



The Emerging Force in the Premium Zircon Industry

2020 Full Year Result, 16 March 2021

***PYX is the 2nd Largest Producing Mineral Sands Company
Globally By Zircon Resources***



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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 resource 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.

Oliver B. Hasler
Chairman and CEO



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FY 2020 Highlights

Listed on the National Stock Exchange of Australia (NSX) on February 25, 2020 with strong share price performance since IPO

Premium zircon revenues increased to US\$8.96 million, with Sales Volumes increasing to 6,737 tonnes, **an annual sales volume growth of 37% yoy**, despite severe challenges under COVID-19 pandemic.

Zircon prices recovering post COVID

PYX's zircon **order book is very strong**, with production slots booked up to June 2021 as a result of PYX's superior quality, the unique **whiteness of Kalimantan** zircon and the scarcity of zircon

Limited negative operating cash flow as a result of tight control on general and administrative expenses (Underlying EBITDA negative US\$1,213 k)

Debt free, with a closing net cash position of US\$3,509 k

Significant improvement in overall efficiency and staff productivity with increasing sales volume while decreasing personnel numbers

Mandiri operation's production capacity expanded to 18,000 tpa

Subsequent Event: PYX completed the acquisition of Tisma on 15 February 2021, a transformative deal for PYX

Effective execution of Pyx's long term strategy

Investment Highlights

Listed on the NSX, PYX is a mineral sands company at production stage, with substantial upside potential. **It is the world's 2nd largest producing mineral sands company based on zircon resources.**

PYX holds two world-class mineral sands deposits which are strategically located in a Belt and Road country, with very high assemblage value Inferred Resources and long mine life.

The company, already in production since 2015, features an **excellent geological setting**, with JORC Inferred Resources of 14.9 Mt of heavy minerals, including **10.5 Mt of JORC compliant zircon resources**. **The combined HM assemblage is best in class with a value of US\$1,145/t and 70% zircon content.**

A **well-diversified portfolio of international blue-chip customers** across key geographies and industrial sectors, with a major focus on China.

Strong zircon price outlook due to supply/demand deficit post COVID 19 and a **major upcoming commodity price up-cycle**.

Top-tier management team with solid track record.

Significant upside potential supported by current share price discount to intrinsic value, potential for volume increase and drastic cost reduction, additional resources exploration targets and potential for rutile and ilmenite resource definition as well as access to additional acquisition targets.

PYX Cares: Our Holistic Sustainability Approach

We believe that our business can be a catalyst for change. Inspired by the Sustainable Development Goals (SDGs) set forth by the United Nations Development Program, we have introduced PYX Cares as our blueprint for making a difference and achieving sustainable growth.

A holistic sustainability programme, PYX Cares is designed to ensure we deliver sustainable value to all our stakeholders, from empowering local communities and protecting the environment, to promoting diversity and making sure our employees and the people of Kalimantan fully participate in our long-term success.

- **Environment**
- **Health & Safety**
- **Training & Education**
- **Society**



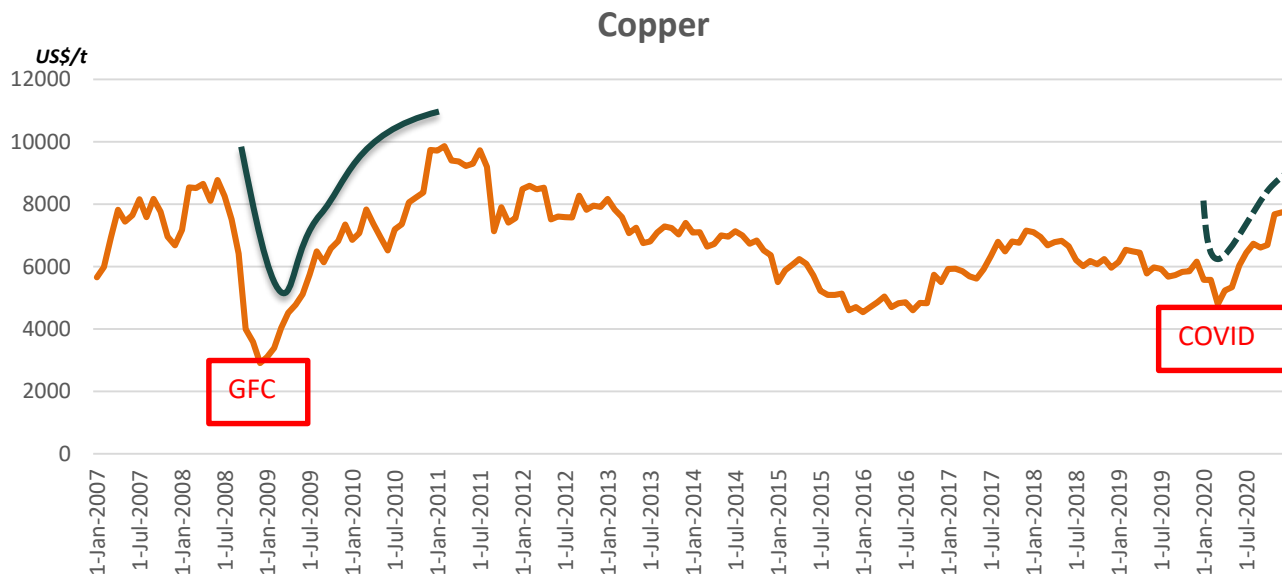
Safety and Health:

