

Half Year 2023 Results

Positive Underlying EBITDA, Cash Neutral Status, No Debt and Significant Growth in Zircon Sales

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Premium Zircon production increased by 33% to 5.7kt
- Premium Zircon sales up 34% to 5.2kt
- 8% reduction in cash cost of production per tonne of Premium Zircon
- EBITDA of negative US\$9.8 million mainly due to the non-cash share-based payment provision of US\$7.6m and the loss on fair value change of financial instrument of US\$1.2m
- Underlying EBITDA improved by 46% to US\$131k
- US\$7.2 million cash on balance sheet with no debt
- Successful renewal of a 10-year exploration and mining license (maximum term) for the Tisma Mineral Sands project
- New Indonesian regulation allows export of titanium dioxide with minimum grades of $TiO_2 \geq 45\%$ for Ilmenite and $TiO_2 \geq 90\%$ for Rutile
- Received the licence to export Rutile and Ilmenite, PYX has accumulated a stockpile of 8.0kt of Titanium Dioxide
- Sustainability (PYX Cares programme): partnered with the Indonesian Red Cross Society in its annual Blood Donor Day for a third year
- Awarded with the COVID-19 Prevention and Management and Zero Accident Award 2023, both from the Government authorities in Kalimantan

PYX Resources Ltd (NSX: PYX | LSE: PYX), the world's third largest publicly listed Premium Zircon producer by Zircon resources¹, is pleased to announce its results for the six months ended 30 June 2023 ("HY 2023").

¹ according to publicly available information as of 30 June 2023

Financial and Operations Summary

US\$	HY 2023	HY 2022	% change
Zircon Produced	5.7kt	4.3kt	+33%
Zircon Sales	5.2kt	3.9kt	+34%
Yearly Average Price Zircon (USD/t)	1,927	2,749	-30%
Total Mineral Sands Produced	6.8kt	9.2kt	-26%
Total Mineral Sands Sold	5.2kt	3.9kt	+34%

US\$	HY 2023	HY 2022	% change
Sales revenue	\$9,971,528	\$10,645,890	-6%
Cash cost of production	(8,935,118)	(7,333,047)	-22%
EBITDA	(9,806,788)	(3,486,822)	-181%
EBIT	(9,973,755)	(3,598,520)	-177%
Net loss before tax	(9,982,705)	(3,613,644)	-176%
Net loss after tax (NLAT)	(9,834,516)	(3,623,751)	-171%
Underlying EBITDA	\$131,356	\$90,008	+46%
US\$	At 30 Jun 2023	At 31 Dec 2022	% change
Cash	\$7,232,727	\$7,221,085	+0%
Total assets	\$91,246,272	\$89,124,565	+2%
Total liabilities	(7,094,719)	(5,570,118)	-27%

Commenting on the half year results, Chairman and Chief Executive of PYX said:

“In the six months to June 2023, PYX has made significant headways in establishing itself as a leading player in the Premium Zircon market. Since its listing in February 2020, the Company has focused on delivering its strategy and creating shareholder value. Today, I am delighted to report several milestones achieved during the period, but I am particularly proud of our operational achievements which resulted in a positive underlying EBITDA in just under two years since our London listing and three years since our Australian listing.

“Looking ahead, PYX remains well positioned for growth with the award of the exploration and mining licence for Tisma and Mandiri’s export licence for Rutile and Ilmenite, of which we have 8.5kt stockpiled and are ready to ship at the end of August 2023.”

PYX has achieved significant milestones in its third year as a public company following its Australian IPO in 2020 and two years since its London Stock Exchange listing. The Company reported positive underlying EBITDA and finished with the same cash on the balance sheet as 31 December 2022, with no debt, since its initial public offering in February 2020. The Company’s strategy of producing and selling Premium Zircon has resulted in a 33% increase in production, from 4.3kt to 5.7kt, and a 34% increase in Premium Zircon sales, from 3.9kt to 5.2kt, compared to the same period last year, which helped to reduce the cash cost of production in US\$ per tonne by 8% compared to the same period last year.

