NEWBREAK RESOURCES

Condensed Interim Financial Statements

For the three months ended March 31, 2021 and 2020

(Expressed in Canadian Dollars)
(Unaudited)

INDEX | Page

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) "C. Nigel Lees"*
Michael Farrant	C. Nigel Lees
President and Chief Financial Officer	Executive Chairman

Toronto, Canada
July 26, 2021

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 months ended March 31, 2021 have not been reviewed by the Company's auditor.

Condensed Interim Statements of Financial Position
As at
(Unaudited)

(Expressed in Canadian Dollars)			**March 31, 2021**		December 31, 2020
Assets					
Current assets					
Cash		**$**	**15,855**	$	144,278
HST receivable			**8,016**		20,557
			23,871		164,835
Non-current assets					
Mineral claim deposits	Note 6		**48,600**		-
Mineral properties	Note 6		**225,000**		225,000
Total Assets		**$**	**297,471**	$	389,835
Liabilities and Equity					
Current liabilities					
Accounts payable and accrued liabilities	Note 7	**$**	**216,221**	$	238,817
Flow-through share premium liability	Notes 8(b), 11		**36,308**		36,684
Total Liabilities			**252,529**		275,501
Shareholders' Equity					
Share capital	Note 8(b)		**750,631**		750,631
Warrant reserve	Note 8(d)		**38,971**		38,971
Stock option reserve	Note 8(c)		**13,195**		13,195
Deficit			**(757,855)**		(688,463)
Total Shareholders' Equity			**44,942**		114,334
Total Liabilities and Shareholders' Equity		**$**	**297,471**	$	389,835

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

Approved by the Board of Directors and authorized on July 26, 2021:

"*Michael Farrant*"	"*Thomas Puppendahl*"
Michael Farrant	Thomas Puppendahl
Director	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 three months ended
(Unaudited)

(Expressed in Canadian Dollars)		March 31, **2021**	2020
Expenses			
Exploration and evaluation	Note 6	**$ 18,763**	$ 40,235
Management fees	Note 9	**36,500**	25,650
Consulting fees	Note 9	**4,630**	-
Professional fees		**4,965**	4,965
General and administrative		**4,457**	5,960
Shareholder costs		**390**	480
Travel		**-**	1,718
Loss before the undernoted		**(69,705)**	(79,008)
Bank charges		**(63)**	(52)
Flow-through share premium recovery	Note 11	**376**	5,470
Net loss and comprehensive loss for the period		**$ (69,392)**	$ (73,590)
Net loss per share			
Basic and diluted loss per share		**$ (0.00)**	$ (0.01)
Weighted average number of shares outstanding – basic and diluted		**21,318,300**	13,475,989

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, 2019		**13,265,000**	**$ 263,760**	**$ 515**	**$ 20,300**	**$ (231,918)**	**$ 52,657**
Shares issued for mineral property option payment	8(b)(i)	600,000	30,000	-	-	-	30,000
Net loss for the period		-	-	-	-	(73,590)	(73,590)
Balance at March 31, 2020		**13,865,000**	**293,760**	**515**	**20,300**	**(305,508)**	**9,067**
Flow-through shares issued for cash	8(b)(ii)(iii)(xi)	2,678,300	238,431	-	-	-	238,431
Flow-through premium	8(b)(ii)(iii)(xi)	-	(69,870)	-	-	-	(69,870)
Share issue costs on flow-through financing	8(b)(xi)	-	(9,153)	2,139	-	-	(7,014)
Shares issued for cash as part of unit financings	8(b)(iv)(vii)(viii)(ix)(x)	2,175,000	206,250	-	-	-	206,250
Warrants issued as part of unit financings	8(d)	-	(36,317)	36,317	-	-	-
Share issue costs on unit financing	8(b)(vii)	-	(4,500)	-	-	-	(4,500)
Shares issued for purchase of mineral property	8(b)(v)	2,500,000	125,000	-	-	-	125,000
Exercise of stock options	8(b)(vi), 8(c)	100,000	7,030	-	(2,030)	-	5,000
Expiry of stock options	8(c)	-	-	-	(5,075)	5,075	-
Net loss for the period		-	-	-	-	(388,030)	(388,030)
Balance at December 31, 2020		**21,318,300**	**750,631**	**38,971**	**13,195**	**(688,463)**	**114,334**
Net loss for the period		-	-	-	-	(69,392)	(69,392)
Balance at March 31, 2021		**21,318,300**	**$ 750,631**	**$ 38,971**	**$ 13,195**	**$ (757,855)**	**$ 44,942**

