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US\$2.5M Investment Drawdown

PYX Resources Ltd (PYX or the Company) (NSX: PYX | LSE: PYX), the second largest publicly listed zircon producing mining company globally by zircon resources, is pleased to announce a further investment of US\$2.5 million ("**Advance Payment**") by L1 Capital Global Opportunities Master Fund ("**L1**" or "**Investor**") to accelerate the Company's previously announced plans to grow its production volume at its Mandiri deposit and start planning operations at the Tisma deposit.

As announced on 11 March 2022, PYX received an initial investment of US\$4.5 million from the Investor for US\$5 million worth of PYX shares ("**Initial Investment Subscription Amount**") via a share placement ("**Share Placement**"). L1 is now investing an additional US\$2.5 million in the Company in exchange for US\$2.78 million worth of PYX shares ("**Additional Investment Subscription Amount**").

Following the additional investment, the total Subscription Amount of shares to be issued to L1 will be US\$6.73 million, calculated as the Initial Investment Subscription Amount of US\$5 million plus the Additional Investment Subscription Amount of US\$2.78 million, less the Subscription Notices issued by L1 on 7 July 2022 and 7 October 2022 totalling US\$1.05 million. The Investor is able to specify the time(s) of issuance(s) of shares (the "**Placement Shares**") no later than 24 months following the date of the applicable funding date (unless extended pursuant to the agreement) to offset the Subscription Amount. Each date on which shares are issued is a "**Share Issuance Date**".

Details of L1's investment are as set out in the Company's announcement of 11 March 2022. The following variations to their agreement have since been made by the Company and the Investor:

- **Additional Shares** - The Company will issue 1,700,000 shares to the Investor at the time of the funding of the Advance Payment of US\$2.5m (the **Additional Shares**). If any of these Additional Shares are not applied towards the aggregate number of the Placement Shares to be issued by the Company, after the obligations of the parties have been satisfied, the Investor must make a further payment to the Company equal to the value of these shares determined as 102% of the applicable Subscription Price at the time of the payment.
- **Subscription Price** - The Investor may elect to subscribe for the Placement Shares at 95% of the average of 3 daily VWAPs over the 15 trading days (on the applicable exchange) prior to the Share Issuance Date or 130% of the average of 5 daily VWAPs over the 5 trading days immediately prior to the relevant date of the Advance Payment.
- **Leak out** - The Investor will not sell more than 40% of the monthly trading volume in any month, provided that during the term the Investor may not sell more than 30% of the aggregate trading volume during the term;
- **End Date** - The term of the investment has been increased from 24 to 30 months.

Commenting on the financing, PYX Resources' Chairman and Chief Executive Officer, Oliver B. Hasler, said: *"PYX is very pleased that L1 remains supportive by increasing its investment. The receipt of these funds enables us to continue to deliver the next phase of our aggressive expansion strategy focused on cementing our position as a key international supplier of premium zircon and take advantage of the robust customer demand we are experiencing for our high-grade product."*

The Company will issue to L1 stock options equivalent to 40% of the relevant Advance Payment

Amount according to the terms of the 11 March 2022 Agreement. The total number of options to be issued is 2,323,645 with an exercise price of GBP 0.45 and expire three years from the applicable funding date. The issue of securities pursuant to the terms of the placing are within PYX's existing capacity pursuant to NSX Listing Rule 6.25.

EAS Advisors, LLC, acting through Odeon Capital Group LLC, member of FINRA/SIPC/MSRB/NFA, acted as the Company's advisor for the funding.

***** ENDS *****

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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 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.