

PASINEX RESOURCES LIMITED

(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements

Six Months Ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

Notice of No Auditor Review

The accompanying unaudited condensed interim consolidated financial statements have been prepared by management, in accordance with International Financial Reporting Standards, and are considered by management to present fairly the consolidated financial position, operating results and cash flows of the Company. The company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

Pasinex Resources Limited

(An exploration stage company)

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

	June 30, 2015	December 31, 2014
Assets		
Current		
Cash and cash equivalents	\$ 5,457	\$ 151,045
GST/HST/VAT receivable	6,587	6,852
Other receivables	2,159	30,461
Prepaid expenses and deposits	24,991	42,558
Marketable securities (Note 4)	15,818	16,567
Due from joint venture (Note 8 and 12)	387,098	238,291
Due from Akmetal (Note 12)	123,464	134,388
	565,574	620,162
Investment in joint venture (Note 8)	407,023	61,974
Equipment (Note 7)	38,989	48,072
Exploration and evaluation assets (Note 9)	1,176,831	1,051,247
	\$ 2,188,417	\$ 1,781,455
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 426,751	\$ 160,090
Due to related parties (Note 12)	124,541	24,492
	551,292	184,582
Shareholders' equity		
Share capital (Note 10)	7,877,573	7,645,473
Share subscriptions received	182,441	19,800
Reserves (Note 11)	1,208,634	1,193,566
Deficit	(7,557,660)	(7,188,103)
Accumulated other comprehensive (loss)	(73,863)	(73,863)
	1,637,125	1,596,873
	\$ 2,188,417	\$ 1,781,455

Approval on behalf of the Board of Directors:

"Steven Williams"

Director

"Victor Wells"

Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Pasinex Resources Limited

(An exploration stage company)

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

For the three and six months ended June 30, 2015 and 2014

(Unaudited - Expressed in Canadian dollars)

	For the three months ended June 30,		For the six months ended June 30	
	2015	2014	2015	2014
Expenses				
Administration fees	37,500	37,500	75,000	75,000
Advertising and promotion	17,700	30,487	47,131	57,938
Amortization	3,335	4,620	7,630	9,153
Consulting and management fees (Note 12)	133,843	72,299	250,347	151,137
Office, rent, and general expense (recovery)	9,064	12,378	15,167	18,344
Investor relations	-	18,365	21,878	18,365
Professional fees	43,563	43,610	46,816	48,533
Property investigation costs	18,126	-	33,091	-
Share-based payments	15,068	-	15,068	102,624
Supplies and equipment	-	1,712	3,359	2,040
Transfer agent & regulatory authorities fees	7,262	4,343	13,066	7,870
Travel and meals	14,212	31,941	65,764	46,537
	299,673	257,255	594,317	537,541
Other income (expenses)				
Unrealized gain (loss) on marketable securities	-	-	-	(36,000)
Impairment of mineral properties	(464)	-	(910)	-
Interest income	727	54	773	74
Other income (expenses)	(13,218)	(6,489)	(19,563)	(6,825)
Gain (loss) on disposition of marketable securities	-	-	-	53,350
Equity gain (loss) of affiliates (Note 8)	370,934	(17,898)	368,716	(18,736)
Foreign exchange gain (loss)	(79,483)	(7,960)	(124,256)	(6,840)
	278,496	(32,293)	224,760	(14,977)
Net loss and comprehensive loss for the period	(21,177)	(289,548)	(369,557)	(552,518)
Basic and diluted gain (loss) per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	82,694,309	68,014,253	78,941,140	60,188,804

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Pasinex Resources Limited

(An exploration stage company)

Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian dollars)

	Number of Shares	Share Capital	Share Subscription Received	Reserves	Deficit	Accumulated Other Comprehensive (Loss)	Total
Balance, December 31, 2013	59,839,836	\$ 5,542,917	\$ -	\$1,051,855	\$ (5,689,680)	\$ (78,056)	\$ 827,036
Shares issued for property acquisition (Note 9)	550,000	27,500	-	-	-	-	27,500
Shares issued for cash (Note 10)	7,396,602	517,762	-	-	-	-	517,762
Shares issued for debt (Note 10)	2,877,718	287,772	-	-	-	-	287,772
Warrants exercised (Note 10)	884,615	113,462	-	-	-	-	113,462
Share issue costs	60,000	(34,036)	-	1,732	-	-	(32,304)
Share based payments (Note 11)	-	-	-	102,624	-	-	102,624
Net loss for the period	-	-	-	-	(552,518)	-	(552,518)
Balance, June 30, 2014	71,608,771	\$ 6,455,376	\$ -	\$1,156,211	\$ (6,242,198)	\$ (78,056)	\$ 1,291,333
	Number of Shares	Share Capital	Share Subscription Received	Reserves	Deficit	Accumulated Other Comprehensive (Loss)	Total
Balance, December 31, 2014	80,684,309	\$ 7,645,473	\$ 19,800	\$1,193,566	\$ (7,188,103)	\$ (73,863)	\$ 1,596,873
Shares issued for property acquisition (Note 9)	1,100,000	132,000	-	-	-	-	132,000
Shares issued for cash (Note 10)	910,000	100,100	(19,800)	-	-	-	80,300
Share based payments (Note 11)	-	-	-	15,068	-	-	15,068
Share subscriptions received	-	-	182,441	-	-	-	182,441
Net loss for the period	-	-	-	-	(369,557)	-	(369,557)
Balance, June 30, 2015	82,694,309	\$ 7,877,573	\$ 182,441	\$1,208,634	\$ (7,557,660)	\$ (73,863)	\$ 1,637,125

