



PYX RESOURCES LIMITED

# AN EMERGING FORCE IN MINERAL SANDS

Dual listed on the NSX of Australia & on the Main Market of the LSE (NSX: PYX | LSE: PYX)

Final Results for the year ended 31 December 2023

March 2024



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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 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.





# SNAPSHOT

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The third largest publicly traded producing mineral sands company by zircon resources<sup>1</sup> globally with 263.5Mt of inferred resources (JORC).

- Two high-grade, large-scale, near-surface, open pit deposits located in the alluvium-rich region of Central Kalimantan, Indonesia
- Robust demand for products - premium quality 65.5 grade zircon
- Flexible commercial model - shift supply as demand migrates from one geography to another
- Vision to consolidate the mineral sands resources in Kalimantan & explore/acquire mineral sands assets in Asia & beyond
- Defined ESG strategy focused on mining responsibly & investing in the wider communities where it operates
- Debt free with strong cash position

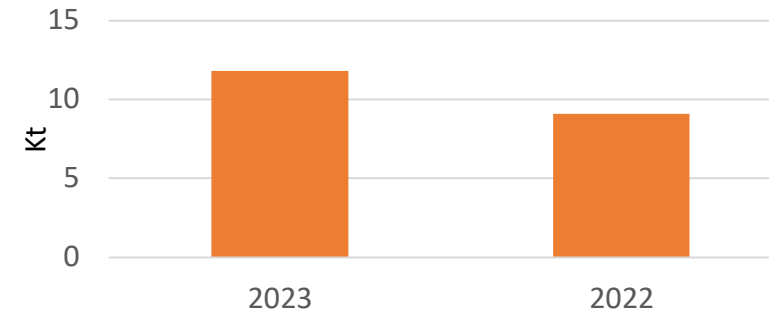


# FY 2023

## Overview

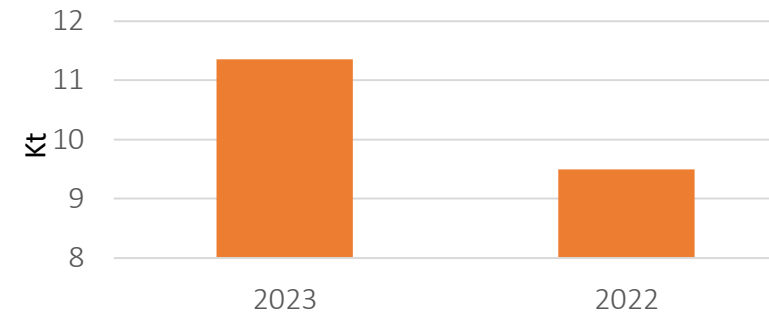
- 24% YoY increase in total sales volume to 11,350 tonnes
- Strong revenue recorded of US\$22,672k – constant YoY
- 61% YoY increase in underlying EBITDA to US\$676k
- 8% YoY increase in Net Cash Position to US\$7,829k
- 22% YoY increase in Premium Zircon Inventory to 17.1 days

