May 18, 2022

Via E-mail (KScottMathews@umb.com)

UMB Bank, N.A., as Trustee
120 South 6th Street, Suite 1400
Minneapolis, Minnesota 55402
Attention: Corporate Trust

PureCycle: Ohio LLC
5950 Hazeltine National Drive, Suite 650
Orlando, Florida 32822
Attention: Michael Otworth

Subject: Southern Ohio Port Authority
Exempt Facility Revenue Bonds (PureCycle Project), Tax-Exempt Series 2020A
Subordinate Exempt Facility Revenue Bonds (PureCycle Project),Tax-Exempt Series 2020B and Taxable Series 2020C
PureCycle Polypropylene Phase II Project
April 2022 Project Status Report

Ladies and Gentlemen:

Attached is the Construction Monitor's Project Status Report (the "Report") for the PureCycle Polypropylene Phase II Project (the "Project") for the period ending April 30, 2022 (the "Relevant Period"), being delivered to you by Leidos Engineering, LLC ("Leidos"), as Construction Monitor ("CM").

Our review of the data made available to us by PureCycle Ohio LLC (the "Owner"), Denham-Blythe Company ("Denham-Blythe") and other equipment suppliers and contractors working on the Project for the Owner was performed within the scope and terms of a Professional Services Agreement ("PSA"), dated as of May 9, 2017, between Leidos and PureCycle Technologies, LLC. On October 1, 2020, UMB Bank, N.A. as trustee (the "Trustee") under the Indenture of Trust issued by the Southern Ohio Port Authority for Exempt Facility Revenue Bonds (PureCycle Project), Tax-Exempt Series 2020A, Subordinate Exempt Facility Revenue Bonds (PureCycle Project), Tax-Exempt Series 2020B and Subordinate Exempt Facility Revenue Bonds (PureCycle Project), Taxable Series 2020C dated October 1, 2020 (the "Indenture") entered into a Consent and Agreement with Leidos outlining the terms and conditions of the Trustee's use of the reports, certificates and other work products issued by Leidos. This Report is solely for the information of and assistance to the Trustee in connection with its review of the Project and is not to be used, circulated, quoted or otherwise referred to for any other purpose. The Independent Engineer disclaims any obligation to update this Report. This Report is not intended to, and may not be construed to benefit any party other than the Trustee and the Bondholders (as defined in the Indenture).

To the extent that it has been practical to do so, we have verified the status of the work performed by the Owner, Denham-Blythe and the major equipment suppliers and nothing has come to our attention during the review and observation that should cause us to believe that the progress made through the Relevant Period was not materially commensurate with Project objectives.

The next monthly Project review meeting is scheduled for June 9, 2022 at the PureCycle office in Ironton, Ohio.

Sincerely,
LEIDOS ENGINEERING, LLC

Nicholas Drobot
Construction Manager

ND/KMN

Attachment

Ec: Karen Napoli, Kenneth Rush – Leidos Engineering, LLC

Leidos Engineering, LLC ("Leidos" or "we"), in its capacity as the Construction Monitor ("CM") reviewed the progress of engineering, procurement and construction of the PureCycle Polypropylene Phase II Project (the "Project") including: monthly reports from the Denham-Blythe Company ("Denham-Blythe"), the engineering, procurement and construction ("EPC") contractor for the Outside Battery Limits ("OSBL"), including utilities and product storage under the Construction Contract dated October 7, 2020 (the "EPC Contract") and progress information from the Inside Battery Limits ("ISBL") and OSBL major equipment suppliers. Additionally, we held discussions with the Owner's management relative to the status of the Project to review the progress for the period ending April 30, 2022 (the "Relevant Period"). We visited the Project on May 12, 2022 and participated in a progress meeting. Terms used in this Project Status Report ("Report") without definition shall have the meaning ascribed thereto in the Credit Agreement or the EPC Contract.

