



FORM 5

QUARTERLY LISTING STATEMENT

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

Trading Symbol: **PSE**

SCHEDULE A: FINANCIAL STATEMENTS

SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS

1. Related party transactions

Included in Schedule A

2. Summary of securities issued and options granted during the period.

(a) summary of securities issued during the period,

Included in Schedule A

(b) summary of options granted during the period,

Included in Schedule A

3. Summary of securities as at the end of the reporting period.

Included in Schedule A

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Steven Williams	President, Chief Executive Officer and Director
David Hodge	Director
Paul Chow	Director
Sven Olsson	Director
Clinton Smyth	Vice President Exploration
Jody Bellefleur	Chief Financial Officer
Frances Petryshen	Corporate Secretary

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 Quarterly Listing Statement.
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 CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated May 28, 2014.

Steven Williams

Name of Director or Senior Officer

"Steven Williams"

Signature

President, CEO and Director

Official Capacity

Issuer Details Name of Issuer Pasinex Resources Limited	For Quarter Ended March 31, 2014	Date of Report YY/MM/D May 28, 2014
Issuer Address 1450 – 789 West Pender Street		
City/Province/Postal Code Vancouver, BC V6C 1H2	Issuer Fax No. (604) 681-8240	Issuer Telephone No. (604) 681-1568
Contact Name Steven Williams	Contact Position Corporate Secretary	Contact Telephone No. (604) 681-1568
Contact Email Address info@pasinex.com	Web Site Address www.pasinex.com	

SCHEDULE “A”

PASINEX RESOURCES LIMITED

(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2014

(Unaudited - Expressed in Canadian Dollars)

Notice of No Auditor Review

The accompanying unaudited condensed interim consolidated financial statements have been prepared by management, in accordance with International Financial Reporting Standards, and are considered by management to present fairly the consolidated financial position, operating results and cash flows of the Company. The company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

Pasinex Resources Limited

(An exploration stage company)

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

As at	March 31, 2014 (Unaudited)	December 31, 2013 (Audited)
Assets		
Cash and cash equivalents	\$ 79,283	\$ 46,037
GST/HST receivable	7,811	6,627
Other receivables	1,150	1,139
Prepaid expenses and deposits	11,066	20,160
Marketable securities (Note 4)	15,379	96,239
Due from Akmetal (Note 12)	56,051	27,133
	170,740	197,335
Investment in joint venture (Note 8)	17,790	18,470
Equipment (Note 7)	60,347	64,273
Exploration and evaluation assets (Note 9)	912,014	826,003
	\$ 1,160,891	\$ 1,106,081
Liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ 338,503	\$ 255,088
Due to related parties (Note 12)	4,398	23,957
	342,901	279,045
Shareholders' equity		
Share capital (Note 10)	5,570,417	5,542,917
	123,800	-
	1,154,479	1,051,855
	(5,952,650)	(5,689,680)
	(78,056)	(78,056)
	817,990	827,036
	\$ 1,160,891	\$ 1,106,081

Approval on behalf of the Board of Directors:

"Steven Williams"

Director

"David Hodge"

Director

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

Pasinex Resources Limited

(An exploration stage company)

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

For the three months ended March 31, 2014 and 2013
(Unaudited - Expressed in Canadian dollars)

	2014	2013
Expenses		
Administrative fees	\$ 37,500	\$ 37,500
Advertising and promotions	27,451	26,455
Amortization	4,533	5,641
Consulting and management fees (Note 12)	181,462	139,875
Office and general	5,966	9,569
Professional fees	4,923	6,959
Project investigation costs	328	1,174
Share based payments	102,624	1,174
Transfer agent and regulatory authorities fees	3,527	3,391
Travel and meals	14,596	26,354
	(280,286)	(256,918)
Other income (expenses)		
Unrealized gain (loss) on marketable securities	(36,000)	130,000
Interest income	20	2,276
Other income (expense)	(336)	215
Gain on disposition of marketable securities	53,350	(99,804)
Equity loss of affiliates (Note 8)	(838)	(2,342)
Foreign exchange gain (loss)	1,120	3,927
	17,316	34,272
Net loss and comprehensive loss for the period	(262,970)	(222,646)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding		
– basic and diluted	56,214,435	49,133,489

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

Pasinex Resources Limited

(An exploration stage company)

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian dollars)

