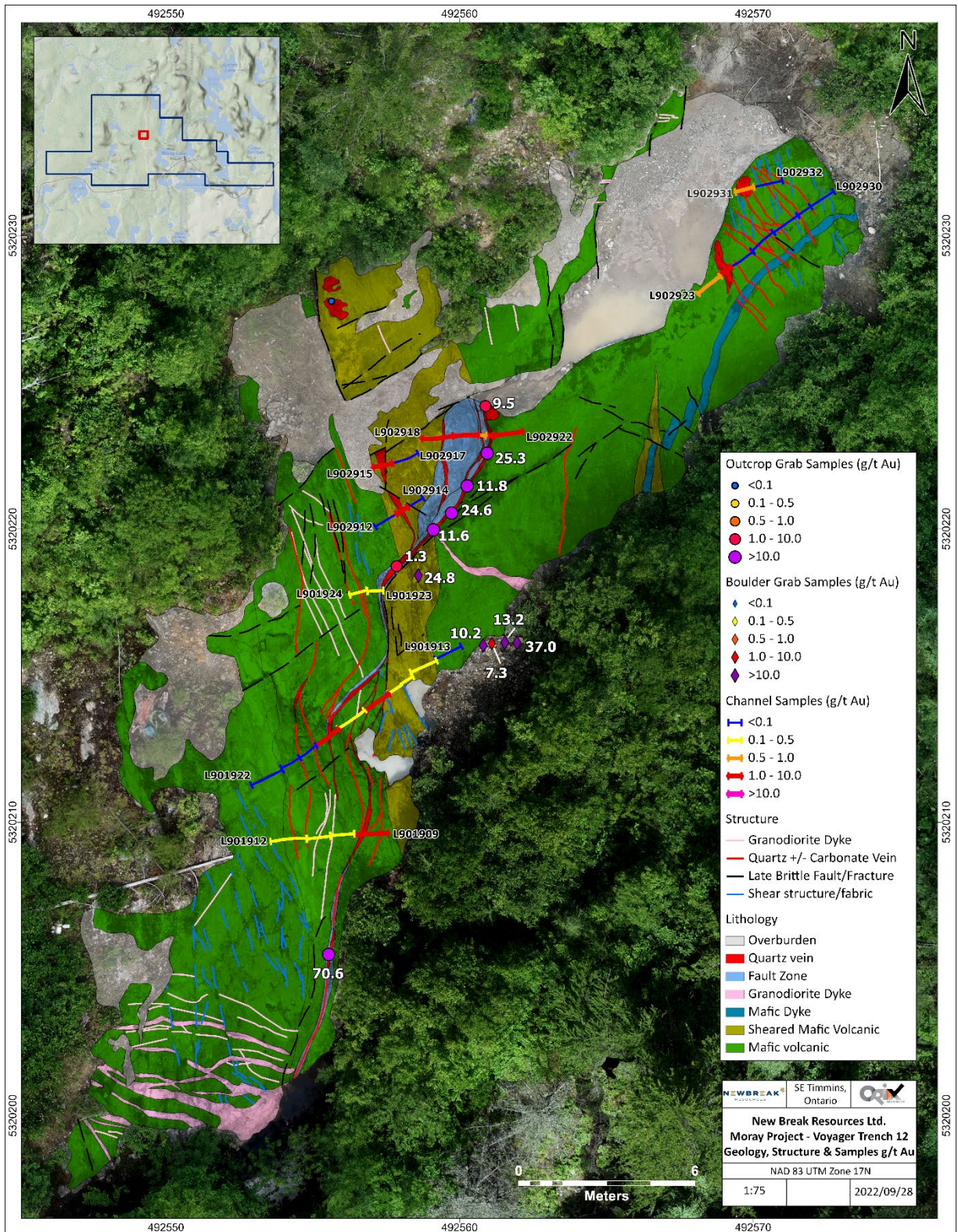
Sample Number	Description	Grade (g/t Au)
X947861	Boulder removed from shear vein	13.15
X947863	Boulder removed from shear vein	7.26
X947864	Boulder removed from shear vein	37.00
X947865	Boulder removed from shear vein	10.15
X947866	Boulder removed from shear vein	24.80
X947867	Sample east of stripped area	1.96
X947868	Shear vein	9.46
X947869	Shear vein	25.30
X947871	Shear vein	24.60
X947872	Shear vein	11.55
X947873	Shear vein	1.33
X947874	Shear vein	70.60
X947875	Shear vein	11.75

The remaining samples ranged in gold values from 0.003 to 0.346 g/t Au.

Outcrop and boulder grab sampling results, along with channel sampling results from the historical SGX Trench 12 Voyager showing area are presented in Figures 1 and 2. Figure 1 presents the high-resolution drone imagery from the drone survey completed by Orix, while Figure 2 layers on geology and structure as mapped by Orix.



