FORM 2A

ANNUAL LISTING STATEMENT 2015

PASINEX RESOURCES LIMITED.

Suite 1450, 789 West Pender Street
Vancouver, British Columbia
Canada, V6C 1H2

April 30, 2015.

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Forward Looking Statements

Certain statements contained in this Listing Statement contain forward-looking statements or information (collectively "forward-looking statements"). Pasinex Resources Limited ("Pasinex" or the "Company") are hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, Pasinex has assumed that the current market will continue and grow and that the risks listed below will not adversely impact the business of Pasinex.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of Pasinex, that could influence actual results include, but are not limited to: limited operating history; exploration, development and operating risks; regulatory risks; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; fluctuating mineral prices and marketability of minerals; title to properties; local resident concerns; environmental risks; governmental regulations, processing licenses and permits; conflicts of interest of management; uninsurable risks; exposure to potential litigation; and other factors beyond the control of the Company.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, Pasinex will not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of Pasinex, the exploration properties or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risk Factors".

2. CORPORATE STRUCTURE

The full corporate name of the Issuer is “Pasinex Resources Limited” The Issuer’s head office and place of business is located at Suite 1450, 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2. The Issuer’s registered and records office is located at Suite 1450, 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2.

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 July 10, 2008 the Company continued into British Columbia and on October 29, 2009 the Company was discontinued in the British Virgin Islands. On March 12, 2012 the Company changed its name from Triple Dragon Resources Inc., to Pasinex Resources Limited.

The Company’s shares are listed on the Canadian Stock Exchange (“CSE”) under the symbol “PSE” and on the Frankfurt Stock Exchange (“FSE”) under the symbol “PNX”.

Pasinex Arama ve Madencilik AS (“Pasinex Arama”) is the 100% owned Turkish subsidiary of the Company.

3. GENERAL DEVELOPMENT OF THE BUSINESS

On September 21, 2006, the Company changed its principal business activity and developed its business plan to enter the convention industry principally in Macau. In April, 2007, the Issuer underwent a change of control, with the acquisition of approximately 75% of its common shares being acquired by Zimtu Capital Corp., a private British Columbia investment company (“Zimtu”). 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. On April 23, 2012 the Company announced a change in management. The new management changes were made to facilitate the Company’s shift in business focus to mineral exploration in Turkey. On October 29, 2012 a joint venture company, Horzum Arama ve Isletme AS was formed through Pasinex Arama and Akmetal Madencilik Sanayi ve Ticaret A.S. (“Akmetal”) to explore for zinc and other associated commodities in the Horzum region in the Adana Province, Turkey.

<u>Properties Held in Turkey</u>

<u>Adana Region Zinc Properties</u>

The Company has placed a priority focus on the two zinc properties in Adana (being Pinargozu and Akkaya). There has been a notable strengthening of the zinc price in 2014 and the Company believes there is a strong chance that the zinc price will strengthen further above current price (approximately $1.00 US / lb. at the time of reporting). The zinc price strengthening is due predominantly to an expected mine supply side shortage in the market, due to some important mines closing or due to close imminently. (It is expected that the large Century zinc mine in Australia will close later in 2015).

Given this development in the global zinc market, the Company believes they have a unique opportunity with these two zinc properties to develop at least one small tonnage mine in the short term (two to three years) and be in production during expected higher zinc prices. This is a unique moment in time and so, consequently the Company has given priority focus of their exploration to the zinc properties. The Company particularly believes there is a unique opportunity with the joint venture Pinargozu property to show a small tonnage but high grade zinc deposit that could be sold with little or no processing (potential direct shipment material). The Horzum AS Joint Venture has set an internal target of 1,000,000 tonnes of 30% Zn at Pinargozu and has focused its exploration on achieving this target mark. Meantime, the JV Company is already producing a small tonnage of high grade direct shipping zinc material from the Pinargzou mine. In recent times some one or two truckloads of high grade material have been mined per day with an expected average assay in the range 30 – 34 % Zn.

The Company and the Joint Venture both received the necessary drill site forestry permits for both Pinargozu and Akkaya in March 2014. Since then, drilling has begun at Pinargozu and the Company started preparing Akkaya for drilling late in 2014 and as of March 2015 has commenced drilling at Akkaya. Pinargozu drilling is a combination of both surface and underground drilling (with one drilling running from surface and another underground at the time of reporting. Two old mine galleries were refurbished, called the 707 and 677 galleries, at Pinargozu, in order to permit underground drilling. In total at the the time of reporting, the JV company has three drills running with results expected to be reported continuously throughout 2015.

The Joint Venture Company has also been able to use the re-furbished adits (called the 677 and 707 galleries) to start small scale mining of high grade zinc oxide ore. Since about mid-2014, about one or at times two truckloads of high grade material has been mined per day from these galleries. The Joint Venture Company is looking to ramp up production at Piargzou mine of the high grade material. Further developments on this increased mine production front are expected in 2015. On September 9, 2014, the Company reported the assay of the first bulk lot of this high grade material at 34%Zn. The Company believes this material can be sold as direct shipping material and through their joint venture partner Akmetal AS, they are working on commercial sales of this material. The first lot of this material (being around 5000 tonnes) has been indicated for sale as of early 2015. The company expects that further lot sales will ensue in 2015. The company will then use net proceeds of the sales to pay operational costs and some on-going exploration costs at the JV. The proceeds from the sale will be offset against the exploration and evaluation assets for accounting purpose as commercial production has not been reached.

It should be noted that the Pinargozu license is held by the joint venture company, Horzum AS, which is then owned 50% by Pasinex Arama. As such, the Pinargozu property exploration expenditures are reported on the financial balance sheet of the joint venture company Horzum AS. The Akkaya license is held by Pasinex Arama.

Below are updates provided on these properties:

On June 28, 2012, the Company announced it had acquired, and will transfer into a 50 / 50 joint venture with a Turkish mining company called Akmetal AS, five mineral exploration licenses (called Akkaya, Feke, Gedikli, Konakkuran and Ortakoy) within and adjoining a target corridor between Horzum and Tufenbeyli in Adana province, Turkey, all of which host limestone units prospective for lead / zinc mineralization probably of the carbonate replacement or Mississippi Valley Type zinc deposits.

Field work and initial exploration commenced on these properties in July, 2012.

On September 07, 2012, the Company announced that it has expanded its land package in the joint venture to include three additional properties, called Gokceviz, Kayrak-Kisacikli and Kayadibi. These properties cover approximately 2,601 hectares and are located within the Horzum area of Adana Province. With the new acquisitions, Pasinex has a total of eight claims totaling approximately 8,650 hectares within this area that are under a joint venture agreement with Akmetal AS. The Properties were staked for their potential to host lead / zinc mineralization and are all early-stage, exploration opportunities. A field work program including soil sampling and geochemical surveys has been carried out on the collective group of properties.

On October 29, 2012, the Company announced the joint venture company, Horzum Arama ve Isletme AS ("Joint Venture" or "Horzum AS") has been formed. Under the terms of the transaction, the Joint Venture will be 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 with the Joint Venture's course of business. Project and technical management to direct the exploration for zinc in the selected areas will be provided by Pasinex Arama ve Madencilik AS to the Joint Venture. On January 17, 2013, Pasinex Arama and Akmetal signed the Joint Venture Agreement effective the same day.

On May 14, 2013, the Joint Venture Company announced that Horzum AS had acquired the Pinargozu exploration license, which lies immediately to the north and east of the Horzum Mine. It was acquired from a private Turkish party for $125,000 USD.

As a result of the Company's work, two new and important geochemical anomalies have been identified in the Akkaya and Pasali (staked by Akmetal AS for the JV) properties. These geochemical anomalies were reported in News Releases on September 19, 2012 (for Akkaya) and January 7, 2013 (for Pasali).

On August 23, 2013, the Company announced that Akmetal has had mineral exploration license applications denied for six properties: Pasali, Karabucak, Orendere, Yerebakan, Salmanli, and Kalkumac. There was no reason provided for the denials, and the remaining six properties held by the joint venture were unaffected.

On November 1, 2013, the Company announced that work had commenced on the Pinargozu property in an old adit there, with rehabilitation of two galleries, called the 700 and 677 galleries, in order to allow drill entry. While blasting a small expansion to that gallery to facilitate the changing of drill rods, massive high grade (>25%) zinc oxide mineralization was encountered.

During the year ended December 31, 2013, the Feke, Gedikli, Konakkuran and Ortakoy Properties have been relinquished back to the government and the properties have been impaired. Currently Pasinex Turkey holds just two licenses in the Horzum region being Akkaya and, through their JV company, Horzum AS, the property called Pinargozu.

On three news releases dated February 13, 2014, March 3, 2014 and April 7, 2014, the Company announced ground penetrating radar work on Akkaya and Pinargozu. This work aimed at identifying cave structures in the limestone host rocks that may contain the zinc bearing mineralization. The results of the ground penetrating radar have been included in the exploration targeting.

On April 22, 2014, the Company announced that it had received drill permits for both the Akkaya and Pinargozu properties.

On May 21, 2014, the Company announced the commencement of drilling on the Pinargozu property (held by Pasinex through its 50 / 50 joint venture called Horzum AS).

On June 19, 2014, the Company announced 16.8 meters of 39.0% Zinc and 85.5 grams per ton of Silver at its Pinargozu zinc-lead project in Adana Province, Turkey.

On September 9, 2014, the Company announced assay of a 570 bulk sample from Pinargozu at 34% Zn and 50 g/t silver.

On November 12, 2014, the Company announced an update on ore production, exploration through underground drifting, and exploration drilling at the Pinargozu Property

On February 18, 2015, the Company announced they have been working with a structural geologist to optimize new drill targets, with the goal to double the production capacity at Pinargozu by the end of June 2015.The company highlighted the short term strategy being to somewhat increase output at the Pinargozu mine and to use the cash generated from sale of the the zinc production to fund some of the on-going exploration required to build a resource at first Pinargozu and later at Akkaya. The company also announced the commencement of drilling at the Akkaya property – with three drills now engaged between Pinargozu and Akkaya.

On February 19, 2015, the Company released drilling results for the Pinargozu Property.

On March 25,2015, the Company released further drilling results for the Pinargozu Property with the best intercept reported to date of 35.5 meters of 37% Zn. This intercept was from Pianrgzo and showed (together with some other intercepts) the emergence of and important mineralization trend to the north east of the current mining area..

Golcuk Property, Sivas Province, Turkey

On July 19, 2012 the Company signed an option agreement (collectively the “Agreement”) with Eurasian Minerals Inc. (TSX-V: EMX; NYSE: EMXX) (“Eurasian”) and its wholly owned Turkish subsidiary, Eurasia Madencilik Ltd. STI, whereby Pasinex, through its wholly owned Turkish subsidiary, Pasinex Arama, to acquire a 100%-interest in the Golcuk Property (“Golcuk”) located in northeast Turkey.

Golcuk is a mineralized copper-silver project located in the province of Sivas, Turkey which encompasses one exploration license that covers approximately 4,000 hectares. The project is situated within the

Eastern Pontides Metallogenic Belt of northeast Turkey and was originally worked on by the Mines Bureau of Turkey and later explored by Eurasian and a Turkish minerals group Turmenka Madencilik Sanavi ve Ticaret A.S. which yielded high-grade copper results.

Pasinex considers Golcuk prospective for copper, possibly of distal porphyry affinity (associated with the nearby Kozedag Pluton) or of a non-porphyry-associated manto-type mineralisation. Extension of drilling patterns, soil sampling grids and detailed surface mapping are methods to be deployed by Pasinex in its planned search for sizeable volumes of copper mineralization at Golcuk – to be supported by geophysical methods, if deemed appropriate.

Under the Agreement, Golcuk will be forthwith transferred to Pasinex Turkey and 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 days after the granting of the extension (the "Initial Issuance Date") (issued and fair valued at $50,000);
(ii) 500,000 common shares on the one year anniversary of the Initial Issuance Date (issued and fair valued at $25,000);
(iii) 1,000,000 common shares on the two year anniversary of the Initial Issuance Date (issued subsequent to December 31, 2015 and fair valued at $120,000); and
(iv) 1,000,000 common shares on the three year anniversary of the Initial Issuance Date, for a total of 3,000,000 Pasinex common shares.

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. Each year, the project must process approximately 900 tonnes of ore. On the completion and acceptance of the Agreement, Pasinex filed a request for a one-year extension in regard to the Company's small-scale mining obligation to the Turkish government. The purpose of this request was for the Company to determine the most efficient and economical small-scale mining plan for Golcuk.

Other than the initial 500,000 Pasinex shares to be issued on the Initial Issuance Date and the $200,000 of expenditures to be incurred in the first year following the Completion Date, Pasinex is not required to proceed with the Acquisition and can terminate the Agreement, subject to a right of transfer and exclusivity right in favour of Eurasian in respect of Golcuk. A finder's fee of 300,000 common shares over a three year period will be paid to Zimtu Capital Corp. ("Zimtu") in connection with the transaction (50,000 shares issued and fair valued at $5,000 in February 2013, 50,000 shares issued and fair valued at $2,500 in February 2014, and 100,000 shares issued and fair valued at $12,000 subsequent to December 31, 2014).

Pasinex began drilling on the Golcuk property in December, 2012 and reported their first results in a News Release on January 17, 2013. The first reported results included and intersection of 9.7m of 2.97% Cu. Pasinex also described in that News Release that it is thought that the ore mineralogy and associated alteration is suggestive of Golcuk being a Basaltic Cu type deposit.

The original agreement was subject to Pasinex applying for and receiving a one-year extension to the operational license and the requirement to process a minimum of 900 tonnes of ore annually. In the original agreement, the granting of this extension was a condition precedent to the agreement with Eurasian and if not granted for any reason, the agreement was to terminate.

However, Pasinex applied for and obtained an Open Pit Application and management agreed 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 the holiday requirement and the right to terminate the agreement. The Golcuk property was transferred to Pasinex in September 2012 and in October 2012, Pasinex Turkey worked on producing a small tonnage of rock at Golcuk from an underground adit, in order to meet required mining obligations on the Golcuk license.

On February 12, 2013, Pasinex announced the completion of the Golcuk agreement with Eurasian Minerals Inc. whereby all condition precedents were completed.

On July 11, 2013, the Company announced results of a surface rock sampling and mapping program conducted on the Golcuk South mineral occurrence in the south-western sector of its Golcuk Property. The Company completed mining of around 900 tonnes of mineralized material through a small open pit mining operation at Golcuk in July 2013. As the Golcuk license is an operational license, this mining was required to meet minimum tonnage mining obligations for the license.

On July 30, 2013, the Company published a NI 43-101 compliant technical report on its Golcuk Copper project located in the Sivas Province, Turkey. The report is available on SEDAR and the Company's web site.

On September 25, 2013, the Company announced the results of the first phase channel sampling exercise conducted on the Golcuk South mineral occurrence in the south-western corner of the Golcuk property. The length weighted average copper value for all the channels sampled was 0.41% copper.

On November 18, 2013, the Company announced that it has initiated a ground magnetics survey of the entire Golcuk licence. The Company also announced three new sites of bedrock copper mineralization have been found on the Golcuk licence by Pasinex in the last six months. These are the Golcuk South Prospect (found in June 2013, and described in news releases dated July 11 and September 25, 2013), the Bayram Prospect (found in August 2013) and the Baykus Prospect (found in November, 2013). Finally, the Company announced that they have completed channel sampling on another three outcrops at the Golcuk South prospect, according to the methods described in the news release dated September 25, 2013. The results of these new channel averages were 0.78 to 1.41% copper, which are regarded as encouraging for the Company.

