

**NO. S-S208894
VANCOUVER REGISTRY**

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c.57, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF URTHECAST
CORP., URTHECAST INTERNATIONAL CORP., URTHECAST USA INC, 1185729 B.C. LTD.
AND THOSE OTHER PETITIONERS SET OUT ON THE ATTACHED SCHEDULE "A"

SECOND REPORT OF THE MONITOR

ERNST & YOUNG INC.

September 23rd, 2020

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SECOND REPORT OF THE MONITOR**

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INTRODUCTION

1. On September 4, 2020 (the “**Filing Date**”) this Honourable Court granted UrtheCast Corp. (“**UrtheCast**”), 1185729 B.C. Ltd. (“**729 BC**”), UrtheCast International Corp., UrtheCast USA Inc., 1185781 B.C. Ltd. (“**781 BC**”), Deimos Imaging S.L.U., DOT Imaging S.L.U., Geosys Australia PTY, Geosys do Brasil Sistemas de Informacao Agricolas Ltda., Geosys Europe Sarl, Geosys Holding, ULC (was Geosys Technology Holding LLC), Geosys-Int'l, Inc., Geosys S.A.S. “**Geosys SAS**”, UrtheCast Holdings (Malta) Limited, UrtheCast Imaging S.L.U., UrtheCast Investments (Malta) Limited, UrtheDaily Corp., (collectively, the “**UrtheCast Group**” or the “**Petitioners**”), relief under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”).
2. The initial Order (the “**Initial Order**”), *inter alia*:
 - a) appointed Ernst & Young Inc. (“**EY**”) as monitor of the Petitioners (the “**Monitor**”) in these CCAA proceedings (the “**CCAA Proceedings**”); and
 - b) granted a “**Stay of Proceedings**” to September 14, 2020 (the “**Stay Period**”).
3. On September 14, 2020, this Honourable Court granted an order (the “**Amended and Restated Initial Order**”) that, among other things:
 - a) extended the Stay Period to October 2, 2020 (the “**First Stay Extension**”); and
 - b) approved the 126 DIP Commitment Letter (term defined below) and the Interim Lender’s Charge (term defined below) of USD \$1 million.
4. A more fulsome introduction and timeline of events resulting in the within proceedings is provided in the Proposed Monitor Report dated September 3, 2020 (the “**Proposed Monitor’s Report**”) and the First Report of the Monitor (the “**First Report**”) dated September 10, 2020.
5. To date, the Court has granted the following “**Charges**” that rank in the following order:

- a) an Administration Charge in the amount of \$500,000 in favour of legal counsel for the UrtheCast Group, the Monitor, and independent counsel to the Monitor, as security for professional fees and disbursements incurred both before and after the making of the Initial Order in respect of the within proceedings;
 - b) the Interim Lender's Charge of \$1,000,000 USD (described below); and
 - c) the Directors' Charge of \$350,000 as security for an indemnity provided by the Petitioners to its directors and officers as described in the Proposed Monitor's Report and the Amended and Restated Initial Order; and
 - d) the Intercompany Charge as described in the First Report and the Amended and Restated Initial Order.
6. The Monitor has established a website at www.ey.com/ca/urthecast (the "**Monitor's Website**"). All court documents and certain other documents will be posted on the Monitor's Website.
7. The purpose of this "**Second Report**" is to provide this Honourable Court with information on the following:
- a) condensed background information on the Petitioners;
 - b) specific relevant background pertaining to the Geosys Operation (defined below);
 - c) the relief sought by the Petitioners in connection with Second DIP Lender Term Sheet;
 - d) restructuring initiatives being undertaken by the Petitioners; and
 - e) the Monitor's recommendations.

TERMS OF REFERENCE

8. In preparing this Second Report and making the comments herein, the Monitor has been provided with, has herein relied upon, unaudited financial information, books, records and financial information prepared by the Petitioners, discussions with certain management of the Petitioners (“**Management**”), and information from other third party sources (collectively, the “**Information**”). Except as described in this Second Report in respect of the Cash Flow Forecast:
- a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards (“**GAAS**”) pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and
 - b) some of the information referred to in this Second Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the *Chartered Professional Accountants Canada Handbook*, has not been performed.
9. Future oriented financial information referred to in this Second Report was prepared based on Management’s estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not readily and currently ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be material.

10. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in this Second Report concerning the Petitioners and their business is based on the Information, and not independent factual determinations made by the Monitor.
11. All capitalized terms used herein that are undefined have the meanings ascribed thereto in the Proposed Monitor's Report, the Amended and Restated Initial Order or the DIP Commitment Letter.
12. Unless otherwise stated all monetary amounts contained herein are expressed in Canadian Dollars.

CONDENSED BACKGROUND INFORMATION

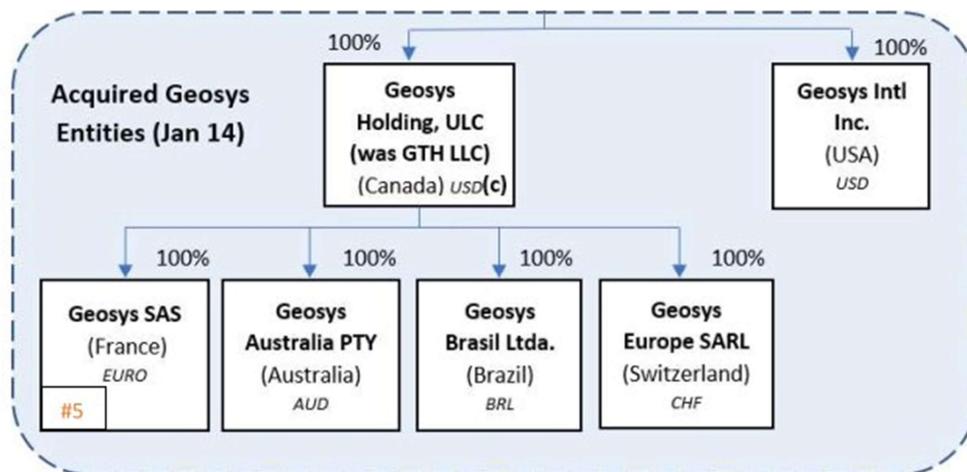
13. UrtheCast is the overall corporate parent of the UrtheCast Group of companies. It is a public entity listed on the Toronto Stock Exchange under the ticker symbol "UR" and it maintains its Corporate head office in Vancouver, British Columbia.
14. A copy of UrtheCast's organization chart prepared by management was attached to the Proposed Monitor's Report as Appendix "B".
15. The UrtheCast Group is a vertically integrated company that provides satellite imaging, data services and geanalytics through subsidiaries incorporated in the United States, Spain, France, Australia, Switzerland, Brazil, Russia, Barbados and Malta.
16. The UrtheCast Group's primary tangible assets consist of:
 - a) two (2) earth observation ("EO") satellites that are currently deployed in outer space known as the Deimos-1 and Deimos-2 satellites (the "**Deimos Satellites**");
 - and

- b) two EO sensors and related equipment currently installed aboard the Russian module of the International Space Station (the "**ISS Cameras**", and collectively with the Deimos Satellites, the "**Orbital Assets**").
17. The Deimos Satellites are owned within UrtheCast Spain which is incorporated under the laws of Spain and are encumbered by a senior secured loan payable to Banco de Sabadell, S.A. pursuant to a Spanish loan agreement dated December 11, 2015, between Banco de Sabadell, S.A. and UrtheCast Imaging, S.L.U. (the "**Sabadell Term Loan**").
18. Additionally, in January 2019, UrtheCast acquired an operating unit called Geosys (the "**Geosys Operation**") which provides scientific grade weather and satellite data and proven methodologies for monitoring and benchmarking agricultural crops. Geosys operates primarily in Maple Grove, Minnesota and Toulouse, France in entities incorporated under the laws of those countries.
19. The UrtheCast Group's go-forward business plan has been focused on the development of the following two (2) major EO projects which the Petitioners forecast will generate significant revenue once operational:
- a) **OptiSAR Constellation Project:** a project which incorporates synthetic aperture radar ("**SAR**") sensory technology into a constellation of synchronized satellites;
and
 - b) **UrtheDaily Constellation Project:** a project focusing on the development of a second constellation of synchronized satellites equipped with optical EO sensors which would be the first earth observation system to provide scientific-quality, analytics-ready imagery of the entire earth (excluding Antarctica) every day.
20. Moreover, the UrtheCast group is developing software and related infrastructure to facilitate EO imagery processing and distribution at scale (the "**UrthePipeline**"). The UrthePipeline

has commenced offering some services. Once completed, the technology will form an integrated part of the ground segment for the UrtheDaily Constellation.

THE GEOSYS OPERATION

21. Urthecast acquired the Geosys Operation from Land O'Lakes Inc. ("**Land O'Lakes**") in January 2019 (the "**Geosys Acquisition Transaction**") for USD \$20 million (the "**Geosys Purchase Price**"), payable by Urthecast in three installments. Land-O' Lakes is a very large member-owned agricultural cooperative based in Minnesota USA that focuses on the dairy industry.
22. The organizational structure for the Geosys Operation is as follows:



23. Two of the three installments, totaling USD \$15 million, are currently outstanding on the Geosys Purchase Price.
24. Following the Geosys Acquisition Transaction, a subsidiary of Land O'Lakes entered into a long-term license and services agreement with the Urthecast Group for the provision of satellite imagery services (the "**Services Agreement**").
25. The Monitor is advised that Geosys Intl Inc. (incorporated under the laws of the USA) manages the Services Agreement. Geosys SAS (incorporated under the laws of France) is

located in Toulouse, France and provides support services through the employment of approximately 65 personnel in France to enable the provision of services required under to Services Agreement. The Monitor is further advised that Geosys SAS primarily does not possess any assets of material value and that it relies on intercompany funding to fund ongoing payroll and other costs that are required to service, amongst other things, the Services Agreement.

