

Operations Update HY 2024

Positioned for growth with continued demand for Premium Zircon and operations now optimised

HIGHLIGHTS

- Total minerals sands sold during the period rose by **84%** to **9.5kt** (2023: 5.2Kt)
- Granted a two-year licence to extract and process up to **94.0kt** of minerals per year at Mandiri
- Granted a three-year licence to extract and process up to **88.8kt** of minerals per year at Tisma
- Commenced ilmenite exports following the award of a modified export licence
- Successfully connected operations to the local electric grid with expected fuel cost savings of circa. 80% and a reduction in carbon emissions
- Positioned for growth and positive about the second half of the year, as the Company looks to deliver on its stated strategy; to increase production, reduce costs, and boost operational margins

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 an operational update for the six months ended 30 June 2024 ("HY 2024") ahead of the publication of its interim results for the same period, anticipated to be released on or around **13 September 2024**.

SUMMARY OF RESULTS (all unaudited)

	HY 2024	HY 2023	Variance
Zircon Produced	4.5kt	5.7kt	-20%
Zircon Sales	4.5kt	5.2kt	-13%
Total Mineral Sands Produced	5.7kt	6.8kt	-16%
Total Mineral Sands Sold	9.5kt	5.2kt	+84%

It has been a pivotal first half of the year for PYX, but has not been without its challenges. Unusual heavy rain in May and June, coupled with the collapse of a bridge providing access to the mine, impacted operations and contributed in total mineral sands (zircon, rutile and ilmenite) produced decreasing 16% to 5.7kt (2023: 6.8kt) and zircon production decreasing 20% to 4.5kt (2023: 5.7kt).

Encouragingly though, and testament to the quality of the Company's mineral sands assemblage, particularly its premium zircon, the Company has experienced strong client demand for its products which resulted in total mineral sand sales increasing 84% to 9.5kt (2023: 5.2kt). PYX's client base consists of blue-chip organisations across several industries, geographies and sectors, which helps eliminate risk and ensures continued sales.

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

During the reporting period, the Company announced that it had received a two-year licence from the Indonesian authorities to produce 94kt per annum ("ktpa") of Premium Zircon, Ilmenite, and Rutile at Mandiri, as opposed to the usual one-year licence. Under the terms of the licence, PYX can export a total of 24kt per year of Premium Zircon with grades of 65.5%, 50,000 Wet Ton ("WE")*/year of Ilmenite with 45% grades and 20,000 WE/year of Rutile with 90% grades. In July PYX also announced that it has received a three-year licence to extract and process up to 88.8kt minerals from its Tisma Project ("Tisma") in Central Kalimantan, Indonesia. With a 27% recovery factor, this enables the production of circa 8ktpa of premium zircon of which 6.4ktpa may be exported and 1.6ktpa sold to domestic Indonesian markets. Importantly, these licences allow for over 80% of the minerals produced to be exported, resulting in the Company being able to achieve better prices and higher margins. The Company believes that the granting these two licences is a result of PYX's operational excellence in the region.

Client orders and sales of titanium stockfeed were put on hold during the period while the Company awaited the modification of its rutile and ilmenite export licences. These modifications were required after changes in regulation made by the Industrial and Trade Department for Export Tax Billing in December 2023. On 12 March 2024, the Company announced that it had received the modified licence to export ilmenite, which it had been stockpiling since the changes in regulation and, as announced on 12 March 2024 commenced delivering on orders placed prior to the modification of the licence. With a shipment of 1,040 tonnes of ilmenite at a grade of 45% TiO₂ exported to a customer in Zhanjiang, Guangdong Province in the People's Republic of China.

During the period, the Company was proud to receive a Gold Environmental, Social and Governance ("ESG") Excellence Award under the Zircon Industry Association's ("ZIA") industry wide ESG reporting and rating process. The ZIA is the trade association of the world's primary zircon producers and consumers who together account for approximately 80% of global annual production of zircon and zirconia. The Gold ESG Excellence Award is one of the highest awards achievable under the ZIA's ESG reporting and rating process and cements the Company's continued commitment to good ESG and business stewardship practices.

Outlook

The first half of 2024 posed significant operational challenges due to unusual heavy rains in May and June and the collapse of a bridge providing access to the mine. Whilst these issues had a negative impact on the Company's production numbers during HY 24, they are now resolved and a robust second half of 2024 is expected. This is being driven by increased production and sales, especially given the Company's existing ilmenite inventory, which was stockpiled while the Company waited for the modification of its rutile and ilmenite export licences and is now ready for sale.

* WE = Wet Ton (the new scale for Titanium based on MoF Department No 23, 2023)

Commenting on the HY 2024 operational results, Oliver Hasler, Executive Chairman of PYX Resources said:

"As we look ahead to the second half of 2024, PYX Resources remains committed to laying the foundations for sustainable growth. The recent award of export, extraction and processing licences, along with significant operational improvements, such as our connection to the local electricity grid, are pivotal steps forward. These advancements not only enhance our operational efficiency but also improve our margins and will, ultimately, lead to greater profitability. We are committed to driving our strategic initiatives to unlock the full potential of our assets and deliver long-term value to our stakeholders."

***** 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