- Safety training
- Zero lost time due to injury
- Zero reported Covid-19 cases
- Health campaign
- Aid to local community



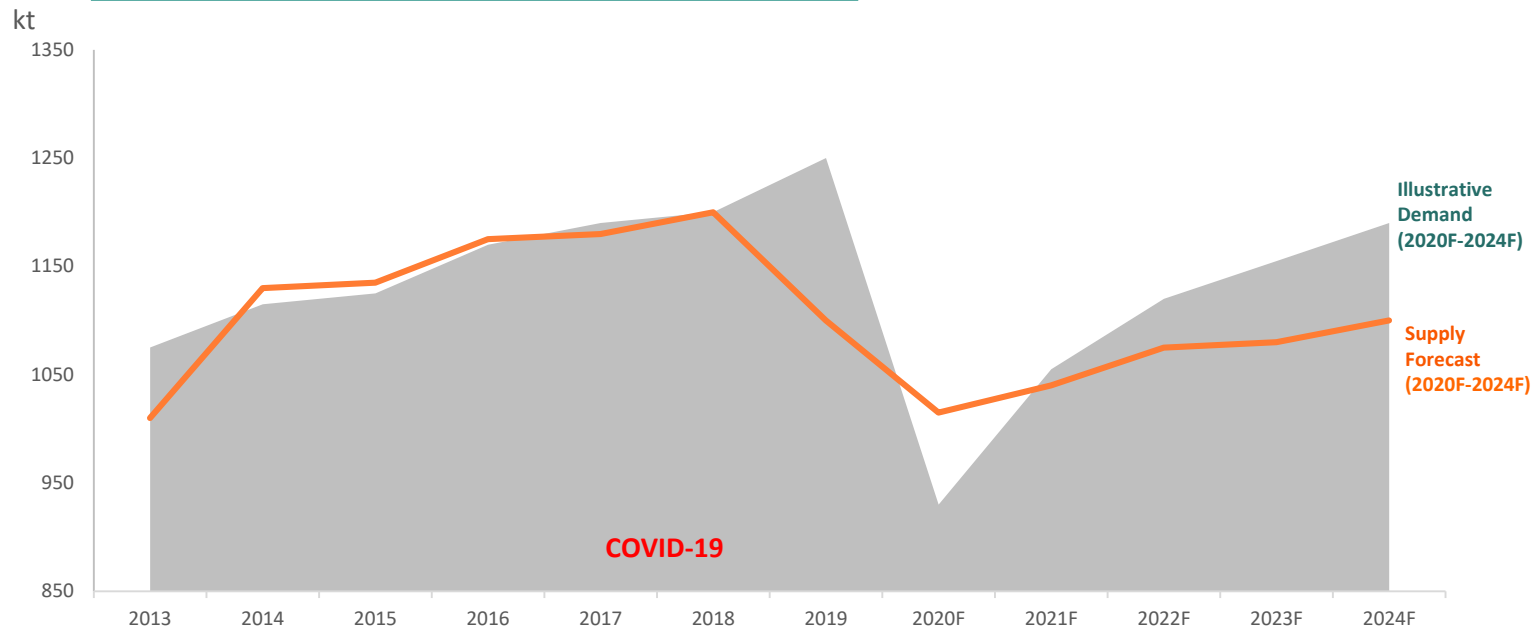
Industrial Commodities are Experiencing a Strong Rebound

- Industrial Commodities are experiencing strong up-cycle dynamics
- Government economic stimulus programs in response to Covid are similar in size to the programs adopted in 2009 in response to the 2008 Global Financial Crisis
- Outsized monetary stimulus are increasing government yields and stoking inflation expectations, therefore boosting most industrial commodities prices



Post COVID-19, a Substantial Zircon Undersupply Will Emerge

GLOBAL ZIRCON SUPPLY AND DEMAND OUTLOOK



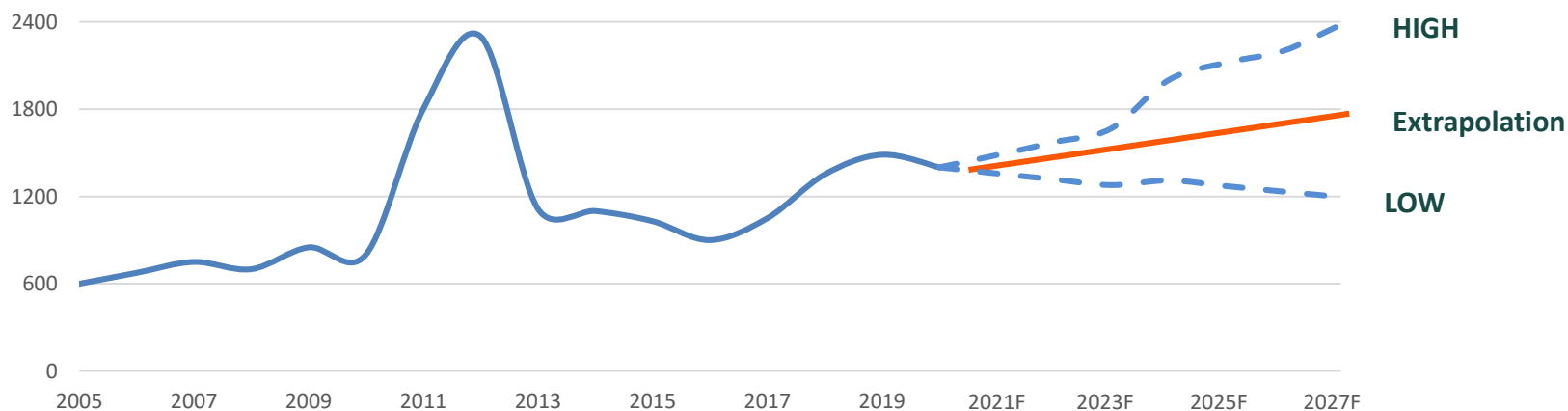
*Note: Illustrative demand and supply forecast (2020-24) are indicative only. Supply data assume no new project going into production stage
Source: ILLUKA, TZMI, Sheffield Resources*

