

## Operational Update - Indonesia

**PYX Resources Ltd (PYX or the Company) (NSX: PYX | LSE: PYX)** provides the following update on its operations in Central Kalimantan, Indonesia.

As previously disclosed, PYX achieved positive EBITDA and strong underlying EBITDA in the first half of FY2024. However, the second half was impacted by adverse weather, infrastructure disruptions, and declining mineral sands prices, resulting in reduced production and lower average realised prices.

In the first half of 2025, PYX did not undertake production activities. This decision was made in response to:

- Continued weakness in global mineral sands pricing;
- Elevated operating costs, particularly from third-party contract mining arrangements; and
- A steep increase in regional royalties from approx. US\$8 per tonne to US\$59 per tonne, as announced by PYX on 28 February 2025.

In addition, PYX has been navigating a complex regulatory environment in Indonesia following the recent presidential elections. Key developments include:

- PYX's local subsidiaries, PT Investasi Mandiri and Tisma, received formal notification from the Provincial Department of Energy and Mineral Resources that their RKAB (Work Plan and Budget) approvals for production operations have been suspended. This action applies to all zircon producers in Central Kalimantan. Fourteen (14) companies were notified.
- As a result, PYX's export licenses for zircon, ilmenite, and rutile have also been suspended.
- PT Investasi Mandiri has received tax assessments amounting to approximately USD2 million, which are being challenged through appropriate legal channels, with several matters already submitted to the courts.

To PYX's knowledge, all mineral sands producers in Central Kalimantan have suspended operations pending resolution of licensing matters.

While PYX is not the subject of any specific allegations, the Company is committed to full cooperation with any investigation by the relevant authorities and supports efforts to ensure regulatory compliance across the sector.

PYX has welcomed site visits and audits by relevant authorities and has received verbal assurances that its RKAB may be reinstated upon submission of supporting documentation.

Despite the absence of production in H1 2025, PYX continues to manage its inventory and sales strategy prudently and remains focused on preserving shareholder value.

PYX's Chairman and CEO Oliver Hasler commented: "PYX continues to believe in the long-term potential of the mineral sands sector. However, we are currently facing a number of complex regulatory and administrative challenges in Indonesia, including a steep increase in royalties, that need to be resolved before we can move forward with our project. We are engaging constructively with the relevant authorities and remain committed to working through these hurdles in a responsible and transparent manner."

15 August 2025

The Company will continue to monitor developments and provide further updates as appropriate

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**For more information:**

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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 | 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 3<sup>rd</sup> 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

15 August 2025

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.