(Figure 1 – Outcrop, boulder and channel samples at Trench 12, Voyager area – Moray Project)



(Figure 2 – Outcrop, boulder and channel samples at Trench 12, Voyager area – Moray Project, Including structural geology)

Mechanical Stripping, Washing and Channel Sampling Program – Phase 1

As noted, in late June and July 2022, CXS completed an initial program of approximately 3,800 m² of mechanical stripping, principally focused on the Voyager area, including the historical SGX Trench 12 and the Fiset area, including the historical SGX Trench 1 and the NOR vein discovered by Noranda Inc. In addition, while SGX did complete 2,285 m² of mechanical stripping in a 15-trench program in 2012, SGX did not cut channel samples. As a result, CXS washed both the newly stripped areas and the historical SGX trenches 1 and 2 at Fiset and trench 12 at Voyager which was followed by a 135-sample channel sampling program. The channel sample areas were marked by New Break personnel and cut by CXS, with the program being completed on July 17, 2022.

Table 2: Channel Sampling Program Assays – Trench 12, Voyager Area (July 2022)

Sample Numbers	Grade ⁽¹⁾ (g/t Au)	Length (m)	Description
L901909 – L901912	0.801	4.41	Extensional / splay veins
L901913 – L901922	0.420	9.52	Extensional / splay veins
• Including L901917 – L901919	1.070	3.32	Extensional / splay veins
L901923 – L901924	0.262	1.87	Extensional / splay veins
L902912 – L902914	2.415	2.10	Extensional / splay veins
L902915 + L902917 (no L902916)	2.788	1.75	Extensional / splay veins
L902918 – L902922	2.773	4.51	Extensional / splay veins
• Including L901921	0.800	5.74	Extensional / splay veins
L902923 – L902930	0.303	5.87	Extensional / splay veins
• Including L902924	1.165	1.41	Extensional / splay veins
L902931 – L902932	0.229	1.73	Extensional / splay veins

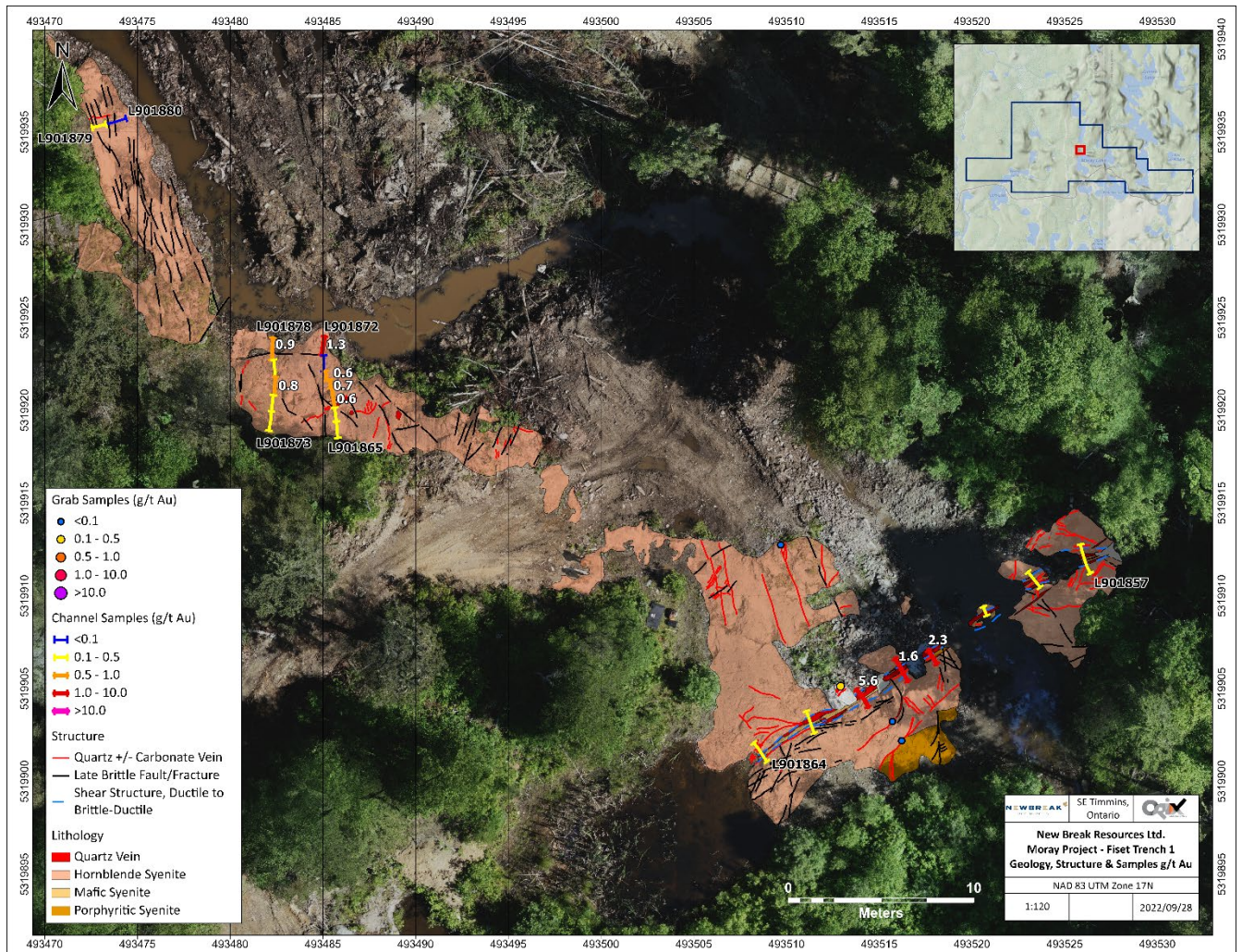
(1) Weighted average grade over entire length from individual samples.

