



**PyroGenesis Announces Final Signature
Towards \$20M Contract Disclosed Last June;
\$6.4M Payment Expected Within 2-4 Weeks**

MONTREAL, QUEBEC (GlobeNewswire – October 9th, 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 further to its press releases dated April 29th, 2019 and June 3rd, 2019, the business line behind the \$20 million contract, plus subsequent years revenues (the "Contract"), is DROSRITE™, and the client is Drosrite International LLC ("DI" or the "Client"). This Contract meets PyroGenesis' gross margin requirements.

DI today announced that its client has received the final signature for aluminum dross processing services using DROSRITE™ systems, which in turn triggers an exclusive arrangement between DI and PyroGenesis ([View DI's Press Release](#)).

DI is a US based private company duly constituted and existing under the laws of the State of Delaware, providing state-of-the-art waste management technologies to the aluminum industry. DI is duly licensed by PyroGenesis to manufacture, market, sell and distribute DROSRITE™ systems and technology to the Kingdom of Saudi Arabia, and certain other countries in the Middle East, on an exclusive basis. All DROSRITE™ systems supplied by DI are manufactured in the USA.

As part of the exclusive arrangement between DI and PyroGenesis, DI will pay PyroGenesis approximately \$20M within 12 months, plus \$2.5 M per year (fixed) for the next two (2) years, plus a variable amount for the subsequent 18 years based on certain international benchmarks which we are targeting to be approx. \$2.5M.

As a result of this payment schedule, PyroGenesis expects to receive a \$6.4M payment towards this exclusivity arrangement within 2-4 weeks, and subsequent payments of, on average, approximately \$3.4M/quarter over the next 12 months. Future payments are expected yearly in advance and quarterly as the case may be.

"DROSRITE™ is clearly the product of choice for those with a need to treat their dross," said Mr. P. Peter Pascali, President and CEO of PyroGenesis. "We are proud to see the DROSRITE™ technology being accepted by some of the leading primary smelters in the industry. We believe this news will have a profound effect in the marketplace, which will lead to many inquiries, and

accelerate those discussions already taking place.”

Of note, PyroGenesis’ Japanese trading house tolling partner is not involved in this particular transaction as it was not part of the original strategy to move forward.

For more details on today’s news, please refer to Drosrite International’s Press Release.¹

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

¹ <http://www.globenewswire.com/news-release/2019/10/09/1927388/0/en/Drosrite-International-LLC-Announces-that-its-Mutually-Exclusive-Partner-Radian-Oil-Gas-Services-Company-Has-Signed-a-Major-DROSRITE-Contract-with-Ma-aden-Aluminum.html>

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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