26. In August 2020, the Urthecast Group did not possess the liquidity to advance funding into Geosys SAS to pay 2020 employment bonuses owing to personnel employed in France. Given these and other factors that are unique to France (including the prospect of criminal liability for management), Geosys SAS determined that it was required under French law to initiate bankruptcy proceedings in a French Court.
27. The other Petitioners together with Geosys SAS, the Monitor and each party's respective legal counsel explored the option of having a French Court recognize the within CCAA proceedings as a foreign main proceeding to enjoin the two proceedings for administration purposes; however there is no common legal framework between Canada and France to accommodate this outcome and a unique bankruptcy proceeding in France is the likely viable path forward for Geosys SAS. Particularly, France is not a participant in the United Nations Commission on International Trade Law ("**UNCITRAL**") model law for commercial insolvencies.
28. The Monitor is advised that Geosys SAS filed bankruptcy materials with the Toulouse Commercial Court on September 18, 2020, and an initial hearing occurred on September 22, 2020, where the French Court considered the affairs of Geosys SAS as well as options for bankruptcy under French law. Attached hereto as **Appendix "A"** is a copy of the certificate to commence legal proceedings in Toulouse Commercial Court.

29. A further hearing has been scheduled for September 30, 2020 at which point it is anticipated that Geosys SAS will enter formal bankruptcy proceedings pursuant to one of the following administrative proceedings under French law:
- a) a “Redressement Judiciaire” which is a type of bankruptcy proceeding in France that allows a corporate debtor to continue operating while it formulates a plan to deal with its insolvency issues. In this type of proceeding, a corporate debtor enjoys the benefit of a stay of proceedings, continues to operate and has the ability to borrow funds on a priority basis. This process is overseen by the French Court and is similar to CCAA proceedings.
 - b) A “Conciliation” which is a type of bankruptcy proceeding in France which a corporate is afforded some time to arrange for the payment in full of its obligations and present the French Court with a go-forward business plan. In this type of proceeding, there is no stay of proceedings in a Conciliation, and the corporate debtor has the ability to borrow funds on a priority basis.

PROPOSED NEW DIP FACILITY

Background

30. On September 14, 2020, this Honourable Court approved a DIP charge of \$1,000,000 USD in favour of 1262743 B.C. Ltd. (“**126**”) (the “**Interim Lender’s Charge**”) as security for advances made by 126 pursuant to a commitment letter entered into between the parties (the “**126 DIP Commitment Letter**”). The 126 DIP Commitment Letter included an annualized interest rate of 18%.
31. In its Second Report, the Monitor noted that the 126 facility provided the Petitioners with sufficient liquidity and cash flow to fund their ongoing obligations until at least October 3, 2020 (being the Stay Extension Period); although Management was undertaking efforts to secure

the additional interim financing to, a) continue operations beyond the Stay Extension Period, and b) enable to the Petitioners to develop and implement a Sale and Investment Solicitation Plan (“**SISP**”) for core elements of the Petitioners’ go-forward business plan and the sale of non-core assets.

32. The solvency issues and pending bankruptcy of Geosys SAS increased and magnified the urgency of obtaining access to the necessary interim financing for the purposes described above.

The Second DIP Term Sheet

33. The Monitor notes that the Petitioners advanced discussions with two (2) additional parties with respect to providing a further DIP Facility and on September 22, 2020, the Petitioners executed a Term Sheet (the “**Second DIP Term Sheet**”) with HCP-FVL, LLC (“**Hale**”), a copy of which is attached hereto as **Appendix “B”**.

34. The key financial terms of the Second DIP Term Sheet include the following:

a) a “**Maximum Loan Amount**” of USD \$5 million available subject to the “**Funding Conditions**” outlined in the Second DIP Term Sheet which include:

- i. approval by this Honourable Court of the Second DIP Term Sheet together with the creation of a priority charge of \$5,000,000 USD as security for funds advanced thereunder; and
- ii. recognition orders or such other orders that have substantially the same effect as recognition orders in respect of the Second DIP Order in any foreign jurisdiction in which the Petitioners operate or hold assets, including, without limitation, the United States and France, if, in the opinion of Hale, such foreign Court Orders relating to the CCAA Proceedings, the Second DIP Order and any other Court Order (as may be required by the

Hale in its sole discretion) in such foreign jurisdiction is necessary for the protection or preservation of Hale's security and priority (each, a "**Recognition Order**");

- b) a 120 day maturity date on all borrowings;
- c) an interest rate of 18% per annum;
- d) a standby fee of 2% per annum on any undrawn portion of the loan;
- e) a commitment fee of 3% on all advances;
- f) an exit fee of a maximum of \$400,000; and
- g) the requirement of the Petitioners to meet the following "**Milestones**":
 - i. issuance of a SISP Order – October 15, 2020;
 - ii. development of a Plan of Arrangement – November 30, 2020;
 - iii. issuance of a Meeting Order – December 8, 2020;
 - iv. Creditors Meeting – January 12, 2021;
 - v. CCAA Plan Sanction Order – January 14, 2020; and
 - vi. CCAA Plan Implementation – January 20, 2021.

35. Accordingly, the Petitioners are seeking a charge (the "**Senior Interim Lender's Charge**") in the amount of USD \$5 million that ranks behind the Administration Charge and in priority to the Interim Lender's Charge provided however that the Hale Interim Lender must either obtain the Interim Lender's consent or the Interim Lender must be paid any amounts owing pursuant to the Commitment Letter prior to any advance above USD \$2 million being secured by the Senior Interim Lender's Charge.

The Monitor's Observations

36. The Petitioners are not currently seeking an extension to the Stay of Proceedings beyond October 3, 2020. However, Management with the assistance of the Monitor has preliminarily developed an updated cash flow forecast (the “**Cash Flow Forecast**”) for the period beginning on September 23, 2020 and ending on December 18, 2020 which assumes the Petitioners have full access to the Maximum Loan Amount under the Second DIP Term Sheet. A copy of the Cash Flow Forecast together with assumptions is attached hereto as **Appendix “C”** and is summarized below:

	To December 18, 2020
Beginning Cash	\$1,753,000
Receipts	\$478,000
Disbursements	
AWS	(60,000)
Payroll	(2,216,000)
Restructuring Fees	(2,564,000)
Intercompany (Geosys)	(333,000)
Intercompany (Deimos)	(382,000)
Payment to Interim Lender (126)	(1,355,000)
Miscellaneous	(540,000)
Ending Cash Balance	\$(5,050,000)
Interim Financing Draw	\$6,600,000
Ending Cash after Interim Financing	\$1,381,000

37. Should the Petitioners have access to the Maximum Loan Amount pursuant the Second DIP Term Sheet, the Cash Flow Forecast projects that the Petitioners will have sufficient liquidity to fund the within CCAA proceedings through to the end of the year (including the Geosys Operation). The Monitor is of the view that this scenario will provide the Petitioners with the necessary funding and “breathing space” to design and implement a SISF to enable a restructuring of the Petitioners or sale of the assets.
38. The Monitor notes that the financial terms outlined above are fair, reasonable and consistent with similarly risked precedent loans. Moreover, the Monitor notes that the interest rate

proposed is consistent with the interest rate approved by this Honourable Court in connection with the 126 DIP Commitment Letter.

39. Lastly, the Monitor notes that some of the Funding Conditions set out in the Second DIP Term Sheet are onerous on the Petitioners and afford Hale a significant degree of oversight in the restructuring process. The Monitor is of the view that these conditions, while not typical in interim financing arrangements, are due in part to, a) the timeframe and urgency in securing the agreement, b) the complexity of the Petitioners' business and the multiple jurisdictions over which they operate, and c) the illiquid nature of the Petitioners' intangible assets that will secure advances made under the Second DIP Term Sheet. The Monitor notes that the outside date to resolve the conditions precedent is October 30, 2020.

CURRENT RESTRUCTURING INITIATIVES

40. As is noted above, the Petitioners are not currently seeking an extension of the Stay Period beyond October 3, 2020. The Petitioners continue to consult with the Monitor on a broad range of restructuring initiatives including, a) the development of a SISP for core elements of the Petitioners' go-forward business plan, and b) the sale of non-core assets.
41. The Monitor anticipates that the Petitioners will be seeking the approval of a SISP in short order following further consultation with key stakeholders and Hale; possibly in connection with an application to extend the Stay Period beyond October 2, 2020.

CONCLUSIONS AND RECOMMENDATIONS

42. For the reasons stated herein, the Monitor supports the relief sought by the Petitioners and recommends that this Honourable Court approve the Second DIP Term Sheet and the Senior Interim Lender's Charge.

All of which is respectfully submitted this 23rd day of September, 2020.