Zircon Sales



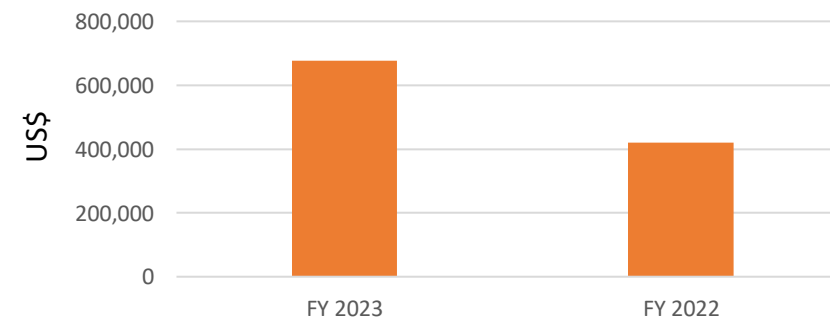
+24%

Total Sales



+20%

Underlying EBITDA



+61%



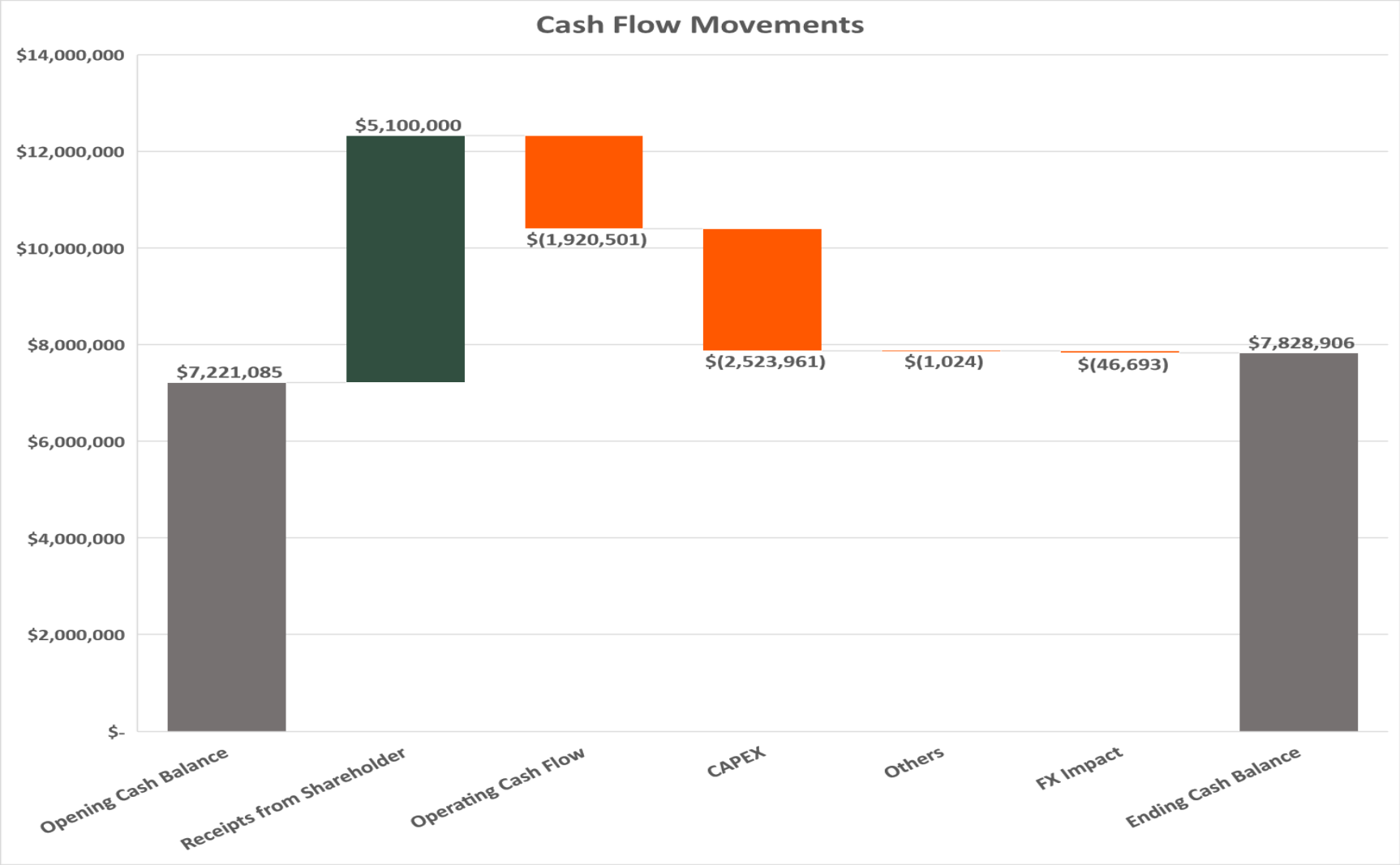


# FY 2023 FINANCIALS

	FY 2023	FY 2022	FY 2021	FY 2020
	(USD)	(USD)	(USD)	(USD)
Sales Revenue	22,671,641	22,703,190	12,417,086	8,956,694
Gross Profit	3,070,467	5,409,557	2,010,359	1,399,094
Net loss before tax	(10,456,195)	(9,611,175)	(4,529,754)	(14,083,464)
Net loss after tax	(10,456,356)	(9,520,129)	(4,321,230)	(13,820,603)
EBITDA	(10,039,681)	(9,340,734)	(4,329,943)	(13,933,330)
Underlying EBITDA	676,301	419,289	(793,628)	(1,213,402)