Project Technical Description

The Project is a waste polypropylene processing facility under development by the Owner and sponsored by PureCycle Technologies, LLC (the "Sponsor"). The Project will be located on 26 acres of land in Ironton, Lawrence County (the County"), Ohio (the "Facility Site"). The Facility Site is a former Dow Chemical Company ("Dow") plant site. The Facility Site land was previously donated by Dow to the Lawrence Economic Development Corporation ("LEDC") and includes three existing buildings (Building 504, Building 507, and Building 509) totaling 150,000 square feet that will be reused for raw material delivery, processing, and storage, and for utility equipment. An affiliate of the Owner purchased the land from the LEDC, and the affiliate sold the land to the Owner for use as the Facility Site.

Summary

During the progress meeting noted above, the Owner's construction manager and Denham-Blythe presented detailed updates highlighting the progress of EPC contractor activities under the Construction Contract. The Owner also reported on progress with regard to the ISBL equipment supply contract and the PureCycle-supplied OSBL equipment.

The Owner's construction manager reported that the overall progress, as modified to reflect work added by approved change orders, is 73.1 percent complete as compared to a re-baselined plan of 73.2 percent complete. As previously reported, Denham-Blythe and the major equipment supplier's engineering effort commenced with the issuance of a Notice to Proceed ("NTP") to all parties in October 2020.

During the Relevant Period, the engineering group continued the development of the ISBL 3D model and integration of controls. The ISBL module drawings continued to be issued for construction ("IFC"). Design of the ISBL deluge system was completed as was the design of the conveyance system supports. Design of various ISBL waste stream handling systems continued. Procurement activities continued with the receipt of equipment and material and the issuance of field requisitions. Receipt of preprocess dry line and agglomeration equipment and components continued. Fabrication of ISBL modules continued as did receipt of various OSBL equipment and components. Four ISBL pipe rack modules were delivered and set during the Relevant Period as were three "E-house 3" transformers.

Construction activities by Denham-Blythe continued with the installation of electrical cable tray and electrical gear in Building 509 and "E-house 2" as well as pulling and terminating of electrical cable. Installation of the central utility plant pipe rack piping in Building 509 continued as did installation of hot oil and steam piping. Punch-list resolution and check-out of instrument air, air dryer and chiller systems in Building 509 was completed. Electrical installation in Building 504 "E-house 1" continued as did installation of electrical cable tray. Pulling and terminating of electrical cable in various areas of Building 504 continued and the building electrical was placed on permanent power. Installation of the preprocess equipment in Building 504 continued. Installation of Building 610 foundations and slab was completed. The substation was successfully energized on March 17, 2022. Installation of fire pump house equipment and tank were completed. Installation of the under-slab for the wastewater pretreatment ("WWPT") building continued. Installation of the degassing tower and finished product silos commenced. Installation of the siding for the rail loadout building continued.

In summary, the Project appears to be materially on schedule, if lagging somewhat when compared to the original schedule, and materially within budget. Budget overruns beyond contingency continue to be funded by PCT. As previously reported, a new schedule baseline was established at the end of January 2022 and schedule mitigation discussions with Denham-Blythe and the ISBL equipment supplier continue and include, but are not limited to, additional shifts, a six-day work week and certain field fabrication to expedite deliveries. We also note that, to date, with the exception of certain dates being modified by a change order ("CO") to the ISBL equipment supplier, the Owner has not accepted any changes regarding modifications to contractual schedule dates. Furthermore, the Owner reported that during the Relevant Period the ISBL module fabricator was authorized to utilize a second shift for select critical items.

The Owner continued to report that the required activities to support the PureCycle-supplied OSBL equipment continued materially on schedule, if lagging somewhat, to ensure timely coordination with ISBL and OSBL completion of design. Deliveries of equipment, including but not limited to, rail loadout building structural steel and pre-processing equipment continued during the Relevant Period.

During the Relevant Period there were no Occupational Safety and Health Administration ("OSHA") recordable safety incidents reported. No reportable environmental incidents were reported at the Project Site during the Relevant Period.

Project Status

The Owner's construction manager reported the actual and planned schedule progress percentage complete for engineering, procurement and construction activities. We note that a new baseline schedule was established at the end of January 2022. We also note that during the Relevant Period the actual and planned progress was modified to reflect work added by approved COs. The schedule progress is shown in Table 1.

