PASINEX RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FOR THE FIFTEEN MONTHS ENDED
MARCH 31, 2026

Dated July 29, 2026

Introduction

On October 1, 2025, Pasinex changed its financial year end from December 31 to March 31 to better align its reporting cycle with industry peers and to reduce pressure on calendar year-end reporting timelines. Pasinex is filing this transitional report covering the fifteen-month period from January 1, 2025, to March 31, 2026, with audited financial statements. The next financial year will cover the twelve-month period from April 1, 2026, to March 31, 2027.

The following discussion of the results of operations and financial condition of Pasinex Resources Limited (the "Company" or "Pasinex") prepared as of July 29, 2026 summarizes management's review of the factors that affected the Company's financial and operating performance for the fifteen months ended March 31, 2026, and the factors reasonably expected to impact on future operations and results ("Management's Discussion and Analysis of Financial Condition and Results of Operations" or "MD&A").

This MD&A is intended to supplement and complement the Company's audited consolidated financial statements as at and for the fifteen months ended March 31, 2026, ("Financial Statements") and the notes thereto, which were prepared in accordance with IFRS Accounting Standards ("IFRS").

Certain information and discussion included in this MD&A constitute forward-looking information, which should be read in consideration of the cautionary notes contained in the section "Forward-Looking Statements".

Further information about the Company and its operations can be obtained from the offices of the Company, at www.pasinex.com or from SEDAR+ at www.sedarplus.ca.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this MD&A constitute forward-looking statements; as such term is defined under applicable securities laws. These statements relate to future events or future performance and reflect management's expectations and assumptions regarding the growth, results of operations, performances and business prospects and opportunities of the Company. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "intend", "will", "project", "could", "believe", "predict", "potential", "should" or the negative of these terms or other similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance, achievements or events to differ materially from those anticipated, discussed or implied in such forward-looking statements. The Company believes the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should be considered carefully and investors should not place undue reliance on them as the Company cannot assure investors that actual results will be consistent with these forward-looking statements.

These statements speak only as of the date of this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about: (i) general business and economic conditions; (ii) timing and amount of estimated future production (iii) the supply and demand for, deliveries of, and the level and volatility of prices of zinc and other precious metals; (iv) the timing of the receipt of any outstanding regulatory and governmental approvals for the Company's projects; (v) the ability to meet social and environmental standards and expectations; (vi) the availability of financing for the Company's development of its properties on reasonable terms; (vii) the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; (viii) the ability to attract and retain skilled staff; (ix) exploration and development timetables; and (x) capital expenditure and operating cost estimates.

The Company has not been materially impacted by the ongoing conflict in the Strait of Hormuz or Ukraine, but uncertainty remains surrounding the conflict and the extent and duration of the impacts that it may have on the Company's ability to operate, on prices for zinc, on logistics and supply chains, on the Company's employees and on global financial markets.

The Pinargozu zinc mine was placed into production without a feasibility study of mineral reserves demonstrating economic and technical viability, and as such, any forward-looking statements related to the performance of the Pinargozu mine may differ materially from actual results. The decision to operate a mine without a technical report or feasibility study creates increased uncertainty. Economic or technical results of the Pinargozu zinc mine may differ materially from forward-looking statements due to reduced zinc grade, variation in estimated mineral resources, increased difficulty in mining and other risks associated with the reliability of internal analytical results, geological interpretation and statistical inferences drawn from drilling and sampling.

These forward-looking statements involve risks and uncertainties relating to, among other things, exploration and development risks, changes in commodity prices, particularly the zinc price, expectations regarding currency fluctuations, possible variation in mineral resources or grade, counter party risk associated with sales of zinc material, access to skilled mining personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, changes to government regulation and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors contained in this MD&A. Investors should not place undue reliance on forward-looking statements, as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities law.

Description of Business

Pasinex Resources Limited ("Pasinex" or the "Company") is a publicly listed, zinc focused mining company incorporated in British Columbia, Canada. The Company's common shares are listed on the Canadian Securities Exchange ("CSE") under the symbol PSE and on the Frankfurt Stock Exchange ("FSE") under the symbol PNX. Pasinex's head and registered records office is located at 550 Burrard Street, Suite 2900, Vancouver, British Columbia, V6C 0A3, with its mailing address at 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1.

Through its wholly owned Turkish subsidiary, Pasinex Arama ve Madencilik Anonim Şirketi ("Pasinex Arama"), the Company owns 100% of Horzum Maden Arama ve İşletme Anonim Şirketi ("Horzum A.Ş." or "Horzum"), which owns and operates the producing Pinargözü high grade zinc mine in Türkiye. Zinc concentrate is sold directly to zinc smelters and refiners through commodity brokers, and Aydın Teknik Madencilik ve İnşaat Sanayi ve Ticaret A.Ş. ("Aydın Teknik") the holder of the Sarıkaya Group IV lead zinc operating license located in Kayseri Province, Türkiye, which represents significant potential for near term production and additional zinc discoveries.

In the United States, Pasinex holds a 51% interest in the Gunman Project, a high-grade zinc exploration project located in Nevada through its wholly owned subsidiary, Pasinex Resources Nevada Limited ("Pasinex Nevada").

Led by an experienced management team with a strong track record in mineral exploration and mine development, Pasinex is focused on the acquisition, development, and operation of high-grade zinc assets. The Company's objective is to create long term value for shareholders while maintaining high standards of safety, environmental stewardship, and community engagement.

For additional information, visit www.pasinex.com.