Table 3: Channel Sampling Program Assays – Trench 1 and NOR Vein, Fiset Area (July 2022)

Sample Numbers	Grade (g/t Au)	Length (m)	Description
L901857	0.275	1.50	NOR vein
L901858	0.356	1.05	NOR vein
L901859	0.441	0.50	NOR vein
L901860	2.290	0.90	NOR vein
L901861	1.610	1.35	NOR vein
L901862	5.160	1.10	NOR vein
L901863	0.182	1.25	NOR vein
L901864	0.125	1.20	NOR vein
L901865 – L901872	0.570 ⁽¹⁾	6.20	Fiset trench 1 – new vein
L901873 – L901878	0.464 ⁽¹⁾	5.37	Fiset trench 1 – new vein

(1) Weighted average grade over entire length from individual samples.

Results from the Fiset showing area, including the historical SGX Trench 1 and the NOR vein, discovered by Noranda Inc., are presented in Figure 3.



(Figure 3 – Channel sample results Trench 1, Fiset area – Moray Project)

Observations from the Phase 1 Structural Mapping and Sampling Programs

The shear and extensional/splay veins associated with the Voyager area are hosted in mafic volcanics. The veins are strongly pyritic with local concentrations of up to 20% pyrite. Structural mapping work completed by Orix observed that the NNE-NE shear vein and the N-S extensional veins have not been traced or tested. It has been determined that drillhole ML12-01, drilled by SGX in 2012 on an azimuth of 45 degrees NE and collared 18 metres SW of the south end of trench 12, was drilled parallel to the strike of the main shear vein. New Break has examined the drill core from ML12-01 and noted that the section from 79.5 to 81.0 metres is strongly pyritic and brecciated with evidence of an earlier fabric in the brecciated fragments. This section graded 2.47 g/t Au over 1.5 metres and is proximal to the mafic volcanic – syenite contact at 83.4 metres. The mafic volcanic – syenite contact graded 0.494 g/t Au over 12.1 metres from 79.5 to 91.6 metres. New Break has concluded that drillhole ML12-01 likely “clipped” the NNE trending shear vein.

New Break believes that the gold bearing extensional/shear vein development at Trench 12 represents a strongly auriferous gold structure with the highest gold assays yet recorded on the Moray property. The vein system at Trench 12 is likely close to the mafic volcanic – syenite contact to the northeast as evidenced by SGX drillhole ML12-01. At present, it is unknown as to whether the shear vein extends into the syenite. The vein systems are noticeably rich in pyrite and quartz carbonate alteration which should yield good chargeability and resistivity results from the proposed IP survey.

The channel results from Fiset Trench 1, which include channel samples taken from the original NOR vein, are generally comparable to grab sample results produced through the SGX prospecting program in 2012. The NOR vein remains untested to the northeast and southwest.

Quality Assurance and Quality Control (QA/QC)

Samples collected in the 2022 channel and grab sampling program were delivered to ALS Global (“ALS”) in Timmins, Ontario for preparation and were assayed for gold by ALS Global in Vancouver, British Columbia.

New Break implemented a strict QA/QC protocol in processing all channel and grab samples collected from the Moray property to ensure best practice in the sampling and analysis of the surface samples. Channel sample lines were located and measured perpendicular to shear vein trends and marked at 1.0 metre to 1.5 metre intervals. Blanks and certified standards were inserted into the channel sample stream at batch intervals of 10 assay tags. Final GPS control of the sample lines was determined from drone imagery. The 20th sample in the grab sample sequence was either a blank or a certified standard.