# FY 2023 CASH FLOW ANALYSIS





# OPERATIONS

Two large-scale, near-surface open pit deposits - 46% of the concession area remains unexplored



## MANDIRI

- Focused on optimising production and costs with total personnel down 22% to improve cash flow
- Advanced plans to expand capacity to 4,000 tpm by 2026 up from current 2,000 tpm of Mineral Sands
- Received approval to extract and process 94ktpa of Premium Zircon, Ilmenite and Rutile from Mandiri in Jan'24

## TISMA

- Secured 10-year exploration & mining license renewal in Feb'23 commencing 1 Aug'22 until 31 Jul'32
- Received approval in Apr'23 to extract and process 48kt of Premium Zircon during 2023

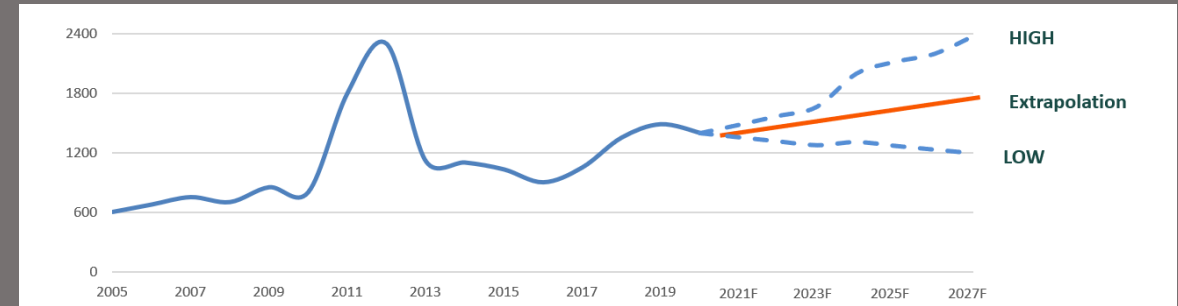
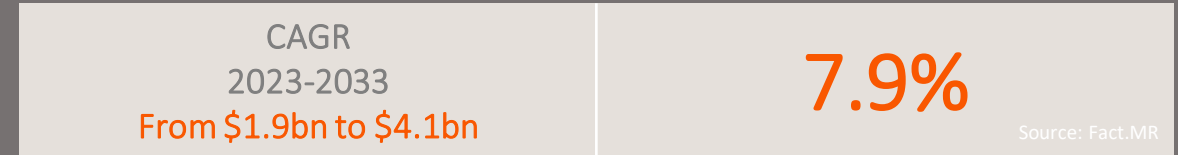


# ZIRCON MARKET

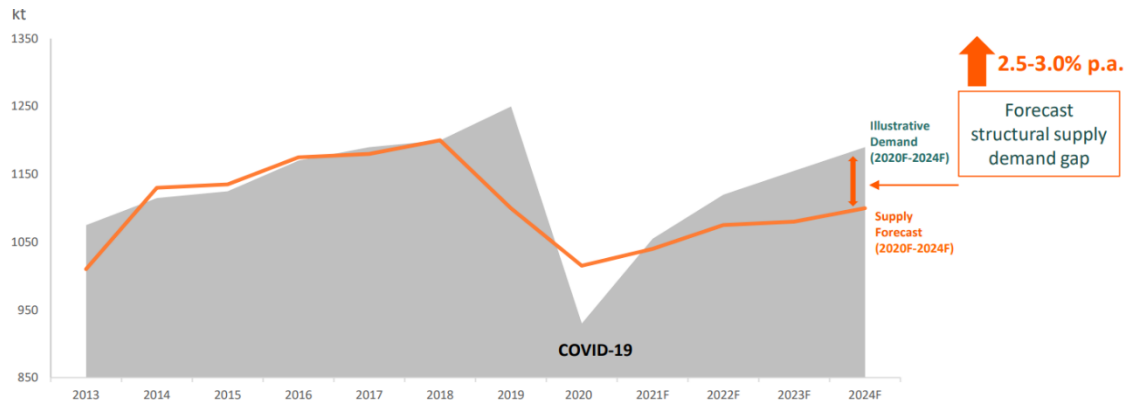
& its derivatives Zirconia & Zirconium

*"We remain very bullish on the mineral sands market in general."*

- Projected lack of supply & increased demand.
- Cyclical overall zircon demand rebound forecast for 2024 with a 2.7% YoY growth rate. TZMI
- Long-term global zircon demand forecast to grow at 2.6% per annum. TZMI
- India, the Americas and other Asia Pacific markets expected to be the long-term key growth drivers.
- Drivers include urbanisation in emerging economies, decarbonisation-related spending, & renovation trends for developed economies.



