

PYX Receives Licence to Export Rutile and Ilmenite

8.2kt of Titanium Dioxide has been stockpiled and is ready to ship

HIGHLIGHTS

- PYX receives licence to export rutile and ilmenite
- The Company has been producing and stockpiling rutile and ilmenite and currently has 8.2kt ready to ship
- Some stock of ilmenite has been transported to the Port of Banjarmasin to accelerate the shipping process
- PYX is now authorised to:
 - extract, produce, and export 24kt of zircon, 20kt of rutile and 50kt of ilmenite; and
 - extract and produce other by-products such as SiO₂
- Industrial and Trade Department (Departement Industri dan Perdagangan) announced minimum grades for ilmenite TiO₂ ≥ 45% and rutile TiO₂ ≥ 90%

PYX Resources Ltd (“PYX” or “the Company”) (NSX: PYX | LSE: PYX), the world’s third-largest publicly listed zircon producer by zircon resources,¹ is pleased to announce that it has received the licence for the export of rutile and ilmenite ores from the Indonesian government. The Company, which announced the start of rutile production on 12 January 2022 and ilmenite production on 27 June 2022, has been stockpiling the material, and by the end of June 2023, has accumulated 8.2kt of these minerals. Future Titanium Dioxide sales will have a significant positive impact on PYX’s finances, since the Company has been absorbing all costs with its zircon production.

Additionally, to expedite the shipping process, PYX has moved a portion of its accumulated ilmenite to the Port of Banjarmasin. The IUP-OP license and newly issued RKAB Operasi Produksi Tahun 2023 (Working Plan and Budget) authorises the Company to extract, produce, and export 24kt of zircon, 20kt of rutile and 50kt of ilmenite, ensuring the extraction and production of other by-products, such as SiO₂.

In line with the Industrial and Trade Department’s regulations, which stipulate minimum grades for ilmenite TiO₂ ≥ 45% and rutile TiO₂ ≥ 90%, the Company has received a new export licence for ilmenite TiO₂ ≥ 45%. The licence was issued by the Investment and One-Integrated Services Department (Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu/ DPMPTSP), with the recommendation from both the Energy and Mineral Resources Department and Industrial and Trade Department.

Titanium feedstock production represents an approximately US\$4.5 billion per annum industry.²

¹ According to publicly available information during the financial year ended June 2023

² <https://www.kenmareresources.com/en/our-products/titanium-feedstocks>

Commenting on the start of ilmenite export, PYX's Chairman and Chief Executive Officer Oliver Hasler, said:

"We are absolutely thrilled to have received the necessary authorisations and the new licence to export rutile and ilmenite. The board took the decision to start producing and stockpiling ilmenite mid-last year in anticipation of receiving the licence. Rutile and ilmenite are by-products for PYX, which can significantly increase our revenue and margin levels, which is good news for all shareholders.

"I would like to take this opportunity to thank the Indonesian government for its continued support and look forward to working together, alongside our local communities, to deliver prosperity and growth to our local economy and beyond."

*****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 3rd 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.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Announcement contains forward-looking statements and forward-looking information within the meaning of applicable Australian and UK securities laws, which are based on expectations, estimates and projections as of the date of this 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 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 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 and Tisma mineral sand deposits total 10.5 Mt of contained zircon within a total of 263.5 Mt of heavy mineral sands.