On December 16, 2013, the Company announced the results of the geophysics magnetic survey at Golcuk property and the identification of other mineralized zones in the Golcuk property.

Throughout fiscal 2014, the Company has continued with geological field work (mapping, soil and rock sampling) on their Golcuk Cu property. In March 2014, the Company received drill site forestry permits for two mineralization zones at Golcuk (being the Golcuk Main and Golcuk West zones). These drill sites have been prepared and as of the end of 2014 drilling commenced. Unfortunately only the holes planned for Golcuk Main zone were drilled (not the planned Golcuk West zone holes) because of early heavy snow in the Golcuk region. Pasinex will look at another drilling campaign for Golcuk in 2015.

On October 28, 2014, the Company announced the commencement of their second drilling campaign on the Golcuk project, Sivas province, Turkey in the Golcuk Main zone.

On February 26, 2015, the Company announced an update on exploration drilling on the Golcuk Copper Project.This update covered 5 holes that were drilled on the Golcuk property in late 2014. Three of these holes showed Cu mineralisation intercepts of varying widths. The Pasinex geological team are still interpreting these holes together with previous holes at the time of reporting.

Dadak Property, Afyon Province, Turkey

The Dadak property is 14.74 km^2 located in the province of Afyon in Turkey. The property was staked as a potential for Miocene age copper / gold porphyry deposits such as the Eldorado Gold (ELD: TSX) Kisladag porphyry gold property. The property has easy road access that permits work all year round.

Pasinex Resources Limited has undertaken mapping, preliminary stream and rock sampling and a geochemical grid matrix sample campaign on this property. Pasinex announced the results of their geochemical grid sampling campaign on April 23, 2013. This geochemical campaign identified a copper / gold soil anomaly in the south-eastern part of the Dadak property. The Dadak Property will be relinquished back to the government in April / May 2015 and as such the property has already been impaired in the financial statements ended December 2014.

Bursa Project, Turkey

The Company has staked three properties in the province of Bursa, at this stage called Bursa 1, Bursa 2a and Bursa 2b. These properties are (respectively) 11.22, 3.30 and 1.07 km2. These properties have been staked targeting porphyry, epithermal and skarn type deposits (Au, Cu mineralization). The properties are about 14km from Columbus Copper Corp.'s (CCU: TSX-V) (formerly Empire Mining Corp. (EPC: TSX-V)) Karapinar and Demirtepe porphyry Cu prospects. The Bursa properties have easy road access that enables work all year round. The Company has undertaken mapping and preliminary stream and rock sampling on these properties. During the year ended December 31, 2013, the Bursa 1, Bursa 2a, and Bursa 2b Properties have been relinquished back to the government and the value of the properties have been impaired.

Bereket, Bahceli and Kupluce Properties, Artvin Province, Turkey

The three properties staked in the Province of Artvin are highly prospective for volcanogenic massive sulphides (VMS) and epithermal gold type deposits. Bereket is 19.76 km2; Bahceli is 16.66 km2 and Kupluce is 9.65 km2. These Artvin properties lie in the Eastern Pontides Tectonic Belt. The company has taken rock and stream samples from these properties. During the year ended December 31, 2013, the Bereket, Bahceli, and Kupluce Properties have been relinquished back to the government and the properties have been impaired.

Properties Held in Canada

Murray Property:

The Murray Property consists of one mineral claim encompassing approximately 2,479.2 acres (1,003 ha) directly southeast of Murray Lake, within the south-central part of Northwest Territories. The Murray Property is about 80 km northeast of Yellowknife, NWT, and is accessible during summer months by fixed wing aircraft and in the winter by ski-equipped aircraft or snowmobile.

The Murray Property is subject to a mineral property acquisition agreement dated April 17, 2008 between the Company and Zimtu Capital Corp. whereby the Company acquired the property for $15,509. The property was subject to a 1% NSR and a 1% GORR on diamond production which was relinquished on May 7, 2009. The Technical Report on the Murray Property, prepared for the Company by Jocelyn Klarenbach, P. Geol. and dated November 28, 2008, as revised February 9, 2009, was prepared for the Company and has been posted on the Company's website and has been filed on SEDAR. During the year ended December 31, 2014, the Company impaired the property.

The Issuer has not undergone a significant disposition for which pro forma financial statements would be required under Part 8 of OSC Rule 41-501 if this Listing Statement were a prospectus.

The Issuer does not know of any trends, commitment, events or uncertainty that is expected to have a material effect on its business, financial condition or results of operations other than as disclosed herein.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

Business Objectives

Pasinex Resources Limited (the "Company") is an exploration stage company engaged in the acquisition, exploration and development of mineral properties. The Company intends to build shareholder value by obtaining class assets and advancing these to producing mines. The Company has three key strategic focuses: the company is focused on base metal exploration with a specific focus of copper and zinc; the company plans to build shareholder value by taking projects from exploration to mine production and the company is focused on opportunity in Turkey.

The Company is rooted in base metal exploration. Base metals are widely used in human living. Copper and zinc can be found in homes, in buildings, in electrical and electronic goods, in cars – really in everything that we know of as human living, human growth and development. As such, these metals are widely traded, with no particular controlling entity(s). The metals are traded on the LME with daily price struck. They are also metals that are tied to world economic well-being and growth and as such are metals that will have a probable positive future consumption and pricing. It is for these reasons that Pasinex believe that they can build their company on the foundation of commodities with an overall, expected, sound economic future.

Pasinex is focused on exploration in Turkey. Turkey was chosen first because of its great geological opportunity but secondly because Pasinex believes this is a country that you can carry out mining business there. The geological opportunity in Turkey is great. The country is highly faulted and it is this tectonic reality that creates paths for all sorts of metal bearing fluids. The country is poorly explored with many opportunities lying, as yet, unidentified.

Turkey is a country of nearly 77 million people. It is now the 16th largest economy in the world and the government has an economic vision to grow this to the 10th largest economy in the world by 2023. Recently, the Turkish economy has been one of the faster growing economies in the world. The government is pro-business and has set about making it easier to attract foreign investment and carry out business in Turkey. The country is a dynamic democracy and has a young well-educated population. In short, Turkey is open for business and would like to see responsible mining development as part of its overall plan of the growth of the economy.

Pasinex is an exploration company but clearly sees itself rooted in building long term shareholder value by ultimately building mining operations. Pasinex has a team of mining technical professionals with a large collective life of experience. Pasinex is about taking that knowledge and expertise and utilizing this to the best advantage of their shareholders. Thus, Pasinex is about excellence in exploration leading to excellence in mining project development.

Pasinex Resources has now three properties in Turkey. These properties are the Golcuk Cu / Ag project in Sivas province, the Akkaya and Pinargozu Zn / Pb / Ag properties in Horzum region, Adana province. The Horzum region properties and the Golcuk property are the current priority focus for Pasinex.

The Golcuk Cu / Ag project is a manto style copper mineralization (sometimes called either a basaltic type Cu deposit or a volcanic red-bed type deposit). Pasinex has identified an extensive horizon of mineralization on this property. Amongst these there is notable mineralization in areas identified as Golcuk Main zone, Golcuk South, Golcuk West, Golcuk North-East. Baykus, Bayram and Funlu. Drilling has shown good high grade intercepts in the Golcuk Main zone. Extensive rock and channel sampling in Golcuk South has identified significant Cu oxide mineralization at surface over an area of about 700 meters by 300 meters. Pasinex will carry out more drilling on the Golcuk property in 2014 with focus areas for drilling being the Golcuk West and Golcuk South target areas. Pasinex expects this drilling will identify their first mining project target and lead to a first stage PEA study by first half 2015.

The Pasinex Horzum regional properties are Akkaya and Pinargozu. Both these properties are similar geology to the historic Horzum mine which saw about 2 million tonnes at around 25 – 30% zinc mined over about 20 years. The mineralization is expected to be predominantly oxide zinc but at depth it is expected that sulphide lead, zinc, silver mineralization will be encountered. At Akkaya, Pasinex has identified a significant zinc / lead geochem anomaly over an area of 600 meters by 400 meters. At Pinargozu, Pasinex has encountered significant zinc oxide mineralization within karstic cavern systems in the host limestone rock.

In the next twelve months, Pasinex will be predominantly focused on the Horzum region properties of Pinargozu and Akkaya. Both of these properties will be drilled to look for building of possible resources. Pinargozu is currently being mined at around one truck load per day, of high grade direct shipping material. Pasinex, together with their partners Akmetal, will look to increase the production output of the Pinargozu mine in 2015. Free cash flow generated from this mining activity will then in turn be used to pay for some of the on-going exploration drilling at both Pinargozu and Akkaya.

Pasinex also expects to drill Golcuk in 2015 with a focus on drilling Golcuk South.

Significant Events and Milestones

Pasinex Resources Limited started publicly trading from March, 2012. Since then Pasinex has put together its team, founded its business in Turkey, acquired its current portfolio of Turkish properties and began and expansive, comprehensive and successful early exploration program on all of those properties.

Some of the key events in the history of Pasinex were:

(1) March 2012 – company formed in Canada and Turkey;

(2) June 2012 – Joint Venture agreement with Akmetal AS for lead / zinc exploration in Horzum region, Adana province, Turkey;

(3) July 2012 – initial deal to option Golcuk property from Eurasian Minerals Inc.;

(4) September 2012 – important new discovery of lead / zinc geochem anomaly on Akkaya property, Horzum region, Adana province, Turkey, announced;

(5) January 2013 – Pasinex completed two diamond drill holes on Golcuk property in the Golcuk Main zone. Best intercept was nearly 10 meters at 2.97%Cu;

(6) February 2013 – completion of the full legal agreement for option of Golcuk property, from Eurasian Minerals Inc.;

(7) April 2013 – Pasinex completed a copper / gold geochem grib sampling campaign on the Dadak property, Afyon province and identified an important anomaly for these elements in the SE part of the property;

(8) July 2013 – Pasinex issues a NI 43-101 technical report on Golcuk property;

(9) September 2013 – Pasinex joint venture company Horzum AS (with Akmetal AS) acquires the Pinargozu property in Horzum region, Adana province, Turkey;

(10) November 2013 – Pasinex announce significant zinc mineralization encountered in Pinargozu mine whilst re-habilitating old underground workings there;

(11) January 2014 – Pasinex completed a ground magnetics survey at Golcuk property

(12) March 2014 – Pasinex announced successful use of ground penetrating radar technology on the Horzum properties (Akkaya and Pinargozu) to identify cavity type structures that may be bearing zinc mineralization.

(13) On November 12, 2014 the Company issued news with regards to the Direct Shipping material from the Pinargzou mine and drilling at the Pinargozu Mine in Adana Province, Turkey. The news release disclosed that the company had been producing zinc ore, of direct shipping grades, at a rate of about one truck load per day. Exploration mining continued at the 677 and 707 levels, and that exploration drilling was continuing. In addition, a two week surface and underground structural mapping survey was carried out by a structural geology specialist.

(14) On December 11, 2014 the Company announced the preliminary agreement to sale of up to 5,000 tonnes of high-grade zinc material from the Pinargozu Mine with an expected value of over US $1 million. The Pinargozu Mine is a 50/50 joint venture with the Turkish mining company Akmetal AS.

Funds available

As at December 31, 2014, the Issuer had a working capital of approximately $435,580, on February 6, 2015 the Company closed on a non-brokered private placement of $100,100, which is to be expended on the principal purposes set out below.

Principal Purposes

The principal purposes for which the funds available are intended to be used, in order of priority, are as follows:

	Description	Minimum	*Maximum
1.	To fund the exploration program on Golcuk.	0	$450,000
2.	To fund the exploration at Horzum project (Akkaya and Pinargozu).	465,000	$915,000
3.	To fund the administrative expenses anticipated to be incurred during the 12 month period.	350,000	$685,000
	Total	$815,000	$2,050,000

**Note: The maximum budget assumes that Pasinex continues to raise capital in 2015*

Estimated Consolidated Working Capital

As of the most recent year-end and prior to closing the private placements in January, the Company had working capital of approximately $435,580.

Since the Issuer's incorporation in February, 2006, it has not been the subject of a cease trade or similar order or become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the Issuer.

Material Properties

Adana Region Zinc Properties

Pasinex Resources Limited have not yet issued a NI 43-101 type technical report on either the Pinargozu or Akkaya properties. As such there can be no information provided for this section.

Golcuk Property, Sivas Province, Turkey

Pasinex Resources Limited issued one NI 43-101 type technical report on the Golcuk property in July, 2013. This NI 43-101 technical report which is available for download through the Pasinex website www.pasinex.com and posted on SEDAR. There has no further information to this report.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following is a summary of financial data of the Issuer for the last three completed fiscal periods:

	Year ended December 31, 2014	Year ended December 31, 2013	Nine months ended December 31, 2012
Total Revenues	Nil	Nil	Nil
Net income (loss)	(1,498,423)	(1,103,805)	(1,011,952)
Net income (loss) (per share, basic and diluted)	(0.02)	(0.02)	(0.02)
Total assets	1,781,455	1,106,081	1,644,643
Total long term financial liabilities	Nil	Nil	Nil
Cash dividend declared per share	Nil	Nil	Nil

The Issuer has not paid dividends in the past and does not anticipate paying dividends in the near future. The Issuer expects to retain its earnings to finance future growth and, when appropriate, retire debt.

Summary of Quarterly Results

The following is a summary of the results from the eight previously completed financial quarters:

	December 31, 2014	**September 30, 2014**	**June 30, 2014**	**March 31, 2014**
Revenues	$ -	$ -	$ -	$ -
Net income (loss) and comprehensive income (loss)	$(625,458)	$(320,447)	$(289,548)	$(262,970)
Basic and diluted net gain (loss) (per share)	$(0.01)	$(0.00)	$(0.00)	$(0.00)

	December 31, 2013	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
Revenues	$ -	$ -	$ -	$ -
Net income (loss) and comprehensive income (loss)	$(318,085)	$(366,369)	$(196,705)	$(222,646)
Basic and diluted net gain (loss) (per share)	$(0.01)	$(0.01)	$(0.00)	$(0.00)

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management Discussion and Analysis of the Issuer for the fiscal year ended December 31, 2014 are attached hereto as Schedule "A".

7. MARKET FOR SECURITIES

The Issuer is currently listed for trading on the Canadian Securities Exchange ("CSE") under stock symbol "PSE" and on the Frankfurt Stock Exchange ("PNX")

8. CONSOLIDATED CAPITALIZATION

The following table details material changes to the share capital of the Issuer from the fiscal year ended December 31, 2014, to the date hereof:

Designation of Security	Number authorized	Outstanding as at fiscal year ended December 31, 2014	Outstanding as at the date of this Listing Statement
Common	Unlimited	80,684,309	82,694,309

9. OPTIONS TO PURCHASE SECURITIES

<u>Warrants</u>

At April 30, 2015 the Issuer had the follow warrants outstanding:

Number of Warrants	Number of Shares	Exercise Price	Expiry Date
2,007,150	2,007,150	$0.16	July 2, 2015
1,550,000	1,550,000	$0.10	December 11, 2016
3,000,772	3,000,772	$0.12	April 7, 2017
724,731	724,731	$0.12	April 22, 2017
2,746,468	2,746,468	$0.20	August 18, 2017
1,714,500	1,714,500	$0.18	December 16, 2019

<u>Incentive Stock Options</u>

On March 17, 2014 the Company granted a total of 1,600,000 incentive stock options to officers, directors, employees and consultants of the Company. Of the options issued, 1,200,000 have been granted to Directors and Officers of the Company, the balance of 400,000 options were issued to employees and consultants of the Issuer. The options are exercisable at a price of $0.10 per share for a five year period.

