



PyroGenesis Provides Update on Impact of Potential U.S. Tariffs

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The Company expects to be relatively unaffected by U.S. tariffs.

Remains encouraged by key campaign promises to boost industrial innovation and accelerate capital projects and energy grid growth.

MONTREAL, Feb. 04, 2025 (GLOBE NEWSWIRE) -- PyroGenesis Inc. ("PyroGenesis") (<http://pyrogenesis.com>) (TSX: PYR) (OTCQX: PYRGF) (FRA: 8PY), a high-tech company that designs, develops, manufactures and commercializes advanced plasma processes and sustainable solutions which are geared to reduce greenhouse gases (GHG) and address environmental pollutants, provides the following comments in response to investor questions about the impact from the recent trade policy disagreements between the U.S. and Canada, specifically with regards to potential U.S. tariffs imposed on Canadian products.

Management is happy to see that any possible tariff implementation has been delayed by a month to allow for further dialogue. Nevertheless, management is of the opinion that the contemplated tariffs will have little to no direct negative impact on PyroGenesis' bottom line. On the contrary, management believes that the Company is in a unique position to benefit from many of the Trump administration's stated goals for their economy. Of note, the Company manufactures and assembles many of its key systems outside of Canada, including its Drosrite™ aluminum metal dross recovery systems, which are manufactured in the U.S. In fact, most of the components used in PyroGenesis systems are manufactured outside of Canada. More importantly, outside of clients in the U.S. defense sector (which often benefits from exemptions or waivers from U.S. tariffs), the bulk of the company's current and prospective clients are located outside of the United States, specifically in Europe, Canada, and the Middle East. On that note, it is also important to point out that the majority of the Company's contracts are denominated in US Dollars or Euros, and the current exchange rate environment could enhance the value of our foreign-denominated contracts.

Overall, PyroGenesis views the benefits from President Trump's campaign promises to bode well for the Company. In particular, his commitments to (i) lower corporate taxation to stimulate business growth, (ii) reduce regulatory burdens and bureaucracy to accelerate project approvals, (iii) expand the energy sector to – in the campaign's own words – “unleash energy production from all sources, including nuclear”, (iv) “to immediately slash inflation and power American homes, cars, and factories with reliable, abundant, and affordable Energy”¹, will generate significant opportunities for PyroGenesis as the United States moves toward a future of advanced manufacturing leadership, energy self-sufficiency, and supply chain protection.

“I am confident that any imposed tariffs will have little to no direct negative impact on PyroGenesis,” said P. Peter Pascali, President and CEO of PyroGenesis. “To the contrary, we look forward to seeing how the Trump administration's policy positions (which are geared to speed up capital projects, stir innovation, increase overall capacity of the energy grid, and lower energy costs) evolve into concrete initiatives. We expect these initiatives to be highly beneficial for companies like ours that (i) already have a presence in the United States, (ii) supply heavy industry with the high-temperature electricity-based solutions needed to modernize, optimize, and compete, and (iii) can manufacture and assemble in zones not affected by the threatened tariffs. In short, we believe that these initiatives in general complement PyroGenesis' overall business strategy.”

PyroGenesis' development of plasma torches for use in high temperature applications is part of its [three-tiered solution ecosystem](#) that aligns with economic drivers that are key to global heavy industry. Plasma torches as a high and ultra-high temperature application are part of PyroGenesis' **Energy Transition & Emissions Reduction** tier, where fuel switching to PyroGenesis' electric-powered plasma torches helps heavy industry reduce fossil fuel use and greenhouse gas emissions. The other tiers are **Waste Remediation** and **Commodity Security and Optimization**.

About PyroGenesis Inc.

PyroGenesis, 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. PyroGenesis' shares are publicly traded on the TSX in Canada (TSX: PYR), the OTCQX in the US (OTCQX: PYRGF), and the Frankfurt Stock Exchange in Germany (FRA: 8PY).

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 PyroGenesis 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 PyroGenesis' latest annual information form, and in other periodic filings that it has made and may make in the future with the securities commissions or similar regulatory authorities, all of which are available under PyroGenesis' profile on SEDAR+ at www.sedarplus.ca. These factors are not intended to represent a

complete list of the factors that could affect PyroGenesis. 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. PyroGenesis undertakes no obligation to publicly update or revise any forward-looking statement, except as required by applicable securities laws.

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<http://www.pyrogenesis.com>

¹ <https://rncplatform.donaldjtrump.com> Official 2024 Republican Party Platform