



2022 Sustainability Report

PYX Resources Limited - ABN 30 073 099 171

Due to PYX's commitment to the environment, no printed copies of the Sustainability Report are available



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1. Chairman’s Letter: Reflection on our 2022 Progress

Dear PYX Stakeholders,

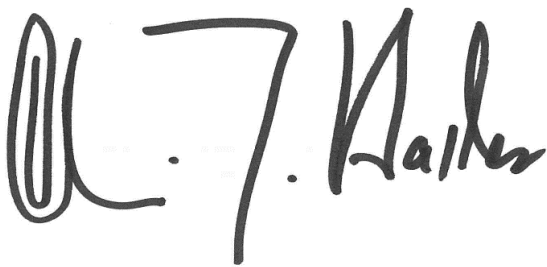
Welcome to PYX Resources’ 2022 Sustainability Report. Over the past year, PYX has been making significant efforts to develop a sustainability programme which supports and benefits the communities in which it operates. To this end, the Company launched the “PYX Cares” programme, inspired by the United Nations’ Sustainable Development Goals (“SDGs”) and categorised by five core elements that encompass the planet, people, prosperity, peace and partnership, while serving local communities. In 2021, the PYX Cares initiative focused on the good health and well-being of employees (Goal 3 of the SDGs) implementing a COVID-19 vaccination campaign that resulted in 100 % of our workforce being successfully vaccinated.



Our Company is committed to using its global platform to contribute to the wider communities surrounding our mining operations whilst prioritising environmentally driven decisions to promote sustainability throughout our organisation. Within PYX, we further pledge to continue to foster an inclusive, diverse and equal workplace for all employees as well as contractors. As of 2 August 2022, PYX became a member of the United Nations Global Compact Programme, a voluntary leadership platform for the development, implementation, and disclosure of responsible business practices, further reinforcing our commitment to operating in a sustainable and equitable way.

I am pleased to confirm that PYX Resources Ltd. supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our commitment to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

Lastly, we would like to thank all our stakeholders for their support. I look forward to meeting the goals outlined in this report. We understand that fulfilling our ambitious and objectives will take time but we look forward to PYX blossoming alongside them.

A handwritten signature in black ink, reading "Oliver Hasler". The signature is written in a cursive style with a large, stylized initial "O" and "H".

Oliver Hasler
Chairman and Chief Executive Officer

Palangkaraya, Kalimantan, Indonesia
1 November 2022

2. About PYX Resources

PYX Resources Limited (NSX: PYX | LSE: PYX) is a producer of premium zircon, rutile and ilmenite dual listed on the National Stock Exchange of Australia (NSX) and on the Main Market of the London Stock Exchange (LSE). 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, which are rich in valuable minerals such as zircon, rutile, ilmenite, and other minerals sands. 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 it operates, PYX is committed to fully developing

the 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.

PYX is committed to strengthening its position as an industry leader in heavy mineral sands production from its zircon-rich deposits within Kalimantan. The company’s vision for creating “PYX Cares” is vested in operating sustainably. “PYX Cares” was inspired by the Sustainable Development Goals of the United Nations (UNSDG), which were introduced in 2015.



3. Introduction

3.1 Sustainability

In essence, sustainability is defined through meaningful actions that safeguard the environment, social and economic resources for the future generations. Sustainability does not only apply to environmentalism, as it is defined through a larger lens that incorporates social and economic development.

Due to the current dependence on natural resources and fossil fuels, sustainability is now vital for protecting the planet for future generations. PYX Resources has used the UNSDGs as a base on which to build its business. The United Nations “17 Goals to Transform Our World” are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet. They recognise that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection and job opportunities, while tackling climate change and environmental protection.



3.2 United Nations' Sustainable Development Goals

The United Nations' SDGs were adopted by the 193 member states in September 2015. The UN Sustainable Development Goals were created to provide a 15-year blueprint for nations and companies to adopt for fostering a more sustainable and fairer future. The 17 SDGs are integrated within the 2030 Agenda for Sustainable Development proposed by the United Nations to entice nations into participating and developed to be accessible for companies and businesses to partake in and contribute to global partnership. The SDGs focus on removing inequality and increasing prosperity while bettering the environment and educational opportunities.



Through the UN Global Compact, companies can apply to join and contribute to the SDGs. The outlined proposal of the UN Global Compact states that any company joining, regardless of the sector of the business, shall advocate for innovation and collaboration that fosters societal as well as environmental change.

PYX Resources Limited was accepted as a member of the United Nations Global Compact on 2 August 2022 under the Participant ID number 152927, and welcomed to the global network of over 15,000 companies and 4,000 non-business participants that are committed to building a sustainable future.

4. PYX Sustainable Development Goals

The UNSDGs created the roadmap for the “PYX Cares” programme that the Company founded in 2020. Taking the initiative, a step further, PYX is proposing fostering sustainability on a wider scale by intersecting the Goals of the UNSDG with those in the “PYX Cares” programme. PYX’s programme will include recognising that the



ambitious goals, such as ending poverty, correlate with PYX’s initiative. This includes workplace opportunities, education, safeguarding the environment and health care.

PYX’s commitment to the sustainability of the local communities has been shown since its origins, building its strategic plan on a sustainable platform.

Some examples of this are the company’s participation in Indonesia’s National Blood Donor Programme, its early COVID-19 vaccination of all employees, PYX’s Environment Management Plan, the installation of a new drainage system in the local elementary school, the planting of 10,000 trees, the conservation of orangutans, while also furthering the workplace opportunities for employees and creating new jobs for the surrounding communities.