All channel rock samples were put in sturdy plastic bags, tagged, and sealed in the field by CXS personnel under the supervision of Orix professional geologists and Peter C. Hubacheck P. Geo. and QP. The channel sample bags were then put in rice pouches before being transported by CXS personnel to their secure facility in Larder Lake. The grab samples were collected by Orix professional geologists and transported in rice pouches to the ALS preparation lab in Timmins. The channel samples were transported by truck by CXS to ALS at their Timmins, Ontario facility for sample preparation where the samples were crushed to better than 70% passing 2mm, 1kg riffle split and pulverized to 85% passing 75 microns. Pulps were forwarded to ALS Global in Vancouver, British Columbia for analyses. The program collected samples for both gold and base metal multi-element analysis. Gold analyses are obtained via industry standard fire assay with ICP finish using 30 g aliquots. For samples returning greater than 10.0 g/t, gold follow-up fire assay analysis with a gravimetric finish is completed. Based on initial fire assay gold indications as well as visual indication of mineralization and alteration, intervals are selected for re-assay by the screen metallic fire assay method. Base metal samples were analyzed for 48 trace and major elements by ICP-MS following a four-acid digestion. ALS Global are ISO/IEC 17025:2017 accredited (Lab No. 579) for the preparation and analyses performed on the New Break samples.

Mechanical Stripping, Washing and Channel Sampling Program – Fall 2022

In order to follow up the excellent assay results at the Trench 12 Voyager area, New Break mobilized an excavator to Trench 12 on September 21, 2022, to conduct an additional Fall 2022 stripping program, as the shear vein remains untested to the NNE and to SSW. During October 2022, New Break extended the previous trenching work to both the NNE and SSW. Additional grab and channel samples were taken. Assays are pending. Orix also continued mapping the newly exposed areas.

Additional Moray Phase 1 Exploration Work

Fall 2022 VLF and VLF + MAG Surveys

In September 2022, New Break again engaged Shaun Parent, P. Geo., of Superior Exploration Co. (“**Superior Exploration**”) to complete a combined Very Low Frequency (“**VLF**”) and magnetic (“**MAG**”) ground geophysical survey to trace the shear and extensional vein systems with lines spaced perpendicular to the azimuth of the shear vein at the Voyager target area. 18.0 line-km were completed. Following the survey work at the Voyager target area, from October 1-20, 2022, Superior Exploration completed 19.1 line-km of additional VLF survey work on the Nor grid at Moray and 8.54 line-km of VLF plus MAG survey work on the Dexter grid at Moray. Results of this additional survey work are being compiled.

Till Sampling Survey Update

New Break continues to wait for the results from 46 till samples taken by IOS Services Geoscientifiques Inc. in June 2022 to analyze gold grains in bedrock. These results and the corresponding report are expected in late November 2022.

Ontario Junior Exploration Program (“OJEP”)

New Break entered into a Transfer Payment Agreement with the Province of Ontario dated April 1, 2022 which covers funding of eligible exploration work completed on the Moray property between April 1, 2022 and February 15, 2023. Eligible expenses are reimbursed at a rate of 50% with the aggregate reimbursement capped at \$200,000. On September 15, 2022, New Break submitted an interim report to the Ontario Ministry of Northern Development and on November 7, 2022, the Company received a \$60,000 payment, being the maximum reimbursement in respect of the interim reporting period. New Break expects to receive an additional \$140,000 subsequent to filing the final report in the first quarter of 2023.

Moray Exploration – Next Steps

Following the completion of the 2022 Phase 1 work program and interpretation of the results, New Break is hopeful that it will be able to initiate a Phase 2 exploration program comprised of a drilling program on the Moray Project that will test targets generated from the Phase 1 exploration work.

Nunavut Exploration Activities

On August 17, 2022, New Break received an Inuit Land Use License on the Company’s Sundog Gold Project, approving New Break to proceed with an exploration program planned for summer 2023. The License approving these activities expires September 30, 2023. The Company would have to apply for a new license in the future to conduct more advanced exploration work.

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.

Warrant Exercises

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.

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.

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.

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.

Corporate Developments

Going Public Update – CSE Listing (CSE: NBRK)

On May 6, 2022, the Company submitted a preliminary prospectus to the OSC in connection with the Company's plans to seek liquidity options for the common shares of New Break. On August 4, 2022, the Company submitted a Final Long-Form Prospectus (the "**Prospectus**") to the OSC and received a receipt from the OSC for the Prospectus. As such, effective August 4, 2022, New Break became a reporting issuer in the Province of Ontario. On September 7, 2022, the Company commenced trading on the Canadian Securities Exchange under the symbol NBRK. As a result, the Company also became a reporting issuer in the Province of British Columbia.

Escrow Agreement

On August 4, 2022, commensurate with the OSC receipt for the Prospectus, the Company entered into an 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. As at September 30, 2022, the Company had 3,913,200 (December 31, 2021 – nil) common shares held in escrow with the next escrow release on March 7, 2023.

Annual General Meeting

On October 26, 2022, a notice of record date and meeting was filed on SEDAR by the Company's transfer agent, TSX Trust Company. New Break intends to hold an annual general meeting of shareholders on December 15, 2022 (the "**Meeting**"). Record date for the Meeting is November 10, 2022. A Notice of Meeting and Information Circular dated November 14, 2022, has been prepared and approved by the board of New Break and will be mailed to shareholders in due course. Business to be dealt with at the Meeting will include receiving the audited financial statements for the year ended December 31, 2021, election of directors, re-appointment of the Company's auditor and re-approval of the Company's stock option plan.

