



The Emerging Force in the Premium Zircon Industry

2021 Half Year Result, 9 September 2021

***PYX is the 2nd Largest Producing Mineral Sands Company
Globally By Zircon Resources***



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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 resource 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.

Oliver B. Hasler
Chairman and CEO



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FY 2021 1H Highlights

Completion of Tisma acquisition with excellent impact on share price

Premium zircon revenues increased to US\$4.6m, with Sales Volumes increasing to 3.5k tonnes and sales volume growth of 14% YoY

3 zircon price increases during the period, adding up to US\$355 resulting in US\$1,750/t

Robust customer demand with low inventories

YoY zircon production increased by 25%

Limited negative operating cash flow as a result of tight control on general and administrative expenses (Underlying EBITDA negative US\$661k)

Debt free, with a closing cash position of US\$9.7m, also as result of US\$8.4m NSX placement

PYX explores LSE listing

PYX started to supply its premium zircon to fused zirconia industry

Investment Highlights

Listed on the NSX, PYX is a mineral sands company at production stage, with substantial upside potential. **It is the world's 2nd largest producing mineral sands company based on zircon resources.**

PYX holds two world-class mineral sands deposits which are strategically located in a Belt and Road country, with very high assemblage value Inferred Resources and long mine life.

The company, already in production since 2015, features an **excellent geological setting**, with JORC Inferred Resources of 14.9 Mt of heavy minerals, including **10.5 Mt of JORC compliant zircon resources**. **The combined HM assemblage is best in class with a value of US\$1,145/t and 70% zircon content.**

A **well-diversified portfolio of international blue-chip customers** across key geographies and industrial sectors, with a major focus on China.

Strong zircon price outlook due to supply/demand deficit post COVID 19 and a **major upcoming commodity price up-cycle**.

Top-tier management team with solid track record.

Significant upside potential supported by current share price discount to intrinsic value, potential for volume increase and drastic cost reduction, additional resources exploration targets and potential for rutile and ilmenite resource definition as well as access to additional acquisition targets.

PYX Cares: Our Holistic Sustainability Approach



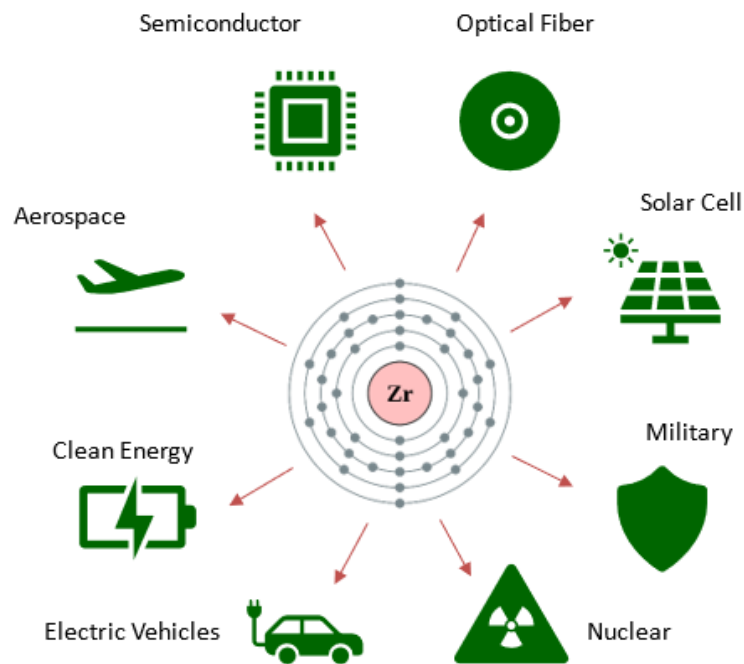
Pyx's Premium Zircon Used In High Tech Applications

In April 2021, Pyx has secured new business with a leading producer of fused zirconia in China. Through this business, Pyx is now supplying its premium zircon to be used in manufacturing fused zirconia, which is a critical raw material for a wide range of high-tech applications including nuclear power and aerospace.