Table 1
Completion Progress – PureCycle Polypropylene Phase II Project [1]

Project Phase	Cumulative Through April 2022 Planned % [2] [3]	Cumulative Through April 2022 Actual % [3]	Cumulative Through March 2022 Actual % [4]
Engineering	91.1	98.1	97.2
Procurement	85.9	80.6	78.7
Construction	51.9	56.5	64.3
Start-Up	5.0	7.2	3.8
Weighted Total	73.2	73.1	75.1

1) All progress is shown in percent ("%") unless noted.
2) The "planned" percentage complete represents the re-baseline established in January 2022 maintaining the contractual dates.
3) As modified to reflect work added by approved COs.
4) Does not include added work by approved COs.

EPC Contract Activities

EPC Contract activities reported by the Owner, the Owner's construction manager, Denham-Blythe and major equipment suppliers included engineering, procurement and construction activities as described herein.

Engineering

Overall, the Owner's construction manager reported that, as modified to reflect work added by approved COs, 98.1 percent of the engineering and design effort was completed against a planned 91.1 percent of the new baseline plan. As the completion percentage indicates, engineering is nearing completion.

ISBL, OSBL and major equipment engineering activities through the Relevant Period include, but are not limited to, the following:

- Continued design of pipe racks and pipe supports;
- Continued development of structural support detail drawings for manufacture and installation;
- Continued coordination of ISBL pipe tie-ins;
- Continued to IFC ISBL module drawings;
- Continued design of Building 605;
- Completed design of ISBL deluge system;
- Continued design of various ISBL waste stream handling systems;
- Completed design of conveyance systems supports;
- Continued development and updating of the ISBL 3D model; and
- Continued distributed control system ("DCS") programming and controls integration.

Our review of engineering activities indicates progress materially in support of Project objectives.

Procurement

Overall, the Owner's construction manager reported that, as modified to reflect work added by approved COs, 80.6 percent of the procurement effort was completed against a planned 85.9 percent of the new baseline plan.

ISBL, OSBL and major equipment procurement activities through the Relevant Period include, but are not limited to, the following:

- Continued to issue field requisitions as required;
- Continued monitoring manufacturing progress of ISBL modules;
- Received and offloaded the first four ISBL pipe rack modules;
- Continued receipt and offloading of preprocessing and material conveyance equipment;
- Delivery of preprocessing wash lines No. 1 and 2 equipment and components was essentially complete;
- Delivery of the preprocessing dry line No. 1 equipment and components was complete;
- Delivery of preprocessing dry line No. 2 equipment and components continued;
- Delivery of preprocessing agglomeration lines No. 1, 2, 3 and 4 equipment and components was essentially complete;
- Received and offloaded three "E-house 3" transformers;
- Continued receipt and offloading of prefabricated pipe for Building 509;
- Continued to monitor timing of vendor engineering submittals;
- Continued ISBL supplier and sub-vendor information exchange; and
- Continued to accept and offload deliveries of various OSBL equipment.

The Owner previously reported that the preliminary DCS factory acceptance test ("FAT") is schedule to be performed in early September 2022.

Procurement is, with a few exceptions, tracking materially on schedule and the Owner reported that they and the EPC Contractor are closely monitoring market conditions and supply chain impacts from COVID-19 to track and minimize risk, if any, to the schedule. As an example, current market conditions are contributing to longer lead times for structural steel.

Construction

Overall, the Owner's construction manager reported that, as modified to reflect work added by approved COs, 56.5 percent of the construction effort was completed against a planned 51.6 percent of the new baseline plan. Denham-Blythe construction activities through the Relevant Period include, but are not limited to, the following:

- Completed punch-list resolution and check-out of instrument air, air dryer and chiller systems in Building 509;
- Continued punch-list resolution and check-out of cooling tower adjacent to Building 509;
- Continued installation of hot oil and steam piping in Building 509;
- Continued installation of remaining central utility plant equipment in Building 509;
- Continued installation of cable tray in Building 509 and "E-house 2";
- Continued installation of electrical equipment in Building 509 "E-house 2" and continued energization of this equipment;
- Continued pulling and terminating of electrical cable in Building 509 and "E-house 2";
- Continued installation of cable tray and pulling and terminating electrical cable in Building 504;