Selected Annual Consolidated Information

		Fifteen Months Ended March 31, 2026	Year Ended December 31, 2024	Year Ended December 31, 2023
Financial:				
Revenues	$	**1,000,809**	-	-
Share of net equity (loss) gain from joint venture		**(854,047)**	143,147	1,797,579
Assigned dividend		**-**	-	626,476
Consolidated net loss		**(5,756,253)**	(2,651,030)	(309,768)
Basic and diluted net income (loss) per share		**(0.032)**	(0.018)	(0.003)
Net cash used in operating activities	$	**(1,834,751)**	(1,554,416)	(554,397)
Weighted average shares outstanding		**180,032,701**	144,554,371	144,554,370

As at:		March 31, 2026	December 31, 2024	December 31, 2023
Total assets	$	**8,774,827**	3,557,225	3,024,660
Total liabilities		**5,127,116**	4,900,852	2,976,689
Total shareholders' equity (deficit)	$	**3,647,711**	(1,343,627)	47,971

	Fifteen Months March 31, 2026	2024	Year Ended December 31, 2023
Horzum AS operational data (100% basis):			
Zinc product mined (wet) tonnes	**1,658**	3,601	8,061
Zinc product sold (wet) tonnes	**1,755**	4,972	7,979
Zinc sulphide product - average grade sold	**45.3%**	51.5%	48.9%

Pasinex took 100% ownership of Horzum A.Ş. on December 29, 2025. Therefore, in the Pasinex consolidated financial statements for the fifteen-month ended March 31, 2026:

- Pasinex's 50% share of Horzum A.Ş's net loss for the period January 1 to December 29, 2025, is shown in the consolidated statements of loss and comprehensive loss as Share of total comprehensive loss from joint venture
- Horzum A.Ş.'s statement of financial position has been consolidated within the consolidated statements of financial position
- Horzum A.S.'s revenues and expenses for the period December 30, 2025, to March 31, 2026, are consolidated with the group in the consolidated statement of loss and comprehensive loss

Whereas, in the comparative prior year financial statements, as at December 31, 2024, Pasinex had 50% joint venture interest in Horzum A.Ş., which was equity accounted.

Recent Developments

100% Ownership of Horzum A.Ş.

- On December 30, 2025, the Company announced that the share transfer process for Horzum A.Ş. had been completed. All required Board of Directors' resolutions were executed, the relevant share certificates duly endorsed and delivered to Pasinex, and the necessary filings with the Turkish Trade Registry completed. As a result, as of December 31, 2025, Pasinex Arama holds 100% ownership of Horzum A.Ş.

Corporate

- On January 15, 2026, Pasinex announced that it had issued 33,405,205 common shares in exchange for outstanding debt in the aggregate amount of C$3,340,520 owing to certain insiders, other vendors and directors, (the "Shares for Debt Transaction"). The common shares were issued at a price of $0.10 per common share. In connection with the Shares for Debt Transaction, the Company has amended the remaining outstanding debt owing to certain participating creditors in the aggregate principal amount of C$2,045,735 to include an option permitting such creditors, at their election and for a period of up to thirty six (36) months, to convert all or any portion of such remaining debt into common shares of the Company at a price of C$0.10 per common share, subject to applicable securities laws and CSE policies. The Company may also repay all or a portion of the remaining debt in cash, and any debt converted into shares will be deemed fully satisfied.

- Subsequent to March 31, 2026, the Company completed an additional tranche of its previously announced non brokered private placement. The Company issued 4,247,616 units at a price of $0.10 per unit for gross proceeds of $401,880, including 228,816 units issued as non-cash finder's fees. Each unit consisted of one common share and one-half warrant, with each full warrant exercisable at $0.15 per share for a period of two years from the date of issuance. In connection with this tranche, the Company issued 2,123,808 warrants.

- Subsequent to March 31, 2026, a total of 6,875,000 stock options, including options expiring on April 30, 2026, were exercised at an exercise price of C$0.04 per option, resulting in the issuance of 6,875,000 common shares for aggregate proceeds of C$275,000.

Outlook

Pasinex is building a zinc mining company step by step through the acquisition and development of exceptional high-grade zinc deposits, ranging from 30 to 50% zinc in Türkiye and 14 to 24% zinc in Nevada.

These high-grade zinc ore deposits have an exceptionally high intrinsic value, ranging from approximately $1,000 to $1,500 per tonne of ore, surpassing nearly all known copper and gold deposits currently under development or in production. In fact, these zinc ore grades are economically equivalent to copper grades of approximately 9% to 15%, assuming a copper price of $5 per pound.

Long-term mining costs range from approximately USD $250 to $300 per tonne of ore, resulting in after-tax margins generally between 30% and 50% of sales. The economic risk is low, given the high-grade zinc deposits and substantial margins that provide a buffer against various operational issues. Moreover, profitability can significantly increase when zinc prices rise.

In Türkiye, capital costs remain low due to the nature of the ore deposits, which can be readily accessed through adits and declines for underground mining. Because these carbonate-hosted zinc deposits are located at or near the surface, mining operations can commence quickly, generating immediate cash flow. Additionally, the high-grade nature of the ore ensures profitability from the outset, enabling rapid capital payback within just a few months.

Pasinex is currently focused on advancing high-grade zinc properties, which are already producing through small-scale mining operations at zinc grades between 30% and 50%. Due to our respected exploration team's extensive local knowledge and Pasinex's trusted reputation, we regularly receive opportunities to acquire licenses from family owners who wish to sell their mines for personal reasons or who lack the financial, technical, or managerial resources needed to fully develop their assets. This represents an ideal moment for Pasinex to acquire these licenses, explore and expand their resources, and secure the financing required to execute this strategic opportunity.

The Sarikaya license which Pasinex recently purchased highlights the tremendous potential that exists for near-term profitability through direct shipping ore, as well as the significant possibility of discovering a major zinc ore deposit.