This Sustainability Report describes in detail, the SDGs that PYX is committed to focus on, including:

- **Goal 3:** Good health and well-being of employees
- **Goal 8:** Decent work and economic growth
- **Goal 9:** Industry, innovation and infrastructure
- **Goal 10:** Reduced inequality
- **Goal 12:** Responsible consumption and production
- **Goal 13:** Climate action



4.1 People, Planet, Prosperity, Peace & Partnership

People

The Company is built on a foundation that supports its employees by investing in their well-being through safety measures, as well as vocational and educational opportunities. These include:

- The COVID-19 vaccination campaign resulting in 100% of our employees being vaccinated against the virus
- An agreement with the hospital in Palanagkaraya to make sure all employees can receive medical care, which includes a full medical check-up

- Installation of a new drainage system at the only elementary school in Kalimantan, which had a long history of regular flooding
- The provision of basic school supplies at the start of the school year for 110 children at our local elementary school



Planet

PYX consciously makes efforts to ensure compliance with domestic and international environmental standards. The Company hopes that the sustainability policies listed below will help to mitigate the risk of biodiversity loss in the landscape in which it operates:

- PYX's Environmental Management Plan was created in 2020 to track the Company's environmental footprint in Kalimantan. The Environmental Management Plan additionally provides pathways for sustainability that could be taken to minimise or mitigate the environmental impacts
- The Company has pledged to refill mining pits and to plant natural flora in surrounding areas. On 20 July 2022 PYX planted 10,000 Bengkirai trees in its tenement showing the Company's commitment to social responsibility



- On 22 July 2022, PYX Resources made a significant donation, as part of the “PYX Cares” programme, for a total number of 30 orangutans to the Borneo Orangutans Survival Foundation, an Indonesian non-profit organisation which works to conserve orangutans and their habitat in Kalimantan, Indonesia. The company’s donation to the foundation will translate into buying essentials, such as nappies, milk bottles, blankets, sleeping baskets and rattan baskets, all of which are important conservation elements



Prosperity

PYX is fostering economic growth within the local communities it operates through meaningful environmental, social and governance (ESG) investments, with the hope of cultivating economic and industrial growth in Kalimantan.

Peace

PYX promotes peace and equality within the workplace, through diversity and equal opportunities for its employees, also focusing in providing meaningful employment to the local Dayak population.

Partnership

As a global leader in the zircon industry, the Company believes in advancing opportunities for the community it operates in, to serve as an inspiration to others.

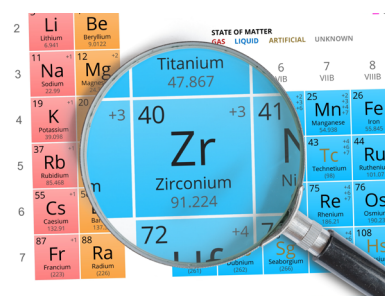


5. PYX’s Proposal for Fostering Sustainability

The “PYX Cares” programme has adopted specific goals to facilitate access to affordable, reliable, sustainable and modern energy for all. Within the “PYX Cares” programme, the Company has committed to addressing the global decarbonization effort. PYX’s goal is in line with the world leaders’ pledge that was pronounced on September 2015 for adoption of the 2030 Agenda which, provides a framework for sustainable development.

5.1 Environment and Sustainable Operations

PYX is committed to operating in a safe, and environmentally sustainable manner which is continually evolving to enhance meeting these objectives. The Company is aware that it plays a key role in the move towards more sustainable practises as a leading international producer of premium zircon, rutile and ilmenite. As a key mineral for sustainable development, zircon and TiO₂ feedstock will play a critical role in future environmentally-friendly innovations.



5.1.1 Goal 9: Industry, Innovation and Infrastructure

The 9th Goal of the United Nations’ SDGs is Industry, Innovation and Infrastructure. It focuses on economic growth through technological and industrial progress. For sustainable development, industries need to be committed to sustainable operations. PYX is devoted to economic and human development. Many sustainable products are manufactured using zircon and TiO₂ feedstock, which is recognised as critical minerals for sustainable development and essential towards the carbon zero transition. These products include solar cells, energy storage, hydrogen storage, nuclear power, casing material for 5G smartphones and framework material for 3D printing. Notably, the Australian Critical Minerals Prospectus 2021 publication classified zircon and titanium (rutile and ilmenite) as vital for the economic well-being of the world’s major and

emerging economies – the supply of which is at risk due to geological, geopolitical issues, trade policy and other factors.

The mineral sands mined by PYX are vital to the development of solar panels. Zircon is used to dope the titanium dioxide semiconductors. During the process of generating the solar panels, the doped semiconductor allows the conductivity to be modulated which ultimately, optimises efficiency. Currently, within the ceramic's economy, there is a significant demand for zircon as this industry uses more than half of all of the zircon that is globally mined. This, in turn, plays an important function in advancing the ceramics sector. Similarly, tile manufacturing from ceramics accounts for over 85% of Zircon's use.

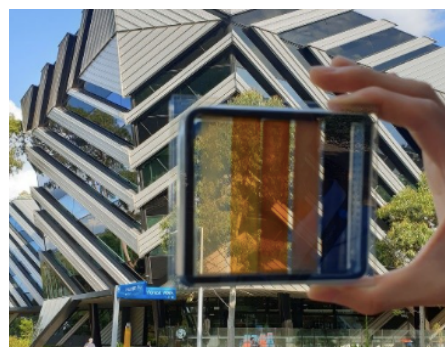
The following list incorporates some of the sectors utilising zircon:

Solar Cells

Zirconium oxide is not only a more cost effective but a more efficient alternative to the current semiconductor doping technology. Currently, there is a push to implementing this zircon derivative into the promising dye sensitised cell technology, which can be used in architecture as coloured glass windows doubling as solar panels. This would revolutionise home energy systems and solve the current problem of limited roof space, which residential solar panels suffer from – taking us one step closer to Net-Zero.

Energy Storage

Zirconium oxide is already an excellent component for the safety of Li-ion batteries and this technology is the most promising solution to the intermittency of most renewable power sources, especially for home energy systems. Essentially, these batteries can provide energy at times when renewable sources cannot and therefore fossil fuels can be eliminated entirely from homes power sources.



Nuclear Power

Zirconium alloys are a proven structural material for nuclear fuel cladding and meets all safety requirements. Like solar panels, nuclear power plants produce no emissions during procedure with the added benefit of continuous operation. This makes the technology essential in the goal of Net-Zero and is especially important for countries in the northern hemisphere, where solar panels are less effective.



Hydrogen Storage

Green hydrogen produced using renewable electricity is stated to be critical in the goal to Net-Zero by the UK government. Practical, large-scale deployment of the storage technology has been proven to rely heavily on the zircon derivative, $ZrMn_2$. With increasing research into applying hydrogen energy to areas such as the automotive industry by Japan, and into the hydrogen storage industry by Mitsubishi Power, it could potentially see the market for this zircon derivative grow rapidly.



Fuel Cells

Yttria-stabilised zirconia (YSZ) is increasingly in demand for electrolyte material in solid oxide fuel cells. PYX's premium zircon mined in Indonesia has low uranium + thorium and alumina content. This enables the manufacturing of fused zirconia for high-tech products that cannot be made with conventional zircon.

