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**PYROGENESIS ANNOUNCES CLOSING OF PRIVATE PLACEMENT; OVERSUBSCRIBED BY OVER 130%**

MONTREAL, Quebec (Marketwired July 26, 2016) - PyroGenesis Canada Inc. (<http://pyrogenesis.com>) (TSX-V: PYR), a company (the "Company" or "PyroGenesis") that designs, develops and manufactures plasma waste-to-energy systems and plasma torch systems, is pleased to announce today that it has completed its previously announced private placement which has been oversubscribed by 133%. The Company issued and sold an aggregate amount of 6,131,579 units of the Company (the "**Units**") at a price of \$0.19 per Unit, for gross proceeds of \$1,165,000 to the Company (the "**Private Placement**").

Each Unit consists of one common share of the Company (a "**Common Share**") and one half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.35 until January 26, 2018. Each Unit will be subject to a statutory hold period of four months and one day from the date of closing.

The proceeds from the Private Placement will be used by the Company for general corporate purposes. The Private Placement is subject to the final approval of the TSX Venture Exchange ("**TSXV**") as well as other customary closing conditions.

In connection with the Private Placement, the Company paid finder fees in the amount of \$15,960.

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.

**Shares for Debt Transaction**

The Company is also pleased to announce that it has completed its previously announced shares for debt transaction (the "**Shares for Debt Transaction**"), whereby the Company issued 2,060,126 Common Shares of the Company from treasury at a deemed price of \$0.20 per Common Share in the aggregate amount of approximately \$412,000.

The Common Shares issued pursuant to the Shares for Debt Transaction will be subject to a hold period of four months and one day from the date of issuance thereof under applicable securities laws and TSXV rules. The transaction is subject to final approval by the TSXV.

### **Amendment of Warrants**

The Company also announces today that, further to its press release of July 5, 2016, the Company has received conditional approval from the TSXV for the previously announced amendment of the terms of certain common share purchase warrants (the "**Warrants**") issued by the Company in connection with a private placement completed on November 26, 2014 (the "**Private Placement**").

The Warrants were amended in order to reduce the exercise price of the Warrants to \$0.26 and the Warrants, as amended, include an accelerated expiry provision such that the exercise period of the Warrants will be reduced to thirty (30) days if, for any ten (10) consecutive trading days during the unexpired term of such Warrants (the "**Premium Trading Days**"), the closing price of the Company's Common Shares exceeds the amended exercise price by 25% or more, with the 30-day expiry period to begin no more than seven (7) calendar days after the 10<sup>th</sup> Premium Trading Day. Of note, pursuant to the Private Placement, the expiry term of the Warrants is November 26, 2016.

The Warrant amendment is subject to the final approval of the TSXV.

### **About PyroGenesis Canada Inc.**

PyroGenesis Canada Inc. is the world leader in the design, development, manufacture 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 engineers, scientists and technicians working out of our Montreal office and our 3,800 m<sup>2</sup> 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. For more information, please visit [www.pyrogenesis.com](http://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](http://www.sedar.com), or at [www.otcmarkets.com](http://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 forward-looking 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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