



PyroGenesis Completes Acquisition of 50% Ownership Interest in HPQ Silica Polvere Inc., Rights-Holder of the Fumed Silica Reactor Technology

September 29, 2026

Exercise of existing purchase option has been completed in conjunction with growing commercialization opportunities

MONTREAL, Sept. 29, 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 that it has completed the acquisition of a 50% ownership interest in HPQ Silica Polvere Inc. ("HSPI"). HSPI's primary line of business is commercialization of the Fumed Silica Reactor (the "FSR"), a proprietary technology originally developed and built by PyroGenesis to convert quartz (SiO_2) into fumed silica in a single and eco-friendly step while eliminating the use of harmful chemicals generated by conventional methods.

Fumed silica is a widely used industrial material found in thousands of products. If commercially successful, the FSR could significantly advance the reshoring of fumed silica production from China-based producers to domestic facilities by enabling localized, modular, and on-demand fumed silica production near end users' manufacturing facilities across North America.

Before completion of the acquisition, HSPI was a wholly-owned subsidiary of HPQ Silicon Inc. ("HPQ"). Since 2021 [[press release dated July 6, 2021](#)], PyroGenesis has held: (i) a 10% annual royalty on HSPI's sales (the "Royalty") of fumed silica, (ii) the rights, under an agreement with HPQ, to convert the Royalty into a 50% interest in HSPI, and (iii) an exclusive arrangement to be the sole supplier of equipment relating to any commercialization of the FSR.

PyroGenesis previously announced its intention to convert the Royalty into an ownership interest [[press release dated May 30, 2024](#)]. With the completion of the acquisition announced today, the Royalty has been converted into a 50% ownership interest in HSPI. PyroGenesis also retains its exclusive arrangement to serve as the sole supplier of equipment relating to any commercialization of the FSR.

"The market opportunities for the fumed silica reactor technology continue to grow, and we now have partnership interest across multiple sectors and geographies," said Mr. P. Peter Pascali, President and CEO of PyroGenesis. "Completing the 50% ownership agreement in HSPI was a necessary step to properly engage with additional clients around the world who have recently expressed interest in the FSR technology and production capabilities."

Image 1



containers of fumed silica produced by PyroGenesis' fumed silica reactor.



Image 1: containers of fumed silica produced by PyroGenesis' fumed silica reactor.

UPDATE ON COMMERCIAL DEVELOPMENTS

In August, the Company provided an update on its fumed silica business line [press release August 17, 2026], including its commercial potential and the status of recent customer interest, specifically regarding four separate entities. Since that release, the following developments have occurred:

- i. The first entity is a Global Manufacturer of fumed silica, who previously had signed a letter of intent [announced July 9, 2024] that outlined the basis of collaboration between the entity and PyroGenesis and Polvere during the pilot scale phase of the FSR development. As per the signed MOU, the goal of the pilot scale phase was to validate the ability of the FSR to produce low-cost, low carbon material acceptable to the manufacturer's specifications.

The Company reported previously that following the successful completion of the fumed silica reactor pilot program objectives, the parties are evaluating potential frameworks for the next phase of their collaboration, including opportunities to support the commercial deployment of the FSR.

The Company reports today that discussions have resumed. An additional meeting is scheduled for the week of September 28 to discuss further details regarding the go-forward framework.

- ii. The second entity is a potential Joint Venture Partner, with whom the Company reported previously the potential formation of a joint venture (the "JV") for the purpose of operating a 1,000 tonne per year fumed silica production plant (with the fumed silica produced to be used by the Joint Venture Partner in a new application) and with an expectation that there would be a need for a series of additional fumed silica plants of the same or larger size. It was indicated that the JV is contingent upon the successful negotiation and execution of one or more definitive agreements pertaining to the JV and related obligations by the parties thereto.

The Company reported previously that discussions were stalled, and that PyroGenesis had proposed a compromise position for which a response had yet to be received at the time of the August release.

The Company reports today that discussions recently resumed with in-person meetings. A team from PyroGenesis recently returned from one of the client's U.S. facilities, where meetings were held to discuss proposed changes. The proposed changes were favorably received by both sides and negotiations have actively resumed.

- iii. The third entity is a potential Asian customer that uses fumed silica in their end product, and who wishes to collaborate in establishing a production facility in North America to better address the local market, with discussions involving large-scale bulk supply of fumed silica and/or local fumed silica production plants. Additionally, the Client had indicated that demand could require several 10,000 tonnes per year FSR systems.

The Company reports today that discussions with this entity continue, with the entity recently requesting a meeting at PyroGenesis' headquarters to accelerate the process.

- iv. (iv) The fourth entity, an existing PyroGenesis customer with significant business operations in the Middle East, indicated a desire for the potential construction of a local fumed silica production plant to serve the Middle Eastern market. Additionally, it was indicated that negotiations planned for the 2nd half of 2026 will help determine the scale of the agreement, potentially focusing on a 10,000 tonnes per year production plant.

The Company reports today that negotiations are still planned for the 2nd half of 2026.

INDUSTRY AND MARKET CONTEXT

- Fumed silica is one of the most widely used industrial materials and can be found in thousands of consumers and industrial products, including cosmetics, toothpaste, pet litter, powdered food, milkshakes, instant coffee, pharmaceuticals, agriculture, adhesives, paints, inks, photocopy toner, sealants, fiber optic cables, thermal insulation, construction materials, and batteries, to name a few. It is often used in these products as a thickening/anti-caking agent, used to stabilize and improve the texture, consistency, and flow of the end-product.
- The global fumed silica market is projected to surpass US\$2.57 billion by 2034, driven by growing demand in the coatings, sealants, automotive, and lithium-ion battery sectors.¹
- PyroGenesis was originally engaged to develop and build the FSR pilot plant for HPQ Polvere Inc., a subsidiary of HPQ Silicon Inc.
- PyroGenesis now has a 50% ownership of HSPI (the FSR rights-holder) and exclusive arrangement to be the sole supplier of equipment relating to any FSR commercialization.

About the Fumed Silica Reactor

PyroGenesis is the exclusive supplier of plasma-based technology that uses quartz (SiO₂) as a raw material to produce commercial-grade fumed silica in a single and eco-friendly process while eliminating the use of harmful chemicals generated by certain conventional methods. The FSR requires no additional processes to develop to prepare feedstock, and no intermediary toxic chemical-based processing. The FSR can produce fumed silica from quartz at one physical location. When compared to some multi-step, traditional processing methods, the expected benefits of the FSR process can generally be summarized as follows:

1. Lower capital costs.
2. Lower operating costs.
3. Reduction of CO₂ emissions.
4. Reduction in energy footprint.
5. Elimination of purchase and storage requirements for hazardous chemicals.
6. Simplified logistics/shortened production chain due to the single location, single system, single phase process, and the elimination of feedstock ingredient handling, storage, preparation/transformation, and transportation.
7. Safer production environment due to absence of dangerous, toxic, or explosive chemicals.

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.

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>

¹ <https://finance.yahoo.com/news/fumed-silica-market-reach-usd-143000439.html>

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/210ecdff-249f-4456-9e77-777a0aac39f8>