	Number of Shares	Share Capital	Share Subscriptions 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 9)	550,000	55,000		-			55,000
Agent options exercised	76,000	12,711		(5,111)			7,600
Net loss for the period				-	(222,646)		(222,646)
Balance, March 31, 2013	52,073,105	\$ 5,053,392	\$ -	\$ 991,424	\$ (4,808,521)	\$ (4,890)	\$ 1,231,405
	Number of Shares	Share Capital	Share Subscriptions Received	Reserves	Deficit	Accumulated Other Comprehensive (Loss)	Total
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 9)	550,000	27,500		-			27,500
Share based payments				102,624			102,624
Share subscriptions received			123,800	-			123,800
Net loss for the period				-	(262,970)		(259,995)
Balance, March 31, 2014	60,389,836	\$ 5,570,417	\$ 123,800	\$1,154,479	\$ (5,949,675)	\$ (78,056)	\$ 820,965

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

Pasinex Resources Limited

(An exploration stage company)

Condensed Interim Consolidated Statements of Cash Flows

For the three months ended March 31, 2014 and 2013

(Unaudited - Expressed in Canadian dollars)

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss) for the period	\$ (262,970)	\$ (222,646)
Adjustment for items not involving cash:		
Unrealized losses (gains) on marketable securities	36,000	(30,000)
Amortization	4,533	5,641
Share-based payments	102,624	-
Equity loss of affiliates	838	2,341
Gain on sale of shares	(53,350)	-
Changes in non-cash operating working capital:		
GST/VAT receivable	(1,184)	1,971
Other receivables	-	15,331
Prepaid expenses and deposits	9,113	(22,983)
Accounts payable and accrued liabilities	83,215	1,831
Due from Akmetal	(28,269)	-
Due to related parties	(19,488)	(12,954)
Net cash flows from (used in) operating activities	(128,937)	(261,438)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Exploration and evaluation assets	(58,275)	(148,576)
Equipment acquisitions	(440)	(4,995)
Proceeds from disposal of marketable securities	98,350	100,000
Disposition of mutual funds	-	21,483
Net cash flows from (used in) investing activities	39,635	(32,088)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of shares for cash, net of share subscription receivable	-	7,600
Share subscriptions received	123,800	-
Net cash flows from (used in) financing activities	123,800	7,600
Increase (decrease) in cash and cash equivalents	34,499	(285,926)
Effect of exchange rate on cash and cash equivalents	(1,249)	(2,404)
Cash and cash equivalents, beginning of period	46,035	496,927
Cash and cash equivalents, end of period	\$ 79,283	\$ 208,980

Supplemental disclosure with respect to cash flows (Note 16)

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

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2014

(Unaudited - Expressed in Canadian Dollars)

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 National Stock Exchange ("CNSX") 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 condensed interim consolidated financial statements were authorized for issue by the Audit Committee and Board of Directors on May 28, 2014.

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 March 31, 2014 of \$5,952,650 (2013 - \$5,689,680). The Company had a net working capital deficiency of \$172,161 (2013 - \$81,710). 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. Subsequent to the three months ended March 31, 2014, the Company received net cash proceeds of \$499,458 (2013 - \$557,556) pursuant to financing activities. Though the Company is expanding its best efforts to achieve the above plans, there is no assurance that any such activity will generate sufficient funds for future operations.

3. BASIS OF PRESENTATION

a) Statement of Compliance

These condensed interim consolidated statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2014

(Unaudited - Expressed in Canadian Dollars)

3. BASIS OF PRESENTATION (continued)

a) Statement of Compliance (continued)

The policies applied in these condensed interim consolidated financial statements are consistent with policies disclosed in Note 4 of the financial statements for the year ended December 31, 2013. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2013.

b) Basis of Measurement

These condensed interim 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 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 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

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;

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2014

(Unaudited - Expressed in Canadian Dollars)

- 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.

3. BASIS OF PRESENTATION (continued)

d) Principles of consolidation

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

	Jurisdiction	Nature of Operations	Equity Interest	
			March 31, 2014	December 31, 2013
0886183 B.C. Ltd.	BC, Canada	Holding company	N/A	N/A
Pasinex Arama	Turkey	Mineral exploration	99.9975%	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.

