

PYX Resources Completes Acquisition of Mineral Sands Deposit Becoming the 2nd Largest Zircon Producing Resource Base in the World

HIGHLIGHTS

- PYX Resources has completed deal to acquire the entire capital of Tisma Development (HK) Limited
- The acquisition results in an important change of scale in PYX's activities, converting PYX into the second-largest producing mining company in the world in terms of JORC-compliant zircon resources
- With this acquisition PYX now controls 263MM tonnes of JORC-compliant resources, with 10.5MM tonnes of contained zircon
- Great potential to increase extraction and production of zircon to supply fast-growing, global demand for zircon during the post-COVID-19 economic recovery period

PYX Resources Limited (PYX or the Company) (NSX: PYX) is pleased to announce it has completed its acquisition of the entire share capital of **Tisma Development (HK) Ltd. (Tisma)**. This acquisition boosts PYX's contained zircon resources by 75% whilst is a highly accretive deal for existing PYX shareholders. The acquisition gives PYX ownership of the Tisma tenement, a world-class mineral sands asset consisting of a concession area of 1,500 hectares located in Central Kalimantan Province, Indonesia.

This acquisition is an excellent strategic addition to PYX's resource base and a milestone in the consolidation of the Indonesian mineral sands mining business, converting PYX into the second-largest producing mineral sands company globally in terms of JORC-compliant zircon resources.

The Tisma tenement has 137 million tonnes of JORC-complaint inferred resources, including 4% heavy minerals, and contains approximately 4.5 million tonnes of zircon. It also contains valuable by-products, including titanium minerals (rutile and ilmenite).

The site is fully licensed for zircon exploration and premium grade zircon production and export. The concession is owned by PT. TISMA GLOBAL NUSANTARA (**PTTGN**) under mining permit Izin Usaha Pertambangan - Operasi Produksi (IUP-OP) No. 545/244/KPTS/VIII/2012, issued on 1st August 2012. PTTGN has exclusive rights to perform exploration and mining works in the tenement area.

The JORC report issued in November 2020 confirmed approximately 5.5 million tonnes of heavy mineral (HM), containing JORC-compliant inferred resources of 4.5 million tonnes of zircon (3.27%). The deposit inferred resources also contain 0.08% rutile and 0.34% ilmenite.

PYX's Chairman and Chief Executive Officer, Oliver B. Hasler, said: *"This acquisition is highly accretive and could not come at a better time, when there is a lack of resources, increased and growing zircon demand combined with higher zircon prices. We will now focus on boosting our capacity in order to meet market demand and increase our market share globally."*

*** 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) is a major global producer of premium zircon, rutile and ilmenite listed on the Australian National Stock Exchange. PYX 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, in production since 2015, is the 2nd largest zircon producing mining company globally by zircon resources. Determined to mine responsibly and invest in the wider communities where we operate, PYX Resources is committed to fully develop 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 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

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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.

Compliance Statement

The Mandiri mineral sands deposit hosts a 6 Mt 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.