

PYX Resources Starts Supplying its Premium Zircon to Highly Specialized Fused Zirconia Industry

HIGHLIGHTS

- **PYX to start supplying zircon to the fused zirconia industry in China**
- **Almost half the global zircon supply is consumed by China**
- **Only premium zircon can be used to produce fused zirconia**
- **Fused zirconia is used for different high-end zirconium metal products including electric vehicle batteries, technical ceramics, electronics and specific parts for nuclear reactors**

PYX Resources Limited (PYX or the Company) (NSX: PYX) announces today that it has secured new business with **Fujian Sanxiang Advanced Materials Co., Ltd (Fujian Sanxiang)**, a leading producer of fused zirconia based in China. Fused zirconia is a crucial raw material for the production of zirconium metal, which has important applications in nuclear power and aerospace. The production of fused zirconia requires premium zircon.

Currently, the majority of zircon is mined in Australia and Africa, with global production in excess of one million tonnes per annum. China is the largest consumer of zircon, accounting for almost half the global consumption, with other significant consuming regions including Europe, North America, Asia-Pacific and India. The supply by PYX of zircon in this important niche market represents a new market opportunity. It comes at a particularly important time given the general lack of supply of premium zircon, specifically as a result of supply issues in South Africa, and a lack of inventories in China.

Fujian Sanxiang's products cover three major areas: fused zirconia, cast modified materials, and single crystal fused aluminium, together extending to more than 100 products. Fujian Sanxiang expressed particular interest in PYX's zircon due to its low Al_2O_3 of under 0.2%. This stands in stark comparison to other zircon available on the market, which is typically > 0.5%. In addition, the uranium + thorium content of the Company's zircon is less than 450ppm, making it ideal for producing fused zirconia.

Fused zirconia has a number of complex properties which makes it suitable for a range of applications. It is stable at high temperatures and maintains consistency of its physical and chemical characteristics. It offers superior thermal resistance, has high corrosion resistance, high chemical inertness, a very high melting point, high hardness, and a high refractive index, which allows it to be used in innovative applications and sectors that use cutting-edge technology such as the defence, energy and electric car industries.

As such, fused zirconia is utilized in refractories used in the production of steel and glass products, ceramic colours and glazes, abrasive substances, and investment casting. Some special applications

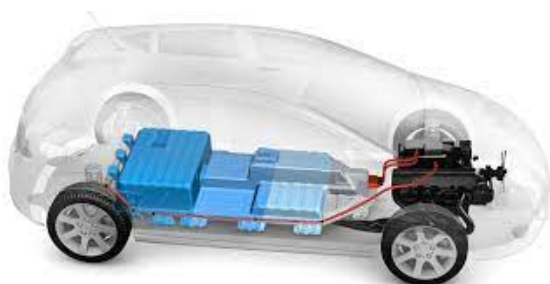
include friction products in the auto industry, technical ceramics and electronics, and zirconium metal and alloys for structural parts for reactors in the nuclear industry.

PYX's sales to Fujian Sanxiang were secured through Wogen Pacific Ltd, a subsidiary of the Wogen Group, a leading international trader of off-exchange specialty metals and minerals around the world.

PYX's Chairman and Chief Executive Officer, Oliver Hasler, said: *"I am delighted that PYX's premium zircon meets the high-quality specifications required by the fused zirconia industry; only very few mines in the world can supply this grade and it is pleasing that we can. Problems in the traditional supply from South Africa have made this grade even more sought after."*



Nuclear powered aircraft carriers



Electric vehicle battery



High-end watch cases

***** 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 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.

About Fujian Sanxiang Advanced Materials Co., Ltd

Fujian Sanxiang Advanced Materials Co., Ltd. was established in 1991 as a high-tech enterprise. For more than 20 years, Sanxiang Advanced Materials Co., Ltd has insisted on energy saving and environmental protection through its green management concept, conducting legal and honest operations, focusing on research and development, and the production and sale of advanced materials. Its main products cover three major series of fused zirconia, cast modified materials and single crystal fused aluminium, and extend to over 100 kinds of products. These are widely applied in sectors such as aerospace, military refractory and abrasive materials, ceramic and glaze materials, nuclear grade zirconia materials, advanced ceramics, cast, high-end abrasives materials and tools. The company's business scope now covers more than 30 countries and regions.

Wogen Group Limited.

UK headquartered company Wogen, with its name derived from the Chinese word 五金 meaning 5 metals, was founded in 1972 and is a leading international trader of off-exchange specialty metals and minerals with a truly global focus. During the company's 49-year history it has traded nearly every metallic element from alumina to zircon, developing a highly knowledgeable team specialised in their field, and long-term relationships with a broad range of suppliers and customers around the globe which give unique market insights on both the demand and the supply side. Wogen is privately owned by employees and has offices in London, Beijing, Shanghai, Guangzhou, Hong Kong, Moscow, Cleveland and Johannesburg.

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.

Competent Person Statement

The information in this report that relates to geology, Exploration Results, Mineral Resources or Ore Reserves is based on, and fairly represents, information and supporting documentation compiled by Dr John Chisholm, a Competent Person who is a Member of AusIMM. Dr. Chisholm is a Principal Geologist of Continental Resources Management Pty Ltd, a geological consultancy company that has been engaged by PYX and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr. Chisholm consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.