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Pasinex Resources Limited

(An exploration stage company)

Condensed Interim Consolidated Statements of Cash Flows

For the six months ended June 30, 2015 and 2014

(Unaudited - Expressed in Canadian dollars)

	2015	2014
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Net income (loss) for the period	\$ (369,557)	\$ (552,518)
Adjustment for items not involving cash:		
Unrealized losses (gains) on marketable securities	-	36,000
Amortization	7,630	9,153
Impairment of mineral property	910	-
Interest income	(685)	-
Share-based payments	15,068	102,624
Equity (gain) loss of affiliates	(368,716)	18,736
Loss (gain) on sale of shares	-	(53,350)
Changes in non-cash operating working capital:		
GST/VAT receivable	265	(4,239)
Other receivables	28,081	(1,247)
Prepaid expenses and deposits	16,783	(12,762)
Accounts payable and accrued liabilities	285,202	106,100
Due from Akmetal	(460)	(67,994)
Due from Joint Venture	(173,227)	-
Due to related parties	97,000	29,387
Net cash flows from (used in) operating activities	(461,755)	(390,110)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Exploration and evaluation assets	(60,432)	(235,394)
Equipment acquisitions	(1,220)	(449)
Proceeds from disposal of marketable securities	-	98,350
Net cash flows from (used in) investing activities	(61,652)	(137,492)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of shares for cash, net of share issue costs	100,100	598,920
Share subscriptions received	162,641	-
Net cash flows from (used in) financing activities	262,741	598,920
Increase (decrease) in cash and cash equivalents	(260,666)	71,318
Effect of exchange rate on cash and cash equivalents	115,078	5,348
Cash and cash equivalents, beginning of period	151,045	46,035
Cash and cash equivalents, end of period	\$ 5,457	\$ 122,703

Supplemental disclosure with respect to cash flows (Note 13)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Pasinex Resources Limited (“Pasinex” or the “Company”) is a publicly listed company incorporated in British Columbia on February 21, 2006, and on August 4, 2006, it continued out of British Columbia and into the British Virgin Islands. On September 21, 2006, the Company changed its principal business activity and developed its business plan to enter the convention industry principally in Macau. On July 10, 2008, in connection with the change of control, the Company continued into British Columbia as a mineral exploration company in the exploration stage, engaged in the acquisition, exploration and development of mineral properties. The Company’s shares are listed on the Canadian Securities Exchange (“CSE”) under the symbol “PSE” and on the Frankfurt Stock Exchange (“FSE”) under the symbol “PNX”. The head office, principal address and registered and records office of the Company are located at 1450 – 789 West Pender, Vancouver, BC, Canada, V6C 1H2.

These condensed interim consolidated financial statements for the six months ended June 30, 2015, were authorized for issue by the Audit Committee and Board of Directors on August 25, 2015.

2. GOING CONCERN

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for at least the next twelve months and will be able to realize its assets and discharge its liabilities in the normal course of operations.

Several adverse conditions cast substantial doubt on the validity of this assumption. The Company is in the exploration stage and, accordingly, has not yet commenced revenue-producing operations. The Company has incurred losses since inception and has an accumulated deficit as at June 30, 2015 of \$7,557,660 (December 31, 2014 - \$7,188,103). At June 30, 2015, the Company had a working capital of \$14,282 (December 31, 2014 - \$435,580). The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing required to maintain its operations, and to ultimately attain future profitable operations. Management expects the Company to continue as a going concern and plans to meet any financing requirements through equity financing and seeking other business opportunities to expand the Company’s operations. The outcome of these matters cannot be predicted at this time and there are no assurances that the Company will be successful in achieving its goals. The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The application of the going concern concept is dependent upon the Company’s ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests, the attainment of profitable mining operations or the receipt of proceeds from the disposition of its mineral property interests. Management is actively engaged in the review and due diligence on opportunities of merit in the mining sector and is seeking to raise the necessary capital to meet its funding requirements. There is, primarily as a result of the conditions described above, significant doubt as to the appropriateness of the use of the going concern assumption.

The Company is not expected to be profitable during the ensuing twelve months and therefore must rely on securing additional funds from either equity financing or loan from shareholders or directors for cash consideration. During the six months ended June 30, 2015, the Company received gross cash proceeds of \$100,100 (December 31, 2014 - \$1,565,282) from the completion of a private placement and \$182,441 in share subscriptions towards a future financing. Though the Company has been successful at raising funds, there is no assurance that they will continue to generate sufficient funds for future operations.

