PyroGenesis Provides Responses to Investor Questions

July2, 2024

MONTREAL, July 02, 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 submitted in advance of or in response to the Company’s annual general meeting of June 27, 2024.

Mr. P. Peter Pascali, President and CEO of PyroGenesis, provides responses to investor questions posed at the recent annual general:

Question 1: What is the status of the 5 tonne (5,000 kg) order of titanium metal powder, announced in May 2023, that the Company said was expected to be produced and delivered to the American advanced materials company during 2023? This has not shown up in revenue numbers of the Company’s earnings releases; did the project get cancelled?

Answer 1: As background, the Company announced its first by-the-tonne commercial order of titanium metal powder produced by its NexGen™ plasma atomization system, on May 30, 2023.

The project did not get cancelled and is very much underway. The titanium powder is being delivered on a different schedule than originally anticipated. The powder is being successfully produced and delivered on an ongoing basis.

Question 2: What is the status of the Plasma Resource Recovery System (PRRS) project that was mentioned in the Q1 2024 MD&A Outlook as having a potential contract value of $25-$30 million with a “mid term 3-6 months” possibility?

Answer 2: For background, the Company stated as part of the Outlook - Business Line Developments in the Q1 2024 MD&A, that it is in early-stage discussions for the sale of a large waste-to-energy system, called a Plasma Resource Recovery System (PRRS), to transform municipal solid waste (MSW) into both energy and chemical products. PyroGenesis’ PRRS system is designed to process MSW, industrial waste, and hazardous waste, transforming such into commercially valuable products. These products include gaseous fuel for electricity and heat generation, slag, aggregates suitable for construction, and recoverable metals for recycling. The potential value for this contract was originally defined as between $25 - $30 million.

Since publication of the Q1 report, this project has evolved and expanded considerably, and is now being negotiated with a total contract value of between $115 - $160 million.

Question 3: At a previous AGM, you were given authorization to change the name of the Company. What is the status of that?

Answer 3: This change is in the final phase and an announcement should be upcoming.

Question 4: What is the status of the SPARC™ waste destruction system project that was stated to be delivered to the New Zealand client approximately 18 months from the final signing of the contract, which occurred in January of 2023?

Answer 4: As background, the Company was contracted to design and build the SPARC™ refrigerant waste destruction system and to also supervise and support contractors in the system installation within a new facility being built by the Cool-Safe organization – previously known as The Trust for the Destruction of Synthetic Refrigerants – a product stewardship organization (PSO) established by the New Zealand government in 1993. Cool-Safe’s mandate is to be a significant factor in the government of New Zealand’s stated goal to reduce their greenhouse gas emissions by 2035 by at least 35%, in this case by implementing their own 90% reduction target for hazardous refrigerants. SPARC™ can effectively destroy a variety of hazardous refrigerants including CFCs, HCFCs, HFCs, halons and PFCs.

The development of the project has progressed very well. The client recently informed PyroGenesis of delays to the construction of their facility that is being built to house the SPARC™ unit, pushing the expected SPARC™ delivery date to early 2025.

Question 5: During the AGM, one of the presentation slides related to matters for 2024 Progress, depicted “Plasma Torch Advancement” as one of the areas for “potential opportunities”? This was not mentioned in previous Outlooks, can you elaborate?

Answer 5: For further context, another slide earlier in the same AGM presentation described how the Company’s plasma torch power levels have evolved since 2020. It was noted that there was a significant increase in power levels of its plasma torches seen in 2023 after signing a contract for a 4.5MW torch with a US defense and aeronautics organization.

The Company has subsequently been negotiating with a North American entity for the sale of a significantly higher power level plasma torch system (between 15-25MW), with a potential contract value of between $15-25 million.

Question 6: During the AGM, it was mentioned that the company’s gas purification division Pyro Green-Gas was in negotiations with other companies. Can you state about what exactly?

Answer 6: As background, during the AGM it was pointed out that 2024 has, so far, validated the potential of Pyro Green-Gas, the Company’s wholly-owned gas purification and valorization solution provider subsidiary, that was acquired in 2021, as over the last month alone, Pyro Green-Gas has signed close to $4 million in new projects, with others in negotiation.

While we have included some basic information about Pyro Green-Gas’ potential projects in recent Outlooks, a new project under advanced negotiation is with an entity involved in biogas production, with an approximate contract value of $2 million

Question 7: During the AGM, you made no mention of a project you stated in the past was possible, and for which you had already received

a non-refundable down payment of $667,000, and which might result in multiple plasma torch purchases. Can you provide an update?

Answer 7: As background, in a Jan 16, 2023 news release, the Company stated it was conducting ongoing negotiations for a contract valued at over $10 million, and that PyroGenesis had received a non-refundable down payment totaling $667,252 (US$500,000) from a US-based technology company. Additionally, the Company stated that a master agreement had been signed and a statement of work was in development. The client was noted in the Company's 2023 Q3 MD&A as being part of an industry that PyroGenesis had previously indicated had shown promise. More specifically, companies in the industry had previously heralded the potential use of plasma torches in conducting their primary objective, due to the increased speed and other advanced criteria at which the projects could be completed by using plasma torches vs traditional approaches.

As noted in those releases, the client was taking steps to secure financing for its overall project.

PyroGenesis has continued to be in contact with this client during their financing period, and negotiations continue with respect to possible interim studies/purchases.

Question 8: Can you provide insight into hopeful next steps with regards to the PozPyro cement additive project?

Answer 8: As background, the Company has been developing a process to convert quartz silica into a green cement additive material – named PozPyro – as a replacement for fly ash additive that is commonly added to cement but is in diminishing supply.

On May 2, 2024, the Company and its client announced extremely positive lab strength test results for PozPyro that achieved up to 99.56% above the compressive strength targets for green cement additive products.

The client is currently raising financing for the development of a pilot plant.

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 m^2 and 2,940 m^2 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.

Neither the Toronto Stock Exchange, its Regulation Services Provider (as that term is defined in the policies of the Toronto Stock Exchange) nor the OTCQX Best Market accepts responsibility for the adequacy or accuracy of this press release.

For further information please contact:
Rodayna Kafal, Vice President, IR/Comms. and Strategic BD
E-mail: ir@pyrogenesis.com
RELATED LINK: http://www.pyrogenesis.com/