Fused zirconia has a number of complex properties

- stable at high temperatures
- superior thermal resistance
- high corrosion resistance
- high chemical inertness
- a very high melting point
- high hardness, and
- a high refractive index

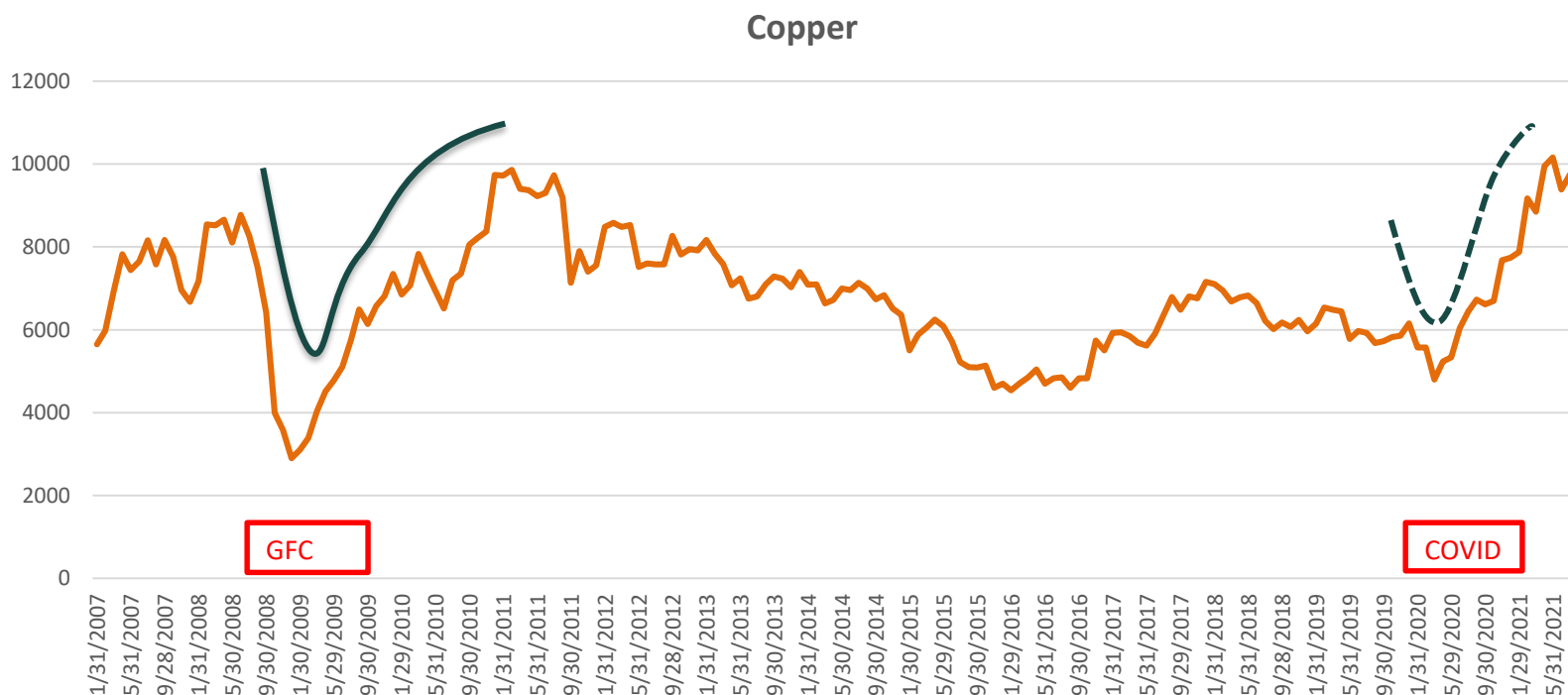
As such, fused zirconia is utilized in cutting-edge technology applications such as:



the defense applications, nuclear energy industry, electric car industries, technical ceramics and electronics.

