

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: **PSE**

Number of Outstanding Listed Securities: **144,354,370**

Date: **October 2018**

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.

The focus for the Company is in its interest in the Horzum AS zinc operation joint venture located in the province of Adana, Turkey. This joint venture is a 50 / 50 partnership between Pasinex Turkey and Turkish mining house Akmetal AS. The joint venture has two properties in the northern part of Adana province - Pinargozu and Akkaya. The Company also has the Spur Zn/Pb/Ag Project in Nevada, USA that is a key exploration target for the Company.

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

The joint venture company in Turkey, Horzum AS has a drilling campaign underway on both the Pinargozu and Akkaya properties. Three drill rigs are engaged in drilling on these properties. In Akkaya, drilling is from surface on targets identified from a field geological program. In Pinargozu, drilling is from underground exploring the northern extensions of the mineralization.

There is currently no field activities on the Spur zinc project in Nevada. The company is assessing results obtained from the prior drill program with the objective of determining next phase of geological investigation.

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.

The Company announced the receipt of related party loans and that the Company met its obligation under the Spur Zinc Project Option Agreement and paid to Cypress Development Corp. and Caliber Minerals Inc. US\$200,000 and issued 2.2 million common shares of the Company.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	2,200,000	Option agreement	Consideration under Option Agreement

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

On August 09, 2018 Company announced in a press release that it has arranged to receive funds from certain shareholders and directors of the Company (the "lenders") in the form of promissory notes. The promissory notes, which are in the amount of \$400,000, will assist the Company's immediate working capital requirements and facilitate payments required to complete the drilling program at its Spur Zinc Project in Nevada. The promissory notes are payable on demand by the lenders and bear interest at 6% per annum, payable quarterly in arrears commencing September 15, 2018. The Company can pre-pay the promissory notes ratably to the lenders, which it plans to do as dividends are received from its 50% Joint Venture interest in Horzum AS.

A second similar shareholder loan for \$345,000 in Canadian dollars was arranged and announced to the market on October 1, 2018.

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 were 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: November 05, 2018

Steven Williams
Name of Director

"Steven Williams"
Signature

<i>Issuer Details</i> Name of Issuer Pasinex Resources Limited	For Month End October 2018	Date of Report YY/MM/D 2018/11/02
Issuer Address 82 Richmond Street East		

City/Province/Postal Code Toronto, Ontario, M5C 1P1	Issuer Fax No. n/a	Issuer Telephone No. (416) 861 9659
Contact Name Steven Williams	Contact Position President	Contact Telephone No. (416) 861 9659
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FORM 7 – MONTHLY PROGRESS REPORT

October 2018

Page 5