Sarikaya is a prime example of the opportunities available for Pasinex in the coming years. In the region, exploration conducted by family owners primarily involved small-scale mining operations that follow surface outcrops via adits, without employing modern exploration methods. These large properties have seen minimal geological mapping, geochemistry, geophysics, structural analysis, or drilling, despite abundant outcrops and geological indicators. Pasinex's acquisition of these high-grade zinc licenses represents a valuable opportunity, generating wealth for the families through direct purchase payments and net smelter returns, while significantly enhancing shareholder value through company growth. Furthermore, Pasinex's business model promises substantial economic benefits and employment opportunities for local communities, aligning closely with Türkiye's broader economic vision.

The potential for mutually beneficial economic growth and capability development among all stakeholders is substantial, and stakeholders strongly support Pasinex's leadership in managing this strategy and these opportunities. The exceptional zinc grades have been clearly demonstrated through existing small-scale mining activities as well as visible surface outcrops.

Türkiye is an excellent jurisdiction for mining, featuring progressive mining laws, highly capable government ministries, skilled geologists, mining engineers, strong electrical and mechanical expertise, as well as first-rate legal, accounting, administrative, and commercial professionals. Additionally, Türkiye has a well-educated, hardworking workforce with deep mining and metallurgical knowledge. The country adheres to the best international practices in mining safety and environmental regulations, demonstrating effective implementation and enforcement of these laws.

The mining methods used for these high-grade zinc deposits involve underground operations accessed through adits and declines, resulting in a minimal environmental footprint and limited impact on surrounding communities. Pasinex maintains strong relationships and an excellent reputation with employees, local communities, and government authorities.

Türkiye offers outstanding geological potential due to its unique position at the intersection of the Asian, African, and European tectonic plates, creating numerous faults and geological features that significantly enhance the likelihood of discovering base metals and gold deposits. Additionally, Türkiye benefits from excellent infrastructure, including roads, electricity, and water resources conveniently located near most mining licenses, with easy access to major cities and ports. These factors position Türkiye as one of the best exploration and mining jurisdictions in the world.

Zinc has been recognized by the U.S. Geological Survey and the World Economic Forum as one of the 31 critical metals essential for the transition to a sustainable future. Primary uses of zinc include galvanizing steel to prevent rust in cars and construction materials, die-casting, and alloying with copper to create brass and with tin to create bronze for applications such as door handles, plumbing fittings, and heat exchange equipment. Zinc oxide is widely utilized in tire manufacturing, paints, and fertilizers. Additionally, zinc is used extensively in skincare, beauty products, health supplements, artwork, and musical instruments. Emerging technologies such as zinc-air batteries are anticipated to experience substantial growth. Zinc also plays a significant role in the electronics, automotive, textile, aerospace, and defense industries.

Global zinc consumption is approximately 12 million tonnes per year, with recycled zinc accounting for only about 34% of this demand. Due to zinc's dispersed applications and long product life cycles, only a portion can be economically recycled, resulting in significant dependence on primary zinc mined from deposits. Zinc is produced by many countries and is a globally traded commodity with prices set by the worldwide market. Unlike critical metals such as gallium or rare earth elements, zinc prices cannot be dominated or controlled by any single country or company.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Apart from these and the discussion below on zinc prices and foreign currency, and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Review of Consolidated Financial Statements

Fifteen Months Ended March 31, 2026, and Years Ended 2024 and 2023

The following is a summarized consolidated income statement for Pasinex:

		Fifteen Months Ended March 31, 2026		Year Ended December 31, 2024		Year Ended December 2023
Revenues	$	1,000,809	$	-	$	-
Cost of sales		(1,764,002)		-		-
Selling and marketing costs		(21,653)		-		-
Equity (loss) gain from Horzum AS		(854,047)		143,147		1,797,579
Exploration costs		(7,928)		(119,174)		(563,889)
General and administration costs		(5,793,832)		(1,464,482)		(1,486,037)
Other income (loss)		1,938,429		71,802		(163,997)
Interest expense		(227,765)		(175,445)		(138,218)
Foreign exchange gain (loss)		(190,992)		324,280		171,472
Assigned dividend		-		-		626,476
Gain (loss) on net monetary position		320,315		(1,430,055)		(515,340)
Income tax expense		(155,587)		(1,103)		(37,814)
Net income (loss) for the period	$	(5,756,253)	$	(2,651,030)	$	(309,768)

For the fifteen months ended March 31, 2026, Pasinex recorded a net loss of approximately $5.8 million (2024 – net loss of $2.7 million). The primary reason for the increase in net loss was an equity loss recorded in 2025 versus an equity gain in 2024. The increase in net loss for the fifteen-month period was also affected by higher general and administration costs, due to additional legal costs related to taking 100% ownership of Horzum, partially offset by higher other income, lower exploration costs and lower loss on net monetary position.

Revenues, Cost of sales and Selling and marketing costs

During the fifteen-month period ended March 31, 2026, the Company generated revenue of $1,000,809 from one zinc ore shipment from Horzum. The shipment consisted of high-grade zinc sulphide ore with an average Zinc grade of 50.15%, Silver content of 95 ppm (g/1,000 kg) and Germanium content of 272 ppm. Cost of sales was $1,764,002, resulting in a mine operating loss of $763,193. Selling and marketing costs were $21,653 for the period. The operating loss reflects the early stage of restarting and ramping up mining activities, with production and sales volumes not yet sufficient to absorb fixed and operating costs.

Equity (loss) gain from Horzum

Until December 29, 2025, Horzum A.Ş. was considered a joint venture for accounting purposes and as such the Company recorded its share of net income on one line in the income statement.

