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1 December 2021

PYX Resources Limited
Increases Production Capacity to Enable the Production of Rutile and Ilmenite

HIGHLIGHTS

- 33% increase in production capacity at Mandiri’s Minerals Separation Plant to 24,000 tpa
- The new capacity will enable the production of rutile, leucoxene and ilmenite
- This increase is part of five-year plan at Mandiri focused on ramping up production capacity

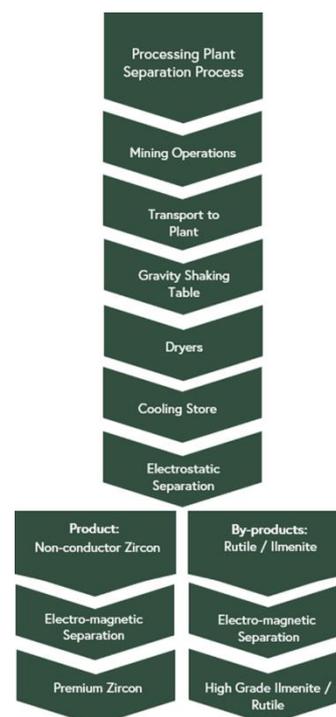
PYX Resources Ltd (PYX or the Company) (NSX: PYX | LSE: PYX), the second largest publicly listed zircon producing mining company globally by zircon resources, is pleased to announce that it has increased the production capacity of its Mineral Separation Plant (MSP) at its world-class Mandiri deposit in Central Kalimantan, Indonesia, from 18,000 tpa to 24,000 tpa, to enable the production of by-products, rutile, leucoxene, and ilmenite.

Having been granted approval on 7 December 2020 for its “Production Operation Plan and Budget 2021”, which includes the mining operation, processing, marketing, and shipping of zircon, rutile, and ilmenite, by the Energy and Resource Service Department from the Government of the Province of Central Kalimantan, the Company initially focused on producing and selling premium zircon.

As part of its five-year plan to expand capacity at its Mandiri MSP, the Company has now increased capacity to 24,000 tpa, which will enable it to add titanium dioxide minerals to its sales profile in the near future. These minerals, in the form of rutile, ilmenite and leucoxene, are byproducts of the zircon production process, and are mainly utilized in the production of pigment, with smaller quantities used in the production of titanium metal and welding electrode fluxes.

The MSP at Mandiri consists of a conventional wet concentration process (Wilfley tabling) and a batch dry mineral separation processing (electrostatic rolls, electrostatic plates, and magnetic rolls).

Heavy Mineral (HM) feed material is first passed over gravity shaking tables to increase the zircon concentrate. The concentrate then undergoes drying and cooling before being passed through an Electrostatic Separation Unit to separate metallic



and non-metallic minerals, as well as those minerals which possess non-conductive properties. Finally, the zircon concentrate passes through an Electromagnetic Separation Unit, resulting in the end product, which has a high zircon content ranging between 66%-68%.

Commenting on the increased capacity at Mandiri’, PYX’s Chairman and Chief Executive Officer Oliver Hasler, said: *“Increasing the capacity of our Mineral Separation Plant in Indonesia is a key element of our strategy that enables us to diversify our product offering and bring more choice and benefits to our expanding global customers.”*



Mandiri Mineral Separation Plant

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About PYX Resources

PYX Resources Limited (NSX: PYX | LSE: PYX) is a major global producer of premium zircon dual listed on the National Stock Exchange of Australia and on the Main Market of the London Stock Exchange. 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 263.5 Mt of contained zircon resource.