4. MARKETABLE SECURITIES

	March 31, 2014		December 31, 2013	
	Cost	Fair Market Value	Cost	Fair Market Value
	\$	\$	\$	\$
Public traded securities (a)	-		45,000	81,000
Mutual Funds (b)	15,379	15,379	16,053	15,239
Total	15,379	15,379	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.

(b) 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 three months ended March 31, 2014, the remaining 450,000 shares were sold in the market for proceeds of \$98,350.

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

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2014

(Unaudited - Expressed in Canadian Dollars)

5. 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 March 31, 2014 and December 31, 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 March 31, 2014				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
At fair value through profit or loss				
Cash and cash equivalents	79,283	-	-	79,283
Marketable securities	15,379	-	-	15,379
	94,662	-	-	94,662

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.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2014

(Unaudited - Expressed in Canadian Dollars)

The maximum credit risk exposure relating to financial assets is represented by their respective carrying values as at the statement of financial position date.

5. 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 March 31, 2014, the Company had a cash balance of \$79,283 (2013- \$46,037) and current liabilities of \$342,901 (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 \$1,000 increase in accumulated other comprehensive income, based on amounts held at March 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.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2014

(Unaudited - Expressed in Canadian Dollars)

6. 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.

7. EQUIPMENT

Cost	Vehicles	Fixtures and Equipment	Mining Equipment	Total
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	-	490	-	490
Exchange adjustment	231	164	-	395
March 31, 2014	\$ 25,371	\$ 23,314	\$ 48,595	\$ 97,280
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	1,225	1,069	2,349	4,643
Exchange adjustment	88	80	-	168
March 31, 2014	\$ 9,033	\$ 8,288	\$ 19,612	\$ 36,933
Net book value				
December 31, 2013	\$ 17,420	\$ 15,521	\$ 31,332	\$ 64,273
March 31, 2014	\$ 16,338	\$ 15,026	\$ 28,983	\$ 60,347

8. 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 new 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.

Pasinex Resources Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2014

(Unaudited - Expressed in Canadian Dollars)

8. 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 March 31, 2014, Pasinex Arama has paid TRY 62,500 (2012: CAD\$34,763) in cash toward the total required capital. The investment in the joint venture is accounted for using the equity method. Accordingly, the investment has been adjusted for \$838 of equity loss.

	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
Loss from equity investees	(1,686)	(838)
Foreign exchange difference	-	158
At March 31, 2014	35,276	17,790

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

	TL (\$)	CAD (\$)
Current assets	66,037	33,303
Non-current assets	448,341	226,098
Current liabilities	(443,826)	(223,822)
Non-current liabilities	-	-
Share capital	(125,000)	(63,038)
Deficit	54,448	27,077
Foreign exchange difference	-	381
	-	-

See also Note 9.

9. EXPLORATION AND EVALUATION ASSET

The following schedule shows the property spending for the three months ended March 31, 2014 and the year ended December 31, 2013:

Properties Held in Turkey

Horzum JV Properties

	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 period –							
Acquisition costs – shares issued	-	-	-	-	27,500	-	27,500
License costs	-	-	812	-	508	-	1,320
Property exploration costs							
Assays	-	-	-	-	22,088	-	22,088
Miscellaneous expenses	-	-	3,422	-	1,344	-	4,766
Fees	-	-	217	-	5,326	-	5,543
Geological and field personnel	-	-	8,300	-	9,008	-	17,308
VAT receivable – mining activities	-	-	2,432	-	5,394	-	7,826
Total additions during the period	-	-	15,183	-	71,168	-	86,351
Foreign exchange adjustment	-	-	(41)	(48)	(251)	-	(340)
Balance, March 31, 2014	\$ 174,366	\$ -	\$ 187,942	\$ 66,965	\$ 482,741	\$ -	\$ 912,014

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 three months ended March 31, 2014, \$15,183 (2013 – \$180,903) in exploration 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 March 31, 2014, the Company has only the

Akkaya Property with its exploration license in good standing. The transfer of the license of the Akkaya Property to the Joint Venture is still ongoing. See also Note 10.

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 (the “Initial Issuance Date”) – issued;
- (ii) 500,000 common shares on the one year anniversary of the Initial Issuance Date (issued – see Note 12);
- (iii) 1,000,000 common shares on the two year anniversary of the Initial Issuance Date; 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 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 in September 2012.

During the three months ended March 31, 2014, \$71,168 (2013 – \$274,183) in exploration costs have been spent on the Golcuk Property.