Smartphone Technology

Zirconia provides ultra-thin but scratch resistant phone case covers, which enable stronger signals, wireless charging and much faster download speeds compared to aluminium. It's also radio wave transparent, which is crucial for fast data downloads on 4G and 5G networks' high frequencies.

3D Printing

Zirconium oxide (ZrO₂) has the best mechanical properties of all the ceramic framework materials for 3D printing of dense and precise ceramics.

Medicine

Zirconia's use in the medical field has grown quickly in recent years, owing to its favourable mechanical, biochemical, aesthetic, and corrosion qualities. Zirconia orthopaedic hip implants have outlasted previous systems in terms of wear resistance. Because of its visually beautiful finishes, zirconia has become the preferred material for endosseous implants, implant abutments and all ceramic crowns in dentistry.

Household Essentials

Zircon is also commonly found in most household essential products and not just in industrial services. Glass panes, induction cookers, light bulbs, jewellery, cutlery, cooking pans, toothpaste and reading glasses are all examples of products containing zircon.

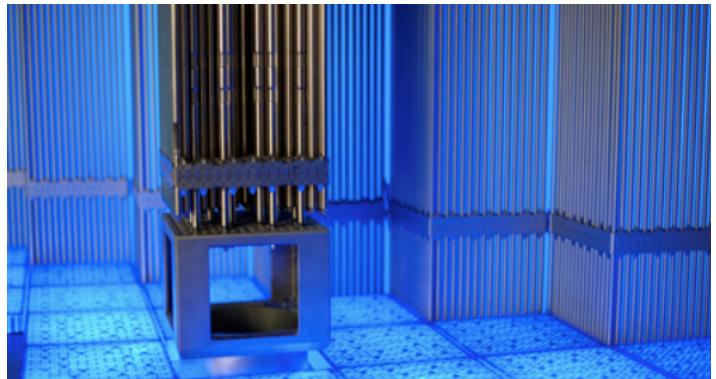
Castings

Regarding casting and refractory operations, zircon is commonly utilised in the production process as milled sand. Casings for ferrous and nonferrous metal castings

are made from foundry sand. Zircon's qualities render it excellent for use as a casting covering in die casting and in refractory paints and washes to minimise the water solubility of other foundry sands, as well as for use as a mould coating in sand casting and investment casting.

Nuclear Reactors

Zirconium is a vital substance used in the protective shielding layer for nuclear fuel rods. Zirconium is the preferred substance for shielding due to its ability to absorb little of the neutrons released in a fission reactor and is also extremely resistive to the effects of thermal and chemical corrosion.



Catalysts

Zirconia is employed as a supportive substrate and amplifier for other catalysts as well as a catalyst in and of itself. Catalysts may now be employed at greater temperatures and in harsher environments.

5.1.2 Goal 12: Responsible Consumption and Production

The 12th goal in the SDGs is responsible consumption and production. The initiative behind this goal is to reduce environmental damage by minimising the way individuals and companies consume and produce goods. PYX is committed to sustainably utilising and managing natural materials through, the 12th goal that provides guidance of adhering to preventive, reducing and recycling tactics.



In 2021, PYX was granted a mining permit in Mandiri from the Central Kalimantan Provincial government that was overseen and approved by the Energy and Mineral Resources Department at Central Kalimantan. This license has been granted for the maximum time period of five years until 1 September 2025, after which the license can be renewed until 2030. This Production and Operation IUP license authorizes PT Investasi Mandiri to mine in the region with specific regulations being followed, which include environmental obligations like including reclamation bonding and plans that must be approved by the surrounding government as a vital pillar for approving a mining proposal.

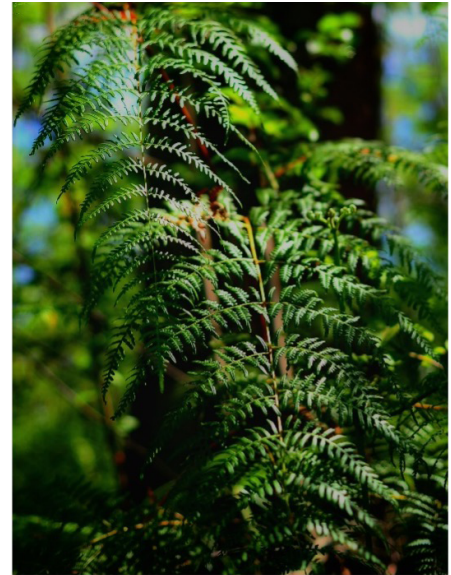
Additionally, PYX holds a mining license in Tisma that permits the Company to mine, produce and export zircon. Within this mining permit, the Company adheres to paying Indonesian taxes as well as additional economic obligations of PYX's subsidiary PT Investasi Mandiri. Some of these terms include government tax (22%), land and building taxes up to 0.05%, and dead rent US\$4 per hectohm that is owed to the Indonesian government. PYX has played a noteworthy role in the Kalimantan community in contributing to sustainable economic growth of the area.



5.1.3 Goal 13: Climate Action

The purpose of the United Nations 13th Goal, Climate Action, is to strengthen the capacity for climate-related hazards. In addition, to limiting the perilous threat that climate change poses to the environment. The framework was founded to encourage the creation of sustainability within all facets of life, including within the workplace and in companies. PYX adheres to prioritising making sustainable decisions to maintain the biodiversity in the areas in which it has mining operations. The Company further makes conscious efforts to adhere to the United Nations' SDGs.

In 2020 the Company created the “PYX Environmental Management Plan” with the purpose of tracking the environmental impact the Company’s operations has on the surrounding land in Kalimantan. PYX places the utmost priority on educating their employees in environmental monitoring and remediation to ensure employees are mindful of the environmental responsibilities the Company places on workers. In addition, for mining pits that are no longer being utilized, PYX re-fills these previously used pits and plants’ natural flora in the surrounding areas.



An example of this was PYX Resources’ tree planting campaign when, on 20 July 2022, the Company planted 10,000 Bengkirai trees. The event took place at PYX’s mine area in Tumbang Lampahung, Indonesia, and is a key example of the company’s commitment to complying to the advice of the Department of Environment, Forestry, and Transportation, but also with the company’s commitment to social responsibility.