- Post COVID-19 pandemic, a substantial supply gap is expected to emerge, which is likely to support a robust zircon price environment in the near future.
- Zircon prices, which remained stable during the COVID 19 pandemic, are expected to raise strongly over the next few months, in combination with a major commodity price upcycle during the post COVID 19 recovery phase

Zircon Price on the Rise Again

- During 2019 zircon prices continue to remain stable, and the weighted average zircon sand (premium and standard) price in Q3 2020 was US\$1,311 per tonne. Credit Suisse and other research analysts are projecting zircon at US\$1,510 for 2021
- It is a fact that the grade of known deposits is declining
- Following industry consolidation in the last 10 years, the top 5 producers Iluka (336k tons), Tronox/Cristal (228k tons)*, Rio Tinto (192k tons), TiZir (60k tons) and Kenmare (48k tons) control approximately 72% of global supply in 2018, and therefore pricing environment is expected to remain strong
- There is a lack of supply potential for the foreseeable future and the future demand is projected to exceed supply
- Global trade tensions and COVID-19 pandemic, led to more cautious buying behaviour from consumers and an overall dampening on demand; however, since second quarter, zircon consumers, especially Chinese companies have been restarting operations, which will lead substantial demand for high-grade zircon. Zircon's prices are increasing in 2021

ZIRCON (PREMIUM GRADE) PRICE AND OUTLOOK TO 2027



Source: ILUKA Investor Briefing, TZMI, Company Analysis

* Cristal, one of top 5 zircon producers in 2016, completed the sale of its titanium dioxide business to Tronox in April 2019.

Pyx's Order Book is Solid and Well Diversified



- Sales to top 3 major customers reduced from 84% → 48%.
- Strong weight towards China in the last 9 months and India has started
- Record high order book

Summary of FY2020 Results

Financial Results

- Sales increased to US\$8,957k, an increase of 31%
- Underlying Group EBITDA of (US\$1,213k), from US\$350k

Total Cash

- Total Cash US\$3,509k
- Net debt free

Operational Performance

- Sales volume growth of 37%
- Production volume growth of 32%
- MSP capacity increase from 12 → 18kt/year

Stock Market

- IPO on February 25th 2020
- Strong share price performance A\$0.40 to A\$0.695

Zircon Market

- Zircon prices in line with previous period (average -4%)
- Record demand and order book

Income Statement Analysis

- Significant impact in FY2020 financials related to non-recurring listing expenses and non-cash acquisition losses
- Modestly negative operating cash flow is the result of tight control on general and administrative expenses during the IPO preparation phase and following commencement of trading on NSX.

	FY 2020 (USD)	FY 2019 (USD)
Sales Revenue	8,956,694	6,858,289
Cash cost of sales ¹	(7,557,600)	(5,554,577)
Gross Profit	1,399,094	1,303,712
Other income / (expenses)	110,576	114,459
Selling and distribution expenses	(492,248)	(260,831)
Corporate and other expenses ¹	(7,675,142)	(1,059,484)
Foreign exchange gain/(loss)	(29,376)	(11,659)
Non-capitalized RTO and listing expenses	(1,889,237)	-
Acquisition loss	(5,356,997)	-
EBITDA	(13,933,330)	86,196
Depreciation and amortisation	(129,173)	(76,399)
Net financial expenses	(20,961)	(57,091)
Net loss before tax	(14,083,464)	(47,294)
Income tax	262,861	(11,092)
Net loss after tax	(13,820,603)	(58,386)
Other comprehensive income/(expense)	40,046	12,296