On December 19, 2014 the Company granted 2,000,000 incentive stock options of which 1,300,000 were allocated to directors and officers of the Company with the balance being issued to employees and consultants. The options are exercisable at $0.14 per share for a period of 5 years from the issue date.

Allocation	Number of Optionees	Exercise Price	Option Allocation	Market Price at Date of Grant
Directors	4	$0.10	800,000	$0.07
	7	$0.14	1,100,000	$0.12
Executive Officers	3	$0.10	400,000	$0.07
	1	$014	200,000	$0.12
Consultants	6	$0.10	300,000	$0.07
	1	$0.14	100,000	$0.12
Investor Relations*	1	$0.14	200,000	$0.12

**Issued to CHF Investor Relations*

10. DESCRIPTION OF THE SECURITIES

General

The Issuer has one class of securities outstanding: common shares. All of the common shares of the Issuer rank equally as to voting rights, participation in a distribution of the assets of the Issuer on a liquidation, dissolution or winding-up of the Issuer and the entitlement to dividends. The holders of the common shares are entitled to receive notice of all meetings of shareholders and to attend and vote the shares at the meetings. Each common share carries with it the right to one vote.

In the event of the liquidation, dissolution or winding-up of the Issuer or other distribution of its assets, the holders of the common shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Issuer has paid out its liabilities. Distribution in the form of dividends, if any, will be set by the board of directors.

Prior Sales

Prices and number and type of securities sold in the past twelve months:

Securities sold during the fiscal year ended December 31, 2015				
Date	**Transaction Details**	**Number of Shares**	**Type of Shares**	**Share Price**
1/12/2014	Property Option	550,000	common	$0.05
2/12/2014	Private Placement	6,007,142	common	$0.07
4/7/2014	Private Placement	1,449,460	common	$0.07
5/30/2014	Shares for Debt	2,877,718	common	$0.10
6/30/2014	Warrant Exercise	884,615	common	$0.15/$0.10
8/18/2014	Private Placement	5,210,538	common	$0.13
12/17/2014	Warrant Exercise	500,000	common	$0.15
12/19/2014	Private Placement	3,365,000	common	$0.11
Securities sold from the fiscal year end of December 31, 2015 to April 30, 2015				
Date	**Transaction Details**	**Number of Shares**	**Type of Shares**	**Share Price**
2/6/2015	Private Placement	910,000	common	$0.11
2/12/2015	Property Option	1,100,000	common	$0.12

Stock Exchange Price:

The following table sets out the prices at which the Issuer's common shares have been sold within the last twelve months:

Month	Volume	High	Low	Close
March 2015	665,278	$0.130	$0.085	$0.110
February 2015	443,087	$0.135	$0.115	$0.125
January 2015	494,000	$0.125	$0.110	$0.115
December 2014	953,500	$0.130	$0.100	$0.120
November 2014	690,000	$0.130	$0.100	$0.125
October 2014	710,500	$0.125	$0.105	$0.115
September 2014	1,187,500	$0.150	$0.100	$0.110
August 2014	509,500	$0.135	$0.115	$0.13
July 2014	1,005,500	$0.14	$0.11	$0.14
June 2014	1,911,000	$0.17	$0.11	$0.12
May 2014	688,000	$0.14	$0.08	$0.09

Month	Volume	High	Low	Close
April 2014	322,000	$0.09	$0.06	$0.09

11. ESCROWED SECURITIES

There were no common shares of the Issuer held in escrow as at the date of this Listing Statement.

12. PRINCIPAL SHAREHOLDERS

The following table sets out the principal shareholders of the Issuer, the number of common shares held of record as well as held beneficially, and the percentage of common shares held as at the date hereof:

Name of Principal Shareholder	Number and class of securities held	Percentage of class
151434 Ontario Inc.	16,807,218 common shares	20%

(1) 151434 Ontario Inc. is owned by Larry Seeley, Chairman and Director of the Company, 3,948,718 of the shares reported above are held indirectly by family members.

13. DIRECTORS AND OFFICERS

The following table sets out information regarding the directors and executive officers of the Issuer, including their respective positions and offices held and their respective principal occupations within the five preceding years:

Name, Municipality of Residence and Position held	Principal Occupation for the last 5 years	Number of Shares Held	Date Appointed
Larry Seeley(12) (13) Ontario, Canada *Lead Director*	Larry Seeley was from 1992 to 2004 President and CEO of Lakefield Research Limited, a major mining testing and consulting company. He was President and CEO of Recapture Metals from 2004 to 2012 a company with plants in Canada, USA and Germany producing high grade gallium, indium and rhenium.	16,807,218(1)	November 13, 2014
Steven Williams(12) (13) (14) Ennismore, Ontario Canada *Chairman, President, CEO, and Director*	Steven Williams has been President and Director of the Company since March 2010; Director of Equitas Resources Corp. June 2010 – Feb 2015. Mr. Williams worked with SGS Lakefield Research in Canada and Chile for 20 years in metallurgical, project and business management. He was Managing Director for SGS Canada.	5,721,750(2)	March 28, 2010
Sven Olsson(11) Goeppingen, Germany *Director*	Businessman; Director of the Company since August 2012; Director of Zimtu Capital since May 2009; Director of Commerce Resources Corp. since May 2009.	850,000(3)	August 10, 2012

Name, Municipality of Residence and Position held	Principal Occupation for the last 5 years	Number of Shares Held	Date Appointed
Victor Wells[11] [12] [13] Ontario, Canada *Director*	Mr. Wells currently serves as a director of Student Transportation Inc., Unique Broadband Systems Inc. and Contagious Gaming Inc. Mr. Wells has held Vice President Finance, Chief Financial Officer and senior financial positions with Chemtrade Logistics and Tahara Diamond Corporation. Previously Victor was a director of MagIndustries Corp., Northstar Healthcare Inc., TriNorth Capital Inc., GT Canada Medical Properties Inc. and was Trustee for Canada Cartage Diversified Income Fund.	Nil[4]	September 15, 2014
John Barry[11] [12] [13] [14] County Kildare, Ireland *Director*	Mr. Barry is a Director of Sovereign Mines of Africa plc, a junior gold exploration company listed on AIM. He was the CEO and Director of Rathdowney Resources Ltd. (TSX-V) until November, 2013 and he is currently Managing Director of Irus Consulting Ltd., an Irish registered geological consulting company.	Nil[5]	September 23, 2014
Jonathan Challis[11] [14] Kent, United Kingdom *Director*	A retired Mining Engineer. He is a Director of Explor Resources Inc. - since July 2013; Quartet Resources Limited – since Sept. 2012; Rye Patch Gold Corp. – since March 2007; WAI Capital Investments Corp. – since May 2011 and Brades Resource Corp. since February 2015.	Nil[6]	September 23, 2014
Joachim Rainer Judenburg, Austria *Director*	Businessman, founder and managing director of Rainer BeteilgungsgesmbH where he is responsible for sourcing projects, structuring companies and investments, and business development for upcoming and innovative companies. Since 2005, Mr. Rainer has developed connections within European and Turkish financial companies network.	4,715,000[7]	November 13, 2014
Clinton Smyth[14] Vancouver, British Columbia Canada *Vice President Exploration*	Geologist; Appointed VP – Exploration for Pasinex Resources in March 2012. Mr. Smyth worked for Anglo- American in exploration in Africa and Asia for about 20 years and lastly as VP - Exploration. He has been actively involved in various other juniors in exploration since 2010 including Dolly Varden Resources, New Chris Minerals Ltd and Dome Ventures Corporation.	900,000[8]	January 31, 2012
Jody Bellefleur Surrey, British Columbia Canada *Chief Financial Officer*	Self-employed accountant since March 2008; Chief Financial Officer – Zimtu Capital Corp. since June 2013; Commerce Resources Corp. since Oct 2010; Equitas Resources Corp. since Feb 2014; Prima Diamond Corp. since July 2014; Lakeland Resources Inc. since July 2014; Electra Stone Ltd. since Dec 2014.	40,000[9]	November 30, 2012

Name, Municipality of Residence and Position held	Principal Occupation for the last 5 years	Number of Shares Held	Date Appointed
Frances Petryshen Vancouver, British Columbia Canada *Corporate Secretary*	Corporate Secretary for Zimtu Capital Corp. since May 2013; Commerce Resources Corp. since Jun 2013; Equitas Resources Corp. since Nov 2012; Lakeland Resources Inc. since Dec 2013; Electra Stone Ltd. since Oct 2014; CanAlaska Uranium Ltd. Jan 2008 - July 2012.	55,000(10)	November 30, 2012

1. 151434 Ontario Inc. is owned by Larry Seeley, Chairman and Director of the Company, 3,948,718 of the shares reported above are held indirectly by family members. Mr. Seeley directly and indirectly holds 2,168,750 warrants and 100,000 stock options exercisable into common shares which are not included in the total.
2. 7312067 Canada Ltd., a company controlled by Steven Williams holds 470,000 of the shares reported. Mr. Williams also holds 75,000 warrants and 600,000 stock options exercisable into common shares which are not included in the total.
3. Sven Olsson holds 250,000 warrants and 300,000 stock options exercisable into common shares which are not included in the total.
4. Victor Wells holds 200,000 stock options exercisable into common shares which are not reported in the total.
5. John Barry holds 200,000 stock options exercisable into common shares which are not reported in the total.
6. Jonathan Challis holds 100,000 stock options exercisable into common shares which are not reported in the total.
7. Of the shares reported above 3,060,000 shares are held indirectly by family members through Rainer Beteligungsgesmbh a Company controlled by Mr. Rainer. Joachim holds directly and indirectly 1,300,000 warrants and 100,000 stock options exercisable into common shares which are not included in the total.
8. Mr. Smyth holds 450,000 stock options exercisable into common shares which are not included in the total.
9. Ms. Bellefleur holds 75,000 stock options exercisable into common shares which are not included in the total.
10. Ms. Petryshen holds 75,000 stock options exercisable into common shares which are not included in the total.
11. Denotes member of the Audit Committee.
12. Denotes member of the Corporate Governance Committee.
13. Denotes member of the Compensation Committee.
14. Denotes member of the Technical Committee.

Directors of the Issuer holding office are elected annually at the annual general meeting of the shareholders of the Issuer, and hold office until the next annual general meeting or until their successors are appointed.

As a group, the directors, executive officers, Zimtu Capital Corp. and 151434 Ontario Inc., insiders of the Issuer beneficially own, directly or indirectly, or exercise control or direction over 35,283,706 or 42% of the common shares of the Issuer.

The Issuer has an Audit Committee comprised of four of the directors Victor Wells (Chair), Sven Olsson, John Barry and Jonathan Challis. The audit committee members are considered to be independent directors.

The Issuer has a Corporate Governance Committee comprised of four directors Larry Seeley (Chair), Steven Williams, John Barry and Victor Wells.

The Issuer has a Compensation Committee comprised of four directors Larry Seeley Chair), Steven Williams, John Barry and Victor Wells.

The Issuer has formed a Technical Committee comprised of four directors John Barry (Chair), Clinton Smyth, Steven Williams and Jonathan Challis.

The Issuer does not have any directors, officers or shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer who were the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days.

The Issuer does not have any directors, officers or shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer who have became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

The Issuer does not have any directors, officers or shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer who have been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority.

The Issuer does not have any directors, officers or shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer who have been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

The Issuer does not have any director, officers or shareholders holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer who within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

There are no existing or potential material conflicts of interest between the Issuer or a subsidiary or the Issuer and a director or officer of the Issuer or subsidiary of the Issuer.

Management of the Issuer

We have a total of 3 persons performing management functions. The persons forming our management team and our outside directors and their resumes are described briefly below.

Steven Williams
Mr Williams holds a metallurgical degree from the Western Australian School of Mines (1976) and a Master in Business Administration from Tulane University, USA (2001). Mr Williams has worked all his life in the mining industry from technical roles to management roles. He has worked in mines such as Agnew Nickel, Australia; Woodlawn Cu / Pb / Zn mine, Australia; Lucky Break gold mine, Australia; Caribou Pb / Zn mine Canada; Canatuan Cu / Zn mine, Philippines; Cerro de Maimon Cu / Zn mine Dominican Republic. He has had management roles with SGS in Chile and Canada finishing as Managing Director for SGS Canada. Mr Williams is working full time for Pasinex Resources Limited.

Clinton Smyth
Mr Smyth P. Geo, has a MSc. in Geochemistry (Cape Town) and an MSc. in Computer Science (London, UK). He has 35 years of experience in the minerals industry, working in Africa, Asia, Australia, Mexico and Canada. From 1975 to 2000 he worked for the Anglo American Corporation in minerals exploration, resource evaluation and mining. He served as VP of Exploration in Australasia, and as VP Exploration in Africa. He led the team which discovered the Buzwagi gold deposit in Tanzania. He led the group responsible for resource evaluation in Anglo American's New Mining Business Division, responsible for Navachab and Sadiola, as well as for the Skorpion zinc deposit, the Uitkomst nickel deposit, and the Namaqua Sands mineral sands deposit. He served as VP Exploration for Dome Ventures Corporation and Miocene Metals Ltd., and is currently on the board of Dolly Varden Resources. Mr Smyth is working about 2/3rd time for Pasinex Resources Limited.

Sven Olsson
Mr Sven Olsson has over 10 years of experience in the European financial community with a particular focus on mineral exploration. Mr. Olsson brings to the Company a network of contacts within the European financial communities as well as media. Mr. Olsson is also on the Board of Directors of Zimtu Capital Corp. and Commerce Resources Corp. both TSX ventures Exchange Issuers.

Zimtu Capital Corp., ("Zimtu") is an investment company that also provides administerial and managerial services, including corporate maintenance, continuous disclosure and corporate compliance services to the Issuer. Zimtu is an independent contractor, and it will devote as much time as is required on an ongoing basis for the Issuer. There is no non-competition or non-disclosure agreement between Zimtu and the Issuer.

14. CAPITALIZATION

The following table sets out the certain information regarding the share capitalization of the Issuer. The

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
(A)Total outstanding	82,694,309	97,537,930	100%	100%
(B)Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion or other securities held)	35,283,706	44,506,028	42%	46%
Total Public Float (A-B)	47,410,603	53,031,902	58%	54%
<u>Freely-Tradable Float</u>				
(C)Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders	2,010,000	3,015,000	3%	3%
Total Tradable Float (A-C)	80,684,309	94,522,930	97%	97%
Total Tradable Float (A-C)	80,684,309	94,522,930	97%	97%

Issuer has one class of security: common shares.

