

PyroGenesis Obtains Patent for its Ultra Compact Waste Treatment System Ideal for Small Ships and Isolated Communities; Cancels and Grants Options

MONTREAL, Nov. 19, 2012 /CNW Telbec/ - **PyroGenesis Canada Inc.** ("PyroGenesis" or the "Corporation") (TSX: PYR), today announces that the European Patent Office has granted the Corporation a patent for its Three Step Ultra-Compact Plasma System for the High Temperature Treatment of Waste which is ideal for niche markets such as small ships and isolated communities.

Also referred to as the Electric Garbage Can (EGC), this system complements PyroGenesis' flagship product, the Plasma Arc Waste Destruction System (PAWDS) designed for aircraft carriers and commercial cruise ships. The EGC targets the lucrative and largely ignored markets of frigates, destroyers, cargo ships and isolated communities in general. "As a result of its premier position in the plasma waste treatment niche arena, PyroGenesis recognized that there is a lucrative and largely untapped market for efficient waste treatment in isolated communities. PyroGenesis also recognized that smaller military ships were nothing more than isolated communities in themselves. With the anticipated build in military ships by the US and Canadian governments (the Canadian Government has set aside \$35 billion to build 28 ships) combined with new MARPOL rules coming into force, it became increasingly apparent that it will be difficult for military ships to adhere to these new regulations. PyroGenesis is now in a position to offer an efficient, reliable and cost effective waste management solution to address this global problem.", says Gillian Holcroft, Executive VP for PyroGenesis. "This patented process addresses many of the shortcomings of conventional technologies. Not only is it compact and produces no secondary residues but, more importantly, it offers continuous operation without the need for fresh water; a scarce resource in isolated communities", says Pierre Carabin, PyroGenesis' Chief Engineer.

"Once again, PyroGenesis' has succeeded in identifying niche markets where other technologies have failed. We quickly recognized that the value proposition for this largely ignored market segment required a compact, low cost system which had to allow for continuous feeding of waste as well as eliminating the need for fresh water. I am proud to say that we again have risen to the occasion and our team has developed a process that has far exceeded these requirements." says P. Peter Pascali, PyroGenesis' President.

PyroGenesis also announces the cancellation and grant of incentive stock options (each an "Option") to certain employees, directors and officers of the Corporation.

PyroGenesis has cancelled 1,626,000 previously issued Options granted to twenty-two employees of the Company and granted an aggregate of 1,626,000 Options to such employees entitling them to acquire an aggregate of 1,626,000 common shares at a price of \$0.21 per common share. Of these Options 1,060,000 will vest as follows: 30 percent as of the date of grant, 30 percent at the first anniversary of the date of grant and 40 percent at the second anniversary of the date of grant. Another 416,000 Options will vest as follows: 10 percent as of the date of grant, 20 percent at the first anniversary of the date of grant, 30 percent at the second anniversary of the date of grant and 40 percent at the third anniversary of the date of grant. The remaining 150,000 Options will vest as follows: 15 percent as of the date of grant, 15 percent at the first anniversary of the date of grant, 30 percent at the second anniversary of the date of grant and 40 percent at the third anniversary of the date of grant.

PyroGenesis has cancelled 690,000 previously issued Options granted to four directors of the Company and granted an aggregate of 690,000 Options to such directors entitling them to acquire an aggregate of 690,000 common shares at a price of \$0.21 per common share. Of these Options, 400,000 will vest as follows: 30 percent as of the date of grant, 30 percent at the first anniversary of the date of grant and 40 percent at the second anniversary of the date of grant; 150,000 of these Options will vest as follows: 10 percent as of the date of grant, 20 percent at the first anniversary of the date of grant, 30 percent at the second anniversary of the date of grant and 40 percent at the third anniversary of the date of grant; 100,000 of these Options will vest as follows: 50 percent as of the date of grant, 25 percent at the first anniversary of the date of grant and 25 percent at the second anniversary of the date of grant; and, 40,000 of these Options will vest on the date of the grant.

PyroGenesis has cancelled 550,000 previously issued Options granted to two officers of the Company and granted an aggregate of 550,000 Options to such officers entitling them to acquire an aggregate of 550,000 common shares at a price of \$0.21 per common share. Of these Options, 500,000 will vest as follows: 30 percent as of the date of grant, 30 percent at the first anniversary of the date of grant and 40 percent at the second anniversary of the date of grant; 50,000 of these Options will vest as follows: 10 percent as of the date of grant, 20 percent at the first anniversary of the date of grant, 30 percent at the second anniversary of the date of grant and 40 percent at the third anniversary of the date of grant. In addition, one officer has been granted an aggregate of 400,000 Options entitling them to acquire an aggregate of 400,000 common shares at a price of \$0.21 per common share. These Options will vest as follows: 10 percent as of the date of grant, 20 percent at the first anniversary of the date of grant, 30 percent at the second anniversary of the date of grant and 40 percent at the third anniversary of the date of grant.

All Option grants disclosed above are exercisable for a period of five years and have been granted in accordance with the Company's Stock Option Plan.

About PyroGenesis Canada Inc.

PyroGenesis Canada is an environmental solutions company that designs, develops and manufactures plasma waste-to-energy systems and plasma torch products. PyroGenesis' proprietary plasma technologies utilize the intense energy of plasma to gasify and vitrify virtually any type of waste without producing hazardous by-products. PyroGenesis' patented gasification and vitrification technology is different from incineration because it produces a clean synthetic gas from waste, which can be used for power generation. PyroGenesis' technology can also turn waste into a glassy rock that can be utilized as construction material. PyroGenesis has marquee defense industry and civilian customers that are using its technology in marine and land-based applications. 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.secdar.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.

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SOURCE: PyroGenesis Canada Inc.

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For further information:

Chief Executive Officer
P. Peter Pascali
514. 937.0002
ir@pyrogenesis.com

CO: PyroGenesis Canada Inc.

CNW 16:12e 19-NOV-12