February 18, 2022

Via E-mail (Katie.Carlson@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
January 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 January 31, 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 March 10, 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 January 31, 2022 (the “Relevant Period”). In lieu of visiting the Project site in Ironton, we visited the Project module fabrication facility in Beaumont, Texas on February 10, 2022 and participated in a progress meeting held at the module fabrication facility in Beaumont, Texas. 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 will be 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 is 64.3 percent complete as compared to a re-baselined plan of 64.3 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. Preliminary architectural design of the wastewater pretreatment (“WWPT”) and Building 605 were completed as were the WWPT 3D modeling and ISBL deluge system. Design of ISBL foundations, containment and drainage system continued as did the design of piping structural supports for OSBL vent and relief headers and development of the commons building and process building electrical loads. Coordination and confirmation with the Owner of back-up power loads for critical process control and safety systems continued. Procurement activities continued with the review of various proposals and the issue of a request for proposals for back-up generators for the process critical loads. Contracts for ISBL installation and OSBL utility piping were awarded as was the contract for low-voltage electrical and

instrumentation for pre-processing, material handling and the central utility plant. Fabrication of ISBL modules continued. Receipt of various equipment and components continued.

Construction activities by Denham-Blythe continued with electrical rough-in and 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 pipe racks and piping for the central utility plant in Building 509 continued. Electrical rough-in of Building 504 "E-house 1", installation of electrical cable tray and pulling and terminating of electrical cable continued. Installation of the preprocess equipment and dust collection system in Building 504 continued. Installation of Building 610 foundation was completed and installation of substation components and poles commenced. Installation of fire pump house masonry block walls commenced.

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. 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, the Owner has not accepted any changes regarding modifications to contractual schedule dates.

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, process 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. As the new baseline was established at the end of the Relevant Period, the actual and planned progress is equal. The schedule progress is shown in Table 1.

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

Project Phase	Cumulative Through January 2022 Planned % [2]	Cumulative Through January 2022 Actual %	Cumulative Through December 2021 Actual %
Engineering	94.2	94.2	92.9 [3]
Procurement	67.3	67.3	64.6 [3]
Construction	50.7	50.7	45.9
Start-Up	0.0	0.0	0.0
Weighted Total	64.3	64.3	61.2

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) Engineering and procurement values were adjusted to reflect credit taken in November 2021 under engineering instead of procurement.

We note that an audit of the schedule was performed in December 2021 and the Owner discovered that several large change orders ("COs") had not been loaded into the earned value reporting metrics. As noted above, adjustments were made as required to the earned value.

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 94.2 percent of the engineering and design effort was completed against a planned 94.2 percent of the new baseline plan. The Owner reported that detailed engineering coordination meetings are continuing, as required, with Denham-Blythe, the ISBL equipment supplier and the OSBL equipment supplier. 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 to issue for construction ISBL module drawings;
- Completed preliminary architectural design of Building 605;
- Completed preliminary architectural design for WWPT Building;
- Completed specifications and structural design of deep foundations for "Process Area 300";
- Completed WWPT 3D modeling;
- Completed preliminary design and 3D modeling for ISBL deluge system;
- Continued to issue for construction ("IFC") the ISBL module drawings;
- Continued design of ISBL foundations, containment and drainage system;
- Continued design of piping structural supports for OSBL vent and relief headers with the preliminary design having been completed;
- Continued development and updating of the ISBL 3D model;
- Continued design of "E-house 3";
- Continued design of commons building and process building electrical loads;
- Continued coordination and confirmation with the Owner of back-up power loads for critical process control and safety systems;
- Continued controls integration; and
- Continued architectural design for the fire pump house.

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

Procurement

Overall, the Owner's Construction Manager reported that 67.3 percent of the procurement effort was completed against a planned 67.3 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:

- Completed preliminary architectural bid package for the WWPT Building;
- Received bids and completed bid reviews for the ISBL electrical and "E-House 3" packages;
- Received bids and placed orders for butane pumps and WWPT pumps;
- Issued request for proposals for back-up generators for the process critical loads;
- Issued request for proposals for "PK 320" foundations and "UT7" pipe racks and foundations;
- Awarded contracts for ISBL installation and OSBL utility piping installation;
- Awarded contract for low-voltage electrical and instrumentation for pre-processing, material handling and central utility plant;
- Continued evaluation of received bids;
- Continued receipt and offloading of preprocessing and material conveyance equipment;
- 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.

