

PyroGenesis Updates Earlier Announcement Regarding Signing of an Exclusive Marketing License Agreement

MONTREAL, April 13, 2015 /CNW Telbec/ - **PyroGenesis Canada Inc.** (<http://pyrogenesis.com>) (TSX-V: PYR.V), 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, provides an update today regarding a previously announced signing of an exclusive marketing license agreement (the "License") with a large Asian clean-tech project developer with whom the company has been working closely for over 3 years (the "Licensee"). As previously noted, the terms of the License allow the Licensee to market PyroGenesis' line of plasma waste processing systems in the Licensee's country of origin for a period of five (5) years with an automatic five (5) year renewal based on certain performance milestones. The name of the Licensee and the country wherein exclusivity is given will continue to remain confidential for competitive reasons; however, for clarity, Management confirms that the country in question is highly industrialized and that it is not China.

In the Company's March 4, 2015 press release, Mr. P. Peter Pascali, President and CEO of PyroGenesis, noted: "We have been working with this Licensee on a non-exclusive basis for several years now, during which time they have been aggressively promoting our product lines, particularly our environmental offerings. We were asked by the Licensee last fall to attend and support a large business development effort, which we did, and this was the culmination of many years of strategic marketing. PyroGenesis has been highly focused over the past several months to conclude the transaction which we announced today; it is truly a watershed moment for the Company."

The original draft of this License called for a \$1.5 MM payment to be made over two months in consideration of this right to exclusivity. As per the Licensee's subsequent proposal, which was accepted by the Company, the foregoing was changed to: i) a non-refundable payment of \$250,000; and ii) a further payment of \$250,000, together with a signed order for six (6) 50 TPD waste treatment systems (the "Systems"). These Systems, typically sell for \$20-30 MM each, depending on the features requested (such as energy recovery for example) and/or the waste stream being processed.

Mr. P. Peter Pascali provides additional information about the transaction and its impact on the Company in the following Q&A format:

- Could you please confirm that the Exclusive Marketing Agreement has been signed?

We confirm that the Exclusive Marketing Agreement has been signed by both parties and a fully executed document has been received by PyroGenesis. We also wish to note that the terms and conditions previously noted are fully and legally enforceable obligations.

- On that note, could you please comment on whether the Licensee benefits from any "best effort" conditions? In other words, is the commitment by the Licensee to make the previously announced \$500,000 deposit and to provide for a signed order for six (6) 50 TPD waste treatment systems subject to any "best effort" conditions?

Absolutely not. As mentioned above, the commitment by the Licensee to make the \$500,000 deposit as well as to provide a purchase order for six (6) 50 TPD systems are fully and legally binding. There are absolutely no "best effort" conditions which would allow the Licensee to circumvent these obligations.

- Has the initial deposit been received? If not, why?

The initial deposit of \$250,000 has not been received; nonetheless, PyroGenesis did receive a token "good faith" deposit. The reason we have not received the full initial deposit is a rather complex question to answer under the circumstances. However, one can conclude from our earlier press release that there are ongoing negotiations with respect to other items within the Exclusive Marketing Agreement. Suffice it to say that notwithstanding commitments made in the Agreement, certain "delaying" actions may be occurring in the hopes of replacing initial cash commitments with purchase orders; all of which is to be expected as normal within the context of negotiations of this nature.

- Do you have any doubts as to the Licensee's capacity to pay?

We have, to date, no reason to be concerned about the Licensee's capacity to pay. They are a well established group with a proven track record. PyroGenesis has also used the local Canadian Embassy to verify the licensee's credibility.

- Are there any other developments pertaining to this Agreement that would be of interest?

Subsequent to the press release on the subject early last month, there has been heightened interest by the Licensee's competitors, who are also known to PyroGenesis, and which has resulted in unsolicited competing offers. Management is reviewing such in the context of the executed Agreement and the delays noted above.

- Are there any other takeaways?

The most important aspect of this development, and one that PyroGenesis' Board is highly focused on, is the fact that this Agreement reflects a new reality for PyroGenesis. The Company has progressed from signing agreements for individual systems in the \$1-5MM range, to signing a multi-system contract in the \$10-15MM range last year, to now negotiating multi-system contracts in the +\$100MM range. This transition is not unexpected as it underscores the success PyroGenesis is having in executing its strategic plan to diversify away from being an environmental Company with significant exposure to the US military, to one providing unique plasma processes to niche markets.

"We are extremely excited about the prospects this transaction brings with it, and highly confident that it will generate the sales anticipated," said P. Peter Pascali, "However, we still remain cautious, and will remain so until we have the deposit and purchase order firmly in hand."

About PyroGenesis Canada Inc.

PyroGenesis Canada, a TSX Venture 50® clean-tech company, is the world leader in the design, development, manufacturing and commercialization of advanced plasma processes. We provide engineering and 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 PyroClass™ engineers, scientists and technicians working out of our Montreal office and our 3,800 m2 production 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.V). 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.

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