

FIRST LIGHT

PYX Resources (PYX) – Corporate – Operational Update – FY2023 production
Market Cap £119m Share Price 15.3p

PYX today provided its production update for 2023. Production of the principal revenue generating high-grade zircon was up 31% to 11.8kt (FY 2022 9.1kt), only slightly lower than our forecast of 13kt, with sales volume up 24% yoy to 11.4kt (9.1kt) which offset the 19% decline in the zircon sales price.

Going forward, PYX has been awarded a two-year licence to produce and export up to 24kt of zircon, 20kt of rutile and 50kt of ilmenite per year and importantly has been granted the export licence to export its titanium sands (rutile and ilmenite) for the first time, subject to acceptable grades, which is currently being amended to include the port at Jakarta. PYX has a stockpile of ~10kt of titanium mineral sands which will provide additional revenue when exported, and on an ongoing basis.

PYX currently only produces from its Mandiri mine, but also obtained a 10-year renewal of a mining and exploration licence for its Tisma project. Once PYX moves into producing from two sites it will naturally reduce risk as well as providing a boost to production.

WHI View: Another year of organic growth from PYX. Long-term stability and good standing from the Indonesian government in terms of export licences and renewal of mining and exploration licences. PYS is poised for its next phase of growth to its expanding customer base around the world, fed with product directly from its mine and from its warehouse at Port Klang in Malaysia. We continue to see fair value at 82p/sh (from our research note 17.11.2023). We are keen to hear news of future plans in 2024.

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Marketing Communication

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Outperform	0	0.0	0	0.0
Market Perform	0	0.0	0	0.0
Underperform	0	0.0	0	0.0
Sell	0	0.0	0	0.0
Total	66	100.0	66	100.0

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Company Name	Table of interest number	12-month recommendation history	Date
PYX Resources (PYX)	1,2,3,4,5	Corporate	05.04.22

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