



PyroGenesis Provides Update Regarding Receipt of \$4.1 Million Payment

June 26, 2024

Additional payments are expected to follow

MONTREAL, June 26, 2024 (GLOBE NEWSWIRE) -- PyroGenesis Canada Inc. (<http://pyrogenesis.com>) (TSX: PYR) (OTCQX: PYRGF) (FRA: 8PY), a high-tech company (the "Company" or "PyroGenesis") that designs, develops, manufactures and commercializes advanced plasma processes and sustainable solutions which are geared to reduce greenhouse gases (GHG) and address environmental pollutants, is pleased to provide additional information in response to investor questions regarding receipt of the CAD\$4.1 million payment announced earlier today.

As previously announced, PyroGenesis contracted with Drosrite International LLC, which was in turn contracted by Radian Oil and Gas Services Company for an order of seven (7) Drosrite™ aluminum dross recovery systems pursuant to a CAD\$25 million contract. The first three systems were manufactured and delivered by the Company. These systems have been in full commercial operation since April 2022 for the Ma'aden aluminum plant in Ras Al-Khair Saudi Arabia, a joint venture with Alcoa. The facility at Ras Al-Khair is known to be the largest and most efficient vertically integrated aluminum complex in the world and boasts one of the world's largest smelters ¹.

In the course of the contract, PyroGenesis agreed to delay payments in favour of such amounts being allocated by Radian to efforts which both parties agreed would be best for all involved and could result in additional business in the mid-term. Notwithstanding the new arrangement, accounting provisions did not allow for an adjustment to the existing payment terms and, as such, the terms of the original contract were reflected on the balance sheet as outstanding amounts unreasonably overdue.

The outstanding amount now due is approximately CAD\$6.2 million (USD\$4.5 million) plus storage fees. Of this amount, approximately CAD\$1.375 million (USD\$1 million) has been postponed to 2025 to match the delivery of spare parts. Once the payment of the remaining balance due of approximately CAD\$4.8 million (USD\$3.5 million) plus storage fees is secured, the remaining 4 systems, which have been manufactured and are currently in storage, will be shipped. It is expected that all 7 systems will be up and running before year-end. Finally, in connection with the original contract, USD\$1 million (CAD\$1.375 million) has yet to be invoiced, which once completed will be recognized as revenue.

"I believe that our position, as a result of our patience with the challenges that faced our client, bodes well for our future in the region. We have proven that we are not a fair-weathered friend and that we support our clients when it is called for. This has given us a level of credibility and trust which will portend well for any future arrangements in the region. There are already plans afoot to not only expand our Drosrite presence, but also to cross-sell our other offerings," said P. Peter Pascali, President and CEO of PyroGenesis. "The client has informed us repeatedly that the Drosrite systems have been operating exceptionally well, and while there have been some agreed upon delays, for which we received significant criticism with respect to our strategy, the Board and I are very pleased with the outcome. We look forward to expanding our presence in the region."

PyroGenesis' involvement in developing Drosrite aluminum dross recovery systems is part of the Company's [three-tiered solution ecosystem](#) that aligns with economic drivers that are key to global heavy industry. Dross recovery is part of the Company's **Commodity Security and Optimization** tier, where the recovery of viable metals, and the optimization of production to increase output, helps to maximize raw materials and improve the availability of critical minerals.

About Drosrite International LLC

Drosrite International (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. DI is considered to be a separate entity from a legal standpoint, but is controlled by PyroGenesis for accounting purposes and as such is consolidated into PyroGenesis' financial statements. DI is owned and operated by Alex Pascali, the son of P. Peter Pascali, CEO and President of PyroGenesis.

About Radian Oil & Gas Services Company

Radian is a private Saudi Arabian company providing technologies that help customers conserve energy, operate more efficiently through a broad range of solutions while saving fuel, water / electricity & reducing CO₂ emissions.

About Ma'aden

Ma'aden is a diversified multi-billion-dollar mining company, and was formed as a Saudi joint stock company in 1997. Since 2009, Alcoa, the world's eighth largest producer of aluminum, and Ma'aden have formed a joint venture that has created the world's largest, lowest cost, and fully integrated aluminum facility in Ras Al-Khair. Ma'aden is the largest mining company in the Kingdom of Saudi Arabia, and one of the world's most cutting-edge companies in their industry.

About PyroGenesis Canada Inc.

PyroGenesis Canada Inc., a high-tech company, is a proud leader in the design, development, manufacture and commercialization of advanced plasma processes and sustainable solutions which reduce greenhouse gases (GHG) and are economically attractive alternatives to conventional "dirty" processes. PyroGenesis has created proprietary, patented and advanced plasma technologies that are being vetted and adopted by multiple multibillion dollar industry leaders in four massive markets: iron ore pelletization, aluminum, waste management, and additive manufacturing. With a team of experienced engineers, scientists and technicians working out of its Montreal office, and its 3,800 m² and 2,940 m² manufacturing facilities, PyroGenesis maintains its competitive advantage by remaining at the forefront of technology development and commercialization. The operations are

ISO 9001:2015 and AS9100D certified, having been ISO certified since 1997. For more information, please visit: www.pyrogenesis.com.

Cautionary and Forward-Looking Statements

This press release contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of applicable securities laws. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “is positioned”, “estimates”, “intends”, “assumes”, “anticipates” or “does not anticipate” or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking statements. Forward-looking statements are not historical facts, nor guarantees or assurances of future performance but instead represent management’s current beliefs, expectations, estimates and projections regarding future events and operating performance.

Forward-looking statements are necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by the Company as of the date of this release, are subject to inherent uncertainties, risks and changes in circumstances that may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ, possibly materially, from those indicated by the forward-looking statements include, but are not limited to, the risk factors identified under “Risk Factors” in the Company’s latest annual information form, and in other periodic filings that the Company has made and may make in the future with the securities commissions or similar regulatory authorities, all of which are available under the Company’s profile on SEDAR+ at www.sedarplus.ca. These factors are not intended to represent a complete list of the factors that could affect the Company. However, such risk factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. You should not place undue reliance on forward-looking statements, which speak only as of the date of this release. The Company undertakes no obligation to publicly update or revise any forward-looking statement, except as required by applicable securities laws.

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¹ <https://www.bechtel.com/projects/ras-al-khair-aluminum-smelter/>

“Delivery of the largest greenfield aluminum smelter in the world”