

United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 11, 2022**

PureCycle Technologies, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	001-40234	86-2293091
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
5950 Hazeltine National Drive,	Suite 300,	Orlando
Florida		32822
(Address of Principal Executive Offices)		(Zip Code)

Registrant's telephone number, including area code: **(877) 648-3565**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	PCT	The Nasdaq Stock Market LLC
Warrants, each exercisable for one share of common stock, \$0.001 par value per share, at an exercise price of \$11.50 per share	PCTTW	The Nasdaq Stock Market LLC
Units, each consisting of one share of common stock, \$0.001 par value per share, and three quarters of one warrant	PCTTU	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (Sec.230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (Sec.240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On August 11, 2022, PureCycle Technologies, Inc. (the “Company”) issued a press release, attached hereto as Exhibit 99.1 and incorporated herein by reference, announcing the Company’s financial results for the second quarter of 2022 and certain other information.

The information contained in Item 7.01 concerning the presentation to Company’s investors is hereby incorporated into this Item 2.02 by reference.

Item 7.01. Regulation FD Disclosure.

The slide presentation attached hereto as Exhibit 99.2, and incorporated herein by reference, will be presented to certain investors of the Company on August 12, 2022 and may be used by the Company in various other presentations to investors.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description of Exhibit
99.1	Press release by PureCycle Technologies, Inc. dated August 11, 2022
99.2	PureCycle Technologies, Inc. presentation to investors
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PURECYCLE TECHNOLOGIES, INC.

By: /s/ Lawrence Somma

Name: Lawrence Somma

Title: Chief Financial Officer

Date: August 11, 2022

**PRESS RELEASE****PureCycle Technologies Provides Second Quarter 2022 Update**

-Project debt financing to fund Augusta's first two purification lines and three East Coast PreP facilities expected to be completed by the fourth quarter.

-Received FDA prenotification letter confirming that the company will receive an agency opinion letter for the use of food-grade post-industrial recycled materials for all food types under Conditions of Use A-H, and a Letter of No Objection (LNO) for all food types under Conditions of Use E-G for food-grade post-consumer (stadium trash) recycled feedstock.

-PureCycle's flagship purification facility in Ironton, Ohio, ("Ironton") remains on schedule, targeting mechanical completion in the fourth quarter 2022 and expected pellet production by year-end 2022.

(ORLANDO, Florida – August 11, 2022) – PureCycle Technologies, Inc. ("PureCycle" or "the Company") (NASDAQ: PCT), a U.S.-based company revolutionizing plastic recycling, today announced a corporate update and financial results for the second quarter ending June 30, 2022.

Management Commentary

Dustin Olson, PureCycle's Chief Executive Officer, said, "PureCycle continued to build on its operational momentum during the second quarter of 2022 and execute against its strategic growth plan. The operational start-up of our flagship facility in Ironton remains on track and marks a significant milestone in PureCycle's commercial path to addressing the global plastic waste crisis. Our Augusta multi-line purification facility build-out is underway, with startup now expected to be in the first quarter of 2024. We continued to expand our feedstock supply network, with full allocation of Ironton and the first two lines in Augusta through multi-year commitments.

"PureCycle remains steadfast in its mission to advance the sustainable plastic revolution through its unique purification process. Our inaugural ESG report highlights PureCycle's commitment to sustainability with LCA data expecting to support a lower carbon footprint and reduction in energy expenditure as compared to traditional plastic production. PureCycle aims to mitigate its environmental footprint through proactive evaluation of operational impacts from preprocessing through pellet production. We look forward to updating the market with a more in-depth evaluation once our Ironton facility becomes fully operational."

Larry Somma, PureCycle's Chief Financial Officer, added, "We are pleased that project debt financing is expected to be completed by the fourth quarter of 2022. Upon the anticipated closing of this transaction, we expect to have sufficient capital to fund Augusta's first two purification lines and three East Coast PreP facilities."

