

3rd October 2022

PYX Resources Ltd
(“PYX” or the “Company”)

Secures GBP20 million Investment Commitment
from GEM (Global Emerging Markets)

PYX Resources Ltd (NSX: PYX | LSE: PYX) continues to receive strong investor support announcing a GBP20 million investment commitment from GGY Global Yield LLC SCS (“GGY”), a US\$3.4 billion alternative investment firm with offices in Paris, New York, and the Bahamas. The proceeds from this capital investment will further the Company’s effort to upgrade its mining operations and increase its production volumes, well-positioning PYX to continue its growth.

Commenting on the financing, PYX Resources’ Chairman and Chief Executive Officer, Oliver B. Hasler, said: *“The investment commitment is a major milestone in our financing strategy and will enable us to accelerate our previously announced growth plans. We look forward to implementing our vision to become the leading zircon producer globally”.*

Founded in 1995, GGY oversees a wide range of developing market investment vehicles and has executed over 530 transactions in over 70 countries. GGY and its partners have access to Small-Mid Cap Management Buyouts, Private Investments in Public Equities, and select venture investments through the family of funds and investment vehicles.

In this tailored agreement, PYX will control the amount and timing of investment under this GBP20 million commitment over a 36-month period, with no minimum subscription obligation.

Subscription Agreement Key Terms

On any dates chosen at the discretion of the Company (**Notice Date**), the Company may issue a Subscription Notice specifying the aggregate number of shares that the Company wishes GGY to subscribe for (**Subscription Amount**), provided that the aggregate number of shares shall:

- not exceed 700% of the average daily trading volume in the Company’s shares during the 15 trading days immediately preceding the Subscription Notice; and
- when multiplied by 90% of the closing bid price on the trading day prior to the relevant Notice Date, and added to the aggregate subscription price of all the shares subscribed by GGY, that aggregate subscription price amount does not exceed GBP20 million.

The subscription price payable by GGY to the Company (**Subscription Price**) will be set over the period of 15 trading days following the Notice Date (**Pricing Period**), based on 90% of the average of the share closing prices over the Pricing Period (but ignoring trading days (**Knockout Days**) where the price is less than a floor price specified by the Company, trading on the London Stock Exchange is suspended or an material adverse has occurred).

Provided the final Subscription Price is more than the floor price, GGY will be obliged to subscribe for a number of ordinary shares which is more than 50% of the Subscription Amount and is entitled to subscribe for up to 200% of Subscription Amount. GGY will then wire to the Company an amount equal to the Subscription Price multiplied by the Subscription Amount. Upon receipt of funds from GGY, the Company will then issue the relevant new ordinary shares.

The Subscription Agreement is subject to customary warranties, representations, and undertakings given by the Company, including in relation to the Company having sufficient shareholder authority in place to issue shares to GGY on the relevant dates.

In addition, GGY undertakes not to own at any time a number of shares with voting rights exceeding 19.90% of the Company's issued share capital.

In consideration for entering into the Subscription Agreement, the Company will pay GGY a fee of GBP400,000 within a period of 12 months from the date of execution of the agreement.

Warrants

Upon execution of the Subscription Agreement, the Company will also issue Warrants for GGY to subscribe for up to 3,000,000 ordinary shares at any time during a period of three years from the date of issue at an exercise price equal to GBP100, subject to customary adjustment mechanisms.

If the Company is unable to issue the Warrants, the Company is obliged to indemnify GGY and pay the equivalent value of the Black Scholes value of any unissued Warrants.

*****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 | LSE: PYX) is a 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 publicly traded producing mineral sands company by zircon resources globally. Determined to mine responsibly and invest in the wider communities where we operate, PYX is committed to fully developing 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.