

PYX's Fourth Price Adjustment for Premium Zircon

HIGHLIGHTS

- Price of premium zircon will increase by US\$555 per tonne to US\$2,305 per tonne
- Marks fourth consecutive price increase for PYX this year
- Demand for PYX's premium zircon remains high
- Price increase caused by continued supply tightness

PYX Resources Limited (PYX or the Company) (NSX: PYX), a leading international premium zircon producer, has announced that it will introduce its fourth price increase this year for its premium zircon. The new price, which takes effect immediately, will rise by US\$555 to US\$2,305 per tonne. Since the beginning of 2021, the Company has increased its prices by a total of US\$910 per tonne over 4 separate price increases.

This latest price increase comes in the wake of recent news about the closure of Rio Tinto's Richards Bay Minerals operation in South Africa due to security concerns and increasing demand out of China and the rest of the world. As a result, global supply of premium zircon has come under increased pressure, prompting the price increase.

PYX has already enacted three price increases this year, in March, May and June. These were driven by demand from China as its economy rebounded from COVID-19, supply issues from South Africa and low inventory levels in China, which left a void for premium zircon in the market.

The Company is the second-largest zircon producing mining company globally in terms of JORC-compliant zircon resources, following its acquisition of the Tisma mineral sands deposit in Central Kalimantan Province, Indonesia, in mid-February 2021, and demand for PYX's premium zircon remains high. The product stands in stark comparison to other zircon available in the market. Due to its low Al₂O₃ content and uranium + thorium content below 450ppm, PYX's premium zircon is ideal for creating fused zirconia and other high tech products, where standard zircon cannot be used.

PYX's Chairman and Chief Executive Officer, Oliver Hasler, said: *"Recent news about the closure of all mining and smelting activities at Rio Tinto's Richards Bay Minerals operations have introduced further tightness into global supplies of premium zircon, prompting the price increase. Our customers have a preference for our superior product, and we will focus on ensuring supply continues to meet global demand."*

Premium zircon is in increased demand for high tech applications, such as Ytria Stabilized Zirconia (YSZ) for the electrolyte material for solid oxide fuel cells, playing a key role in the move to renewable energies. Zircon supports low carbon electricity as a result of the unique properties of zirconium-based alloys, which make them ideal for use in nuclear reactors generating low carbon electricity. Zirconium compounds play a critical role in catalytic converters, helping to reduce emissions. Zircon

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has a very low environmental impact when produced and has a lower environmental impact than competing products in several key measures, including 16% lower Global Warming Potential (GWP) when compared to alumina.

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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 National Stock Exchange of Australia. PYX's key deposits, Mandiri and Tisma, are large-scale, near-surface open pit deposits both located in the alluvium-rich region of Central Kalimantan, Indonesia. PYX, whose Mandiri deposit has been 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.