

New Break Secures Exclusive Mineral Rights to Sundog Gold Project in Nunavut

Toronto, Ontario, October 18, 2021 – New Break Resources Ltd. (“**New Break**” or the “**Company**”) is extremely pleased to announce that it has entered into an Inuit Owned Lands Mineral Exploration Agreement (“**MEA**”) with Nunavut Tunngavik Incorporated (“**NTI**”), whereby New Break has been granted exclusive rights to a 100% interest in the minerals within, upon or under Inuit Owned Mineral Title Lands parcel AR-35 (the “**Exploration Area**”) comprising approximately 9,415 hectares (the “**Sundog Gold Project**” or “**Sundog**”).

Sundog is located in Kivalliq Region, Nunavut, with the surface rights managed by the Kivalliq Inuit Association (“**KIVIA**”) and mineral rights administered by NTI. New Break submitted an Expression of Interest (“**EOI**”) for the Exploration Area in July 2020. Due to travel restrictions imposed as a result of COVID-19, representatives of NTI were unable to meet in person with representatives of KIVIA until May 2021, to present New Break’s EOI to the KIVIA for preliminary approval. KIVIA subsequently provided the necessary written approval of the EOI in September 2021, allowing New Break and NTI to sign the MEA in October 2021 upon payment by New Break of an application fee and the first year’s annual rent totaling \$9,915.

Michael Farrant, President and CEO of New Break noted, “I would like to offer my sincere thanks to the representatives of the KIVIA and NTI for their efforts in approving the Sundog MEA, despite the unavoidable delays caused by COVID-19. We look forward to a productive working relationship, built on respect and our sincere desire to see the Sundog Project benefit the Inuit and New Break shareholders alike.”

Details of the Mineral Exploration Agreement

The MEA can be renewed annually for a maximum term of 20 years, by making annual rent payments and completing annual work requirements as follows:

Years	Hectares ("ha")	Annual Rent (\$/ha)	Annual Rent	Annual Work (\$/ha)	Annual Work Requirement
1	9,415	\$1.00	(paid) \$9,415	\$5.00	\$47,075
2	9,415	\$2.00	\$18,830	\$5.00	\$47,075
3-5	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 addition, the MEA requires that New Break make certain bonus payments to NTI for defined milestones. In the event that the Company completes a technical report in compliance with National Instrument 43-101 (“**NI 43-101**”) that demonstrates a mineral resource estimate of 1.0 million ounces of gold in the Measured Resource category, New Break shall make a bonus payment of \$1.0 million to NTI. A further \$5.0 million bonus payment is payable in the event of a Measured Mineral Resource estimate of at least 5.0 million ounces in compliance with NI 43-

101, within the Exploration Area. \$3.0 million is payable upon the decision to conduct a Feasibility Study and \$5.0 million is payable upon the commencement of Commercial Production. Annual \$50,000 advance royalty payments also begin once a Measured Mineral Resource estimate of at least 1.0 million ounces of gold is confirmed to be economically viable as demonstrated by an NI 43-101 Feasibility Study approved by New Break's board.

About the Sundog Gold Project

The Sundog Gold Project is located approximately 235 km west of Arviat and 16 km to the northeast of the Cullaton Lake airstrip. The Exploration Area represents an under-explored part of the Henik Group, central Ennadai-Rankin Archean greenstone belt, the second largest greenstone belt in Canada, second only to the Abitibi greenstone belt in Ontario and Quebec. The Sundog Property is characterized by high grade surface gold exposures over a minimum 2,500 x 500 m area. There are two banded iron formations on the property, with the potential for Musselwhite-Meadowbank-Meliadine type mineralization. The Ennadai-Rankin greenstone belt has the potential to host world-class to giant mineral deposits.

The Sundog Property was discovered in 1961, with a grab sample from quartz veins demonstrating high grade surface exposure, yielding an assay of 102.9 grams per tonne gold ("**g/t Au**"). In June 1986, renowned Canadian prospector/geologist Ken Reading visited Sundog on behalf of Abermin Corporation and took nine grab samples from what is now Trench 29, with the best assay being 62.8 g/t Au. In August 1986, a further 26 rock chip samples and 13 panned concentrate samples were collected with the best assays being 39.1 g/t Au from a grab sample and 206.7 g/t Au from a panned concentrate from what is now Trench 17. A full description of the historical results from rock, vein and panned concentrate samples is provided at www.newbreakresources.ca. In 2013, Ken Reading returned to Sundog at his own expense and collected 18 lithological samples for further characterization.

Bill Love, New Break's Vice President, Exploration commented, "The significant mineral potential of the Sundog Project is what led New Break in 2020, to target Nunavut for gold exploration. Sundog has yielded high grade gold assays from samples taken from outcrops and trenches exhibiting visible gold, that have never been tested through drilling."

The signing of the Sundog MEA represents a significant addition to New Break's existing portfolio of gold exploration projects in Kivalliq Region, Nunavut. These include the Sy, Noomut/Esler and Angikuni Lake properties, collectively covering approximately 22,000 hectares, situated on Crown Land, which were acquired in 2021 through staking, using the new on-line Nunavut Map Selection System operated by the federal government of Canada through the Department of Crown-Indigenous Relations and Northern Affairs Canada ("**CIRNAC**").

Qualified Person

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

About Nunavut Tunngavik Incorporated

NTI is the legal representative of the Inuit of Nunavut. The mission of NTI is to implement Inuit economic, social and cultural well-being through the 1993 Nunavut Land Claims Agreement (the “**Nunavut Agreement**”). The Inuit exchanged aboriginal title to their traditional land in the Nunavut Settlement Area for the rights and benefits set out in the Nunavut Agreement. NTI coordinates, manages and protects those rights and benefits. Including the Sundog MEA, NTI currently manages 21 Mineral Exploration Agreements and 3 Production Leases.

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, through our prospective land holdings in Nunavut, we provide our shareholders with significant exposure to the vast potential 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.