April 26, 2023

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: Dustin Olson

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
March 2023 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 March 31, 2023 (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. The information contained herein is for the benefit of the Trustee and may be used in connection with providing financing to the Company for construction and development of the Project.

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. During our review our observations indicated that progress made through the Relevant Period was not commensurate with Project objectives. As discussed further below, the current timeline for key completion milestones is: (a) Facility ready for solvent introduction into the process in late April 2023; (b) initiation of polymer and first sale of product (Commercial Operation) in early May 2023; (c) initial production on recycled (post-consumer) feed in mid-May 2023; and (d) targeted Substantial Completion in late May 2023.

The next monthly Project review meeting is scheduled for May 11, 2023 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: information 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 March 31, 2023 (the “Relevant Period”). We visited the Project on April 13, 2023 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 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 (“COs”), is 98.2 percent complete as compared to a re-baselined plan of 100 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 updating the ISBL 3D model and programming and controls integration for the distributed control system (“DCS”). Documentation of as-built conditions continued as did addressing of engineering related requests for information (“RFIs”). Procurement activities continued with monitoring and expediting of the remaining and/or replacement items and issuing field requisitions.

Construction activities by Denham-Blythe continued with the completion of central utility plant pipe painting and insulation in Building 509 and addressing of punchlist items continued. Checkouts in all three “E-houses” continued. Addressing of the preprocess equipment punchlist items in Building 504 continued and checkouts were in progress. Installation of PK-720 extruder, including the pelletizer, dryer and classifier package, was nearing completion. Sealing of wall penetrations in Building 610 continued as did addressing of punchlist items. Setting of pipe hangers in the ISBL modules continued as did final inspection and closure

of vessels. Installation of degassing equipment at Building 615 was nearing completion as was installation of associated degassing piping. Setting and installation of equipment in and around the Building 605 continued. Addressing of punchlist items in the rail loadout and wastewater pretreatment areas continued. Installation of site electrical distribution and telecom systems continued as did installation of the remaining finished product conveyance equipment and components. Final grading and asphalt paving commenced. As previously reported, the substation was successfully energized on March 17, 2022. Energization of all areas on permanent power was complete.

Start-up continued with mechanical completion walkdowns of the completed systems and pre-start-up safety reviews ("PSSRs") of turned over systems. Final inspections and closure of major vessels continued. Checkouts and commissioning of pre-process wash lines, dry lines, agglomeration equipment and dust collection system continued. Commissioning of the PK-100 and PK-110 feed extruders and PK-740 additive extruder continued. Pneumatic testing checking of completed systems continued. The addition of details to the commissioning and start up schedule continued as required.

As discussed later in this Report and/or previously reported, there are several critical and near-critical paths that continue to shift and/or run concurrently, as is normal for a project in the completion, commissioning and start-up stages. Schedule mitigation discussions between the Owner, Denham-Blythe, the ISBL equipment supplier and sub-suppliers continue, as does identification of alternate suppliers, where required. As previously noted, there are numerous delays that have previously impacted the Project or continue to impact the Project, even if not directly impacting the current critical path. These impacts include, but are not limited to, the war in Ukraine, COVID-19, supply chain issues and low water on the Mississippi River. The current timeline for key completion milestones is: (a) Facility ready for solvent introduction into the process in late April 2023; (b) initiation of polymer and first sale of product (Commercial Operation) in early May 2023; (c) initial production on recycled (post-consumer) feed in mid-May 2023; and (d) targeted Substantial Completion in late May 2023. The Owner continues to evaluate commissioning and start-up of operations procedures so as to ensure the safe and efficient start of operations. The Owner has reported that at any one time either the PCT CEO and/or Chairman of the Board are to be present at the Project Site to facilitate a timely completion. Budget overruns beyond contingency continue to be funded by PCT.

During the Relevant Period there were no Occupational Safety and Health Administration ("OSHA") recordable safety incidents reported and no time incidents. There were no environmental incidents reported 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 during the Relevant Period the actual and planned progress was modified to reflect work added by additional approved COs. The schedule progress is shown in Table 1.