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

NEWBREAK RESOURCES

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

(Expressed in Canadian Dollars)		March 31, **2021**	2020
Cash flows from operating activities			
Net loss for the period		**$ (69,392)**	$ (73,590)
Adjustments not affecting cash:			
Flow-through share premium recovery	Note 11	**(376)**	(5,470)
Shares issue for mineral property option payment	Note 6	**-**	30,000
Operating cash flows before changes in non-cash working capital:		**(69,768)**	(49,060)
Changes in non-cash working capital:			
HST receivable		**12,541**	(5,319)
Prepaid expenses		**-**	(25,000)
Accounts payable and accrued liabilities		**(22,596)**	21,639
Cash used in operating activities		**(79,823)**	(57,740)
Cash flows from investing activities			
Mineral claim deposits	Note 6	**(48,600)**	-
Cash used in investing activities		**(48,600)**	-
Decrease in cash during the period		**(128,423)**	(57,740)
Cash, beginning of period		**144,278**	192,778
Cash, end of period		**$ 15,855**	$ 135,038

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. 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.

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 conductingexploration 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 $757,855 as at March 31, 2021 (December 31, 2020 - $688,463) and has a working capital deficiency as at March 31, 2021. 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 financingactivities or be able to execute its business strategy. As at March 31, 2021, the Company had current assets of $23,871 (December 31, 2020 - $164,835) to cover current liabilities of $216,221 (December 31, 2020 - $238,817), 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 (see Note 12 for details of financing completed subsequent to March 31, 2021).

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 judgements, 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 judgements 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, 2020. 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, 2020.

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, 2020. 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.

Certain prior year amounts have been reclassified to conform to current year presentation.

Approval of the Financial Statements

The financial statements of the Company for the periods ended March 31, 2021 and 2020 were approved and authorized for issue by the Board of Directors on July 26, 2021.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

Use of Estimates and Judgement

The preparation of financial statements in conformity with IFRS requires that management make judgements, 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 audited annual financial statements as at and for the year ended December 31, 2020.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed interim financial statements are discussed below:

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees and applicable non-employees by reference to the fair value of the equity instruments at the date at which they are vested. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, risk-free interest rates, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 8(c).

Capitalization of mineral property acquisition costs

Management has determined that capitalized acquisition costs have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including, but not limited to, the geologic and metallurgic information, operating management expertise and existing permits. See Note 6 for details of the Company's capitalized acquisition costs in respect of mineral properties.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT (Continued)

Impairment of mineral properties

While assessing whether any indications of impairment exist for mineral properties, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of mineral properties. Internal sources of information include the manner in which the mineral properties are being used or are expected to be used and indications of expected economic performance of the properties. Estimates include but are not limited to estimates of the discounted future cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's mineral properties.

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.

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.

(Expressed in Canadian Dollars)

4. FINANCIAL INSTRUMENTS (Continued)

The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. The 2021 exploration and operating budgets, are planned to be funded from flow-through funds raised in December 2020 and from funds raised in June 2021 (see Note 12). There is no certainty of the Company's ability to complete additional financings.

As at March 31, 2021 the Company held current assets of $23,871 (December 31, 2020 - $164,835)to settle current liabilities of $216,221 (December 31, 2020 - $238,817), 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 March 31, 2021 and December 31, 2020 were as follows:

	Amortized Cost	FVPL	Total
December 31, 2020			
Financial assets			
Cash	$ 144,278	$ -	$ 144,278
Financial liabilities			
Accounts payable and accrued liabilities	$ 238,817	$ -	$ 238,817
March 31, 2021			
Financial assets			
Cash	$ 15,855	$ -	$ 15,855
Financial liabilities			
Accounts payable and accrued liabilities	$ 216,221	$ -	$ 216,221

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 March 31, 2021, the Company's share capital was $750,631 (December 31, 2020 - $750,631).

There were no changes in the Company's approach to capital management during the period ended March 31, 2021. The Company is not subject to any externally imposed capital requirements.

