

PyroGenesis Announces Closing of \$1.28 Million Private Placement

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MONTREAL, Dec. 23, 2013 /CNW Telbec/ - PyroGenesis Canada Inc. ("PyroGenesis" or the "Company" www.pyrogenesis.com) (TSXV: PYR), an environmental solutions company that designs, develops and manufactures plasma waste-to-energy systems and plasma torch products, is pleased to announce today that it has completed a private placement consisting of the issuance and sale of an aggregate of 3,660,000 units of the Company (the "Units") at a price of \$0.35 per Unit, for proceeds of \$1,281,000 to the Company (the "Private Placement").

"Given our recent announcements of new contracts, as well as our improving cost structure and margins, we felt that adding these funds at this time will enable the company to have the working capital needed to continue to focus on creating value for our shareholders. We look forward to continued business growth in what is shaping up to be a stellar 2014." said P. Peter Pascali, President & CEO of PyroGenesis

Each Unit consisted of one common share of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.55 until December 20, 2015. In the event that the volume weighted average price of the Common Shares on the TSX Venture Exchange (the "Exchange") is equal to or greater than \$1.00 for a period of twenty (20) consecutive trading days, then the exercise period of the Warrants will be reduced to 30 days from the first day following such 20-day period.

The proceeds from the Private Placement will be used by PyroGenesis for general working capital purposes.

"2013 has been a pivotal year for PyroGenesis. We have managed to secure contracts in new market sectors which are geared for significant growth. We have realigned our project management team which resulted in increased profit margins while at the same time reducing our fixed costs. These accomplishments have instilled confidence within our investor base and resulted in securing the private placement announced today." said Gillian Holcroft, Executive Vice President of PyroGenesis.

P. Peter Pascali, the President and CEO of PyroGenesis, and Gillian Holcroft, the Executive Vice President of PyroGenesis, have subscribed to 715,000 Units and 15,000 Units, respectively. Following the completion of the Private Placement, Mr. Pascali and Ms. Holcroft beneficially own or exercise control or direction over, directly or indirectly, respectively, 29,641,255 Common Shares and 28,500 Common Shares, representing approximately 44.11% and 0.04% of the issued and outstanding Common Shares.

The securities issued and sold under the Private Placement are subject to a four month hold period in accordance with applicable Canadian securities laws.

"Of note, is the confidence the investment community is placing in PyroGenesis as the shares in this private placement are restricted from trading for 4 months", commented P. Peter Pascali, President & CEO of PyroGenesis, "We acknowledge that our investors are looking for significant returns when investing and we would like to thank all of our shareholders for their ongoing support of PyroGenesis." continued Mr. Pascali.

The participation of each of Mr. Pascali and Ms. Holcroft in the Private Placement constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("Multilateral Instrument 61-101") and Policy 5.9 - *Protection of Minority Security Holders in Special Transactions* of the Exchange. In connection with this related party transaction, the Company is relying on the formal valuation and minority approval exemptions of respectively subsection 5.5(a) and 5.7(1)(a) of Multilateral Instrument 61-101 as the fair market value of the portion of the Private Placement subscribed by Mr. Pascali and Ms. Holcroft, individually and collectively, does not exceed 25% of the Company's market capitalization. The Private Placement, including the participation of Mr. Pascali and Ms. Holcroft therein, has been unanimously approved by the directors of the Company, with each of Mr. Pascali and Ms. Holcroft abstaining with respect to their participation.

In connection with the Private Placement, the Company paid finder fees in the amount of \$13,763.75.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States *Securities of 1933*, as amended, or any state securities laws and may not be offered or sold within the United States unless an exemption from such registration is available.

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 incineration because it produces a clean synthetic gas from waste, which can be used for power generation. PyroGenesis' technology can also turn waste into a glassy rock that can be utilized as construction material. PyroGenesis has marquee defense industry and civilian customers that are using its technology in marine and land-based applications. 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 "forward-looking 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. 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 forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable securities laws.

Neither 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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