

PURCHASE AGREEMENT

This **PURCHASE AGREEMENT** is entered into on this 10 day of November 2022 with September 30, 2022 as (the "Effective Date")

By and between:

PyroGenesis Canada Inc., a corporation organized and existing under the laws of Canada, having its head office at 1744 William Street, Suite 200 Montreal (Quebec) Canada H3J 1R4 herein acting and represented by Mr. P. Peter Pascali, its President and Chief Executive Officer, duly authorized as he so declares for the purposes hereof;

(Hereafter referred to as « **PCI** »)

-and-

HPQ Silicon Inc., a corporation organized and existing under the laws of Canada, having its head office at 3000 Omer-Lavallée St., suite 306, Montreal (Quebec) Canada H1Y 3R8, herein acting and represented by Bernard Tourillon, its Chief Executive Officer; duly authorized as he so declares for the purposes hereof;

(Hereafter referred to as the « **HPQ** »)

(Hereafter referred to individually as a « **Party** », collectively as the « **Parties** »)

RECITALS

WHEREAS PCI is the owner of an invention entitled Low Carbon Emission Process for the Production of Silicon and has already filed on September 20, 2022, a U.S. provisional patent application for this novel process;

WHEREAS the USPTO has issued an Electronic Acknowledgment Receipt for the filing of the aforementioned provisional patent application, thereby attributing it the application number 63,408,442 (a copy of the provisional application and Electronic Acknowledgement Receipt are hereto attached as **Annex A**);

WHEREAS HPQ is the owner of a quartz vaporization process and of related intellectual property (the "**PUREVAP Technology**"), previously purchased from PCI under the terms of the Amended Purchase Agreement made effective on the 1st of August 2018, in connection with which the invention object of the provisional patent application no. 63,408,442 (the "**442 Provisional Patent Application**") may be used;

WHEREAS HPQ desires to become the owner of the '442 Provisional Patent Application and related assets (defined in Section 1 as the "**Transferred Patent Assets**") and the Parties hereto wish to enter into this Agreement for the purposes of determining the payment terms and the ownership thereof.

WHEREAS TRANSFERRED PATENT ASSETS means:

- a) the '442 Provisional Patent Application; and
- b) any and all Patents and Patent Applications that are granted as a result of the prosecution of or claim priority from the '442 Provisional Patent Application, including, without limitation any re-examinations, extensions, reissues, divisionals, renewals, substitutions, continuations and continuations-in-part thereof.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. **RECITALS.** The above recitals are incorporated by reference into this Agreement and are deemed to be an integral part hereof.
2. **OBJECT.** PCI hereby sells and HPQ purchases the Intellectual Property related to the Low Carbon Emission Process for the Production of Silicon developed by PCI
3. **PURCHASE PRICE.** In consideration of PCI's sale, assignment, transfer, conveyance of the **442 Provisional Patent Application** specified in the agreement, HPQ agrees to pay PCI the total Purchase Price of three million six hundred Canadian dollars (CDN\$3,600,000), which payment shall be made in cash no later than by June 30th, 2023.

Furthermore, the Parties agree:

- a) That they will use the period between the signature of this agreement and the cash payment by HPQ to negotiate a second agreement that will cover the costs of the development program associated with the advancement of the **442 Provisional Patent Application** and determine the principal terms and conditions of the exclusive licence on the Transferred Patent Assets that HPQ could grant to PCI, and
 - b) To keep the terms of this agreement confidential until the signature of the second agreement mentioned in Section 3. a).
4. **442 PROVISIONAL PATENT APPLICATION.** HPQ will acquire the sole and exclusive titles, rights and interests in and to the **Transferred Patent asset** described in this Agreement. PCI shall ensure that all its employees undertaking work in connection with this Agreement (i) assign to HPQ SILICON all right, title and interest in and to any **442 PROVISIONAL PATENT APPLICATION** in which such employees would have any right, title or interest and (ii) cooperate in patent filings (by providing affidavits, etc.).
 5. **OWNERSHIP OF INTELLECTUAL PROPERTY.** Pursuant to Article 4 herein, and subject to the approval of the regulatory authorities having jurisdiction, HPQ shall be the owner of the Intellectual Property related to the **442 Provisional Patent Application** as well as the Patents related thereto, as of the day of the signature hereof.



6. **OBTENTION OF PATENT RIGHTS.** The Parties agree that they will cooperate in the prosecution of the patent applications / patents covered by this Agreement, including with regards to the scope of the claims and argumentation submitted in support thereof, in order to ensure that the patent rights of HPQ and the licence rights of PCI therein are taken into consideration and safeguarded.

For the purposes hereof, PCI confirms that it has sold, assigned and transferred unto HPQ the full and exclusive right to said Process and invention in the United States of America, Canada and all other countries and the entire right, title and interest in and to any and all Letters Patent which may be granted therefor, and the entire right, title and interest in and to said related applications, and in and to any divisions, continuations, continuations-in-part and extensions, together with the right to claim the benefit of the right of priority provided by the International Convention for the protection of Industrial Property based on said Patent Applications, the right to take any legal action concerning the right granted by such patents or patent applications, including the right to sue for any past or previous infringements.