- Continued installation of wash line, dry line and agglomeration equipment and components in Building 504;
- Continued pulling and terminating cable at the wash line and dry line in Building 504;
- Continued installation of raw material handling and conveyance equipment in Building 504;
- Continued installation of dust collection equipment in and outside of Building 504;
- Completed switching of Building 504 electrical to permanent power;
- Continued installation of utility piping and hydrostatic testing of same;
- Continued Building 504 administrative area architectural finishes;
- Completed installation of WWPT building under-slab items and equipment foundations;
- Continued installation of WWPT building slab;
- Completed installation of WWPT building roofing;
- Completed installation of Building 610 (process building) siding;
- Continued installation of Building 610 electrical equipment pads;
- Commenced mechanical and electrical rough-in in Building 610;
- Completed setting of "E-house 3" transformers at Building 610;
- Continued installation of electrical equipment in "E-house 3" at Building 610;
- Continued installation of Building 620 (commons building) slab and rough-in of under-slab items;
- Completed forming and placing of concrete for Building 620 tilt-up wall panels;
- Commenced installation of Building 620 tilt-up wall panels;
- Commenced installation of Building 620 roof structural steel;
- Completed installation of fire pumps and fire water components in Building 640;
- Commenced firewater system checkouts and filled fuel gas tanks in Building 640;
- Continued installation of firewater tank insulation;
- Continued installation of various ISBL foundations;
- Commenced setting of utility piping pipe rack modules;
- Commenced installation of degassing tower;
- Continued installation of rail loadout building siding;
- Completed installation of rail spur ties and rails;
- Commenced erection of finished product silos;
- Continued installation of feedstock silos and associated conveyance piping; and
- Continued backfilling and grading as required.

Our review of the construction activities indicates progress materially in support of Project objectives, even if lagging somewhat as compared to the original schedule. The Owner continues to work with Denham-Blythe as required to address potential impacts, if any, to the critical path or the completion date. The EPC Contractor reported that the manpower during the Relevant Period continued to average between approximately 180 and 200.

Owner Activities, Off-Site and Interconnection Projects

The Owner's construction manager and the Owner provided updates covering the Owner's responsibilities and offsite and interconnection project activities on the Project. As of the end of the Relevant Period, the Owner reported that all permits required for the current phase of construction are in place and that permitting activities for the upcoming phases of the Project were progressing materially as planned. Work is progressing on obtaining the remaining permits. As previously reported, a tracking procedure has been implemented and is being tracked for schedule compliance.

ISBL Equipment Supply

As previously reported, the procurement process continued with all schedule critical supply and fabrication subcontracts having been awarded, including but not limited to, high-pressure vessels and extruders. Review of ISBL equipment supplier's drawings continued. Required interface coordination continued for the extruder and material handling. The design of the flare, knock-out drum and vent relief was completed. Fabrication of module structural steel continued as did construction of process modules. IFC drawings continued to be released with a target of all drawings being IFC by mid-June 2022. All module structural steel drawings are IFC. During the Relevant Period two utility piping pipe rack modules were received, offloaded and set. The Owner reported that progress was materially on schedule, if lagging somewhat. The Owner also reported that to mitigate any potential delays in deliveries, options being explored include, but are not limited to, adding a second shift at the fabrication shop and executing certain installation activities and/or field fabrication in lieu of the activities being performed at the fabrication shop. We note that during the Relevant Period the Owner authorized the ISBL module fabricator to utilize a second shift for select critical items.

Pre-processing Equipment Supply

The pre-processing equipment supplier's engineering and design activities were completed as was the development of the operations and maintenance ("O&M") manuals. Delivery and receipt of the pre-processing equipment and components continued with the wash lines Nos. 1 and 2 and the agglomeration lines Nos. 1, 2, 3 and 4 equipment and components deliveries being essentially complete. Delivery of preprocessing dry line No. 2 equipment and component continued. The Owner reported that the installation of various preprocessing equipment continued under the guidance of the supplier's representative. The Owner also reported that installation of the first wash line was essentially complete and that installation of the equipment and components for the second wash line, dry lines and agglomeration lines continued.