(Expressed in Canadian Dollars)

5. CAPITAL MANAGEMENT (Continued)

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.

6. MINERAL PROPERTIES

Acquisition Costs	**March 31, 2021**	December 31, 2020
Moray Gold Project	**$ 225,000**	$ 225,000
Total Mineral Properties	**$ 225,000**	$ 225,000

Moray Gold Project

On July 15, 2020, the Company finalized a Mining Claim Acquisition Agreement and Net Smelter Return ("NSR") Royalty Agreement with a private company, Exiro Minerals Corp. ("Exiro"), to acquire a 100% interest in 14 unpatented mining claims in Zavitz Township of the Porcupine Mining Division and the Hincks Township of the Larder Lake Mining Division, approximately 49 km southeast of Timmins, Ontario, 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. The Company paid $20,000 to Exiro on July 31, 2020 and the remaining $80,000 on September 18, 2020.

Certain of the claims ("Exiro Claims") are subject to a 2% 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.

Kraken Project

On March 1, 2019, the Company entered into an option agreement with Kraken Gold Corporation, a private company ("Kraken"), whereby New Break could acquire a 100% interest in certain mining claims and properties in the Porcupine and Larder Lake Mining Divisions near Timmins, Ontario, (the "Kraken Property").

Under the terms of this option agreement, the Company made a cash option payment of $20,000 on March 1, 20219 and issued 600,000 common shares valued at $30,000 on February 29, 2020. The amounts were included in exploration and evaluation expenditures. On April 30, 2020, the Company informed Kraken that it would not be proceeding with the option agreement.

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES (Continued)

Nunavut Gold Projects on Crown Land

In February and March 2021, the Company staked certain claims, located in Kivalliq Region, Nunavut, referred to as the Sy, Noomut and Angikuni Lake claims. During the three months ended March 31, 2021, the Company paid $48,600 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. An additional $225 was paid in April 2021, subsequent to March 31, 2021.

Exploration and Evaluation Expenditures

For the three months ended March 31, 2021	Moray	Nunavut	Total
Consulting fees	$ 400	$ 16,533	$ 16,933
Technical report	855	-	855
Land management	975	-	975
	$ 2,230	$ 16,533	$ 18,763

For the three months ended March 31, 2020	Kraken
Share option payment	$ 30,000
Drilling program	5,322
Consulting fees	4,250
Land management	663
	$ 40,235

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.

	March 31, 2021	December 31, 2020
Management fees	**$ 179,389**	$ 132,724
Trade and other payables	**10,507**	84,733
Audit and tax services fees	**26,325**	21,360
	$ 216,221	$ 238,817

8. SHARE CAPITAL

(a) Authorized

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

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

(b) Issued and outstanding

Share Capital	Note 8(b)	Number of Common Shares	Amount
Balance at December 31, 2019		**13,265,000**	**$ 263,760**
Common shares issued for option payment – February 29, 2020	(i)	600,000	30,000
Private placement of F-T common shares – April 2020	(ii)(iii)	1,659,300	116,151
Less: flow-through premium on F-T common shares	(ii)(iii)	-	(33,186)
Private placement of $0.07 units – May 1, 2020	(iv)	375,000	26,250
Less: warrant valuation	(iv)	-	(7,425)
Common shares issued for mineral property – July 15, 2020	(v)	2,500,000	125,000
Exercise of stock options – cash proceeds	(vi)	100,000	5,000
Exercise of stock options – fair value	(vi)	-	2,030
Private placement of $0.10 units	(vii)(viii)(ix)(x)	1,800,000	180,000
Less: warrant valuation	(vii)(viii)(ix)(x)	-	(28,892)
Share issue costs – cash	(vii)	-	(4,500)
Private placement of F-T common shares – December 31, 2020	(xi)	1,019,000	122,280
Less: flow-through premium on F-T common shares	(xi)	-	(36,684)
Share issue costs – cash	(xi)	-	(7,014)
Share issue costs – fair value of warrants	(xi)	-	(2,139)
Balance at December 31, 2020 and March 31, 2021		**21,318,300**	**$ 750,631**

(i) On February 29, 2020, the Company issued 600,000 common shares in connection with an option payment on the Kraken Project. The fair value of the 600,000 shares was estimated at $30,000 (see Note 6). The fair value of the common shares was estimated by comparison to recent financing prices.