Operational Update

PureCycle's flagship purification facility in Ironton remains on track with mechanical completion expected in the fourth quarter 2022 followed by initial pellet production by year-end. We are in the final phases of construction with 14 of the 26 modules delivered and lifted into place. In addition, PureCycle is nearing completion of its feed preprocessing ("PreP") build out and full

commissioning is underway. The Ironton purification facility will have an annual capacity of 107 million pounds per year of Ultra-Pure Recycled ("UPR") resin.

During the second quarter, the Company's engineering, procurement, and construction activities at its first multi-line purification facility in Augusta continued to make progress. Due to the current economic climate, current projections anticipate mechanical completion, startup, and full commissioning in 2024. The PureCycle team is integrating lessons learned, and improvements from the Ironton construction into the Augusta development, which we expect will improve installation efficiency.

On May 25, 2022, PureCycle received a prenotification letter from the United States Food and Drug Administration (FDA) confirming that the company will receive an agency opinion letter for the use of food-grade post-industrial recycled materials for all food types under Conditions of Use A-H, and a Letter of No Objection (LNO) for all food types under Conditions of Use E-G for food-grade post-consumer (stadium trash) recycled feedstock. The Company currently plans for additional testing and intends to make further LNO submissions for additional Post-Consumer Recycled (PCR) sources and expanded conditions of use.

The Company recently announced three leadership changes effective August 5, 2022. Mike Otworth, Chairman of the Board of Directors and CEO of PureCycle, resigned and Dustin Olson, PureCycle's Chief Operating Officer and Chief Manufacturing Officer, was promoted to the role of CEO and joined the Company's Board of Directors. Mr. Olson has been with PureCycle since January 2021, leading technical, manufacturing and project operations. Dan Coombs, a current member of PureCycle's Board of Directors, was appointed, upon Mr. Otworth's departure, to the newly created position of Executive Chairman of the Board of Directors.

Feedstock and Commercial Update

PureCycle has continued to advance the feedstock procurement pipeline, with approximately 329 million pounds of polypropylene under Letter of Intent (LOI), to fully supply the first two lines of PureCycle's Augusta's purification facility. The Company continues to focus on securing feed for additional feedstock capacity and is actively targeting feed streams that are currently being landfilled or incinerated. PureCycle's current feedstock supply pipeline comprises three diverse types of waste streams: post-consumer non-curbide, post-consumer curbide, and post-industrial. During the second quarter, PureCycle's PureZero program expanded its recycling partnerships to include the Jacksonville Jaguars and is continuing with an expanded list of targets outside of stadium venues to advance PureZero concepts.

Augusta's purification lines 1 and 2 are currently 70% allocated through multi-year offtake contractual agreements and commitments, with notable volume derived from packaging converters. PureCycle continues to make progress on negotiations for the remaining 30% of available offtake. The market's continuing interest in PureCycle's UPR resin is demonstrated through the full offtake allocation of the Ironton facility and the acceptance of its Feedstock+ pricing model being implemented at Augusta.

To enhance feedstock supply for the Augusta multi-line purification facility and maximize transportation efficiencies, the Company is continuing to develop three regional feedstock PreP facilities along the East Coast. PureCycle currently anticipates its first regional PreP facility in Central Florida to be operational during the fourth quarter of 2022, with an annual sorting capacity of 115 million pounds of mixed plastic. During the second quarter, PureCycle selected two new locations to supply the Augusta multi-line purification facility: Denver, Pennsylvania, and on-site at the Augusta, Georgia facility. Additionally, the Company anticipates PreP facilities in Denver, Pennsylvania and Augusta, Georgia to be operational in the second half of 2023. The Denver, Pennsylvania PreP facility is expected to have a sort capacity of 175 million pounds annually and the Augusta PreP facility is expected to have a sort capacity of 263 million pounds and wash capacity of 331 million pounds annually.

Liquidity and Capital Resources

As of June 30, 2022, the Company had total liquidity of \$516.4 million including \$349.8 million of cash, cash equivalents and debt securities available for sale and \$166.6 million in restricted cash. PureCycle had \$249.6 million in debt and accrued interest, less \$16.6 million of discount and issuance costs as of June 30, 2022. PureCycle's Ironton flagship purification facility's budget estimate is approximately \$300 million, which was primarily funded through bond financing.