Material Handling Equipment Supply

The material handling equipment supplier continued with the development of the supplier's portion of the rail load out system and finished material handling was essentially complete. Development of the ISBL waste streams and byproduct conveyance system continued. Coordination with extrusion equipment in Building 610 continued as did the fabrication of the raw material handling and storage systems. Delivery of components continued as did installation of feedstock silos, silo internals and conveyance system piping and components. Installation of the finished product silo commenced during the Relevant Period.

Degassing Equipment Supply

As previously reported, the degassing equipment supplier reported that engineering was complete as was fabrication. Delivery of degassing system components was completed and installation commenced.

Interconnections

The Owner previously reported that the natural gas line to the Facility was installed. Installation of the metering related foundations was completed and the gas metering skid was set. Installation of "point-of-distribution" items was completed as was the commissioning of the gas line to the boundary line.

As previously reported, installation of the substation was completed and the substation was successfully energized on March 17, 2022.

Start-Up, Commissioning and Operations

Overall, the Owner's construction manager reported that, as modified to reflect work added by approved COs, 7.2 percent of the commissioning and start-up effort was completed against a planned 5.0 percent of the new baseline plan. Commissioning planning with regular coordination meetings continued.

The substation was energized on March 17, 2022 and energization of equipment in "E-house 1" and "E-house 2" continued. Building 504 electrical was placed on permanent power. Commissioning of the cooling tower, instrument air system and air dryers was completed.

The plant manager continued planning for the hiring of plant personnel and has established the required level of personnel as well as their duties. As previously noted, a number of plant personnel positions were filled by specific current Owner personnel. The Owner reported that hiring continued with all chemical process operators having been hired.

Development of a detailed commissioning and start-up schedule continued. Review of O&M manuals submitted to date by sub-suppliers continued as did development of the training program. Select classroom process training is in progress with certain classroom training of Class 1 and Class 2 having been completed.

Safety/Environmental/Permits

Safety and Environmental

The following items were reported through the Relevant Period:

- During the Relevant Period, the Owner's construction manager and Denham-Blythe reported there were no OSHA recordable incidents and no lost time incidents. Since the commencement of work at the Project Site, there was one recordable incident and no lost time incidents.
- The Owner reported that there were 40,853 manhours worked during the Relevant Period and 289,160 cumulative manhours worked through the end of the Relevant Period.

The Owner reported that COVID-19 trends continued to be monitored and that policies are modified as required to reflect current Centers for Disease Control and Prevention ("CDC") guidelines. During the Relevant Period there were no reported COVID-19 cases.

Permitting

Denham-Blythe continued to work with the Owner to secure the appropriate permits, certificates, notifications and approvals necessary to support the then-current phases of construction at the Project Site. Denham-Blythe is providing support to ensure overall compliance with applicable laws, regulations, permits and approvals.

The Owner and EPC Contractor reported that the following permitting activities were completed or continued through the Relevant Period:

- Continued to implement and monitor the stormwater pollution prevention plan ("SWPPP") at the Facility Site;
- Continued to monitor the progress of the final two of four parts of the Air Permit modification submitted to the Ohio Environmental Protection Agency in January 2022; and
- Continued working on the building permits and obtaining those permits required for the current phase of construction.As previously reported, Denham-Blythe finalized the SWPPP plan for construction. The SWPPP plan identified the Best Management Practices ("BMPs") that were to be installed prior to disturbing the Facility Site. These BMPs will be maintained until the SWPPP permit is closed.

The Owner reported that all necessary permits required for the current construction activities have been or are being secured. The Owner also reported that the required activities for the Air Permit modifications are essentially complete. The modifications are associated with material handling and purification.

Quality Assurance

As previously reported, Denham-Blythe, in cooperation with the Owner, developed a detailed quality surveillance plan for the Project which will be updated, as required, to address any additional quality surveillance required for the then-current phase of construction. As part of the execution of the Project, each supplier and contractor is required to submit a copy of their quality control plan to the Owner.

During the Relevant Period, the Owner reported no material quality assurance issues. Denham-Blythe continued to report that the required compaction testing of subgrade installation and backfilling continued as did the concrete sampling and gathering of test cylinders. Inspection of structural steel connection welding and torquing of bolts continued. There were no reported nonconformance reports ("NCR") during the Relevant Period. As previously reported, the resolution of the NCR regarding the orientation of feed stock silo wall penetrations was established and the required remedial work continued.