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

Project Phase	Cumulative Through March 2023 Planned % [2] [3]	Cumulative Through March 2023 Actual % [3]	Cumulative Through February 2023 Actual % [4]
Engineering	100	100	100
Procurement	100	100	99.9
Construction	100	96.7	95.0
Start-Up	100	82.6 [5]	81.8 [5]
Weighted Total	100	98.2	97.4

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 through the Relevant Period.
4) Does not include work added by approved COs during the Relevant Period.
5) As adjusted for correct schedule logic and detailing of activities.

EPC Contract Activities

EPC Contract activities reported by the Owner and the Owner's Construction Manager included engineering, procurement and construction activities as described herein.

Engineering

Overall, the Owner's Construction Manager reported that engineering is essentially complete. Updating of the ISBL 3D model and ISBL pipe support analysis continued as did addressing of engineering related RFIs. Documentation of as-built conditions continued as did support of DCS programming and controls integration.

Procurement

Overall, the Owner's Construction Manager reported that procurement is essentially complete. Field requisitions continued to be issued as required as did expediting of remaining and/or replacement items.

Construction

Overall, the Owner's Construction Manager reported that, as modified to reflect work added by additional approved COs, 96.7 percent of the construction effort was completed against a planned 100 percent of the January 2022 baseline plan. Denham-Blythe construction activities through the Relevant Period include, but are not limited to, the following:

- Continued resolution of punchlist items in Building 509;
- Completed insulation and painting of piping in Building 509;
- Continued energization of electrical equipment in "E-house 2" at Building 509;
- Continued addressing of wash line, dry line and agglomeration equipment punchlist items in Building 504;
- Continued checkouts of wash lines, dry lines and agglomeration equipment in Building 504;
- Continued utility connections to extruders in Building 610 (process building);
- Continued sealing of wall penetrations in Building 610;
- Continued installation of PK-720 pelletizer, dryer and classifier package in Building 610;

- Continued electrical installation to PK-720 extruder and associated equipment in Building 610;
- Completed repair of electrical panel at PK-720 extruder in Building 610;
- Continued energization of equipment in "E-house 3" at Building 610;
- Continued setting of hangers in ISBL process modules at Building 610;
- Continued pulling of remaining electrical cable to equipment in ISBL area;
- Continued installation of waste densification process equipment, KE- 60 and piping in Building 615;
- Continued installation of equipment in Building 615;
- Continued installation of electrical items in Building 615;
- Continued installation of fire and gas detection items in various areas;
- Continued resolution of remaining punchlist items in Building 640;
- Continued installation of extruder KE-250 equipment in Building 605;
- Continued installation of equipment and electrical in and around Building 605;
- Continued addressing punchlist items in wastewater pretreatment building;
- Completed inspection and closure of V-300 settler and C-410 solvent purification column;
- Continued addressing punchlist items in Building 550 (wastewater pretreatment);
- Continued addressing punchlist items in Building 630 (rail loadout);
- Continued installation of site electrical distribution and telecom systems;
- Continued installation of remaining finished product conveyance piping and components;
- Continued installation of remaining feedstock conveyance items; and
- Commenced final grading and asphalt paving.

Our review of the construction activities indicates that progress is lagging somewhat as compared to the Project objectives. The current timeline for key completion milestones is: (a) Facility ready for solvent introduction into the process in late April 2023; (b) initiation of polymer and first sale of product (Commercial Operation) in early May 2023; (c) initial production on recycled (post consumer) feed in mid-May 2023; and (d) targeted Substantial Completion in late May 2023. The Owner continues to pursue all available workaround approaches.

The EPC Contractor reported that the manpower during the Relevant Period averaged approximately 306.

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.

