

New Break Announces Acquisition of Moray Gold Project

Toronto, Ontario, July 15, 2020 – New Break Resources Ltd. (“**New Break**” or the “**Company**”) is pleased to announce that it has entered into a Mining Claim Acquisition Agreement and Net Smelter Return (“NSR”) Royalty Agreement with a private company, Exiro Minerals Corp. (“**Exiro**”), pursuant to which New Break can acquire a 100% interest in 14 mineral claims, covering approximately 1,856 hectares, located within the Zavitz Township of the Porcupine Mining Division and the Hincks Township of the Larder Lake Mining Division, approximately 49 km southeast of Timmins, Ontario and west of the town of Matachewan (the “**Moray Property**”).

In consideration for the purchase of the Moray Property, the Company has issued 2,500,000 common shares of the Company to Exiro, representing a 13.5% ownership interest in New Break. As long as Exiro maintains an ownership stake of at least 10% in New Break, it shall have the right to appoint a director to the Board of the Company. In addition, the Company is required to make aggregate cash payments to Exiro of \$100,000, with \$20,000 due with five (5) days of closing, \$40,000 on or before September 30, 2020 and \$40,000 on or before December 31, 2020.

Certain of the claims (“**Exiro Claims**”) are subject to a 2% NSR and certain other of the claims (“**Voyageur Claims**”) are subject to a 1% NSR in favour of Exiro. The Voyageur Claims are also subject to a 1% NSR in favour of a previous property owner. New Break can repurchase 50% of the Exiro NSR at any time for a payment of \$1.0 million and can repurchase 50% of the Voyageur NSR at any time for a payment of \$750,000.

The Moray Property is situated in the world-class Abitibi greenstone belt of northeastern Ontario, approximately 32 km northwest of the Young-Davidson Gold Mine operated by Alamos Gold Inc., which produced 188,000 ounces of gold in 2019. Gold mineralization at the Moray Property is thought to exist in a major splay off of the Cadillac Larder-Lake Fault Zone (“**CLFZ**”), one of two major “breaks” in the Southern Abitibi greenstone belt, the other being the Destor-Porcupine Fault Zone (“**DPFZ**”).

A total of 61 historic diamond drill holes, for a total of 9,794 metres of drilling, have been completed on the Moray Property from 1964 to 2012 by past operators which include Noranda, Rio Tinto and Newmont. There are compelling drill intersections of gold mineralization that have never been followed up. There are 13 showings on the Moray Property, recognized in the Ontario Mineral Deposit Inventory (“**OMDI**”) including three gold, four base metal and six nickel showings. Results from drilling at the Voyager gold and copper showing include 11.31 grams per tonne gold (“g/t Au”) and 0.46% Cu over 1.2 meters. The Fiset gold and silver showing is hosted within a syenite stock, similar to the Young-Davidson Gold Mine where disseminated gold and silver mineralization is located within, and close to, a syenite porphyry intrusion and is being mined underground and by open pit for disseminated gold. Historical exploration reports that Noranda removed a selected 75 lb. sample from the gold occurrence near the western end of the syenite stock which returned an assay of 23.44 g/t Au, 121.88 g/t Ag and 0.45% Pb.

Michael Farrant, President of New Break commented, “We’re delighted to have entered into an agreement to acquire such a prospective gold property on very favourable terms, located in the Southern Abitibi greenstone belt, within close proximity to major producing gold mines and infrastructure and are equally delighted to welcome Exiro as a significant shareholder of New Break and future partner in terms of supporting the growth of the Company. We not only added a significant mineral property to our portfolio, but secured a partner in Exiro, that is extremely well respected and well connected within the mining industry. Partnerships like this are key to our future growth and success.”

In connection with the acquisition of the Moray Property, the Company has engaged Orix Geoscience Inc. (“**Orix**”) to assist in the compilation of historical exploration work and to assist in providing technical support with respect to geological modelling and interpretation of the data for the purposes of producing a technical report, in compliance with National Instrument 43-101 (“**NI 43-101**”) on the Moray Gold Property. The Company is also pleased to announce that it has engaged W.A. Hubacheck Consultants Ltd. to prepare the NI 43-101 technical report. New Break considers the Moray Property a material property for the Company, and the completion of the technical report will be a key requirement in the Company’s plans to go public in 2021.

Kraken Project

On March 1, 2019, the Company entered into an option agreement with Kraken Gold Corporation (“**Kraken**”), a private company, whereby New Break could acquire a 100% interest in certain mining claims in the Porcupine and Larder Lake Mining Divisions near Timmins, Ontario (the **Kraken Project**). The Company has advised Kraken that it will not be proceeding with the property option agreement. No further option payments were made to Kraken beyond those required in the first year of the option agreement.

Qualified Person

Peter Hubacheck, P.Geo., consulting geologist to New Break, and a Qualified Person as defined by National Instrument 43-101, has reviewed and approved the technical disclosure in this news release.

About New Break Resources Ltd.

New Break is a private Canadian mineral exploration and development company with a dual vision for value creation. In northern Ontario, New Break is focused on acquiring highly prospective gold projects in well-established mining camps, within proximity to existing infrastructure, while at the same time, allowing our shareholders to “dream big” through our prospective land holdings in Nunavut, where vast potential exists for exploration success in one of the most up and coming regions in Canada for gold exploration and production. These complimentary visions are supported by a highly experienced team of mining professionals committed to placing a premium on Environmental, Social and Corporate Governance, respecting the values and interests of all our stakeholders.

For further information on New Break, please visit www.newbreakresources.ca or contact:

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No stock exchange, regulation securities provider, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

Except for statements of historic fact, this news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to comments regarding the timing and expectations for finalizing property agreements, timing and content of upcoming work programs, geological interpretations, receipt of property titles etc. Forward-looking information addresses future events and conditions and therefore involves inherent risks and uncertainties, including factors beyond the Company’s control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to update publicly or otherwise any forward-looking information, except as may be required by law. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company’s financial statements and management’s discussion and analysis (the “Filings”), such Filings available upon request.