Overview of Financial Results

Three and Nine Months Ended September 30, 2022 vs. September 30, 2021

(Expressed in Canadian Dollars)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Expenses				
Exploration and evaluation	\$ 255,608	\$ 60,432	\$ 639,977	\$ 157,062
Management fees	37,500	44,700	112,500	124,300
Consulting fees	2,635	250	16,135	8,535
Professional fees	47,663	22,024	114,207	33,995
Investor relations	24,537	-	29,970	-
General and administrative	22,408	15,317	58,029	25,523
Shareholder costs and filing fees	18,561	5,246	37,243	7,144
Travel	-	-	9,648	-
Total expenses	408,912	147,969	1,017,709	356,559
Loss before the undernoted	(408,912)	(147,969)	(1,017,709)	(356,559)
Bank charges	(233)	(462)	(897)	(983)
Interest income	3,226	2	6,278	2
Flow-through share premium recovery	81,175	16,655	230,121	17,898
Net loss and comprehensive loss for the period	\$ (324,744)	\$ (131,774)	\$ (782,207)	\$ (339,642)
Net loss per share				
Basic and diluted loss per share	\$ (0.01)	\$ (0.00)	\$ (0.02)	\$ (0.01)

Three months ended September 30, 2022 vs. three months ended September 30, 2021

- Overall, the Company recorded a net loss and comprehensive loss of \$324,744 or \$0.01 per share for the quarter ended September 30, 2022 compared to a net loss and comprehensive loss of \$131,774 or \$0.00 per share for the quarter ended September 30, 2021.
- Exploration and evaluation expenses were \$255,608 in the third quarter of 2022 compared to \$60,432 in the third quarter of 2021. The 2022 amount includes \$278,143 spent on the Moray property, net of a reimbursement of \$60,000 from the Ontario Ministry of Northern Development. Q3 2022 exploration work at Moray includes a drone survey, VLF + MAG survey, stripping and channel sampling and structural mapping and sampling. \$26,906 was spent on the Sundog property in Nunavut, which included \$18,830 for the year 2 rent payment under the Inuit Owned Lands Mineral Exploration Agreement. \$10,559 was spent on the Company's other Nunavut properties. The 2021 amount relates primarily to the Moray Project, including \$36,796 incurred on a VLF survey in August 2021.
- Management fees were \$37,500 in the third quarter of 2022 compared to \$44,700 in the third quarter of 2021. The change in fees relates to changes in the Company's management compared to the prior year period. These fees currently relate to amounts charged by the Company's President and CEO and by the Chief Financial Officer.
- Consulting fees were \$2,635 in the third quarter of 2022 compared to \$250 in the third quarter of 2021.
- Professional fees were \$47,663 in the third quarter of 2022 compared to \$22,024 in the third quarter of 2021. In general, these 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 going public.

- Investor relations expenses were \$24,537 during the third quarter of 2022 compared to \$nil during the third quarter of 2021. The 2022 amount principally relates to the amortization fees prepaid for advertising and marketing campaigns.
- General and administrative expenses were \$22,408 during the third quarter of 2022 compared to \$15,317 during the third quarter of 2021.
- Shareholder costs and filing fees were \$18,561 during the third quarter of 2022 compared to \$5,246 during the third quarter of 2021. 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.
- Flow-through share premium recovery was \$81,175 during the third quarter of 2022 on eligible CEE of \$227,360 from flow-through funds raised in 2021 compared to \$16,655 during the third quarter of 2021 on eligible CEE of \$56,256 from flow-through funds raised in 2020 and 2021. These recoveries are non-cash amounts.