ISBL Equipment Supply

Review of ISBL equipment supplier's drawings continued. The design of the flare, knock-out drum and vent relief was completed and the fabrication of modules was completed. The delivery of ISBL modules was completed as was setting of process and piping pipe rack modules. Interconnecting of modules continued. Setting of "north bank" modules was completed. Installation of extruders continued, including installation of the delayed extruder (KE-250/PK-310) equipment. "Wet" commissioning of the PK-740 additive extruder

on polymer continued as did "wet" commissioning of the PK-100 and PK-110 feed extruders. Inspection and closure of the V-120 imbiber, V-500 diatomaceous earth slurry tank, C-220 mixing column, V-3355 flare knockout pot and V-700 product decanter was previously completed, and inspection and closure of the V-300 settler and C-410 solvent purification column product decanter was completed during the Relevant Period.

Pre-processing Equipment Supply

The pre-processing equipment supplier's engineering and design activities were previously completed as was the development of the operations and maintenance ("O&M") manuals. Delivery of preprocessing equipment was completed as was the installation of the wash line, dry line and agglomeration equipment. Checkout and commissioning of the wash line, dry lines and agglomeration equipment continued. Runs on feedstock through dry line, wash line and agglomeration equipment continued.

Material Handling Equipment Supply

The design and engineering of material handling equipment was previously completed. Development of the ISBL coproduct and waste streams conveyance systems was completed. Delivery of components and conveyance system piping was complete and installation of feedstock conveyance piping was essentially complete and installation of product conveyance piping continued. Installation of the finished product conveyance equipment and components was nearing completion and commissioning of feedstock material conveyance and storage continued.

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 continued. Installation of the degassing tower was completed. Installation of degassing equipment at Building 615 was nearing completion as was installation of related degassing piping.

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. Energizing of all areas on permanent power was completed.

Start-Up, Commissioning and Operations

Overall, the Owner's Construction Manager reported that, as modified to reflect work added by additional approved COs, 82.6 percent of the commissioning and start-up effort was completed against a planned 100 percent of the January 2022 baseline plan. Commissioning planning with regular coordination meetings continued.

As previously reported, the substation was energized on March 17, 2022 and, as mentioned above, energizing of all areas on permanent power was essentially complete.

Checkout, commissioning and start-up activities through the Relevant Period include, but are not limited to, the following:

- Continued configuration of DCS;
- Continued loop checking;
- Continued mechanical completion walkdowns of completed systems;
- Continued checkouts of Building 509 "E-house 2" high-voltage panels and switchgear;
- Continued checkouts of Building 504 "E-house 1" high-voltage panels and switchgear;
- Continued checkouts of Building 504 "E house 3" high-voltage panels and switchgear;
- Continued commissioning of glycol system in Building 509;
- Continued "wet" commissioning of PK-100 and PK-110 feed extruders on feedstock;
- Continued "wet" commissioning of PK-740 additive extruder on polymer in Building 610;
- Continued PSSRs of turned over systems;
- Continued checkouts and commissioning of dry lines and wash lines in Building 504;
- Continued commissioning of agglomeration equipment in Building 504;
- Continued commissioning of dust collection system in various areas;
- Continued runs on feedstock through dry line, wash line and agglomeration equipment;
- Continued commissioning of feedstock material conveyance and storage;
- Commenced commissioning of rail loadout equipment;
- Continued final inspections and closure of certain major vessels, including the V-300 settler and C-410 solvent purification column;
- Continued pressure testing of completed sections of piping systems; and
- Continued detailing of the commissioning and start-up schedule.

At the time of the April 11, 2023 visit the Owner reported that approximately 1,500 of 1,863 loop checks were completed and that 50 of 63 systems were deemed mechanically complete. PSSRs were reported to be 51 percent complete.

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

As mentioned above, 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. As previously reported select classroom process training is in progress with certain classroom training having been completed. Select training of the operation staff by vendors for the major equipment is in progress.

Safety/Environmental/Permits

Safety and Environmental

The following items were reported through the Relevant Period:

- During the Relevant Period, the Owner's Construction Manager reported that there were no OSHA recordable incidents and no lost time incidents. Since the commencement of work at the Project Site, there were four recordable incidents and one lost time incident.