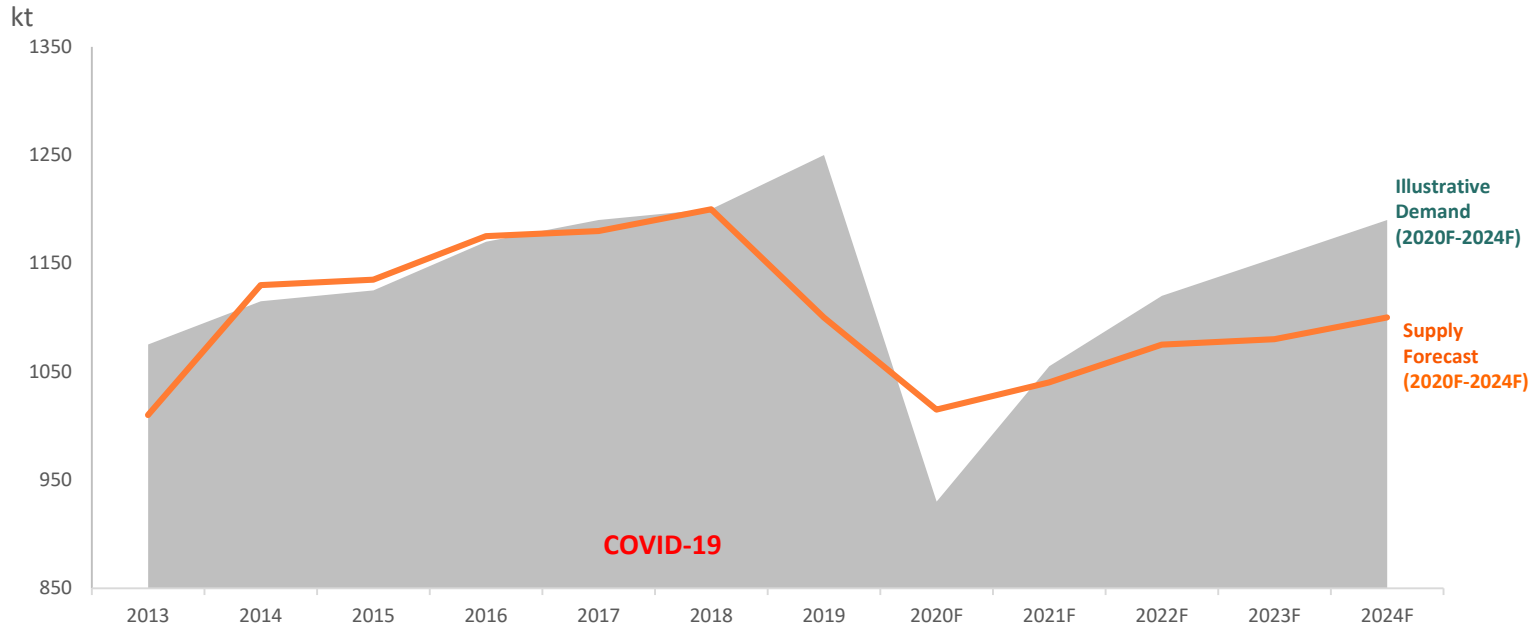
Industrial Commodities are Experiencing a Strong Rebound

- Industrial Commodities are experiencing strong up-cycle dynamics
- Government economic stimulus programs in response to Covid are similar in size to the programs adopted in 2009 in response to the 2008 Global Financial Crisis
- Outsized monetary stimulus are increasing government yields and stoking inflation expectations, therefore boosting most industrial commodities prices