(ii) On April 1, 2020, the Company completed a non-brokered private placement for gross proceeds of $26,250 through the issuance of 375,000 F-T Shares at a price of $0.07 per F-T Share. The Company recognized a flow-through premium of $7,500 as a result of the issuances of the F-T Shares.

(iii) On April 15, 2020, the Company completed a non-brokered private placement for gross proceeds of $89,901 through the issuance of 1,284,300 F-T Shares at a price of $0.07 per F-T Share. Directors of the Company subscribed for 470,000 of the F-T Shares issued. The Company recognized an aggregate flow-through premium of $25,686 as a result of the issuance of the F-T Shares.

(iv) On May 1, 2020, the Company completed a non-brokered private placement for gross proceeds of $26,250 through the issuance of 375,000 units at a price of $0.07 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 $0.15 for a period of thirty-six months from the date of closing. The issue date fair value of the warrants was estimated to be $7,425 based on their Black-Scholes value, using assumptions in Note 8(d).

(v) On July 15, 2020, the Company issued 2,500,000 common shares in connection with the purchase of the Moray Gold Project. The fair value of the 2,500,000 shares was estimated at $125,000 (see Note 6). The fair value of the common shares was estimated by comparison to recent financing prices.

8. SHARE CAPITAL (Continued)

(vi) On July 22, 2020, stock options to purchase 100,000 common shares of the Company at a price of $0.05 were exercised for proceeds of $5,000 by an officer who is also a director of the Company. Grant date fair value of $2,030 was transferred from stock option reserve to share capital in connection with the exercise.

(vii) On September 11, 2020, the Company completed a non-brokered private placement for gross proceeds of $125,000 through the issuance of 1,250,000 units at a price of $0.10 per unit. Each unit consists of one common share and one half of a common share purchase warrant, with each full warrant entitling the holder thereof to purchase one common share at an exercise price of $0.15 for a period of twenty-four months from the date of closing, subject to certain conditions which allow for acceleration of that timeframe. In connection with the issuance of the units, the Company paid a cash finder's fee of $4,500. The issue date fair value of the warrants was estimated to be $20,065 based on their Black-Scholes value, using assumptions in Note 8(d).

(viii) On September 28, 2020, the Company completed a non-brokered private placement for grossproceeds of $20,000 through the issuance of 200,000 units at a price of $0.10 per unit. Each unit consists of one common share and one half of a common share purchase warrant, with each full warrant entitling the holder thereof to purchase one common share at an exercise price of $0.15 for a period of twenty-four months from the date of closing, subject to certain conditions which allow for acceleration of that timeframe. The issue date fair value of the warrants was estimated to be $3,210 based on their Black-Scholes value, using assumptions in Note 8(d).

(ix) On November 12, 2020, the Company completed a non-brokered private placement for grossproceeds of $30,000 through the issuance of 300,000 units at a price of $0.10 per unit. 120,000 of the units were purchased by a company that is wholly-owned by one of the Company's directors. Each unit consists of one common share and one half of a common share purchase warrant, with each full warrant entitling the holder thereof to purchase one common share at an exercise price of $0.15 for a period of twenty-four months from the date of closing, subject to certain conditions which allow for acceleration of that timeframe. The issue date fair value of the warrants was estimated to be $4,815 based on their Black-Scholes value, using assumptions in Note 8(d).

(x) On November 17, 2020, the Company completed a non-brokered private placement for gross proceeds of $5,000 through the issuance of 50,000 units at a price of $0.10 per unit. Each unit consists of one common share and one half of a common share purchase warrant, with each full warrant entitling the holder thereof to purchase one common share at an exercise price of $0.15 for a period of twenty-four months from the date of closing, subject to certain conditions which allow for acceleration of that timeframe. The issue date fair value of the warrants was estimated to be $802 based on their Black-Scholes value, using assumptions in Note 8(d).

(xi) On December 31, 2020, the Company completed a non-brokered private placement for grossproceeds of $122,280 through the issuance of 1,019,000 F-T Shares at a price of $0.12 per F-T Share. A director of the Company subscribed for 184,000 of the F-T Shares issued. The Company paid a finder's fee equal to $7,014 and issued 58,450 finders' warrants. Each finders' warrant is exercisable into one common share at a price of $0.12 per share for 24 months from the date of closing. The fair value of these warrants was estimated at $2,139 using the assumptions in Note 8(d) and recorded as share issuance costs. The Company recognized an aggregate flow-through premium of $36,684 as a result of the issuances of the F-T Shares.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

(c) 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 March 31, 2021 and the year ended December 31, 2020.