Within the conversation of climate change, the mineral zircon is a vital material as it can be used to help minimise the environmental footprint of businesses across several industries. As mentioned previously, ceramic tiles are notably less environmentally damaging on many international standards that analyse the environmental impact in comparison to the leading competitor, alumina.

5.2 People, Community and Education

The Company's future goals align with supporting the residents of the surrounding Kalimantan communities and PYX personnel through the cultivation of educational opportunities. This ideology has been influenced in accordance with the United Nations' SDGs, as PYX continues to foster its commitment to reaching these goals.

PYX believes that education is an important part of protecting the future of the Company and planet. Based on this belief it has invested through "PYX Cares" in the schools in the local community.

An example of "PYX Cares" valuable contributions to the local community surrounding of its Mandiri mine site in Central Kalimantan was the installation of a new drainage system at the 1 State Elementary School (SDN) in Tumbang Lampahung,



in the Kuala Kurun District, Gunung Mas Regency. Historically, the school experienced regular flooding due to the absence of adequate drainage channels and uneven ground surfaces, which resulted in disruption to the children's learning and playing activities. The new drainage installation will significantly reduce flooding and standing water at the school, improving the safety of the pupils. The drainage system was installed by a team of PYX's mining engineers with work being carried out between 5 and 20 May 2021.

On 25 July 2022, PYX Resources made an significant donation of school resources to another SDN Tumbang Lambahung, located not far from PYX’s mine area. The school’s 110 students range from seven to 13 years of age, each possessing a range



of future aspirations, such as doctors, policemen, and even a chef. PYX Resources’ donation includes backpacks, stationary, notebooks, colouring pencils, white boards, and souvenirs for the twenty teachers (including the headmaster). While present at SDN Tumbang Lambahung, members of the Company also encountered a pupil attending

lessons without shoes. The team immediately actioned the purchase of new footwear for all 110 students to ensure no child would go without. The school operates six classes in a total of three classrooms. Due to limited funds and access to necessities, the school runs each class alternately between students. Alongside PYX Resources’ donation of essentials, the Company is also working on a strategy to help build more facilities in the school to allow each class to have a designated classroom.

5.2.1 Goal 3: Good Health and Well-Being

An essential component of the United Nations’ SDGs is Goal 3, which is focused on Good Health and Well-Being. The overarching idea of Goal 3 is to ensure that accessible and reliable medical services are available to all individuals transnationally. During the onset of the COVID-19 pandemic, PYX quickly took the steps to adhere to the World Health Organisation guidelines to safeguard their staff to the best of their abilities, including social distancing and a vaccination campaign.

In June 2021, Indonesia was hit by a rise of COVID-19 cases. To aid in decreasing the risk of death and strain on hospital resources, PYX led a vaccination campaign initiative. The vaccination programme took place in Kalimantan and it commenced in October 2021. The vaccination campaign was accessible to all staff, including administrators, factory and mine workers. PYX led a successful vaccination campaign



within which 100% of their employees received both doses of the COVID-19 vaccine. The vaccination effort was a collaboration between PYX and local health authorities to facilitate providing accessible health care services to decrease the high infection rates in Indonesia. PYX is currently

facilitating the administration of the 3rd COVID-19 vaccination for its employees.

Additionally, in June 2021 and March 2022, PYX collaborated with the Indonesia National Blood Donor Programme in commemoration of the Indonesian National Blood Donor Day. For the event, fifty PYX employees attended the factory in the Tumbang Empas to donate blood to contribute to saving lives in their community.

It is important to note that, as of 2022, PYX continues to be the only company within the district to actively be involved with the local blood drive. As per the third SDG, “PYX Cares” has taken prominent strides in the community they operate in to help to promote accessible access to medical services.

PYX adheres to SEDEX Members Ethical Trade Audit (SMETA) Best Practices Guidance from 2017. In essence, this resource provides a framework for auditing a Company's labour standards, as well as health and safety protocols. In adhering to these standards, PYX diligently provides continuous safety training for employees, including fire brigades and evacuation plans. In addition, PYX provides factory and mine workers with three well-balanced and nutritious meals on all work days. Office employees similarly receive a healthy lunch.



Company employees are given a 1-hour lunch per shift. Lastly, to further their commitment to their employee's well-being, the Company signed an agreement with a local hospital to provide routine check-ups for PYX employees.

5.2.2 Goal 4: Sustainable Development

Goal 4 of the United Nations' SDGs is Quality Education targets sustainable development for quality education. This goal includes vocational training and opportunities for individuals to grow within their workplace. PYX's philosophy is focused on the well-being of its employees, including, providing avenues for furthering educational and vocational opportunities within the Company and the community. PYX believes that by teaching its employees transferable skills through their hands-on and intensive training, that employees will have the tools to further develop their economic position and general quality of life. Growth within the Company includes working towards managerial positions.

PYX further supports Goal 4 of the United Nations' SDGs through the local and

international internship opportunities the Company offers. PYX believes in the importance of furthering education within the Company as well as the community. PYX fosters the learning of transferable skills through intensive workplace training. This further equips employees to grow within the Company including opportunities towards a management position. In addition, PYX demonstrates its commitment to supporting the future generation through providing internship opportunities to university students from different countries and from a diversity of origins. This year PYX has given internships to students in Indonesia, Canada, the UK, Australia and China with very diverse backgrounds, as well as Malaysia, Mexico, Peru, Kenya, Afghanistan, Russia and Italy, to name but a few.

5.2.3 Goal 8: Decent Work and Economic Growth & Goal 10: Reduced Inequalities

The 8th goal of the United Nations' SDGs is Decent Work and Economic Growth which encourages sustainable economic growth, in addition to productivity within the workforce. The goal advocates in creating job opportunities for individuals with the hope to eradicate unsafe and forced labour. Similarly, the goal highlights the importance of decent work to be accessible for women and men by 2030.

