



## **PyroGenesis Announces Potential Contract; Over \$20M First Year Revenues Plus Significant Subsequent Years Revenues**

**MONTREAL, QUEBEC (GlobeNewswire – April 29<sup>th</sup>, 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 a potential contract ("Contract") of over \$20M in first year revenues, together with significant subsequent years revenues, is imminent.

Mr. P. Peter Pascali, President and CEO of PyroGenesis, provides additional information in the following Q&A format.

***Q. How significant is this potential Contract?***

**A.** If awarded, as we anticipate, this Contract would be the single largest Contract in the Company's history, representing over 3x last year's revenues, and addresses the need of a very significant entity. Obviously, this Contract would also make PyroGenesis profitable.

***Q. Do you have the infrastructure in place to perform under this Contract and will you need to hire additional personal to complete?***

**A.** We have both the infrastructure and personnel in place to complete the project. We do not anticipate the need for additional capex or hiring more than one additional person. As a result, we anticipate very high margins with this Contract.

***Q. Can you give us a sense of the economics, timeframe and details of the subsequent year revenues?***

**A.** Most certainly.

First year revenues of \$20M, together with subsequent year revenues, all meet our minimum targeted gross margins.

The net present value of all subsequent year's revenues (using a 5% discount rate) is between \$30-50M, giving the Contract a total value of between \$50-70M.

***Q. Why did you say “imminent”, and what are the next steps?***

**A.** We said imminent because we expect this to be formally recognized shortly. Once this formal recognition has taken place, there will be a contractual arrangement after which a formal signing will kick off the Contract. This contractual arrangement will be quite detailed as it spans several years.

***Q. What product line is this Contract for?***

**A.** As much as I would like to, I cannot disclose, at this time, which business line it is in, or even where it is geographically. What I can disclose is that it is not related to our Military business line, and that it fits very well with our announcements over the past six months.

***Q. How confident are you that this will materialize in the near term?***

**A.** There is always a risk, but we are of the opinion that all major hurdles have been dealt with, and the path is now clear to contract. As a result, we felt this was material news and we have an obligation to our shareholders to disclose at this time even before the formal contract is awarded.

***Q. How does this impact the long-term prospects for the Company?***

**A.** As disclosed, this will be a very significant Contract for the Company. This is in addition to the approximately \$12M in revenues that will be generated from the two-build order for Plasma Waste Destruction Systems for the US Navy, we previously announced, which translates into combined revenues well in excess of \$30M over the next 12-18 months.

### **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 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 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](http://www.pyrogenesis.com)

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