	Number of Stock Options	Weighted Average Exercise Price
Outstanding at December 31, 2019	**1,000,000**	**$ 0.05**
Exercised	(100,000)	$ 0.05
Expired	(250,000)	$ 0.05
Outstanding at December 31, 2020 and March 31, 2021	**650,000**	**$ 0.05**

Stock Option Exercise

On July 22, 2020, stock options to purchase 100,000 common shares of the Company at a price of $0.05 were exercised for proceeds of $5,000 by an officer who is also a director of the Company.

Stock Option Expiry

On July 31, 2020, stock options to purchase 250,000 common shares of the Company at a price of $0.05, issued to a consultant, expired unexercised in accordance with the terms of the Company's stock option plan.

The following table reflects the stock options outstanding and exercisable at March 31, 2021:

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
July 5, 2019	650,000	$ 0.05	3.26	July 5, 2024	650,000	$ 13,195
	650,000	**$ 0.05**	**3.26**		**650,000**	**$ 13,195**

The weighted average remaining contractual life of options outstanding and exercisable at March 31,2021 is 3.26 years (December 31, 2020 – 3.51 years) at a weighted average exercise price of $0.05.

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
July 5, 2019	$0.03	$0.05	1.53%	100%	5	0%	0%

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

(d) Warrants

The following table reflects the continuity of warrants for the three months ended March 31, 2021:

	Number of Warrants	Issue Date Fair Value	Weighted Average Exercise Price
Balance at December 31 2019	**52,500**	**$ 515**	**$ 0.07**
Issued	1,333,450	38,456	$ 0.15
Balance at December 31, 2020 and March 31, 2021	**1,385,950**	**$ 38,971**	**$ 0.15**

See Note 8(b)(iv) for the details of warrants issued on May 1, 2020.

See Note 8(b)(vii) for the details of warrants issued on September 11, 2020.

See Note 8(b)(viii) for the details of warrants issued on September 28, 2020.

See Note 8(b)(ix) for the details of warrants issued on November 12, 2020.

See Note 8(b)(x) for the details of warrants issued on November 17, 2020.

See Note 8(b)(xi) for the details of finder's warrants issued on December 31, 2020.

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 31, 2019	$0.03	$0.07	1.69%	100%	2	0%	0%
May 1, 2020	$0.05	$0.15	0.28%	100%	3	0%	0%
September 11, 2020	$0.084	$0.15	0.26%	100%	2	0%	0%
September 28, 2020	$0.084	$0.15	0.25%	100%	2	0%	0%
November 12, 2020	$0.084	$0.15	0.26%	100%	2	0%	0%
November 17, 2020	$0.084	$0.15	0.27%	100%	2	0%	0%
December 31, 2020	$0.084	$0.12	0.20%	100%	2	0%	0%

As at March 31, 2021, the following warrants were outstanding. The warrants entitle the holders to purchase the stated number of common shares at the exercise price on or before the expiry date:

Warrants Outstanding	Exercise Price	Weighted Average Remaining Life (years)	Expiry Date	Issue Date Fair Value
52,500	$0.07	0.75	December 31, 2021	$ 515
375,000	$0.15	2.08	May 1, 2023	7,425
625,000	$0.15	1.45	September 11, 2022 *	20,065
100,000	$0.15	1.50	September 28, 2022 *	3,210
150,000	$0.15	1.62	November 12, 2022 *	4,815
25,000	$0.15	1.63	November 17, 2022 *	802
58,450	$0.12	1.75	December 31, 2022	2,139
1,385,950	$0.15	1.63		$ 38,971

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (Continued)

* In the event that the Company's common shares trade on a public stock exchange prior to the expiry date, these warrants are subject to a potential acceleration clause in the event that the trading price of the common shares equals or exceeds $0.25 for a period of ten (10) consecutive trading days.

The weighted average remaining contractual life of warrants outstanding as at March 31, 2021 is 1.63 years (December 31, 2020 – 1.88 years) at a weighted average exercise price of $0.15.