## GLOBAL ZIRCON SUPPLY & DEMAND OUTLOOK



### TRADITIONAL

Ceramics manufacturing, high tolerance casting/foundry, refractory, & zirconium chemicals – c.50% of the market



### HIGH-TECH

Additive manufacturing, semiconductors, implants, solar cells, fuel cells & batteries – growing circa 10X faster than traditional uses



### INTERMEDIATE USE

Fused zirconia & other zirconium chemicals for applications including electronics, nuclear fuel rods, paper, brake pads & catalysts





# BY-PRODUCTS TITANIUM MINERALS

2023 Overview

## Production

- Authorised to extract, produce, & export 20kt of rutile & 50kt of ilmenite per annum
- Commenced production of rutile in Jan’22 & ilmenite in Jun’22
- Accumulated 10kt of Titanium Dioxide (TiO2) material (pre-audit) by the end of Dec’23

## Export & Sales

- Sales volumes of 0.3kt TiO2 by end of Dec’23
- To start shipping ilmenite following the award of a revised export licence (announced on 12<sup>th</sup> March 2024)
- Start of shipping will significantly strengthen financial position
- Minimum grades for the export as stipulated by the Industrial & Trade Department's regulation are ilmenite TiO2 ≥ 45% & rutile TiO2 ≥ 90%

## RUTILE

With one of the highest refractive indices at visible wavelengths of all known crystals










Often manufactured for certain optical elements

Used in the manufacture of titanium dioxide, known for its durability, strength & exceptional chemical resistance abilities

## ILMENITE

Heavy, metallic oxide mineral composed of iron & titanium oxide (FeTiO<sub>3</sub>)

The most important ore of titanium & the main source of titanium dioxide

House & car paints 	Plastic pipes & packaging 	Laminates 
Inks 	Clothing 	Sunscreen 
Toothpaste 	Make-up 	Titanium Metal 



# CUSTOMERS

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Cemented presence in the vibrant Asian economies

- Flexible commercial model allows PYX to shift supply as demand migrates from one geography to another
- 2023 saw strong sales within China & India - an increase of 126% of sales to India
- Ongoing diversification - grew customer base 23% during 2023
- 100% of revenues are US\$ denominated, reducing the risk of exchange rate exposure

Proven benefits of operations at Kuala Lumpur's Port Klang:

- Reduced shipping time to end-use markets
- Increased predictability of shipments
- Reduced shipping costs to many key markets
- Provides a well-placed buffer stock to negate the effects of seasonal storms & other supply chain issues





# A HOLISTIC APPROACH TO SUSTAINABILITY

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People, Planet, Prosperity, Peace, & Partnership

- Driving positive change with PYX Cares programme
  - Submitted second Communication on Progress Report to the United Nations Global Compact Organisation
- Continuing to focus on health & safety
  - Awards received from the Government authorities in Kalimantan
    - Prevention and Management of COVID-19 in the Workplace in 2023 Award
    - Zero Accident Award 2023
- Improving employee diversity
  - Increased female employment to 28% of total work force, up 5% YoY
  - Increased Dayak employment (Indigenous) to 47% of total work force, up 2% YoY
- Strengthening community relationships
  - Third year partnership with the Indonesian Red Cross Society in its annual Indonesian National Blood Donor Day
  - Donated a new hall at the school amongst other initiatives
  - Committed to planting 10,000 Bengkirai trees in previously mined areas
  - Ongoing training programmes including climate change & waste management seminars



# 2024 - LOOKING AHEAD

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- Advance development of both deposits to increase asset valuation and production and drive shareholder.
- Continue optimisation programme to reduce production costs & increase volumes.
- Diversify blue-chip customer base further across various industries, sectors, and geographies.
- Increase sales of titanium dioxide by-products.
- Deliver sustainable value to all stakeholders, from empowering local communities to protecting the environment.