Exploration Costs

Exploration costs represent expenditures incurred at the Gunman Project.

General and administration costs

	Note	15 Months Ended March 31, 2026	Year Ended March 31, 2024
Consulting fees	17	**$ 269,891**	$ 163,837
Investor relations		**188,468**	18,566
Management fees and salaries	17	**795,230**	202,050
Stock option expense	15	**344,200**	-
Director fees	17	**128,704**	96,000
Legal fees		**2,985,702**	473,229
Professional fees, office and general		**657,733**	311,147
Amortization		**2,511**	1,186
Transfer agent and regulatory fees		**55,502**	30,088
Travel and accommodation		**276,584**	135,586
Other		**89,307**	32,793
Total general and administrative costs		**$ 5,793,832**	$ 1,464,482

General and administrative costs were higher than the previous year due to:

General and administrative costs were $5,793,832 for the fifteen months ended March 31, 2026, compared with $1,464,482 for the twelve months ended December 31, 2024. The increase reflects the longer reporting period, as the current period covers fifteen months compared with twelve months in the prior year, as well as higher legal, management, professional, investor relations and stock-based compensation costs.

- Legal fees were the largest component of general and administrative costs, increasing to $2,985,702 from $473,229. The increase was mainly related to legal matters in Türkiye, including matters associated with the acquisition of the remaining 50% interest in Horzum.
- Management fees and salaries increased to $795,230 from $202,050, reflecting the increased level of activity in Türkiye and the consolidation of Horzum and Aydın Teknik for the last three months of the period.
- Professional fees, office and general costs increased to $657,733 from $311,147, primarily due to higher audit, tax and other professional service costs.
- Investor relations costs increased to $188,468 from $18,566 as the Company restarted engagement with shareholders and other stakeholders.
- The Company recorded stock-based compensation expense of $344,200 during the period, compared with $nil in the prior year, following the grant of stock options.
- Travel and accommodation costs increased to $276,584 from $135,586, reflecting increased operational and corporate activity during the period.

Overall, the increase in general and administrative costs was mainly driven by legal fees, which represented approximately 52% of total general and administrative costs for the period, together with higher management fees, professional fees and stock-based compensation.

Other (loss) income

Other income was $1,938,429 for the fifteen months ended March 31, 2026. The amount was recorded by Pasinex Arama and consisted of dividend income of $801,863 and other income of $1,136,566. Other income included the reversal of provisions previously recorded for inventory losses, together with other amounts recorded in Pasinex Arama's accounts during the period. These amounts relate to Pasinex Arama and are not related to the Company's Canadian corporate activities.

Interest expense

Interest expense increased year over year as the shareholder loan balances increased in 2025.

Assigned dividend

In May 2023, Horzum declared a dividend and approved the distribution of legal reserves totalling approximately TRY 46.2 million. Akmetal assigned to Pasinex Arama a portion of its entitlement to these amounts, which amounted to approximately TRY 9.2 million.

Gain (loss) on net monetary position

Türkiye is designated a hyper-inflationary economy for accounting purposes. Accordingly, IAS 29, Financial Reporting in Hyper-Inflationary Economies, was applied to the Company's consolidated financial statements as the Company's Turkish wholly owned subsidiary, Pasinex Arama, uses the Turkish Lira as its functional currency.

As a result of the high volatility of inflation rate, the Company records gains or losses on net monetary position, which relate to the revaluation of Pasinex Arama's share capital. The Company recorded a gain of $320,315 on net monetary position for the fifteen months ended March 31, 2026 (2024 - loss of $1,430,055), which relates to the revaluation of Pasinex Arama's share capital.

Income tax expense

The Company recorded income tax expense of $155,587 for the fifteen months ended March 31, 2026, compared with $1,103 for the prior year. The current income tax expense was $23,923, mainly reflecting taxable income generated in Türkiye. Following the consolidation of Horzum, Horzum completed its first shipment and sale in the first quarter of 2026, which resulted in related income tax implications. Pasinex Arama also generated a small amount of taxable income after adjustments for non-taxable dividend income received from Horzum and certain non-deductible expenses. The Company also recorded deferred income tax expense of $131,664 during the period.

Horzum

On December 29, 2025, Pasinex Arama acquired the remaining 50% interest in Horzum through negotiations with the joint venture partner. As a result, the Company obtained control of Horzum and consolidated its assets, liabilities, revenues and expenses from the acquisition date.

Prior to the acquisition date, Horzum was accounted for as a joint venture using the equity method. (Note 5) Upon obtaining control, the Company accounted for the transaction as a business combination achieved in stages in accordance with IFRS 3.

The primary reasons for the acquisition were to obtain full ownership and control of Horzum, including the Pınargözü mine, to consolidate the Company's Turkish operating platform, and to allow the Company to directly manage production, sales, logistics, commercial arrangements and future development activities. The acquisition is also expected to provide operational and commercial synergies with the Company's other Turkish mineral properties, including Sarıkaya and Akkaya.
The purchase price allocation for Horzum was as follows:

Horzum **Purchase Price Allocation**		
Fair value of investment in joint venture	$	349,322
Property, plant and equipment acquired		(349,322)
Goodwill recognized	**$**	**-**

No identifiable intangible assets or goodwill were recognized in connection with the Horzum acquisition.

Acquisition-related costs of $2,957,893 were incurred in connection with the acquisition of Horzum and were expensed as incurred. These costs are included in legal and professional fees under general and administrative expenses in the consolidated statement of loss and comprehensive loss.

From the acquisition date to March 31, 2026, Horzum contributed revenue of $1,000,809 and net loss of $618,198 to the consolidated results of the Company.

