



PYROGENESIS COMPLETES SUCCESSFUL DEMONSTRATION OF DROSRITE™ SYSTEM IN THE MIDDLE EAST

MONTREAL, QUEBEC--(Marketwired – October 20, 2016) - PyroGenesis Canada Inc. (<http://pyrogenesis.com>) (TSXV: PYR) (OTCQB: PYRNF) (the "Company" or "PyroGenesis") that designs, develops, manufactures and commercializes plasma waste-to-energy systems and plasma torch products announces today that, further to its press release of July 5, 2016, wherein the Company announced that it had received payment for the demonstration of its DROSRITE™ System by a well-established waste management company located in the Middle East (the "Client"), has recently concluded the demonstration and is pleased to announce that the results have both met and exceeded the Client's expectations. This demonstration was conducted in the casting house of a major aluminum smelter.

Concurrently, PyroGenesis has received an unsolicited offer from the Client to be the sole distributor of PyroGenesis' DROSRITE™ System within the Gulf Cooperation Council (the "GCC"). Of note, the Middle East represents 8% of the world primary aluminum production market, which, after China, represents the largest aluminum producing region in the world.¹

As previously announced, PyroGenesis' DROSRITE™ System is a salt-free, cost-effective, sustainable process for maximizing metal recovery from dross, a waste generated in the metallurgical industry. PyroGenesis' patented process avoids costly loss of metal while reducing a smelter's carbon footprint and energy consumption, providing an impressive return on investment. PyroGenesis filed for an international DROSRITE™ patent in 2012 and entered into the national phase application in 2014.

"The fact that PyroGenesis' DROSRITE™ system is salt free is very significant," said P. Peter Pascali, President and CEO of PyroGenesis. "Not only is DROSRITE™ the ideal technology to maximize aluminum recovery from dross, but because the residue is salt-free it is not hazardous and thus can be used commercially. In fact, the residue from our recent demonstration in the Middle East is being used in an industrial application. We are looking forward to the next steps in discussing how to roll out DROSRITE™ within the GCC."

"The primary aluminum industry produced over 110 million tonnes of aluminum worldwide in 2015, resulting in an estimated 2.1 million tonnes of dross,"² said Pierre Carabin, Chief Technology Officer of PyroGenesis. "It would take over 700 Drosrite™ systems to process all this dross, and this does not include dross from secondary and aluminum casting producers."

"These are indeed the results we were hoping for," said Alex Pascali, Sales Manager of PyroGenesis. "This successful demonstration provides PyroGenesis with additional opportunities to further expand within the Middle East, which area represents a potential market of over CAD 37M from primary aluminum producers alone."

"As previously mentioned, this is an exciting time for our DROSRITE™ technology," said Mr. Pascali. "We have been able to quickly leverage off of the commercial acceptance of our patented process earlier this year, to penetrate the Middle Eastern market, which market is the second largest market in the world. We will continue to effectively identify opportunities for our DROSRITE™ System worldwide, and, as a result, we expect to see significant growth from this business segment over the very near future."

¹ www.world-aluminium.org.

² www.world-aluminium.org.

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 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 "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, or at www.otcm Markets.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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