Conference Call

The Company will hold a conference call Friday, August 12 at 11:00 a.m. ET to provide an update on recent corporate developments, including activity from the second quarter and updated future strategic plans.

Second Quarter 2022 Conference Call Details

Date: Friday, August 12, 2022

Time: 11:00 a.m. ET

Participant Registration: [\[Link Here\]](#)

Please register for the conference call using the above link in advance of the call start time. The webcast platform will register your name and organization as well as provide dial-ins numbers and a unique access pin. If you have any difficulty connecting with the conference call, please contact Gateway Investor Relations at (949) 574-3860.

The conference call will have a live Q&A session and be available for replay here and on the Company's website at www.purecycle.com.

Please note there will no longer be a telephonic replay.

A replay of the conference call will be available after 2:00 p.m. Eastern time on the same day through August 12, 2023.

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Forward-Looking Statements

This press release contains forward-looking statements, including statements about the financial condition, results of operations, earnings outlook and prospects of PCT. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements.

Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements are based on the current expectations of the management of PCT and are inherently subject to uncertainties and changes in circumstances and their potential effects and speak only as of the date of this press release. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in the section of PCT's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 entitled "Risk Factors," those discussed and identified in public filings made with the U.S. Securities and Exchange Commission (the "SEC") by PCT and the following:

- PCT's ability to meet, and to continue to meet, applicable regulatory requirements for the use of PCT's UPR resin in food grade applications (both in the United States and abroad);
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- PCT's ability to comply on an ongoing basis with the numerous regulatory requirements applicable to the UPR resin and PCT's facilities (both in the United States and abroad);
- expectations and changes regarding PCT's strategies and future financial performance, including its future business plans, expansion plans or objectives, prospective performance and opportunities and competitors, revenues, products and services, pricing, operating expenses, market trends, liquidity, cash flows and uses of cash, capital expenditures, and PCT's ability to invest in growth initiatives;
- PCT's ability to scale and build the Ironton facility in a timely and cost-effective manner;
- PCT's ability to complete the necessary funding with respect to, and complete the construction of the Augusta facility, its first U.S. cluster facility located in Augusta, Georgia, in a timely and cost-effective manner;
- PCT's ability to sort and process polypropylene plastic waste at its plastic waste prep ("Feed PreP") facilities;
- PCT's ability to maintain exclusivity under the Procter & Gamble Company license;
- the implementation, market acceptance and success of PCT's business model and growth strategy;
- the success or profitability of PCT's offtake arrangements;
- the ability to source feedstock with a high polypropylene content;
- PCT's future capital requirements and sources and uses of cash;
- PCT's ability to obtain funding for its operations and future growth;
- developments and projections relating to PCT's competitors and industry;
- the outcome of any legal or regulatory proceedings to which PCT is, or may become a party, including the recently filed securities class action case;
- the ability to recognize the anticipated benefits of the previously announced business combination consummated on March 17, 2021;
- unexpected costs related to the business combination;
- geopolitical risk and changes in applicable laws or regulations;
- the possibility that PCT may be adversely affected by other economic, business, and/or competitive factors;
- changes in the prices and availability of labor (including labor shortages), transportation and materials, including significant inflation, and PCT's ability to obtain them in a timely and cost-effective manner;
- the potential impact of climate change on PCT, including physical and transition risks, higher regulatory and compliance costs, reputational risks, and availability of capital on attractive terms;
- operational risk; and
- the risk that the COVID-19 pandemic, including any new and emerging variants and the efficacy and distribution of vaccines, and local, state, federal and international responses to addressing the pandemic may have an adverse effect on PCT's business operations, as well as PCT's financial condition and results of operations.

Should one or more of these risks or uncertainties materialize or should any of the assumptions made by the management of PCT prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements.