9. 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 three months ended March 31, 2014, \$nil (2013 – \$6,902) in exploration costs have been spent on 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

As at March 31, 2014 and December 31, 2013, the Company continues to hold the following properties 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.

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 impaired the property.

10. SHARE CAPITAL

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

During the three months ended March 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.

10. SHARE CAPITAL (continued)

b) Issued:

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.

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.

c) Warrants:

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

	March 31, 2014		December 31, 2013	
	Number of	Weighted	Number of	Weighted
	Warrants	Average	Warrants	Average
		Exercise		Exercise
		Price		Price
Balance, beginning of year	5,533,365	\$	1,650,000	\$
Issued	-		3,883,365	\$
Balance, end of period	5,533,365	\$	5,533,365	\$

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

Expiry Date	Exercise Price	March 31, 2014
December 21, 2014	\$0.15	1,650,000
July 2, 2015	\$0.16	1,948,750
December 11, 2016	\$0.10	1,934,615
Total		5,533,365
Weighted average outstanding life of warrants		1.60 years

10. SHARE CAPITAL (continued)

d) Agent Warrants:

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

	March 31, 2014		December 31, 2013	
	Number of Agent Warrants	Weighted Average Exercise Price	Number of Agent Warrants	Weighted Average Exercise Price
Balance, beginning of year	67,560	\$	1,195,171	\$
Granted	-		58,400	\$
Exercised	-		(76,000)	\$
Expired	-		(1,110,011)	\$
Balance, end of period	67,560	\$	67,560	\$

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

Expiry Date	Exercise Price	March 31, 2014	December 31, 2013
December 21, 2014	\$0.15	9,160	9,160
July 2, 2015	\$0.16	58,400	58,400
Total		67,560	67,560
Weighted average outstanding life of warrants		1.18 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 \$nil (March 31, 2013 - \$nil) were recognized during the three months ended March 31, 2014.

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

March 31, 2014	December 31, 2013
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Expected life (years)	N/A	2.00
Interest rate	N/A	1.20%
Volatility	N/A	228%
Dividend yield	N/A	N/A
Weighted average grant date fair value	N/A	\$0.04

e) Shares held in escrow:

As at March 31, 2014, there are 1,425,000 common shares of the Company held in escrow (2013 - 2,137,500).

11. SHARE-BASED PAYMENTS

The Company has a stock option 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 CNSX. The expiry date for each option should be for a maximum term of five years.

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.

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

	March 31, 2014		December 31, 2013	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	250,000	\$ 0.25	1,371,250	\$ 0.21
Granted	1,500,000	\$ 0.10	-	
Expired	(250,000)	\$ 0.25	(1,121,250)	\$ 0.20
Balance, end of period	1,500,000	\$ 0.10	250,000	\$ 0.25

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

Expiry Date	Exercise Price	Number of Shares	Weighted Average Remaining Contractual Life (Years)
March 14, 2019	\$ 0.10	1,500,000	4.96

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 \$102,624 (March 31, 2013 - \$nil) were recognized during the three months ended March 31, 2014. The fair value of each option grant was calculated using the following weighted average assumptions:

	March 31, 2014	December 31, 2013
Expected life (years)	5.00	N/A
Interest rate	1.60%	N/A
Volatility	208%	N/A
Dividend yield	N/A	N/A
Weighted average grant date fair value	\$0.07	N/A

12. 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	Three months ended March 31, 2014 \$	Three months ended March 31, 2013 \$
Management and consulting fees	67,900	106,165
Geological fees	2,100	-
Total	70,000	106,165

Amounts Due to (from) Related Parties	March 31, 2014	December 31, 2013 \$
Clinton Smyth	-	14,808
Baris Yildirim	3,000	1,861
Steven Williams	1,398	6,148
Total Amount Payable	4,398	22,817

Steven Williams is the President, and a Director of the Company. Clinton Smyth, Paul Chow and Baris Yildirim are also Officers or Directors of the Company.

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 three months ended March 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 \$56,051 (2013 - \$27,133) which will be reimbursed by Akmetal to Pasinex Arama in Fiscal 2014.

