

**MATERIAL CHANGE REPORT
FORM 51-102F3**

1. Name and Address of Company

PyroGenesis Canada Inc. (the "Company")
1744 William Street, Suite 200
Montreal, Quebec
H3J 1R4

2. Date of Material Change

March 30, 2015.

3. News Release

A news release in respect of the material change was issued on March 30, 2015, through CNW Newswire, attached hereto as Schedule "A".

4. Summary of Material Change

On March 30, 2015, the Company announced that it had closed its previously announced private placement offering (the "Offering") of \$4,000,000 principal amount unsecured, subordinated convertible debentures of the Company (the "Debentures"). Pope & Company Limited, as sole agent and bookrunner (the "Agent"), sold a total of \$4,000,000 Debentures.

The Debentures will mature three (3) years from the date of issue (the "Maturity Date") and will bear interest at a rate of 7.5% per annum, paid quarterly in cash. The Debentures will be subject to a statutory hold period of four months and one day from the closing date of the Offering, which expires on July 31, 2015.

The principal amount of the Debentures shall be convertible at any time at the option of the holder into common shares of the Company (the "Common Shares") at a price of \$0.80 per Common Share. The Corporation may redeem the Debentures at any time prior to the Maturity Date by paying to the holder a redemption price (the "Redemption Price") equal to: (i) the entirety of the principal amount, (ii) any interest accrued thereon as of the redemption date, and (iii) any interest to be accrued (but not yet accrued as of the redemption date) thereon up until the Maturity Date. In the event that the average Market Price of the Common Shares over the course of the 20 trading days immediately preceding the date of the redemption notice is equal to or greater than \$1.20, then the Redemption Price shall be calculated as comprising (i) the entirety of the principal amount and (ii) any interest accrued thereon as of the redemption date only.

In consideration for its services in connection with the Offering, the Agent received a cash commission equal to 6.5% of the gross proceeds of the Offering and an additional 1% of the gross proceeds raised in connection with orders sourced from the Corporation under the President's List. The Agent also received 270,417 compensation warrants (the "Compensation Warrants"). Each Compensation Warrant shall entitle the holder thereof to acquire a Common Share at an exercise price of \$0.60 for a period of 24 months from closing date of the Offering.

Peter Pascali, an insider of the Company, purchased \$755,000 of the Debentures being offered pursuant to the Offering. His participation in the Offering constitutes a "related party transaction" as defined in Multilateral Instrument 61-101 ("MI 61-101") and Policy 5.9 of the TSX Venture Exchange ("TSXV"). This transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of the securities issued to, nor the consideration paid by Peter Pascali, exceeds 25% of the Corporation's market capitalization.

The Company intends to use the net proceeds from the Offering for general corporate

purposes, working capital and development projects relating to recent business development efforts.

5. Full Description of Material Change

For a full description of the material change, see the news release attached hereto as Schedule "A".

6. Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

7. Omitted Information

None.

8. Executive Officer

For further information, please contact Mr. P. Peter Pascali, Chief Financial Officer of the Company, at (514) 937-0002.

9. Date of Report

April 2, 2015.

SCHEDULE A

PRESS RELEASE

PyroGenesis Announces Closing of \$4 Million Private Placement

MONTREAL, March 30, 2015 /CNW Telbec/ - **PyroGenesis Canada Inc.** (<http://pyrogenesis.com>) (TSX-V: PYR.V), a TSX Venture 50® clean-tech company (the "Corporation" or "PyroGenesis") that designs, develops, manufactures and commercializes plasma waste-to-energy systems and plasma torch products, is pleased to announce that it has closed its previously announced private placement (the "Offering") of \$4,000,000 principal amount unsecured subordinated convertible debentures of the Company (the "Debentures"). Pope & Company Limited, as sole agent and bookrunner (the "Agent") sold a total of \$4,000,000 Debentures. The Debentures will mature three (3) years from the date of issue and will bear interest at a rate of 7.5% per annum, paid quarterly in cash. The Debentures will be subject to a statutory hold period of four months and one day from the closing date of the Offering.

The principal amount of the Debentures shall be convertible at any time at the option of the holder into common shares of the Company (the "Common Shares") at a price of \$0.80 per Common Share (the "Conversion Price"), and upon giving effect to such conversion, all accrued and unpaid interest will be paid in full within 60 days. The Corporation may redeem the Debenture at any time prior to the Maturity Date by paying to the Holder a redemption price (the "Redemption Price") equal to: (i) the entirety of the Principal Amount, (ii) any interest accrued thereon as of the Redemption Date, and (iii) any interest to be accrued (but not yet accrued as of the Redemption Date) thereon up until the Maturity Date. In the event that the average Market Price of the Common Shares over the course of the 20 trading days immediately preceding the date of the Redemption Notice is equal to or greater than \$1.20, then the Redemption Price shall be calculated as comprising (i) the entirety of the Principal Amount and (ii) any interest accrued thereon as of the Redemption Date only.

In consideration for its services in connection with the Offering, PyroGenesis paid the Agent a cash commission of \$218,475, representing 6.5% of the aggregate gross proceeds of the Offering and an additional 1% of the gross proceeds raised in connection with orders sourced from the Corporation under a President's List. As additional consideration, PyroGenesis granted the Agent 270,417 Broker Warrants (the "Broker Warrants"), with each Broker Warrant entitling the holder thereof to acquire a Common Share at a price of \$0.60 for a period of 24 months from the closing date.

Peter Pascali, an insider of the Corporation, purchased \$755,000 of the Debentures being offered pursuant to the Offering. His participation in the Offering constitutes a "related party transaction" as defined in Multilateral Instrument 61-101 ("MI 61-101") and Policy 5.9 of the TSX Venture Exchange ("TSXV"). This transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of the securities issued to, nor the consideration paid by Peter Pascali, exceeds 25% of the Corporation's market capitalization.

The Corporation did not file a material change report more than 21 days before the expected closing of the Offering as the details of the participation therein by related parties of the Corporation were not settled until shortly prior to the closing of the Offering.

PyroGenesis intends to use the net proceeds from the Offering for general corporate purposes, working capital and development projects relating to recent business development efforts. The Offering is subject to the final approval of the TSXV.

The securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the 1933 Act), except pursuant to an exemption from the registration requirements of those laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, or for the account or benefit of U.S. persons (as such term is defined in Regulation S under the 1933 Act).

About PyroGenesis Canada Inc.

PyroGenesis Canada, a TSX Venture 50® clean-tech company, is the world leader in the design, development, manufacturing and commercialization of advanced plasma processes. 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 PyroClass™ engineers, scientists and technicians working out of our Montreal office and our 3,800 m2 production 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 9001:2008 certified, and have been since 1997. PyroGenesis is a publicly-traded Canadian company on the TSX Venture Exchange (Ticker Symbol PYR.V). 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 Company'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 Company with respect to future events and are subject to certain risks and uncertainties and other risks detailed from time-to-time in the Company's ongoing filings with the securities regulatory authorities, which filings can be found at www.sedar.com. Actual results, events, and performance may differ materially. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company 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 nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE PyroGenesis Canada Inc.

For further information: P. Peter Pascali, Chief Executive Officer, Phone: (514) 937-0002, E-mail: ir@pyrogenesis.com