20% Discount Offer for

Pre-Issuance Supplement to Private Placement Memorandum

Project Phoenix Revenue Bonds –

$1.99 Billion Offering

Dated: [●], 2025

This **20% Discount Pre-Issuance Supplement** (the "Supplement") forms part of, and must be read together with, the Private Placement Memorandum dated July 1, 2025 (the "PPM") relating to the offering of Project Phoenix Revenue Bonds (the "Bonds").

This Supplement, which reflects the availability of a **20% discount** on Pre-Issuance Subscriptions, is delivered to prospective investors in connection with the solicitation of such subscriptions. Capitalized terms used but not defined herein have the meanings ascribed to them in the PPM.

1. Issuer and Security Structure

The $1.99 billion Bonds will be issued by Project Phoenix I SPV LLC, a Delaware limited liability company formed and managed by Tailored Bonds LLC (the "Issuer"). The Bonds will be secured by revenues derived from oil production rights in Libya assigned pursuant to a Revenue Assignment and Security Agreement dated May 9, 2025 (the "RASA"). Under the RASA, Tailored Bonds holds the rights to production & revenues from 42 capped oil wells in Block NC129, Libya, which are governed by an Exploration and Production Sharing Agreement (the "EPSA") between the National Oil Corporation of Libya and WWH Investments LLC, a U.S.-based energy group. These Assigned Revenues have been irrevocably conveyed to Tailored Bonds and will be pledged by the Issuer to the Trustee under the Trust Indenture for the benefit of Bondholders.

2. Nature of Pre-Issuance Subscriptions

Investors may subscribe for Bonds prior to the execution of the Trust Indenture and the formal issuance of the Bonds (a "Pre-Issuance Subscription"). Funds advanced pursuant to such a subscription will be paid directly to the Issuer SPV and will be available for immediate use by the Issuer SPV from the time of receipt.

Until the Bonds are formally issued, all such advances will be treated as an unsecured loan to the Issuer SPV, accruing interest at the rate of 5.00% per annum, calculated on a 30/360 basis. Upon issuance of the Bonds and satisfaction of the closing conditions described in the Private Placement Memorandum, all Pre-Issuance Subscriptions, together with accrued interest, will automatically convert into Bonds at a **20% discount to par value**. Accordingly, for each $1,000 advanced pursuant to a Pre-Issuance Subscription, an investor will receive Bonds in the principal amount of $1,250. In the event that the Bonds are not issued by the long-stop date specified in the Subscription Agreement, the Issuer SPV will be obligated to repay to investors the full amount of their Pre-Issuance Subscriptions together with the interest accrued thereon, in full satisfaction of its obligations under the Pre-Issuance Subscription Agreement.

3. Early Commitment Rights

In consideration of committing funds prior to issuance, Pre-Issuance Subscribers will be entitled to certain preferential rights. Each Pre-Issuance Subscriber shall receive first-priority allocation of Bonds up to the full amount of its subscription, thereby ensuring that early commitments are not subject to scale-back in the event of oversubscription. All funds advanced prior to issuance shall accrue interest at a rate of 5.00% per annum, calculated on a 30/360 basis, payable in cash upon conversion into Bonds or upon repayment in the event that issuance does not occur.

In addition to the foregoing, each Pre-Issuance Subscriber shall be entitled to a one-time bonus allocation equal to two percent (2.0%) of the principal amount subscribed, such bonus to be effected by the issuance of additional Bond principal at closing. This bonus allocation shall constitute an enhancement to the economic terms of the Bonds and shall not reduce or otherwise affect the security package or rights of any other Bondholders.

Furthermore, Pre-Issuance Subscribers shall be entitled to a contingent participation enhancement in respect of the Issuer's artificial intelligence venture portfolio. Specifically, if aggregate net profits realized from the AI venture portfolio exceed two billion U.S. dollars (US$2,000,000,000), then Pre-Issuance Subscribers shall be entitled, on a pro rata basis according to their subscribed principal, to an additional one percent (1.0%) carried interest participation in such profits, in addition to the ten percent (10%) base carried interest participation described in the Private Placement Memorandum.

4. Additional Risk Factors

In addition to the risk factors described in the Private Placement Memorandum, prospective Pre-Issuance Subscribers should carefully consider the following:

Use of Funds Prior to Issuance. Subscription funds will be advanced directly to the Issuer SPV and will be available for immediate use prior to the formal issuance of the Bonds. In the event the Bonds are not issued, repayment of such funds will depend on the financial capacity of the Issuer SPV. Although the Subscription Agreement obligates repayment with accrued interest, investors bear the risk that such repayment may be delayed or impaired.

Conditionality of Issuance. The Bonds will not be issued unless the Trust Indenture is executed, a Trustee is duly appointed, and customary closing conditions are satisfied. There is no assurance that these conditions will be met within the anticipated timeframe or at all.

Reliance on Assigned Revenues. The security of the Bonds depends on the continuing validity and enforceability of the Revenue Assignment and Security Agreement dated May 9, 2025, pursuant to which Tailored Bonds LLC has received assignment of revenues arising from Block NC129 in Libya. Any dispute relating to, or impairment of, the assigned revenues, whether contractual, regulatory, or political, could adversely affect the Issuer's ability to service the Bonds.

Single-Purpose Issuer. The Issuer SPV is a newly formed special-purpose entity with no operating history and no assets other than its rights in respect of the assigned revenues and any proceeds thereof. Investors rely entirely on the structure established by the RASA, the Trust Indenture, and the administration of Tailored Bonds LLC as sponsor and manager.

Bonus Allocation and AI Participation. Pre-Issuance Subscribers will receive certain economic enhancements, including a two percent (2.0%) bonus allocation of Bond principal and the potential to earn an additional one percent (1.0%) carried interest participation in the Issuer's AI venture portfolio in the event aggregate net profits exceed US$2 billion. These enhancements increase the obligations of the Issuer relative to later investors, and while intended as compensation for early risk, they may also increase the financial burden on the Issuer in the event of underperformance. Investors should not construe these enhancements as reducing or mitigating the risks inherent in subscribing for Bonds prior to issuance.

5. Subscription Process

Investors who wish to participate in a Pre-Issuance Subscription must review this Supplement together with the Private Placement Memorandum in its entirety. Subscriptions are effected by executing the Pre-Issuance Subscription Agreement provided by the Issuer and delivering the executed agreement, together with the full subscription amount, by wire transfer to the account designated in Exhibit A of such agreement. Upon receipt, the Issuer will confirm the subscription in writing and record the investor's entitlement to priority allocation, accrual of pre-issuance interest, and bonus allocation rights as described herein. Conversion of Pre-Issuance Subscriptions into Bonds will occur automatically upon issuance, and in the event that issuance does not occur by the specified long-stop date, funds will be repaid in accordance with the terms of the Subscription Agreement.

This Supplement should be read in conjunction with the Project Phoenix I Revenue Bonds (Issuance Amount: $1.99 billion) PPM in its entirety. Together, the PPM and this Supplement describe the full terms, conditions, and risks of participating in a Pre-Issuance Subscription for the Bonds.