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Three months ended March 31, 2014	Three months ended March 31, 2013
Income tax paid	\$ -	\$ -
Interest paid	\$ -	\$ -
Fair market value of agent warrants exercised	\$ -	\$ 5,111
Shares issued for property	\$ 27,500	\$ 55,000

14. 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:

	March 31, 2014	December 31, 2013
Non-current assets by geographic segment		
Canada	\$ 174,366	\$ 351,777
Turkey	815,785	556,969
	\$ 990,151	\$ 908,746

15. COMPARATIVE FIGURES

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

16. SUBSEQUENT EVENTS

- a) 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.
- b) 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.

SCHEDULE “B”

Management Discussion & Analysis for the Three Months Ended March 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 condensed interim consolidated financial statements for the **three months ended March 31, 2014**, and the related notes thereto. The condensed interim 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 May 28, 2014.

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 National Stock Exchange (“CNSX”) 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

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 new joint venture company, Horzum Arama ve Isletme AS ("Joint Venture") 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 licence, 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 the 700 Level gallery 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 mineralisation 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, Pasinex announced the commencement of drilling on the Pinargozu property (held by Pasinex through its 50 / 50 joint venture called Horzum AS).

Golcuk Property, Sivas Province, Turkey

On July 19, 2012 the Company signed an option agreement (collectively the "Agreement") with Eurasian Minerals Inc. (TSXv: EMX; NYSE: EMXX) ("Eurasian") and its wholly owned Turkish subsidiary, Eurasia Madencilik Ltd. STI, whereby Pasinex, through its wholly owned Turkish subsidiary, Pasinex Arama ve Madencilik AS ("Pasinex Turkey"), 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; 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 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 and 50,000 shares issued and fair valued at \$2,500 in February 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 an 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.

Dadak Property, Afyon Province, Turkey

The Dadak property is 14.74 km² 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.

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 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.

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, 2013	Nine months ended December 31, 2012	Year ended March 31, 2012
Total Revenues	Nil	Nil	Nil
Net income (loss)	(1,103,805)	(1,011,952)	(735,041)
Net income (loss) (per share, basic and diluted)	(0.02)	(0.02)	(0.03)
Total assets	1,106,081	1,644,643	2,381,382
Total long term financial liabilities	Nil	Nil	Nil
Cash dividend declared per share	Nil	Nil	Nil

Results of Operations

Three Months Ended March 31, 2014

The Company incurred a net loss of \$262,970 during the three months ended March 31, 2014, compared to a net loss of \$226,646 during the three months ended March 31, 2013, for a difference of \$40,324. The significant differences from the prior period include:

- A decrease in consulting and management fees to \$78,838 (2013 - \$139,875) due to reduction in outside services required by the Company,
- A decrease in travel and meals to \$14,596 (2013 - \$26,354) as management has personnel in place in Turkey to handle regular business issues,
- An increase in share-based payments to \$102,624 (2013 - \$nil) for options granted in the current period,

- An increase in the unrealized loss on marketable securities to \$36,000 (2013 – \$130,000 gain) due to the difference in market value of the shares in the comparable period, and
- An increase in the gain on disposition of marketable securities to \$53,350 (2013 - \$99,804 loss) due to the sale of investments in the current period.

As at December 31, 2013, the Company has cash and cash equivalents of \$79,283 (2013 - \$46,037), taxes receivable of \$7,811 (2013 - \$6,627), other receivables of \$1,150 (2013 - \$1,139), prepaid expenses and deposits of \$11,066 (2013 - \$20,160), due from Akmetal of \$56,051 (2013 - \$27,133), marketable securities of \$15,379 (2013 - \$96,239), accounts payable and accrued liabilities of \$338,503 (2013 - \$255,088), and due to related parties of \$4,398 (2013 - \$23,957), for total working capital deficiency of \$172,616 (2013 - \$81,710).

Summary of Quarterly Results

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

	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013
Revenues	\$ -	\$ -	\$ -	\$ -
Net income (loss) and comprehensive income (loss)	\$(262,970)	\$(318,085)	\$(366,369)	\$(196,705)
Basic and diluted net gain (loss) (per share)	\$(0.00)	\$(0.01)	\$(0.01)	\$(0.00)

	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
Revenues	\$ -	\$ -	\$ -	\$ -
Net income (loss) and comprehensive income (loss)	\$(222,646)	\$(377,578)	\$(275,756)	\$(358,618)
Basic and diluted net gain (loss) (per share)	\$(0.00)	\$(0.01)	\$(0.01)	\$(0.01)

