

MONTREAL, QUEBEC--(Marketwired - Sep 1, 2016) - [HPQ Silicon Resources Inc.](#) ("HPQ Silicon") (TSX VENTURE:HPQ)(FRANKFURT:UGE)(OTC PINK:URAGD) is pleased to announce it has ordered the next series of lab scale R&D tests with PyroGenesis Canada Inc. ("PyroGenesis"). The purpose of this next series of tests is to determine the best and most efficient way to scale up the *Purevap*® Quartz Reduction Reactor ("QRR") process to commercial scale production.

PyroGenesis will run a large set of experiments, over a 4 to 6 month period, in order to:

1. Complete tests at different operational settings to identify the best and most efficient way to produce Solar Grade Silicon Metal (99.9999% Si);
2. Generate the necessary data required for the design of the 200 Tonnes Per Year ("TPY") Solar Grade pilot-scale system announced on August 2<sup>nd</sup> 2016.

The dual objective of this series of tests is to generate and collect data that can be used for the commercial scale-up of the *Purevap*® QRR process, starting with high purity Silicon Metal (99.9% Si) and then progressing towards Solar Grade Silicon Metal (99.9999% Si).

The total cost of this series of R&D tests is estimated to be CDN\$120,000. PyroGenesis will provide HPQ Silicon with samples from the experiments for third party independent validation of the purity, as well as, a final report summarizing the results and analysis.

Bernard J. Tourillon, Chairman and CEO of HPQ Silicon stated, *"Today marks the start of our second phase of testing for the PUREVAP® QRR process. The first phase validated the concept that the PUREVAP® QRR could transform HPQ quartz into High Purity Silicon Metal (99.9+% Si). This second series of testing should not only validate that the process can be scaled up, but that it can also produce Solar Grade Silicon Metal (99.9999% Si) at both lab and commercial scale."*

To this end, Pierre Carabin, Director of Engineering of PyroGenesis stated:

*"This new testing phase will provide invaluable input to the design of the 200 TPD silicon pilot plant that HPQ has contracted PyroGenesis to start building next year. We have already proven that we can reach at least 99.9% purity. The additional tests will also allow us to further explore and confirm the capabilities of the technology with the ultimate goal of reaching 99.9999% purity."*

#### HPQ Silicon and PyroGenesis Minor Modification To Agreement

HPQ Silicon and PyroGenesis Canada Inc. ("PyroGenesis") have made a minor modification to their Agreement signed on July 29, 2016. Specifically, the payment by HPQ Silicon to PyroGenesis in the amount of CDN\$300,000, which was to be settled via the issuance of 1,363,636 Common shares of HPQ Silicon, will now be paid in cash in order to satisfy TSX Venture Exchange requirements.

#### About HPQ Silicon

[HPQ Silicon Resources Inc.](#) (Formerly Uragold Bay Resources) is a TSX-V listed junior exploration company planning to become a vertically integrated and diversified High Value High Value Silicon Metal Company.

Our business model is focused on developing a disruptive solar grade silicon metal manufacturing process (patent pending) that can generate high yield returns and significant free cash flow within a short time line.

#### High Value Silicon Metal

*HPQ Silicon* is endeavouring to become a vertically integrated High Purity Silicon Metal (99.9+% Si), and Solar Grade Silicon Metal (99.9999% Si) producer.

In September 2015, PyroGenesis announced that it had filed for a provisional patent for the *PUREVAP*® Quartz Reduction Reactor (QRR) process, which it noted was able to produce silicon, at a lower cost, while generating less CO<sub>2</sub> emissions than current processes.

On April 19, 2016, PyroGenesis announced that early test results of the *PUREVAP*® QRR process have demonstrated that it can transform high purity quartz into silicon metal.

On June 29, 2016, HPQ Silicon announced that first pass analytical process confirms the ability of the PUREVAP process to create high purity silicon metal exceeding 99.9%.

Samples from the first series of test have been sent to a specialized laboratory in the United States to determine the precise purity levels of the Silicon Metal.

On August 2, 2016, HPQ Silicon announced that it had:

1. Acquired the intellectual property rights to the PUREVAP process as it relates exclusively to the production of silicon metal from quartz. PyroGenesis retains a royalty-free, exclusive, irrevocable worldwide license to use the process for purposes other than the production of silicon metal from quartz.
2. Placed an order for the purchase a 200 metric ton/year PUREVAP QRR pilot system to produce solar grade silicon metal from HPQ Silicon quartz.

The PUREVAP QRR process's disruptive advantage is its one step direct transformation of Quartz into High Purity Silicon Metal Solar Grade Silicon Metal and/or Higher Purity product, thereby potentially allowing HPQ Silicon to manufacture high value material for the same operating cost presently being paid by traditional producers to make Metallurgical Grade Si (98.5% Si) using the traditional arc furnace approach.

*The science behind the PUREVAP QRR is well demonstrated:*

- Plasma arc based process can transform High Purity Quartz into MG Si.
- Plasma arc based process can be used to purify MG Si into higher value SG Si.
- Refining MG Si to SG Si using an electron-beam furnace in vacuum-processing environment has proven the concept of the elimination of impurities.

What is unique and ground breaking is the combination of these three proven processes into one step.

A Green And Clean Company

HPQ Silicon, with its PUREVAP QRR will also be implementing a process to make Sg Si, which is estimated to generate 14.1 kg CO<sub>2</sub> eq/Kg SG Si, versus the 54.0 kg CO<sub>2</sub> eq/Kg SG Si of emissions generated by the Siemens process (90% of the present production process). This represents 75% fewer greenhouse gas emissions, which is justified by elimination of the emissions emanating from the use of chemicals, as well as, energy consumption from the additional purification step.

High Purity Quartz Properties

HPQ Silicon is also the largest holder of High Purity Quartz properties in Quebec, with over 3,500 Ha under claims. Despite the abundance of quartz, very few deposits are suitable for high purity applications. High Purity Quartz supplies are tightening, prices are rising, and exponential growth is forecast. Quartz from the Roncevaux property successfully passed rigorous testing protocols of a major silicon metal producer confirming that our material is highly suited for their silicon metal production.

*Disclaimers:*

*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 on-going filings with the securities regulatory authorities, which filings can be found at [www.sedar.com](http://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.

Shares outstanding: 138,406,467

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