ERNST & YOUNG INC.

in its capacity as Monitor
of the UrtheCast Group and not in its personal or corporate capacity

Per:



Michael Bell, CPA, CA, CIRP, LIT
Senior Vice President



Philippe Mendelson, CIRP, LIT
Vice President

Appendix A

GREFFE DU TRIBUNAL DE COMMERCE
TOULOUSE

CERTIFICAT

Le soussigné, greffier du tribunal de commerce de Toulouse,
certifie avoir reçu ce jour, conformément aux articles R. 631-1 et R. 640-1 du code de
commerce, une Demande d'ouverture d'une procédure de redressement judiciaire de :

**La SAS GEOSYS
2 rue Joseph Hubert
B-Park - Bâtiment B
31130 BALMA**

En foi de quoi a été délivré le présent certificat, pour servir et valoir ce que de droit.

Fait à Toulouse, le 18/09/2020

Le Greffier.

Appendix B

**DIP FACILITIES LOAN AGREEMENT
DATED AS OF SEPTEMBER 21, 2020**

Summary of Terms and Conditions (“**Term Sheet**”)
\$5,000,000 Secured Super-Priority Debtor-in-Possession Credit Facilities

This document is highly confidential and neither this document nor the identity of the lender listed on the signature page hereof (“**Lender**”) shall be disclosed to any person other than UrtheCast Corp., its subsidiaries (collectively “**UrtheCast**”) or its financing advisors (insofar as such advisors have been informed of, and agree to abide by, the confidentiality of this Term Sheet), and as required to be disclosed in connection with any court proceeding contemplated herein, without the prior written consent of Lender. Term Sheet is subject to the terms of the Confidentiality Agreement dated September 14, 2020 by and among Lender and UrtheCast.

Borrower: UrtheCast Corp. (an Ontario, Canada corporation), 1185729 B.C. Ltd. (a British Columbia, Canada corporation), 1185781 B.C. Ltd. (a British Columbia, Canada corporation), UrtheCast International Corp. (a Canadian corporation), Geosys Holding, ULC (was Geosys Technology Holding LLC) (a British Columbia, Canada corporation) and Urthedaily Corp. (a British Columbia, Canada corporation) (collectively, the “**CAD Borrower**”), and Geosys Europe Sarl (a Switzerland corporation), UrtheCast USA Inc. (a Delaware, USA corporation), Geosys-Int’l, Inc. (a USA corporation) and Geosys S.A.S. (a France corporation) (collectively with the CAD Borrower, the “**Borrower**”) during the pendency of the CCAA (as defined below) proceeding (the “**CCAA Proceeding**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) commenced pursuant to an initial order (the “**Initial Order**”) issued on September 4, 2020 by the Supreme Court of British Columbia, Vancouver Registry Action No. VLC-S-S208894 (the “**CCAA Court**”), as modified by the amended and restated initial order of the CCAA Court dated September 14, 2020 (the “**ARIO**”).

Guarantors: Deimos Imaging S.L.U., DOT Imaging S.L.U., Geosys Australia Pty, Geosys do Brasil Sistemas de Informacao Agricolas Ltda., Urthecast Holdings (Malta) Limited, UrtheCast Imaging S.L.U., UrtheCast Investments (Malta) Limited and each of the existing and future affiliates and direct and indirect subsidiaries of the Borrower deemed necessary by the Lender in its sole discretion (collectively, the “**Guarantors**” and, together with the Borrower, the “**Debtors**” or “**CCAA Debtors**”) shall provide unconditional secured (subject to applicable law) guarantees of payment and not of collection in form satisfactory to the Lender.

Lender: HCP-FVL, LLC

DIP Facilities: A facility consisting of (i) a \$3,000,000 term loan facility (the “**Term Loan Facility**”) and (ii) a revolving credit facility based on 80% of eligible (net of

any set off and dilution) receivables and eligible (net of any set off and dilution) unbilled receivables owing by Winfield (as defined below) to the CAD Borrower (up to 90 days in advance of the quarterly period of performance to be repaid during the first week of period of performance) or other acceptable borrowing base (subject to customary reserves for asset-based lenders and asset-based lending industry), each acceptable to the Lender, in its sole discretion, to a maximum aggregate principal amount of \$2,000,000 (the "**Revolving Credit Facility**", and together with the Term Loan Facility, the "**DIP Facilities**"), *provided* that the maximum principal amount of the DIP Facilities outstanding at any time shall not exceed \$5,000,000 (the "**Maximum Loan Amount**"). Subject to the conditions set forth below and the final loan documents, the Borrower may draw down funds under the Term Loan Facility or the Revolving Credit Facility, as the case may be, provided that no advances (an "**Advance**") shall be made after a CCAA Debtor or any third party files a motion or other pleading to approve the closing of a sale of assets (unless the Lender consents to such sale and agrees to make further Advances) or there is an Event of Default hereunder, or the Borrower is in default of any term of the DIP Facilities and such default is continuing.

Availability:

The parties acknowledge, covenant and agree that (i) subject to the Funding Conditions, the initial Advance (the "**Initial Advance**") shall be made under the Revolving Credit Facility up to the maximum principal amount of \$2,000,000 against the borrowing base consisting of eligible accounts receivables owing to the CAD Borrower, including, without limitation, the \$2,500,000 account receivable payable by Winfield Solutions Inc; and (ii) any other advance under the DIP Facilities or against any eligible accounts receivable of any other CCAA Debtor or any other borrowing base satisfactory to the Lender in its sole discretion shall be subject to the Funding Conditions or Term Loan Funding Conditions (as applicable). The sum of the aggregate principal outstanding amount under the DIP Facilities shall at no time exceed the Maximum Loan Amount.

Use of Proceeds:

The proceeds of the DIP Facilities shall only be advanced to and used by the CCAA Debtors in accordance with the Agreed Weekly Budgets (as defined below) and Second DIP Order (as defined below), each of which shall be in form and substance satisfactory to the Lender in its sole discretion. For greater certainty, the DIP Facilities may be used to pay (a) interest, costs, fees and expenses payable under the DIP Facilities, (b) provided the Term Loan Funding Conditions (as defined below) are satisfied, the outstanding principal amount, reasonable and documented fees and expenses, and accrued and unpaid interest of the existing debtor-in-possession financing, (c) the ordinary course working capital and other general corporate purposes of the CCAA Debtors, including for greater certainty, the payment of certain outstanding Priority Payables owing by Geosys S.A.S., solely in accordance with the provisions hereof and the limitation set forth in the Agreed Weekly Budgets, and (d) transaction costs, fees and expenses (including the

reasonable and documented professional fees and expenses of insolvency counsel for the CCAA Debtors, the Monitor and its counsel, and the fees and expenses (including professional fees) of the Lender owing under the DIP Facilities) incurred in connection with the DIP Facilities, the CCAA Proceedings and the transactions contemplated thereunder. The CCAA Debtors shall not utilize the DIP Facilities for any other purpose without the prior written approval of the Lender (in its sole discretion). The DIP Facilities may not be used in connection with any investigation (including discovery proceedings), initiation or prosecution of any claims, causes of action, adversary proceedings or other litigation against or adverse to the Lender or its affiliates or any of their interests (whether direct or indirect).

- Direct Advance Condition** The CAD Borrower shall not use, advance or flow any funds from the DIP Facilities to any CCAA Debtor located outside of Canada (other than the Initial Advance and other advances to Geosys S.A.S. under the Revolving Credit Facility based on eligible receivables of the CAD Borrower) (a “**Foreign CCAA Debtor**”), including without limitation, the United States, France, Spain or Switzerland unless and until the Lender is satisfied that the Lender has a first priority lien and charge in any such foreign jurisdiction in form and substance (and/or court order) satisfactory to the Lender in its sole discretion (the “**Direct Advance Condition**”).
- Closing Date:** The closing date shall be September 23, 2020 or such later date as may be agreed to by the Lender in its sole discretion (the “**Closing Date**”).
- Evidence of Indebtedness:** The Lender shall open and maintain accounts and records evidencing advances and repayments under the DIP Facilities and all other amounts owing from time to time hereunder. The Lender’s accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the CCAA Debtors to the Lender pursuant to the DIP Facilities.
- Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States.
- Interest Rate:** All amounts owing hereunder on account of the principal, overdue interest, costs, fees and expenses shall bear interest at the rate of 18% per annum payable in cash monthly in arrears on the last day of each calendar month. To the extent permitted by applicable law, upon the occurrence of an Event of Default (as defined below), interest shall accrue and be calculated and compounded at a rate of 20% per annum.
- Standby Fee:** The Borrower shall pay the Lender a standby fee of 2% per annum on any undrawn portion of the DIP Facilities. Such fee shall be calculated daily and payable monthly in arrears on the last day of each calendar month.

- Other Fees:**
- (a) The Borrower shall pay to the Lender a nonrefundable pro-rated commitment fee of 3% of each amount advanced under the DIP Facilities, which initial pro-rated fee shall be payable on the Closing Date.
 - (b) At any time on the repayment of the DIP Facilities, including on the Maturity Date or upon an Event of Default or any mandatory prepayment event hereunder, the Borrower shall pay the Lender an exit fee of \$160,000 to the extent only the Initial Advance is made hereunder and an additional \$240,000 paid ratably based on the amount of the Term Loan advanced hereunder (collectively, the “**Exit Fee**”).