This is a significant achievement for PYX Resources. The increase in production and sales of Premium Zircon is a testament to the Company’s commitment to providing high-quality products to its customers. PYX Resources’ Premium Zircon is highly sought-after in the market due to its superior quality, and the increase in demand for the product is a clear indication of the market’s trust in the company’s products.

The negative EBITDA and the resulting Net Loss are the result of the non-cash loss on fair value change of financial instrument of US\$1.2m and the cancellation of 20,332,494 performance rights convertible into a

maximum of 23,532,494 shares. According to Australian Accounting Standards Board 2, share-based payments should be settled or cancelled as an acceleration of vesting. All this with no effect on cash.

The cash on our balance sheet at the end of the first half of this year was slightly higher than at the end of last fiscal year with US\$7,232k. This is a result of an increase of Operating Working capital of US\$1.4m required for the increase of production, US\$1.3m investment in capex and a positive US\$2.8m of financial activities, mainly showing the strong support of our shareholders.

Moreover, PYX Resources has successfully renewed its exploration and mining licence for the Tisma Mineral Sands project, with a maximum term of 10 years. The Tisma project is focused on exploring mineral sands and producing and exporting premium grade Zircon. The project has significant inferred resources, including approximately 4.5Mt of zircon, along with gold and Titanium minerals (Rutile and Ilmenite).

The renewal of the exploration and mining licence for Tisma Mineral Sands, our second project, is a significant milestone for PYX Resources. The licence renewal provides the Company with long-term stability and growth opportunities.

Post Period

On 17 August 2023, PYX announced the receipt of the licence for the export of Ilmenite and Rutile ores from the Indonesian government, allowing it to extract, produce, and export 24kt of Zircon, 20kt of Rutile and 50kt of Ilmenite, as well as extract and produce other by-products such as SiO₂. This followed the introduction of the new Indonesian regulation which allows the export of Titanium Dioxide with minimum grades of TiO₂ ≥ 45% for Ilmenite and TiO₂ ≥ 90% for Rutile.

The Company has already stockpiled 8.3kt of Titanium Dioxide feedstock and, with the new export licence, PYX Resources can expand its export opportunities and contribute to the global Ilmenite and Rutile market. The Titanium Dioxide feedstock production industry is valued at around US\$4.5 billion annually.²

Moreover, PYX received approval for its Tisma Work Plan and Budget for 2023 from the Energy and Resource Service Department of the Government of the Province of Central Kalimantan. This approval allows the Company to extract and process 24kt of zircon from its Tisma asset, which was acquired in January 2021.

The Work Plan and Budget costs cover various areas, including mining operations, processing, marketing, environment, safety, training, and community development.

Sustainability

PYX remains committed to its PYX Cares program in 2023 and submitted its Second Communication on Progress Report to the United Nations Global Compact Organization which focuses on five key pillars: People, Planet, Prosperity, Peace, and Partnership.

PYX Resources emphasises community engagement and environmental stewardship, implementing projects that empower local communities and protect wildlife and the natural environment. These initiatives aim to create sustainable opportunities and improve the quality of life for the community.

The Company partnered with the Indonesian Red Cross Society in its annual Indonesian National Blood Donor Day, received the Award for Prevention and Management of COVID-19 in the Workplace in 2023,

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

and the Zero Accident Award 2023 from the government authorities in Kalimantan.

These recent developments are expected to contribute significantly to the company's long-term stability and growth opportunities, expand its export capabilities, and contribute to the global business community. PYX Resources is well positioned to continue its growth trajectory and establish itself as a leading player in the zircon market.

2023 Half Year Results Conference Call and Investor Meet Company Presentation

A conference call for equity market participants will take place on Monday 18 September 2023 at 4pm AWST / 6pm AEST / 9am BST. All participants wishing to listen in to the call must pre-register [here](#) before they can receive the dial-in number.

The Company is also providing a live presentation via the Investor Meet Company platform on 20 September 2023 at 11am BST / 6pm AWST / 8pm AEST. Current and potential investors can sign up and submit questions [here](#) (add the following URL <https://www.investormeetcompany.com/pyx-resources-limited/register-investor>).

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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 6Mt 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.