

Pasinex Announces Filing of 2024 Second Quarter Financial Results

TORONTO, Aug. 29, 2024 -- Pasinex Resources Limited (CSE: PSE) (FSE: PNX) (The “Company” or “Pasinex”) announces that the Company has filed its financial statements, management’s discussion and analysis, and related certifications for the three and six months ended June 30, 2024 (collectively, the “Second Quarter Results”) on SEDAR+.

Second Quarter Financial Results

Cautionary Note

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

Highlights – Three and Six Months Ended June 30, 2024

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Financial:				
Equity gain from Horzum AS	\$ 309,802	\$ 821,044	\$ 943,280	\$ 1,596,806
Dividend income from Horzum AS	\$ -	\$ 779,128	\$ -	\$ 779,128
Consolidated net (loss) income	\$ (296,550)	\$ 1,107,117	\$ (10,778)	\$ 911,534
Basic and diluted net (loss) income per share	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.01
Net cash (used in) provided by operating activities	\$ (357,731)	(48,669)	\$ (537,927)	\$ 171,817
Weighted average shares outstanding	144,554,371	144,554,371	144,554,371	144,554,371

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Horzum AS operational data (100% basis):				
Zinc product mined (wet) tonnes	1,225	1,954	2,728	4,765
Zinc product sold (wet) tonnes	994	2,993	3,980	5,990
Zinc oxide product average grade sold	NA	NA	NA	NA
Zinc sulphide product average grade sold	49.0%	48.4%	49.4%	47.8%
Gross margin ⁽¹⁾	46%	53.0%	41%	56.0%
CAD cost per tonne mined ⁽¹⁾	\$ 887	\$ 496	\$ 833	\$ 493
USD cash cost per pound of zinc mined ⁽¹⁾	\$ 0.61	\$ 0.36	\$ 0.56	\$ 0.36

(1) See Non-GAAP Measures

- Horzum AS continued to pursue the two separate legal actions, which were initiated in the second quarter of 2024. These actions had resulted in the appointment of an interim committee and an authorized trustee to provide oversight of the management of the Joint Venture. In addition, a legal action is on-going by Horzum AS for the recovery of the debt owed by Akmetal.
- For the three and six months ended June 30, 2024, Pasinex recorded net losses of approximately \$0.3 million and \$0.01 million, respectively, compared with net incomes of approximately \$1.1 million and \$0.9 million for same periods in 2023. The primary reason for the decrease in the net income in 2024 versus 2023 was that lower equity gains from Horzum AS were achieved.
- The operating income in Horzum AS decreased to \$0.7 million and \$2.1 million in the three and six months ended June 30, 2024, from \$1.6 million and \$3.6 million for the same periods in 2023. The decrease was due to higher costs being incurred as a result of inflationary pressures and lower sales being achieved. Gross margin (see *non-GAAP measures*)

for the three and six months ended June 30, 2024, was 46% and 41%, respectively compared with 53% and 56% for the same periods in 2023.

- Horzum AS mined 1,225 tonnes and 2,728 tonnes of zinc product during the three and six months ended June 30, 2024, respectively, at the Pinargozu mine, compared with 1,954 and 4,765 tonnes of zinc product for the same periods in 2023.
- Sales volume decreased to 994 tonnes and 3,980 tonnes of high-grade zinc sulphide product in the three and six months ended June 30, 2024, respectively compared with 2,993 tonnes and 5,990 tonnes of high-grade zinc sulphide product for the same periods in 2023.
- Sales prices per tonne on a USD basis increased by 61% and 18% for the three and six months ended June 30, 2024, respectively, for zinc sulphide product sold, when compared to prices in the same periods in 2023. The average USD sales price for the three and six months ended June 30, 2024, was US\$1,133 and US\$941 per tonne for zinc sulphide product, respectively, versus US\$704 and US\$798 per tonne for zinc sulphide product in the same periods in 2023.
- The average grade of the high-grade zinc sulphide product sold was 49.0% zinc per tonne and 49.4% zinc per tonne for the three and six months ended June 30, 2024, respectively, compared with 48.4% zinc per tonne and 47.8% zinc per tonne for the same periods in 2023.
- The CAD cost per tonne mined (*see non-GAAP measures*) increased to \$887 per tonne mined and \$833 per tonne mined for the three and six months ended June 30, 2024, respectively, compared with \$496 per tonne mined and \$493 per tonne mined in the same periods in 2023. The USD cash cost per pound of zinc product mined (*see non-GAAP measures*) increased to US\$0.61 per pound mined and US\$0.56 per pound mined in the three and six months ended June 30, 2024, respectively, from US\$0.36 per pound mined and US\$0.36 per pound mined for the same periods in 2023.

Non-GAAP Measures

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

Qualified Person

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

About Pasinex

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

Visit our website at www.pasinex.com.

On Behalf of the Board of Directors

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