Schedule

Table 2 displays key Project milestone dates. The *"Start Finished Material Handling Equipment Installation"* key Project milestone was achieved on April 18, 2022, during the Relevant Period.

Table 2
Key Project Milestone Dates [1]

Key Event	Planned Date [1]	Forecasted/ Actual Date [2] [3]
ISBL Equipment Supplier Delivery Schedule		
Stair and Pipe Rack Modules Arrive at Site	December 13, 2021	June 14. 2022
Non-Long Lead Vessel Modules Arrive at Site	May 12, 2022	July 18, 2022
Long Lead Vessel Modules Arrive at Site	June 1, 2022	September 19, 2022
Packaged and Shipped Loose Equip. Arrive at Site	June 22, 2022	August 4, 2022
Construction Contract Schedule		
Issue OSBL Major Equip. Purchase Orders	October 7, 2020	October 7, 2020 (A)
OSBL Construction Start	November 30, 2020	November 30, 2020 (A)
Start Initial Earthwork (Mass Grading)	January 7, 2021	January 15, 2021 (A)
Start Site Utilities – Natural Gas, Water, Sewer	February 11, 2021	April 28, 2021 (A)
Start Degassing Equipment Structure Installation	January 10, 2022	March 21, 2022 (A)
Start Raw Material Handling Equip. Installation	September 2, 2021	September 13, 2021(A)
Start Finished Material Handling Equip. Installation	October 20, 2021	April 18, 2022 (A)
OSBL Mechanical Completion – Phase A	January 10, 2022	July 11, 2022
OSBL Substantial Completion – Phase A	February 11, 2022	August 1, 2022
Start Packaged Equipment Module Setting	June 27, 2022	June 24, 2022
All Modules Set and Leveled	August 4, 2022	September 26, 2022
OSBL Mechanical Completion – Phase B	July 14, 2022	September 7, 2022
OSBL Substantial Completion – Phase B	July 21, 2022	September 21, 2022
All Modules Installed and Interconnected	August 31, 2022	September 28, 2022
Detail ISBL Integration with OSBL Complete	August 31, 2022	October 3, 2022 [4]
Start ISBL Hot Commissioning	September 11, 2022	October 20, 2022
OSBL Mechanical Completion – Phase C	September 11, 2022	October 3, 2022
OSBL Substantial Completion – Phase C	November 26, 2022	December 12, 2022
Start Performance Testing	November 20, 2022	December 7, 2022
Commercial Plant Producing Final Product	December 1, 2022	December 12, 2022

1) Original baseline dates.
2) An (A) after a date indicates an actual date or completed activity.
3) From April 2022 Monthly Construction Schedule
4) Delay is driven by one heat exchanger (E-710). Other items are materially on schedule.

As mentioned above, a new baseline schedule was established at the end of January 2022 maintaining the contractual dates. The Owner and Denham-Blythe reported that the Project's summary critical path is through ISBL design, procurement, delivery, installation, commissioning, and start-up.

The Owner reported several items that have delayed the critical or near critical activities. These items include, but are not limited to, the Project safety management effort requiring significantly more time than planned, supply chain issues causing the preprocessing equipment to be delivered late, and significantly longer lead times for structural steel.

The Owner has developed contingency plans utilizing concurrent work on site and an additional shift at the module fabrication facility as well as executing certain installation activities and/or field fabrication in lieu of the activities being performed at the fabrication shop. Furthermore, the Owner is in schedule mitigation discussions with Denham-Blythe and the ISBL equipment supplier which include, but are not limited to, additional shifts, a six-day work week and, as mentioned above, certain field fabrication to expedite deliveries. We note that during the Relevant Period the Owner authorized the ISBL module fabricator to utilize a second shift for select critical items. We also note that, to date, although there have been changes to some contractual dates by CO the Owner has not accepted any material changes regarding modifications

to contractual schedule dates that impact overall Project forecasted completion dates. There has been no material variance to the critical path from the original contract schedule.