Had the acquisition of Horzum occurred on January 1, 2025, management estimates that Horzum would have contributed revenue of $2,076,598 and net loss of $1,623,819 to the consolidated results of the Company for the fifteen-month period ended March 31, 2026. These amounts are based on Horzum's results for the period from January 1, 2025, to March 31, 2026, and do not necessarily reflect the results that would have occurred had the acquisition been completed on January 1, 2025.

From the acquisition date to March 31, 2026, the results of Aydın Teknik and Horzum have been included in the consolidated statement of loss and comprehensive loss. No cash was acquired as part of the acquisitions.

The acquisition of Horzum was accounted for as a business combination achieved in stages. Immediately before obtaining control, the Company accounted for its 50% interest in Horzum as a joint venture using the equity method. Upon obtaining control, management assessed the fair value of the previously held interest and concluded that no material remeasurement gain or loss arose on the transaction.

Financial Results

Below are the statements of operation for Horzum for the fifteen months ended March 31, 2026, and year ended 2024 with a reconciliation to the Company's equity (loss) gain.

(100% basis - Canadian dollars)	**Fifteen Months Ended March 31, 2026**	**Three Months Ended March 31, 2026**	**Year Ended December 31, 2025**	**Year Ended December 31, 2024**
Revenue	**$ 2,966,091**	$ **889,493**	**$** 2,076,598	$ 8,721,640
Cost of sales	**(4,378,155)**	**(1,507,312)**	(2,870,843)	(4,562,508)
Selling, marketing and other distibution	**(74,927)**	**(19,594)**	(55,333)	(210,590)
Operating income (loss)	**(1,486,991)**	**(637,413)**	(849,578)	3,948,542
Impairment of Akmetal receivable	**-**	-	**-**	(52,762)
General and administrative expenses	**(1,502,186)**	**(436,385)**	(1,065,801)	(1,239,457)
Foreign exchange gain	**1,094,978**	**906,231**	188,747	22,875
Finance expense	**-**	-	**-**	(70)
Deferred tax recovery	**(75,540)**	**(38,848)**	(36,692)	(396)
Gain on net monetary position	**905,327**	**765,822**	139,505	4,000
Current income tax expense	**-**	**-**	**-**	(666,877)
Net (loss) income	**$ (1,064,412)**	$ **559,407**	**$** (1,623,819)	$ 2,015,855
Pasinex ownership interest	**50%**	**50%**	50%	50%
The Company's equity share of net income (loss) of joint venture	**$ (532,206)**	$ **279,704**	**$** (811,910)	$ 1,007,928
Other comprehensive gain (loss)	**(321,841)**	**(339,734)**	17,893	(864,781)
Pasinex'equity share of other comprehensive (loss) gain of joint venture	**$ (854,047)**	$ **(60,030)**	**$** (794,017)	$ 143,147

Development Plan: Targeting Depth and Continuity

Pasinex has a comprehensive development plan designed to expand production capacity and access deeper high-grade mineralization. Key initiatives include:

- Workforce Expansion: Recruitment of additional technical staff and underground personnel continues to support mining from multiple headings, to increase number of shifts and increased development activity.
- New Adit Development: The Company commenced a 1,000-metre development project. This initiative includes a 700-metre decline starting from the 582-metre level to access lower levels, 150 meters for ventilation

infrastructure, and 150 meters dedicated to new drilling platforms. The work is expected to take approximately nine to twelve months to complete.

- Targeting High-Grade Zones: The new 700-metre decline is designed to intersect zinc sulphide mineralization identified 100 to 150 meters below the current 520-metre production level.

Geological Potential and Exploration

The Pinargözü mine is a Carbonate Replacement Deposit ("CRD"), characterized by exceptionally high-grade zinc mineralization (historically selling over 150,000,000 lbs. of zinc at a grade of 31-52% zinc as commercially assayed in the form of zinc sulphide material and zinc carbonate material). The upcoming program focuses on two primary exploration opportunities.

- Deep Sulphide Targets: Drilling has intersected high-grade zinc sulphide mineralization (including 1.5 meters of high-grade zinc sulphide material of 43% as measured by XRF at the 425-metre level) below the deepest currently mined level. Significantly, the drill signature for this deep mineralization is similar to the signature that led to the discovery of the 541-level material.
- Underexplored Veins: The Company has identified numerous secondary high-grade zinc veins across various existing mine levels. While production is currently sourced from some of these areas, many veins remain untested. A dedicated drilling campaign will map and evaluate the continuity of these veins to expand the immediate resource inventory.

Aydın Teknik

On December 31, 2025, Pasinex Arama completed the acquisition of 100% of the shares of Aydın Teknik, a Turkish mining company that holds the Group IV lead-zinc operating licence for the Sarıkaya Project in Kayseri Province, Türkiye.

The primary reasons for the acquisition were to secure ownership and control of the Sarıkaya Project, expand the Company's Turkish zinc project portfolio, and provide the Company with access to a near-term production opportunity that is expected to complement the Company's existing Turkish operations at Pınargözü. The acquisition is also expected to provide operational synergies, including the use of existing management, technical, logistics and commercial capabilities in Türkiye.

Under the terms of the Option and Purchase Agreement, Pasinex Arama agreed to pay total consideration of US$2,600,000. As at March 31, 2026, cumulative payments of US$1,350,000 had been made, with the remaining US$1,250,000 payable in quarterly instalments through June 30, 2027. The shares of Aydın Teknik have been pledged as security for the deferred note payable. Under the related pledge agreement, the Aydın Teknik mining licence cannot be transferred to third parties without the required consent and if mining operations cease, the licence is required to be returned to the seller, free of charge.