Capital Resources and Liquidity

The Company has total assets of \$1,160,891 (2013 - \$1,106,081). The primary assets of the Company are cash and cash equivalents of \$79,283 (2013 - \$46,037), taxes receivable of \$7,811 (2013 - \$6,627), other receivables of \$1,150 (2013 - \$1,139), prepaid expenses and deposits of \$11,066 (2013 - \$20,160), marketable securities of \$15,379 (2013 - \$96,239), due from Akmetal of \$56,051 (2013 - \$27,133), investment in joint venture of \$17,790 (2013 - \$18,470), equipment of \$60,347 (2013 - \$64,273), and exploration and evaluation assets of \$912,014 (2013 - \$826,003). The Company has accounts payable and accrued liabilities of \$338,503 (2013 - \$255,088) and due to related parties of \$4,398 (2013 - \$23,957). The Company's working capital deficiency is \$172,616 (2013 - \$81,710).

During the three months ended March 31, 2014, cash flows were as follows:

- Financing activities generated \$nil (March 31, 2013 - \$7,600) from the issuance of shares for cash and \$123,800 (March 31, 2013 - \$nil) for share subscriptions received.
- Investing activities consisted of cash outflows on exploration and evaluation assets of \$58,275 (March 31, 2013 - \$148,576) and equipment acquisition costs of \$440 (March 31, 2013 - \$4,995) and cash inflows on proceeds of disposition of marketable securities of \$98,350 (March 31, 2013 - \$100,000), and the disposition of mutual funds of \$nil (March 31, 2013 - \$21,483).

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November 14, 2008

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- Cash outflows on operating activities were \$128,937 (March 31, 2013 – \$261,438).

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.

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	Three months ended March 31, 2014	Three months ended March 31, 2013
Management and consulting fees	67,900	106,165
Geological fees	2,100	-
Total	70,000	106,165

Amounts Due to (from) Related Parties	March 31, 2014	December 31, 2013
Clinton Smyth	-	14,808
Baris Yildirim	3,000	1,861
Steven Williams	1,398	6,148
Total Amount Payable	4,398	22,817

Steven Williams is the President, and a Director of the Company. Clinton Smyth, Paul Chow and Baris Yildirim are also Officers or Directors of the Company.

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 three months ended March 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 \$56,051 (2013 - \$27,133) which will be reimbursed by Akmetal to Pasinex Arama in Fiscal 2014

Proposed Transactions and Subsequent Events

- c) 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.
- d) 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.

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:

	March 31, 2014	December 31, 2013
Non-current assets by geographic segment		
Canada	\$ 174,366	\$ 351,777
Turkey	815,785	556,969
	\$ 990,151	\$ 908,746

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, 2013	Nine months ended December 31, 2012	Year ended March 31, 2012
Capitalized Exploration and Evaluation Costs	\$826,003	\$710,892	\$326,491
Capitalized Property held for Sale	Nil	Nil	Nil
General and Administration Expenses	\$834,954	\$850,845	\$390,698
Gain (loss) on sale of marketable securities	\$(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:

	May 28, 2014	March 31, 2014	December 31, 2013
Common shares	67,846,438	60,389,836	59,839,836
Warrants	9,231,666	5,533,365	5,533,365
Stock Options	1,500,000	1,500,000	250,000
Agent Warrants	94,760	67,560	67,560
Fully Diluted Shares	78,672,864	67,490,761	65,690,761

For additional details of outstanding share capital, refer to the condensed interim consolidated financial statements for the three months ended March 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 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 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

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, 2013.

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, 2013.

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 has no intentions 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 whatsoever 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 March 31, 2014 and December 31, 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 March 31, 2014				
	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Cash and cash equivalents	79,283	-	-	79,283
Marketable securities	15,379	-	-	15,379
	94,662	-	-	94,662

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 March 31, 2014, the Company had a cash balance of \$79,283 (2013 - \$46,037) and current liabilities of \$342,901 (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 \$1,000 increase in accumulated other comprehensive income, based on amounts held at March 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 May 28, 2014, the Company had the following directors and officers:

Steven Williams – Director, President and CEO
Clinton Smyth – VP Exploration
Baris Yildirim – Manager – Turkey
Jody Bellefleur – CFO
Frances Petryshen – Corporate Secretary
David Hodge – Director *
Sven Olsson – Director *
Paul Chow – 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.