PyroGenesis Receives $2.3 Million Payment Under Existing $25+ Million Drosrite™ Contract with Saudi Client

October19, 2026

Seven Drosrite™ systems deployed, original contract fulfilled

MONTREAL, Oct. 19, 2026 (GLOBE NEWSWIRE) -- PyroGenesis Inc. ("PyroGenesis" or the "Company") (TSX: PYR) (OTCQX: PYRGF) (FRA: 8PY1), a leader in ultra-high temperature processes and engineering innovation, and a plasma-based technology provider to heavy industry & defense, announces the receipt of $2.3 million (US$1,628,772) under PyroGenesis' existing $25+ million Drosrite™ contract with Radian Oil and Gas Services Company.

"The payment was received in accordance with a revised schedule amended over time to accommodate pressures on the client's operating cash flow resulting from its business expansion and the construction of a new purpose-built facility to house PyroGenesis' Drosrite™ systems," said P. Peter Pascali, President and CEO of PyroGenesis. "With the original contract now fully paid, and with the recent deployment of the final four Drosrite™ systems at the new facility complete, we look forward to the future with Radian as the expansion of their existing facilities and customer base continues."



Image 1: PyroGenesis' Drosrite™ systems in use at Radian Oil & Gas Services' facility in Saudi Arabia.

"The decision to agree to this extended payment plan was not made lightly, but we stood by it despite considerable criticism, confident that our long-term approach was the right one. This has been validated," said Mr. Pascali. "When Radian first placed its confidence in PyroGenesis and our technology, we were unknown in the region. We deeply value that opportunity and have demonstrated our commitment through flexibility and accommodations along the way. Long-term partnerships are built on patience, mutual respect, and an understanding of the evolving business realities facing key clients in a rapidly growing industry. The trust and confidence that underpin our relationship with Radian have not only strengthened our partnership but have also helped open new doors for PyroGenesis throughout the region. On that note, we expect to announce a new partnership with a separate entity in the region over the coming weeks. As these new opportunities start to take shape, I'm confident that even those who doubted our approach will begin to see its value."

As previously announced, Radian Oil and Gas Services Company contracted for seven Drosrite™ aluminum dross recovery systems. The first three 5000 tonne per year ("5000 TPY") systems have been in full commercial operation since April 2022 within a temporary facility, pending the engineering and construction of a new purpose-built plant.

As announced October 15, 2026, the remaining four Drosrite™ systems under the contract are now installed and operational at the new plant. These four systems are comprised of two 5000 TPY systems and two 10000 TPY systems, which are the first 10000 TPY systems to be deployed by PyroGenesis worldwide. The three original systems that were in operation at the temporary facility are now at the new facility. Combined, the seven Drosrite™ systems can process up to 45000 tonnes of aluminum dross per year.



Image 2: PyroGenesis' Drosrite™ systems ready for use at Radian Oil & Gas Services' facility in Saudi Arabia.

"The receipt of these funds represents a positive development for PyroGenesis," said Mr. Andre Mainella, Chief Financial Officer of PyroGenesis. "Given the extended period over which this receivable remained outstanding, the Company had previously recognized provisions against its collectability. With payment now received in full, we expect the recovery to have a positive impact on our financial results, including the reversal of previously recognized impairment provisions, as applicable. The payment strengthens our cash position while demonstrating the value of maintaining long-term client relationships, even through challenging business circumstances."

PyroGenesis' Drosrite™ is a patented, cost-effective system that helps aluminum producers and recyclers recover valuable metal from the waste stream known as "dross" – the residual by-product generated when oxygen comes into contact with melted or molten aluminum, and solid impurities float to the surface to be skimmed off. The skimmed dross consists of as much as 80% metallic aluminum blended with other contaminants, oxides, salts, fluxing agents and toxic impurities. Smelters typically lose anywhere from 2%-10% of their total annual aluminum melt production due to dross. Dross has traditionally been either landfilled or re-processed using harmful chemicals or salt. If processed correctly, valuable metals and chemicals within dross can be recovered and reused.

Image 1: PyroGenesis' Drosrite™ systems in use at Radian Oil & Gas Services' facility in Saudi Arabia.



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Image 2: Image 2: PyroGenesis' Drosrite™ systems ready for use at Radian Oil & Gas Services' facility in Saudi Arabia



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Image 3: Cold dross loaded into PyroGenesis' 10000 TPY Drosrite™ system at Radian's Saudi Arabia facility.