- The Owner reported that there were 85,965 manhours worked during the Relevant Period and 1,176,906 cumulative manhours worked through the end of the Relevant Period.
- There were no environmental incidents reported at the Project Site during the Relevant Period.

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 implementation of changeover to the SWPPP for industrial operations;
- Continued dust collection monitoring as per the air permit monitoring requirements in conjunction with start-up and commissioning of pre-process equipment in Building 504;
- Continued coordination with local wastewater treatment plants and the Ohio Environmental Protection Agency ("OEPA") to ensure compliance with all environmental permits for commissioning activities; and
- Continued working on obtaining those permits required for the current phase of construction, start-up and operation.The Owner reported that a Facility wide occupancy permit was expected to be received shortly. The Owner also reported that the EPC Contractor was coordinating activities with local agencies for a consolidated certificate of occupancy for the whole Facility.

The Owner reported that all necessary permits required for the current phase of construction, start-up and operation have been or are being secured. As previously reported, the final Air Permit was received from OEPA.

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. Final inspections and closure of major vessels, including the V-300 settler and C-410 solvent purification column product decanter, continued.

Schedule

As previously reported, in light of the numerous schedule impacts discussed previously and again in this Report, the Owner has modified the work sequence of the remaining activities so as to achieve the earliest possible completion. The modified approach does not utilize certain of the remaining unachieved

milestones in the original schedule as these were presented in our previous monthly reports. The remaining modified key completion milestones are presented in Table 2.

Table 2
Key Completion Milestone Dates [1]

Key Event	Planned Date [1]	Forecasted/ Actual Date [2]
ISBL Hot Commissioning and Start-Up Milestones		
Facility Ready for Solvent Introduction	February 7, 2023	April 24, 2023
Initial Production on Virgin (Post-Industrial) Feed	February 15, 2023	May 6, 2023
Initial Production on (Post-Consumer) Recycled Feed	March 2, 2023	May 11 2023
Process Capable of Running at 100 Percent Rates (Performance Test Capable)	March 7, 2023	May 19, 2023
Major Completion Milestones		
Commercial Operations (Initiation of Polymer and First Sale of Product)	February 15, 2023	May 6, 2023
Target Substantial Completion	March 20, 2023	May 26, 2023

1) Targeted dates based on the March 2023 Monthly Construction Report.
2) An (A) after a date indicates an actual date or completed activity.

Substantial Completion is to occur at the conclusion of a successful performance test and was targeted to occur around May 26, 2023. Commercial operations will begin at the initiation of polymer and production on virgin (post-industrial) feed, forecasted to occur on May 6, 2023.

The Owner indicated that, due to the newness of the process and technology of the Project, the above planned and forecasted dates are not considered fixed but are considered targets with a plus/minus range of two weeks. This plus/minus range allows for the Project team to respond to any unforeseen conditions or troubleshooting that often occur during the start-up and commissioning process.

The Owner reported that there are several critical and near critical paths that continue to shift and/or run concurrently, as is normal for a project in the completion, commissioning and start-up stages. Schedule mitigation discussions between the Owner, Denham-Blythe, the ISBL equipment supplier and sub-suppliers continue as does identification of alternate suppliers, where required. As previously noted, there are numerous delays that have previously impacted the Project or continue to impact the Project, even if not directly impacting the current critical path. These impacts include, but are not limited to, the war in Ukraine, COVID-19, supply chain issues and low water on the Mississippi River and, most recently, the delay caused by damage to the PK-720 pelletizer, dryer and classifier package electrical panel sustained during commissioning activities. The Owner continues to evaluate commissioning and start-up of operations procedures so as to ensure the safe and efficient start of operations. The Owner has reported that at any one time either the PCT CEO and/or Chairman of the Board are to be present at the Project Site to facilitate a timely completion.

As mentioned in our previous report, in May 2022 the Owner and Denham-Blythe verbally agreed to extend certain key completion dates by two months with the Facility producing final product by January 30, 2023. The intent at that time was that Denham-Blythe would submit a CO to contractually memorialize these date changes. Contrary to what had been reported in our previous monthly reports (that Denham-Blythe had not yet submitted a CO that would contractually memorialize these date changes), in March 2023 we were informed that such a CO had been submitted by Denham-Blythe on June 24, 2022 and subsequently approved by the Owner.