All subsequent written and oral forward-looking statements or other matters attributable to PCT or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this press release. Except to the extent required by applicable law or regulation, PCT undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

About PureCycle Technologies

PureCycle Technologies LLC., a subsidiary of PureCycle Technologies, Inc., holds a global license for the only patented solvent-driven purification recycling technology, developed by The Procter & Gamble Company (P&G), that is designed to transform polypropylene plastic waste (designated as No. 5 plastic) into a continuously renewable resource. The unique purification process is designed to remove color, odor, and other impurities from No. 5 plastic waste resulting in an ultra-pure recycled (UPR) plastic that can be recycled and reused over and over again, changing our relationship with plastic. www.purecycle.com

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Second Quarter 2022 Corporate Update

August 12, 2022



Forward-Looking Statements

Certain statements in this Presentation contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including statements about the financial condition, results of operations, earnings outlook and prospects of PureCycle Technologies, Inc. ("PCT"). Forward-looking statements generally relate to future events or our future financial or operating performance and may refer to projections and forecasts. Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions (or the negative versions of such words or expressions), but the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements are based on the current expectations of the management of PCT and are inherently subject to uncertainties and changes in circumstances and their potential effects and speak only as of the date of this presentation. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in the section of PCT's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 entitled "Risk Factors," those discussed and identified in public filings made with the U.S. Securities and Exchange Commission (the "SEC") by PCT and the following: PCT's ability to meet, and to continue to meet, applicable regulatory requirements for the use of PCT's UPR resin in food grade applications (both in the United States and abroad); PCT's ability to comply on an ongoing basis with the numerous regulatory requirements applicable to the UPR resin and PCT's facilities (both in the United States and abroad); expectations and changes regarding PCT's strategies and future financial performance, including its future business plans, expansion plans or objectives, prospective performance and opportunities and competitors, revenues, products and services, pricing, operating expenses, market trends, liquidity, cash flows and uses of cash, capital expenditures, and PCT's ability to invest in growth initiatives; PCT's ability to scale and build the Ironton facility in a timely and cost-effective manner; PCT's ability to complete the necessary funding with respect to, and complete the construction of the Augusta facility, its first U.S. cluster facility located in Augusta, Georgia, in a timely and cost-effective manner; PCT's ability to sort and process polypropylene plastic waste at its plastic waste prep ("Feed PreP") facilities; PCT's ability to maintain exclusivity under the Procter & Gamble Company license; the implementation, market acceptance and success of PCT's business model and growth strategy; the success or profitability of PCT's offtake arrangements; the ability to source feedstock with a high polypropylene content; PCT's future capital requirements and sources and uses of cash; PCT's ability to obtain funding for its operations and future growth; developments and projections relating to PCT's competitors and industry; the outcome of any legal or regulatory proceedings to which PCT is, or may become a party, including the securities class action case; geopolitical risk and changes in applicable laws or regulations; the possibility that PCT may be adversely affected by other economic, business, and/or competitive factors; turnover or increases in employees and employee-related costs; changes in the prices and availability of labor (including labor shortages), transportation and materials, including significant inflation, supply chain conditions and its related impact on energy and raw materials, and PCT's ability to obtain them in a timely and cost-effective manner; any business disruptions due to political or economic instability, pandemics, armed hostilities (including the ongoing conflict between Russia and Ukraine); the potential impact of climate change on PCT, including physical and transition risks, higher regulatory and compliance costs, reputational risks, and availability of capital on attractive terms; operational risk; and the risk that the COVID-19 pandemic, including any new and emerging variants and the efficacy and distribution of vaccines, and local, state, federal and international responses to addressing the pandemic may have an adverse effect on PCT's business operations, as well as PCT's financial condition and results of operations.

