

Increased Demand for PYX's Premium Product Results in Price Increase

HIGHLIGHTS

- **PYX has increased the price of its premium zircon by US\$75 per tonne effective immediately in response to growing demand across PYX's end markets**
- **China consumption in particular is accelerating after recovering from Covid-19 crisis**
- **Order book and demand are growing for PYX's superior quality zircon**
- **Planned capacity increase following Tisma acquisition to meet demand, increase margins and gain market share**

PYX Resources Limited (PYX or the Company) (NSX: PYX) announces today that it has increased the price of its premium zircon by US\$75 per tonne effective immediately. The move has been prompted by a pick-up in demand for zircon across PYX's end markets, and a current lack of supply for the mineral.

At present, demand for zircon is being driven by China, as its economy shows a sustained growth, and India, as its economy recovers after the COVID-19 crisis. The Company is also planning for increased demand from Europe which is expected to return by summer 2021 as the entire supply chain in the region has to be replenished. All these factors mean that demand is outstripping the current available supply of zircon, which has enabled PYX to implement a US\$75 per tonne price increase.

PYX has also seen a growing number of orders for its premium zircon due to the superior quality and unique whiteness of the product. The Company continues to maintain a very strong order book, with 100% of production accounted for until end of the 2nd quarter 2021.

In February 2021, PYX announced the acquisition of Tisma Development (HK) Ltd., which signalled an important change of scale in the Company's activities. The addition of the Tisma deposit has boosted production such that PYX has become the second-largest producing mining company globally in terms of JORC-compliant zircon resources. PYX now controls 263MM tonnes of JORC-compliant resources, with 10.5MM tonnes of contained zircon.

PYX's Chairman and Chief Executive Officer, Oliver Hasler, said: *"We are entering an up-cycle for commodities, the commodity index has bottomed out and globally there is a demand/supply imbalance for zircon, leading to suitable market conditions for PYX to increase pricing. Our recent acquisition of a second deposit in Kalimantan could not come at a better time, with 2021 shaping up to be the perfect time window for us to increase margins, boost capacity and gain market share."*



***** 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 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.