3. BASIS OF PRESENTATION

a) Statement of Compliance

These condensed interim consolidated statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

3. BASIS OF PRESENTATION (continued)

a) Statement of Compliance (continued)

The policies applied in these condensed interim consolidated financial statements are consistent with policies disclosed in Note 4 of the financial statements for the year ended December 31, 2014. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2014.

b) Basis of Measurement

These consolidated financial statements have been prepared on a historical costs basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are measured at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting.

c) Use of Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and related disclosure. Judgement is used mainly in determining how a balance or transaction should be recognized in the consolidated financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

Significant areas where management's judgement has been applied include:

- Economic recoverability and probability of future economic benefits of exploration, evaluation and development costs – Management has determined that exploratory drilling, evaluation, development and related costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic information, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.
- Functional currency – The functional currency for the Company's subsidiary and investment in joint venture, is the currency of the primary economic environment in which the entity operates. The Company has determined the functional currency of each entity in Turkey is the New Turkish Lira (TRY). Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.
- Joint Venture – Pursuant to the Joint Venture Agreement between Pasinex Arama ve Madencilik AS ("Pasinex Arama") and Akmetal Madencilik Sanayi ve Ticaret A.S. ("Akmetal") dated January 17, 2013, the Company has determined the Joint Venture is a form of joint venture and the Company is required to account for its shares in the joint venture company by using the equity method.
- Going concern – Significant judgments used in the preparation of these consolidated financial statements include, but are not limited to those relating to the assessment of the Company's ability to continue as a going concern.
- Deferred taxes - deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that probable that future taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax assets and unused tax losses can be utilized. In addition, the valuation of tax credits receivable requires management to make judgements on the amount and timing of recovery. As of December 31, 2014, the Company has not recognized any deferred income tax assets.

Significant areas requiring the use of management estimates and assumptions include:

- The inputs used in assessing the recoverability of deferred tax assets to the extent that the deductible temporary differences will reverse in the foreseeable future and that the Company will have future taxable income;
- Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that have existed during the year; and
- The inputs used in accounting for share-based payment expenses.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

3. BASIS OF PRESENTATION (continued)

d) Principles of consolidation

The consolidated financial statements include the financial statements of Pasinex and its subsidiaries listed below:

	Jurisdiction	Nature of Operations	Equity Interest	
			June 30, 2015	December 31, 2014
Pasinex Arama	Turkey	Mineral exploration	100%	100%

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Pasinex and its subsidiaries are collectively referred to as the "Company". All intercompany transactions, balances and unrealized gains and losses from intercompany transactions have been eliminated upon consolidation.

On February 1, 2012, the Company purchased all the assets of 0886183 B.C. Ltd. ("0886183 BC", a private company incorporated in British Columbia) which included a company in Turkey, Pasinex Arama ve Madencilik A.S. ("Pasinex Arama"). On May 31, 2013, 0886183 BC was voluntarily dissolved. As a result, the Company deconsolidated all assets and liabilities associated with 0886183 BC. The dissolution of the subsidiary has nominal impact on the consolidated financial statements.

4. MARKETABLE SECURITIES

	June 30, 2015		December 31, 2014	
	Cost \$	Fair Market Value \$	Cost \$	Fair Market Value \$
Mutual Funds	16,053	15,818	16,053	16,567
Total	16,053	15,818	16,053	16,567

During the six months ended June 30, 2015, Pasinex Arama sold nil units (December 31, 2014 – nil units) of Class 5 and nil units (December 31, 2014 – nil units) of Class 6 mutual funds, respectively, for a gain on disposition of marketable securities of \$nil (December 31, 2014– \$nil).

PasineX Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES

In accordance with IFRS, the Company shall disclose the comparison of carrying amounts and fair values of the Company's financial instruments that are carried in the consolidated financial statements. As of June 30, 2015 and December 31, 2014, the fair values of the financial assets and liabilities approximate their carrying amounts due to the short-term maturities of these instruments, except for cash and cash equivalents and marketable securities. Marketable securities are measured at fair value based on price quotations at the reporting date.

The Company classifies its financial instruments using a fair value hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company's investments. The hierarchy of inputs and description of inputs is described as follows:

Level 1 – fair values are based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – fair values are based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or

Level 3 – fair values are based on inputs for the asset or liability that are not based on observable market data, which are unobservable inputs.

	Assets measured at fair value as at June 30, 2015			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
At fair value through profit or loss				
Cash and cash equivalents	5,457	-	-	5,457
Marketable securities	15,818	-	-	15,818
	21,275	-	-	21,275

	Assets measured at fair value as at December 31, 2014			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
At fair value through profit or loss				
Cash and cash equivalents	151,045	-	-	151,045
Marketable securities	16,567	-	-	16,567
	167,612	-	-	167,612

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities. The Company has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments. This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has implemented and monitors compliance with risk management policies as set out herein. A discussion of the Company's use of financial instruments and their associated risk is provided below:

a) Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada and in Turkey. Management believes that the credit risk with respect to receivables is remote. The Company mitigates credit risk on these financial instruments by adhering to its investment policy that outlines credit risk parameters and concentration limits.