PYX is committed to having a diverse pool of employees, in 2021, the Company

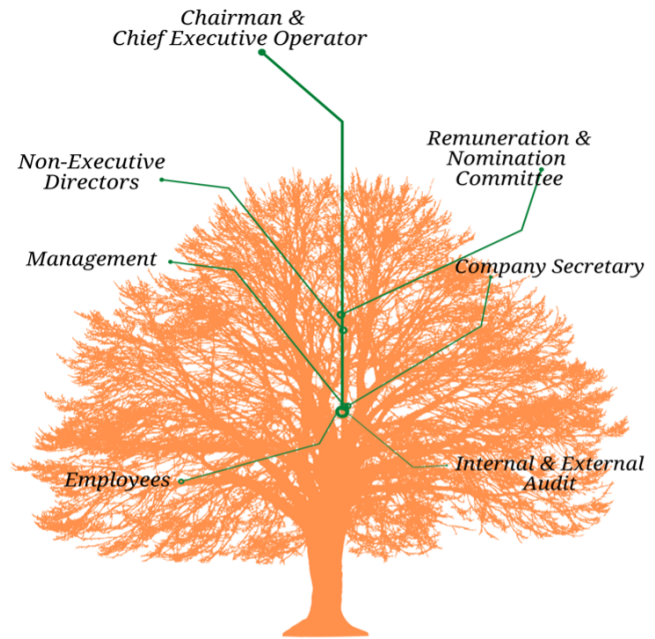
notably increased the total female employment by 3% over the previous year going from 20% in 2020 to 23% in 2021. PYX prioritises hiring from the indigenous local Dayak community, which comprise 525 of its workforce. The Company has also created approximately 100 job opportunities within the area since its creation in February 2020.



Goal 10 of the United Nations' SDGs intersects with Goal 8, as the 10th goal is focused on reducing inequalities. Within the Company, Goal 10 has been adhered to by providing equal opportunities for employment regardless of ethnicity, race, gender or sexual orientation. PYX fosters an inclusive culture to ensure the safety of its employees and to reduce discrimination within the workplace. The PYX Board adopted a diversity policy with the goal to assemble a diverse workforce that fosters career development and opportunities for all employees. The PYX Board consists of four male directors, a female company secretary and a female senior financial controller. In accordance with Goals 8 and 10, the Company has made substantive efforts to create avenues for inclusive workplace opportunities for the men and women in the local communities.

6. Governance and Stakeholders

The Company believes that collaboration with its stakeholders is vital to being able to adhere to the United Nations’ SDGs and corresponding philanthropic work. There is a wide variety of PYX stakeholders, to name a few there is the local community, regulatory agencies, individuals, government and domestic parties. PYX is committed to participating in global partnerships to strengthen the community in which its business is run. The governance arrangements and internal controls at PYX for reporting the Mineral Resources Estimate is a vital responsibility of the head of mining that works in accordance with the JORC Code 2012 edition. As such, the Company establishes that the competent person for resources is adequately qualified and experienced as regulated in the 2012 Edition of JORC.



PYX's Resources Governance

6.1. Corporate Governance

The Board of Directors of PYX Resources Limited (the “Company” or “PYX”) is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of PYX on behalf of the shareholders, by whom they are elected and to whom they are accountable.

The Company’s corporate governance practices are based on principles and recommendations set out in Corporate Governance Council’s Principles and

Recommendations (4th edition) issued by the Australian Securities Exchange Corporate Governance Council. Corporate Governance Council's principles are summarised as follows:

- Principle 1: Lay solid foundations for management and oversight
- Principle 2: Structure the board to be effective and add value
- Principle 3: Instil a culture of acting lawfully, ethically and responsibly
- Principle 4: Safeguard the integrity of corporate reports
- Principle 5: Make timely and balanced disclosure
- Principle 6: Respect the rights of security holders
- Principle 7: Recognise and manage risk
- Principle 8: Remunerate fairly and responsibly

This statement outlines the main corporate governance practices in place during the year ended on 31 December 2021, which comply with the ASX Corporate Governance Council recommendations, except where noted.

This Corporate Governance Statement is current as of 31 December 2021 and has been adopted by the Board.

Board of Directors

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives, and monitors performance against those objectives. The goals of the corporate governance process are to:

- Maintain and increase shareholder value
- Ensure a prudential and ethical basis for the Company's conduct and activities
- Ensure compliance with the Company's legal and regulatory objectives

In order to be consistent with these goals, the Board assumes the following responsibilities:

- To develop initiatives for profit and asset growth
- To review the corporate, commercial and financial performance of the Company of a regular basis
- To act on behalf of, and being accountable to, the shareholders
- To identify business risks and implementing actions to manage those risks and corporate systems to assure quality

The Company is committed to the circulation of relevant materials to directors in a timely manner to facilitate directors' participation in the Board discussions on a fully-informed basis.

Composition of the Board

Election of Board members is substantially the province of the shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- The Board is to comprise persons with a blend of skills, experience and attributes appropriate for the Company and its business
- The principal criterion for the appointment of new directors is their ability to add value to the Company and its business

The Board currently comprises three non-executive directors and one executive director. Where a casual vacancy arises during the year, the Board has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any director appointed during the year to fill a casual vacancy or as an addition to the Board, holds office until the next general meeting and is then eligible for re-election by the shareholders.

Each director has confirmed to the Company that he anticipates being available to perform his duties as a non-executive director or executive director without constraint from other commitments.

The directors consider an independent director to be a non-executive director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. The directors will consider the materiality of any given relationship on a case-by-case basis and reviews the independence of each director, in light of interests disclosed to the Board from time to time. The length of service of each director is contained in the Directors' Report.

The Company's Board Charter sets out guidelines of materiality for the purpose of determining independence of Directors and has adopted a definition of independence that is based on that set out in the Corporate Governance Council's Principles and Recommendations (4th edition).

The Board will consider whether there are any factors or considerations which may mean that a director's interest, position, association or relationship might influence, or reasonably be perceived to influence, the capacity of the director to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.

Identification and Risk Management

The Board's collective experience enables accurate identification of the principal risks that may affect the Group's business. Key operational risks and their management are recurring items for deliberation at Board meetings.

The Board is responsible for overseeing the establishment of and approving risk management strategies, policies, procedures and systems of the Group. The Group's management is responsible for establishing the Group's risk management framework.

The Group regularly undertakes reviews of its risk management procedures to ensure that it complies with its legal obligations, including assisting the chief executive officer or senior financial officer to provide required declarations.

Ethical Standards

The Company carries on business honestly and fairly, acting only in ways that reflect well on the Company and in compliance with all laws and regulations.

The Board has adopted a policy document which outlines employees' obligations of compliance with the Code of Conduct and explains how the Code interacts with the Company's other corporate governance policies. The responsibilities incorporated in the Code of Conduct include protection of the Company's business, using the Company's resources in an appropriate manner, protecting confidential information and avoiding conflicts of interest.

