

Pasinex Resources Announces 2016 Financial Results and Returns a Profit

TORONTO, ON – May 1, 2017 – Pasinex Resources Limited (CSE: PSE) (FSE: PNX) (the “Company” or “Pasinex”) have released their 2016 financial results and they reflect a first-time net income for the Canadian entity of \$829,906 as a result of a strong profit from their 50%-owned Horzum AS Joint Venture company (“JV company”), in Turkey. All dollar amounts are Canadian unless otherwise indicated.

The 2016 audited financial results and the Management Discussion and Analysis (MD&A) are available on Sedar and the Pasinex website. The financial results for both Pasinex and the JV company are provided. The positive financial result of Pasinex is wholly contributable to the strong financial results from the JV company. Below we review the JV company financial highlights followed by the financial results Pasinex.

Highlights of the 2016 Year End Financial Results

(1) Horzum AS 50%-owned JV company Financial Results

- a. The JV company zinc mine in Turkey produced and sold 26,462 tonnes (wet weight) of direct shipping ore (DSO) with an average grade of 32.5% Zn in 2016. This represented a total production of 17.61 million pounds of Zn metal.
- b. The sales revenue totaled \$11,658,361 which was approximately \$440 / tonne of mined ore.
- c. The total costs for the year were \$8,052,941 or about \$304 / tonne of mined ore. These costs not only included routine operating costs but also all exploration costs for the year.
- d. The net profit for 2016 was \$3,605,420 or a 30.9% margin.
- e. During the fourth quarter of 2016, the JV company offset approximately \$769,000 of its early stage property development costs against its revenues. The Company's share of this adjustment was \$385,000.

(2) Pasinex Financial Results

- a. As a result of the profit realized in the JV company, Pasinex recognized a \$1,802,710 equity gain.
- b. The equity gain led to a net income for the year of \$829,906 (\$0.01 per share) after deducting operating expenses of \$1,024,092.
- c. Total assets for 2016 were \$4,065,789 up from \$2,368,863 at the end of 2015. Total liabilities for 2016 were \$282,818 down from \$381,901 at the end of 2015.
- d. Shareholders' equity was \$3,782,971 at the end of 2016 versus \$1,986,962 at the end of 2015.

Steve Williams commented: “We are very pleased to be reporting these financial results to our shareholders and interested parties. We made great strides during 2016 and this is apparent in these results. The Turkish zinc joint venture company had a very strong profit for the year. A significant step-up in production from a new adit underground commenced in August. This, coupled with a significant increase in the Zn price during the year, delivered a strong financial performance for the year. Please have a more detailed look at our financial results and MD&A. We look forward to an even stronger performance in 2017 based on our production profile.”

Subsequently to the 2016 year end, Pasinex announced that the Company has engaged an independent geological consulting firm to complete the first Mineral Resource estimate at Pinargozu Mine under CIM guidelines (refer to the news release issued April 21, 2017).

About Pasinex

Pasinex Resources Limited (CSE: PSE; FSE: PNX), a metals company, is a 50% owner of the high grade Pinargozu Zinc Mine which is in production. Under its DSO Program, Horzum AS is shipping directly to zinc smelter / refiners from its mine site in Turkey. The Company has a strong technical management team with many years of experience in mineral exploration and mining project development. The mission of Pasinex is to build a mid-tier zinc company based on building a large land position within a productive CRD district in Turkey.

The Pinargozu Mine is included in the 50-50 company, Horzum Arama Isletme AS (Horzum AS), which is a corporate joint venture between Pasinex and Turkish mining house, Akmetal Madencilik San ve Tic. AS (Akmetal AS). Akmetal AS is one of Turkey’s largest family-owned conglomerates with the nearby past-producing Horzum Zinc Mine.

Visit our web site at: www.pasinex.com

On Behalf of the Board of Directors
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All statements within, other than statements of historical fact, are to be considered forward looking. Although Pasinex Resources Ltd. 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 forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing, exploration results, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements.