

2020 Full Year Results

Strong Momentum on Solid Business Fundamentals

HIGHLIGHTS

- One year after listing the Company shows very strong results on the back of solid business fundamentals
- 37% premium zircon sales volume growth amid strong production increase (32% growth year on year)
- Robust customer demand across Company end markets
- Limited negative operating cash flow as a result of tight control on general and administrative expenses (Underlying EBITDA negative US\$1,213k)
- Net debt free, with a closing cash position of US\$3,509k
- 2021 is proving to be the beginning of a very strong commodity up-cycle. This represents a great opportunity for PYX to boost capacity and grow market share.

PYX Resources Ltd (PYX or the Company) (**NSX: PYX**) has lodged its Annual Report for the 12 months ending December 31st 2020 (Financial Year 2020). One year after listing on the National Stock Exchange of Australia, PYX has reported solid financial and operational results showing its commitment towards its mining development plan, its customers around the world and its shareholders.

Commenting on the Company's achievements in FY20, PYX Resources' Chairman and Chief Executive Officer, Oliver B. Hasler, said:

"I am very pleased with the Company exceeding our goals and delivering our strategy for the year. Our recent acquisition of a second deposit in Kalimantan could not come at a better time, with the year 2021 starting with a very strong industrial commodity market, which is the perfect time window for us to boost capacity and gain market share."

The Company recorded a strong revenue growth resulting from a steady production ramp-up, followed by sales volume growth to 7kt, increasing workforce productivity and an expanding customer base. In the 12-month-period PYX increased its year-on-year sales volume by 37% and production volume by 34%, achieving revenue of US\$9 million.

The average sale price of zircon for the period was slightly below the previous period amid Covid 19 economic slowdown, showing the strength of the mineral sands market. Demand remained strong during 2020 with PYX's order book reaching the highest levels since production started in 2015, as a result of PYX's superior quality, the unique whiteness of Kalimantan zircon and the growth of the Chinese market.

The underlying EBITDA for the Company was negative US\$1,213k, compared to a negative underlying EBITDA of US\$861k for the 12 months ending 30 June 2020, which is a significant achievement considering the increase of general administrative costs resulting from setting up a solid growth base.

PYX's net loss after tax for the period reached US\$13,821k, mainly as a result of the non-recurring items.

The resulting cash and cash equivalent balance for the period was US\$3,509k, up from US\$211k in the previous period. The increase was due mainly to the IPO funding reduced by listing and RTO costs and the Capex required to bring the installed plant capacity up to 18kt per annum. PYX remains net debt free as planned.

The Company is very pleased to report that it has been very successful in managing work-related accidents with zero lost time injuries in addition to having no reported COVID-19 incidents.

On the production front, the capacity in the Mineral Separation Plant (MSU) increased from 12 kt to 18 kt per annum as a result of the implementation of the Capex investment programme.

PYX recently announced that it has completed its acquisition of the entire capital of Tisma Development (HK) Limited. The acquisition resulted in an important change of scale in PYX's activities, converting PYX into the second-largest producing mining company in the world in terms of JORC-compliant zircon resources. With this acquisition PYX now controls 263MM tonnes of JORC-compliant resources, with 10.5M tonnes of contained zircon.

2020 Full Year Results Conference Call

A conference call for equity market participants will take place on Tuesday March 16th 2020 at 6pm (AEDT). All participants wishing to listen in to the call must pre-register online before they can receive the dial-in number. Pre-registration can be done by email to ir@pyxresources.com, by sending name, title, company, email and phone number.



***** ENDS *****

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

About PYX Resources

PYX Resources Limited (NSX: PYX) is a major global producer of premium zircon listed on the Australian National Stock Exchange. PYX key deposits, Mandiri and Tisma, are largescale, near-surface open pit deposits both located in the alluvium-rich region of Central Kalimantan, Indonesia. PYX, in production since 2015, is the 2nd largest zircon producing mining company globally by zircon resources. Determined to mine responsibly and invest in the wider communities where we operate, PYX Resources is committed to fully develop its Mandiri and Tisma deposits, with the vision to consolidate the mineral sands resources in Kalimantan and explore and acquire mineral sands assets in Asia and beyond.

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.

Compliance Statement

The Mandiri mineral sands deposit hosts a 6 Mt Inferred JORC Resource of zircon. The Company originally announced this resource in its Prospectus released on 20 February 2020 and confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus. All material assumptions and technical parameters disclosed in the Prospectus that underpin the estimates continue to apply and have not materially changed.

The Tisma mineral sands deposit hosts a 4.5 Mt Inferred JORC Resource of zircon. The Company originally announced this resource in its Announcement "PYX Resources Limited Agrees to Acquire Tisma Development (HK) Limited, a World-Class, Fully Licensed Mineral Sands Deposit" on NSX on 13 January 2021 and confirms that it is not aware of any new information or data that materially affects the information included in the Announcement. All material assumptions and technical parameters disclosed in the Announcement that underpin the estimates continue to apply and have not materially changed.

Together the Mandiri mineral sands deposit and Tisma mineral sands deposit total 10.5Mt of contained zircon resource.