

**FORM 7**  
**MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **PASINEX RESOURCES LIMITED** (the "Issuer")

Trading Symbol: **PSE**

Number of Outstanding Listed Securities: **144,554,370**

Date: **October 6, 2021 – Reporting for September 2021**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### General Instructions

- a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**Pasinex Resources Limited is a Toronto-based mining company, which owns 50% of the producing Pinargozu high grade zinc mine. The Company's joint venture sells directly to zinc smelters and refiners or through commodity brokers. The Company also holds an option to acquire**

**80% of the Gunman high-grade zinc exploration project in Nevada. Pasinex has a strong technical management team with many years of experience in mineral exploration and mining project development.**

2. Provide a general overview and discussion of the activities of management.

**Mine production continues at the Pinargozu mine in Turkey. Production is now on a two-shift per day basis. Production is currently estimated at about 1,000 tonnes combined of oxide and sulphide product each month.**

**Production continues despite the current issue of COVID-19 within Turkey and the world. The Pinargozu mining operation has continued to operate with strict health protocols as part of its response to COVID-19 concerns. These protocols aim to keep workers healthy and keep the work-place healthy and include regular health checks, enhanced cleaning and regular safety talks on COVID-19 within the workplace.**

**Horzum AS was able to resume the advancement of the fourth adit late in June, which was sooner than what was previously disclosed. The Company has completed additional geoelectrical and hydrogeological studies to help determine the source of the water and will be analyzing those results in the coming weeks.**

**Horzum AS encountered sulphide ore product at 393 metres of the development of the fourth adit, which is approximately 30 metres sooner than it had originally expected. Horzum AS has continued the development of the fourth adit subsequent to the end of the second quarter and has now reached 448 metres in length. They are now well beyond where it is believed the water source, that was causing the groundwater issues, originated. There is no expectation that groundwater will be an issue in the current development of the fourth adit and exploration drilling in the area.**

**Zinc sulphide ore product has been encountered in multiple directions. An underground drill has been mobilized and will be drill testing in all directions at expected drill hole lengths of between 100 metres to 200 metres. Continued drilling and analysis is ongoing.**

**In December 2020, Horzum AS restructured its tax liabilities that were due as at August 31, 2020 as allowed by the Turkish taxation department. Horzum AS is scheduled to make instalments of its various tax debts, with each tax debt under its own schedule of 18 equal instalments. Akmetal has paid on behalf of Horzum AS certain of the instalments due in 2021. The total amount paid to September 30, 2021, is approximately (TRY) 7.1 million Turkish Lira, which is equivalent to approximately \$1.1 million Canadian dollars using the exchange rates on the dates of the payments. The joint**

venture did not make any instalment payments that were due under the restructuring agreements subsequent to the end of the second quarter. As part of the tax restructuring agreements the joint venture is permitted to miss two instalments, per each restructuring agreement, during each year of the restructuring agreements three-year life. Horzum AS has now missed two instalments for each of the restructuring agreements, totaling (TRY) 4.7 million Turkish Lira, except for the restructuring that has been fully repaid. Horzum AS is therefore still in compliance with each of the tax restructuring agreements. Any missed instalments will become due and payable at the end of the month following the date of the last payment date of the restructuring. An additional requirement to remain in compliance with the restructuring agreements is that all current taxes from September 1, 2020, onward must be paid when they become due. As of the date of this Form 7 report, Horzum AS made all of these required payments.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**None**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**None**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable

together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**None**

8. Describe the acquisition of new customers or loss of customers.

**None**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None**

10. Report on any employee hiring, terminations or lay-offs with details of anticipated length of lay-offs.

**None**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**None**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**During the month ended September 30, 2021, the Company received an additional \$60,000 from certain shareholders, which amounts have been added to existing shareholder loan agreements.**

14. Provide details of any securities issued and options or warrants granted.

**None**

15. Provide details of any loans to or by Related Persons.

**See #13**

16. Provide details of any changes in directors, officers or committee members. At present, the directors of the Company are elected at each annual meeting and hold office until the next annual meeting or until their successors are elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or with the provisions of applicable corporate legislation.

**None**

17. Discuss any trends, which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**None**

## Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: October 6, 2021

Andrew Gottwald

Name of Officer

"Andrew Gottwald"

Signature

<b><i>Issuer Details</i></b> Name of Issuer <b>Pasinex Resources Limited</b>	For Month End <b>September 2021</b>	Date of Report YY/MM/DD <b>2021/10/06</b>
Issuer Address <b>82 Richmond Street East</b>		
City/Province/Postal Code <b>Toronto, Ontario M5C 1P1</b>	Issuer Fax No. <b>N/A</b>	Issuer Telephone No. <b>(416) 861-9659</b>
Contact Name <b>Andrew Gottwald</b>	Contact Position <b>Chief Financial Officer</b>	Contact Telephone No. <b>647 473-0132</b>
Contact Email Address <a href="mailto:andrew.gottwald@pasinex.com">andrew.gottwald@pasinex.com</a>	Web Site Address <a href="http://www.pasinex.com">www.pasinex.com</a>	