The maximum credit risk exposure relating to financial assets is represented by their respective carrying values as at the statement of financial position date.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital to meet liabilities when due after taking into account the Company's holdings of cash that might be raised from equity financings. As at June 30, 2015, the Company had a cash balance of \$5,457 (December 31, 2014- \$151,045) and current liabilities of \$551,292 (December 31, 2014 - \$184,582). All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. The Company may manage its short term liquidity shortfall by obtaining additional loans from directors or by equity financing.

c) Market Risk

Market risk consists of currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

i) Currency Risk - Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. Although the Company is considered to be in the exploration stage and has not yet developed commercial mineral interests, the underlying commodity price for minerals is impacted by changes in the exchange rate between the Canadian and United States dollar. Foreign currency risk also arises from the fluctuation in currency exchange between the Canadian dollar and TRY. The Company is exposed to currency risk with regards to its TRY denominated financial assets and financial liabilities. The Company has not entered into financial instruments to hedge against this risk. A 1% strengthening in Canadian dollar against TRY would have a before-tax effect of a \$1,600 decrease in accumulated other comprehensive income, based on amounts held at June 30, 2015 (December 31, 2014 - \$2,200).

ii) Interest Rate Risk - Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is currently not exposed to interest rate risk.

The Company manages its common shares, stock options and warrants as capital. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. It is the Company's objective to safeguard its ability to continue as a going concern, so that it can continue to explore and develop its project for the benefit of its stakeholders. The Company is not subject to any externally imposed capital requirement.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the exploration and development of its mineral properties. The Board of Directors has not established quantitative capital structure criteria for management, but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business. The properties in which the Company currently has interest are in the exploration stage and the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. In order to facilitate the management of capital and maintenance and development of future mining sites, the Company may issue new equity, incur additional debt, option its properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. The Company's investment policy is to hold cash in interest bearing accounts at high credit quality financial institutions to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends. The Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities of the Company are due to service providers, mainly including regulatory fees, professional fees, consulting fees, and general office costs. All accounts payable and accrued liabilities for the Company fall due within the next 12 months.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

7. EQUIPMENT

Cost	Vehicles	Fixtures & Equipment	Mining Equipment	Total
December 31, 2013	\$ 25,140	\$ 22,660	\$ 48,595	\$ 96,395
Additions/Disposals	-	7,208	-	7,208
Exchange adjustment	35	(30)	-	5
December 31, 2014	\$ 25,175	\$ 29,838	\$ 48,595	\$ 103,608
Additions/Disposals	-	1,402	-	1,402
Exchange adjustment	(2,128)	(2,765)	-	(2,765)
June 30, 2015	\$ 23,047	\$ 28,475	\$ 48,595	\$ 100,117
Accumulated depreciation				
December 31, 2013	\$ 7,720	\$ 7,139	\$ 17,263	\$ 32,122
Additions/Disposals	7,696	6,417	9,400	23,513
Exchange adjustment	(54)	(45)	-	(99)
December 31, 2014	\$ 15,362	\$ 13,511	\$ 26,663	\$ 55,536
Additions/Disposals	2,288	2,704	3,290	8,282
Exchange adjustment	(1,417)	(1,273)	-	(2,690)
June 30, 2015	\$ 16,233	\$ 14,942	\$ 29,953	\$ 61,128
Net book value				
December 31, 2014	\$ 9,813	\$ 16,327	\$ 21,932	\$ 48,072
June 30, 2015	\$ 6,814	\$ 13,533	\$ 18,642	\$ 38,989

8. JOINT VENTURE WITH AKMETAL

On June 28, 2012, the Company, through its wholly-owned Turkish subsidiary, Pasinex Arama, signed a non-binding Letter of Intent (“LOI”) with an arm’s length Turkey based miner, Akmetal Madencilik Sanayi ve Ticaret A.S. (“Akmetal”), to form a 50 / 50 joint venture to explore for zinc and other associated commodities in the region between and around Horzum and Tufanbeyli, Adana Province, Turkey. Under the terms of the LOI it is proposed that a joint venture company will be formed and held 50 / 50 by the two parties and will be controlled by a board consisting of equal representatives of both Pasinex and Akmetal. Both partners will equally fund exploration and other general costs associated to the joint venture’s course of business.

On October 29, 2012, the new joint venture company, Horzum Arama ve Isletme AS (“Joint Venture”), was formed while the Joint Venture Agreement had not been substantiated. On January 17, 2013, Pasinex Arama and Akmetal signed the Joint Venture Agreement effective the same day. During the year ended December 31, 2013, the Joint Venture acquired, through staking, one property in Turkey: Pinargozu. The property is located within the Turkish Provinces of Adana, and was acquired for the potential to host base and precious metals.

The initial capital of the new joint venture company was determined to be a total of TRY 500,000 and Pasinex Arama is obligated for 50% of the total, being TRY 250,000. As at June 30, 2015, Pasinex Arama has paid TRY 161,050 in cash toward the total required capital. The investment in the joint venture is accounted for using the equity method. Accordingly, during the six months ended June 30, 2015, the investment has been adjusted for \$368,716 of equity gain (June 30, 2014 – \$18,736 loss) and \$23,677 of foreign exchange losses (June 30, 2014 - \$266 gain).