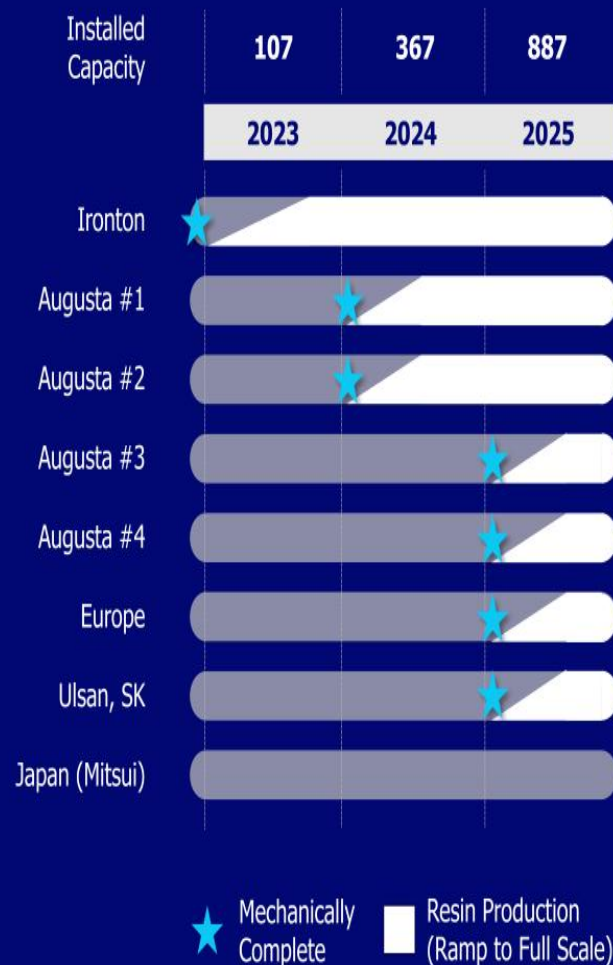
Should one or more of these risks or uncertainties materialize or should any of the assumptions made by the management of PCT prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. All subsequent written and oral forward-looking statements or other matters attributable to PCT or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Presentation. Except to the extent required by applicable law or regulation, PCT undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this Presentation or to reflect the occurrence of unanticipated events.

Q2 Update: Making Strong Operational Progress



OPERATIONS 1	FEEDSTOCK 2	COMMERCIAL 3	FINANCE 4
<ul style="list-style-type: none"> • Ironton flagship facility (expected 107M lbs capacity) targeting mechanical completion in Q4 with pellet production by 2022 year-end • Augusta Phase 1 (expected 260M lbs capacity) is planned to ramp to full capacity in 2024 • Global expansion efforts continue to advance in South Korea, Japan and Europe 	<ul style="list-style-type: none"> • Ironton Feed PreP operations expected to come online in 3Q22; developing three PreP locations for the Augusta project • 111M lbs of new Feedstock LOIs were signed for Augusta purification facility • PureZero announced new partnership with Jacksonville Jaguars to begin September 2022 	<ul style="list-style-type: none"> • FDA: Received prenotification letter for two different feedstock streams • Augusta Lines 1&2 Sales Pipeline: 205 million pounds of multi-year offtake agreements under final negotiation • Continue to expand commercial agreement footprint beyond consumer projects, through converters and compounders 	<ul style="list-style-type: none"> • Senior debt project financing for Augusta Lines 1&2 and three PreP facilities expected to be completed by Q4 2022 • Allocated \$173M to the Augusta project to support 2024 full commissioning • Ended Q2 2022 with \$516M in total cash and investments

Continuing Our Global Path to a Billion Pounds per year

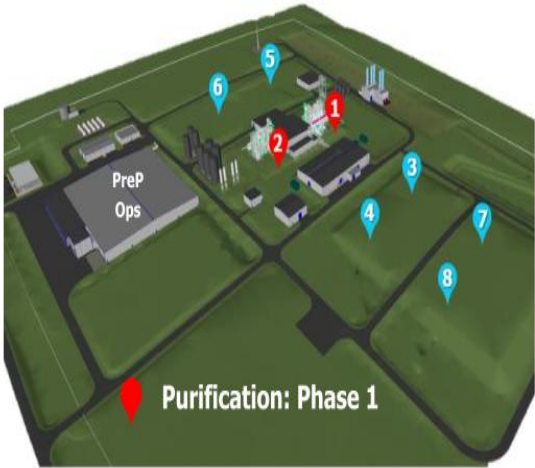


Ironton Schedule Update

- 14 out of 26 modules delivered and lifted in place
- Nearing completion of PreP buildout; initial commissioning underway
- Ironton project tracking for mechanical completion and to start operational commissioning in Q4
- **Targeting initial pellet production by year end**



