

2020 Full Year Results

HIGHLIGHTS

- Premium zircon revenues reached US\$7,816k amid strong production and sales volume growth of 34% and 39% respectively compared to the previous 12-month-period
- Zircon prices remain solid in line with previous period
- Robust customer demand across Company end markets
- Limited negative operating cash flow as a result of tight control on general and administrative expenses (Underlying EBITDA negative US\$861k)
- Net debt free, with a closing cash position of US\$4,209k
- Significant improvement in overall efficiency and staff productivity with increasing sales volume while decreasing personnel numbers
- PYX secures mining license renewal until September 2025 for its Mandiri producing asset
- Strong post IPO share price performance from AU\$0.40 to AU\$0.575 during the reporting period

The Board of Directors of **PYX Resources Ltd** (PYX or the Company) (**NSX: PYX**) has approved the financial results of the Company for the period of July 1st 2019 to June 30th 2020 (Financial Year 2020). The Company has reported solid financial and operational results just four months after its IPO, showing its commitment to its share price growth and mining development plan.

PYX Resources has recorded a momentous financial year with the IPO on the National Stock Exchange completed on February 25th and a strong post IPO share price performance, with share price rising from AU\$0.40 to AU\$0.675 as of close of business yesterday September 11th.

The Company recorded a strong revenue growth resulting from a steady production ramp-up, followed by sales volume growth, increasing workforce productivity and an expanding customer base. In the 12-month-period ended June 30, 2020, PYX has increased its year-on-year sales volume by 39% and production volume by 34% compared with the previous year (July 1, 2018 to June 30, 2019).

Average pricings for the period were in line with the previous period showing the strength of the mineral sands market, and in particular the zircon market, with zircon prices reaching an historic high during the fourth quarter. Demand remained strong during the first half of 2020 with PYX's order book reaching the highest levels since production started in 2015.

The underlying EBITDA for the Company was negative US\$861k, compared to a positive underlying EBITDA of US\$350k for the previous period, which is a significant achievement considering the increase of general administrative costs resulting from listing, RTO and management share-based incentives; in addition to actual geopolitical and trade tensions and the COVID-19 pandemic.

PYX's net loss after tax for the period reached US\$10,886k, mainly as a result of the non-recurring items.

The resulting cash and cash equivalent balance for the period was US\$4,209k, up from US\$211k in the previous period. The increase was due mainly to the IPO funding reduced by listing and RTO costs and the Capex required to bring the installed plant capacity up to 18kt per annum. PYX remains net debt free as planned.

The strong sales and production growth have been achieved on the backdrop of a 2.1% reduction in Full Time Equivalent (FTE) personnel as a result of a significant improvement in overall productivity. At the same time the Company has been very successful in managing work-related accidents with zero lost time injuries in addition to having no reported COVID-19 incidents.

On the production front, the capacity in the Mineral Separation Plant (MSU) increased from 12kt to 18kt per annum as a result of the implementation of the Capex investment programme.

PYX was granted an extension for the mining permit Izin Usaha Pertambangan-Operasi Produksi (IUP-OP) for its Mandiri tenement covering a total area of 2,032 ha for the maximum authorised period of five years until September 2025, after which the license can be renewed for additional periods of five years.

Commenting on the Company’s operation status and achievements in FY20, PYX Resources’ Chairman and Chief Executive Officer, Oliver Hasler, said:

“This is a very pleasing result and we are proud to share with our shareholders the latest achievements for the 12-month-period ending on June 30, 2020. PYX is now operating a world-class mining project, with strong global demand for our premium zircon product. I would also like to thank our shareholders and stakeholders who continue to provide us with great support through this journey. We truly believe that our continued commitment to building a leading global mineral sands company will generate long-term value to all.”

2020 Full Year Results Conference Call

A conference call for equity market participants will take place on Wednesday September 16th 2020 at 5pm (AEST). All participants wishing to listen in to the call must pre-register online before they can receive the dial-in number. Pre-registration can be done by email to ir@pyxresources.com, by sending name, title, company, email and phone number.

14 September 2020

***** ENDS *******For more information:**

ir@pyxresources.com
Tel.: +61 2 8823 3132

This announcement is authorised for release by Oliver B. Hasler, Chairman and Chief Executive Officer.

About PYX Resources

PYX Resources Limited (NSX: PYX) is a global producer of premium zircon listed on the National Stock Exchange of Australia. The Company's flagship asset is the Mandiri mineral sands deposit, located in the alluvium sediment rich region of Central Kalimantan, Indonesia. Boasting the world's 5th largest producing deposit of zircon, Mandiri is a large-scale, near-surface open pit operation in production since 2015 and with exploration to date validating the presence of additional Valuable Heavy Minerals such as rutile, ilmenite among others within its mineral sands.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This NSX Announcement contains forward-looking statements and forward-looking information within the meaning of applicable Australian securities laws, which are based on expectations, estimates and projections as of the date of this NSX 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 NSX 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 NSX Announcement.