Independent Professional Advice

Subject to the chairman's approval (not to be unreasonably withheld), the directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

Securities Trading Policy

The Board has adopted a Securities Trading Policy for directors, senior managers and employees in relation to securities dealings which is appropriate for a company with securities traded on NSX and the Main Market of the LSE.

Under the Securities Trading Policy, directors and employees are prohibited from dealing in the Company's securities if they have in their possession information that they know, or ought reasonably to know, is inside information.

The Securities Trading Policy sets out a notification procedure which is required to be followed prior to any dealing in the Company's securities.

Disclosure Policy

The Company's disclosure policy is to assist with continuous disclosure obligations of both the Australian and UK regimes so as to provide the Company's shareholders, the NSX and the LSE with timely, direct and equal access to information issued by the Company and to promote investor confidence in the integrity of the Company and therefore to maintain an orderly market in its securities.

External Audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

Audit Committee

The Audit Committee is comprised of four board members. The Company has adopted an Audit Committee Charter. The Audit Committee assists the Company in meeting its financial reporting obligations and other tasks, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

Remuneration & Nomination Committee

The Remuneration Nomination committee is comprised by four board members. The Board has adopted a Remuneration Committee Charter to assist with remuneration of directors, executives and key employees. The Company recognises that formal and transparent remuneration and nomination policies assist in promoting understanding and confidence in remuneration and nomination decisions.

The Company has established a remuneration policy that states:

- Non-executive directors are to receive fees which are determined by the Board within the aggregate limit set by the shareholders at a general meeting
- Executive directors' remuneration is determined by the Board with reference to current market rates and remuneration paid to executives in comparable listed companies determined by the size and nature of operations

Remuneration levels are set by the Board in accordance with industry standards to attract suitable qualified and experienced directors and senior management. The process of periodically evaluating the performance of the board, its committees and individual directors and senior executives is set out in the Company's Process for Performance Evaluations policy. Performance evaluations have been completed for the December 2021 financial year.

In relation to Board nominations, the Committee reviews and makes recommendations to the Board in relation to:

- Board succession planning generally
- Induction and continuing professional development programmes for directors
- The development and implementation of a process for evaluating the performance of the Board, its committees and directors
- The process for recruiting a new director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board

and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment

- The appointment and re-election of directors
- Ensuring there are plans in place to manage the succession of the managing director and other senior executives

Diversity Policy

The Board has adopted a diversity policy. The Company aims to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

The Board consists of four male directors. The company secretary and senior financial controller are female.

The Company has the following appointments by gender as of 31 December 2021:

Position *	Females	Males	Total
Directors	-	4	4
Senior executives **	4	3	7
Other employees	20	72	92

* Includes personnel who contract their services to the Company

** Senior executives comprise the senior financial officer, finance manager, company secretary, HR manager, admin manager, business development manager and operations manager

Anti-slavery and Human-trafficking Policy

There is a zero-tolerance approach to modern slavery both within the Company and within its supply chain. This policy underpins the Company’s approach to prevent slavery and human trafficking taking place in any part of the business or supply chains.

To underpin the Company's compliance with practical steps, the Company aims to implement the following:

- Conduct risk assessments to determine which parts of our business and which suppliers are most at risk of modern slavery so that efforts can be focused on those areas
- Engage with suppliers both to convey to them the Anti-Slavery and Human Trafficking Policy and to gain an understanding of the measures taken by them to ensure modern slavery is not occurring in their businesses and their supply chain
- Introduce supplier pre-screening (for example as part of our tender process) and self-reporting for suppliers on safeguarding controls
- Introduce contractual provisions for suppliers to confirm their adherence to this policy and accept the right for the Company to audit their activities and (where practicable) relationships, both routinely and at times of reasonable suspicion

Health, Safety, and Environment (HSE) Policy

The Company is committed to operating its business in a responsible and appropriate manner, that protects the environment and ensures the safety of its employees and contractors and protects the members of the communities in which it operates.

The purpose of the HSE Policy is to assist the Company and its directors to monitor and review the health, safety, environmental and sustainable development policies, principles, practices and processes, and monitor and review current and future regulatory issues relating to health, safety, the environment and sustainable development.

The Company is committed to, and the Board will monitor and review the Company's compliance with, the following principles and practices, including but not limited to:

- Acknowledging that the management of health, safety, and environmental issues is an integral part of the Company's business, and should be incorporated into business planning and decision-making processes
- Implementing and maintaining a systematic approach to risk management

in order to achieve the objectives outlined in the HSE Policy

- The Company and its subsidiaries complying with all applicable laws and regulations as a minimum standard, and applying responsible standards consistent with the principles and policies outlined in this policy where laws do not exist
- Working collaboratively and proactively with stakeholders to develop and advance effective approaches to HSE management, and communicating openly on HSE related issues
- Continuously seeking ways to minimise the impact of the Group's exploration and production activities on the environment
- Continuously identifying, reporting and evaluating risks, threats, hazards and impacts to company operations that have the 71 PYX Resources | Annual Report 2021 PYX Resources: The Emerging Force in the premium zircon industry potential to adversely affect the environment or the health, safety and security of employees, contractors or the community, and implementing appropriate control and contingency measures to minimise and manage them to a responsible level
- Monitoring, reviewing and setting targets for ongoing improved HSE performance
- Committing to employee participation in the Health and Safety process and welcoming the opportunities presented by Employee Forums to expedite the high standards the HSE Policy represents
- Providing sufficient and competent human resources to manage the Company's HSE commitments
- Selecting and engaging contractors and suppliers whose HSE management systems are acceptable to the Company and consistent with the principles and policies outlined in the policy
- Including a HSE performance assessment and requiring a demonstration of continuous commitment to the principles and policies outlined in the policy in the appraisal of the Company's personnel and suppliers
- Providing training, instruction and supervision to personnel to enable them to attain the knowledge and skill levels necessary to perform their work incident free

- Committing to reusing waste as much as is economically feasible to minimise the amount of waste

Risk Management Policy

The Company's Risk Management Policy provides a framework to identify, assess, monitor, and manage the risks associated with the Company's business.

In accordance with the Risk Management Policy, the Board assessed the need to form a risk committee in conjunction with the necessity to form an audit committee.