Public Securityholders (Registered)

Size of Holding	Number of Holders	Total Number of Securities
1 - 99 securities	0	0
100 - 499 securities	0	0
500 - 999 securities	6	2,828
1,000 - 1,999 securities	8	7,000
2,000 – 2,999 securities	2	4,000
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	1	4,000
5,000 or more securities	57	21,481,510
Total	74	21,499,338

Public Securityholders (Beneficial)

Size of Holding	Number of Holders	Total Number of Securities
1 - 99 securities	0	0
100 - 499 securities	1	166
500 - 999 securities	9	4,672
1,000 - 1,999 securities	5	6,000
2,000 – 2,999 securities	11	22,000
3,000 – 3,999 securities	2	7,000
4,000 – 4,999 securities	22	88,500
5,000 or more securities	101	25,782,927
Total	151	25,911,265

Non-public Securitholders (registered)
(For the purpose of this report, “Non-public securityholders are persons enumerated in section (B) of the issued capital chart on page 23)

Size of Holding	Number of Holders	Total Number of Securities
1 - 99 securities	0	0
100 - 499 securities	0	0
500 - 999 securities	0	0
1,000 - 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	8	35,283,706
Total	8	35,283,706

Notice: Information contained in this report, while compiled from sources believed to be reliable, is not guaranteed.

15. EXECUTIVE COMPENSATION

For the purpose of this Listing Statement:

"CEO**"** means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"CFO" means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"Named Executive Officer" or "NEO" means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) each of the Company's three most highly compensated executive officers, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than $150,000 for that financial year, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; or

(d) any individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

As at December 31, 2014, the end of the most recently completed financial period of the Company, the Company had three NEO's, namely Steven Williams as Chief Executive Officer, Clinton Smyth as Vice President Exploration and Jody Bellefleur, as Chief Financial Officer (CFO).

Compensation Discussion and Analysis

The Company's compensation policies are designed to be competitive with similar companies and to recognize and reward executive performance consistent with the success of the Company. These policies are intended to attract and retain capable and experienced people.

The Company has a Compensation Committee consisting of Larry Seeley (Chair), Steven Williams, John Barry and Victor Wells. The disinterested members of the committee meet on an as needed basis and report back to the board with the committee recommendations.

The Company is a junior mineral exploration company and trades on the Canadian Stock Exchange ("CSE"). The Company's resources and capital are limited. At this time, the Company has no revenue from mineral producing operations and as a result, the Board of Directors has to consider not only the financial situation of the Company at the time of determining executive compensation but also the estimated financial situation of the Company in the mid to long term.

An element of executive compensation that is available to the Company is the granting of stock options to purchase common shares under the Company's Stock Option Plan. Stock options are issued to provide an incentive to participate in the long-term development of the Company and to increase Shareholder value. Executive officers and directors are not paid a salary and are reimbursed for expenses incurred in carrying out the business of the Company.

Risk Management Disclosure

The Board of Directors has reviewed the elements of compensation of the Company to identify any risks arising from the Company's compensation policies and practices that could reasonably be expected to have a material adverse effect on the Company as well as the practices used to mitigate any such risks. The Board of Directors concluded that the compensation program and policies of the Company did not encourage its executives to take inappropriate or excessive risks. This assessment was based on a number of considerations, including, without limitation, the following: (i) the Company's compensation policies and practices are generally uniform throughout the organization; (ii) in exercising its discretion under its compensation policies the Board of Directors reviews individual and corporate performance taking into account the long-term interests of the Company; and (iii) the results of annual assessments of executives' goals, objectives and performance are reviewed and considered in awarding compensation.

Restrictions on Purchase of Financial Instruments

Although the Company has not adopted a formal policy forbidding an NEO or director from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director, the Company is not aware of any NEO or director having entered into this type of transaction.

Share based and Option Based Awards

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's Stock Option Plan to receive grants of stock options. Individual stock options are granted by the Board of Directors as a whole and the size of the options is dependent on, among other things, each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long term contribution to the Company will be crucial to its long-term success.

The Board evaluates the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering grants. Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant and the current policy of the Board of Directors is that options expire five years from the date of grant.

Compensation Governance

The Board, at this time has not adopted any specific policies or practices to determine the compensation for the Company's directors and officers, other than disclosed above. The Company has established a compensation committee consisting of Larry Seeley, Steven Williams, John Barry and Victor Wells. The disinterested members of the committee meet on an as needed basis and report back to the board with the committee recommendations.

Summary Compensation Table

During the period ended December 31, 2014, the Company had three NEO's. The following table sets forth all direct and indirect compensation for, and in connection with, services provided to the Company and its subsidiary for the last three financial years. Particulars of compensation paid to the NEO's in the most recently completed financial year is set out in the summary compensation table below:

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)	Pension value ($)	All other compensation ($)	Total compensation ($)
Steven Williams,(1) *CEO, President*	2014 2013 2012 2012	nil nil nil $16,000	nil nil nil nil	nil nil nil nil	nil nil nil nil	$96,000 $96,000 $72,000 nil	$96,000 $96,000 $72,000 $16,000
Clinton Smyth,(2) Vice *President Exploration*	2014 2013 2012	nil nil nil	nil nil nil	nil nil nil	nil nil nil	$154,800 $129,400 $82,800	$154,800 $129,400 $82,800
Jody Bellefleur, *Chief Financial Officer*	2014	nil	nil	nil	nil	nil	nil

NOTES:
(1) The Company paid consulting fees to GMT GeoMet Tech Ltd., a private company controlled by Steven Williams.

(2) The Company paid consulting fees to GeoReference Online Ltd., a private company controlled by Clinton Smyth.

Narrative Discussion

Effective February 1, 2012 the Company entered into a consulting agreement with GMT GeoMet Tech Ltd., a company controlled by Steven Williams, for a fee of $8,000 per month for a period of 12 months and will continue until terminated in accordance with the termination provisions in the agreement. See Termination and Change of Control Benefits below for further details.

Incentive Plan Awards

Stock options are issued to provide an incentive to participate in the long-term development of the Company and to increase Shareholder value. The Company has a stock option plan (the "Stock Option Plan") in place for the granting of incentive stock options to the officers, employees and Directors. The purpose of granting options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

During the most recently completed financial year, the Company granted However, 1,600,000 incentive options were granted to directors, officers, employees and consultants of the Issuer on March 17, 2014 of which 1,200,000 were granted to Officers and Directors of the Company. The options are exercisable at $0.10 per common share for a 5 year period. On December 19, 2014 the Company granted an additional 1,600,000 incentive options of which 1,300,000 were granted to Officers and Directors. The options are exercisable at $0.14 per common share for a 5 year period.

The Company does not have any Share-based Awards in effect and as such, that information has been omitted from the following tables. The following table details all Options-based Awards issued to the NEOs:

Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)[1]
Steven Williams	300,000 300,000	$0.10 $0.14	March 17, 2019	$6,000 nil
Clinton Smyth	250,000 200,000	$0.10 $0.14	March 17, 2019	$5,000 nil
Jody Bellefleur	75,000	$0.10	March 17, 2019	$1,500

(1) The closing price of the Company's common shares on December 31, 2014 was $0.12.

The Company does not have any Incentive Plan Awards issued to the Named Executive Officers.

Defined Contribution, Deferred Compensation and Pension Plans

The Company does not have any defined contribution, deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

The Company has entered into a consulting agreement with a company related to Steven Williams, see Narrative Discussion above. The contract may be terminated by the consultant by providing 90 days written notice to the Company. The Company may terminate the consulting agreement by providing 30 days written notice and a lump sum payment equal to 12 months fee ($96,000). The Company may terminate the agreement with cause immediately, with no further payment due to the consultant. In the event of a change of control, and with one or more triggering events, the agreement provides for the immediate vest of all stock options, 90 days from the date of the change of control to exercise all options, and the payment of a lump sum fee equal to 12 months fee equal to a total of $96,000.

Director Compensation

The Company currently has seven (7) directors, one of which is a Named Executive Officer. For a description of the compensation paid to the Company's Named Executive Officers who also act as directors, see "Summary Compensation Table" above.

No cash compensation was paid to any director of the Company for their services as a director during the Twelve months ended December 31, 2014. The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors, except for the granting from time to time of incentive stock options in accordance with the policies of the CSE.

The Company issued the following incentive stock options to the directors:

Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)[1]
Larry Seeley	100,000	$0.14	Dec 19/19	nil
Sven Olsson	200,000 100,000	$0.10 $0.14	Mar 14/19 Dec 19/19	$4,000 nil
Victor Wells	200,000	$0.14	Dec 19/19	nil
John Barry	200,000	$0.14	Dec 19/19	nil
Jonathan Challis	100,000	$0.14	Dec 19/19	nil
Joachim Rainer	100,000	$0.10	Dec 19/19	nil

(1) The closing price of the Company's common shares on December 31, 2014 was $0.12.

Termination and Change of Control Benefits

The Company has no contract, agreement, plan or arrangement that provides for payments to directors, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the director's responsibilities

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is the Stock Option Plan (the "Stock Option Plan"). The Stock Option Plan was established to assist the Company in attracting, retaining and motivating directors, executive officers, employees, consultants and management company employees, and to closely align the personal interests of those people with those of shareholders. The Board of Directors administers the Plan. The Plan provides that the Company may grant options, under option agreements and in accordance with the policies of the CSE. Detailed information on the Stock Option Plan can be found under "Particulars of Matters to Be Acted Upon".

The following table sets out equity compensation plan information as at April 30, 2014:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	3,100,000	$0.12	5,169,431

Equity compensation plans not approved by securityholders	nil	n/a	nil
Total	3,100,000	$0.12	5,169,431

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our directors and executive officers and their associates were indebted to the Issuer during the financial year ended December 31, 2014.

17. RISK FACTORS

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.

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 December 31, 2014, the Company had a cash balance of $151,045 (2013 - $46,037) and current liabilities of $184,582 (2013 - $279,045). 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 $2,200 increase in accumulated other comprehensive income, based on amounts held at December 31, 2014 (2013 - $3,000).

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.

18. PROMOTERS

18.1 (a) Cavalcanti Hume Funfer Inc. (aka CHF Investor Relations of "CHF") is a private company incorporated in Ontario with offices in Toronto and Calgary. CHF has been conduction communications, investor relations, media relations under the same management for 12 years. Account management is by Cathy Hume, CEO of CHF from the Toronto head office at 90 Adelaide Street West, Toronto, ON.

(b) CHF does not own securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control is exercised;

(c) On January 13, 2015 the Company entered into a Investor Relations Services Contract with CHF in which CHF is paid $5,000 a month for the first six months and $6,000 a month for the next six months for marketing and media relations and have received an incentive stock option for 200,000 common shares exercisable at $0.14 for a period of two years. ; and

(d) No assets have been acquired acquired within the two years from a promoter.

19. LEGAL PROCEEDINGS

There are no legal proceedings or pending legal proceedings to which the Issuer or the Property is or is likely to be a party to or is subject.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The following is a description and approximate amount of any transaction between the Issuer and any director or senior officer of the Issuer, any principal shareholder, and their associates or affiliates since the date of incorporation of the Issuer:

(a) Effective February 1, 2012 the Company entered into a consulting agreement with GMT GeoMet Tech Ltd., a company controlled by Steven Williams, for a fee of $8,000 per month for a period of 12 months and will continue until terminated in accordance with the termination provisions in the agreement.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditor of the Issuer is MNP LLP Chartered Accountants located at Suite 2300 1055 Dunsmuir Street, Vancouver, BC V7X 1J1.

The transfer agent and registrar of the common shares of the Issuer is Computershare Company, located at 2nd Floor, 510 Burrard Street, Vancouver, BC, V6C 3B9.

22. MATERIAL CONTRACTS

The following are the material contracts that the Issuer entered into within the previous two years:

(a) On July 19, 2012, the Company signed an option 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. (for details see: General Developments of Business)

(b) Effective February 1, 2012 the Company entered into a consulting agreement with GMT GeoMet Tech Ltd., a company controlled by Steven Williams, for a fee of $8,000 per month for a period of 12 months and will continue until terminated in accordance with the termination provisions in the agreement.

(c) Management Services Agreement dated May 1, 2012 as extended May 1 2013, between the Issuer and Zimtu Capital Corp. regarding management and administration services, whereby Zimtu provides certain office and administrative services to the Issuer for a cost of $12,500. Per month.

(d) Pasinex Resources has engaged a few small contracts for marketing of the company. These contracts are - Bank M, Germany – market making services (6 months in 2014); Goldvestor.de, Germany – videos and publicity services (6 months in 2014); SmartRelations.de, Germany – publicity of the company (6 months in 2014); Intelligent Capital Solutions, Germany – promotion of the company (6 months in 2014); Stockhouse, Canada – video and publicity of the company (one off campaign 2014); In total about 30,000 Euros and less that $5000 CAD have been allocated to these services.

The material contracts described above may be inspected at the corporate offices at 1450 – 789 West Pender Street, Vancouver. B.C., during normal business hours for a period of thirty days after the filing of this Listing Statement.

The Issuer is not party to any co-tenancy, unitholders' or limited partnership agreements.

23. INTEREST OF EXPERTS

On July 12, 2013 a NI 43-101 Technical Report on the Golcuk License, Sivas Province, Turkey by Brian H. King Pr. Sci., was published by the Company and is available on SEDAR and the Company website.

24. OTHER MATERIAL FACTS

There are no other material facts relating to the Issuer or its securities that have not been previously disclosed elsewhere in this Listing Statement.

25. FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the fiscal year ended December 31, 2014 are attached hereto as Schedule “B**”.**

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Pasinex Resources Limited, hereby applies for the Listing of the above mentioned securities on CSE. The foregoing contains full, true and plain disclosure of all material information relating to Pasinex Resources Limited. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 30th day of April, 2015.

"Steven Williams"

Steven Williams
Chief Executive Officer and President

"Jody Bellefleur"

Jody Bellefleur
Chief Financial Officer

"Victor Wells"

Victor Wells
Director

"Sven Olsson"

Sven Olsson
Director

Schedule "A"

Management Discussion & Analysis for the Year Ended December 31, 2014

The following discussion and analysis of the financial position and results of operations for PASINEX RESOURCES LIMITED (the "Company" Or "Pasinex") should be read in conjunction with the Company's audited consolidated financial statements for the ***year ended December 31, 2014****, and the related notes thereto. The audited consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollars amounts are in Canadian dollars unless otherwise indicated.*

The effective date of this report is April 29, 2015.

Nature of Business

Pasinex Resources Limited (formerly Triple Dragon Resources Inc.) ("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. On February 1, 2012, the Company purchased all the assets of 0886183 B.C. LTD. ("0886183 B.C.", a private company incorporated in British Columbia) which included a company in Turkey, Pasinex Arama ve Madencilik A.S. ("Pasinex Arama"). On March 2, 2012, the Company's major shareholder sold 19% of the Company's issued and outstanding share capital to a total of three individuals, effectively changing control of the Company. On May 31, 2013, 0886183 B.C. was voluntarily dissolved, and as a result, the Company deconsolidated all assets and liabilities associated with 0886183 B.C. The Company changed the fiscal year end from March 31 to December 31, effective December 31, 2012.

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".

Mineral Properties and Deferred Exploration Expenditures

Properties Held in Turkey

Adana Region Zinc Properties

The Company has placed a priority focus on the two zinc properties in Adana (being Pinargozu and Akkaya). There has been a notable strengthening of the zinc price in 2014 and the Company believes there is a strong chance that the zinc price will strengthen further above current price (approximately $1.00 US / lb. at the time of reporting). The zinc price strengthening is due predominantly to an expected mine supply side shortage in the market, due to some important mines closing or due to close imminently. (It is expected that the large Century zinc mine in Australia will close later this year).

Given this development in the global zinc market, the Company believes they have a unique opportunity with these two zinc properties to develop at least one small tonnage mine in the short term (two to three years) and be in production during expected higher zinc prices. This is a unique moment in time and so, consequently the Company has given priority focus of their exploration to the zinc properties. The Company particularly believes there is a unique opportunity with the joint venture Pinargozu property to show a small tonnage but high grade zinc deposit that could be sold with little or no processing (potential direct shipment ore). The Joint Venture has set an internal target of 1,000,000 tonnes of 30% Zn at Pinargozu and has focused its exploration on achieving this first target mark.