Upon full payment of the purchase price, Pasinex Arama is also required to pay the seller an 8% Net Smelter Return ("NSR") royalty on zinc sulphide sales and a 5% NSR royalty on zinc carbonate sales from the Sarıkaya licence.

No separate identifiable acquisition-related costs were incurred in connection with the acquisition of Aydın Teknik.
Management assessed whether any identifiable intangible assets were acquired as part of the Aydın Teknik acquisition. The primary asset held by Aydın Teknik was the Sarıkaya mining licence. No other separable intangible assets meeting the recognition criteria under IFRS 3 were identified. As there is no active market for comparable mining licences in Türkiye, no NI 43-101 or equivalent independent mineral resource estimate supporting a higher value, and no other observable evidence from which a reliable fair value could be determined, management concluded that no material fair value adjustment to the carrying amount of the mining licence was appropriate. Accordingly, the excess of the consideration transferred over the identifiable net assets acquired was recognized as goodwill.

The purchase price allocation for Aydın Teknik was as follows:

Aydin Teknik		
Purchase Price Allocation		
Consideration transferred before discount	$	3,352,962
Less: fair value discount on deferred consideration		100,373
Share capital acquired		667,757
Deficit acquired		(857,719)
Goodwill recognized	**$**	**3,442,551**

The deferred consideration payable was measured at its acquisition-date fair value using a present value calculation. The resulting discount of $100,373 reduced the fair value of consideration transferred and, accordingly, reduced goodwill recognized on acquisition. Subsequent accretion of the discount is recognized as finance expense over the term of the payable and does not affect goodwill. Other than the Sarıkaya mining licence, Aydın Teknik did not hold material tangible assets at the acquisition date.

From the acquisition date to March 31, 2026, Aydın Teknik contribute $Nil revenue and net loss of $191,988 to the consolidated results of the Company.

Had the acquisition of Aydın Teknik occurred on January 1, 2025, management estimates that Aydın Teknik would have contributed revenue of $Nil and net loss of $Nil to the consolidated results of the Company for the fifteen-month period ended March 31, 2026. These amounts are based on Aydın Teknik's results for the period from January 1, 2025, to March 31, 2026, and do not necessarily reflect the results that would have occurred had the acquisition been completed on January 1, 2025.

Goodwill recognized on the acquisition of Aydın Teknik represents expected future economic benefits, including the opportunity to develop additional mineral resources, production potential, operational synergies with the Company's existing Turkish operations, and other benefits that do not qualify for separate recognition as identifiable intangible assets. None of the goodwill in expected to be deductible for income tax purposes.

Liquidity and Financial Position

Horzum A.Ş.'s operations continue to generate moderate positive operating income, however in the absence of the receipt of additional dividends from Horzum A.Ş., the Company would need to secure funding from either equity financing or additional related party loans to fund its ongoing activities. There can be no assurance that the Company will be able to generate either sufficient dividends from Horzum A.Ş. or be able to generate funds from other sources. Accordingly, these conditions represent a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Off-Balance Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources that would be material to investors.

Commitments and Contingencies

As of the date of this MD&A, the Company has no commitments and contingencies. The Company's mining and exploration activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are constantly changing and generally more restrictive. The Company does not believe that there are currently any decommissioning liabilities at its sites, nor subject to known additional environmental liabilities or mitigation measures.

Share Capital

As of the date of this MD&A, the Company has 265,611,697 issued and outstanding common shares and an aggregate of 9,400,000 stock options outstanding.

Related Party Transactions

The Company lists its related party transactions in Note 16 of its audited consolidated financial statements for the fifteen months ended March 31, 2026.

Selected Quarterly Financial Information

The following table provides a summary of audited financial data for the last eight quarters:

		Three Months Ended			
		Mar 2026	**Dec 2025**	**Sep 2025**	**Jun 2025**
Equity gain (loss) from joint venture	$	(60,030)	(777,722)	(77,708)	18,633
Consolidated net loss	$	(2,461,574)	(1,840,332)	(282,935)	(282,935)
Basic and diluted net loss per share	$	(0.017)	(0.009)	0.000	(0.002)
		Mar 2025	**Dec 2024**	**Sep 2024**	**Jun 2024**
Equity gain (loss) from joint venture	$	42,780	(912,565)	112,432	309,802
Consolidated net loss	$	(888,477)	(2,394,375)	(245,877)	(296,550)
Basic and diluted net los per share	$	(0.004)	(0.017)	(0.002)	(0.002)

- See *Review of Quarterly Results – Equity (loss) gain from Horzum*) for an explanation of Equity gain (loss). The quarterly equity gains (losses) were calculated by taking 50% of Horzum A.Ş.'s net income, which includes hyperinflationary adjustments, less dividends issued by Horzum A.Ş.
- Quarterly consolidated net income or loss has varied primarily due to the variability of the equity gain or loss recorded from the joint venture.
- The consolidated net loss in the last two quarters were primarily due to increased general and administrative costs related to Horzum and Aydin Teknik acquisitions and equity loss in the fourth quarter compared with equity gains in the prior quarters.

Risks and Uncertainties

The Company's business contains significant risk due to the nature of mining, exploration and development activities. In addition to the usual risks associated with an investment in a junior resource company, management and the directors of the Company believe that, in particular, the following risk factors should be considered by prospective investors. It should be noted that this list is not exhaustive and that other risk factors may apply. An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors below that have affected, and which in the future are reasonably expected to affect the Company and its financial position.