100

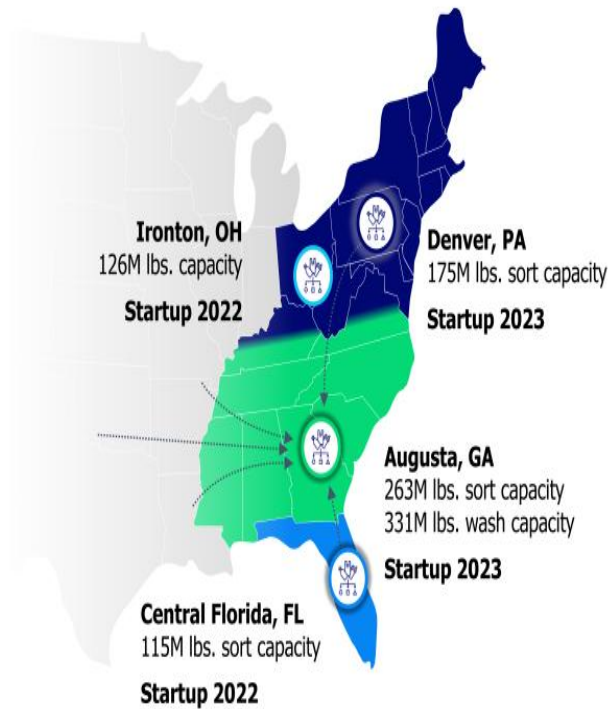


- Engineering activities are on track, long lead equipment is on order, key construction contracts are in place, and minor site work has commenced
- Significant progress developing Feed PreP operations; first facility is 90% complete
- Augusta project leveraging the same key strategic partners from Ironton; KMPS, Denham-Blythe, Gulfspan, Emerson, and Krauss Maffei to increase confidence in maintaining scheduled delivery
- Current projections anticipate mechanical completion, startup, and full commissioning in 2024



* Expected timeline given current project estimates

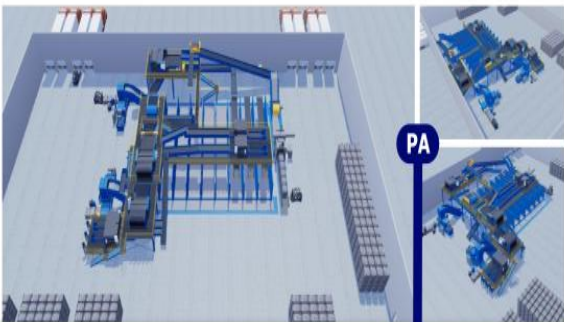
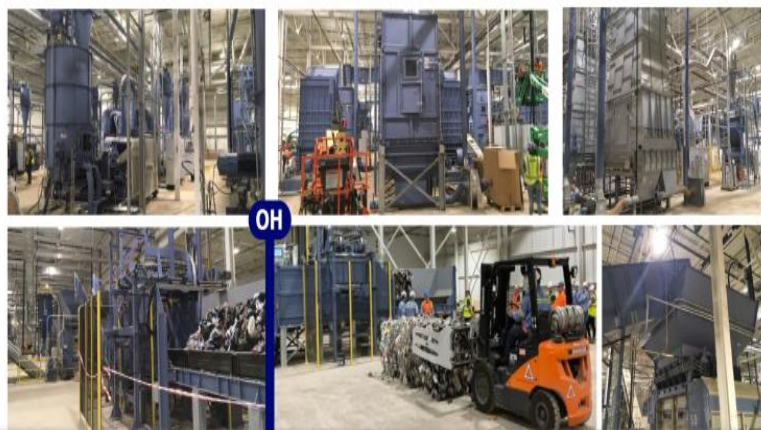
US PreP Strategy: Ironton vs Augusta