During our visit to the ISBL module manufacturing facility, it was observed that numerous ISBL modules were in various stages of completion. The manufacturer's representative reported that work has commenced or was in progress on 12 of 24 ISBL modules.

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 50.7 percent of the construction effort was completed against a planned 50.7 percent of the new baseline plan. Denham-Blythe construction activities through the Relevant Period include, but are not limited to, the following:

- Continued installation of pipe racks in Building 509 with the central utility pipe rack having been completed;
- Continued installation of piping, including central utility plant instrument air and chiller piping, in Building 509;
- Continued installation of central utility plant equipment in Building 509;
- Continued installation of cable tray and electrical rough-in in Building 509 and "E-house 2";
- Continued installation of electrical equipment in Building 509 "E-house 2";
- Continued pulling and terminating of electrical cable in Building 509 and "E-house 2";

- Continued installation of central utility plant equipment in Building 509;
- Continued to address punchlist items in Building 507;
- Continued electrical rough-in, including low-voltage, in Building 504 "E-house 1";
- Continued installation of cable tray and pulling and terminating electrical cable in Building 504;
- Continued installation of dust collection system in and outside of Building 504;
- Continued installation of preprocess equipment in Building 504;
- Continued installation of raw material handling equipment in Building 504;
- Continued installation of room finishes in the administrative area;
- Continued installation of underground electrical distribution wiring;
- Completed installation of firewater tank foundation;
- Completed layout of WWPT building and commenced installation of foundation;
- Completed installation of Building 610 foundation;
- Commenced installation of Building 610 structural steel;
- Commenced installation of commons building foundation;
- Commenced installation of fire pump house (Building 640) masonry walls;
- Continued installation of substation foundations and electrical ductbank;
- Commenced installation of substation components and poles;
- Commenced installation of rail loadout building foundations;
- Continued installation of natural gas pipe runs to point-of-interconnect;
- Continued installation of feedstock silos; and
- Continued 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 is currently working with Denham-Blythe to address potential impacts, if any, to the critical path or the completion date.

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 early March 2022. 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.

As mentioned above, during our visit to the ISBL module manufacturing facility, it was observed that numerous ISBL modules were in various stages of completion. The manufacturer's representative reported that work has commenced or was in progress on 12 of 24 ISBL modules. It was also observed that the Owner's representative is at the manufacturing facility full time. It was reported that a quality control representative continues to make regular visits to conduct inspections and that any identified issues are addressed as required to the level of Owner's standards.

Pre-processing Equipment Supply

The pre-processing equipment supplier's engineering and design activities were essentially complete as was the development of the operations and maintenance ("O&M") manuals. Receipt of the pre-processing equipment and components was nearing completion. The Owner reported that installation of various preprocessing equipment continued under the guidance of the supplier's representative.

Material Handling Equipment Supply

The material handling equipment supplier continued with the development of their portion of the rail load out system, the development of the finished material handling and the development of the ISBL waste streams and byproduct conveyance system. 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 components. Setting of raw material equipment continued 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 is also complete.

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, the kick-off meeting with AEP was held on January 12, 2021 and regular progress meetings continue. Ordering of long lead substation equipment was completed. Construction commenced in November 2021 and is scheduled to be completed in March 2022. The civil sitework was completed as was the installation of the transformer foundation and the setting of the transformer. Installation of various foundations and electrical ductbanks was nearing completion and installation of substation components and poles commenced.

Start-Up, Commissioning and Operations

The Owner reported that activities in support of start-up and commissioning of the Project were not scheduled to commence. Nevertheless, commissioning planning with regular coordination meetings continued.

The plant manager continued planning for the hiring of plant personnel and has established the required level of personnel as well as their duties. The training program and manuals are in development and certain process training commenced.

As previously noted, a number of plant personnel positions were to be filled by specific current Owner personnel. The Owner reported that transfer of the specific Owner personnel and hiring commenced with a total of 12 operators having begun work.

Development of a detailed commissioning and start-up schedule continued. Review of O&M manuals submitted to date by sub-suppliers continued.

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 20,419 manhours worked during the Relevant Period and 165,850 cumulative manhours worked through the end of the Relevant Period.

The Owner reported that COVID-19 trends continued to be monitored and that policies have been modified to reflect current Centers for Disease Control and Prevention ("CDC") guidelines. During the Relevant Period there were several positive COVID-19 testing results requiring quarantining of the affected workers.

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;
- Submitted the final two of four parts of the Air Permit modification to the Ohio Environmental Protection Agency; 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 ("NCRs") during the Relevant Period.