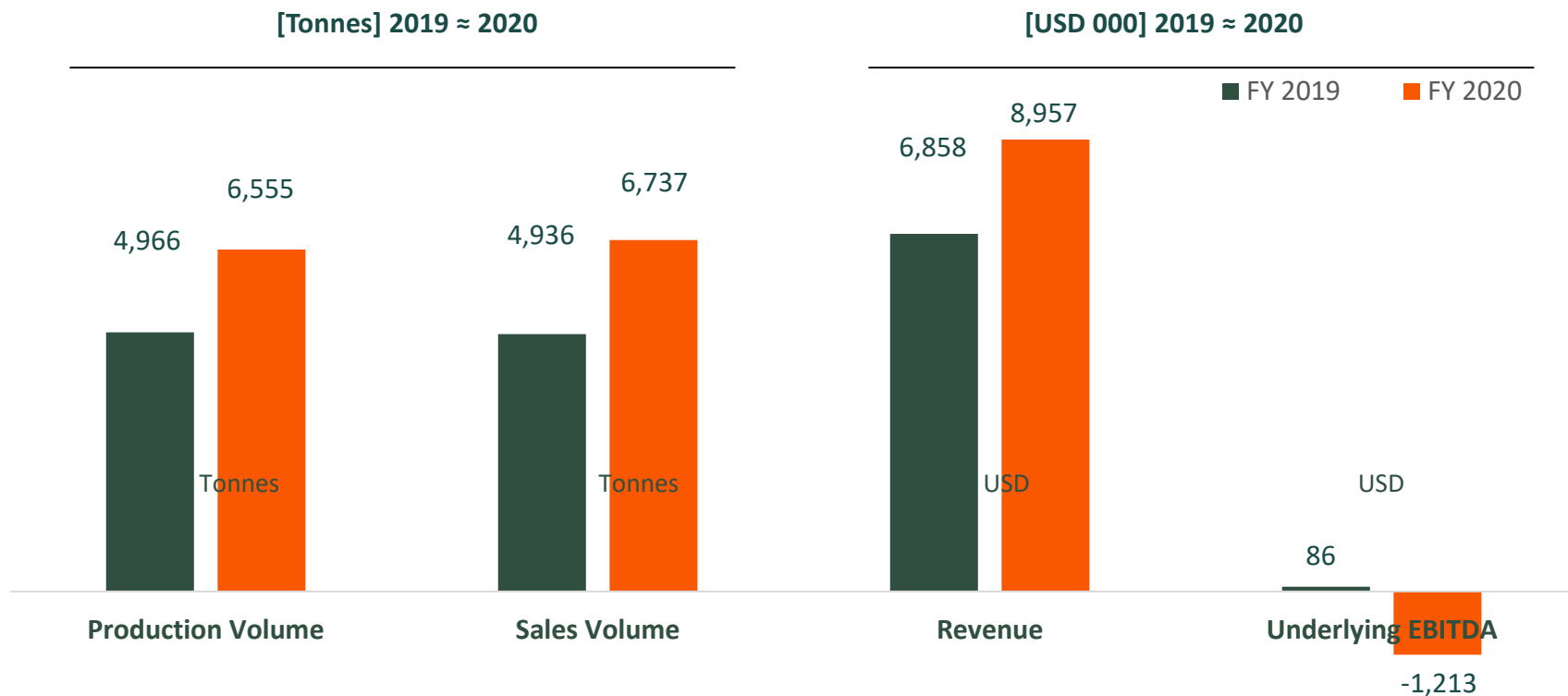
UNDERLYING EBITDA

	FY2020 (USD)	FY2019 (USD)
EBITDA	\$ (13,933,330)	\$ 86,196
Non-recurring items ²	\$ (12,719,928)	\$ -
Underlying EBITDA	\$ (1,213,402)	\$ 86,196

¹ Excluding depreciation and amortisation

² Non-recurring items are expenses that do not fall within the normal course of business and/or are not costs that occur every year

PYX: Strong Top Line Growth, with Tight Cost Control



- Production volume increase as a result of increase capacity
- Strong productivity increase

- Sales volume increase resulting from increased demand, mainly from China

- Revenue increased by 31% due to an increased sales volume, partly compensated by lower obtained prices

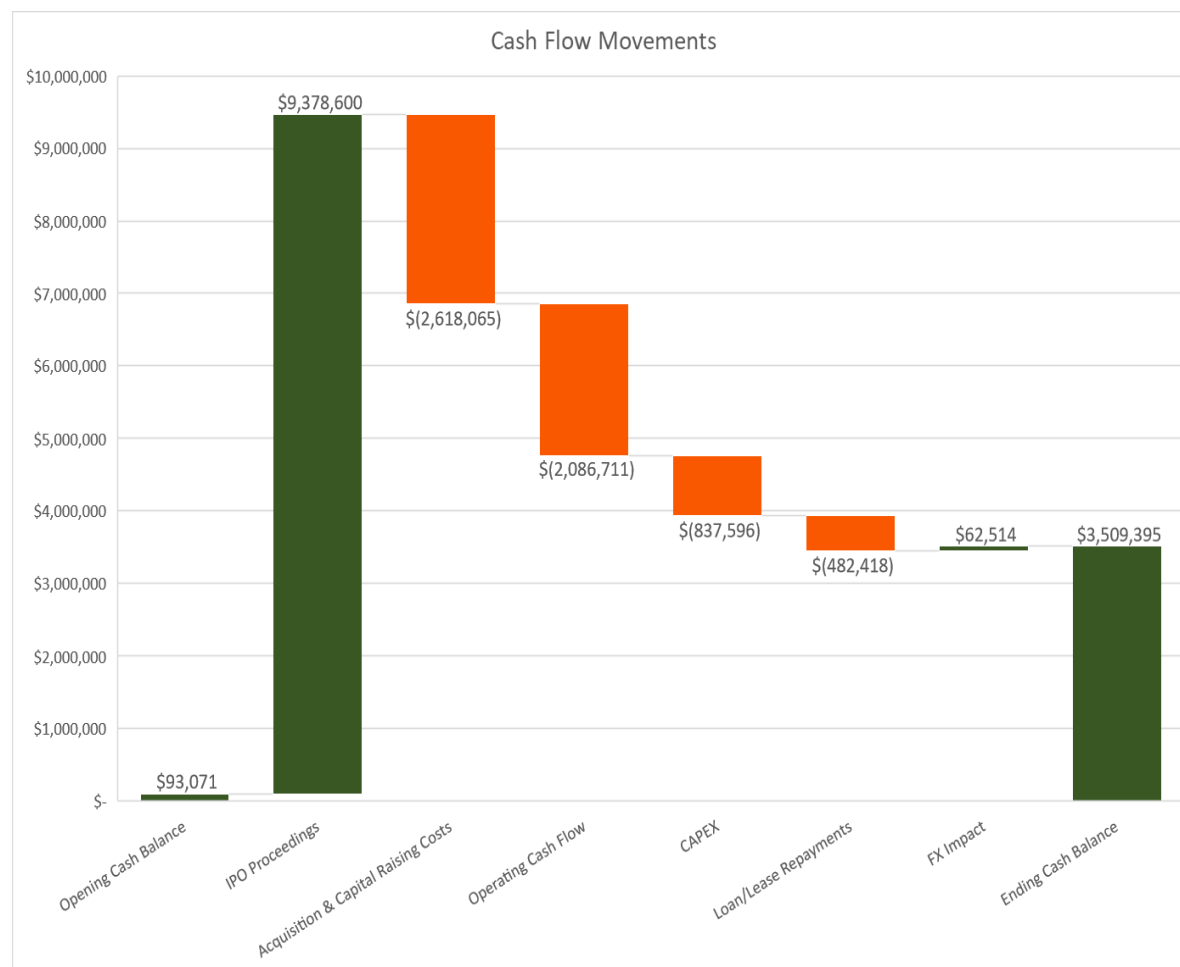
- Negative underlying EBITDA is the result of operating losses