The Company and the Joint Venture both received the necessary drill site forestry permits for both Pinargozu and Akkaya in March 2014. Since then, drilling has begun at Pinargozu and the Company started preparing Akkaya for drilling later in 2014 and as of March 2015 has commenced drilling at Akkaya. Pinargozu drilling is a combination of both surface and underground drilling (with one drilling running from surface and another underground at the time of reporting. Two old mine galleries have been refurbished, called the 707 and 677 galleries, at Pinargozu in order to permit underground drilling. In total, at the moment, the JV company has three drills running with results expected to be reported continuously throughout 2015.

The Joint Venture company has also been able to use the re-furbished adits (called the 677 and 707 galleries) to start small scale mining of high grade zinc oxide ore. Since about mid-2014, about one truck load of high grade material has been mined per day from these galleries. The Joint Venture Company is looking to ramp up production at Pinargozu mine of the high grade material. Further developments on this increased mine production front are expected in 2015. On September 9, 2014, the Company reported the assay of the first bulk lot of this high grade material at 34%Zn. The Company believes this material can be sold as direct shipping material and through their joint venture partner Akmetal AS, they are working on commercial sales of this material. The first lot of this material (being around 5000 tonnes) has been indicated for sale as of early 2015. The company expects that further lot sales will ensue in 2015. The company will then use net proceeds of the sales to pay operational costs and some on-going exploration costs at the JV. The proceeds from the sale will be offset against the exploration and evaluation assets for accounting purpose as commercial production has not been reached.

It should be noted that the Pinargozu license is held by the joint venture company, Horzum AS, which is then owned 50% by Pasinex Arama. As such, the Pinargozu property exploration expenditures are reported on the balance sheet of the joint venture company Horzum AS.

Below are updates provided on these properties:

On June 28, 2012, the Company announced it had acquired, and will transfer into a 50 / 50 joint venture with a Turkish mining company called Akmetal AS, five mineral exploration licenses (called Akkaya, Feke, Gedikli, Konakkuran and Ortakoy) within and adjoining a target corridor between Horzum and Tufenbeyli in Adana province, Turkey, all of which host limestone units prospective for lead / zinc mineralization probably of the carbonate replacement or Mississippi Valley Type zinc deposits.

Field work and initial exploration commenced on these properties in July, 2012.

On September 07, 2012, the Company announced that it has expanded its land package in the joint venture to include three additional properties, called Gokceviz, Kayrak-Kisacikli and Kayadibi. These properties cover approximately 2,601 hectares and are located within the Horzum area of Adana Province. With the new acquisitions, Pasinex has a total of eight claims totaling approximately 8,650 hectares within this area that are under a joint venture agreement with Akmetal AS. The Properties were staked for their potential to host lead / zinc mineralization and are all early-stage, exploration opportunities. A field work program including soil sampling and geochemical surveys has been carried out on the collective group of properties.

On October 29, 2012, the Company announced the joint venture company, Horzum Arama ve Isletme AS (“Joint Venture” or “Horzum AS”) has been formed. Under the terms of the transaction, the Joint Venture will be 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 with the Joint Venture’s course of business. Project and technical management to direct the exploration for zinc in the selected areas will be provided by Pasinex Arama ve Madencilik AS to the Joint Venture. On January 17, 2013, Pasinex Arama and Akmetal signed the Joint Venture Agreement effective the same day.

On May 14, 2013, the Joint Venture Company announced that Horzum AS had acquired the Pinargozu exploration license, which lies immediately to the north and east of the Horzum Mine. It was acquired from a private Turkish party for $125,000 USD.

As a result of the Company's work, two new and important geochemical anomalies have been identified in the Akkaya and Pasali (staked by Akmetal AS for the JV) properties. These geochemical anomalies were reported in News Releases on September 19, 2012 (for Akkaya) and January 7, 2013 (for Pasali).

On August 23, 2013, the Company announced that Akmetal has had mineral exploration license applications denied for six properties: Pasali, Karabucak, Orendere, Yerebakan, Salmanli, and Kalkumac. There was no reason provided for the denials, and the remaining six properties held by the joint venture were unaffected.

On November 1, 2013, the Company announced that work had commenced on the Pinargozu property in an old adit there, with rehabilitation of two galleries, called the 700 and 677 galleries, in order to allow drill entry. While blasting a small expansion to that gallery to facilitate the changing of drill rods, massive high grade (>25%) zinc oxide mineralization was encountered.

During the year ended December 31, 2013, the Feke, Gedikli, Konakkuran and Ortakoy Properties have been relinquished back to the government and the properties have been impaired. Currently, Pasinex Turkey holds just two licenses in the Horzum region being Akkaya and, through their JV Company, Horzum AS, the property called Pinargozu.

On three news releases dated February 13, 2014, March 3, 2014 and April 7, 2014, the Company announced ground penetrating radar work on Akkaya and Pinargozu. This work aimed at identifying cave structures in the limestone host rocks that may contain the zinc bearing mineralization.

On April 22, 2014, the Company announced that it had received drill permits for both the Akkaya and Pinargozu properties.

On May 21, 2014, the Company announced the commencement of drilling on the Pinargozu property (held by Pasinex through its 50 / 50 joint venture called Horzum AS).

On June 19, 2014, the Company announced 16.8 meters of 39.0% Zinc and 85.5 grams per ton of Silver at its Pinargozu zinc-lead project in Adana Province, Turkey.

On September 9, 2014, the Company announced assay of a 570 bulk sample from Pinargozu at 34% Zn and 50 g/t silver.

On November 12, 2014, the Company announced an update on ore production, exploration through underground drifting, and exploration drilling at the Pinargozu Property

On February 18, 2015, the Company announced they have been working with a structural geologist to optimize new drill targets, with the goal to double the production capacity at Pinargozu by the end of June 2015.The company highlighted the short term strategy being to somewhat increase output at the Pinargozu mine and to use the cash generated from sale of the zinc production to fund some of the on-going exploration required to build a resource at first Pinargozu and later at Akkaya. The company also announced the commencement of drilling at the Akkaya property – with three drills now engaged between Pinargozu and Akkaya.

On February 19, 2015, the Company released drilling results for the Pinargozu Property.

On March 25, 2015, the Company released further drilling results for the Pinargozu Property with a very good intercept reported of 35.5 meters of 37% Zn. This intercept was from Pinargozu and showed (together with some other intercepts) the emergence of and important mineralization trend to the north east of the current mining area...

Golcuk Property, Sivas Province, Turkey

On July 19, 2012 the Company signed an option agreement (collectively the "Agreement") with Eurasian Minerals Inc. (TSX-V: EMX; NYSE: EMXX) ("Eurasian") and its wholly owned Turkish subsidiary, Eurasia Madencilik Ltd.

STI, whereby Pasinex, through its wholly owned Turkish subsidiary, Pasinex Arama, to acquire a 100%-interest in the Golcuk Property ("Golcuk") located in northeast Turkey.

Golcuk is a mineralized copper-silver project located in the province of Sivas, Turkey which encompasses one exploration license that covers approximately 4,000 hectares. The project is situated within the Eastern Pontides Metallogenic Belt of northeast Turkey and was originally worked on by the Mines Bureau of Turkey and later explored by Eurasian and a Turkish minerals group Turmenka Madencilik Sanavi ve Ticaret A.S. which yielded high-grade copper results.

Pasinex considers Golcuk prospective for copper, possibly of distal porphyry affinity (associated with the nearby Kozedag Pluton) or of a non-porphyry-associated manto-type. Extension of drilling patterns, soil sampling grids and detailed surface mapping are methods to be deployed by Pasinex in its planned search for sizeable volumes of copper mineralization at Golcuk – to be supported by geophysical methods, if deemed appropriate.

Under the Agreement, Golcuk will be forthwith transferred to Pasinex Turkey and 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 days after the granting of the extension (the "Initial Issuance Date") (issued and fair valued at $50,000);
(ii) 500,000 common shares on the one year anniversary of the Initial Issuance Date (issued and fair valued at $25,000);
(iii) 1,000,000 common shares on the two year anniversary of the Initial Issuance Date (issued subsequent to December 31, 2015 and fair valued at $120,000); and
(iv) 1,000,000 common shares on the three year anniversary of the Initial Issuance Date, for a total of 3,000,000 Pasinex common shares.

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. Each year, the project must process approximately 900 tonnes of ore. On the completion and acceptance of the Agreement, Pasinex filed a request for a one-year extension in regard to the Company's small-scale mining obligation to the Turkish government. The purpose of this request was for the Company to determine the most efficient and economical small-scale mining plan for Golcuk.

Other than the initial 500,000 Pasinex shares to be issued on the Initial Issuance Date and the $200,000 of expenditures to be incurred in the first year following the Completion Date, Pasinex is not required to proceed with the Acquisition and can terminate the Agreement, subject to a right of transfer and exclusivity right in favour of Eurasian in respect of Golcuk. A finder's fee of 300,000 common shares over a three year period will be paid to Zimtu Capital Corp. ("Zimtu") in connection with the transaction (50,000 shares issued and fair valued at $5,000 in February 2013, 50,000 shares issued and fair valued at $2,500 in February 2014, and 100,000 shares issued and fair valued at $12,000 subsequent to December 31, 2014).

Pasinex began drilling on the Golcuk property in December, 2012 and reported their first results in a News Release on January 17, 2013. The first reported results included and intersection of 9.7m of 2.97% Cu. Pasinex also described in that News Release that it is thought that the ore mineralogy and associated alteration is suggestive of Golcuk being a Basaltic Cu type deposit.

The original agreement was subject to Pasinex applying for and receiving a one-year extension to the operational license and the requirement to process a minimum of 900 tonnes of ore annually. In the original agreement, the granting of this extension was a condition precedent to the agreement with Eurasian and if not granted for any reason, the agreement was to terminate.

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 the holiday requirement and the right to terminate the agreement. The Golcuk property was transferred to Pasinex in September 2012 and in October 2012, Pasinex Turkey worked on producing a small tonnage of rock at Golcuk from an underground adit, in order to meet required mining obligations on the Golcuk license.

On February 12, 2013, Pasinex announced the completion of the Golcuk agreement with Eurasian Minerals Inc. whereby all condition precedents were completed.

On July 11, 2013, the Company announced results of a surface rock sampling and mapping program conducted on the Golcuk South mineral occurrence in the south-western sector of its Golcuk Property. The Company completed mining of around 900 tonnes of mineralized material through a small open pit mining operation at Golcuk in July 2013. As the Golcuk license is an operational license, this mining was required to meet minimum tonnage mining obligations for the license.

On July 30, 2013, the Company published a NI 43-101 compliant technical report on its Golcuk Copper project located in the Sivas Province, Turkey. The report is available on SEDAR and the Company's web site.

On September 25, 2013, the Company announced the results of the first phase channel sampling exercise conducted on the Golcuk South mineral occurrence in the south-western corner of the Golcuk property. The length weighted average copper value for all the channels sampled was 0.41% copper.

On November 18, 2013, the Company announced that it has initiated a ground magnetics survey of the entire Golcuk licence. The Company also announced three new sites of bedrock copper mineralization have been found on the Golcuk licence by Pasinex in the last six months. These are the Golcuk South Prospect (found in June 2013, and described in news releases dated July 11 and September 25, 2013), the Bayram Prospect (found in August 2013) and the Baykus Prospect (found in November, 2013). Finally, the Company announced that they have completed channel sampling on another three outcrops at the Golcuk South prospect, according to the methods described in the news release dated September 25, 2013. The results of these new channel averages were 0.78 to 1.41% copper, which are regarded as encouraging for the Company.

On December 16, 2013, the Company announced the results of the geophysics magnetic survey at Golcuk property and the identification of other mineralized zones in the Golcuk property.

Throughout fiscal 2014, the Company has continued with geological field work (mapping, soil and rock sampling) on their Golcuk Cu property. In March 2014, the Company received drill site forestry permits for two mineralization zones at Golcuk (being the Golcuk Main and Golcuk West zones). These drill sites have been prepared and as of the end of 2014 drilling commenced. Unfortunately only the holes planned for Golcuk Main zone were drilled (not the planned Golcuk West zone holes) because of early heavy snow in the Golcuk region. Pasinex will look at another drilling campaign for Golcuk in 2015.

On October 28, 2014, the Company announced the commencement of their second drilling campaign on the Golcuk project, Sivas province, Turkey in the Golcuk Main zone.

On February 26, 2015, the Company announced an update on exploration drilling on the Golcuk Copper Project. This update covered 5 holes that were drilled on the Golcuk property in late 2014. Three of these holes showed Cu mineralization intercepts of varying widths. The Pasinex geological team are still interpreting these holes together with previous holes at the time of reporting.

Dadak Property, Afyon Province, Turkey

The Dadak property is 14.74 km^2 located in the province of Afyon in Turkey. The property was staked as a potential for Miocene age copper / gold porphyry deposits such as the Eldorado Gold (ELD: TSX) Kisladag porphyry gold property. The property has easy road access that permits work all year round. Pasinex Resources Limited has undertaken mapping, preliminary stream and rock sampling and a geochemical grid matrix sample campaign on this property. Pasinex announced the results of their geochemical grid sampling campaign on April 23, 2013. This geochemical campaign identified a copper / gold soil anomaly in the south-eastern part of the Dadak property. The Dadak Property will be relinquished back to the government in April / May 2015 and as such the property has already been impaired

Bursa Project, Turkey

The Company has staked three properties in the province of Bursa, at this stage called Bursa 1, Bursa 2a and Bursa 2b. These properties are (respectively) 11.22, 3.30 and 1.07 km2. These properties have been staked targeting porphyry, epithermal and skarn type deposits (Au, Cu mineralization). The properties are about 14km from Columbus Copper Corp.'s (CCU: TSX-V) (formerly Empire Mining Corp. (EPC: TSX-V)) Karapinar and Demirtepe porphyry Cu prospects. The Bursa properties have easy road access that enables work all year round. The Company has undertaken mapping and preliminary stream and rock sampling on these properties. During the year ended December 31, 2013, the Bursa 1, Bursa 2a, and Bursa 2b Properties have been relinquished back to the government and the value of the properties have been impaired.

Bereket, Bahceli and Kupluce Properties, Artvin Province, Turkey

The three properties staked in the Province of Artvin are highly prospective for volcanogenic massive sulphides (VMS) and epithermal gold type deposits. Bereket is 19.76 km2; Bahceli is 16.66 km2 and Kupluce is 9.65 km2. These Artvin properties lie in the Eastern Pontides Tectonic Belt. The company has taken rock and stream samples from these properties. During the year ended December 31, 2013, the Bereket, Bahceli, and Kupluce Properties have been relinquished back to the government and the value of the properties have been impaired.

Properties Held in Canada

Murray Property:

The Murray Property consists of one mineral claim encompassing approximately 2,479.2 acres (1,003 ha) directly southeast of Murray Lake, within the south-central part of Northwest Territories. The Murray Property is about 80 km northeast of Yellowknife, NWT, and is accessible during summer months by fixed wing aircraft and in the winter by ski-equipped aircraft or snowmobile.