Schedule

Table 2 displays key Project milestone dates. No key Project milestone were scheduled or achieved 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	April 20. 2022
Non-Long Lead Vessel Modules Arrive at Site	May 12, 2022	July 5, 2022
Long Lead Vessel Modules Arrive at Site	June 1, 2022	August 5, 2022
Packaged and Shipped Loose Equip. Arrive at Site	June 22, 2022	July 19 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 Installation	January 10, 2022	March 21, 2022
Start Raw Material Handling Equip. Installation	September 2, 2021	September 13, 2021(A)
Start Finished Material Handling Equip. Installation	October 20, 2021	February 17, 2022
OSBL Mechanical Completion – Phase A	January 10, 2022	May 9, 2022
OSBL Substantial Completion – Phase A	February 11, 2022	May 31, 2022
Start Packaged Equipment Module Setting	June 27, 2022	June 8, 2022
All Modules Set and Leveled	August 4, 2022	August 9, 2022
OSBL Mechanical Completion – Phase B	July 14, 2022	July 29, 2022
OSBL Substantial Completion – Phase B	July 21, 2022	August 26, 2022
All Modules Installed and Interconnected	August 31, 2022	August 24, 2022
Detail ISBL Integration with OSBL Complete	August 31, 2022	September 13, 2022 [4]
Start Hot Commissioning	September 11, 2022	October 5, 2022
OSBL Mechanical Completion – Phase C	September 11, 2022	October 3, 2022
OSBL Substantial Completion – Phase C	November 26, 2022	December 8, 2022
Start Performance Testing	November 20, 2022	November 30, 2022
Commercial Plant Producing Final Product	December 1, 2022	December 8, 2022

1) Original baseline dates.
2) An (A) after a date indicates an actual date or completed activity.
3) From January 2022 Monthly Construction Schedule
4) Delay is driven by one heat exchanger (E-710). Other items are 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 installation of the process building itself has become near critical.

The Owner reported several items that have or are delaying 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 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.

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 under the EPC Contract and major equipment supply contracts as of the end of the Relevant Period was approximately $34,202,502, 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 $4,367,559 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 $30,000,000 to $40,000,000 and the $4,367,559 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)	$ 7,792,009	None	Approved/ Pending
2	Total EPC Contract (1)	25,369,281	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	$34,202,502		

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

Summary of Cost and Contingency

Subsequent to the Relevant Period, the Borrower submitted the Borrower's Requisition for Payment Certificate dated February 17, 2022 (the "Construction Requisition") covering work completed during January 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 [2]	Pending [3]	Remaining Budget
Facility Costs [4]	$ 242,079,604	$145,526,981		$4,343,359	$92,209,265
Letter of Credit [5]	1,830,000		1,830,000		0
Financing Costs	97,979,918	40,637,597		20,830	57,321,490
Capitalized Interest Reserve [6]	55,723,700	21,139,559			34,584,141
Debt Service Reserve [7]	20,987,800				20,987,800
Cost of Issuance [8]	21,268,418	19,498,039		20,830	1,749,549
Development Costs [9]	55,735,603	55,735,603			
Total	$397,625,125	$241,900,181	$1,830,000	$4,364,189	$149,530,755

1) "Facility" refers to the production facility located in Ironton, Ohio and referred to by PCT as "Plant 1".
2) Letter of Credit ("LOC").
3) Current Requisition.
4) 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.
5) 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.
6) Capitalized Interest Required Reserve represents future interest payments through December 1, 2023.
7) Debt Service Required Reserve represents a portion of debt service required to be in reserve.
8) Cost of Issuance represents remaining reimbursable costs for engineering reviews, legal fees, etc.
9) 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 $248,084,370. 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, the funding of contingency remains at the required $21,153,011 level.

Miscellaneous

The Owner reported that COVID-19 trends continued to be monitored and that policies have been modified to reflect current CDC guidelines. During the Relevant Period there were several positive COVID-19 testing results requiring quarantining of the affected workers.

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. 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 February 10, 2022 or provided by the Owner.

Attachment 1: Photographs

Figure 1: Assembly of ISBL Process Tower Module

Figure 2: Installation of Components into Process Module

Figure 3:Assembly and Leveling of Module Structure

Figure 4: Installation of Pumps into Process Module

Figure 5: Installation of Process Building Foundation

Figure 6: Installation of Fire Pumphouse and Tank Foundations