

PYX Signs Binding Zircon Offtake Agreement with Microtech Zircon India

PYX Resources Limited (“PYX” or “the Company”) (NSX: PYX) is pleased to announce that it has entered into a binding Offtake Agreement with India-incorporated Microtech Zircon. Microtech Zircon is a member of Delta Tiles, a group of companies which fall under the brand name Geo Gres.

The Offtake Agreement is for a committed quantity of 3,600 tonnes of zircon over a two-year period. The negotiation for the agreement was overseen by PYX’s Chairman and Chief Executive Officer, Oliver Hasler.

The execution of this third Offtake Agreement builds on PYX’s commitment to rapidly grow the Company and increase its production and global sales capacity. PYX has customers all over the world, including in Indonesia, Taiwan, China, India, France, UK, France, Germany, Spain and Mexico.

Delta Tiles is based in Morbi, Gujarat, India, and operates five different production units of ceramic tiles, porcelain tiles and sanitaryware. Microtech Zircon, as a member company of Delta Tiles, produces end-products of zircon to be used in Delta Tiles’ manufacturing processes, as well as products to be sold outside the group.

Last year, PYX announced the signing of two separate binding Offtake Agreements. The first was with China’s Qingyuan Jinsheng ZR & TI Resources Co. Ltd. for a total of 6,000 tonnes of premium zircon for two years, and the second was with Taiwan-incorporated Euronics Inc. for a total of 4,000 tonnes of zircon product per annum, also over two years. PYX’s global and diversified customer base, as well as the offtake agreements signed to date, bring stability to revenues, assuring future growth as capacity increases.

Commenting on completing the Offtake Agreement with Microtech Zircon, Oliver Hasler said:

“I am delighted to announce another Offtake Agreement, which will greatly contribute to our plans to expand our processing capacity in Indonesia and gain market share. In Microtech Zircon, we have found yet another highly respected zircon specialist that recognises the premium quality of our product.”

PYX will supply the premium-quality zircon required from its world-class Mandiri deposit in Central Kalimantan, Indonesia. Pricing under the Offtake Agreement shall be the prevailing market price in U.S. dollars of zircon, with payment terms 40% in advance and 60% upon final documentation. Under the agreement termination may occur by mutual consent or by either party with a 60-day prior written notice.

PYX recently announced that it has completed its acquisition of the entire capital of Tisma Development (HK) Limited. The acquisition resulted 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 10.5M tonnes of contained zircon.



Premium Zircon

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

About Microtech Zircon

India-incorporated Microtech Zircon is a member of Delta Tiles. Delta Tiles is a group of companies which fall under the brand name Geo Gres. Based in Morbi, Gujarat, India, Geo Gres was formed in 2006 to manufacture products with a high technological content. High-quality material combined with unrivalled technology has enabled them to reinterpret some of the rarest, most refined and valuable products of nature, while also enhancing their technical and qualitative properties. Their products are inspired by the latest trends in the worlds of interior and graphic design.

About PYX Resources

PYX Resources Limited (NSX: PYX) is a major global producer of premium zircon listed on the National Stock Exchange of Australia. 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 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 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.

Together the Mandiri mineral sands deposit and Tisma mineral sands deposit total 10.5Mt of contained zircon resource.