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

8. JOINT VENTURE WITH AKMETAL (continued)

	TRY (\$)	CAD (\$)
At December 31, 2013	36,962	18,470
Additional investment in joint venture	98,550	49,738
Loss from equity investees	(11,664)	(5,887)
Foreign exchange difference	-	(347)
At December 31, 2014	123,849	61,974
Gain (loss) from equity investees	764,654	368,716
Foreign exchange difference	-	(23,667)
At June 30, 2015	888,503	407,023

The following is a summary of the financial statements of the Joint Venture:

Balance Sheet at June 30, 2015:

	TRY (\$)	CAD (\$)
Current assets		
Cash and prepaid expenses	30,245	13,855
Accounts receivable	4,591,568	2,103,397
Inventory	2,333,722	1,069,078
Non-current assets		
Plant and equipment	351,962	161,234
Property costs	1,784,979	817,699
Other non-current assets	1,569	719
Total Assets	9,094,045	4,165,982
Current liabilities	3,508,741	1,607,354
Due to JV partners	4,005,398	1,834,873
Share capital	125,000	57,263
Surplus (deficit)	1,454,906	701,556
Foreign exchange difference	-	(35,063)
	9,094,045	4,165,982

Statement of Operations for the Six Months Ended June 30, 2015:

	TRY (\$)	CAD (\$)
Gross sales	3,891,159	1,782,540
Cost of sales	(2,269,608)	(1,039,707)
General and administrative expenses	(92,242)	(42,256)
Net income for the period	1,529,309	700,576

As at June 30, 2015, the property costs for the Joint Venture includes the following expenditures:

Pinargozu Property cost details:	TRY (\$)	CAD (\$)
Deposits and guarantees	100,193	45,898
Preparation and development	1,684,786	771,800
Total	1,784,979	817,699

It should be noted that the Pinargozu license is held by the joint venture company. As such, the Pinargozu property exploration expenditures are reported on the balance sheet of the joint venture company Horzum AS. Any expenditures incurred by the Company on the Pinargozu license are recorded as due from the Joint Venture.

See also Note 9 and 12.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS

The following schedule shows the property spending for the six months ended June 30, 2015 and the year ended December 31, 2014:

	Murray Property	Horzum JV Properties	Dadak Property	Golcuk Property	Total
Balance, December 31, 2013	\$ 174,366	\$ 172,800	\$ 67,013	\$ 411,824	\$ 826,003
Additions during the year –					
Acquisition costs – shares issued	-	-	-	27,500	27,500
License costs	-	45,385	-	37,020	82,405
Property exploration costs					
Assays	-	-	-	21,918	21,918
Miscellaneous expenses	-	-	-	12,440	12,440
Drilling	-	-	-	96,823	96,823
Fees	-	(472)	(318)	45,877	45,087
Field supplies and rentals	-	-	-	1,935	1,935
Geological and field personnel	-	66,321	-	45,936	112,257
Travel and accommodation	-	-	-	36,952	36,952
VAT receivable – mining activities	-	(3,405)	11	31,527	28,133
Total additions during the year	-	107,829	(307)	357,928	465,450
Foreign exchange adjustment	-	156	(4,236)	710	(3,370)
Impairment of mineral properties	(174,366)	-	(62,470)	-	(236,836)
Balance, December 31, 2014	\$ -	\$ 280,785	\$ -	\$ 770,462	\$ 1,051,247
Additions during the period –					
Acquisition costs – cash	-	18,120	406	22,470	40,996
Acquisition costs – shares issued	-	-	-	132,000	132,000
Property exploration costs					
Assays	-	1,461	-	3,171	4,632
Field supplies and rentals	-	-	-	679	679
Geological and field personnel	-	10,000	458	1,500	11,958
Miscellaneous expenses	-	372	-	823	1,195
Travel and accommodation	-	-	-	648	648
VAT receivable – mining activities	-	72	-	252	324
Total additions during the period	-	30,025	864	161,543	192,432
Impairment of mineral properties	-	-	(910)	-	(910)
Foreign exchange adjustment	-	(25,927)	46	(40,057)	(65,938)
Balance, June 30, 2015	\$ -	\$ 284,883	\$ -	\$ 891,948	\$ 1,176,831

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS (continued)

Properties Held in Turkey

Horzum JV Properties

During the year ended December 31, 2013, the Company, through Pasinex Arama, acquired 6 properties in the vicinity of Horzum, Adana province, Turkey as part of the “Horzum generative” zinc exploration program, in addition to the 8 properties acquired during the nine months ended December 31, 2012. These properties were acquired to be included in the 50 / 50 joint venture with Akmetal and cover approximately 8,650 hectares within the Horzum area of Adana Province. During the year ended December 31, 2013, the Company determined that they would not be incurring future exploration costs on some of the properties and returned the licenses on these properties to the Government. During the six months ended June 30, 2015, \$11,905 (December 31, 2014 – \$62,444) in exploration costs and \$18,120 (December 31, 2014 - \$45,385) in license costs have been spent on the Horzum JV. As at June 30, 2015, the Company has only the Akkaya Property with its exploration license in good standing. The process to transfer of the license of the Akkaya Property to the Joint Venture is still ongoing, therefore the Company is capitalizing all costs spent on the property until the transfer takes place. See also Note 8.

Golcuk Property

On July 19, 2012, the Company signed an option agreement (the “Agreement”) with Eurasian Minerals Inc. (“Eurasian”) and its wholly owned Turkish subsidiary, Eurasia Madencilik Ltd. STI, whereby Pasinex, through its wholly owned Turkish subsidiary, Pasinex Arama, can acquire a 100%-interest in the Golcuk Property (“Golcuk”) located in northeast Turkey. Under the Agreement, Golcuk will be forthwith transferred to Pasinex Turkey.

