

\$200K MILESTONE PAYMENT RECEIVED; DROSRITE[™] ALUMINUM RECOVERY SYSTEM READY TO BE INSTALLED

MONTREAL, January 11, 2016 /CNW Telbec/ PyroGenesis Canada Inc. (http://pyrogenesis.com) (TSX-V: PYR) (OTCQB: PYRNF), a TSX Venture 50[®] clean-tech company (the "Company" or "PyroGenesis") that designs, develops, manufactures and commercializes plasma waste-to-energy systems and plasma torch products, announced today that its DROSRITETM Furnace System (the "System" or "DROSRITETM") has successfully passed inspection by its client, a North American automobile parts manufacturer (the "Client"), and has been shipped for installation at the Client's facilities. A milestone payment of \$203,700 has been received by PyroGenesis. The Client wishes to remain confidential for competitive reasons.



DROSRITE[™] is a salt-free, cost-effective, sustainable process for maximizing metal recovery from dross, a waste generated in the metallurgical industry. DROSRITE[™] avoids costly loss of metal while reducing a smelter's carbon footprint and energy consumption, providing an impressive return investment. PyroGenesis' on patented DROSRITE[™] process increases aluminum alloy recovery from dross and reduces operating costs while at the same time producing no hazardous by-products. In competing processes contrast, have significantly higher operating costs and

produce a hazardous waste that has to be disposed of at additional cost. PyroGenesis filed a patent for DROSRITE[™] in 2012.

As previously announced, the Company entered into an agreement with its Client to deliver a commercial System by the end of 2015. The Client recently conducted an on-site visit and after a successful inspection, the System was shipped and is now ready for installation at the Client's facilities. Commissioning is expected to commence shortly with final acceptance within Q1 2016.

"The acceptance of this system marks the first commercial sale of a DROSRITE[™] system worldwide and underscores the Company's ability to successfully identify, address, and solve problems which have wide ranging impact," stated P. Peter Pascali, President and CEO of PyroGenesis. "Once this system is successfully commissioned and its performance demonstrated, we will be able to market DROSRITE[™] to other automobile parts manufacturers as well as target larger markets such as the primary and secondary aluminum smelters." In an unrelated matter, the Company wishes to clarify that pursuant to its recently completed private placement, the Company granted 91,000 finder's options (the "Options") along with the previously announced finder's fee of \$18,200. Each Option entitles the holder to acquire a Common Share of the Company at a price of \$0.50 for a period of 24 months following the closing date.

About PyroGenesis Canada Inc.

PyroGenesis Canada Inc., a TSX Venture 50[®] clean-tech company, is the world leader in the design, development, manufacturing expertise, cutting-edge contract research, as well as turnkey process equipment packages to the defense, metallurgical, mining, advanced materials (including 3D printing), oil & gas, and environmental industries. With a team of experienced engineers, scientists and technicians working out of our Montreal office and our 3,800 m² manufacturing facility, PyroGenesis maintains its competitive advantage by remaining at the forefront of technology development and commercialization. Our core competencies allow PyroGenesis to lead the way in providing innovative plasma torches, plasma waste processes, high-temperature metallurgical processes, and engineering services to the global marketplace. Our operations are ISO 9001:2008 certified, and have been since 1997. PyroGenesis is a publicly-traded Canadian company on the TSX Venture Exchange (Ticker Symbol: PYR) and on the OTCQB Marketplace (Ticker Symbol: PYRNF). For more information, please visit www.pyrogenesis.com

This press release contains certain forward-looking statements, including, without limitation, statements containing the words "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect", "in the process" and other similar expressions which constitute "forwardlooking information" within the meaning of applicable securities laws. Forward-looking statements reflect the Company's current expectation and assumptions, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. These forward-looking statements involve risks and uncertainties including, but not limited to, our expectations regarding the acceptance of our products by the market, our strategy to develop new products and enhance the capabilities of existing products, our strategy with respect to research and development, the impact of competitive products and pricing, new product development, and uncertainties related to the regulatory approval process. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks and uncertainties and other risks detailed from time-to-time in the Company's ongoing filings with the securities regulatory authorities, which filings can be found at www.sedar.com, or at www.otcmarkets.com. Actual results, events, and performance may differ materially. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forwardlooking statements either as a result of new information, future events or otherwise, except as required by applicable securities laws.

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

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