Other Costs and Expenses: The Borrower shall pay, on or before the Closing Date and monthly thereafter, all costs and expenses of the Lender for all out-of-pocket due diligence and travel costs and all reasonable fees, costs, expenses and disbursements of outside counsel, appraisers, field auditors, and any financial consultant in connection with the drafting, negotiating and administration of the DIP Facilities, including any costs and expenses incurred by the Lender in connection with the enforcement of its security, any of the rights and remedies available hereunder or under any order of the CCAA Court or under the Guarantees or any related security. All costs and expenses payable in connection with this Section shall also be secured by any administration charge granted in the CCAA proceedings and the Lender acknowledges that it has received a retainer in the amount of CAD\$50,000 in respect of same.

- Repayment and Maturity Date:** All amounts owing to the Lender under the DIP Facilities shall be due and payable on the earliest of the occurrence of any of the following:
- (i) the 120th day following the Closing Date;
 - (ii) the implementation of a plan of compromise or arrangement within the CCAA proceedings (a “**Plan**”) which has been approved by the requisite majorities of the applicable CCAA Debtors’ creditors and by order entered by the CCAA court (the “**Sanction Order**”) and by the Lender;
 - (iii) conversion of the CCAA proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”);
 - (iv) on the sale of any of the assets of any CCAA Debtor outside of the ordinary course of business which is not consented to by the Lender (not to be unreasonably withheld if the Monitor approves such sale and such sale does not adversely affect the Lender’s rights or interests (collectively, the “**Approval Conditions**”)), including any sale of assets pursuant to a SISP (as defined below) are for a value in

excess of \$50,000 without first having received approval from the CCAA Court (unless the Lender agrees otherwise in its sole discretion); and

- (v) an Event of Default (as defined below) in respect of which the Lender has elected in its sole discretion to accelerate all amounts owing and demand repayment;

(such earliest date being the “**Maturity Date**”).

The Lender’s commitment to make further advances under the DIP Facilities shall expire on the Maturity Date and all amounts outstanding under the DIP Facilities shall be permanently and indefeasibly repaid no later than the Maturity Date without the Lender being required to make demand upon the Borrower or other parties or to give notice that the DIP Facilities has expired and that the obligations thereunder are due and payable. The Sanction Order shall not discharge or otherwise affect in any way any of the obligations of the CCAA Debtors to the Lender under the DIP Facilities other than after the permanent and indefeasible payment in cash to the Lender of all obligations under the DIP Facilities on or before the date that the Plan is implemented, including without limitation, the Exit Fee.

**Mandatory
Prepayments
and
Commitment
Reduction:**

Unless the Lender consents otherwise, the Borrower is required to prepay amounts outstanding under the DIP Facilities:

- (i) upon the receipt of net cash proceeds from the issuance by any of the CCAA Debtors of any indebtedness for borrowed money;
- (ii) upon receipt of insurance proceeds or expropriation awards by any of the CCAA Debtors;
- (iii) upon receipt of net cash proceeds from the sale of any of the Collateral (as defined below) except for sales of inventory in the ordinary course of business by any of the CCAA Debtors;
- (iv) any receipt by any of the CCAA Debtors of cash proceeds outside of the ordinary course that is not expressly contemplated in the Agreed Weekly Budget (except for proceeds from new customer contracts); and
- (v) upon receipt of net cash proceeds from the sale or issuance of any equity interests (as such term is defined or used in any applicable securities laws and legislation) in any of the CCAA Debtors or the receipt of capital contributions by any of the CCAA Debtors.

Any prepayment required hereunder shall be a permanent reduction of the DIP Facilities and may not be re-borrowed without the prior written consent of the Lender in its sole discretion. For greater certainty, the collection of

eligible receivables shall be subject to control agreements and applied to outstanding amounts owing under the Revolving Credit Facility, which may only be re-borrowed by the CAD Borrower against its eligible accounts receivable and borrowing base unless and until the Funding Conditions are satisfied.

Optional Prepayment: The DIP Facilities may be repaid at any time, in whole or in part, prior to the Maturity Date on not less than two (2) business days' notice to the Lender provided that any such part payment shall be subject to a *pro rata* share of the Exit Fee referred to above.

Lender Account: All payments to the Lender, in addition to payments made to the Lender under the cash management arrangements, shall be made by wire transfer to the account specified in writing to the Borrower from time to time.

Agreed Budgets: The CCAA Debtors shall provide the Lender with a 26-week cash flow (the "**Agreed Weekly Budget**") reviewed by the Monitor, which shall be filed with the CCAA Court in connection with the CCAA Proceedings. The Agreed Weekly Budget shall be form and substance satisfactory to the Lender and shall reflect, on a line item basis, among other things, anticipated cash flow, cash receipts and disbursements, sales. The Lender may, in its sole discretion, require changes to the format of the Agreed Weekly Budget and the details provided therein including, without limitation, information on a line item basis as to (i) projected cash receipts; (ii) projected disbursements (including ordinary course operating expenses, restructuring expenses, including professional fees), capital and maintenance expenditures; and (iii) such other matters as may be reasonably required by the Lender. The Agreed Weekly Budget shall be rolled forward on a weekly basis and its format and the detail provided therein may only be amended and modified with the prior written consent of the Lender in its sole discretion.

On the Thursday of each week, the CCAA Debtors shall provide to the Lender a variance report (the "**Weekly Budget Variance Report**") showing on a line-by-line basis actual receipts and disbursements and the total available liquidity for the last day of the prior week for the cumulative period since the commencement of the CCAA proceeding and for a rolling cumulative four week period once the CCAA Proceedings have been pending for four weeks and noting therein all variances on a line-by-line basis from the amounts in the Agreed Weekly Budget and shall include explanations for all negative variances in excess of fifteen percent (15%) and shall be certified by the Chief Financial Officer of the Borrower and approved by the Monitor. The first Weekly Budget Variance Report shall be delivered on October 1, 2020.

Conditions Precedent to DIP No advance shall be made under the DIP Facilities until the following conditions precedent (the "**Funding Conditions**") have been satisfied or

Advances: waived in writing, as determined by the Lender in its sole discretion, acting reasonably:

1. The Borrower shall have served an application for an order, in a form and substance satisfactory to the Lender in its sole discretion, approving this Term Sheet, the DIP Facilities, the cash management arrangements, and granting the DIP Lender's Charge (as defined below) (the "**Second DIP Order**") by September 23, 2020. Notice of the application for the Second DIP Order shall include any party required by the Lender in its sole discretion. For greater certainty, the Second DIP Order shall provide: (i) for the approval of the DIP Term Sheet, the DIP Facilities, (ii) for the granting of a charge (the "**DIP Lender's Charge**") over all of the Property (as defined in the ARIO) of all of the CCAA Debtors and shall secure all obligations owing by the CCAA Debtors to the Lender hereunder, including without limitation, all principal, interest, fees, costs and expenses (including professional fees) (collectively the "**DIP Obligations**"), which, pursuant to the Second DIP Order, shall rank in priority to all other liens, charges, mortgages, hypothecs, adverse rights or claims, deemed trusts, grants (including any licensing rights provided to any person other than customers or licensees in the ordinary course of business), encumbrances, security interests of every kind and nature (including, without limitation, the current debtor-in-possession financing) (collectively, "**Liens**") granted by the CCAA Debtors against any of the Property of any of the CCAA Debtors of any kind other than an administration charge granted by the CCAA Court to a maximum of \$500,000 (the "**Administration Charge**"); (iii) that such Second DIP Order may not be rescinded, amended or revised without at least five (5) business days' notice to the Lender and its counsel and shall not stay the rights of the Lender hereunder or under the DIP Credit Documentation (as defined below); (iv) that the Lender and the DIP Facilities (including any participation rights hereunder) shall be unaffected under any plan of arrangement in respect of the CCAA Debtors; and (v) for such amendments to the ARIO as may be required by the Lender in its sole discretion;

2. The Second DIP Order shall have been issued and shall not have been amended, restated, rescinded or modified, or be subject to pending a motion, application or other proceeding to amend, restate, rescind, vary or modify, in a manner that, in the Lender's sole opinion, adversely affects the rights or interests of the Lender without the consent of the Lender;

3. In the case of the Initial Advance, the Lender shall have received written confirmation from the Monitor, UrtheCast Corp. and Geosys S.A.S., and evidence satisfactory to the Lender, that the court proceedings in Toulouse, France relating to the "Demande d'ouverture d'une procedure de redressement judiciaire" shall, have been postponed or adjourned until at least September 29, 2020 or converted into a "conciliation" proceedings and, in the case of any other advance under the Revolving Credit Facility or

the Term Loan, the reorganization plan and cash flows for Geosys, S.A.S. proposed by the CCAA Debtors and any Court proceedings relating to Geosys S.A.S shall be approved by the Monitor, indicate the viability of the ongoing operations and the business and avoid any liquidation, wind-down or cessation of operations of the business and not result in any event that is reasonably likely to materially adversely impair the DIP Facilities or the interests or secured position of the Lender, in the sole discretion of the Lender, acting reasonably;

4. The existing debtor-in-possession financing shall have been, in respect to the Revolving Credit Facility, subordinated to the Lender pursuant to the Second DIP Order and, in respect of any Advance under the Term Loan, subordinated to the Lender pursuant to the Second DIP Order or a fully enforceable executed subordination agreement or repaid in full from the proceeds of such Advance. For greater certainty, the existing debtor in possession financing may be paid from an advance under the Term Loan Facility (but not the Revolving Credit Facility);