As consideration, upon granting of the mining obligation extension, Pasinex will issue to Eurasian Pasinex common shares as follows:

- (i) 500,000 shares within five (5) days after the granting of the extension (issued);
- (ii) 500,000 common shares on the one year anniversary of the Initial Issuance Date (issued);
- (iii) 1,000,000 common shares on the two year anniversary of the Initial Issuance Date (issued); and
- (iv) 1,000,000 common shares on the three year anniversary of the Initial Issuance Date.

Eurasian will retain a 2.9% Net Smelter Royalty on Golcuk which Pasinex has the option of buying down to 2% within six years of the Agreement date for consideration of \$1,000,000.

Additionally, Pasinex will be required to complete minimum annual work commitments on the project as follows:

- (i) \$200,000 before the one year anniversary of the date of the transfer of Golcuk to Pasinex Turkey (the “Completion Date”);
- (ii) \$250,000 before the two year anniversary of the Completion Date; and
- (iii) \$250,000 before the end of the four year anniversary of the Completion Date.

Golcuk is classified as an operational license under the Turkish government mining regulations. As such, the property requires, at a minimum, a small-scale mining operation to be carried out each year in order to satisfy its operational license, and each year, the project must process approximately 900 tonnes of ore. On the completion and acceptance of the Agreement, Pasinex was to file a request for a one-year extension in regard to the Company’s small-scale mining obligation to the Turkish government. However, Pasinex applied for and obtained an Open Pit Application and management has determined that the granting of the Open Pit Application would replace the one-year extension requirement of the original option Agreement. The Company entered into an Amending Agreement with Eurasian to waive certain government requirement and the right to terminate the agreement. The Golcuk property was transferred to Pasinex Arama in September 2012.

During the six months ended June 30, 2015, \$7,073 (December 31, 2014 – \$293,408) in exploration costs and \$154,470 (December 31, 2014 - \$64,520) in acquisition costs have been incurred on the Golcuk Property.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS (continued)

Properties Held in Turkey (continued)

Dadak Property

On May 14, 2012, the Company acquired, through staking, the Dadak Property in the province of Afyon in Turkey. During the six months ended June 30, 2015, \$864 (December 31, 2014 – \$318) in exploration costs have been incurred and impaired, as the Company relinquished the property back to the government.

Properties Held in Canada

Murray Property

The Company acquired a 100% interest in one mineral claim northeast of Yellowknife, Northwest Territories, known as the Murray Property pursuant to a Mineral Property Acquisition Agreement dated April 17, 2008, between the Company and Zimtu Capital Corp. (“Zimtu”). The Company acquired the Property for \$15,509 cash. There was a 1% net smelter return royalty and a 1% gross overriding royalty on the Property, in favour of the original vendor of the property, which was relinquished on May 7, 2009. Zimtu is an arm’s length party to the Company. During the year ended December 31, 2014, the Company impaired the property.

10. SHARE CAPITAL

- a) Authorized: Unlimited common shares with no par value.
- b) Issued:

During the six months ended June 30, 2015

On February 6, 2015, the Company closed a non-brokered private placement of 910,000 units (the “Units”) at a price of \$0.11 per Unit for gross proceeds of \$100,100. Each Unit consists of one common share and one half of a share purchase warrant (the “Warrant”). Each whole Warrant will be exercisable into one additional common share (the “Warrant Share”) of the Company at \$0.18 per Warrant Share for a period of two years from closing.

On February 12, 2015, the Company issued 1,000,000 common shares to Eurasian, valued at \$120,000, in accordance with the Golcuk Property agreement (see Note 9). The Company also issued 100,000 common shares to Zimtu Capital Corp., valued at \$12,000, for finder’s fees in accordance with the Golcuk Property agreement.

During the year ended December 31, 2014

On February 12, 2014, the Company issued 500,000 common shares to Eurasian, valued at \$25,000, in accordance with the Golcuk Property agreement (see Note 9). The Company also issued 50,000 common shares to Zimtu Capital Corp., valued at \$2,500, for finder’s fees in accordance with the Golcuk Property agreement.

On April 7, 2014, the Company completed tranche 1 of a non-brokered private placement of 5,947,142 units (the “Units”) at a subscription price of \$0.07 per Unit for gross proceeds of \$416,300. Each Unit consists of one common share and one-half of a share purchase warrant (the “Warrant”). Each whole Warrant is exercisable into one additional common share (the “Warrant Share”) of the Company at \$0.12 per Warrant Share for a period of three years from closing. The Company paid \$18,304 in cash, and issued 27,200 broker warrants and 60,000 common shares to finders in connection with this private placement.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

b) Issued:

During the year ended December 31, 2014

On April 22 2014, the Company completed tranche 2 of a non-brokered private placement of 1,449,460 units (the "Units") at a subscription price of \$0.07 per Unit for gross proceeds of \$101,462. Each Unit consists of one common share and one-half of a share purchase warrant (the "Warrant"). Each whole Warrant is exercisable into one additional common share (the "Warrant Share") of the Company at \$0.12 per Warrant Share for a period of three years from closing.