The Murray Property is subject to a mineral property acquisition agreement dated April 17, 2008 between the Company and Zimtu Capital Corp. whereby the Company acquired the property for $15,509. The property was subject to a 1% NSR and a 1% GORR on diamond production which was relinquished on May 7, 2009. The Technical Report on the Murray Property, prepared for the Company by Jocelyn Klarenbach, P. Geol. and dated November 28, 2008, as revised February 9, 2009, was prepared for the Company and has been posted on the Company's website and has been filed on SEDAR. During the year ended December 31, 2014, the Company impaired the property.

Selected Annual Information

The following is a summary of the financial data of the Company for the last three completed fiscal periods:

	Year ended December 31, 2014	Year ended December 31, 2013	Nine months ended December 31, 2012
Total Revenues	Nil	Nil	Nil
Net income (loss)	(1,498,423)	(1,103,805)	(1,011,952)
Net income (loss) (per share, basic and diluted)	(0.02)	(0.02)	(0.02)
Total assets	1,781,455	1,106,081	1,644,643
Total long term financial liabilities	Nil	Nil	Nil
Cash dividend declared per share	Nil	Nil	Nil

Results of Operations

Year Ended December 31, 2014

The Company incurred a net loss of $1,498,423 during the year ended December 31, 2014, compared to a net loss of $1,103,805 during the year ended December 31, 2013, for a difference of $394,618. The significant differences from the prior year include:

- An increase in advertising and promotions to $178,245 (2013 - $66,708) and investor relations to $54,573 (2013 - $nil) to promote the Company's recent exploration discoveries,

- A minimal increase in consulting and management fees to $336,961 (2013 - $335,861) for management salaries and outside services required by the Company,

- An increase in office and general expenses to $47,231 (2013 - $34,831) due to increased business activities during the year,

- An increase in professional fees to $87,623 (2013 - $74,713) for additional legal and accounting services required due to increased business activities,

- A decrease in supplied and equipment to $4,698 (2013 - $nil) as the Company capitalized costs related to the properties,

- An increase in transfer agent and regulatory authorities fees to $23,181 (2013 - $19,029) due to increased share issuances during the year,

- A small decrease in travel and meals to $110,541 (2013 - $115,853) as management has personnel in place in Turkey to handle regular business issues,

- An increase in share-based payments to $233,632 (2013 - $nil) for options granted in the current year,

- A decrease in the unrealized gain on marketable securities to $1,318 (2013 – $186,000 gain) due to the difference in market value of the shares compared to the prior year,

- An increase in the gain on disposition of marketable securities to $17,350 (2013 - $126,632 loss) due to the sale of investments in the current year,

- A decrease in the equity loss of affiliates to $5,887 (2013 - $13,829) due to the increased losses of the joint venture, and

- A decrease in the impairment of mineral properties to $239,645 (2013 - $314,193) as the company impaired the Dadak Property in Turkey and the Murray Property in Canada in the current year.

Summary of Quarterly Results

The following is a summary of the results from the eight previously completed financial quarters:

	December 31, 2014	**September 30, 2014**	**June 30, 2014**	**March 31, 2014**
Revenues	$ -	$ -	$ -	$ -
Net income (loss) and comprehensive income (loss)	$(625,458)	$(320,447)	$(289,548)	$(262,970)
Basic and diluted net gain (loss) (per share)	$(0.01)	$(0.00)	$(0.00)	$(0.00)

	December 31, 2013	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
Revenues	$ -	$ -	$ -	$ -
Net income (loss) and comprehensive income (loss)	$(318,085)	$(366,369)	$(196,705)	$(222,646)
Basic and diluted net gain (loss) (per share)	$(0.01)	$(0.01)	$(0.00)	$(0.00)

Three Months Ended December 31, 2014

The Company incurred a net loss of $625,458 during the three months ended December 31, 2014, compared to a net loss of $318,085 during the three months ended December 31, 2013, for a difference of $307,373. The significant differences from the prior year's period include:

- An increase in advertising and promotions to $61,233 (2013 - $20,675) and investor relations to $16,348 (2013 - $nil) to promote the Company's recent exploration discoveries,

- An increase in consulting and management fees to $86,373 (2013 - $71,071) due to outside expertise required by the Company during the current period,

- An increase in professional fees to $20,674 (2013 - $7,233) for additional legal and accounting services required due to increased business activities,

- A decrease in supplied and equipment to $1,555 (2013 - $11,549) as the Company capitalized costs related to the properties,

- An increase in transfer agent and regulatory authorities fees to $9,324 (2013 - $3,264) due to increased share issuances during the current period,

- An increase in travel and meals to $36,689 (2013 - $28,702) as management traveled to Turkey to handle the increased business activities during the period,

- An increase in share-based payments to $131,008 (2013 - $nil) for options granted in the current period,

- A decrease in the gain on disposition of marketable securities to $nil (2013 – $29,250) due to the gain on the sale of shares in the prior year's period,

- An increase in the equity gain of affiliates to $34,369 (2013 - $482 loss) adjusting the year-to-date losses of the joint venture, and

- An increase in the impairment of mineral properties to $239,645 (2013 - $173,882) as the company impaired the Dadak Property in Turkey and the Murray Property in Canada in the current year's period.

Capital Resources and Liquidity

The Company has total assets of $1,781,455 (2013 - $1,106,081). The primary assets of the Company are cash and cash equivalents of $151,045 (2013 - $46,037), taxes receivable of $6,852 (2013 - $6,627), other receivables of $30,461 (2013 - $1,139), prepaid expenses and deposits of $42,558 (2013 - $20,160), marketable securities of $16,567 (2013 - $96,239), due from Akmetal of $134,388 (2013 - $27,133), due from Horzum AS of $238,291 (2013 - $nil), investment in joint venture of $61,974 (2013 - $18,470), equipment of $48,072 (2013 - $64,273), and exploration and evaluation assets of $1,051,247 (2013 - $826,003). The Company has accounts payable and accrued liabilities of $160,090 (2013 - $255,088) and due to related parties of $24,492 (2013 - $23,957). The Company's working capital is $435,580 (2013 - $108,843 deficiency).

During the year ended December 31, 2014, cash flows were as follows:

- Financing activities generated $1,746,044 (2013 - $570,900) from the issuance of shares for cash and spent $58,380 (2013 - $13,344) in share issuance costs.

- Investing activities consisted of cash outflows on exploration and evaluation assets of $437,950 (2013 - $379,211), equipment acquisition costs of $7,208 (2013 - $8,968), and investment in the joint venture of $49,738 (2013 - $nil) and cash inflows on proceeds of disposition of marketable securities of $98,350 (2013 - $127,500) and the disposition of mutual funds of $nil (2013 - $20,841).

- Cash outflows on operating activities were $1,194,774 (2013 – $770,709).

On February 4, 2013, 76,000 agent warrants were exercised at $0.10 per share, for gross proceeds of $7,600. A total of $5,111 was reversed out of reserves and credited to share capital in relation to the option exercise.

On February 12, 2013, the Company issued 500,000 common shares to Eurasian, valued at $50,000, in accordance with the Golcuk Property agreement. The Company also issued 50,000 common shares to Zimtu Capital Corp., valued at $5,000, for finder's fees in accordance with the Golcuk Property agreement.

On July 2, 2013, the Company completed a non-brokered private placement of 3,897,500 units (the "Units") at a price of $0.08 per unit for gross proceeds of $311,800. Each unit consists of one common share and one-half of a share purchase warrant (the "Warrant"). Each warrant will be exercisable into one common share of the Company at a price of $0.16 for a period of 2 years. Of the total share subscriptions received, $120,000 came from Zimtu Capital Corp. a related party, who subscribed for 1,500,000 shares. The Company paid $9,344 in finder's fees and issued 58,400 finder's warrants.

On December 11, 2013, the Company completed a non-brokered private placement of 3,869,231 units (the "Units") at a subscription price of $0.065 per Unit for gross proceeds of $251,500. 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 $0.10 per Warrant Share for a period of three years from closing. The Company paid $4,000 in finder's fees.

On February 12, 2014, the Company issued 500,000 common shares to Eurasian, valued at $25,000, in accordance with the Golcuk Property agreement. 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.

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.

<u>Proposed Transactions and Subsequent Events</u>

a) 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. The common shares issued will be restricted from trading for a four month hold period in accordance with applicable securities laws.

b) 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. 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.

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:

		December 31, 2014		December 31,2013
Non-current assets by geographic segment				
Canada	$	-	$	351,777
Turkey		1,161,293		556,969
	$	1,161,293	$	908,746

Transactions with Related Parties

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 period. 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.

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

Related Party Transactions	**Year ended December 31, 2014 $**	**Year ended December 31, 2013 $**
Management and consulting fees	257,072	287,082
Geological fees	66,150	75,300
Rental income	-	(1,139)
Total	323,222	361,243

Amounts Due to (from) Related Parties	**December 31, 2014 $**	**December 31, 2013 $**
Clinton Smyth	10,237	14,808
Baris Yildirim	-	1,861
Jonathan Challis	5,087	-
Steven Williams	9,168	6,148
Total Amount Payable	24,492	22,817

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 year ended December 31, 2014, 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 $134,388 (2013 - $27,133) which will be reimbursed by Akmetal to Pasinex Arama in Fiscal 2015.

During the year ended December 31, 2014, 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 $238,291 (2013 - $nil) which will be reimbursed by the joint venture in Fiscal 2015.

Other MD&A Requirements

Additional Disclosure for Venture Issuers without Significant Revenue

As the Company has not had significant revenue from operations in its last three fiscal years, the following is a breakdown of the material accumulated transactions incurred in the periods disclosed below:

	Year ended December 31, 2014	Year ended December 31, 2013	Nine months ended December 31, 2012
Capitalized Exploration and Evaluation Costs	$1,051,247	$826,003	$710,892
Capitalized Property held for Sale	Nil	Nil	Nil
General and Administration Expenses	$1,248,652	$834,954	$850,845
Gain (loss) on sale of marketable securities	$54,668	$(126,632)	$2,517
Gain on sale of mineral properties	Nil	Nil	Nil

Disclosure of Outstanding Share Capital

The Company has an authorized share capital of an unlimited number of common shares without par value. The following table describes the issued and outstanding share capital of the Company:

	April 29, 2015	December 31, 2014	December 31, 2013
Common shares	82,694,309	80,684,309	59,839,836
Warrants	11,939,821	11,484,821	5,533,365
Stock Options	3,100,000	3,100,000	250,000
Agent Warrants	258,800	258,800	67,560
Fully Diluted Shares	97,992,930	95,527,930	65,690,761

For additional details of outstanding share capital, refer to the audited consolidated financial statements for the year ended December 31, 2014.

Critical Accounting Judgments, Estimates and Assumptions

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.

All of the Company's significant accounting policies and estimates are included in Notes 3 and 4 of its audited consolidated financial statements for the year ended December 31, 2014.

Future Accounting Standards

For details of the Company's Future Accounting Standards, including accounting standards not yet adopted, new accounting standards adopted, and accounting standards amended but not yet effective, please refer to Note 4 of the Company's audited consolidated financial statements for the year ended December 31, 2014.

Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

Risks and Uncertainties

The Company, and the securities of the Company, should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

The Company has a very limited history of operations, is in the early stage of development and has received no revenues other than insignificant interest revenues. As such, the Company is subject to many risks common to such enterprises. There can be no assurance that the Company will be able to obtain adequate financing in the future or, if available, that the terms of such financing will be favourable. The Company currently has no intention of paying any dividends in the future.

Although the Company has taken steps to verify the title to mineral properties in which it has acquired an interest, no assurance can be given that the Company's interests may not be challenged by third parties. If challenged, and if the challenge is sustained, it will have an adverse effect on the business of the Company. Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

The exploration of mineral properties involves significant risks which even experience, knowledge and careful evaluation may not be able to avoid. The price of metals has fluctuated widely, particularly in recent years as it is affected by numerous factors which are beyond the Company's control including international economic and political trends, expectations of inflation or deflation, currency exchange fluctuations, interest rate fluctuations, global or regional consumptive patterns, speculative activities and increased production due to new extraction methods. The effect of these factors on the price of metals, and therefore the economic viability of the Company's interests in the mineral properties cannot be accurately predicted. Furthermore, changing conditions in the financial markets, and Canadian Income Tax legislation may have a direct impact on the Company's ability to raise funds for exploration expenditures. A drop in the availability of equity financings will likely impede spending. As a result of all these significant risks, it is quite possible that the Company may lose its investments in the Company's mineral property interests.

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 December 31, 2014 and 2013, 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 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

	Assets measured at fair value as at December 31, 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
At fair value through profit or loss				
Cash and cash equivalents	46,037	-	-	46,037
Marketable securities	96,239	-	-	96,239
	142,276	-	-	95,523

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.

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 December 31, 2014, the Company had a cash balance of $151,045 (2013 - $46,037) and current liabilities of $184,582 (2013 - $279,045). 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 $2,200 increase in accumulated other comprehensive income, based on amounts held at December 31, 2014 (2013 - $3,000).

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.

Forward looking Statements

This Management Discussion & Analysis may contain forward-looking information and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements.

Readers can identify many of these statements by looking for words such as "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof.

Forward-looking information is based on the opinions and estimates of management and its consultants at the date the information is given. It is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for metals, the conclusions of detailed feasibility and technical analyses, lower than expected grades and quantities of resources, mining rates and recovery rates and the lack of availability of necessary capital, which may not be available to the Company on terms acceptable to it or at all.

Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. There can be no assurance that the plan, intentions or expectations upon which these forward looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and assumptions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Readers are cautioned not to put undue reliance on forward looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

Directors and Officers

As at April 29, 2015, the Company had the following directors and officers:

Steven Williams – Director, President and CEO
Clinton Smyth – VP Exploration
Jody Bellefleur – CFO
Frances Petryshen – Corporate Secretary
Victor Wells – Director *
Sven Olsson – Director *
John Barry – Director *
Jonathan Challis – Director *
Larry Seeley – Director
Joachim Ranier - Director

* Member of the Company's Audit Committee

Approval

The Board of Directors of Pasinex Resources Limited has approved the disclosure contained in this MD&A.

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.