Cash Flow Analysis

PYX reported US\$3.509 million of cash flow in FY 2020 with IPO proceedings the main cash flow component

Key cash flow drivers in FY 2020

- IPO Proceedings of US\$6.9 million (net of fees & acquisition costs of US\$2.6 million)
- Operating cash flow - US\$2,087k (2019: -US\$110k)
- Net capital expenditure US\$838k, reflecting a year of significant capacity increase



Subsequent Events: Tisma Acquisition

Tisma Acquisition

With its shareholders’ consent, PYX has completed the acquisition of the entire share capital of the Tisma Development (HK) Limited (Tisma, or the Target) which owns the Tisma mineral sands asset in Kalimantan, Indonesia via the issuance of 147,277,370 new PYX common shares to the shareholders of Tisma (Tisma Acquisition).

Conditions Precedent

The completion of Tisma Acquisition was subject to and conditional upon the satisfaction of the following criteria:

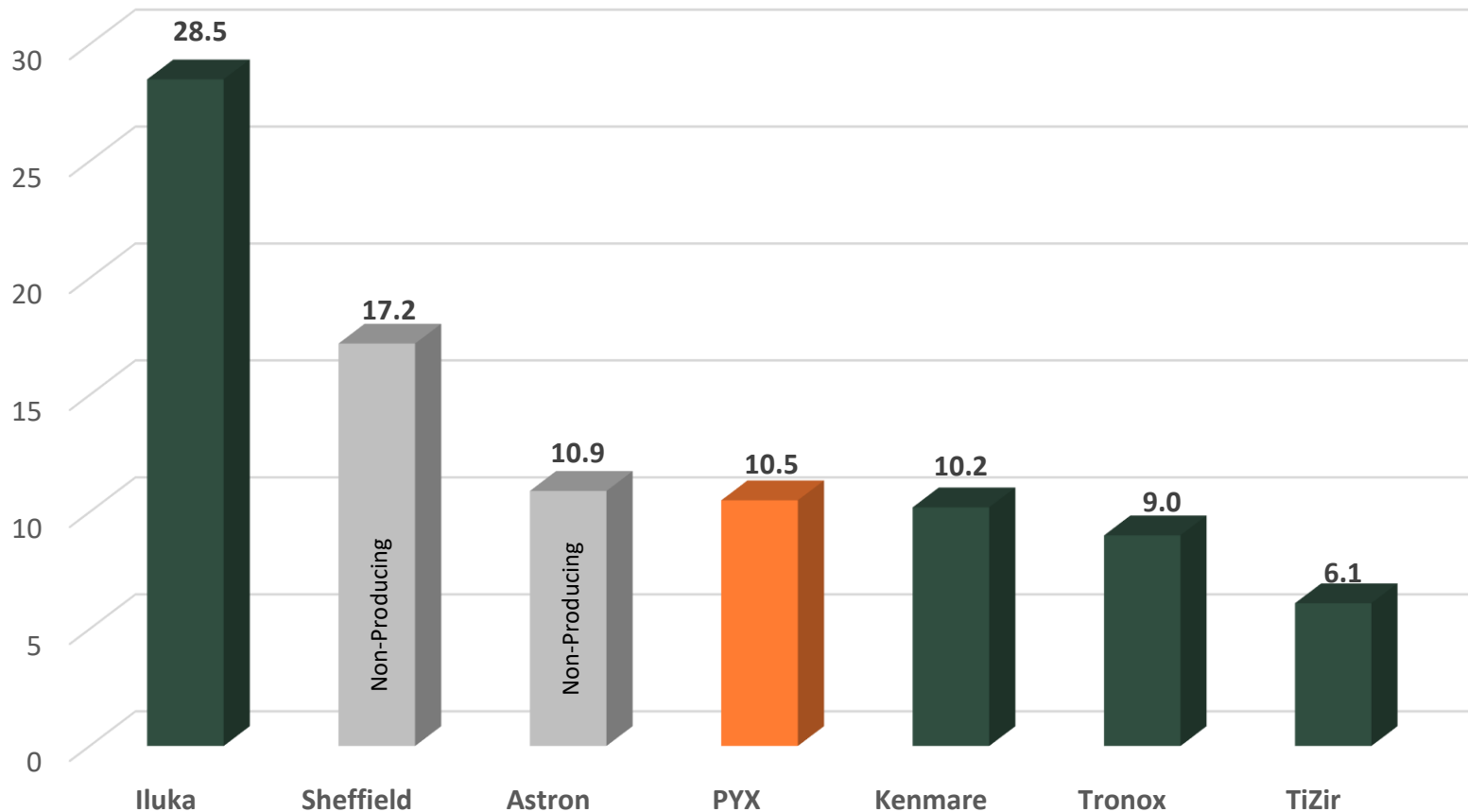
1. Completion of due diligence investigations by both the Target and PYX;
2. Execution of formal and detailed legally binding documents to effect the Tisma Acquisition;
3. The parties obtaining all relevant approvals, including shareholder approval, board approval and any third-party consents, necessary to implement Tisma Acquisition; and
4. No government or regulatory intervention that would prevent completion of Tisma Acquisition.