The Risk Management Policy identifies that the Company will regularly consider the following main areas of risk to the Company:

- Exploration and development
- Fluctuating commodity prices and exchange rates
- Political and economic climate in its areas of operation
- Continuous disclosure obligations

The Company adopted an internal control framework to assist the Board in identifying, assessing, monitoring and managing risk. The framework includes financial reporting, continuous disclosure, regular operations reviews and investment appraisals.

Anti-bribery and Corruption Policy

The Company has adopted an anti-bribery and corruption policy to ensure the Company conducts all business fairly, honestly and openly by ensuring compliance with all applicable anti-corruption laws and regulations, and to ensure that the Company conducts business in a socially responsible manner. The policy sets out the responsibilities of the Company, the Board, the Company personnel and the Company's associated persons. The policy specifically addresses facilitation payments or gifts and hospitality, dealings with public officials, political donations and charitable donations.

Whistle-blower Policy

The Company is committed to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance. As part of that commitment, the Company has adopted a whistle-blower policy.

This policy is an important tool for helping the Company to identify wrongdoing that may not be uncovered unless there is a safe and secure means for disclosing wrongdoing. The Company encourages those who are aware of possible wrongdoing to report it in accordance with this policy. Any material breaches of the whistle-blower protection policy are to be reported to the Board or a committee of the Board.

ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance.

The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. The Board is committed to best practice corporate governance. To the extent applicable, the Company has adopted the Corporate Governance Principles and Recommendations (4th Edition) as published by ASX Corporate Governance Council. In light of the Company's size and nature, the Board considers the current board a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed. A copy of the Company's Corporate Governance Policies is able to be accessed on the Company's website www.pyxresources.com.

7. Navigating a Global Pandemic

PYX continues to prioritise both the health and well-being of its employees during the ongoing COVID-19 pandemic. The Company has shown commitment to employees and the surrounding community in Kalimantan in the following ways:

Emphasising the well-being, health and safety of all employees and contractors.

PYX has committed to facilitating safe workspaces for its employees during the COVID-19 pandemic. The well-being of employees continues to be at the forefront of the company's policies and methodology.

In June 2021, the COVID-19 pandemic overwhelmed medical resources in Indonesia, including in Kalimantan. As of 8 June 2022, Indonesia has reported a total of 6.06 million COVID-19 cases and 157,000 related deaths. Indonesia accounts for 61.3% of its population being fully vaccinated against COVID-19, reporting that 13.7% of individuals have received their third dose.

In 2021, the Company's personnel, unfortunately, reported some COVID-19 cases. PYX provided staff with support and resources during their recovery from the illness. Fortunately, PYX reports zero COVID-19-related fatalities.

Playing a role in assisting the government in preventing the spread of the virus through positively assisting the surrounding communities.

As a result of the COVID-19 outbreak in Kalimantan in 2021, the Company took initiative in leading a vaccination campaign that was in partnership with local authorities to aim at reducing the spread of the virus. This campaign was aimed at protecting the health of all PYX employees, encompassing the wide range of personnel within the company. The vaccination initiative was a success, as 100% of PYX employees received their COVID-19 vaccine at the end of 2021.

8. Glancing into the Future



Zircon

Zircon is a critical mineral that has been identified by the Australian government, meaning that zircon will play a substantive role towards a carbon zero transition. PYX is devoted to providing accessible premium grade zircon products to its consumers and in contributing to a zero-carbon future. Notably, the demand for zircon grew remarkably from 2021 into 2022 as zircon is more commonly being used for technology-based applications, including within innovations for renewable energy.

Titanium Dioxide TiO_2

Alongside zircon, PYX also extracting and producing by-products from the Mandiri and Tisma deposits and is mining titanium feedstock, rutile and ilmenite. The Company's strategy is to enhance stockholder value, which is achieved through effective and diverse mining processes, as well as increasing asset valuations. Natural and synthetic rutile are products that are otherwise known as high-grade titanium dioxide feedstocks, as they largely composed of titanium. Titanium dioxide can be found in an abundance of products used in welding, pigmented painting products, plastics and automotive applications.

In the field of environmental sustainability, titanium dioxide is known as a 100% recyclable environmentally friendly metal. Titanium can be recycled easily as it does not rust. In addition, titanium dioxide has the ability to neutralise air pollutions due to the compound's ability to absorb ultraviolet light and then reflect the entire visible spectrum.

Future Operations

PYX is committed to decreasing its environmental footprint. As such, the Company is taking steps towards discovering options and avenues for introducing renewable energy into daily operations.



PYX is working very closely with the local authorities to help participate in the conservation of endangered species. In particular, the Company has been collaborating to protect the orangutan population. There are only three species of orangutans that exist, which can only be found in Indonesia and Malaysia. These animals have been labelled as critically endangered due to threats from habitat

loss, illegal wildlife trade and poaching. As of 16 May 2022, the estimated number of Bornean orangutans left in the wild is only 100,000. Notably, more than half of the population of Bornean orangutans has been eradicated over the past 60 years. Without intervention and conservation efforts, orangutans are projected to be completely extinct within the next 50 years.

Investing in our Employees

PYX believes that the wellbeing of our workforce is the cornerstone of successful mining company, and thus believes in investing both time and resources back into the health of our employees. Through an agreement with a local hospital, PYX

has facilitated accessible medical services to all employees and their families. PYX promotes the well-being and health of its employees through providing healthy meals to all workers, and with consistent safety training.

The Company has participated in the local community's education and health sector through volunteering and by providing capital aid. Through investing in the community in which many employees reside, PYX hopes to show its commitment to its workforce by practical and meaningful initiatives. All pregnant female employees qualify for a three-month full wage maternity leave. The Company also provides marriage leave for employees who are about to get married, allotting for three days of leave. As for annual leave, PYX employees are entitled to take 12 days of leave from 1 January to 31 December each year. Lastly, for PYX employees who will perform the pilgrimage are entitled to Hajj Leave which entitles them to a maximum of 40 calendar days of leave for regular hajj or maximum 30 calendar days for special hajj or ONH plus excluding annual leave.

9. UN Sustainability Goals to Adhere to in the Future

PYX is making strides towards committing to Goals 15 and 17 of the United Nations' SDGs in the near future.

1. Goal 15- Life on Land: The mission of Goal 15 is to protect ecosystems and biodiversity. PYX is currently researching projects that protect wildlife. For example, the Company is exploring projects for saving the orangutan population in Central Kalimantan.

