

10 Year Exploration and Mining License for Tisma Mineral Sands Project

Tisma Project Highlights

- PT Tisma Global Nusantara (PT TGN) secures 10-year exploration and mining license renewal for its Tisma Mineral Sands project (“Tisma”) in Kalimantan commencing 1 August 2022 until 31 July 2032
- PT TGN now fully licensed with an “IUP-OP” Izin Usaha Pertambangan Operasi Produksi (Production Operation Mining Business License) permit, allowing the mining, production and export of premium grade zircon
- Granting of the tenement license recognises PT TGN and PYX’s compliance with Indonesian mining regulations and strong environmental ethics
- PYX holds a contractual interest in Tisma through an Exclusive Operation and Management Agreement (see Company’s Prospectus dated 8 November 2021)
- Tisma contains 4.5 Mt of Inferred Resources of Zircon; together the Mandiri and Tisma Mineral Sand deposits total 10.5 Mt of contained Zircon within a total of 263.5 Mt of heavy Mineral Sands
- PYX produces premium quality Zircon from Tisma with the highest Heavy Mineral assemblage value amongst its peers

PYX Resources Ltd (NSX: PYX | LSE: PYX), is pleased to announce that it has received notification from the Central Kalimantan Provincial Government (DMPTSP: Head of Investment Office and One-Stop Integrated Service Department of Central Kalimantan) that after approval from the Energy and Mineral Resources Department of Central Kalimantan (“ESDM”), PT TGN’s application for the renewal of the license for the Tisma tenement has been granted for the maximum authorised period of 10 years, after which the license can be renewed for additional periods. The renewal of the tenement license allows PT. Tisma Global Nusantara (“PT TGN”) to continue to perform exploration and mining works in the tenement area.

The terms of the renewed permit, including payment of Indonesian taxes and honouring of other financial obligations of PYX’s subsidiary PT Global Nusantara, are set out in the IUP-OP. A summary of some of the key provisions is provided below:

- Royalty on Zircon exported is 1.5%;
- Fixed rent is payable to the Government of Indonesia at a rate of US\$4 per hectare per annum;
- Corporate tax of 22% is payable and set by the Government of Indonesia;
- Land and building taxes are payable to the local government, at a rate of 0.5% based on taxable sales value;
- Environmental obligations, including reclamation bonding and plans, approved by the local government as part of the mine approval process.

Commenting on the tenement license approval, PYX's Chairman and Chief Executive Officer Oliver Hasler, said:

"PYX Resources is extremely pleased to report receipt of the notification for the renewal of the tenement license for the Tisma asset. This is a key development for the Company, extending the term of the tenement license where the Company operates, and thus enabling PYX to continue its critical exploration and mining activity, at a time when the mineral sands market is experiencing increased demand and consistent growth.

PYX is an Indonesian focused Company looking to consolidate the minerals sands market in the region. We are very lucky to work with a professional and dedicated team and operate in a mining friendly and supportive country like Indonesia. I would like to take the time to thank our team and the Indonesian government departments, officials and stakeholders for the quick decision on the license application."

***** ENDS *****

For more information:

info@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 | 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 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 Announcement contains forward-looking statements and forward-looking information within the meaning of applicable Australian and UK securities laws, which are based on expectations, estimates and projections as of the date of this 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 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 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 and Tisma mineral sand deposits total 10.5 Mt of contained zircon within a total of 263.5 Mt of heavy mineral sands.