	Ironton	Augusta
PreP Location	<ul style="list-style-type: none"> Ironton 	<ul style="list-style-type: none"> Orange County, FL Augusta, GA Denver, PA
Target Feed	<p><i>High PP% Yield Streams</i></p> <ul style="list-style-type: none"> High #5 Bales Film Fiber 	<p><i>Lower PP% Yield Streams</i></p> <ul style="list-style-type: none"> Low #5 Bales (Augusta) #3-7 Bales (FL, PA) #1-7 Bales (FL, PA)
PreP Functions	<ul style="list-style-type: none"> Advanced Sort Wash Grind Densify 	<ul style="list-style-type: none"> Advanced Sort Wash (only Augusta) Grind (only Augusta) Densify

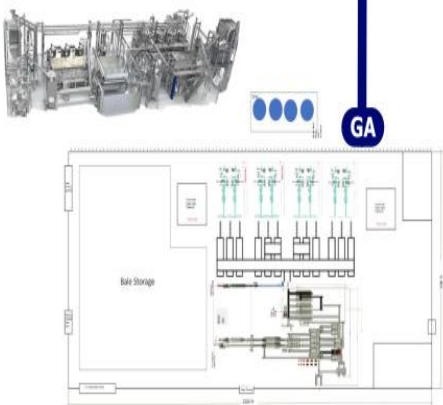
*Timelines are estimated given current project estimates
Capacity values are nameplate capacity and not adjusted for reliability or utilization losses*

Executing on Our Feed PreP Strategy



2023

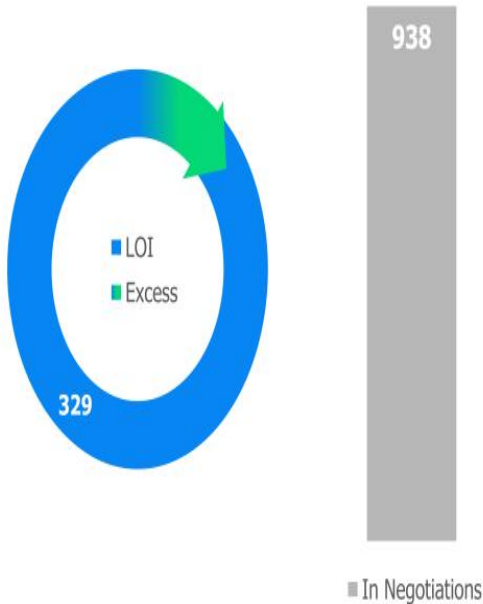
2024



>100% of Feedstock for Augusta Lines 1&2 Under LOIs

Feedstock Pipeline Augusta Lines 1&2

(Millions Pounds)



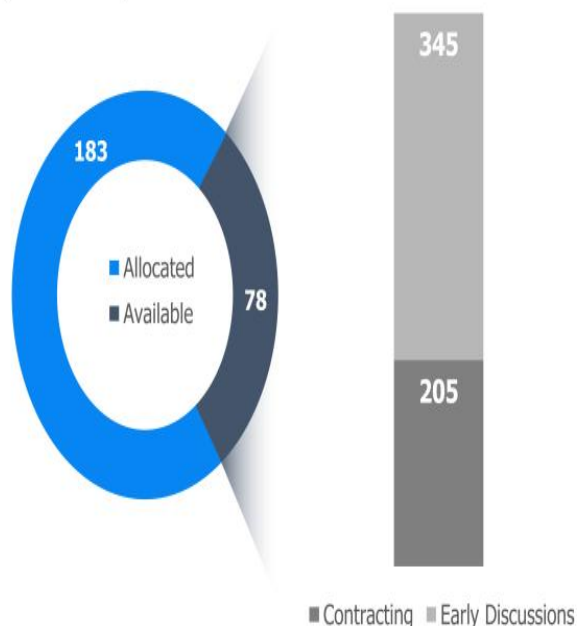
- Augusta Lines 1&2 feedstock is fully secured under LOIs with a coverage ratio of 1.14x; Team is now focused on securing feedstock for Augusta Lines 3&4
- R&D focus to target new feed streams that are being landfilled or incinerated
- Born Digital platform will provide transparent lifecycle tracking of feedstock to final product
- Developing asset optimization strategies to create unique UPR grades across different purification lines