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, major equipment supply contracts and other budget variances through February 28, 2023. The total out-of-scope cost approved and/or pending COs under the EPC Contract, major equipment supply contracts and other budget variances, as of February 28, 2023, was approximately $109,600,666 of which Contingency will fund $21,153,011. The remaining $103,502,696 is being funded by PCT.

Table 3
Construction Contract Approved and Pending Change Orders and Other Budget Variances

Item No.	Contract/Area	Cost Impact	Schedule Impact	Status
1	Total ISBL Equipment Supply (1)	$ 12,809,637	None	Approved/ Pending
2	Total EPC Contract (1)	117,584,067	None	Approved/ Pending
3	Material Handling	1,192,764	None	Approved
4	Pre-processing Equipment (2)	252,172	None	Approved
5	Degassing Equipment Contract (1) (2)	(14,110)	None	Approved
6	Additional Shipping Costs	3,150,000		
	Sub-Total	$134,974,530		
	Other Budget Variances/Credits	(10,203,416)		
	Total	$124,771,114		

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

The Owner previously reported that the bulk of the $103,502,696 funded by PCT for COs and other budget variances is related to supply chain issues reported to be due to COVID-19 and a Project de-risking activity that allows PCT to process higher levels of solids and polyethylene in the feedstocks, and other recently identified improvements. The Owner also reported that the most recent CO increases are a result of costs associated with delays caused by weather, a high absentee rate due to the flu season, engineering field revisions, and delivery from suppliers of minor components such as valves, pipe spools or other replacements due to damaged or faulty components.

We note that the forecasted budget will increase due to the delay of completion and additional COs as well as due to pending COs not being included in the current budget. We are not yet in receipt of a revised forecast.

Summary of Cost and Contingency

During the Relevant Period, the Borrower made payments with PCT funds covering work completed during February 2023.

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]	Adjusted Facility Budget	Payments Made to Date	Remaining Budget
Facility Costs [2]	$ 242,079,604	$347,412,300	$304,624,252	$42,788,048
LOC [3]	1,830,000			0
Financing Costs	97,979,918	97,979,918	59,554,758	38,425,160
Capitalized Interest Reserve [4]	55,723,700	55,723,700	39,491,742	$16,231,958
Debt Service Reserve [5]	20,987,800	20,987,800		20,987,800
Cost of Issuance [6]	21,268,418	21,268,418	20,063,016	1,205,402
Development Costs [7]	55,735,603	55,735,603	55,735,603	
Total	$397,625,125	$501,127,821	$419,914,613	$81,213,208

1) "Facility" refers to the production facility located in Ironton, Ohio and referred to by PCT as "Plant 1".
2) 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.
3) Letter of Credit ("LOC") is related to an LOC for the Facility and was included in restricted cash on the PCT balance sheet.
4) Capitalized Interest Required Reserve represents future interest payments through December 1, 2023.
5) Debt Service Required Reserve represents a portion of debt service required to be in reserve.
6) Cost of Issuance represents remaining reimbursable costs for engineering reviews, legal fees, etc.
7) Development Costs include: cost to construct the FEU, land purchases and other development related expenses.

The adjusted Facility budget is $501,127,821 and includes $21,153,011 of construction contingency. Cumulative Project expenditures reported by the Borrower were $419,914,613. Included in the current expenditures are total costs in Table 4 above in the columns titled "Payments Made to Date". 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

None at this time.

