Half Year 2024 Results

Achieved positive EBITDA, reduced costs, & saw an 84% increase in total mineral sands sales

PYX Resources Ltd (**NSX: PYX | LSE: PYX**), the world's third largest publicly listed Premium Zircon producer by Zircon resources[1], is pleased to announce its results for the six months ended 30 June 2024 ("HY 2024").

FINANCIAL & OPERATIONAL HIGHLIGHTS

- 100% increase in EBITDA to US$22.8k - the Company's first positive EBITDA since listing.
- Underlying EBITDA improved 457% to US$732k (2023:US$131k) mainly due to operational efficiency.
- Robust balance sheet with US$7.6 million cash and no debt.
- 28% reduction in cash cost of production to US$6.4 million (2023: US$8.9 million).
- 84% increase in total mineral sands sold to 9.5kt (2023: 5.2kt).
- Granted two licenses enabling PYX to export up to 80% of its mineral production (conditional on grade criteria), enhancing pricing and margins:
    - Mandiri – Two year licence to extract and process up to 94.0ktpa of minerals;
    - Tisma – Three year licence to extract and process up to 88.8ktpa of minerals.
- Started Ilmenite exports following the award of the revised licence.
- Connected Mandiri Mineral Separation Plant to the local electricity grid of Kalimantan, estimated to save up to 80% in the cost of fuel and reduce carbon emissions.
- Received Gold Environmental, Social and Governance ("ESG") Excellence accolade from the Zircon Industry Association.

[1] according to publicly available information as of 30 June 2023

Financial and Operations Summary

	HY 2024	HY2023	% change
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%

US$	HY 2024	HY 2023	% change
Sales revenue	$8,830,830	$9,971,528	-11%
Cash cost of production	(6,404,685)	(8,935,118)	28%
EBITDA	22,824	(9,806,788)	100%
EBIT	(128,255)	(9,973,755)	99%
Net loss before tax	(136,124)	(9,982,705)	99%
Net loss after tax (NLAT)	(136,124)	(9,834,516)	99%
Underlying EBITDA	$731,996	$131,356	457%
US$	**At 30 Jun 2024**	**At 30 Jun 2023**	**% change**
Cash	$7,569,323	$7,232,727	+5%
Total assets	$98,836,428	$91,246,272	+8%
Total liabilities	(15,157,815)	(7,094,719)	-114%

CHAIRMAN'S STATEMENT

The first half of 2024 represents a pivotal financial achievement for PYX as we have attained positive EBITDA for the first time since our listing. This success highlights the impact of our strategic initiatives and operational efficiencies. Our EBITDA for the period reached US$22.8k, a significant turnaround from the negative US$9.8 million recorded during the same period last year.

Even more encouraging is the performance of our underlying EBITDA, which has risen by over 457% to US$732k compared to US$131k in the first half of 2023. This substantial improvement reflects the success of our efforts to optimise production and control costs, positioning PYX for sustainable profitability moving forward.

Furthermore, PYX continues to maintain a robust balance sheet and remains debt-free, a testament to our prudent financial management; we closed the period with a solid cash position of US$7.6 million. This is a result of an increase in net cash used in operating working capital of US$1.2m, US$0.7m investment in capex and a positive US$1.7m as a result of financial activities, mainly showing the strong support of our shareholders. This financial stability provides us with the flexibility to pursue growth opportunities, both organically and opportunistically through acquisitions, with the aim of becoming a consolidator of mineral sands in Indonesia and further enhancing shareholder value.

Operationally, heavy rain in May and June and the collapse of a bridge providing access to the mine impacted operations during the period with a 20% reduction in the production of zircon to 4.5kt (2023: 5.7kt) and a 16% reduction in total mineral sands (zircon, rutile and ilmenite) produced to 5.7kt (2023: 6.8kt). Despite this, we were able to sell almost everything we produced, resulting in an 84% increase in total mineral sands sold in comparison to 5.2kt in 2023; a great achievement which validates our decision to diversify our client base.

Several operational advancements and strategic milestones were achieved in the first six months of 2024. Perhaps the most significant in terms of long-term cost benefits was the successful connection of the Mandiri Mineral Separation Plant to the local electricity grid of Kalimantan estimated to save up to 80% in the cost of fuel and to reduce carbon emissions. This not only streamlines our energy costs but also supports our broader sustainability goals, positioning PYX as a leader in the responsible extraction and processing of critical minerals.

PYX was granted two key Work Programme & Budget licences / Rencana Kerja dan Anggaran Biaya ("WP&B"/ "RKAB") received from the Indonesian Energy and Mineral Resources Department ("ESDM") enabling us to ramp up production and to meet the increasing global demand for these critical minerals. A two-year licence allowing us to produce up to 94kt per annum ("ktpa") of Premium zircon, ilmenite, and rutile at Mandiri. Under the terms of the licence, PYX is authorised to export 24ktpa of premium zircon with grades of 65.5%, 50ktpa Wet Ton ("WE")/year of ilmenite with 45% grades and 20ktpa WE/year of rutile with 90% grades. Additionally, post period-end we announced a three-year licence for our Tisma Project ("Tisma") to extract and process up to 88.8kt minerals. 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 can be sold to domestic Indonesian markets. Importantly, the terms of the licences allow us to export 80% of the minerals produced to overseas market, where we can command more favourable prices. This not only enhances our revenue potential but also reinforces our position in the global market.

In March, we were thrilled to announce the first export of ilmenite to a customer in Zhanjiang, China, following the award of the modified licence to export ilmenite announced on the 12th of March 2024. Client orders had been placed on hold following a modification to the original rutile and ilmenite licences announced in August 2023 and January 2024 respectively and the Company had been stockpiling TiO_2. PYX currently has an inventory of 1,090 tonnes of Premium Zircon, 5,673 tonnes of Ilmenite and 352 tonnes of Rutile.

We are deeply committed to maintaining and upholding the highest ESG standards and were therefore honoured by the Zircon Industry Association ("ZIA") with the prestigious Gold ESG Excellence Award. As the trade association is representing approximately 80% of global zircon and zirconia production, the ZIA's Gold ESG Excellence Award is among the highest honours in the ESG reporting and rating process. This accolade recognized our ongoing dedication to exemplary ESG practices and responsible business stewardship.

These developments highlight our commitment to driving value for our shareholders while contributing to the broader economic landscape in Indonesia. As we move forward, we remain focused on executing our strategy, leveraging our operational efficiencies, and capitalising on the opportunities presented by our enhanced production capabilities.

Outlook

Looking ahead, PYX remains bullish on the prospects for mineral sands, particularly premium zircon. The market dynamics continue to favour strong pricing driven by a supply-demand deficit. With a limited number of mines producing zircon and some of those nearing the end of their life, the pressure on the market to secure alternative supply sources will be intensifying in the future. This scenario presents a significant opportunity for PYX to capitalise on its position as a reliable and high-quality producer.

We are optimistic that the operational improvements and efficiencies implemented on-site will begin to yield substantial benefits in the second half of the year. As we ramp up production and increase our sales volumes, we expect these efforts to enhance our financial performance and to strengthen our market position. We remain committed to meeting the growing global demand for premium zircon and other mineral sands, and we are confident in our ability to deliver continued growth and value for our shareholders.

Oliver Hasler
Chairman & Chief Executive Officer

2024 HALF YEAR RESULTS PRESENTATION

The Company's results interview with Oliver Hasler, Chairman & Chief Executive Officer is available to watch from 4pm AEST via the focusIR platform on: https://youtu.be/JTlkQEq9yWA

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.