Schedule B

PASINEX RESOURCES LIMITED

(An Exploration Stage Company)

Consolidated Financial Statements

Year Ended December 31, 2014

(Expressed in Canadian Dollars)

Independent Auditors' Report

To the Shareholders of Pasinex Resources Limited:

We have audited the accompanying consolidated financial statements of Pasinex Resources Limited (the "Company"), which comprise the consolidated statements of financial positions as at December 31, 2014 and 2013, and the consolidated statements of operations and comprehensive loss, changes in equity and cash flows for the years ended December 31, 2014 and 2013, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian general accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2014 and 2013, and the results of its operations and its cash flows for the years ended December 31, 2014 and 2013 in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 2 in the consolidated financial statements which discloses matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

MNP LLP

Vancouver, Canada
April 29, 2015

Chartered Accountants

ACCOUNTING › CONSULTING › TAX
2300, 1055 DUNSMUIR STREET, VANCOUVER, BC V7X 1J1
1.877.688.8408 P: 604.685.8408 F: 604.685.8594 MNP.ca

Pasinex Resources Limited
(An exploration stage company)
Consolidated Statements of Financial Position
As at December 31, 2014 and 2013
(Expressed in Canadian dollars)

		2014		2013
Assets				
Current				
Cash and cash equivalents	$	**151,045**	$	46,037
GST/HST/VAT receivable		**6,852**		6,627
Other receivables		**30,461**		1,139
Prepaid expenses and deposits		**42,558**		20,160
Marketable securities (Note 5)		**16,567**		96,239
Due from joint venture (Note 9 and 13)		**238,291**		-
Due from Akmetal (Note 13)		**134,388**		27,133
		620,162		197,335
Investment in joint venture (Note 9)		**61,974**		18,470
Equipment (Note 8)		**48,072**		64,273
Exploration and evaluation assets (Note 10)		**1,051,247**		826,003
	$	**1,781,455**	$	1,106,081
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 7)	$	**160,090**	$	255,088
Due to related parties (Note 13)		**24,492**		23,957
		184,582		279,045
Shareholders' equity				
Share capital (Note 11)		**7,645,473**		5,542,917
Share subscriptions received		**19,800**		-
Reserves (Note 12)		**1,193,566**		1,051,855
Deficit		**(7,188,103)**		(5,689,680)
Accumulated other comprehensive (loss)		**(73,863)**		(78,056)
		1,596,873		827,036
	$	**1,781,455**	$	1,106,081

Approval on behalf of the Board of Directors:

"Steven Williams" — Director

"Sven Olsson" — Director

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

Pasinex Resources Limited
(An exploration stage company)
Consolidated Statements of Operations and Comprehensive Loss
For the years ended December 31, 2014 and 2013
(Expressed in Canadian dollars)

	2014	2013
Expenses		
Administrative fees	$ **150,000**	$ 150,000
Advertising and promotions	**178,245**	66,708
Amortization	**21,967**	22,156
Consulting and management fees	**336,961**	335,861
Investor relations	**54,573**	-
Office and general	**47,231**	34,831
Professional fees	**87,623**	74,713
Project investigation costs	**-**	15,803
Share-based payments	**233,632**	-
Supplies and equipment	**4,698**	-
Transfer agent and regulatory authorities fees	**23,181**	19,029
Travel and meals	**110,541**	115,853
	(1,248,652)	(834,954)
Other income (expenses)		
Unrealized gain (loss) on marketable securities	**1,318**	186,000
Interest income	**153**	2,314
Equity loss of affiliates (Note 9)	**(5,887)**	(13,829)
Other expense	**(14,080)**	(11,600)
Other income	**-**	7,674
Gain (loss) on disposition of marketable securities (Note 5)	**17,350**	(126,632)
Foreign exchange gain (loss)	**(8,980)**	1,415
Impairment of mineral properties	**(239,645)**	(314,193)
	(249,771)	(268,851)
Net income (loss) for the period	**(1,498,423)**	(1,103,805)
Other comprehensive income (loss)		
Currency translation adjustment	**4,193**	(73,166)
Comprehensive income (loss) for the period	**(1,494,230)**	(1,176,971)
Basic and diluted earnings (loss) per share	$ **(0.02)**	$ (0.02)
Weighted average number of common shares outstanding – basic and diluted	**69,938,488**	54,156,446

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

Pasinex Resources Limited

(An exploration stage company)
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Share Subscription Received	Reserves	Deficit	Accumulated Other Comprehensive (Loss)	Total
Balance, December 31, 2012	**51,447,105**	**$ 4,985,681**	**$ -**	**$ 996,535**	**$ (4,585,875)**	$ (4,890)	**$ 1,391,451**
Shares issued for property acquisition (Note 10)	550,000	55,000	-	-	-	-	55,000
Agent options exercised (Note 11)	76,000	12,711	-	(5,111)	-	-	7,600
Shares issued for cash	7,766,731	505,262	-	58,038	-	-	563,300
Share issue costs	-	(15,737)	-	2,393	-	-	(13,344)
Currency translation adjustment	-	-	-	-	-	(73,166)	(73,166)
Net loss for the year	-	-	-	-	(1,103,805)	-	(1,103,805)
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 10)	550,000	27,500	-	-	-	-	27,500
Shares issued for cash (Note 11)	15,972,140	1,569,482	-	-	-	-	1,569,482
Shares issued for debt (Note 11)	2,877,718	287,772	-	-	-	-	287,772
Warrants exercised (Note 11)	1,384,615	299,999	-	(111,538)	-	-	188,461
Share issue costs	60,000	(82,197)	-	19,617	-	-	(62,580)
Share subscription received	-	-	19,800	-	-	-	19,800
Share-based payments (Note 12)	-	-	-	233,632	-	-	233,632
Currency translation adjustment	-	-	-	-	-	4,193	4,193
Net loss for the year	-	-	-	-	(1,498,423)	-	(1,498,423)
Balance, December 31, 2014	**80,684,309**	**$ 7,645,473**	**$ 19,800**	**$1,193,566**	**$ (7,188,103)**	**$ (73,863)**	**$ 1,596,873**

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

Pasinex Resources Limited
(An exploration stage company)
Consolidated Statements of Cash Flows
For the years ended December 31, 2014 and 2013
(Expressed in Canadian dollars)

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss) for the year	$ **(1,498,423)**	$ (1,103,805)
Adjustment for items not involving cash:		
Unrealized (gain) loss on marketable securities	**(1,318)**	(186,000)
Amortization	**21,967**	22,156
Impairment of mineral property	**239,645**	314,193
(Gain) loss on disposition of marketable securities	**(17,350)**	126,632
Other expenses	**-**	11,600
Share based payments	**233,632**	-
Equity loss on affiliates	**5,886**	13,829
Changes in non-cash operating working capital:		
HST/VAT receivable	**(225)**	32,012
Other receivables	**(1,836)**	14,607
Prepaid expenses and deposits	**(22,267)**	(14,394)
Due from Akmetal	**(108,137)**	(29,404)
Accounts payable and accrued liabilities	**193,559**	65,917
Due from Joint Venture	**(239,907)**	-
Due to related parties	**-**	(38,052)
Net cash flows from (used in) operating activities	**(1,194,774)**	(770,709)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Exploration and evaluation assets	**(437,950)**	(379,211)
Equipment acquisitions	**(7,208)**	(8,968)
Acquisition of mutual funds	**-**	20,841
Investment in joint venture	**(49,738)**	-
Sale of marketable securities	**98,350**	127,500
Net cash flows from (used in) investing activities	**(396,546)**	(239,838)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of shares for cash, net of share issue costs	**1,667,864**	557,556
Shares for asset acquisition	**19,800**	-
Net cash flows from (used in) financing activities	**1,687,664**	557,556
Increase (decrease) in cash and cash equivalents	**96,344**	(452,991)
Effect of exchange rate on cash and cash equivalents	**8,664**	2,101
Cash and cash equivalents, beginning of the year	**46,037**	496,927
Cash and cash equivalents, end of the year	$ **151,045**	$ 46,037

Supplemental disclosure with respect to cash flows (Note 14)

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Pasinex Resources Limited (formerly Triple Dragon Resources Inc.) ("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 Company changed the fiscal year end from March 31st to December 31st, effective December 31, 2012. 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 consolidated financial statements for the year ended December 31, 2014, were authorized for issue by the Audit Committee and Board of Directors on April 29, 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 the Company has an accumulated deficit as at December 31, 2014 of $7,188,103 (2013 - $5,689,680). The Company had a working capital of $435,580 (2013 - $108,843 deficiency). 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 year ended December 31, 2014, the Company received gross cash proceeds of $1,565,282 (2013 - $557,556) from financing activities. 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 consolidated statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

3. BASIS OF PRESENTATION (continued)

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.

(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

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

			Equity Interest	
	Jurisdiction	Nature of Operations	2014	2013
Pasinex Arama	Turkey	Mineral exploration	100%	99.9975%

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.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand; deposits in banks and highly liquid investments with an original maturity of three months or less. There were no cash equivalents as at December 31, 2014 and 2013.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is calculated using the straight-line or declining methods at the following annual rates:

Computer software	-	2 years on straight-line method
Fixtures and equipment	-	3-10 years on straight-line method
Mining equipment	-	30% on declining method
Vehicles	-	4 years on straight-line method

Additions during the period are amortized on a pro-rata basis based on the annual amortization amount.

Exploration and evaluation assets

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility, and the assessment of commercial viability of an identified resource.

Exploration and evaluation costs incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, exploration and evaluation costs incurred are capitalized. All capitalized exploration and evaluation costs are recorded at acquisition cost and are monitored for indications of impairment. Where there are indications of a potential impairment, an assessment is performed for recoverability. Capitalized costs are charged to the statement of comprehensive loss to the extent that they are not expected to be recovered.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets are tested for impairment and transferred to "Mines under construction". There is no amortization during the exploration and evaluation phase.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency of the parent company and the Canadian subsidiary is the Canadian dollar. The functional currency of Pasinex Arama is New Turkish Lira (TRY). The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transactions. At year-end, foreign currency denominated monetary assets and liabilities are translated to the functional currency using the prevailing rate of exchange at the year-end. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in profit and loss.

Assets and liabilities of subsidiaries having a functional currency other than the Canadian dollar are translated at the rate of exchange at the reporting date. Revenues and expenses are translated at average rates for the periods, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transactions are used. The resulting foreign currency translation adjustments are recognized in other comprehensive income ("OCI").

Financial instruments

Financial Assets

Financial assets are classified into one of the following categories: fair value through profit or loss, loans and receivables, available-for-sale, or held-to-maturity. The classification depends on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. Management determines the classification of its financial asset at initial recognition. The Company's accounting policy for each category is as follows:

(i) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term and are classified as current assets. Derivatives are also categorized as at fair value through profit or loss unless they are designated as hedges. Cash and cash equivalents are classified as at fair value through profit or loss and are measured at fair value. Marketable securities are classified as at fair value through profit or loss for those bought and held principally for the purpose of selling them in the near term and are reported at fair value, with unrealized gains and losses recognized in earnings.

(ii) Loans and Receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as "trading" assets, have not been designated at fair value through profit or loss or as available-for-sale and for which the holder may recover substantially all of its initial investment, other than because of credit deterioration. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the profit or loss when the loans and receivable are derecognized or impaired, as well as through the amortization process. Other receivables due from joint venture and due from Akmetal are classified as loans and receivables. They are recorded at cost, which on initial recognition represents their fair value. Subsequent valuations are recorded at amortized cost using the effective interest method.

(iii) Available-For-Sale
Non-derivative financial assets not included in the above categories are classified as available-for-sale and comprise principally of the Company's strategic investments in entities not qualifying as subsidiaries or associates. Available-for-sale financial assets are carried at fair value with changes in fair value recognized in accumulated other comprehensive loss/income. The Company does not have any financial assets classified as available-for-sales.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iv) Held-to-maturity
The held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any financial assets classified as held-to-maturity.

Impairment on Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial Liabilities

Financial liabilities are all classified as other financial liabilities, based on the purpose for which the liability was incurred. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. The Company's due to related parties, and accounts payable and accrued liabilities are classified as other financial liabilities.

Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the consolidated statement of comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to five years, which vest immediately and are priced at the previous day's closing price.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions (continued)

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option is modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the stock-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

Joint venture

Pursuant to IFRS 11, Joint Arrangements, a venturer is required to classify its interest in a joint arrangement as a joint venture or joint operation. A joint venture will be accounted for using the equity method of accounting, whereas a joint operation will recognize the venturer's share of the assets, liabilities, revenue and expenses of the joint operation.

Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Warrants

The fair value of warrants is measured at grant date, using the Black-Scholes option pricing model. Warrants issued as a finder's fee is recognized as share issuance costs with a corresponding increase in contributed surplus. Proceeds from issuances of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is deferred based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is an indication of impairment, then the asset's recoverable amount is estimated.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the profit or loss.

Earning/Loss per share

Basic earnings / loss per share is computed by dividing the net income or loss attributable to the owners of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings per share is determined by adjusting the earnings or loss attributable to the owners of the Company and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period.

In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

Changes in accounting policies

Effective January 1, 2014, the Company has adopted the following new and revised standards, along with any consequential amendments:

IFRS 7 Financial instruments: disclosures and IAS 32 Financial instruments: presentation
Financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards issued but not yet effective

The Company has not yet applied the following new standards, interpretations or amendments to standards that have been issued as at December 31, 2014 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations and intends to adopt those standards when they become effective. The Company does not expect the impact of such changes on the financial statements to be material, unless otherwise stated.

IFRS 2 Share-based payment
The amendments to IFRS 2, issued in December 2013 clarify the definition of "vesting conditions", and separately define a "performance condition" and a "service condition". A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are effective for share-based payment transactions for which the grant date is on or after July 1, 2014.

IFRS 3 Business combinations
The amendments to IFRS 3, issued in December 2013, clarify the accounting for contingent consideration in a business combination. At each reporting period, an entity measures contingent consideration classified as an asset or a financial liability at fair value, with changes in fair value recognized in profit or loss. The amendments are effective for business combinations for which the acquisition date is on or after July 1, 2014.

IFRS 8 Operating segments
The amendments to IFRS 8, issued in December 2013, require an entity to disclose the judgments made by management in applying the aggregation criteria for reportable segments. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014.

IFRS 9 Financial Instruments

The final version of IFRS 9 (2014) was issued in July 2014 as a complete standard including the requirements for classification and measurement of financial instruments, the new expected loss impairment model and the new hedge accounting model. IFRS 9 (2014) will replace IAS 39 Financial instruments: recognition and measurement. IFRS (2014) is effective for reporting periods beginning on or after January 1, 2018.

IAS 16 Property, plant and equipment and IAS 38 Intangible assets
The amendments to IAS 16 and IAS 38, issued in December 2013, clarify how an entity calculates the gross carrying amount and accumulated depreciation when a revaluation is performed. The amendments are effective for annual periods beginning on or after July 1, 2014.

IAS 24 Related party disclosures
The amendments to IAS 24, issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014.

(Expressed in Canadian Dollars)

5. MARKETABLE SECURITIES

	2014		2013	
	Cost $	Fair Market Value $	Cost $	Fair Market Value $
Public traded securities (a)	-	-	45,000	81,000
Mutual Funds (b)	16,053	16,567	16,053	15,239
Total	16,053	16,567	61,053	96,239

(a) During the year ended March 31, 2011, the Company received 3,000,000 common shares of Lakeland Resources Inc. ("Lakeland") pursuant to the sale of the CAM property. Lakeland is a junior mineral exploration company listed on the TSX Venture Exchange ("TSX-V"). The 3,000,000 common shares were issued on August 19, 2010, and were subject to an escrow agreement. All of the common shares received have been released from escrow.

On March 22, 2013, the Company sold 2,000,000 shares of their investment in Lakeland at $0.05 per share, in private transactions, to three individuals for proceeds of $100,000. On July 2, 2013, the Company sold 550,000 shares of their investment in Lakeland at $0.05 per share, in private transactions, to four individuals for proceeds of $27,500. During the year ended December 31, 2014, the remaining 450,000 shares were sold in the market for proceeds of $98,350.

(b) During the year ended December 31, 2014, Pasinex Arama sold nil units (2013 – 3,268 units) of Class 5 and nil units (2013 – 949 units) of Class 6 mutual funds, respectively, for a gain on disposition of marketable securities of $nil (2013 – $868).

(Expressed in Canadian Dollars)

6. 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 December 31, 2014 and 2013, 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 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

	Assets measured at fair value as at December 31, 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
At fair value through profit or loss				
Cash and cash equivalents	46,037	-	-	46,037
Marketable securities	96,239	-	-	96,239
	142,276	-	-	142,276

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.

6. 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 December 31, 2014, the Company had a cash balance of $151,045 (2013- $46,037) and current liabilities of $184,582 (2013 - $279,045). 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 $2,200 increase in accumulated other comprehensive income, based on amounts held at December 31, 2014 (2013 - $3,000).