Post COVID-19, a Substantial Zircon Undersupply is Emerging

GLOBAL ZIRCON SUPPLY AND DEMAND OUTLOOK



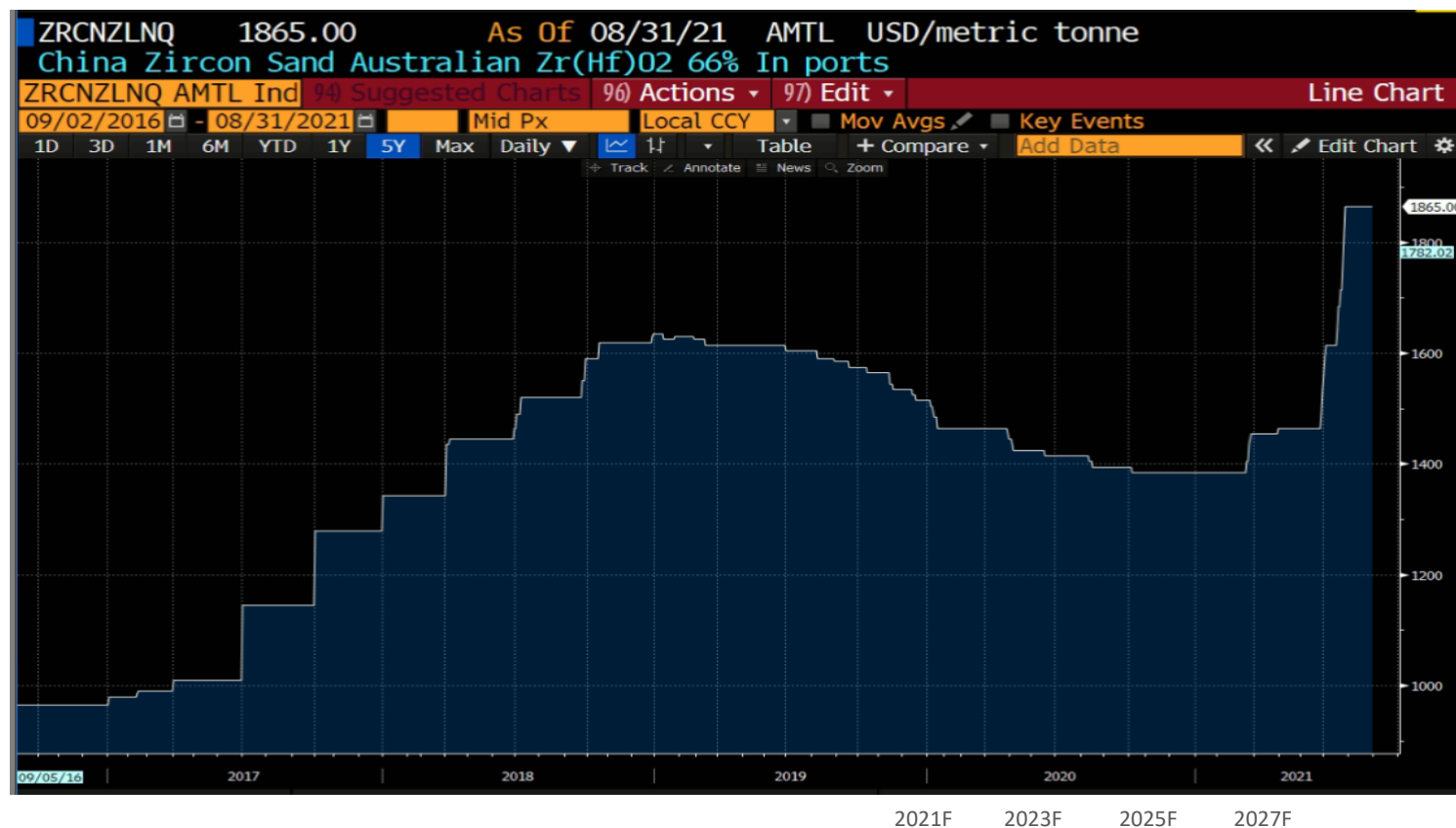
Note: Illustrative demand and supply forecast (2020-24) are indicative only. Supply data assume no new project going into production stage

Source: ILUKA, TZMI, Sheffield Resources

- Post COVID-19 pandemic, a substantial supply gap is expected to emerge, which is likely to support a robust zircon price environment in the near future.
- Zircon prices, which remained stable during the COVID 19 pandemic, are expected to raise strongly over the next few months, in combination with a major commodity price upcycle during the post COVID 19 recovery phase

Zircon Prices are in the Midst of a Strong Cyclical Upcycle

- During first half of 2021, zircon price experienced a significant gain as a result of strong demand and restricted supply due to COVID-19 pandemic, with China Zircon Sand Australian Zircon (66%) in port prices expanding to over US\$ 1,800 per ton
- It is a fact that the grade of known deposits is declining
- PYX also implemented three price increases in 1H 2021 for a total combined increase of US\$ 355 per ton



Source: Bloomberg

Pyx's Order Book is Solid and Well Diversified



- Sales to top 3 major customers reduced from 84% → 48%.
- Strong weight towards China in the last 9 months and India has started
- Record high order book

Summary of H1 2021 Results

Financial Results

- Sales increased to US\$4,660k, an increase of 21%
- Underlying Group EBITDA of (US\$661k), improved by 8%

Total Cash

- Total Cash US\$9,718k
- Net debt free

Operational Performance

- Sales volume growth of 14%
- Production volume growth of 25%

Stock Market

- Strong share price performance A\$0.695 to A\$1.13

Zircon Market

- Zircon prices increased by US\$355 per tonne
- Record demand and order book

Income Statement Analysis

- Sales up 21% y-o-y.
- Significant reduction in corporate expenses including non-recurring listing expenses and non-cash acquisition losses.
- Big improvement in Group EBITDA from prior year.