On May 30, 2014, the Company issued 2,877,718 shares at a deemed value of \$0.10 to Zimtu Capital Corp. ("Zimtu") for the settlement of debt valued at \$287,772.

On June 30, 2014, 500,000 warrants were exercised at \$0.15 per warrant, and 384,615 warrants were exercised at \$0.10 per warrant, for total proceeds of \$113,462. As a result, the Company allocated \$61,538 from reserves.

On August 18, 2014, the Company closed a non-brokered private placement of 5,210,538 units (the "Units") at a price of \$0.13 per Unit for gross proceeds of \$677,370. Each Unit consists of one common share and one half of a share purchase warrant (the "Warrant"). Each whole Warrant will be exercisable into one additional common share (the "Warrant Share") of the Company at \$0.20 per Warrant Share for a period of three years from closing. Finder's fees are payable in connection with this private placement of \$18,356 and 141,200 share purchase warrants. Each of the finder's warrants are exercisable into a common share of the Company at \$0.20 per share for a period of three years.

On December 17, 2014, 500,000 warrants were exercised at \$0.15 per warrant, for total proceeds of \$75,000. As a result, the Company allocated \$50,000 from reserves.

On December 19, 2014, the Company closed a non-brokered private placement of 3,365,000 units (the "Units") at a price of \$0.11 per Unit for gross proceeds of \$370,150. Each Unit consists of one common share and one half of a share purchase warrant (the "Warrant"). Each whole Warrant will be exercisable into one additional common share (the "Warrant Share") of the Company at \$0.18 per Warrant Share for a period of two years from closing. Finder's fees are payable in connection with this private placement of \$3,520 and 32,000 share purchase warrants. Each of the finder's warrants are exercisable into a common share of the Company at \$0.18 per share for a period of two years. The common shares issued will be restricted from trading for a four month hold period in accordance with applicable securities laws. As at December 31, 2014, \$27,500 was included in other receivables and was subsequently received in January 2015.

c) Warrants:

Warrant transactions and the number of warrants outstanding are summarized as follows:

	June 30, 2015		December 31, 2014	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of period	11,484,821	\$ 0.15	5,533,365	\$ 0.15
Issued	455,000	\$ 0.18	7,986,071	\$ 0.14
Expired	-	-	(650,000)	\$ 0.15
Exercised	-	-	(1,384,615)	\$ 0.14
Balance, end of period	11,939,821	\$ 0.15	11,484,821	\$ 0.15

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

c) Warrants: (continued)

The following warrants were outstanding and exercisable at June 30, 2015:

Expiry Date	Exercise Price	June 30, 2015
July 2, 2015*	\$0.16	1,948,750
December 11, 2016	\$0.10	1,550,000
April 7, 2017	\$0.12	2,973,572
April 22, 2017	\$0.12	724,731
August 18, 2017	\$0.20	2,605,268
December 19, 2016	\$0.18	1,682,500
February 6, 2017	\$0.18	455,000
Total		11,939,821
Weighted average outstanding life of warrants		1.48 years

*Expired subsequent to June 30, 2015

d) Agent Warrants:

Warrant transactions and the number of warrants outstanding are summarized as follows:

	June 30, 2015		December 31, 2014	
	Number of Agent Warrants	Weighted Average Exercise Price	Number of Agent Warrants	Weighted Average Exercise Price
Balance, beginning of period	258,800	\$ 0.18	67,560	\$ 0.16
Granted	-	-	200,400	\$ 0.19
Expired	-	-	(9,160)	\$ 0.15
Balance, end of period	258,800	\$ 0.18	258,800	\$ 0.18

The following agent warrants were outstanding and exercisable at June 30, 2015 and December 31, 2014:

Expiry Date	Exercise Price	June 30, 2015	December 31, 2014
July 2, 2015*	\$0.16	58,400	58,400
April 7, 2017	\$0.12	27,200	27,200
August 18, 2017	\$0.20	141,200	141,200
December 19, 2016	\$0.18	32,000	32,000
Total		258,800	258,800
Weighted average outstanding life of agent warrants		1.54 years	2.03 years

*Expired subsequent to June 30, 2015

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

d) Agent Warrants: (continued)

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for its agent warrants granted. Accordingly, share issue costs of \$nil (June 30, 2014 - \$1,732) were recognized during the six months ended June 30, 2015.

The fair value of each agent warrant grant was calculated using the following weighted average assumptions:

	June 30, 2015	June 30, 2014
Expected life (years)	N/A	3 years
Interest rate	N/A	1.24%
Volatility	N/A	208%
Dividend yield	N/A	N/A
Grant date fair value	N/A	\$0.06

e) Shares held in escrow:

As at June 30, 2015, there are nil common shares of the Company held in escrow (December 31, 2014 – 712,500).

11. SHARE-BASED PAYMENTS

The Company has a Stock Option Plan (the “Plan”) in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors but shall not be less than the discounted market price as defined by the CSE. The expiry date for each option should be for a maximum term of five years. The Plan was most recently approved at the Company’s Annual General Meeting (“AGM”) on November 13, 2014.

On March 14, 2014, 1,500,000 stock options were granted to directors, officers, and consultants of the Company at a price of \$0.10, expiring on March 14, 2019. The stock options were 100% vested on issuance.