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.

7. 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.

(Expressed in Canadian Dollars)

8. EQUIPMENT

Cost	Vehicles	Fixtures & Equipment	Mining Equipment	
December 31, 2012	**$ 27,982**	**$ 21,317**	**$ 43,600**	**$ 92,899**
Additions/Disposals	-	3,973	4,995	8,968
Exchange adjustment	(2,842)	(2,630)	-	(5,472)
December 31, 2013	**$ 25,140**	**$ 22,660**	**$ 48,595**	**$ 96,395**
Additions/Disposals	-	7,208	-	7208
Exchange adjustment	35	(30)	-	5
December 31, 2014	**$ 25,175**	**$ 29,838**	**$ 48,595**	**$ 103,608**
Accumulated depreciation				
December 31, 2012	**$ 2,874**	**$ 3,212**	**$ 4,905**	**$ 10,991**
Additions/Disposals	5,419	4,379	12,358	22,156
Exchange adjustment	(573)	(452)	-	(1,025)
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**
Net book value				
December 31, 2013	**$ 17,420**	**$ 15,521**	**$ 31,332**	**$ 64,273**
December 31, 2014	**$ 9,813**	**$ 16,327**	**$ 21,932**	**$ 48,072**

9. 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.

(Expressed in Canadian Dollars)

9. JOINT VENTURE WITH AKMETAL (continued)

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 December 31, 2014, Pasinex Arama has paid TRY 161,050 (CAD$84,501) in cash toward the total required capital. The investment in the joint venture is accounted for using the equity method. Accordingly, during the year ended December 31, 2014, the investment has been adjusted for $5,887 (2013 – $13,829) of equity loss and foreign exchange difference.

	TL ($)	CAD ($)
At December 31, 2012	62,500	34,763
Loss from equity investees	(25,538)	(13,829)
Foreign exchange difference	-	(2,464)
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

As at December 31, 2014, the summarized financial information about the Joint Venture includes the following:

	TL ($)	CAD ($)
Current assets	3,283	1,643
Non-current assets		
Plant and equipment	321,876	161,067
Property costs	2,503,512	1,252,757
Other non-current assets	1,591	796
Current liabilities	(158,409)	(79,268)
Due to JV partners	(2,621,256)	(1,311,676)
Share capital	(125,000)	(62,550)
Deficit	74,403	37,231
	-	-

As at December 31, 2014, the property costs for the Joint Venture includes the following expenditures:

Pinargozu Property cost details:	TL ($)	CAD ($)
Deposits and guarantees	100,193	50,137
Preparation and development	2,403,319	1,202,621
Total	2,503,512	1,252,758

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 10 and 13.

(Expressed in Canadian Dollars)

10. EXPLORATION AND EVALUATION ASSETS

The following schedule shows the property spending for the years ended December 31, 2014 and 2013:

	Murray Property	May Property	Horzum JV Properties	Dadak Property	Golcuk Property	Turkey Other Properties	Total
Balance, December 31, 2012	$174,366	$50,501	$ 228,840	$ 67,785	$ 196,330	$ 56,577	$ 774,399
Prepayment and deposits for mining claims	-	-	2,324	387	(21,794)	(26,840)	(45,923)
Additions during the period –							
Acquisition costs – shares issued	-	-	-	-	55,000	-	55,000
Property exploration costs							
Assays	-	-	1,026	936	6,757	-	8,719
Drilling	-	-	51	-	33,217	-	33,268
Fees	-	-	39,383	3,550	50,096	-	93,029
Field supplies and rentals	-	-	800	-	4,036	-	4,836
Geological and field personnel	-	-	68,195	-	56,621	-	124,816
Miscellaneous expenses	-	-	15,989	685	11,775	88	28,537
Travel and accommodation	-	-	22,053	1,376	37,838	-	61,267
VAT receivable – mining activities	-	-	33,406	355	18,843	-	52,604
Total additions during the period	-	-	180,903	6,902	274,183	88	462,076
Impairment of mineral properties	-	(50,501)	(233,849)	-	-	(29,843)	(314,193)
Foreign exchange adjustment	-	-	(5,418)	(8,061)	(36,895)	18	(50,356)
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

10. 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 has determined that they will not be incurring future exploration costs on some of the properties and have returned the licenses on these properties to the Government. During the year ended December 31, 2014, $62,444 (2013 – $180,903) in exploration costs and $45,385 (2013 - $nil) in license costs have been spent on the Horzum JV properties and $nil (2013 – $233,849) in spending related to the returned properties has been impaired. As at December 31, 2014, 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 9.

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 subsequent to December 31, 2014 – see Note 18); 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 year ended December 31, 2014, $293,408 (2013 – $219,183) in exploration costs and $64,520 (2013 - $55,000) in acquisition costs have been spent on the Golcuk Property.

10. 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 year ended December 31, 2014, $318 (2013 – $6,902) in exploration costs have been recovered and the company impaired the property.

Other Properties

On May 14, 2012, the Company acquired, through staking, six properties in Turkey: Bereket, Bahceli, Kupluce, Bursa 1, Bursa 2a and Bursa 2b. The properties are located within the Turkish Provinces of Afyon, Artvin, and Bursa, and were acquired for the potential to host base and precious metals. The Company has determined that they will not be incurring future exploration costs on some of the properties and have returned the licenses for all of the properties to the Government. As a result, the Company recorded the impairment of mineral property of $29,843.

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.

May Property

On May 14, 2009, the Company acquired a 100% interest in a mineral lease comprising approximately 100.5 acres in the Northwest Territories known as the May Property from a third party. The May Property was acquired for total consideration of $5,500 cash (paid) and the issuance of $10,000 of common shares (issued) of the Company on May 14, 2010, and a further $15,000 of common shares of the Company to be issued by May 14, 2011 (issued). There is a 2% net smelter return royalty on the Property payable to the Vendor upon the commencement of commercial production. On April 29, 2013, the lease was legally transferred back to the vendor and the Company recorded the impairment of the property.

11. SHARE CAPITAL

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

b) Issued:

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.

11. SHARE CAPITAL (continued)

b) Issued:

During the year ended December 31, 2014 (continued)

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.

During the year ended December 31, 2013

On February 4, 2013, 76,000 agent warrants were exercised at $0.10 per share for gross proceeds of $7,600. A total of $5,111 was reversed out of reserves and credited to share capital in relation to the option exercise.

On February 12, 2013, the Company issued 500,000 common shares to Eurasian, valued at $50,000, in accordance with the Golcuk Property agreement (see Note 9). The Company also issued 50,000 common shares to Zimtu Capital Corp., valued at $5,000, for finder's fees in accordance with the Golcuk Property agreement.

On July 2, 2013, the Company completed a non-brokered private placement of 3,897,500 units (the "Units") at a price of $0.08 per unit for gross proceeds of $311,800. Each unit consists of one common share and one-half of a share purchase warrant (the "Warrant"). Each warrant will be exercisable into one common share of the Company at a price of $0.16 for a period of 2 years. Of the total share subscriptions received, $120,000 came from Zimtu Capital Corp. an arm's length party to the Company, who subscribed for 1,500,000 shares. The Company paid $9,344 in finder's fees and issued 58,400 finder's warrants.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (continued)

c) Issued:

During the year ended December 31, 2013 (continued)

On December 11, 2013, the Company completed a non-brokered private placement of 3,869,231 units (the "Units") at a subscription price of $0.065 per Unit for gross proceeds of $251,500. 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 $0.10 per Warrant Share for a period of three years from closing. The fair value of the share at the date of issuance is $0.05 where the exercise price of the Warrant is greater than the market price. As a result, the Company allocated $53,038 to reserves for the Warrant based on the residual method. The Company paid $4,000 in finder's fees.

d) Warrants:

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

	2014			**2013**		
	Number of Warrants		Weighted Average Exercise Price	Number of Warrants		Weighted Average Exercise Price
Balance, beginning of year	5,533,365	$	0.15	1,650,000	$	0.15
Issued	7,986,071	$	0.14	3,883,365	$	0.13
Expired	(650,000)	$	0.15	-		-
Exercised	(1,384,615)	$	0.14	-		-
Balance, end of year	11,484,821	$	0.15	5,533,365	$	0.14

The following warrants were outstanding and exercisable at December 31, 2014:

Expiry Date	Exercise Price	**2014**
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
Total		11,484,821
Weighted average outstanding life of warrants		1.97 years

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (continued)

d) Agent Warrants:

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

	2014		2013	
	Number of Agent Warrants	Weighted Average Exercise Price	Number of Agent Warrants	Weighted Average Exercise Price
Balance, beginning of year	67,560	$ 0.16	1,195,171	$ 0.10
Granted	200,400	$ 0.19	58,400	$ 0.16
Exercised	-	-	(76,000)	$ 0.10
Expired	(9,160)	$ 0.15	(1,110,011)	$ 0.10
Balance, end of year	258,800	$ 0.18	67,560	$ 0.16

The following agent warrants were outstanding and exercisable at December 31, 2014 and 2013:

Expiry Date	Exercise Price	2014	2013
December 21, 2014	$0.15	-	9,160
July 2, 2015	$0.16	58,400	58,400
April 7, 2017	$0.12	27,200	-
August 18, 2017	$0.20	141,200	-
December 19, 2016	$0.18	32,000	-
Total		258,800	67,560
Weighted average outstanding life of warrants		2.03 years	1.43 years

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 $19,617 (2013 - $2,393) were recognized during the year ended December 31, 2014.

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

	2014	2013
Expected life (years)	2-3 years	2.00
Interest rate	1.01-1.24%	1.20%
Volatility	167-208%	228%
Dividend yield	N/A	N/A
Grant date fair value	$0.06-0.11	$0.04

e) Shares held in escrow:

As at December 31, 2014, there are 712,500 common shares of the Company held in escrow (2013 - 2,137,500).

(Expressed in Canadian Dollars)

12. 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.

The following is a summary of option transactions under the Company's stock option plan for the years ended December 31, 2014 and 2013:

	2014		2013	
	Number of Options	Weighted Average Exercise Price	Number Options	Weighted Average Exercise Price
Balance, beginning of year	250,000	$ 0.25	1,371,250	$ 0.21
Granted	3,100,000	$ 0.12	-	-
Expired	(250,000)	$ 0.25	(1,121,250)	$ 0.20
Balance, end of year	3,100,000	$ 0.12	250,000	$ 0.25

The following stock options were outstanding and exercisable as at December 31, 2014:

Expiry Date	Exercise Price	Number of Shares	Weighted Average Remaining Contractual Life (Years)
March 14, 2019	$ 0.10	1,500,000	4.20
December 19, 2019	$ 0.14	1,600,000	4.97
	$ 0.12	3,100,000	4.60

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 $233,632 (2013 - $nil) were recognized during the year ended December 31, 2014 The fair value of each option grant was calculated using the following weighted average assumptions:

	2014	2013
Expected life (years)	5.00	N/A
Interest rate	1.37-1.60%	N/A
Volatility	123-131%	N/A
Dividend yield	N/A	N/A
Grant date fair value	$0.06-0.09	N/A

(Expressed in Canadian Dollars)

13. 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.

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

Related Party Transactions	**Year ended December 31, 2014 $**	**Year ended December 31, 2013 $**
Management and consulting fees	257,072	287,082
Geological fees	66,150	75,300
Rental income	-	(1,139)
Total	323,222	361,243

Amounts Due to (from) Related Parties	**December 31, 2014 $**	**December 31, 2013 $**
Clinton Smyth	10,237	14,808
Baris Yildirim	-	1,861
Jonathan Challis	5,087	-
Steven Williams	9,168	6,148
Total Amount Payable	24,492	22,817

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 year ended December 31, 2014, 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 $134,388 (2013 - $27,133) which will be reimbursed by Akmetal to Pasinex Arama in Fiscal 2015.

During the year ended December 31, 2014, 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 $238,291 (2013 - $nil) which will be reimbursed by the joint venture in Fiscal 2015. See Note 9.

(Expressed in Canadian Dollars)

14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Year ended December 31, 2014	Year ended December 31, 2013
Income tax paid	$ -	$ -
Interest paid	$ -	$ -
Fair market value of agent warrants exercised	$ -	$ 5,111
Fair market value of agent warrants granted	$ 19,617	$ 2,393
Shares issued for debt	$ 287,772	$ -
Shares issued for property	$ 27,500	$ 55,000

15. 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:

	2014	2013
Non-current assets by geographic segment		
Canada	$ -	$ 351,777
Turkey	1,161,293	556,969
	$ 1,161,293	$ 908,746

16. INCOME TAXES

The following table reconciles the expected income tax expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the consolidated statement of operations and comprehensive loss for the years ended December 31, 2014 and 2013:

	2014	2013
Income (loss) before taxes:	**$ (1,498,423)**	$ (1,103,805)
Statutory tax rate	**26.00%**	25.75%
Expected income tax(recovery)	**(389,590)**	(284,268)
Non-deductible items	**63,208**	(6,572)
Change in estimates	**(34,841)**	(42,653)
Changes enacted rates	**-**	(27,674)
Functional currency adjustments	**(39,774)**	956
Share issuance costs	**(21,371)**	(4,053)
Foreign tax rate difference	**13,282**	27,761
Change in deferred tax asset not recognized	**409,086**	336,503
Total income taxes (recovery)	**$ -**	$ -

The British Columbia corporate tax rate has increased during the year, resulting in an increase in the Company's combined statutory tax rate.

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax assets (liabilities) at December 31, 2014 and December 31, 2013 are comprised of the following:

(Expressed in Canadian Dollars)

16. INCOME TAXES (continued)

Canada

		2014		2013
Non capital loss carryforwards	$	**1,137,006**	$	859,132
Exploration and evaluation assets		**-**		(45,335)
Capital Losses		**9,640**		16,575
Equipment		**3,095**		4,701
Financial instruments		**-**		(4,680)
Financing costs		**33,317**		27,755
		1,183,058		858,148
Deferred tax asset not recognized		**1,183,058**		858,148
Net deferred tax asset (liability)	$	**-**	$	-

Turkey

		2014		2013
Exploration and evaluation assets		**51,695**		-
Investment in joint venture		**14,869**		-
Net Operating loss carryforwards	$	**161,848**	$	144,237
		228,412		144,237
Deferred tax asset not recognized		**228,412**		144,237
Net deferred tax asset (liability)	$	**-**	$	-

The Company has non capital loss carryforwards of approximately $4,373,095 (2013: $ 3,304,354) which may be carried forward to apply against future year income tax for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

Canada

Expiry	
2025	79,380
2026	117,636
2027	132,495
2028	375,751
2029	647,937
2030	260,700
2031	528,568
2032	630,743
2033	670,806
2034	929,079
Total	4,373,095

In addition, the Company has capital loss of $74,150 (2013: $127,500), which may be carryforward indefinitely and apply to reduce future capital gains.

(Expressed in Canadian Dollars)

16. INCOME TAXES (continued)

The Company has net operating loss carryforwards of approximately $809,239 (2013: $721,183) which may be carried forward to apply against future year income tax for Turkish tax purposes.

	Turkey
Expiry	
2016	13,067
2017	207,482
2018	445,896
2019	142,794
Total	809,239

17. COMPARATIVE FIGURES

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

18. SUBSEQUENT EVENTS

a) 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. The common shares issued will be restricted from trading for a four month hold period in accordance with applicable securities laws.

b) 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.