U.S. Air Force awards PyroGenesis 18-month waste-to-energy operating contract

MONTREAL, Jan. 24, 2012 /CNW/ - PyroGenesis Canada Inc. ("PyroGenesis" or the "Company") (TSX-V: PYR), an environmental solutions company that designs, develops and manufactures plasma waste-to-energy systems and plasma torch products, announced today that the U.S. Air Force 1st Special Operations Civil Engineering Squadron (1 SOCES) entered into an 18-month contract with PyroGenesis to operate, maintain and collect operations data on its Plasma Resource Recovery System (PRRS) at the Air Force's base in Hurlburt Field, Florida.

PyroGenesis designed and manufactured the PRRS, which uses plasma to convert waste to energy and usable products. The system began operational testing at the Florida Air Force base last year.

The contract includes three sequential option periods. The first period of performance began on October 1, 2011 and is seven months in length. The second option period is five months; and the third option period is for six months. The total value of the contract is approximately $2.73 million.

“This follow-on contract will help us to further validate our plasma technology in a commercial, land-based setting,” said P. Peter Pascali, President and Chief Executive Officer of PyroGenesis. “The Air Force required technology that could take unsorted waste directly from the garbage truck and be able to safely and efficiently transform it into useful products. Our ability to deliver environmentally friendly solutions that work along with our experience to provide comprehensive operations and maintenance plans will ensure the long term success and continued operation of this facility. With our expertise in plasma-based waste-to-energy systems, we feel we will exceed the Air Force's expectations.”

The 10.5-ton per day facility at the Air Force's base in Florida is a state-of-the-art waste management and energy production system that is designed to convert solid wastes into energy and reusable by-products. Specifically, it combines the advanced processes of plasma gasification and vitrification into one system to further break down solid waste into molecular components for use as a fuel to an internal combustion engine to produce electricity. The objective will be to operate the PRRS system 24 hours a day, seven days a week in a continuous, cost-effective and efficient manner.

The Company believes the technology at the Hurlburt Field, Florida site is the only operating commercial plasma gasification facility in North America that has successfully demonstrated the ability to convert unsorted municipal solid waste into electricity.

About PyroGenesis Canada Inc.

PyroGenesis Canada is an environmental solutions company that designs, develops and manufactures plasma waste-to-energy systems and plasma torch products. PyroGenesis' proprietary plasma technologies utilize the intense energy of plasma to gasify and vitrify virtually any type of waste without producing hazardous by-products. PyroGenesis' patented gasification and vitrification technology is different...
from time to time in the Company’s ongoing filings with the securities regulatory authorities, which filings can be found at www.sedar.com. Actual results, events, and performance may differ materially. Readers are cautioned not to place undue reliance on these forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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