On December 19, 2014, 1,600,000 stock options were granted to directors, officers, and consultants of the Company at a price of \$0.14, expiring on December 19, 2019. The stock options were 100% vested on issuance.

On May 8, 2015, 190,000 stock options were granted to officers and a consultant of the Company at a price of \$0.14, expiring May 8, 2020. The stock options were 100% vested on issuance.

The following is a summary of option transactions under the Company’s stock option plan for the six months ended June 30, 2015 and the year ended December 31, 2014:

	June 30, 2015		December 31, 2014	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of period	3,100,000	\$ 0.12	250,000	\$ 0.25
Granted	190,000	0.14	3,100,000	\$ 0.12
Expired	-	-	(250,000)	\$ 0.25
Balance, end of period	3,290,000	\$ 0.12	3,100,000	\$ 0.12

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

11. SHARE-BASED PAYMENTS (continued)

The following stock options were outstanding and exercisable as at June 30, 2015:

Expiry Date	Exercise Price	Number of Shares	Weighted Average Remaining Contractual Life (Years)
March 14, 2019	\$ 0.10	1,500,000	3.71
December 19, 2019	\$ 0.14	1,600,000	4.47
May 8, 2020	\$ 0.14	190,000	4.86
	\$ 0.12	3,290,000	4.15

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. Accordingly, share based compensation costs of \$15,068 (June 30, 2014 - \$102,624) were recognized during the six months ended June 30, 2015. The fair value of each option grant was calculated using the following weighted average assumptions:

	June 30, 2015	June 30, 2014
Expected life (years)	5.00	5.00
Interest rate	1.02%	1.60%
Volatility	132%	208%
Dividend yield	N/A	N/A
Grant date fair value	\$0.08	\$0.07

12. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying consolidated financial statements are summarized below and include transactions with key management personnel, which includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

A number of these entities transacted with the Company during the year. The terms and conditions of these transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, or similar transactions to non-key management personnel related entities on an arm's length basis.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS (continued)

A summary of the related party transactions and balances is as follows:

Related Party Transactions	Six months ended June 30, 2015	Six months ended June 30, 2014
	\$	\$
Management and consulting fees	96,000	104,900
Geological fees	10,300	28,300
Professional fees	11,000	8,100
Share-based payments	11,896	47,717
Total	129,196	189,017

Amounts Due to (from) Related Parties	June 30, 2015	December 31, 2014
	\$	\$
Clinton Smyth	50,391	10,237
John Barry	19,481	5,087
Jody Bellefleur	11,550	-
Steven Williams	43,119	9,168
Total Amount Payable	124,541	24,492

These transactions are in the normal course of operations and have been valued in these financial statements at the amount of consideration established and agreed to by the related parties. Amounts due to related parties are unsecured, non-interest bearing and due on demand.

During the six months ended June 30, 2015, Pasinex Arama provided project management and technical management services to Akmetal for Akmetal's 100%-owned license, numbered IR-1179, located in the Adana area. Pasinex Arama incurred total amounts of \$123,464 (December 31, 2014 - \$134,388) which will be reimbursed by Akmetal to Pasinex Arama in Fiscal 2015.

During the six months ended June 30, 2015, the Company provided project management and technical management services to the joint venture's 100%-owned license, named Pinargozu. The Company incurred total amounts of \$387,098 (December 31, 2014 - \$238,291) which will be reimbursed by the joint venture in Fiscal 2015. See Note 8.

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Six months ended June 30, 2015	Six months ended June 30, 2014
Income tax paid	\$ -	\$ -
Interest paid	\$ -	\$ -
Shares issued for debt	\$ -	287,772
Shares issued for property	\$ 132,000	\$ 27,500

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

14. SEGMENT INFORMATION

The Company has one operating segment, acquisition, exploration and development of mineral properties. The table below shows consolidated data by geographic segment based on the location:

	June 30, 2015	December 31, 2014
Non-current assets by geographic segment		
Canada	\$ -	\$ -
Turkey	1,622,843	1,161,293
	\$ 1,622,843	\$ 1,161,293

15. COMPARATIVE FIGURES

Certain comparative figures have been reclassified in order to confirm to the current year's consolidated financial statements presentation.

16. SUBSEQUENT EVENTS

- a) On June 16, 2015, the Company announced a non-brokered private placement (the "Private Placement") of up to 7,142,857 units (the "Units") at a subscription price of \$0.07 per Unit to eligible subscribers for gross proceeds of up to \$500,000. Each Unit will consist of one common share and one half of a share purchase warrant (the "Warrant"). Each whole Warrant will be exercisable into one additional common share (the "Warrant Share") of the Company at \$0.10 per Warrant Share for a period of twelve months from the closing. Finder's fees or commissions may be payable by the Company in connection with this private placement. The common shares issued or issuable pursuant to the Private Placement will be restricted from trading for a four month hold period in accordance with applicable securities laws and, if required, the policies of the Exchange. The proceeds of this private placement are for the Company's general and administrative expenses as well as for ongoing exploration activity on the Pinargozu Zinc Project in Adana Province, Turkey.
- b) On July 2, 2015, 1,948,750 share purchase warrants and 58,400 agent's warrants priced at \$0.16 expired unexercised.