

Pasinex Announces Filing of 2024 First Quarter Financial Results

TORONTO, ON – July 8, 2024 – Pasinex Resources Limited (CSE: PSE) (FSE: PNx) (The “**Company**” or “**Pasinex**”) announces that the Company has filed its financial statements, management’s discussion and analysis, and related certifications for the quarter ended March 31, 2024 (collectively, the “**First Quarter Results**”) on SEDAR+.

The common shares of the Company are currently halted due to a failure-to-file cease trade order (the “**FFCTO**”) issued by the British Columbia Securities Commission (“**BCSC**”) on June 12, 2024, as a result of the failure of the Company to timely file its First Quarter Results. It is anticipated that as a result of filing of the First Quarter Results that the Company will be up-to-date with its required filings and that the FFCTO will be revoked by the BCSC.

First Quarter Financial Results

Cautionary Note

The Company has not completed a current technical report that includes a mineral resource estimate as defined by the Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council, and procedures for classifying the reported Mineral Resources were undertaken within the context of the Canadian Securities Administrators National Instrument 43-101 (NI 43-101). The Company has no intention of completing a NI 43-101 compliant technical report. The Joint Venture has not followed accepted quality assurance and quality control procedures with respect to its current drilling program and has not used an independent third-party laboratory for its assay analysis. The Joint Venture uses field handheld X-ray fluorescence analysers (“XRF”) for zinc assays and grade control in exploration and mining. In addition, assays are completed by an independent third-party laboratory for all of the Joint Venture’s sales.

Highlights – Quarter Ended March 31, 2024

	Three Months Ended	
	March 31,	
	2024	2023
Financial:		
Equity gain from Horzum AS	\$ 663,478	\$ 775,762
Consolidated net income (loss)	\$ 285,772	\$ (195,583)
Basic and diluted net income (loss) per share	\$ 0.00	\$ 0.00
Net cash (used in) provided by operating activities	\$ (180,196)	\$ 220,486
Weighted average shares outstanding	144,554,371	144,554,371
Horzum AS operational data (100% basis):		
Zinc product mined (wet) tonnes	1,503	2,811
Zinc product sold (wet) tonnes	2,986	2,997
Zinc oxide product average grade sold	NA	NA
Zinc sulphide product average grade sold	49.5%	49.6%
Gross margin ⁽¹⁾	37%	58%
CAD cost per tonne mined ⁽¹⁾	\$ 789	\$ 491
USD cash cost per pound of zinc mined ⁽¹⁾	\$ 0.51	\$ 0.34

(1) See Non-GAAP Measures

- Subsequent to the quarter end, Horzum AS initiated two separate legal actions, which resulted in the appointment of an interim committee and an authorized trustee to provide oversight of the management of the Joint Venture. In addition, a legal action is on-going by Horzum AS for the recovery of the debt owed by Akmetal.
- For the three months ended March 31, 2024, Pasinex recorded net income of approximately \$0.3 million, compared with a net loss of approximately \$0.2 million for the three months ended March 31, 2023. The primary reason for the increase in the net income in 2024 versus the net loss in 2023 was that the Company did not incur exploration costs in 2024.
- The operating income in Horzum AS decreased to \$1.4 million in the three months ended March 31, 2024, from \$2.1 million for the same period in 2023. The decrease was due to higher costs being incurred as a result of inflationary pressures. Gross margin (see *non-GAAP measures*) for the three months ended March 31, 2024, was 37% compared with 58% for the same period in 2023.
- Horzum AS mined 1,503 tonnes of zinc product during the three months ended March 31, 2024, at the Pinargozu mine, compared with 2,811 tonnes of zinc product for the same period in 2023.
- Sales volume was 2,986 tonnes of high-grade zinc sulphide product in the three months ended March 31, 2024, compared with 2,997 tonnes of high-grade zinc sulphide product for the same period in 2023.
- Sales prices per tonne on a USD basis decreased by 2% for zinc sulphide product for the three months ended March 31, 2024, when compared to prices in the same period in 2023. The average USD sales price for the three months ended March 31, 2024, was US\$878 per tonne for zinc sulphide product versus US\$892 per tonne for zinc sulphide product in the same period in 2023.
- The average grade of the high-grade zinc sulphide product sold was 49.5% zinc per tonne for the three months ended March 31, 2024, compared with 49.6% zinc per tonne for the same period in 2023.
- The CAD cost per tonne mined (see *non-GAAP measures*) increased to \$789 per tonne mined for the three months ended March 31, 2024, compared with \$491 per tonne mined in the same period in 2023. The USD cash cost per pound of zinc product mined (see *non-GAAP measures*) increased to US\$0.51 per pound mined in the three months ended March 31, 2024, from US\$0.34 per pound mined in the three months ended March 31, 2023.

Non-GAAP Measures

Please note that all dollar amounts in this news release are expressed in Canadian dollars unless otherwise indicated. Refer also to the 2022 Management's Discussion and Analysis (MD&A) and Audited Financial Statements found on SEDAR.com for more information. This news release includes non-GAAP measures, including gross margin, cost per tonne mined and US\$ cash cost per pound of zinc product mined. A reconciliation of these non-GAAP measures to the GAAP financial statements is included in the MD&A.

Qualified Person

Jonathan Challis, a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer, is the qualified person (“QP”) as defined by NI 43-101 for all information in this news release other than the information relating to the Gunman Project. He has inspected the original paid sales invoices issued by the Joint Venture for the shipment of zinc sulphide product specified in this news release and has approved the scientific and technical disclosure herein. Mr. Challis is a director of the Company and Chair of the Joint Venture.

About Pasinex

Pasinex Resources Limited is a Toronto-based mining company that owns 50% of Horzum Maden Arama ve Isletme Anonim Sirketi (“**Horzum AS**” or “**Joint Venture**”), through its 100% owned subsidiary Pasinex Arama ve Madencilik Anonim Sirketi (“**Pasinex Arama**”). Horzum AS holds 100% of the producing Pinargozu high-grade zinc mine. Horzum AS sells directly to zinc smelters and or refiners through commodity brokers from its mine site in Türkiye. The Company also holds a 51% interest, with an option to increase to an 80% interest of a high-grade zinc exploration project, the Gunman Project, located in Nevada. Pasinex has a strong technical management team with many years of mineral exploration and mining project development experience. Pasinex Resources Limited mission is to explore and extract high grade ore to drive growth and wealth for all of its stakeholders including shareholders, employees and the communities of our operations, meeting all requirements in safety, health and the environment.

Visit our website at www.pasinex.com.

On Behalf of the Board of Directors

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The CSE does not accept responsibility for the adequacy or accuracy of this news release. This news release includes forward-looking statements that are subject to risks and uncertainties. Forward-looking statements, including those relating to the revocation of the FFCTO involve known and unknown risks, uncertainties, and other factors that could cause the actual results of the Company to be materially different from the historical results or any future results expressed or implied by such forward-looking statements. All statements within, other than statements of historical fact, are to be considered forward-looking. Although Pasinex believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not a guarantee 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.