	H1 2021	H1 2020
	(USD)	(USD)
Sales Revenue	4,660,223	3,861,269
Cash cost of sales ¹	(4,008,639)	(3,097,979)
Gross Profit	651,584	763,290
Other income / (expenses)	(88,259)	22,995
Selling and distribution expenses	(354,684)	(12,100)
Corporate and other expenses ¹	(1,447,486)	(3,999,970)
Foreign exchange gain/(loss)	(15,781)	(227,597)
Non-capitalized RTO and listing expenses	(206)	(1,795,520)
Acquisition loss	-	(5,356,997)
EBITDA	(1,254,832)	(10,605,899)
Depreciation and amortisation	(92,137)	(49,400)
Net financial expenses	(5,861)	(18,468)
Net loss before tax	(1,352,830)	(10,673,767)
Income tax	158,640	85,099
Net loss after tax	(1,194,190)	(10,588,668)
Other comprehensive income/(expense)	59,582	34,147

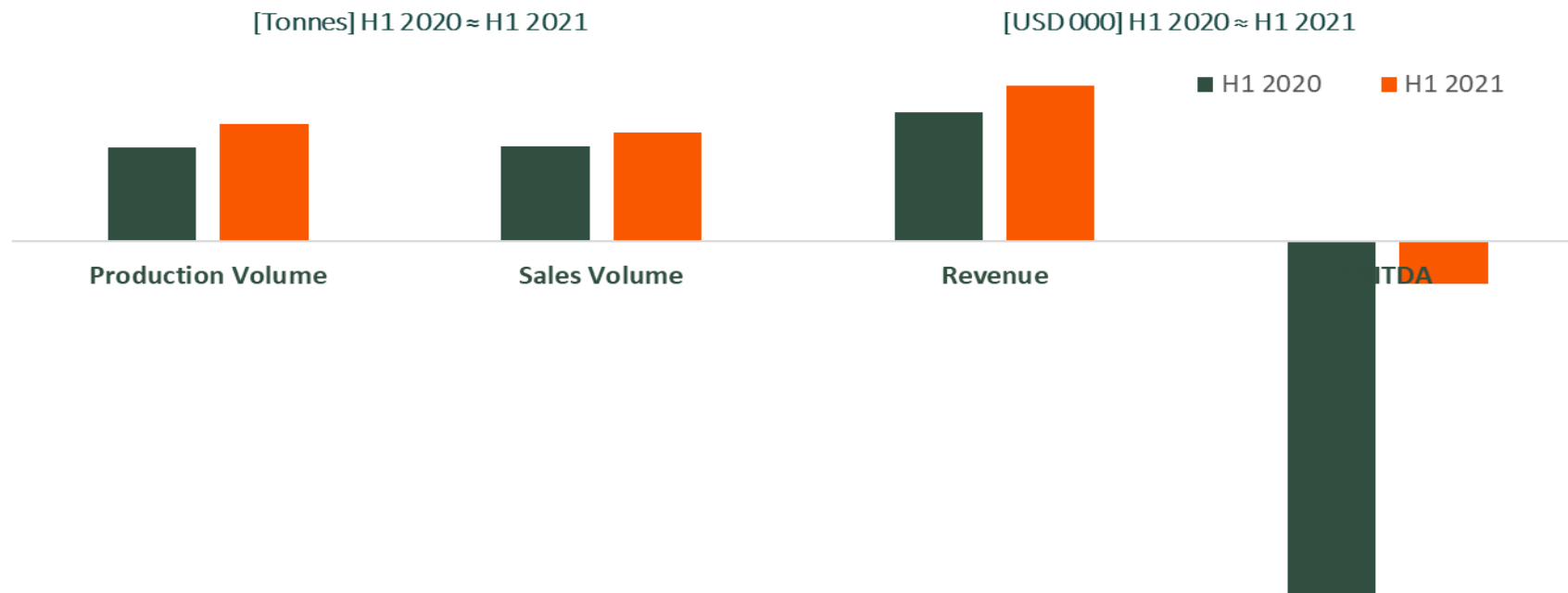
UNDERLYING EBITDA

	H1 2021	H1 2020
	(USD)	(USD)
EBITDA	\$ (1,254,832)	\$ (10,605,899)
Non-recurring items ²	\$ (594,265)	\$ (9,890,140)
Underlying EBITDA	\$ (660,567)	\$ (715,759)

¹ Excluding depreciation and amortisation

² Non-recurring items are expenses that do not fall within the normal course of business and/or are not costs that occur every year

