



**PyroGenesis Announces \$4MM non-Brokered Private Placement;  
\$2MM subscribed to by CEO;  
Provides Clarification of Previous Financings and Related Parties**

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**MONTREAL, Quebec (GlobeNewswire – September 28<sup>th</sup>, 2018)** - PyroGenesis Canada Inc. (<http://pyrogenesis.com>) (TSX-V: PYR), a TSX Venture 50® high-tech company, (the "Company", the "Corporation" or "PyroGenesis") a Company that designs, develops and manufactures plasma waste-to-energy systems and plasma torch systems, is pleased to announce today that that it intends to complete a non-brokered private placement financing (the "Offering") for gross proceeds up to \$4,060,000, by issuing 7,000,000 Units at a price of \$0.58 per Unit.

Each Unit will consist of one common share in the capital of the Company and one full common share purchase warrant ("Unit Warrant"), each full Unit Warrant entitling the holder to acquire one common share of the Company at a price of \$0.58 until January 28, 2021.

Fiducie de Crédit Mellon Trust, a trust related to Mr. P. Peter Pascali, President and Chief Executive Officer of the Corporation has subscribed for an aggregate amount of 3,448,276 Units of the Corporation (the "Units") at a price of \$0.58 per Unit, for gross proceeds of \$2,000,000.08 to the Corporation.

The Corporation will not pay finder fees or issue any finders compensation warrants in connection with this Private Placement.

The proceeds from the Private Placement will be used by the Corporation for general corporate purposes. The proceeds will not be used to purchase any of the Corporation's issued and outstanding shares pursuant to a Normal Course Issuer Bid conditionally accepted by the TSX Venture Exchange and more fully described in the Corporation's press release of September 18, 2018.

The Private Placement is subject to the final approval of the TSX Venture Exchange ("TSXV") as well as other customary closing conditions.

Separately, the Company provides clarity on the following issues:

Related Parties:

For sake of clarity, Photis Peter and Peter Photis Pascali are in fact two different people. Photis Peter Pascali is the CEO of PyroGenesis Canada Inc, and the son of Peter Photis Pascali.

In the recent past, related parties were noted as being:

- Photis Peter Pascali, CEO of PyroGenesis
- Peter Photis Pascali, Father of the CEO
- Fiducie de Crédit Mellon Trust, a trust related to Mr. Photis Peter Pascali,
- 8339856 Canada Inc, a legal entity related to Mr. Photis Peter Pascali,
- Phoenix Haute Technology Inc, a legal entity related to Mr. Peter Photis Pascali

Peter Photis Pascali and Phoenix Haute Technology Inc are no longer related to the Company.

Q1 2018 Private placements (Consisting of Initial Subscriptions on February 9, 2018 announced in a press release dated February 9<sup>th</sup>, 2018 and Subsequent Subscriptions on March 7, 2018 announced in press releases dated March 7<sup>th</sup>, 2018):

4,871,429 units were issued.

Each unit consisted of one common share in the capital of the Company and one full common share purchase warrant. Each full warrant entitling the holder to acquire one common share of the Company at a price of \$1.25 until August 9, 2019.

\$1,329,999.30 of the Initial Subscriptions were later credited to a settlement of \$5,531,928 claim on April 30, 2018 (more fully described below) filed by Peter Photis Pascali and, as such, have been reallocated as a share for debt Transaction. The appropriate amendments have been filed with the required authorities. Each Unit was subject to a statutory hold period of four months and one day from the date of closing.

Initial Amount:

	<b>PyroGenesis Priv. Placement</b>		<b>Share for Debt</b>	
	Units	Gross Proceeds	Units	Gross Proceeds
February 9	3,271,429	\$2,290,000.30	0	0
March 7	1,600,000	\$1,120,000.00	0	0
<b>Total</b>	<b>4,871,429</b>	<b>\$3,410,000.30</b>	<b>0</b>	<b>0</b>

Adjusted Amount:

	<b>PyroGenesis Priv. Placement</b>		<b>Share for Debt</b>	
	Units	Gross Proceeds	Units	Gross Proceeds
February 9	2,200,000	\$1,540,000	1,071,429	\$ 750,000.30
March 7	771,430	\$ 540,001	828,570	\$ 579,999.00
Total	2,971,430	\$2,080,001	1,899,999	\$1,329,999.30

For further clarification we advise that as a result of the Initial Subscriptions and Subsequent Subscriptions, the Corporation had issued and sold pursuant in the Private Placements a total of 2,971,430 Units for gross proceeds of \$2,080,001 to the Corporation. The proceeds from the Private Placements were used by the Corporation for general corporate purposes. Concurrently the Company issued shares for debt in the amount of 1,899,999 Units representing the settlement of \$1,329,999.30 of a claim described below.

With respect to the final settlement of claim described in the Company's audited year-end financial statements 2017 issued on April 30, 2018:

Subsequent to year end, the Company and Mr. Peter Photis Pascali, the father of the CEO Photis Peter Pascali, and unrelated to the Company, entered into a settlement agreement to resolve a claim in the amount of \$5,531,928 filed on or about April, 5, 2018, made by Mr. Peter Photis Pascali, in connection with the share for debt conversion transaction between the parties that took place in 2014. Under the share for debt conversion, the Company issued 7,500,000 common shares in 2014 to settle \$6,000,000 of the carrying value of the Balance of sale payable. The current claim was settled for an amount of \$3,699,999.80. The settlement agreement also constitutes the final payment of the Balance of sale, and provides for the issuance of units by the Company having a fair value of \$3,327,571 to Mr. Peter Photis Pascali as follows: (i) on February 9 and March 7, 2018, issuance of 1,899,999 units at a value of \$0.70 per unit with each unit consisting of 1 common share of the Company and 1 common share purchase warrant which entitles the holder to purchase 1 common share at a price of \$1.25 until August 9th , 2019, and (ii) on April 30, 2018, issuance of 3,385,715 units at a value of \$0.59 per unit with each unit consisting of 1 common share of the Company and 1 common share purchase warrant which entitles the holder to purchase 1 common share at a price of \$0.85 until April 19, 2020. As the claim related to a dispute that existed at year-end, a liability and related expense of \$3,215,643 was recorded as at December 31, 2017. The liability was measured based on the fair value of the units as at their issuance date, which is \$0.70 on February 9 and March 7, 2018 and \$0.59 on April 30, 2018.

In Summary:

- a. \$5,531,928 claim was settled for \$3,699,999.80
- b. The claim was made by Peter Photis Pascali, the father of the CEO Photis Peter Pascali, and unrelated to the Company
- c. part of the claim was settled with units described above and the balance of \$2,370,000.5 was settled by the issuance of 3,385,715 units at \$0.70 each. Each unit consisted of one common share in the capital of the Company and one full common share purchase warrant. Each full warrant entitling the holder to acquire one common share of the Company at a price of \$0.85 until April 20, 2020. The share price on the previous days close to this transaction was \$0.59.

Of note, none of the clarifications/reallocations noted above have/will result in additional shares/warrants being issued.

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 Inc., a TSX Venture 50® high-tech company, 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 9001:2015 certified, and have been since 1997. PyroGenesis is a publicly-traded Canadian Corporation 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 Corporation'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 Corporation with respect to future events and are subject to certain risks and uncertainties and other risks detailed from time-to-time in the Corporation'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 Corporation 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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