1. Internal Company Estimates
2. LOI deal volume is based on expected PP% yield for each feedstock stream
3. In Negotiations are deals where volumes are defined and testing is being done on feedstock samples to determine viability

Detailed Application Discussions with Brand Owners

Sales Pipeline Augusta 1&2

(Million Pounds)



- Ironton sold out; Effort now focused on final application development with brand managers
- Augusta Lines 1&2 are 70% allocated. Larger sales pipeline available to help fill unsold inventory
- 205M lbs of offtake currently in final contract negotiations
- Active planning with numerous brands for consumer product applications
- Sales cycle shortening as Ironton and Augusta projects progress

1. Pipeline is comprised of allocated (contracted and partners where PCT has volume obligations), contracting (deal terms under discussion), and early discussions (deal volume has been stated)

Completed Step 1 with FDA



- Prenotification letter indicates that an FDA LNO has been achieved
- Current approval is for food-grade post-industrial A-H and food-grade post-consumer, stadium trash E-G
- Familiarized FDA with PureCycle purification technology
- Established future testing methodology to expand LNO



- Further FEU testing planned to expand LNO to include additional feedstocks and application conditions
- Our targeted feed streams will include curbside and other underutilized feedstock so we can leverage our technology to reduce landfill and incineration

Q2 Liquidity and Changes from Prior Quarter

(IN MILLIONS)	Mar. 31, 2022	June 30, 2022	change
Cash and Cash Equivalents	\$198.2	\$118.5	\$(79.7)
Debt Securities Available for Sale	219.8	231.3	11.5
Total Unrestricted	\$418.0	\$349.8	\$(68.2)
Restricted Cash			
Plant 1 project fund (Ironton, OH)	\$79.7	\$52.2	\$(27.5)
Letter of Credit for Ironton, OH utilities	2.1	2.1	-
Other corporate requirements	1.5	1.5	-
Reserve Requirements per Revenue Bonds			
General Liquidity Reserve	50.0	50.0	-
Capitalized Interest and Debt Reserves	55.6	46.4	\$(9.2)
Other Required Reserves	3.0	14.4	\$11.4
Total Restricted	\$191.9	\$166.6	\$(25.3)
Total Available	\$609.9	\$516.4	\$(93.5)

Summary of Liquidity Changes

• Unrestricted Cash

- \$36.9M for Augusta and PreP start-up costs and long-lead equipment
- \$11.4M shift to other reserves per Bond agreement
- \$6.3M payroll and benefits
- \$5.6M additional Ironton investment
- \$8.0M general corporate

• Ironton and Restricted Cash

- \$27.5M draw for construction progress payments
- \$9.2M semi-annual interest payment from reserve account

PureCycle Continues to Execute

1

Ironton on-track for **Q4 2022 pellet production**; Augusta construction underway

5

Feedstock **PreP strategy is on track** with Ironton and Central Florida startup in 2022

2

FDA Prenotification Letter received for Food-Grade Post-Industrial & Food-Grade Post-Consumer Stadium Trash

6

Continue to **broaden the end applications** of PureCycle resin through converters and specialty compounders

3

Ironton offtake **fully allocated** and Augusta first two lines **70% allocated**

7

Ended Q2 2022 with **\$516M in total cash & investments**

4

100% of Augusta's feedstock for the first two lines are under LOIs; strong overall feedstock discussions

8

Broadened the **experience of our board** and continued to **recruit top talent**

Second Quarter 2022 Corporate Update

August 12, 2022