PYX: Strong Top Line Growth, with Tight Cost Control



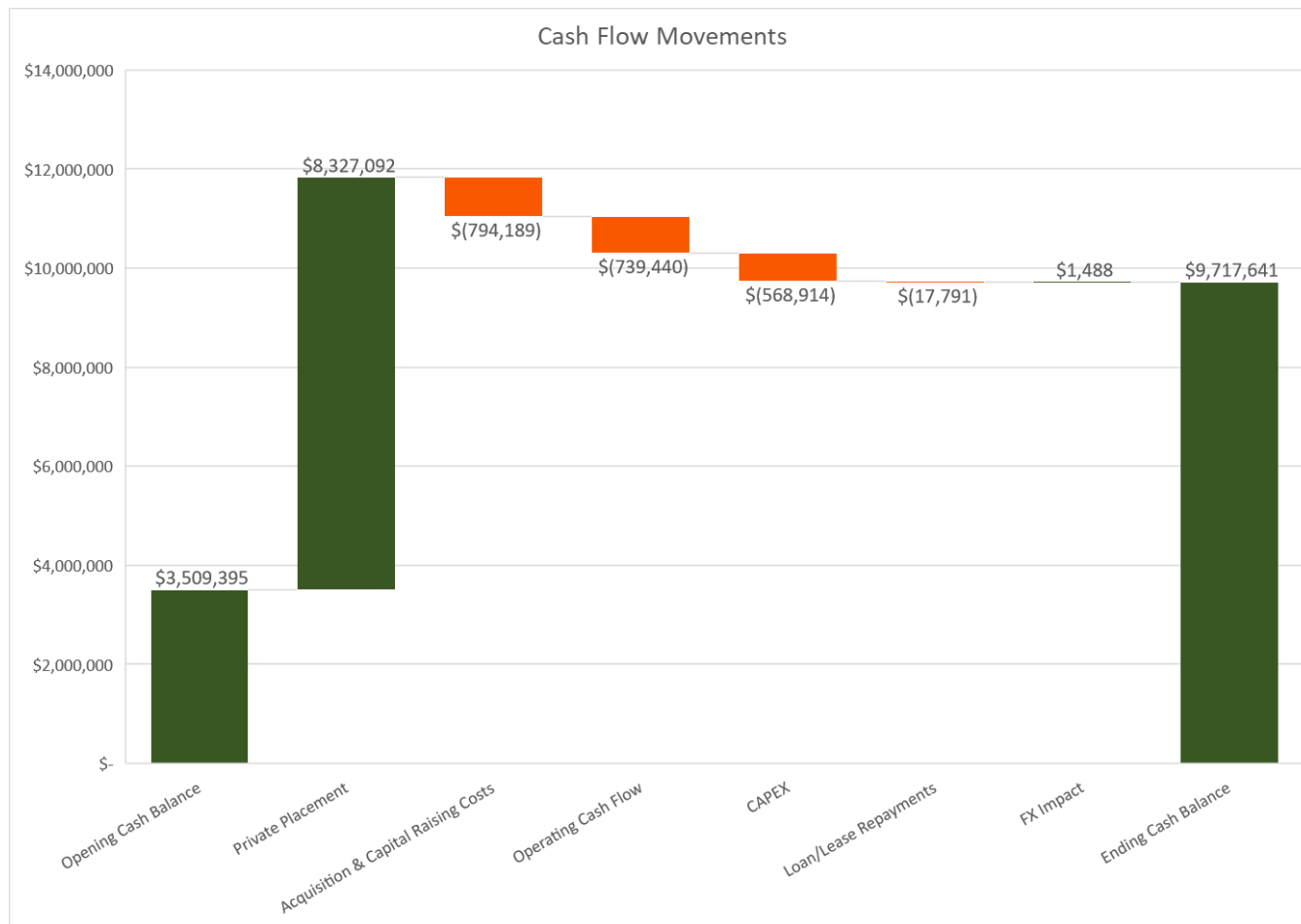
- Production volume increase as a result of increase capacity
- Strong productivity increase
- Sales volume increased by 14% resulting from increased demand, mainly from China
- Revenue increased by 21% due to an increased sales volume, partly compensated by lower obtained prices
- Negative underlying EBITDA is the result of operating losses