5. The Lender shall have approved the applicable Agreed Weekly Budget;

6. The Lender, in its sole discretion, shall be satisfied that any advance against any eligible receivables of any CCAA Debtor other than the CAD Borrower under the Revolving Credit Facility is secured by a Recognition Order (or other equivalent court order in each applicable jurisdiction) and a first priority security interest and Lien in such CCAA Debtors' assets, property and undertakings located in such CCAA Debtors' applicable jurisdiction in respect of such advance under the Revolving Credit Facility in accordance with applicable law of such jurisdictions, and the Lender shall have received executed copies of all documents required by the Lender (including, if requested by the Lender, an opinion from Borrower's counsel in form and substance satisfactory to the Lender) in order to establish a valid, binding and enforceable first priority security interest such the assets, property and undertakings of the CCAA Debtors in all such jurisdictions;

7. The Borrower shall have entered into all Account Control Agreements (defined below) required by the Lender;

8. All outstanding fees and expenses payable to the Lender shall have been paid or will be paid within such time as is acceptable to the Lender in its sole discretion;

9. There shall be no Liens (including any license rights granted to any secured party) existing (registered, inchoate or otherwise) that rank in priority to or *pari passu* with the DIP Lender's Charge other than the Administration Charge;

10. The CCAA Debtors shall be in compliance with any timetables established from time to time by it and approved by the Court and the Lender setting out a sales or investment solicitation or similar process for the CCAA Debtors;

11. The DIP Credit Documentation (as defined below) shall be satisfactory to the Lender in its sole discretion, and the Lender shall be in receipt of fully executed copies of the DIP Credit Documentation;

12. The Lender shall be satisfied that the CCAA Debtors have complied and are continuing to comply, in all material respects, with all applicable laws, regulations, policies in relation to their property and business, other than as may be permitted under any order of the CCAA Court (each a “**Court Order**”) which is satisfactory to the Lender in its sole discretion;

13. No Event of Default shall have occurred that is continuing or will occur as a result of the requested advance;

14. All amounts due and owing to the Lender at the time of an advance under the DIP facilities shall have been paid or shall be paid from the requested advance;

15. The Lender shall have been satisfied that all motions, orders and other pleadings and related documents filed or submitted to the CCAA Court by the CCAA Debtors shall be consistent with the terms hereof and all orders entered by the CCAA Court shall not be inconsistent with or have an adverse impact on the terms of the DIP Facilities or the interests of the Lender;

16. Any necessary third party approvals to preserve or perfect the DIP Lender’s Charge shall have been obtained;

17. The Lender shall be in receipt of executed copies of guarantees and security, in form and substance satisfactory to the Lender in its sole discretion, from each of the Guarantors;

18. No material portion of the Collateral be lost or stolen;

19. The Lender shall be in receipt of written notice from the Borrower setting out the amount of funds to be advanced and allocated to each Foreign CCAA Debtor and the wire transfer instructions of such Foreign CCAA Debtor who is a Borrower (a “**Foreign Advance Notice**”), which allocation shall have been approved by the Monitor and the Lender in its reasonable credit discretion;

20. The CCAA Debtors shall be in compliance with all covenants and obligations contained in this Term Sheet; and

21. The Lender shall be satisfied in its sole discretion that any Lien in any intellectual property of any CCAA Debtor and any grant of a license or license rights in respect of any intellectual property of any CCAA Debtor to any person is subordinate to the DIP Lender's Charge.

22. In respect of any further advance of the Revolving Credit Facility, other than the Initial Advance, there has been no fact, circumstance, change or event (whether in respect of termination, usage, value, implementation of set off rights, or any other matter) in respect of the Winfield Agreements that, in the Lender's opinion, acting reasonably, would adversely affect the Lender, its security or interests, the Collateral or the borrowing base.

No Advance under the Term Loan shall be made until the foregoing Funding Conditions and the following additional condition precedents (together with the Funding Conditions, the "**Term Loan Funding Conditions**") have been satisfied or waived in writing, as determined by the Lender in its sole discretion, acting reasonably:

1. The DIP Lender's Charge shall be registered in all jurisdictions as may be reasonably required by the Lender, in accordance with the applicable laws of such jurisdiction such that the DIP Lender's Charge (or security) shall constitute good, valid, binding and enforceable first priority security in accordance with the laws of such jurisdiction;

2. Recognition orders or such other orders that have substantially the same effect as recognition orders in respect of the Second DIP Order and any other Court Order required by the Lender shall have been issued by a court of competent jurisdiction in any foreign jurisdiction in which the CCAA Debtors operate or hold assets, including, without limitation, the United States and France, if, in the opinion of the Lender, such foreign Court Orders relating to the CCAA Proceedings, the Second DIP Order and any other Court Order (as may be required by the Lender in its sole discretion) in such foreign jurisdiction is necessary for the protection or preservation of the Lender's security and priority (each, a "**Recognition Order**");

3. Any Recognition Order required by the Lender prior to the Advance Date shall have been obtained and shall not have been rescinded, amended, restated, modified or revised, or be subject to a motion, application or other proceeding to rescind, amend, restate, modify or revise such Recognition Order, in a manner that, in the Lender's sole opinion, adversely affects the rights or interests of the Lender without the consent of the Lender;

4. The Lender shall have received from the Borrower a written request for an advance under the DIP Facilities at least five (5) business days prior to the date of such advance, in form and substance satisfactory to the Lender in its reasonable discretion (i) requesting an advance of the DIP Facilities,

(ii) confirming that all of the Funding Conditions and Term Loan Funding Conditions have been satisfied, and (iii) confirming that the representations and warranties contained herein are true and correct in all material respects as of such date, executed by a senior officer of the Borrower; and

5. No event has occurred, or fact or circumstance exists in respect of the CCAA Debtors' operations or business, or the Collateral, that, in the Lender's opinion, acting reasonably, would adversely affect the Lender's rights or interests.

The Lender will have no further obligation to advance the DIP Facilities following the service of an application to the CCAA Court for the approval of and the closing of a sale by the CCAA Debtors of any of the CCAA Debtors' assets, which does not meet the Approval Conditions.

The outside date to meet or waive the foregoing conditions precedent for an advance under the Term Loan will be October 30, 2020.

**DIP Facilities
Security and
Documentation:**

All of the obligations of the CCAA Debtors under or in connection with the DIP Facilities, this Term Sheet and any other documentation in respect of the DIP Facilities that is requested by the Lender (which shall be in form and substance satisfactory to the Lender in its sole discretion) (collectively, the "**DIP Loan Documents**") shall be secured by a security interest in and Lien on all now-owned and hereafter-acquired assets and property of each of the CCAA Debtors, real and personal, tangible or intangible and all proceeds therefrom (the "**Collateral**") (together with the DIP Loan Documents, the "**DIP Credit Documentation**") and the DIP Lender's Charge granted by the CCAA Court.

The DIP Obligations shall be secured by (the "**DIP Security**"):

1. the DIP Lender's Charge;
2. any Recognition Order; and
3. such other security documentation as may be required by the Lender from time to time in its sole discretion, which shall include customary ULC carve out provisions.

If required by the Lender, the DIP Security shall be a perfected first priority charge and not subject to subordination other than in respect of the Administration Charge.

**Deposit
Accounts:**

The CCAA Debtors shall maintain all cash in bank accounts designated by the Borrower at a financial institution approved by the Lender ("**Approved Depository Banks**") and, prior to the advance of the DIP Facilities, shall have entered into account control agreements in form and substance satisfactory to the Lender and their counsel ("**Account Control**").

Agreements”).

Monitor: The Lender shall be authorized by the Second DIP Order to have direct discussions with the Monitor and to receive information from the Monitor as requested by the Lender from time to time.

Indemnity: The CCAA Debtors agree, jointly and severally, to indemnify and hold harmless the Lender, its affiliates and their respective shareholders, officers, directors, employees, advisors, partners and agents (each, an “**indemnified person**”) from and against any and all losses, claims, damages, liabilities, and expenses to which any such indemnified person may become subject or may incur arising out of or in connection with the DIP Facilities, the proposed or actual use of the proceeds of the DIP Facilities, the CCAA Proceeding, participation in any sales process or resulting from the DIP Credit Documentation, and the use of the proceeds thereof, or any claim, litigation, investigation or proceeding relating to any of the foregoing regardless of whether any indemnified person is a party thereto, and to reimburse each indemnified person upon demand for any documented legal or other expenses incurred in connection with investigating or defending any of the foregoing, provided that the foregoing indemnity will not, as to an indemnified person, apply to losses, claims, damages, liabilities or related expenses to the extent (i) they are found by a final, non-appealable judgment of a court to arise directly from the willful misconduct or gross negligence of such indemnified person. This indemnification shall survive whether or not the transactions set out herein are consummated. Further, the Lender shall not be responsible or liable to any CCAA Debtor or any other person for any lost profits, consequential or punitive damages.