2. Goal 17- Partnerships for Goals: The objective of the 17th goal is to promote global partnership for sustainable development. The Company is working collaboratively with their suppliers, community, and consumers towards a zero-carbon future. PYX pledges to continue their efforts in working with their local community and consumers to ultimately, support partnership on a wider scale.



9.1 Short-Term Goals

1. Improve the health of its employees through training, medical check-ups and access to adequate medical care and hospitals to all PYX employees
2. Improving the access to education tools of the local community through investing in local schools
3. Attracting skilled workers through offering internships at local and international level
4. Contribute to climate actions continuing with reforestation efforts, which will also provide good welfare for humans
5. Prioritise the conservation of local wildlife by continuous search of projects to increase the orangutan population
6. Contributing to the Global Reporting Initiative (GRI) by reporting PYX's impact on matters like climate change, human rights and corruption. These GRI findings will be included in PYX's future sustainability reports

9.2 Long-Term Goals

1. To decrease the environmental footprint for all PYX operations
2. Increase investment in sustainable energy solutions
3. Making meaningful contributions to the lives of PYX employees and for individuals who reside in the local Kalimantan and Dayak communities
4. Promoting partnerships that foster growth in the local communities in which PYX operates and to further sustainable development

10. The United Nations Global Compact

The United Nations Global Compact (UNGC) endorses that corporate sustainability begins with a company's value system and a principles-based approach for running a business. In essence, this means operating in ways that meet fundamental responsibilities in the sectors of human rights, labour, environment and anti-corruption. Accordingly, PYX complies with the 10 principles of the UNGC, which are namely:

Human Rights

1. Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights
2. Principle 2: Make sure that they are not complicit in human rights abuses

Labour

3. Principle 3: Businesses should uphold the freedom of association and effective recognition of the right to collective bargaining
4. Principle 4: The elimination of all forms of forced and compulsory labour
5. Principle 5: The effective abolition of child labour
6. Principle 6: The elimination of discrimination in respect of employment and occupation



United Nations
Global Compact

Environment

7. Principle 7: Businesses should support a precautionary approach to environmental challenges
8. Principle 8: Undertake initiatives to promote greater environmental responsibility
9. Principle 9: Encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

10. Principle 10: Businesses should work against corruption in all its forms including extortion and bribery

PYX monitors and follows the ten United Nations Global Compact principles through:

- Company Rules and Regulations
- Employee Handbooks
- Anti-bribery and Corruption Policy
- Anti-slavery and Human Trafficking Policy
- Disclosure Policy
- Diversity Policy
- Health, Safety and Environment Policy
- Whistle-blower Policy
- Supplier Ethical Data Exchange Members Audit (SEDEX)
- Sedex Members Ethical Trade Audit (SMETA)
- Code of Conduct

SMETA-Sedex Members Ethical Trade Audit

The Sedex Members Ethical Trade Audit (SMETA) uses auditing methodology targeted at enabling businesses to assess a site. SMETA analyses an organisation's standards of labour, health and safety, environment and business ethics. These are key areas for assessing the organisation's responsible business practices as well as meeting social compliance. SMETA is known as the world's leading social audit because it provides auditors with the framework to conduct high quality assessments.

SMETA is based on four pillars:

1. Labour Standards
2. Health & Safety
3. Environment
4. Business Ethics

All of the pillars take into account legal requirements, international standards and good practice. PYX's last audit took place on 16 August 2022.

11. 2021 Company Data

Sales Volume of Zircon

6,855 t

FY2021	+2%	6,855 t
FY2020	+37%	6,737 t
FY2019	+50%	4,936 t
FY2018		3,296 t

Production Volume of Zircon

7,233 t

FY2021	+10%	7,233 t
FY2020	+32%	6,555 t
FY2019	+48%	4,966 t
FY2018		3,353 t

Financial Summary

(US\$)	FY2021	FY2020
Sales revenue	\$12,417,086	\$8,956,694
EBITDA	\$(4,329,943)	\$(13,933,329)
EBIT	\$(4,517,820)	\$(14,062,503)
Net loss before tax	\$(4,529,754)	\$(14,083,464)
Net loss after tax (NLAT)	\$(4,321,230)	\$(13,820,603)
Underlying EBITDA	\$(793,628)	\$(1,213,402)
Total assets	\$84,796,550	\$6,166,204
Total liabilities	\$(1,759,899)	\$(1,645,355)

12. Highlights

Avg Dec 2021 Zircon prices US\$2,465/t

87% YoY Increase

6,855 tonnes Sales Volume

2% YoY Increase

7,233 tonnes Production Volume

10% YoY Increase

US\$12,417k Revenue

39% YoY Increase

US\$6,624k Net Cash Position

89% YoY Increase

Finished Goods Inventory

18 days

**Acquisition of
Tisma Development
(HK) Ltd**

**75% Increase of
Contained Zircon
Resources**

**100% Covid-19
Employee
Vaccination**

**Zero Covid-19
Fatality Rate**

**Zero Total
Recordable Injury
Frequency Rate**

**Female
Employment
+3 pp**

**Indigenous
Employment 52%**

**134% Increase in
Share Price YoY as of
COB 31 Dec 2021**

13. Forward Looking Statements

Cautionary Note Regarding Forward-looking Information

This Annual Report 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 Report.

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 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 Report is based upon what management 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 Report.

Competent Person Statement

The information in this Report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr. John Chisholm, a Competent Person who is a Fellow of AusIMM (Australian Institute of Mining and Metallurgy). Dr. Chisholm is engaged by PYX and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr. Chisholm consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

The Mandiri mineral sands deposit hosts a 6 Mt Inferred Mineral 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 Mineral 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.

14. Corporate Information

Directors

Mr. Oliver B. Hasler, Mr. Gary J Artmont, Mr. Bakhos Georges, Mr. Alvin Tan

Company Secretary

Ms. Louisa Martino

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Share Registry

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Australian Company Number and Australian Business Number

ACN 073 099 171

ABN 30 073 099 171

Depository

Computershare Investor Services plc

The Pavilions, Bridgewater Road, Bristol, BS 13 8AE, United Kingdom

Financial Advisor and Broker to the Company

WH Ireland

24 Martin Lane, London, ECR 0DR, United Kingdom

PYX Resources Limited

ABN 30 073 099 171

Due to PYX's commitment to the environment, no printed copies of the Sustainability Report are available.