Key Spec of Asset	Tisma
Mineral Resources	137.2 Mt
HM Grade	3.99%
HM Tonnage	5.5 Mt
Contained Zircon	4.5 Mt
Assemblage	ZIR: 82% RUT: 2% ILM: 8.5%
Assemblage Value	US\$1,264 /tonne

Since Tisma acquisition was completed on 15 Feb 2021, Pyx’s financial result for the FY 2020 does NOT include that of Tisma’s.

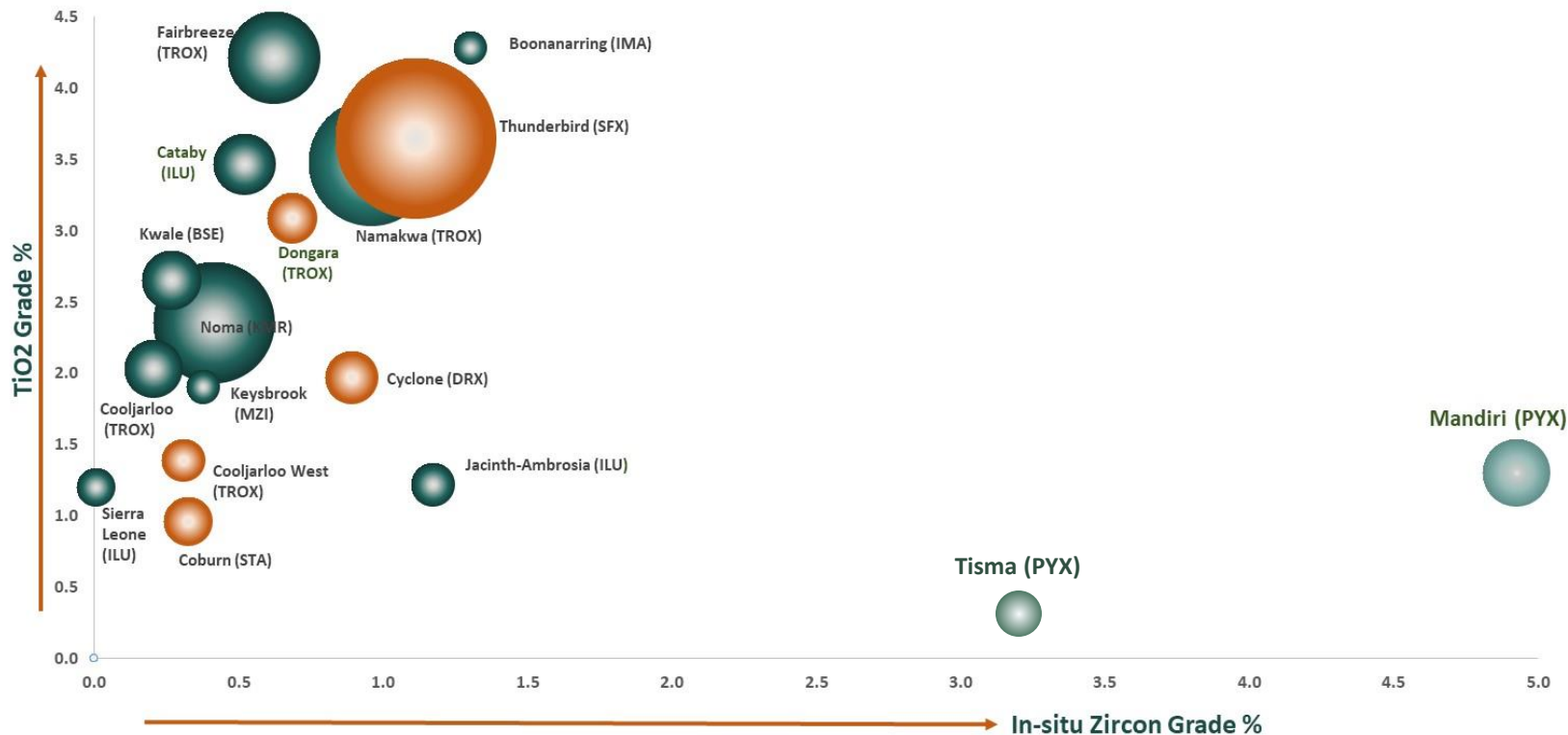
Operating the 2nd Largest Zircon Producing Resource Base