Risks to Profitability

The Company is a junior resource company focused primarily on the acquisition, exploration and development of mineral properties located in the United States and Türkiye. The Company's properties have no established mineral reserves and there is no assurance that any of the Company's projects can be mined profitably. Accordingly, it is not assured that the Company will realize any profits in the short to medium term, if at all. Any profitability from the business of the Company will be dependent upon developing and commercially mining an economic deposit of minerals, which in itself is subject to numerous risk factors.

The profitability of the Company's current operations will be directly related to the performance of the Pinargozu zinc mine located in Türkiye, which operates without a technical report or established mineral reserves. The development of a mining operation typically involves large capital expenditures and a high degree of risk and uncertainty. Mining operations put into production without first establishing mineral reserves supported by a NI 43-101 technical report and completed feasibility study are subject to much higher risk of economic or technical failure. As the Pinargozu mine (held by Horzum AS) was put into production without a feasibility study or mineral reserves demonstrating economic and technical viability, there is increased uncertainty. The economic and technical risk of failure at the Pinargozu mine is increased by operating without a technical report, and the ore grade, estimated mineral resources, profitability of the mine, the life of the mine, the difficulty in mining zinc ore, the cost in maintaining the mine and any other economic or technical projection may differ materially from the Company's estimates, which would have a material and adverse effect on the Company's results.

Moreover, the ability of the Pinargozu mine to generate positive cash flow for the Company has been impacted by the ability of Horzum AS to collect receivables from Akmetal, the Company's distribution partner. To date, the loan receivables owing to the Company from Akmetal were unrecoverable, and as a result the Company's business, results of operations and financial condition have experienced a material adverse impact.

Reliability of Mineral Resource Estimates

As the Company has not established mineral reserves supported by a NI 43-101 technical report, there is no assurance that the Company's resource or production estimates can be relied upon. The Company currently relies on internal mineral resource estimates for the basis of its projections and forward-looking information. Mineral resources are estimates based on sampling of the mineralized material in a deposit and such estimates may not be found to be accurate. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimation of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

The Company's mineral resource estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, all of which may prove to be unreliable. Furthermore, there are risks related to the reliability of analytical results and unforeseen possible variations in grade or other considerations.

Exploration Risk

The exploration and development of mineral deposits involves a high degree of financial risk over a significant period of time that even a combination of management's careful evaluation, experience and knowledge may not eliminate. While discovery of ore-bearing structures may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current mining, exploration and development programs of the Company will result in profitable commercial mining operations.

Commodity Markets

The price of the Company's securities, its financial results, and its access to the capital required to finance its production and exploration activities may in the future be adversely affected by declines in the price of zinc. Zinc prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of zinc by various dealers, financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, and international political and economic trends, conditions and events. If these or other factors adversely affect the price of zinc that are the subject of the Company's production and exploration efforts, the market price of the Company's securities may decline.

Market Fluctuation and Commercial Quantities

The market for minerals is influenced by many factors beyond the Company's control, including without limitation, the supply and demand for minerals. In addition, the metals industry in general is intensely competitive and there is no assurance that, even if apparently commercial quantities and qualities of metals are discovered, a market will exist for their profitable sale. Commercial viability of zinc and other mineral deposits may be affected by other factors that are beyond the Company's control, including particular attributes of the deposit such as its size, quantity and quality, the cost of mining and processing, proximity to infrastructure, the availability of transportation and sources of energy, financing, government legislation and regulations including those relating to prices, taxes, royalties, land tenure, land use, import and export restrictions, exchange controls, restrictions on production, and environmental protection. It is impossible to assess with certainty the impact of various factors that may affect commercial viability such that any adverse combination of such factors may result in the Company not receiving an adequate return on invested capital or having its mineral projects be rendered uneconomic. These risks are accentuated because of the lack of a NI 43-101 technical report on mineral reserves at the Pinargozu mine. Without a NI 43-101 technical report, economic and technical viability of the Pinargozu mine cannot be assured.

Option and Joint Venture Agreements

The Company has and may continue to enter into option agreements and/or joint ventures as a means of acquiring property interests. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations could have a material adverse effect on the Company's rights under such agreements. Furthermore, the Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying mineral claims.

Property Titles

The principal property interests that the Company owns, controls or has the right to acquire by option or agreement come variously under the *3213 Turkish Mining Law* (Türkiye), the *Federal Land Policy and Management Act* (United States), and the *General Mining Law of 1872* (United States), each of which has its own registration and management systems. Although the Company has either obtained title opinions or reviewed title for the material properties that it owns, controls or has the right to acquire by option or agreement, there is no guarantee that title to such mineral property interests will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects. The Company may also experience challenges in effecting the transfer of title to certain of its mineral properties. There may be valid challenges to the title of the mineral property interests which, if successful, could impair development and/or operations.

Financing Risks

Although the Company currently generates operating cash flow from the Pinargozu mine, the Company's distribution partner, Akmetal, has been slow to pay Horzum AS. The Company has no other source of operating cash flow and there is no assurance additional funding will be available for further exploration, development and maintenance of its projects. Further exploration and development of the Company's properties may be dependent upon its ability to obtain financing through equity or debt, and although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Company's projects, the loss of right to the Company's properties, or the ability to finance the continued operation of the Pinargozu mine.