Nine months ended September 30, 2022 vs. nine months ended September 30, 2021

- Overall, the Company recorded a net loss and comprehensive loss of \$782,207 or \$0.02 per share for the nine months ended September 30, 2022 compared to a net loss and comprehensive loss of \$339,642 or \$0.01 per share for the nine months ended September 30, 2021.
- Exploration and evaluation expenses were \$639,977 in the first nine months of 2022 compared to \$157,062 in the first nine months of 2021. The 2022 amount includes \$470,477 spent on the Moray property, net of a reimbursement of \$60,000 from the Ontario Ministry of Northern Development. 2022 exploration work at Moray includes completion of the NI 43-101 technical report, purchase of IP survey data from 55 North Mining Inc., an April 2022 VLF survey of the Fiset North target area, a June 2022 till sampling survey, a mechanical stripping, trenching and washing program in June and July 2022 at the Voyager and Fiset areas, a drone survey by Orix, a channel sampling and grab sampling program during July and August 2022, which included comprehensive structural and geological mapping by Orix, a VLF+MAG survey at Voyager in September 2022 and at Dexter in October 2022 and a VLF survey at the Nor target area in October 2022 and additional stripping, washing, channel and grab sampling and structural mapping extending Trench 12 at the Voyager area in September and October 2022. \$134,002 was spent on the Sundog property in Nunavut on additional compilation work, phase 1 exploration program planning, travel related to community relations and year 2 property rent. \$87,091 was spent on the Company's other Nunavut properties, principally on additional data compilation and the purchase of data related to the Esker claim from MPH Consulting Limited. The 2021 amount relates primarily to the payment of \$74,000 for the purchase of Nunavut related exploration data, consulting fees paid for work on the Company's newly staked mineral claims in Nunavut and a VLF survey conducted at Moray.
- Management fees were \$112,500 in the first nine months of 2022 compared to \$124,300 in the first nine months of 2021. The change in fees relates to changes in the Company's management compared to the prior year period. These fees currently relate to amounts charged by the Company's President and CEO and by the Chief Financial Officer.
- Consulting fees were \$16,135 in the first nine months of 2022 compared to \$8,535 in the first nine months of 2021. The 2022 amount relates principally to fees paid to the Company's Chairman in the first quarter of 2022. These fees ceased, effective March 31, 2022.
- Professional fees were \$114,207 in the first nine months of 2022 compared to \$33,995 in the first nine months of 2021. 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 going public.

- Investor relations expenses were \$29,970 in the first nine months of 2022 compared to \$nil in the first nine months of 2021. The 2022 amount principally relates to the amortization fees prepaid for advertising and marketing campaigns and the Company's attendance at the Nunavut Mining Symposium in May 2022.
- General and administrative expenses were \$58,029 during the first nine months of 2022 compared to \$25,523 during the first nine months of 2021.
- Shareholder costs and filing fees were \$37,243 in the first nine months of 2022 compared to \$7,144 in the first nine months of 2021. The 2022 amount includes an aggregate of \$25,495 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.
- Travel expenses were \$9,648 in the first nine months of 2022 related to travel to Nunavut, compared to \$nil in the first nine months of 2021.
- Flow-through share premium recovery was \$230,121 during the first nine months of 2022 on eligible CEE of \$601,015 from flow-through funds raised in 2021 compared to \$17,898 during the first nine months of 2021 on eligible CEE of \$60,399 from flow-through funds raised in 2020 and 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	Q2	Q1	Annual	Q4
	Sept. 2022 (unaudited)	June 2022 (unaudited)	March 2022 (unaudited)	Dec. 2021 (audited)	Dec. 2021 (unaudited)
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

	Q3	Q2	Q1	Annual	Q4
	Sept. 2021 (unaudited)	June 2021 (unaudited)	March 2021 (unaudited)	Dec. 2020 (audited)	Dec. 2020 (unaudited)
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Loss and comprehensive loss	\$ (131,774)	\$ (138,476)	\$ (69,392)	\$ (461,620)	\$ (120,458)
Loss per share – basic and diluted	(\$0.00)	(\$0.01)	(\$0.00)	(\$0.03)	(\$0.01)
Assets	\$ 1,095,034	\$ 1,182,421	\$ 297,471	\$ 389,835	\$ 389,835

Liquidity and Capital Resources

The Company's cash decreased by \$309,590 during the three months ended September 30, 2022, compared to a decrease of \$110,941 during the three months ended September 30, 2021. The Company's cash decreased by \$878,696 during the nine months ended September 30, 2022, compared to an increase of \$633,375 during the nine months ended September 30, 2021. As at September 30, 2022, the ending cash balance was \$358,932 compared to \$1,237,628 as at December 31, 2021.

Working Capital

As at September 30, 2022, the Company had a working capital surplus of \$665,570 compared to a surplus of \$1,207,148 as at December 31, 2021. 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, 2022, \$196,271 of flow-through funds raised in December 2021, must be spent on qualifying CEE by December 31, 2022.

A summary of the Company's cash position and changes in cash for the three and nine months ended September 30, 2022 and 2021 are provided below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Cash used in operating activities – gross	\$ (405,919)	\$ (148,429)	\$ (1,012,328)	\$ (357,540)
Changes in non-cash operating working capital	(59,921)	10,773	(337,118)	(210,755)
Cash used in operating activities – net	(465,840)	(137,656)	(1,349,446)	(568,295)
Cash used in investing activities	-	(3,285)	-	(52,110)
Cash provided by financing activities	156,250	30,000	470,750	1,253,780
(Decrease) increase in cash	(309,590)	(110,941)	(878,696)	633,375
Cash, beginning of period	668,522	888,594	1,237,628	144,278
Cash, end of period	\$ 358,932	\$ 777,653	\$ 358,932	\$ 777,653

Three months ended September 30, 2022 vs. three months ended September 30, 2021

Operating Activities

Cash used in operating activities before changes in non-cash working capital during the three months ended September 30, 2022 was \$405,919 compared to \$148,429 for the three months ended September 30, 2021. The difference is primarily the result of higher exploration and evaluation expenses during Q3 2022 related to the Phase 1 exploration program at the Moray property and year 2 rent paid on the Sundog property in Nunavut, compared to Q3 2021 exploration expenditures. In addition, Q3 2022 included \$53,082 in legal and accounting fees and various filing, listing and transfer agent fees in connection with the Company's Long-Form Prospectus and listing on the CSE.