Zircon JORC Resources (MM Tonnes)



Source: Companies public filings

Mandiri and Tisma are Clear Outliers in Terms of Zircon %



Notes:

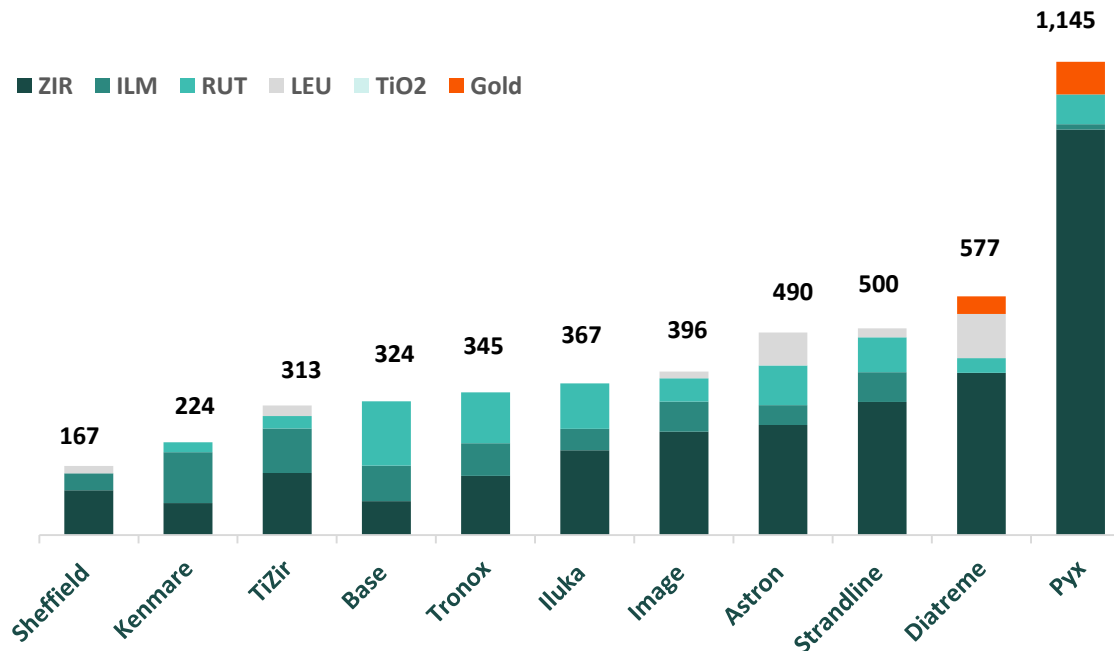
1. Mandiri Zircon grade ranked the highest among current major mineral sands operations and projects under investigation globally.
2. Bubble size proportional to tonnes of Valuable Heavy Mineral (VHM) resources.
3. Blue bubbles projects in production phase, orange bubbles projects in exploration/development phase.
4. TiO2 grade calculated as the VHM grade of Ilmenite, Leucosene, and Rutile.
5. Data compiled from public sources and PYX's' research.

Source: Public Filings, Cedrus Research

PYX Superior HM Assemblage

- PYX’s deposits have the highest assemblage values amongst its peer group, and Mandiri is already in production since 2015. The Tisma deposit has an even higher assemblage value
- Assemblage is the relative percentage of each different valuable minerals found within a heavy mineral sands deposit, such as Zircon (ZIR), Ilmenite (ILM), Rutile (RUT), and Leucoxene (LEU).
- Each valuable mineral has a different market price. The assemblage value is the weighted average value of all the valuable heavy minerals in the ore.

Assemblage Value US\$/tonne



	Sheffield	Kenmare	TiZir	Base	Tromox	Iluka	Image	Astron	Strandline	Diatreme	PYX
Zir %	18	5.5	10.7	6	10.2	18.4	17	23	19	27	70.0
Rut %	3	2	2.5	13	10.3	4.2	4	7	8	3	6.0
Ilm %	56	82	72.0	56	52.5	50.5	54	48	32	-	9.1

Notes: PYX’s gold exploration target not included in JORC Resource Statement; Source: Public filings, Cedrus’ research
TiO2 = titanium dioxide