Mining Risks and Insurance

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, catastrophic equipment failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that it may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Risks Related to Operations in a Foreign Jurisdiction

The Company's business operates in a foreign jurisdiction where there are added risks and uncertainties due to the different economic, cultural and political environments. The Corporation's mineral exploration and mining activities may be adversely affected by political instability and changes to government regulation and policy relating to the mining industry. Other risks of foreign operations include political unrest, labour disputes and unrest, invalidation of governmental orders and permits, corruption, war, civil disturbances and terrorist actions, arbitrary changes in law or policies of particular countries (including nationalization of mines), foreign taxation, price controls, delays in obtaining or renewing or the inability to obtain or renew necessary permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on mineral exports and increased financing costs. Local economic conditions can also adversely affect the security of the Company's operations and the availability of supplies. In addition, risks of operations in Türkiye include fluctuations in currency exchange rates, inflation, and significant changes in laws and regulations including but not limited to tax regulations, permitting and expropriation. These risks may limit or disrupt the Company's projects, reduce financial viability of local operations, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation. There can be no assurance that changes in the government or laws or changes in the regulatory environment for mining companies or for non-domiciled companies will not be made that would adversely affect the Company's business, financial condition, results of operation and prospects.

Government Regulations, Permitting and Taxation

The Company's production and exploration operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In order for the Company to carry out its activities, its various licenses and permits must be obtained and kept current. There is no guarantee that the Company's licenses and permits will be granted, or that once granted will be extended. In addition, the terms and conditions of such licenses or permits could be changed and there can be no assurances that any application to renew any existing licenses will be approved. There can be no assurance that all permits that the Company requires will be obtainable on reasonable terms, or at all. Delays or a failure to obtain such permits, or a failure to comply with the terms of any such permits that the Company has obtained, could have a material adverse impact on the Company. The Company may be required to contribute to the cost of providing the required infrastructure to facilitate the development or maintenance of its properties. The Company will also have to obtain and comply with permits and licenses that may contain specific conditions concerning operating procedures, water use, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to comply with any such conditions. Future taxation of mining operators cannot be predicted with certainty so planning must be undertaken using present conditions and best estimates of any potential future changes.

Health, Safety and Community Relations

The Company's operations are subject to various health and safety laws and regulations that impose various duties on the Company's operations relating to, among other things, worker safety and obligations in respect of surrounding communities. These laws and regulations also grant the relevant authorities broad powers to, among other things, close unsafe operations and order corrective action relating to health and safety matters. The costs associated with the compliance with such health and safety laws and regulations may be substantial and any amendments to such laws and regulations, or more stringent implementation thereof, could cause additional expenditure or impose restrictions on, or suspensions of, the Company's operations. The Company has made, and expects to make in the future, expenditures to comply with the extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine development and protection of endangered and other special status species, and, to the extent reasonably practicable, to create social and economic benefit in the surrounding communities near the Company's mineral properties.

Environmental Protection

The mining and mineral processing industries are subject to extensive governmental regulations for the protection of the environment, including regulations relating to air and water quality, mine reclamation, solid and hazardous waste handling and disposal and the promotion of occupational health and safety, which may adversely affect the Company or require it to expend significant funds. There is also a risk that environmental and other laws and regulations may become more onerous, making it more costly for the Company to remain in compliance with such laws and regulations.

Reliance on Key Personnel

The Company's development to date has largely depended and in the future will continue to depend on the efforts of key management and other key personnel. Loss of any of these people, particularly to competitors, could have a material adverse effect on the Company's business. Further, with respect to future development of the Company's projects, it may become necessary to attract both international and local personnel for such development. The marketplace for key skilled personnel is becoming more competitive, which means the cost of hiring, training and retaining such personnel may increase. Factors outside the Company's control, including competition for human capital and the high level of technical expertise and experience required to execute this development, will affect the Company's ability to employ the specific personnel required. The failure to retain or attract a sufficient number of key skilled personnel could have a material adverse effect on the Company’s business, results of operations and financial condition. The Company has not taken out and does not intend to take out ‘key person’ insurance in respect of any directors, officers or other employees.

Competitive Industry Environment

The mining industry is highly competitive, both domestically and internationally. The Company’s ability to acquire properties and develop mineral reserves in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for mineral exploration, of which there is a limited supply. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. The Company may also encounter competition from other mining companies in its efforts to hire experienced mining professionals. Competition could adversely affect the Company’s ability to attract necessary funding or acquire suitable producing properties or prospects for mineral exploration in the future. Competition for services and equipment could result in delays if such services or equipment cannot be obtained in a timely manner due to inadequate availability, and could also cause scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project development, exploration or construction costs and result in project delays.

Global Financial Conditions

Recent global financial conditions have been characterized by increased volatility and access to public financing, particularly for junior mining companies. These conditions may affect the Company’s ability to obtain equity or debt financing in the future on terms favourable to the Company or at all. If such conditions continue, the Company’s operations could be negatively impacted. See discussion related to the ongoing Ukraine conflict in the Cautionary Note Regarding Forward-Looking Statements.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, power sources and water supply are important determinants affecting capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Use of Accounting Judgements and Estimates

The Company prepares its consolidated financial statements in conformity with IFRS Accounting Standards. The preparation of the Company’s consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Material accounting policy information and critical accounting estimates and judgments are described in Notes 3 and 4 of the Company’s audited consolidated financial statements.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the consolidated 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 unaudited condensed interim consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim consolidated financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Management's Responsibility for Financial Information

The Company's financial statements are the responsibility of the Company's management and have been approved by the board of directors. The consolidated financial statements were prepared by the Company's management in accordance with IFRS Accounting Standards. The consolidated financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner in order to ensure the financial statements are presented fairly in all material respects.

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 MD&A. Mr. Challis is a director of the Company and Chair of the Pasinex Arama.

Additional Information

Additional information about the Company can be found on their Disclosure Hall page at www.cnsx.ca, the Company's website at www.pasinex.com, or on www.sedar.com.

July 29, 2026

"Larry Seeley"
Larry Seeley
Executive Chairman

"Ian Atacan"
Ian D. Atacan
Director and Chief Financial Officer