



PyroGenesis Announces Receipt of New Military Contract for Can\$325,000 Bringing Total Orders Received to Over Can\$1.8 Million

Additional Contracts of Can\$280,000 Expected Before Year End

MONTREAL, Dec. 13, 2017 -- PyroGenesis Canada Inc. (<http://pyrogenesis.com>) (TSX-V:PYP) (OTCQB:PYPNF), a high-tech corporation (the "Corporation" or "PyroGenesis") that designs, develops, manufactures and commercializes plasma waste-to-energy systems and plasma torch products, announces today that it has received a military contract for US\$255,000 (Can\$325,000).

The Corporation had previously announced in a press release dated July 17, 2017, that it had received payments totaling US\$925,122 (Can\$1.2MM) under a separate military contract worth US\$978,312 (Can\$1.25MM). This contract is now complete, and all payments have been received. Since then, the Corporation has received a number of small contracts, relating to its current military business lines, with a total value exceeding US\$1.2MM (Can\$1.8MM), including the contract announced today. Approximately Can\$1.3MM of this amount is in current backlog. The Corporation expects to receive an additional US\$218,000 (Can\$280,000) of similar contracts before year end. These contracts are expected to be completed by Q1-2018.

"Our traditional business lines, other than non-additive manufacturing, continue to contribute significantly to the bottom line as can be seen from today's announcement," said P. Peter Pascali, President and CEO of PyroGenesis. "PyroGenesis is entering 2018 with the expectation that the Corporation's non-additive manufacturing business lines will generate enough revenues, on their own in 2018, to make PyroGenesis profitable overall. In fact, we expect to achieve these results from DROSRITE™ sales alone, and that is before any contributions from additional military sales, such as a third plasma based waste destruction system for a US Aircraft Carrier which is expected in 2018. All in all, 2017 has proven to be the pivotal year we expected it to be, and 2018 is shaping up to be even better."

About PyroGenesis Canada Inc.

PyroGenesis Canada Inc. is the world leader in the design, development, manufacture and commercialization of advanced plasma processes. PyroGenesis provides technical and manufacturing expertise, cutting-edge contract research, as well as turnkey process equipment packages to the defense, metallurgical, mining, additive manufacturing (3D printing), oil & gas, and environmental industries. With a team of experienced engineers, scientists and technicians working out of our Montreal office and 3,800 m² manufacturing facility, PyroGenesis maintains its competitive advantage by remaining at the forefront of technology development and commercialization. Its core competencies allow PyroGenesis to lead the way in providing innovative plasma torches, plasma waste processes, high-temperature metallurgical processes, and technical services to the global marketplace. Its operations are ISO 9001:2008 certified, and have been ISO certified since 1997. PyroGenesis is a publicly-traded Canadian corporation on the TSX Venture Exchange (Ticker Symbol: PYP) and on the OTCQB Marketplace (Ticker Symbol: PYPNF). 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 Corporation'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 Corporation with respect to future events and are subject to certain risks and uncertainties and other risks detailed from time-to-time in the Corporation's ongoing filings with the securities regulatory authorities, which filings can be found at www.sedar.com, or at www.otcm Markets.com. Actual results, events, and performance may differ materially. Readers are cautioned not to place undue reliance on these forward-looking statements. The Corporation 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.

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