Representations and Warranties: Each of the CCAA Debtors represents and warrants to the Lender, upon which the Lender relies in entering into this Term Sheet and the other DIP Credit Documentation, that

1. The transactions contemplated by this Term Sheet and the other DIP Credit Documentation:
 - (a) upon the granting of the Second DIP Order, are within the powers of the CCAA Debtors;
 - (b) have been duly authorized, executed and delivered by or on behalf of the CCAA Debtors;
 - (c) upon the granting of the Second DIP Order, constitute legal, valid and binding obligations of the CCAA Debtors;
 - (d) upon the granting of the Second DIP Order, do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings which may be made to register or otherwise record the

DIP Lender's Charge or any DIP Security;

2. The business operations of the CCAA Debtors and their direct and indirect subsidiaries have been and will continue to be conducted in material compliance with all applicable laws of each jurisdiction in which each such business has been or is being carried on subject to the provisions of any Court Order;
3. As at the date of this Term Sheet, all Priority Payables (as defined below) that are due and payable by the CCAA Debtors have been paid.
4. The Borrower legally or beneficially owns all of the CCAA Debtors' cash, intellectual property, contracts, operations and material assets
5. All of the CCAA Debtors' material assets, cash, intellectual property, contracts and operations are located Canada, the United States, France, Spain and Switzerland.
6. Each of the CCAA Debtors and their direct and indirect subsidiaries own all intellectual property and material contracts and has obtained all material licences and permits required for the operation of its business, which intellectual property, material contracts, licences and permits remain, and after the DIP Facilities, will remain in full force and effect. No proceedings have been commenced to revoke or amend any of such intellectual property, material contracts, licences and permits;
7. Except a set out in Exhibit "B" hereto, each of the CCAA Debtors and their direct and indirect subsidiaries has paid where due its obligations for payroll, employee source deductions, Harmonized Sales Tax, value added taxes and is not in arrears in respect of these obligations;
8. None of the CCAA Debtors and their direct and indirect subsidiaries has any defined benefit pension plans or similar plans;
9. All written factual information provided by or on behalf of the CCAA Debtors to the Lender in the data room entitled "Datasite: Atlas DataRoom 2019" as constituted as of the date hereof for the purposes of or in connection with this Term Sheet or any transaction contemplated herein is true and accurate in all material respects on the date as of which such information is dated or certified and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided. In particular, and without limiting the generality of the foregoing all information regarding the CCAA Debtors' and its direct and indirect subsidiaries' corporate structure is true and complete, all public filings and financial reports are complete and true in all material respects and the CCAA Debtors have provided the Lender with all material information regarding all intellectual property, including, without

limitation, patents, copyright, material contracts, cash, bank accounts, assets, jurisdictions, operations, source codes, title information and opinions and environmental reports affecting or relating to the Property (as defined in the ARIO) of the CCAA Debtors;

10. To the knowledge of the CCAA Debtors, Winfield Solutions, LLC (“**Winfield**”) has not terminated, and has not indicated an intention to terminate, that certain Interim License and Services Agreement among Winfield, Urthecast Corp., Geosys-Int’l, Inc., Geosys Australia Pty, Geosys Europe Sarl, Geosys S.A.S. and Geosys do Brasil sistemas de Informacao Agriocola Ltda, or that certain Purchase and Sale Agreement of Certain Subsidiaries of Land O’Lakes Inc. and Certain Platform Assets dated November 6, 2018 (collectively, the “**Winfield Agreements**”).

**Affirmative
Covenants:**

In addition to all other covenants and obligations contained herein, the CCAA Debtors agree and covenant to perform and do each of the following until the DIP Facilities is permanently and indefeasibly repaid in full and cancelled:

1. Comply with the provisions of the Court Orders made in the CCAA Proceeding including, without limitation, the Second DIP Order;
2. Utilize the DIP Facilities only in accordance with the terms hereof and the applicable Agreed Weekly Budget;
3. Pay when due, or otherwise provide confirmation satisfactory to the Lender that payment arrangements satisfactory to the Lender have been entered into by the CCAA Debtors (including Geosys S.A.S.), to pay all claims which rank prior to the indebtedness and security held by the Lender, in any jurisdiction, from the CCAA Debtors (the “**Priority Payables**”), which shall include, without limitation, all amounts owing or required to be paid, where a failure to pay any such amount could give rise to any insolvency or other formal proceedings in France, not consented to in writing by the Lender, or a claim or Lien pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to or *pari passu* with the Lender’s security in any jurisdiction or otherwise in priority to any claim for the repayment of any amount owing under the DIP Facilities, including without limitation, all amounts owing to any federal, provincial, municipal or other government entity or Crown corporation, all statutory, actual or deemed trusts, all withholdings and source deductions, all accrued and unpaid payroll and employee claims, including vacation pay, and all amounts owing to any person having a Lien, encumbrance, trust or charge ranking in priority to the Lender’s security.
4. Comply with any timetable or process established from time to time by the CCAA Court for the sale of all or part of the assets of the CCAA Debtors and/or their direct and indirect subsidiaries or solicitation of

investment in any of the CCAA Debtors and/or their direct and indirect subsidiaries as part of the CCAA Proceedings or in anticipation of a Plan and obtain the approval for such timetable or process from the Lender;

5. Allow the Lender and its advisors full access to the books and records of the CCAA Debtors and/or their direct and indirect subsidiaries on one business day's notice and during normal business hours and cause management thereof to fully cooperate with the Lender and its advisors;

6. Provide the Lender with draft copies of all motions, applications, proposed orders or other material or documents that any of them intend to file within the CCAA Proceeding at least three (3) business days prior to any such filing or, where it is not practically possible to do so with as much notice as possible prior to any such filing;

7. The Second DIP Order, and any other Court Orders which are being sought by the CCAA Debtors shall be submitted to the CCAA Court in a form confirmed in advance to be satisfactory to the Lender, subject to any amendments required by the CCAA Court and the Monitor and acceptable to the Lender;

8. Any and all materials of the CCAA Debtors in respect of a proposed Plan or any other transaction or solicitation process seeking the investment in or refinancing of the CCAA Debtors and/or their direct and indirect subsidiaries, the sale or process for the selling of all or any part of the assets of the CCAA Debtors and/or their direct and indirect subsidiaries or any other restructuring of the CCAA Debtors' businesses and operations, including any liquidation, bankruptcy or other insolvency proceeding in respect of any of the CCAA Debtors (a "**Restructuring Option**") shall only be submitted to the CCAA Court in or presented to any stakeholder of the CCAA Debtors in a form that is satisfactory to the Lender in its sole discretion and has been provided to the Lender at least three (3) business days prior to any such filing or, where it is not practically possible to do so, with as much notice as possible prior to any such filing;

9. The CCAA Debtors shall promptly advise the Lender of, and provide copies of, any proposal received from a third party in respect of a Restructuring Option or any other transaction to be carried out pursuant to or as part of a Plan and, thereafter, shall advise the Lender of the status of any such proposal as well as any material amendments to the terms thereof;

10. Unless such payments are first approved by the Lender, none of the CCAA Debtors shall:

- (i) increase any termination or severance entitlements or pay any termination or severance payments or modify any

compensation or benefit plans whatsoever; or

- (ii) establish or make any payments by way of a “key employee retention plan” except as otherwise disclosed in the Agreed Weekly Budget and the application materials filed in respect of the ARIO;

11. Provide to the Lender a weekly status update regarding the status of the CCAA Proceeding and their restructuring process including, without limitation, reports on the progress of any Plan, Restructuring Option, and any information which may otherwise be confidential subject to same being maintained as confidential by the Lender;

12. Inform the Lender on a timely basis of all material developments (as determined by the Lender in its sole discretion) with respect to the business and affairs of the CCAA Debtors and their direct and indirect subsidiaries, the development of a Plan and/or a Restructuring Option;

13. Deliver to the Lender the reporting required under this Term Sheet on or before the timelines required herein and such other reporting and other information from time to time as is reasonably requested by the Lender, in form and substance satisfactory to the Lender, on or before the timeline required by the Lender;

14. The CCAA Debtors shall deliver to the Lender: (i) within one business day of delivery thereof to the Monitor, copies of all financial reporting provided to the Monitor; and (ii) within one business day of receipt from the Monitor any reports or other commentary or analysis received by the CCAA Debtors from the Monitor regarding the financial position of the CCAA Debtors or otherwise;

15. Use the proceeds of the DIP Facilities and other cash on hand only in a manner consistent with the terms hereof and the Agreed Weekly Budgets in all material respects to the extent reasonably practicable in the circumstances;

16. Provide the Lender with copies of all general communications out of the ordinary course, or any communication in respect of the CCAA Proceeding, to customers, suppliers, employees and other stakeholders simultaneously with the distribution thereof to such persons;

17. Preserve, renew, maintain and keep in full force its corporate existence and its material licenses, permits, approvals, contracts, and intellectual property rights required in respect of its business, properties, assets or any activities or operations carried out therein and maintain its properties and asset in good working order having regard to the current cessation of operations;

18. Pay all taxes, permitting and licence fees, Priority Payables and other amounts necessary to avoid any insolvency or other formal proceeding in France, not consented to in writing by the Lender, and to preserve the Collateral to avoid any Lien thereon and pay all amounts due under any critical supplier contracts as and when due and payable;

19. Maintain all insurance with respect to the Collateral in existence as of the date hereof;

20. Forthwith notify the Lender of the occurrence of any Event of Default, or of any event or circumstance that, with the passage of time, may constitute an Event of Default;

21. Execute and deliver the DIP Credit Documentation, including such security agreements, guarantees, financing statements, discharges, opinions or other documents and information, as may be reasonably requested by the Lender in connection with the DIP Facilities, which documentation shall be in form and substance satisfactory to the Lender;

22. Pay upon request by the Lender all documented fees and expenses of the Lender (including professional fees) provided, however, that if any such fees and expenses incurred after the date of this Term Sheet are not paid by the Borrower, the Lender may in its discretion (i) deduct such fees and expenses from any advance of the DIP Facilities, or (ii) pay all such fees and expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facilities;

23. Pay when due all principal, interest, fees and other amounts payable by the Borrower under this Term Sheet and under any other DIP Credit Documentation on the dates, at the places and in the amounts and manner set forth herein or therein (as the case may be); and

24. Prior to any advance of the DIP Facilities, the Borrower will cause its other affiliates and subsidiaries (including the CCAA Debtors) to grant guarantees of payment to the Lender and to grant charges on their assets to secure the DIP Obligations. However, no such guarantee or security will be required for those subsidiaries which the Lender in its sole discretion determines to have no material value. Any such subsidiary which provides a guarantee shall thereafter be included as a "Guarantor".