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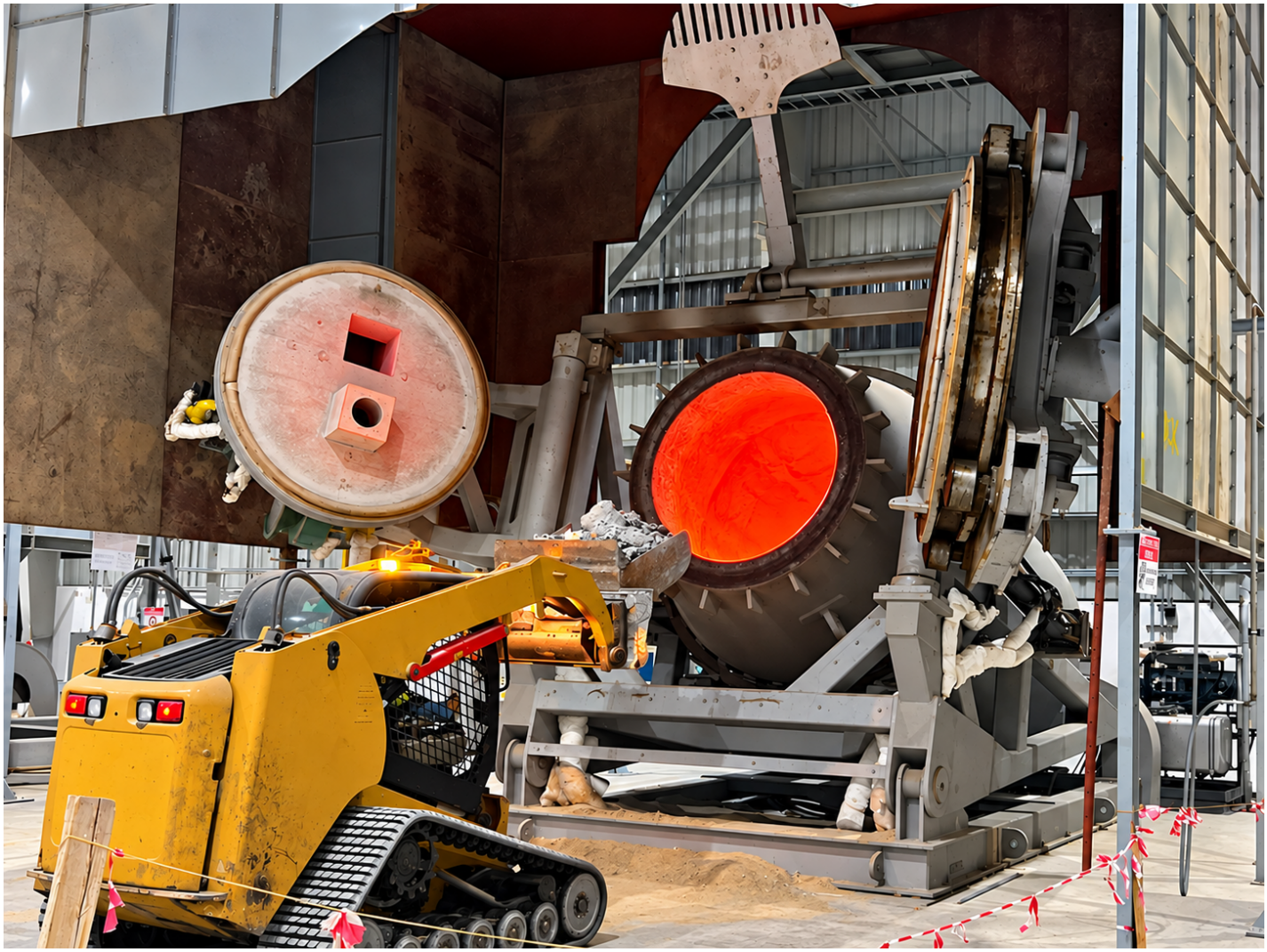

Image 3: Cold dross loaded into PyroGenesis' 10000 TPY Drosrite™ system at Radian's Saudi Arabia facility.

PyroGenesis' Drosrite™ system has modernized dross processing, introducing a method to recover up to 98% of the aluminum in dross, at up to a 20% higher rate than some commonly used processes, with a lower operating cost, lower carbon footprint and energy consumption, and a higher return on investment – all without the use of salt. The absence of salt in the Drosrite™ process allows for on-site dross processing and avoids the creation of hazardous solid salt cakes that have to be disposed.

INDUSTRY AND MARKET CONTEXT

- Global aluminium usage, including both primary and recycled metal, rose from 82 million tonnes in 2016 to 100.8 million tonnes in 2024, with smelter output climbing from 59.9 to 72.9 million tonnes over the same period.[1]
- The growth in aluminium consumption has directly fuelled dross generation. Dross generation is expected to grow at 3–4 per cent annually, in line with rising aluminium demand.[2]
- Approximately 4.78 million tonnes of aluminium dross was generated in 2024, with some sources suggesting up to 8 million tonnes per year when dross from the myriad of smaller facilities and downstream operations are factored in.
- About 30-40% of dross generation, especially from the secondary aluminium sector, continues to end up in landfills.[3]
- Salt-free and higher-recovery processes such as PyroGenesis' Drosrite™ can reduce hazardous residues, raise metal yields, and lower OPEX — creating clear ROI where dross volumes are high.

About PyroGenesis Inc.

PyroGenesis leverages 35 years of plasma technology leadership to deliver advanced engineering solutions to energy, propulsion, destruction, process heating, emissions, and materials development challenges across heavy industry and defense. Its customers include global leaders in aluminum, aerospace, steel, iron ore, utilities, environmental services, military, and government. From its Montreal headquarters and local manufacturing facilities, PyroGenesis' engineers, scientists, and technicians drive innovation and commercialization of energy transition and ultra-high temperature technology. PyroGenesis' operations are ISO 9001:2015 and AS9100D certified, with ISO certification maintained since 1997. PyroGenesis' shares trade on the TSX (PYR), OTCQX (PYRGF), and Frankfurt (8PY1) stock exchanges.

About Radian Oil and Gas Services Company

Radian is a private Saudi Arabian company providing engineering services and technologies that help customers conserve energy and operate more efficiently through a broad range of solutions, while saving fuel, water, electricity & reducing CO_2 emissions.

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. 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 contact ir@pyrogenesis.com or visit http://www.pyrogenesis.com

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[1] https://www.alcircle.com/news/recycling-gains-ground-as-aluminium-industry-rethinks-dross-disposal-115078

[2] https://www.alcircle.com/news/recycling-gains-ground-as-aluminium-industry-rethinks-dross-disposal-115078

[3] https://www.alcircle.com/specialreport/1341/aluminium-dross-processing-a-global-review

Photos accompanying this announcement are available at:

https://www.globenewswire.com/NewsRoom/AttachmentNg/63b81307-c3c7-408a-aa20-dd6e1b49f1b4

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