Investing Activities

Cash used in investing activities during the three months ended September 30, 2022 was \$nil compared to \$3,285 for the three months ended September 30, 2021. The 2021 outlay relates to a mineral claim deposit amount paid to the federal government of Canada in connection with staking mineral claims in Nunavut. The amounts are ultimately refundable, following the successful completion of required exploration work.

Financing Activities

Cash provided by financing activities during the three months ended September 30, 2022 was \$156,250 compared to \$30,000 for the three months ended September 30, 2021. The Q3 2022 amount relates to \$131,250 in proceeds from the exercise of warrants and \$25,000 in proceeds from the exercise of stock options. The 2021 amount represents gross proceeds of \$35,000 raised in a September 29, 2021 financing, less fees of \$5,000.

Nine months ended September 30, 2022 vs. nine months ended September 30, 2021

Operating Activities

Cash used in operating activities before changes in non-cash working capital during the nine months ended September 30, 2022 was \$1,012,328 compared to \$357,540 for the nine months ended September 30, 2021. The difference is primarily the result of higher exploration and evaluation expenses during the first nine months of 2022 related to the Phase 1 exploration program at the Moray property and compilation work on the Nunavut properties, compared to exploration and evaluation work in the first nine months of 2021. In addition, the first nine months of 2022 included \$118,664 in legal and accounting fees and various filing, listing and transfer agent fees in connection with the Company's Long-Form Prospectus and listing on the CSE.

Investing Activities

Cash used in investing activities during the nine months ended September 30, 2022 was \$nil compared to \$52,110 for the nine months ended September 30, 2021. The 2021 outlay relates to mineral claim deposit amounts paid to the federal government of Canada in connection with staking mineral claims in Nunavut. The amounts are ultimately refundable, following the successful completion of required exploration work.

Financing Activities

Cash provided by financing activities during the nine months ended September 30, 2022 was \$470,750 compared to \$1,253,780 for the nine months ended September 30, 2021. The 2022 amount relates to the private placements closed on March 30, 2022 and May 31, 2022 through the issuance of 578,000 and 680,000 units, respectively at \$0.25 per unit, and \$131,250 and \$25,000, respectively from the exercise of warrants and stock options in Q3 2022. The 2021 amount represents gross proceeds of \$1,257,200 raised in the June 25, 2021 financing, less finder's fees of \$33,420 and \$35,000 from a September 2021 financing less fees of \$5,000.

Liquidity Outlook

The Company had a cash balance of \$358,932 at September 30, 2022 and a working capital surplus of \$665,570 (excluding non-cash flow-through share premium liability). Of this amount, approximately \$196,271 represents flow-through funds remaining to be spent on eligible CEE.

In addition, under the Transfer Payment Agreement entered into effective April 1, 2022 between New Break and the Ontario Ministry of Northern Development, expenses incurred at the Moray project for eligible exploration work completed between April 1, 2022 and February 15, 2023, are expected to be reimbursed at a rate of 50% with the aggregate reimbursement capped at \$200,000. \$60,000 of this amount has been reimbursed with the remaining \$140,000 expected to be reimbursed in late Q1 2023.

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, 2021).

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		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Management fees	\$ 37,500	\$ 44,700	\$ 112,500	\$124,300
Management fees included in exploration and evaluation	22,500	10,800	67,500	17,200
Consulting fees paid to a non-independent director	-	-	10,500	-
Finder’s fees paid to an independent director	-	-	-	4,440
Total fees paid to management and directors	\$ 60,000	\$ 55,500	\$ 190,500	\$145,940
Exploration and evaluation fees and consulting fees charged by a geological consulting company, the President & CEO of which, is also a director of New Break	\$109,653	\$ 12,918	\$274,189	\$ 36,458

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 June 25, 2021, the Company completed a non-brokered private placement for gross proceeds of \$842,000 through the issuance of 8,420,000 units at a price of \$0.10 per unit. 260,000 of the units were purchased by two investment companies that are each wholly-owned by two of the Company’s directors. In connection with the issuance of the units, the Company paid a finder’s fee equal to \$33,420 and issued an aggregate of 334,200 finder’s warrants. \$4,440 of these fees and 44,400 of these warrants were paid to a consulting company owned by an independent director of the Company.

On October 14, 2021, the Company issued 650,000 common shares upon the exercise of stock options by directors and officers of the Company, at a price of \$0.05, for gross proceeds of \$32,500.