Change Orders

There were several COs approved or finalized by the Owner with Denham-Blythe or major equipment suppliers during the Relevant Period. Table 3 shows approved COs under the EPC Contract and major equipment supply contracts through the end of the Relevant Period. The total out-of-scope cost approved and/or pending COs under the EPC Contract and major equipment supply contracts, as of the end of the Relevant Period, was approximately $63,332,655, of which Contingency will fund $21,153,011, PCT has funded $3,792,433, and $4,889,499 is being funded by Budgeted Allowances and realized savings. The remaining $33,497,712 will be funded by PCT.

As previously noted, PCT has identified additional COs which are supply chain-related due to COVID-19 and a Project de-risking activity that allows PCT to process higher levels of solids and polyethylene in the feedstocks. These potential COs are in the range of $40,000,000 and may be higher, and the $33,497,712 mentioned above will be paid for by PCT with existing funds and not by the Project.

Table 3
Construction Contract Approved and Pending Change Orders

Item No.	Contract/Area	Cost Impact	Schedule Impact	Status
1	Total ISBL Equipment Supply (1)	$ 8,198,759	None	Approved/ Pending
2	Total EPC Contract (1)	54,092,684	None	Approved/ Pending
3	Material Handling	891,855	None	Approved
4	Pre-processing Equipment (2)	155,880	None	Approved
5	Degassing Equipment Contract (1) (2)	(6,523)	None	Approved
	Total	$63,332,655		

1) Various COs.
2) Approximate conversion from Euros.

Summary of Cost and Contingency

Subsequent to the Relevant Period, the Borrower submitted a draft Borrower's Requisition for Payment Certificate dated May 23, 2022 (the "Construction Requisition") covering work completed during April 2022.

The budget and expenditures, as presented by the Owner, are shown in Table 4.

Table 4
Facility Budget and Expenditures through the Relevant Period [1]

Cost Category	Facility Budget [1]	Payments Made to Date	Pending Draw of LOC	Pending [2]	Remaining Budget
Facility Costs [3]	$ 242,079,604	$ 168,458,823		$13,450,215	$ 60,080,566
Letter of Credit [4]	1,830,000		$1,830,000		0
Financing Costs	97,979,918	40,691,971		21,973	57,265,974
Capitalized Interest Reserve [5]	55,723,700	21,139,559			34,584,141
Debt Service Reserve [6]	20,987,800				20,987,800
Cost of Issuance [7]	21,268,418	19,518,869		21,973	1,694,033
Development Costs [8]	55,735,603	55,735,603			
Total	$397,625,125	$264,976,397	$1,830,000	$13,472,188	$117,346,540

1) "Facility" refers to the production facility located in Ironton, Ohio and referred to by PCT as "Plant 1".
2) Current Requisition.
3) Facility Costs include: engineering, procurement of certain materials, construction costs, program management, inspections and testing and other various required elements for cost to complete the Facility.
4) Letter of Credit ("LOC") is related to an LOC for the Facility and is included in restricted cash on the PCT balance sheet. The current LOC is $2,110,000 with a currently estimated spending of $280,000 of full amount.
5) Capitalized Interest Required Reserve represents future interest payments through December 1, 2023.
6) Debt Service Required Reserve represents a portion of debt service required to be in reserve.
7) Cost of Issuance represents remaining reimbursable costs for engineering reviews, legal fees, etc.
8) Development Costs include: cost to construct the FEU, land purchases and other development related expenses.

We note that the total Facility budget includes $21,153,011 of construction contingency. Cumulative Project expenditures reported by the Borrower (including the Construction Requisition above) were $280,272,585. Through the Relevant Period, net allocation of contingency, allowances and actual or planned payments by PCT was reported to be $21,153,011. We note that although this amount was allocated and funds will be drawn, the appropriate funds will be returned to contingency in the allowed time to maintain the required $21,153,011 level.

Miscellaneous

The Owner reported that COVID-19 trends continued to be monitored and that policies are modified as required to reflect current CDC guidelines. During the Relevant Period there were no COVID-19 cases reported.

Although procurement is tracking materially on schedule, the Owner reported that they and the EPC Contractor are closely monitoring market conditions and supply chain impacts from COVID-19 to track and minimize risk, if any, to the schedule. As an example, current market conditions are contributing to longer lead times for structural steel.