**Negative
Covenants:**

Each of the CCAA Debtors covenants and agrees not to do the following, other than with the prior written consent of the Lender from and after the date hereof:

1. Except as contemplated by this Agreement or any Court Order, make any payment, without consent of the Lender, of any debt or obligation existing as at the date of the Initial Order (being September 4, 2020) (the

“Pre-Filing Debt”);

2. Transfer any funds to any other CCAA Debtors (other than the Initial Advance under the Revolving Credit Facility to Geosys S.A.S) or related party thereof in any foreign jurisdiction prior to obtaining a first priority security interest and Lien in all of the CCAA Debtors’ assets, property and undertaking located in such jurisdiction, in accordance with applicable law of such jurisdictions, and providing the Lender with executed copies of all documents required by the Lender (including, if requested by the Lender, an opinion from Borrower’s counsel in form and substance satisfactory to the Lender) in order to establish a valid, binding and enforceable first priority security interest (and court order) in all of the assets, property and undertaking of the CCAA Debtors with material assets in such jurisdiction;
3. Create, incur or permit to exist, or permit any subsidiary to incur or permit to exist, any indebtedness for borrowed money or contingent liabilities, or issue any new securities (as such term has the meaning ascribed thereto under applicable law), other than Pre-Filing Debt, the DIP Facilities, and post-filing accounts payable in the ordinary course of business;
4. Make any payments contrary to the provisions hereof or outside the ordinary course of business without the prior written consent of the Lender;
5. Sell, assign, lease, gift, transfer, convey or otherwise dispose of any of the Collateral except for sales contemplated by the Second DIP Order and sales of inventory in ordinary course of business;
6. Except for as contemplated herein or as otherwise consented to by the Lender, permit any new Liens to exist on any of the properties or assets of the CCAA Debtors or any of their direct or indirect subsidiaries other than the Liens in favour of the Lender as contemplated by this Agreement;
7. Shall not issue any notice to disclaim or resiliate any agreement pursuant to section 32 of the CCAA without the express written consent of the Lender, in its sole discretion;
8. Create or permit to exist any other Lien which is senior to or *pari passu* with the DIP Lender’s Charge except the Administration Charge;
9. Make any investments in or loans to or guarantee the debts or obligations of any other person or entity or permit any of its subsidiaries to do so;
10. Make any distribution, advance, loan, investment, gift, transfer, loan or other distribution, transaction, conveyance or assignment contrary to the provisions hereof or to any related party without the prior written consent of

the Lender in its sole discretion;

11. Enter any restrictive covenants or agreements which might affect the value or liquidity of any Collateral;

12. Present, seek the approval of or support any Restructuring Option without prior written consent of the Lender, acting reasonably, unless at the time of such presentment, approval or support, the DIP Facilities have been indefeasibly repaid in full in cash, including without limitation, the Exit Fee. The CCAA Debtors acknowledge that the Lender may withhold its consent to a Restructuring Option if such Restructuring Option does not include participation rights in favour of and satisfactory to the Lender and the DIP Facilities have not been indefeasibly repaid in full as contemplated in the immediately preceding sentence;

13. Change or permit any subsidiary to change its jurisdiction of incorporation or registered office;

14. Change its name, fiscal year end or accounting policies or amalgamate, consolidate with, merge into, dissolve or enter into any similar transaction with any other entity without the consent of the Lender or permit any subsidiary to do so;

15. Terminate any key employees of the CCAA Debtors, including those involved in maintaining the Collateral, without the consent of the Lender acting reasonably;

16. Provide or seek or support a motion by another party for a charge against any Property (as defined in the ARIO) of any of the CCAA Debtors that ranks equally or in priority to the charge of the Lender without the prior consent of the Lender;

17. Distribute, loan, advance or otherwise use or transfer any advance or monies under the DIP Facilities to any Foreign CCAA Debtor except upon satisfaction of the Direct Advance Condition and in accordance with an approved Foreign Advance Notice, or as otherwise may be agreed to by the Lender in its sole discretion;

18. Agree to a Restructuring Option without the prior written consent of the Lender, acting reasonably; and

19. Carry out any changes to the composition (including the addition, removal or replacement of directors or officers) of the board of directors or the officers (including any chief restructuring officer) of any of the CCAA Debtors or their direct and indirect affiliates or subsidiaries without the prior written consent of the Lender.

Events of The occurrence of any one or more of the following events shall constitute

Default:

an event of default (each, an “**Event of Default**”) under this Term Sheet if such event of default is not cured within two (2) business days of the Borrower receiving notice of the event of default (to the extent such event of default is capable of being cured):

1. Any Court Order or Recognition Order is dismissed, stayed, reversed, vacated, amended or restated and such dismissal, stay, reversal, vacating, amendment or restatement adversely affects or would reasonably be expected to adversely affect the interests of the Lender in a material manner, unless the Lender has consented thereto;

2. Any Court Order is issued which adversely affects or would reasonably be expected to adversely affect the interests of the Lender in a material manner, unless the Lender has consented thereto including, without limitation:

- (a) the issuance of an order dismissing the CCAA Proceeding or lifting the stay imposed within the CCAA Proceeding to permit the enforcement of any security or claim against any of the CCAA Debtors or the appointment of a receiver and manager, receiver, interim receiver or similar official or the making of a bankruptcy order against any of the Debtors;
- (b) the issuance of an order granting any other claim or a Lien of equal or priority status to that of the DIP Lender’s Charge except as permitted by the Lender in its sole discretion;
- (c) the issuance of an order staying, reversing, vacating or otherwise modifying the DIP Credit Documentation or the provisions of any Court Order affecting the Lender or the Collateral, or the issuance of an order adversely impacting the rights and interests of the Lender, in each case without the consent of the Lender;
- (d) the failure of the CCAA Debtors to diligently oppose any party that brings an application or motion for the relief set out in (a) through (c) above and/or fails to secure the dismissal of such motion or application within 10 days from the date that such application or motion is brought;

3. Any sales or investor solicitation process is proposed to the CCAA Court by any of the CCAA Debtors without the prior written consent of the Lenders, which consent shall not be unreasonably withheld;

4. Any CCAA Debtor presents, seeks the approval of or supports any Restructuring Option without the prior written consent of the Lender, which consent shall not be unreasonably withheld. The CCAA Debtors

acknowledge that the Lender may withhold its consent to a Restructuring Option if such Restructuring Option does not include participation rights in favour of and satisfactory to the Lender, unless the DIP Facilities have been indefeasibly repaid in full;

5. Failure of the CCAA Debtors to pay any amounts when due and owing by any of the CCAA Debtors hereunder;

6. Any of the Debtors cease to carry on business or operate or maintain their properties in the ordinary course as it is carried on as of the date hereof, except where such cessation is consented to by the Lender;

7. Any representation or warranty by any of the CCAA Debtors herein or in any DIP Credit Documentation shall be incorrect or misleading in any material respect when made or any breach by any of the CCAA Debtors of any of the terms hereunder;

8. A Court Order is made, a liability arises or an event occurs, including any change in the business, assets, or conditions, financial or otherwise, any of the CCAA Debtors, that will in the Lender's judgment, acting reasonably, materially further impair the CCAA Debtors' financial condition, operations or ability to comply with its obligations under this Term Sheet, any DIP Credit Documentation or any Court Order or carry out a Plan or a Restructuring Option acceptable to the Lender;

9. Any material violation or breach of any Court Order by any of the Debtors;

10. Failure of the CCAA Debtors to perform or comply in any material respect with any term or covenant of this Term Sheet or any other DIP Credit Documentation;

11. Failure to maintain a cumulative net cash flow, for the CCAA Debtors on a consolidated basis which is at all times within 15% of the amounts set out in the Agreed Weekly Budget (measured weekly) and failure to provide an updated Agreed Weekly Budget, as required on a rolling basis, which shows sufficient liquidity to meet all of the projected cash requirements of the CCAA Debtors until the Maturity Date.