Areas of Concern

As discussed above and/or previously reported, there are several critical and near critical paths that continue to shift and/or run concurrently, as is normal for a project in the completion, commissioning and start-up stages. Schedule mitigation discussions between the Owner, Denham-Blythe, the ISBL equipment supplier and sub-suppliers continue as does identification of alternate suppliers, where required. As previously noted, there are numerous delays that have previously impacted the Project or continue to impact the Project, even if not directly impacting the current critical path. These impacts include, but are not limited to, the war in Ukraine, COVID-19, supply chain issues and low water on the Mississippi River. The current timeline for key completion milestones is: (a) Facility ready for solvent introduction into the process in late April 2023; (b) initiation of polymer and first sale of product (Commercial Operation) in early May 2023; (c) initial production on recycled (post-consumer) feed in mid-May 2023; and (d) targeted Substantial Completion in late May 2023. The Owner continues to evaluate commissioning and start-up of operations procedures so as to ensure the safe and efficient start of operations. The Owner has reported that at any one time either the PCT CEO and/or Chairman of the Board are to be present at the Project Site to facilitate a timely completion.

As previously noted, the Owner also reported several other earlier items that delayed near critical activities at the time. 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.

Photographs

Photographs included in Attachment 1 were taken on April 13, 2023.

Attachment 1: Photographs

Figure 1: General View of Facility Process Area

Figure 2: V-700 Product Decanter

Figure 3: Connections to PK-720 Extruder in Building 610

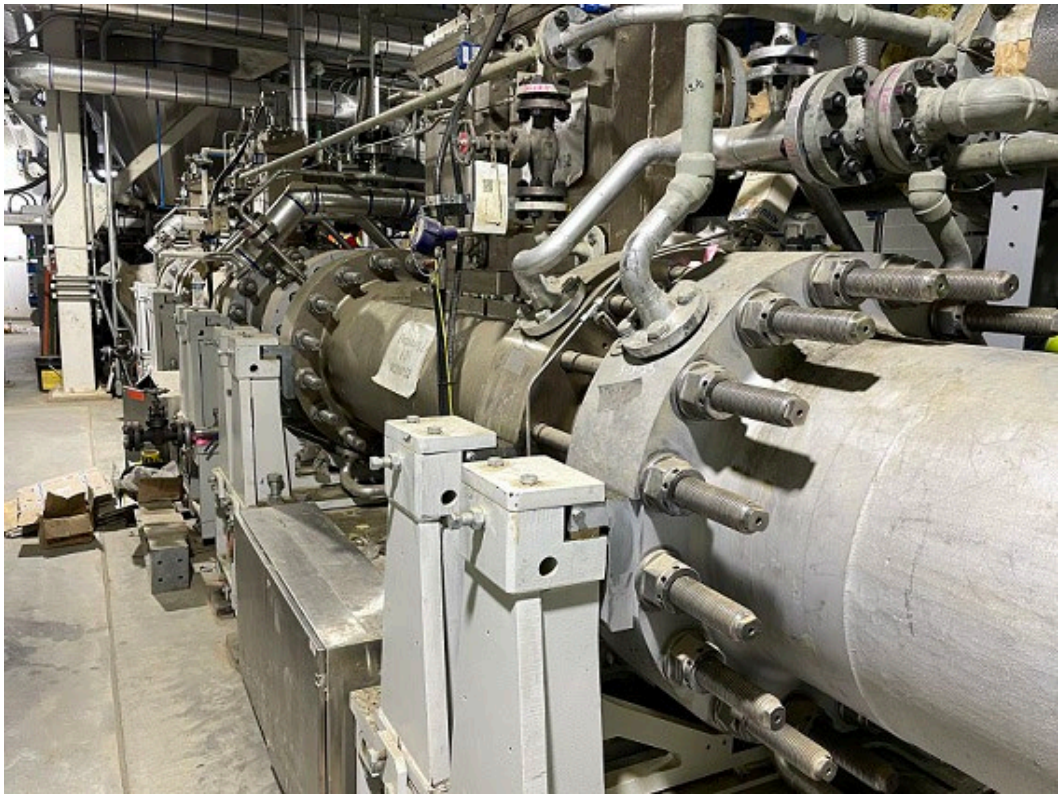

Figure 4: Thermal Oxidizer Area

Figure 5: Completed Finished Product Silos

Figure 6: Commencement of Asphalt Paving