Valuation Benchmarks Against Listed Peers

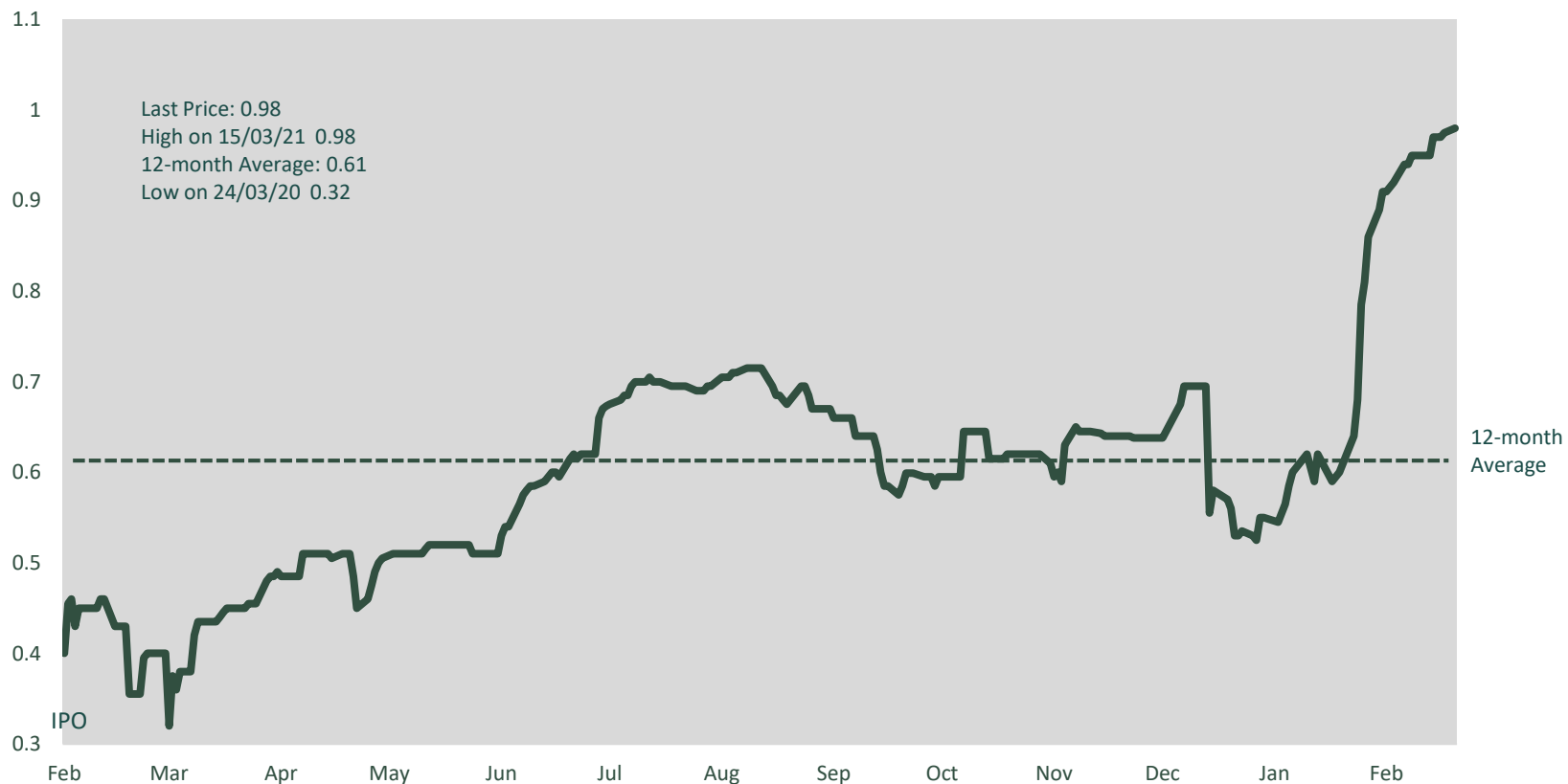
The following table shows the valuation (in terms of Enterprise Value (EV) per tonne of JORC Compliant resources) of comparable mineral sands mining companies listed on the ASX, which is strongly correlated with the assemblage value of the Heavy Mineral (HM) resources as stated in each company's JORC-compliant statements.

As at 23 February 2021

	Share Price	Market Cap	EV	Resources (in situ THM)	Weighted Avg Assemblage Value	EV/Resources
	LCL Currency	US\$ m	US\$ m	Mt	US\$	US\$/t
Iluka Sierra Rutile 2019*	N/A	N/A	600.0	8.0	1,200	75.00
Iluka Sierra Rutile 2016*	N/A	N/A	336.8	8.2	1,200	41.07
Pyx Resources Limited	0.91	283.3	280.1	14.9	1,145	18.8
Strandline Resources	0.2	78.43	72.54	29.0	518	2.5
Astron Corporation	0.25	23.0	34.6	57.1	554	0.6
Image Resources	0.16	119.06	119.57	3.5	405.4	33.8
Iluka Resources	7.50	2,377.50	2,302.5	167.8	367.0	13.7
Tronox Holdings	20.90	3,000.00	5,960.00	78.1	345.2	76.3
Base Resources	0.32	282.72	229.93	70.9	324.0	3.2
TiZir Limited (2018)*	N/A	N/A	525.00	26.2	313.0	20.0
Kenmare Resources	395	591.67	670.76	185.6	224.0	3.6
Sheffield Resources	0.38	98.63	91.35	223.0	175.7	0.4
Diatreme Resources	0.024	46.36	35.05	4.7	575.4	7.5

Share Performance post IPO has Been Very Strong

As at 15 March 2021



Note: PYX commenced trading on the National Stock Exchange of Australia (NSX) on 25 February 2020.

Additional Upside Potential in the Mid Term



Q & A

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