7. **ADDITIONAL CONSIDERATION.** Pursuant to the consideration noted in Article 4, PCI shall, without further consideration, do all such things and execute all such documents as may be necessary or desirable to obtain and maintain patents for said Process and invention and for additions and modifications thereto in any and all countries, and to vest title thereto in HPQ, its successors, assigns and legal representatives or nominees.

8. **PCI REPRESENTATIONS.** PCI represents that:

- a) PCI is the sole and undisturbed owner of the Low Carbon Emission Process IP; and
- b) PCI is not a "non-resident" within the meaning of the Income Tax Act.

9. **REPRESENTATIONS.** Each Party represents and warrants to the other:

- a) that it has the requisite power and authority to execute and perform under this Agreement;
- b) that the execution and performance of this Agreement have been duly authorized by each Party;
- c) that the execution and performance of this Agreement will not result in any breach or violation of third party right, or constitute a default under any agreement, instrument, or document to which either Party may be a party; and
- d) that it has not received any notice, nor, to the best of its knowledge, is there pending or threatened notice, that the terms of this Agreement would violate any applicable laws, ordinances, regulations, rules or decrees which would materially adversely affect its ability to perform under this Agreement.

10. **GOVERNING LAW.** This Agreement shall be construed and interpreted in accordance with the laws of the Province of Quebec, excluding its conflict of laws principles. The Parties irrevocably agree to submit to the exclusive jurisdiction of the courts of the District of Montreal, Quebec, any claim or matter arising under or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

11. **NO WAIVER.** No provision of this Agreement may be waived except by agreement in writing, signed by the waiving Party. Waiver by a Party of any term or provision of this

Agreement shall not be construed as a waiver of future compliance with such term or provision. No delay or failure of a Party to enforce any right or claim which it may have hereunder shall in any way affect, limit or waive such right or claim or the right of a Party to compel strict compliance with each and every term and condition hereof.

12. **SEVERABILITY.** If any provision of this Agreement is declared by any court of competent jurisdiction to be invalid or unenforceable for any reason, such invalidity or unenforceability shall attach only to such provision and all other provisions hereof shall continue in full force and effect.
13. **BINDING EFFECT.** This Agreement shall be binding upon and inure to the benefit of the Parties, their successors and permitted assigns.
14. **AMENDMENT.** This Agreement may not be amended, altered or revoked at any time, in whole or in part, unless it is amended by a written instrument setting forth such changes signed by a duly authorized representative of both Parties.
15. **NOTICES.** All notices required to be given by this Agreement shall be in writing by either personal delivery to the Party requiring notice, with a written receipt, or by mailing such notice to the address of the Party, as shown on the first page of this Agreement, requiring notice by certified mail, return receipt requested, or by facsimile transmission or electronic mail. Notice given by facsimile transmission or electronic mail shall be deemed to have been given on the Business Day of transmittal, if transmitted during normal business hours, or on the next business day if transmitted outside of normal business hours. Notice given by mail shall be deemed to have been given on the fifth (5th) Business Day after mailing.
16. **ASSIGNMENT.** Neither Party to this Agreement shall assign its rights and obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld.
17. **INDEPENDENT LEGAL REPRESENTATION.** Each Party acknowledges and agrees that:
 - a) the terms of this Agreement are fully understood by it;
 - b) it has received independent legal representation in connection with this Agreement, or has been offered the opportunity to obtain same and specifically waives any right to independent legal advice or any rights arising out of the failure to obtain same; and
 - c) this Agreement has been freely and voluntarily entered into by it.
18. **ENTIRE AGREEMENT.** This Agreement and the Schedules attached hereto embody the entire agreement between HPQ and PCI and supersedes all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof.
19. **COOPERATION.** The Parties agree to cooperate fully and execute any and all supplemental documents and take all additional actions that may be necessary to give full force and effect to the basic terms and intent of this Agreement.
20. **SECTIONS AND HEADINGS.** Section headings, paragraphs and articles used herein shall be for convenience only and shall not affect the interpretation of this Agreement.

21. **COUNTERPARTS.** This Agreement may be executed in one or more counterpart copies, each of which shall be deemed an original. Facsimile or other electronic copies of this Agreement and the signatures hereto may be used with the same force and effect as the original. This Agreement shall be deemed fully executed and effective when all Parties have executed at least one counterpart, even though no single counterpart bears all signatures.
22. **LANGUAGE.** The parties have agreed that this Agreement, its schedules and all documents and notices related thereto and/or resulting thereof be drafted in the English language. *Les parties ont convenu que la présente convention ainsi que tous les annexes et tous les documents et avis s'y rattachant et/ou qui en découleront soient rédigés en langue anglaise.*

IN WITNESS WHEREOF, the Parties intending to be legally bound hereby have duly signed this Purchase Agreement.

PYROGENESIS CANADA INC

HPQ SILICON INC.

By: 

Name: P. Peter Pascali
Position: President and CEO

By: 

Name: Bernard Tourillon
Position: President and CEO