On November 19, 2021, the Company granted options to purchase up to 3,500,000 common shares of the Company at a price of \$0.10 per share for a period of five years. 2,450,000 of these were granted to directors and officers of the Company, having a grant date fair value of \$182,770.

On December 10, 2021, the Company completed a non-brokered private placement for gross proceeds of \$440,100 through the issuance of 1,467,000 F-T Shares at a price of \$0.30 per F-T Share. An officer and a director of the Company subscribed for 52,000 of the F-T Shares issued.

As at September 30, 2022, \$39,247 (December 31, 2021 - \$17,634) included in accounts payable and accrued liabilities was owing to related parties, including \$28,734 (December 31, 2021 - \$17,634) 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

OJEP Payment from the Ontario Ministry of Northern Development

On November 7, 2022, the Company received \$60,000 from the Ontario Ministry of Northern Development 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 14, 2022 there were 40,155,750 common shares issued and outstanding.

As at November 14, 2022, the Company also had the following items issued and outstanding:

- 8,024,200 common share purchase warrants at a weighted average exercise price of \$0.19.
- 3,250,000 stock options at an exercise price of \$0.10.

Off-Balance Sheet Arrangements

As at September 30, 2022, 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 14, 2022, 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 2022 exploration budgets have been predominantly funded from flow-through funds raised in 2021, while the 2022 operating expenses are being funded from amounts raised in 2021 and 2022. The Company also expects to receive up to \$200,000 in funding under the Ontario Junior Exploration Program, \$60,000 of which has been received. There is no certainty of the Company's ability to complete additional financings.

As at September 30, 2022 the Company held current assets of \$797,898 (December 31, 2021 - \$1,265,950) to settle current liabilities of \$132,328 (December 31, 2021 - \$58,802), 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.

The Company's financial assets and liabilities as at September 30, 2022 and December 31, 2021 were as follows:

	Amortized Cost	FVPL	Total
December 31, 2021			
Financial assets			
Cash	\$ 1,237,628	\$ -	\$ 1,237,628
Financial liabilities			
Accounts payable and accrued liabilities	\$ 58,802	\$ -	\$ 58,802
September 30, 2022			
Financial assets			
Cash	\$ 358,932	\$ -	\$ 358,932
Financial liabilities			
Accounts payable and accrued liabilities	\$ 132,328	\$ -	\$ 132,328

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, 2021. The accounting policies and management estimates applied in the condensed interim financial statements for the three and nine months ended September 30, 2022, are consistent with those used in the Company's audited financial statements for the year ended December 31, 2021.

Commitments

As at September 30, 2022, the Company had a commitment to spend \$196,271 (December 31, 2021 - \$797,286) on eligible Canadian Exploration Expenditures (“CEE”), resulting from amounts raised from flow-through financing, by December 31, 2022.

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. 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 the 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 2021 in the amount of \$855,300 (2020 - \$238,431), the Company recorded an aggregate flow-through share premium liability of \$371,942 (2020 - \$69,870). As eligible CEE is incurred, the amount is drawn down as income through the statement of loss. During the three months ended September 30, 2022, the Company incurred \$227,360 (September 30, 2021 - \$56,256) in eligible CEE and recorded a flow-through share premium recovery of \$81,175 in the statement of loss (September 30, 2021 - \$16,655). During the nine months ended September 30, 2022, the Company incurred \$601,015 (September 30, 2021 - \$60,399) in eligible CEE and recorded a flow-through share premium recovery of \$230,121 in the statement of loss (September 30, 2021 - \$17,898).

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 financial statements.

COVID-19

The Company and its operations have been largely unaffected by the impact of the COVID-19 global pandemic. The Company continues to believe that it will remain largely unaffected. As such, the financial statements do not reflect any potential impact associated with the COVID-19 pandemic.

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, 2021 and the "Risks and Uncertainties" discussion in the Company's MD&A for the year ended December 31, 2021, dated April 26, 2022, 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, 2022, which have been posted on the Company's website at www.newbreakresources.ca and are available on SEDAR at www.sedar.com. 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, 2022 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, 2022.

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, 2022 and 2021 that are available on the Company's website at www.newbreakresources.ca and on SEDAR at www.sedar.com.

Approval

The Board of Directors of New Break approved the disclosure contained in this MD&A on November 14, 2022. 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 and Director
William Love, Vice President, Exploration
Jim O'Neill, Chief Financial Officer and Corporate Secretary

Directors:

Andrew Malim, Non-Executive Chairman and Director ⁽¹⁾ ⁽²⁾
Thomas Puppenthal, Director ⁽¹⁾ ⁽²⁾ (Audit Committee Chair)
Ashley Kirwan, Director ⁽¹⁾ ⁽²⁾ (Compensation, Governance and Nominating Committee Chair)
Michael Skutezky, Director
Michael Farrant, President, Chief Executive Officer and Director

(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