

TERM SHEET
NEW BREAK RESOURCES LTD.
OFFERING OF UNITS

Offeror:	New Break Resources Ltd. (the “Company”).
Offering:	Private placement of up to 4,000,000 Units comprised of 4,000,000 Common Shares of the Company from treasury (“Shares”) and 4,000,000 Common Share Purchase Warrants (each whole warrant individually a “Warrant” and collectively, the “Warrants”). Each Warrant will entitle the holder thereof to acquire a Warrant Share at a price of \$0.35 for a period of 24 months from the date of a Liquidity Event.
Offering Price:	\$0.25 per Unit.
Amount:	\$1,000,000.00
Over-Subscription	In the event that the Company receives aggregate subscriptions for more than the 4,000,000 Units to be issued under the Offering, the Company intends to (i) increase the size of the Offering up to an additional 4,000,000 Units.
Use of Proceeds:	<p>The proceeds from this Offering will be used for the following purposes:</p> <ul style="list-style-type: none">• Exploration activities on the Company’s properties in Kivalliq Region, Nunavut, including:<ul style="list-style-type: none">○ the Sundog Gold Project, held through a fully executed Inuit Owned Lands Mineral Exploration Agreement between the Company and Nunavut Tunngavik Incorporated;○ the recently staked Esker claim, drilled by Comaplex Minerals Corp. in 1997, the results of which included 2.35 g/t Au over 70.95 metres (hole 97-13), 8.18 g/t Au over 13.27 metres (hole 97-15), 4.00 g/t Au over 5.57 metres (hole 97-16) and 7.24 g/t Au over 5.0 metres (hole 97-23), all at depths between 10 to 155 metres below surface.• General working capital purposes.• Corporate Development.
Form of Offering:	Best-efforts private placement pursuant to “accredited investor” exemptions and/or other available exemptions under applicable securities laws in all of the Selling Jurisdictions.
Selling Jurisdictions:	All provinces and territories of Canada and such other jurisdictions outside of Canada as applicable.
Hold Period:	The Company is not a reporting issuer pursuant to National Instrument 45-102– <i>Resale of Securities</i> (“NI 45-102”), and, as such the Shares will be subject to an indefinite hold until four months and one day after the Company becomes a reporting issuer pursuant to NI 45-102. Shares and Warrants sold in the United States will be subject to resale and transfer restrictions under United States federal and state securities laws.
Finder Fee:	A finder’s fee may be paid in connection with the transaction contemplated herein, composed of cash equal to up to 6% of the gross proceeds of the Offering and finder warrants (“Finder Warrant”) equal to up to 6% of the number of securities sold, exercisable into common shares for a period of twenty-four (24) months from the closing date, at a price of \$0.25 per Finder Warrant.
Closing of the Offering:	On or around May 31, 2022, as may be determined by the Company (the “Closing Date”).