Areas of Concern

The Owner reported that they and the EPC Contractor are closely monitoring market conditions and supply chain impacts from COVID-19 to track and minimize risk, if any, to the schedule. As an example, current market conditions are contributing to longer lead times for structural steel.

The Owner has developed contingency plans utilizing concurrent work on site and an additional shift at the module fabrication facility as well as executing certain installation activities and/or field fabrication in lieu of the activities being performed at the fabrication shop. Furthermore, the Owner is in schedule mitigation discussions with Denham-Blythe and the ISBL equipment supplier which include, but are not limited to, additional shifts, a six-day work week and, as mentioned above, certain field fabrication to expedite deliveries. As noted above, the Owner authorized the ISBL module fabricator to utilize a second shift for select critical items. We also note that, to date, the Owner has not accepted any changes regarding modifications to contractual schedule dates and that there has been no material variance to the critical path from the original contract schedule.

Photographs

Photographs included in Attachment 1 were taken on May 12, 2022.

Attachment 1: Photographs

Figure 1: Installation of Pre-process Equipment in Building 504

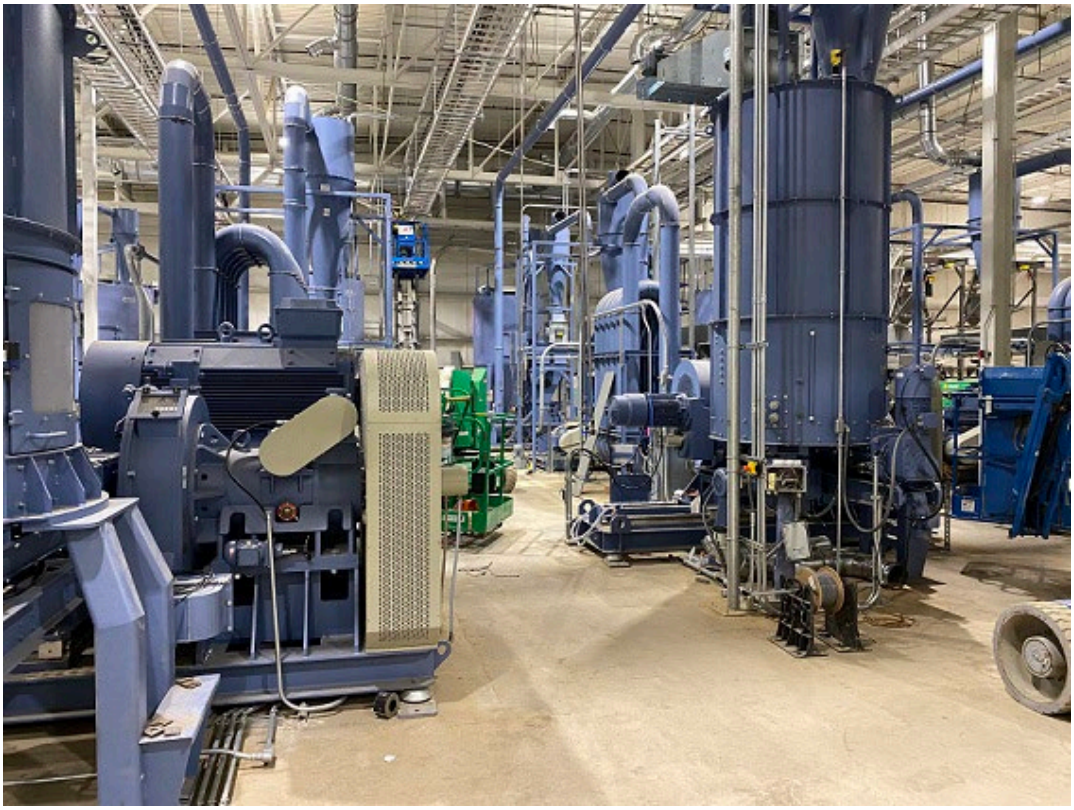

Figure 2: First Prefabricated Pipe Rack Modules at Building 610

Figure 3: Installation of Transformers in "E-house 3"

Figure 4: Installation of Rail Loadout Building Siding

Figure 5: Installation of Finished Product Silos and Degassing Tower

Figure 6: Erected Tilt-up Wall Panels of Building 620