

PYX Signs Binding Zircon Offtake Agreement with Taiwan's Euronics Inc.

HIGHLIGHTS

- PYX has signed a binding Offtake Agreement with Taiwan-incorporated Euronics Inc. for 8,000 tons of premium zircon
- PYX has so far signed Offtake Agreements for a total of 14,000 tons since the Company's listing on the National Stock Exchange of Australia (NSX) on 25 February, 2020
- PYX is a leading global producer of premium zircon. The Company's Mandiri asset has engaged in mining and processing activities on its mineral sands deposit in Central Kalimantan, Indonesia since 2015
- PYX's Mandiri asset is uniquely positioned as the largest zircon discovery in the world since 2012
- PYX produces premium quality zircon with the highest Heavy Mineral value assemblage amongst its peers
- Substantial upside potential is being prospected through the current exploration, exploitation and production programme

PYX Resources Ltd. ("PYX" or "the Company") (NSX: PYX) is pleased to announce that it has entered into its second binding Offtake Agreement, this time with Taiwan-incorporated Euronics Inc. – a leading distributor of zircon sand grade 65.5% to Taiwan and the People's Republic of China (PRC). Euronics sells zircon, kaolin, palm oil, among other products, becoming a leading trading company into China, Japan and India.

The Offtake Agreement is for a committed quantity of 4,000 tons of zircon product per annum for two years.

Commenting on sealing the Offtake Agreement with Euronics Inc., PYX's Chairman and Chief Executive Officer, Oliver Hasler, said: *"Being able to conclude another valuable Offtake Agreement with a well-respected and established global zircon specialist represents a tremendous accomplishment for the Company and our shareholders within months following our listing on the NSX. I am particularly pleased with the deal with Euronics, since they have been our valued partner since early 2018."*

The Company recently announced the signing of a separate binding Offtake Agreement with China's Qingyuan Jinsheng ZR & TI Resources Co. Ltd. for a total of 6,000 tons of premium zircon also over two years (refer NSX announcement dated 21 July 2020).

PYX will supply the premium-quality zircon required from its world-class Mandiri asset in Indonesia.

Under the terms of the latest Offtake Agreement with Euronics, PYX will deliver the product to a Port in China, as requested by the buyer. Orders shall be placed by the buyer and accepted by the

seller 60 days before each delivery.

Pricing under the Offtake Agreement shall be the prevailing market price in U.S. dollar for zircon.

The execution of this second Offtake Agreement builds on PYX's commitment to rapidly grow the Company and increase its production and global sales capacity. PYX has customers all over the world, including Indonesia, Taiwan, China, India, France, UK, France, Germany, Spain and Mexico.

The negotiation of the Offtake Agreement was overseen by the Company's Chairman and Chief Executive Officer, Oliver Hasler, who mentioned: *"This second Offtake Agreement adds momentum to our plans to speedily expand our processing capacity at Mandiri and to increase our sales volume to customers around the world."*



Mandiri's Separation Plant

***** ENDS *****

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This announcement is authorised for release by Oliver B. Hasler, Chairman and Chief Executive Officer.

About Euronics Inc.

Euronics Inc. (“Euronics”) is located in Taipei, Taiwan. Established in 1993 as a consulting and engineering firm for lightning solutions for mining industries in Europe. In 2003, the company changed its focus into machinery and equipment for the mining industry in Southern Asia, China and Africa. Euronics sells zircon, kaolin, palm oil, among other products, becoming a leading trading company into China, Japan and India. Euronics is focused on meeting the highest requirements of customers through a high standard of quality control.

About PYX Resources

PYX Resources Limited (NSX: PYX) is a global producer of premium zircon listed on the National Stock Exchange of Australia. The Company’s flagship asset is the Mandiri mineral sands deposit, located in the alluvium sediment rich region of Central Kalimantan, Indonesia. Boasting the world’s 5th largest producing deposit of zircon, Mandiri is a large-scale, near-surface open pit operation in production since 2015 and with exploration to date validating the presence of additional Valuable Heavy Minerals such as rutile, ilmenite among others within its mineral sands.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This NSX Announcement contains forward-looking statements and forward-looking information within the meaning of applicable Australian securities laws, which are based on expectations, estimates and projections as of the date of this NSX Announcement.

This forward-looking information includes, or may be based upon, without limitation, estimates, forecasts and statements as to management’s expectations with respect to, among other things, the timing and amount of funding required to execute the Company’s exploration, development and business plans, capital and exploration expenditures, the effect on the Company of any changes to existing legislation or policy, government regulation of mining operations, the length of time required to obtain permits, certifications and approvals, the success of exploration, development and mining activities, the geology of the Company’s properties, environmental risks, the availability of labour, the focus of the Company in the future, demand and market outlook for precious metals and the prices thereof, progress in development of mineral properties, the Company’s ability to raise funding privately or on a public market in the future, the Company’s future growth, results of operations, performance, and business prospects and opportunities. Wherever possible, words such as “anticipate”, “believe”, “expect”, “intend”, “may” and similar expressions have been used to identify such forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the information is given, and on information available to management at such time. Forward looking information involves significant risks, uncertainties, assumptions and other factors that could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors, including, but not limited to, fluctuations in currency markets,

fluctuations in commodity prices, the ability of the Company to access sufficient capital on favourable terms or at all, changes in national and local government legislation, taxation, controls, regulations, political or economic developments in Indonesia and Australia or other countries in which the Company does business or may carry on business in the future, operational or technical difficulties in connection with exploration or development activities, employee relations, the speculative nature of mineral exploration and development, obtaining necessary licenses and permits, diminishing quantities and grades of mineral reserves, contests over title to properties, especially title to undeveloped properties, the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other geological data, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding, limitations of insurance coverage and the possibility of project cost overruns or unanticipated costs and expenses, and should be considered carefully. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Prospective investors should not place undue reliance on any forward-looking information.

Although the forward-looking information contained in this NSX Announcement is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Company does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

No stock exchange, regulation services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this NSX Announcement.