

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, JAPAN OR THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, PUBLICATION OR DISTRIBUTION OF THIS ANNOUNCEMENT WOULD BE UNLAWFUL. THE COMMUNICATION OF THIS ANNOUNCEMENT IS NOT BEING MADE, AND HAS NOT BEEN APPROVED, BY AN AUTHORISED PERSON FOR THE PURPOSES OF SECTION 21 OF THE UK FINANCIAL SERVICES AND MARKETS ACT 2000.

PYX Resources Limited / EPIC: PYX / Market: Standard / Sector: Mining

27 June 2022

PYX Resources Ltd
(“PYX” or the (“Company”))
PYX Starts Production and Sales of Ilmenite

HIGHLIGHTS

- PYX starts producing natural ilmenite from its Mandiri deposit
- Ilmenite is used for the production of synthetic rutile TiO₂ feedstocks
- TiO₂ feedstock demand is forecasted to exceed supply and are considered to be critical minerals
- TiO₂ is sold for end use in pigment, welding and many other applications
- PYX expands portfolio of products, which include premium zircon, rutile, leucoxene and ilmenite
- PYX increased its installed capacity at its Mineral Separation Plant to 24ktpa

PYX Resources Ltd (PYX or the Company) (**NSX: PYX | LSE: PYX**), is pleased to announce that it has started production and sales of ilmenite from its Mandiri deposit in Central Kalimantan. On 7 December 2020 PYX received the approval for Production Operation Plan and Budget 2021 from the Energy and Resource Service Department of the Government of the Province of Central Kalimantan which included the mining operation, processing, marketing and shipping of zircon, rutile and ilmenite.

During the month of November 2021 PYX increased its production capacity at its Mineral Separation Plant (MSP) to 24,000 tpa, allocating the new installed capacity for the production of rutile, leucoxene and ilmenite.

Zircon and titanium dioxide minerals – such as rutile and ilmenite – belong to a group of minerals widely known as ‘Heavy Mineral Sands’.

Ilmenite, FeTiO₃, is a common mineral in nature. It is a weakly magnetic, black or steel-gray solid. From a commercial perspective, ilmenite is the most important ore of titanium. Ilmenite is used to produce synthetic rutile for feedstocks to produce titanium dioxide (TiO₂) pigment, which accounts for around 90% of global titanium feedstock consumption.

¹ Australian Critical Minerals prospectus 2021

The Australian Government identified rutile and ilmenite as critical minerals among 24 metals, non-metals and minerals, that are considered vital for the economic well-being of the world's major and emerging economies, yet whose supply may be at risk. ¹

Titanium dioxide is a dark-coloured mineral which, with further processing, becomes a white, opaque powder. Titanium pigment is by far the largest end use of titanium feedstocks, accounting for around 90 per cent of demand. Average annual growth of this segment is broadly in line with global GDP growth. Titanium metal has experienced stronger growth with increasing use in body and engine parts for aeronautics, defence applications, biomedical and sporting goods. Welding flux cord wire is used in ship building and steel construction applications.

Titanium feedstock production represents an approximately US\$4.5 billion per annum industry.

Commenting on the start of ilmenite production, PYX's Chairman and Chief Executive Officer Oliver Hasler, said: "PYX Resources is extremely pleased to have started the production of ilmenite, which is an important component of our strategic plan. Together with our premium zircon, rutile and ilmenite we will better serve our customers around the world and have an important impact to our *profitability*".

***** ENDS *****

For more information:

<p>PYX Resources Limited</p> <p>Oliver B. Hasler, Chairman and Chief Executive Officer</p>	<p>T: +852 3519 2860</p> <p>E: ir@pyxresources.com</p>
<p>VSA Capital Limited (Financial Adviser and Broker)</p> <p>Andrew Raca (Corporate Finance)</p> <p>Andrew Monk / David Scriven (Corporate Broking)</p>	<p>T: +44 (0)20 3005 5000</p>
<p>St Brides Partners Ltd (Financial PR)</p> <p>Ana Ribeiro / Isabel de Salis / Oonagh Reidy / Isabelle Morris</p>	<p>E: pyx@stbridespartners.co.uk</p>

About PYX Resources

PYX Resources Limited (NSX: PYX | LSE: PYX) is a producer of premium zircon dual listed on the National Stock Exchange of Australia and on the Main Market of the London Stock Exchange. 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 publicly traded producing mineral sands company by zircon resources globally. Determined to mine responsibly and invest in the wider communities where we operate, PYX is committed to fully developing its Mandiri and Tisma deposits, with the vision to

¹ Australian Critical Minerals prospectus 2021

consolidate the mineral sands resources in Kalimantan and explore and acquire mineral sands assets in Asia and beyond.