Cash Flow Analysis

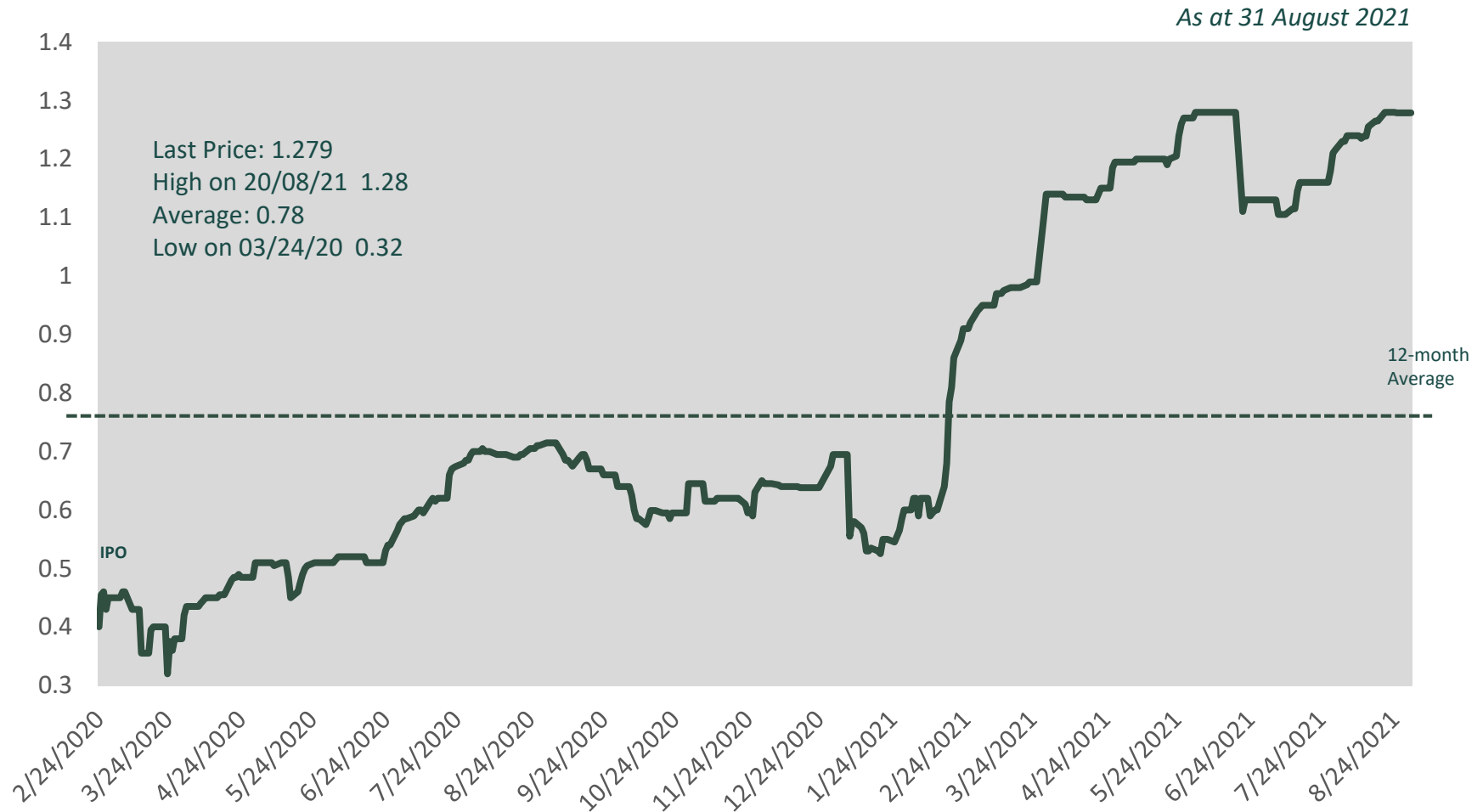
PYX reported US\$9.718 million of cash flow in HY 2021 with funds from private placement.

Key cash flow drivers in H1 2021

- Funds from private placement US\$8.3 million
- Acquisition & capital raising costs US\$794k
- Operating cash flow - US\$739k (H1 2020: - US\$1,496k)
- Capital expenditure US\$569k



Share Performance post IPO has Been Very Strong



Note: PYX commenced trading on the National Stock Exchange of Australia (NSX) on 25 February 2020.

Additional Upside Potential in the Mid Term



Q & A

Contact Details



Website: www.pyxresources.com

Email: ir@pyxresources.com

Registered Office: Level 5, 56 Pitt Street,
Sydney NSW 2000

Investor Relations: +852 3519 2860