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. Key management of New Break includes the Executive Chairman, President and Chief Financial Officer, Vice President, Exploration and the Company's Secretary.

	Three months ended March 31, 2021	2020
Management fees	**$ 36,500**	$ 25,650
Management fees included in exploration and evaluation	**4,000**	5,850
Total fees paid to management and directors	**$ 40,500**	$ 31,500

	Three months ended March 31, 2021	2020
Exploration and evaluation consulting fees charged by a geological consulting company, the President & CEO of which, is also a director of New Break	**$ 18,418**	$ -

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 April 15, 2020, the Company completed a non-brokered private placement for gross proceeds of $89,901 through the issuance of 1,284,300 F-T Shares at a price of $0.07 per F-T Share. Directors of the Company subscribed for 470,000 of the F-T Shares issued (see Note 8(b)(iii)).

On July 22, 2020, the Company issued 100,000 common shares upon the exercise of stock options by an officer of the Company who is also a director, at a price of $0.05, for gross proceeds of $5,000 (see Note 8(b)(vi) and Note 8(c)).

On November 12, 2020, the Company completed a non-brokered private placement for gross proceeds of $30,000 through the issuance of 300,000 units at a price of $0.10 per unit. 120,000 of the units were purchased by a company that is wholly-owned by one of the Company's directors (see Note 8(b)(ix)).

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

On December 31, 2020, the Company completed a non-brokered private placement for gross proceeds of $122,280 through the issuance of 1,019,000 F-T Shares at a price of $0.12 per F-T Share. A director of the Company subscribed for 184,000 of the F-T Shares issued (see Note 8(b)(xi)).

As at March 31, 2021, $188,686 (December 31, 2020 - $187,211) included in accounts payable and accrued liabilities was owing to related parties, including $9,297 (December 31, 2020 - $54,487) owed to a geological consulting company, the President and Chief Executive Officer of which, is also a director of the 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

As at March 31, 2021, the Company had a commitment to spend $121,025 (December 31, 2020 - $122,280) on eligible Canadian exploration expenditures, from amounts raised from flow-through financing, by December 31, 2022.

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 these financial statements for potential liabilities relating to these indemnities as a triggering event has not taken place. As a result of the issuance of flow-through shares, the Company had an aggregate flow-through share premium liability of $36,684 as at December 31, 2020 (December 31, 2019 - $98,028). As eligible CEE is incurred, the amount is drawn down as income through the statement of loss. During the three months ended March 31, 2021, the Company incurred $1,255 (March 31, 2020 - $9,572) in eligible CEE and recorded a flow-through share premium recovery of $376 in the statement of loss (March 31, 2020 - $5,470).

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.

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.

12. SUBSEQUENT EVENTS

Unit Financing

On June 25, 2021, the Company completed a non-brokered private placement offering through the issuance of 8,420,000 units at a price of $0.10 per unit for aggregate gross proceeds of $842,000. Each unit consists of one common share and one half of one common share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share at an exercise price of $0.15 for a period of twenty-four (24) months from the date of closing. Directors of the Company subscribed for 260,000 of the units for gross proceeds of $26,000.

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. Each finder warrant is exercisable into one common share at a price of $0.15 per share for twenty-four (24) months from the date of closing.

Flow-Through Unit Financing

On June 25, 2021, the Company completed a non-brokered private placement offering through the issuance of 3,460,000 flow-through units at a price of $0.12 per flow-through unit, for aggregate gross proceeds of $415,200. Each flow-through unit consists of one flow-through common share and one half of one common share purchase warrant, with each whole warrant entitling the holder thereof to purchase one non-flow-through common share at an exercise price of $0.20 for a period of twenty-four (24) months from the date of closing. No finder's fees were paid in connection with the flow-through financing.

The warrants and finder warrants are subject to an acceleration clause in the event the common shares become listed for trading on a stock exchange in Canada and the volume-weighted average trading price equals or exceeds $0.25 for a period of ten (10) consecutive trading days.

Data Purchase Agreement

On June 24, 2021, the Company entered into Data Purchase Agreement with an individual who is a prospector, for the purchase of a significant amount of exploration related data, associated with numerous mineral claims in Nunavut, including data specific to the Company's exploration efforts in Nunavut. The Company paid $74,000 in exchange for the purchase of the data.