



PyroGenesis' Board Approves PyroGenesis Additive's Spin-Off; Uplisting Stock to More Senior Exchange

MONTREAL, QUEBEC (GlobeNewswire – April 16th, 2019) - PyroGenesis Canada Inc. (<http://pyrogenesis.com>) (TSX-V: PYR) (OTCQB: PYRNF) (FRA: 8PY), a high-tech company, (the "Company", the "Corporation" or "PyroGenesis") that designs, develops, manufactures and commercializes plasma atomized metal powder, plasma waste-to-energy systems and plasma torch products, today announced that the Board of Directors is moving forward with the previously announced spin-off of PyroGenesis Additive, a division specializing in developing, commercializing and advancing plasma-atomized metal powder for the additive manufacturing ("AM") industry. Additionally, the Company is also considering uplisting its stock to a more senior exchange.

Mr. P. Peter Pascali, President and CEO of PyroGenesis, provides this update on today's announcements in the following Q&A format. The questions, for the most part, are derived from inquiries received from investors, and analysts:

Q. The spin-off of PyroGenesis Additive. It has been a long time in the making.

A. Indeed it has, and for some very good reasons. The space has been rocked with change and we had to ensure that our investors received maximum return from the spin-off, and at values management felt were fair. I believe that there has been no better time than now to move forward with the spin-off. These strategic delays have effectively increased shareholder's value.

Q. Could you explain those reasons to readers who are new to the story?

A. Most certainly.

Almost three years to the day, in the spring of 2016, we announced our intention to spin-off our additive manufacturing capabilities to maximize shareholder value and increase options to the Company. The original idea was to consider a small concurrent financing to fund the immediate need which was essentially to have a first system in place producing powders.

Between the announcement and September 2016, while we were weighing the options and various structures the spin-off could take, GE announced that they had acquired Arcam and Concept Laser (both manufacturers of printers which make metal 3D parts).

GE's acquisitions arguably disrupted the supply chain of titanium powders to the industry with the indirect

acquisition of a subsidiary of Arcam which had become the dominant supplier of such powder to the space. It was imperative that we understood the impact of these acquisitions on our decision to spin-off before we moved forward.

Once we understood the impact of the acquisition on the market, we decided to postpone the spin-off until our first powder production system was assembled which was only a few months away. We then waited until the ramp up was completed. These delays removed any doubts, in the marketplace, that we could produce quality powders, and as such, increased the value of the spin-off to current investors.

Given the reception of our powder by the market (in 2018, we were nominated Materials Company of the Year at the 3D Printing Industry Awards, which speaks to how much we had accomplished in such a short time), we felt we were close to a key contract and/or a significant relationship, and decided to wait until one or the other was in hand.

In the summer of 2018, discussions took place with Aubert & Duval which lead to the joint press release of January 8, 2019 describing a mutually exclusive relationship with respect to the distribution of PyroGenesis' titanium powder to the AM industry in Europe.

Given what has taken place, and what we know now, management has made a strategic decision to spin-off PyroGenesis Additive at this time.

Q. Why spin-off PyroGenesis Additive in the first place?

A. There are a number of reasons, but they all boil down to one goal: simplicity.

The reason to spin-off PyroGenesis Additive is primarily to attract an investor base best suited to their unique value proposition, particular business operations, and financial characteristics, thereby maximizing shareholders' value and placing it in a better position to generate revenues and develop strategic relationships than had it remained part of the PyroGenesis stable of technologies.

The simpler an offering is the easier it is for analysts to understand and value it properly. As it stands now PyroGenesis Additive is part of PyroGenesis Canada Inc's offerings which include Drosrite™, US Military, and Purevap™, just to name a few, and as such makes it complicated to analyze. Add to this that analysts typically specialize in one sector or another, and as such may very well be able to fully value PyroGenesis' Additive's offering, but would be hard pressed to do equal justice to PyroGenesis' other business lines, and you have a significantly undervalued group of assets. Spinning one group off would unlock this value.

Simplifying an offering would also make it easier to attract investment. There are large pools of money interested in investing in the AM space, but have no desire to have their funds comingled with unrelated business lines. A spin-off would assure them that such funds would be used for AM alone.

Last but not least, a spin-off creates a well understood entity with which interested parties could joint venture or acquire.

Bottom line: a spin-off creates simplicity, which in and of itself, increases interest, all to the benefit of shareholders.

Q. Any challenges in a spin-off?

A. There are many, but the two that I think are key are timing and structure. The timing and structure of a spin-off is critical to its survivability. The spin-off must be done in a context where it can grow and mature, not much different from a young adult leaving home.

It is management's firm belief that given recent announcements, and what we anticipate taking place in the near term, spinning-off PyroGenesis Additive is now overdue.

Q. Are there any other factors motivating your decision to spin-off PyroGenesis Additive at this particular time?

A. Yes. There is a huge interest by our partners to spin-off PyroGenesis Additive for all the reasons given above. This is a major factor in our decision to move forward now.

Q. You also announced today that you are considering an uplisting. Could you describe what this means?

A. The Company's stock currently trades on the TSX Venture Exchange ("TSX-V"). Although a good exchange it does have its limitations. It may be a good place for a company to list initially but, in time, a company should consider moving to a bigger and better exchange. By bigger and better I mean one which will attract more interest and as such attract greater investment which by default would translate into a higher stock price. This is a natural progression and the TSX-V boasts of the number of companies that have uplisted from their platform.

I think it would be more appropriate to say that we are considering which exchange to uplist on, rather than considering an uplisting. It has already been decided that we have to become listed on a more senior exchange, sooner than later.

Q. What would be the timing and what are the next steps?

A. Both uplistings and spin-offs require regulatory approval and depending on the type and number of questions from the regulators, will determine the time it takes to complete. Assuming nothing out of the ordinary, either one could take 4-6 months.

Next steps would be to engage a Canadian based law firm, which we are in the process of doing, and to engage an investment bank. We are currently receiving proposals from investment bankers on both sides of the border.

Q. What could delay the process?

A. As I said the process requires regulatory review and approvals. There could be delays associated with this. Other than that, funds. The process requires capital to complete although a large part of it is success based and back-ended.

Q. Assuming money is not an object, and that the regulatory approval process is not unduly burdensome, when are you targeting these events to be completed?

A. Both in 2019, this year, but failing that, one this year and the other by Q1, 2020.

Q. Do you care to add any concluding remarks?

A. Yes, I would.

There has been a flurry of developments within our PyroGenesis Additive segment. We started the year by announcing a significant agreement with a multi-billion-dollar European Company to market our powders to Europe on a mutually exclusive basis. This was followed by our unveiling of our NexGen™ Plasma Atomization process with production rates that shattered all published plasma atomization production rates. Next, we announced that we had shipped specialty powders to a government entity which was quickly followed by the announcement that we had successfully produced titanium powders with the NexGen™. During this time, we were also nominated for the second year in a row as Materials Company of the Year at the 3D Printing Industry Awards 2019.

There is a consensus building that such news belongs on a better platform. Management concurs, and is taking the necessary steps.

About PyroGenesis Canada Inc.

PyroGenesis Canada Inc., a high-tech company, is the world leader in the design, development, manufacture and commercialization of advanced plasma processes and products. 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 9001:2015 and AS9100D 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

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, or at 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.

SOURCE PyroGenesis Canada Inc.

For further information please contact: Clémence Bertrand-Bourlaud, Marketing Manager/Investor Relations, Phone: (514) 937-0002, E-mail: ir@pyrogenesis.com

RELATED LINKS: <http://www.pyrogenesis.com/>