12. Failure to maintain a minimum level of qualified eligible accounts receivable with respect to the Revolving Credit Facility;

13. If any of senior officers cease to be senior officers of the CCAA Debtors and are not replaced with persons acceptable to the Lender;

14. Any proceeding, motion or application is commenced or filed by the CCAA Debtors, or if commenced by another party, supported or otherwise consented to by the CCAA Debtors, seeking the invalidation, subordination

or other challenging of the terms of the DIP Facilities, the DIP Lender's Charge, this Term Sheet, the CCAA stay of proceedings, any foreign court recognition order, or any of the other DIP Credit Documentation or approval of any Plan or Restructuring Option which does not have the prior consent of the Lender;

15. Any of the CCAA Debtors become subject to a material environmental liability;

16. Any Plan is sanctioned or any Restructuring Option is consummated by any of the Debtors that is not consistent with or contravenes any provision of this Agreement or the other DIP Credit Documentation in a manner that is adverse to the interests of the Lender or would reasonably be expected to adversely affect unless the Lender has consented thereto or unless it provides for repayment in full of all DIP Obligations to the Lenders under this Agreement;

17. The failure to meet any Milestone as included in the attached Exhibit A;

18. The sale, assignment, transfer, lease, farm-out or other form of disposition of all or any part of a CCAA Debtor's property, assets or undertaking, without the prior written consent of the Lender, excluding transfers, leases and dispositions (a) in the ordinary course of business and (b) in accordance with the Sale and Investment Solicitation Process described in the ARIO;

19. The making of any payments or distributions of any kind by any CCAA Debtor, including payments of principal or interest in respect of existing (pre-filing) debts or obligations, other than as may be permitted by an order of the CCAA Court and that does not result in an Event of Default and is provided for in the Agreed Weekly Budget;

20. The creation of or permitting to exist indebtedness (including guarantees thereof or indemnities or other financial assistance in respect thereof) by any CCAA Debtor other than (i) Pre-Filing Debt, (ii) debt contemplated by this Term Sheet; and (iii) post-filing trade payables or other post-filing unsecured obligations incurred in the ordinary course of business in accordance with the Agreed Weekly Budget and any Court Order;

21. The making of or giving any additional financial assurances by any CCAA Debtor, in the form of bonds, letters of credit, guarantees or otherwise, to any person (including, without limitation, any governmental authority);

22. The commencement, continuation or seeking CCAA Court approval

of a transaction by any CCAA Debtor in respect of the sale of all or any portion of any CCAA Debtor's assets that will not repay the Lender in full, without the prior written consent of the Lender, in its sole discretion;

23. The Winfield Agreements are terminated, or any communication is received by any of the CCAA Debtors evidencing an intention to terminate any of the Winfield Agreements, for any reason; and

24. There has been no fact, circumstance, change or event (whether in respect of termination, usage, value, implementation of set off rights, or any other matter) in respect of the Winfield Agreements that, in the Lender's opinion, acting reasonably, would adversely affect the Lender, its security or interests, the Collateral or the borrowing base.

Remedies:

Upon the occurrence of an Event of Default, the Lender, in its sole discretion, may, subject to the Second DIP Order and applicable law:

25. Cease to make any further advances of the DIP Facilities;

26. Terminate the DIP Facilities and declare all amounts outstanding under the DIP Facilities as immediately due and payable;

27. Apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral, or for the appointment of a trustee in bankruptcy of the CCAA Debtors;

28. Apply to the Court for an order, on terms satisfactory to the Monitor and the Lender, providing the Monitor with the power, in the name of and on behalf of any or all of the CCAA Debtors, to take all necessary steps in the CCAA Proceeding to realize on the Collateral;

29. Exercise the powers and rights of a secured party under the applicable federal, provincial or state legislation governing personal property security and the rights of secured creditors, including, for greater certainty, the *Personal Property Security Act* (British Columbia) or any legislation of similar effect; and

30. Exercise all such other rights and remedies available to the Lender under the DIP Credit Documentation, the Court Orders and applicable law or equity.

Lender Approvals:

All consents of the Lender hereunder shall be in writing. Any consent, approval, instruction or other expression of the Lender to be delivered in writing may be delivered by any written instrument, including by way of electronic mail.

Taxes:

All payments by the CCAA Debtors under this Agreement and the other DIP Credit Documentation, including any payments required to be made

from and after the exercise of any remedies available to the Lender upon an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively, “**Taxes**”); provided, however, that if any Taxes are required by applicable law to be withheld (“**Withholding Taxes**”) from any amount payable to the Lender under this Agreement or under any DIP Credit Documentation, the amounts so payable to the Lender shall be increased to the extent necessary to yield to the Lender on a net basis after payment of all Withholding Taxes, the amount payable under such DIP Credit Documentation at the rate or in the amount specified in such DIP Credit Documentation and the CCAA Debtors shall provide evidence satisfactory to the Lender that the Taxes have been so withheld and remitted.

Participation Rights

In consideration of the DIP Facilities, the CCAA Debtors agree that the Lender shall have the right (but not the obligation) to participate as a plan sponsor in any plan of arrangement presented, approved or supported by any CCAA Debtor in exchange for any equity or other ownership interests or rights to be issued, transferred or granted to the plan sponsor (or plan sponsors) under such plan of arrangement.

Option to Participate in Capital Markets Event

At any time from the date of this Term Sheet until the date that is six (6) months after the date that the DIP Facilities is indefeasibly repaid in full, the Lender shall have the right (but not the obligation) to participate (to a maximum of \$10,000,000) in any new equity, near equity or quasi-equity investment or other capital markets event (other than project financing) in respect of CCAA Debtors (or any one of them). The CCAA Debtors acknowledge and agree that this provision shall survive the permanent and indefeasible repayment of the DIP Facilities.

Participation of Lender in SISP

Notwithstanding any of the provisions of this Term Sheet, the Lender may, at its option and on notice to the Monitor, participate as a bidder in the Sale and Investment Solicitation Process (“SISP”), however, the Lender shall not be entitled to receive the target list of buyers, information regarding the identity and number of bidders or prospective bidders participating in any such SISP, the number of bids received or the terms of any bids received or similar information in connection with the SISP that would customarily not be available to a prospective bidder participating in a SISP (the “SISP Information”) until such time as the Lender provides notice to the Monitor confirming that the Lender will not, or will no longer, participate in the SISP. Upon such notice being provided to the Monitor, the Lender shall be entitled to receive the SISP Information. The Lender shall be entitled to receive SISP Information in respect of any asset subject to the SISP that the Lender declares to the Monitor that the Lender will not submit a bid for

such asset in the SISP, provided that the asset is not included in a broader bid for additional assets. For greater certainty, the Lender continues to be entitled to receive all reporting and other information to which the Lender is entitled under the Term Sheet which does not include SISP Information. Notwithstanding the foregoing, the Lender's compliance officer shall be entitled to receive information, including SISP Information, to the extent required for such compliance officer to perform its function and such compliance officer is operating behind ethical walls in accordance with industry standards. Further, notwithstanding this paragraph, whether or not the Lender has given notice to the Monitor of its intention to participate as a bidder in the SISP, the Lender shall be entitled to receive any SISP Information that is shared with any secured creditor of the CCAA Debtors that, prior to receiving such SISP Information, has advised the Monitor that such secured creditor may participate as a bidder in the SISP.

Further Assurances:

The CCAA Debtors shall, at their own expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the Lender may reasonably request for the purpose of giving effect to this Term Sheet.

Entire Agreement:

This Term Sheet and the DIP Credit Documentation, constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Term Sheet and any of the other DIP Credit Documentation, this Term Sheet shall prevail.

Credit Bidding:

The Lender shall have the right at all times to credit bid all or any portion of the DIP Facilities in connection with any sale of shares, assets or property of the Debtors. The DIP Credit Documentation and the CCAA Order will contain provisions recognizing and confirming the ability of the Lender to credit bid for the full face value of all amounts outstanding under the DIP Facilities without discount or set-off in any sales process, auction or other disposition of the property, assets and undertaking of the CCAA Debtors in the CCAA Proceedings.

Business Days:

If any payment is due on a day which is not a business day in Vancouver and New York City, such payment shall be due on the next following business day.

Amendments and Waivers:

No waiver or delay on the part of the Lender in exercising any right or privilege hereunder or under any other DIP Credit Documentation will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.

Assignment:

The Lender may assign this Term Sheet and its rights and obligations hereunder, in whole or in part, or grant a participation in its rights and obligations hereunder to any party acceptable to the Lender in its sole and

absolute discretion (subject to providing the Borrower and the Monitor with reasonable evidence that such assignee has the financial capacity to fulfill the obligations of the Lender hereunder). Neither this Agreement nor any right and obligation hereunder may be assigned by the Borrower or any of the other CCAA Debtors.

Severability: Any provision in this Agreement or in any DIP Credit Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or effecting the validity of enforceability of such provision in any other jurisdiction.

No Third Party Beneficiary: No person, other than the CCAA Debtors and the Lender, is entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.

Press Releases: The CCAA Debtors shall not issue any press releases naming the Lender without its prior approval, acting reasonably, unless the CCAA Debtors are required to do so by applicable securities laws or other applicable law.

Counter Parts and Facsimile Signatures: This Agreement may be executed in any number of counterparts and delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.

Notices: Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

In the case of the Lender:

Hale Capital Partners L.P.
17 State Street
Suite 3230
New York, NY 10004
United States of America

Attention: Martin Hale
Email: martin@halefunds.com

With a copy to:

Miller Thomson LLP
40 King St W Suite 5800,
Toronto, ON M5H 4A9

Attention: Kenneth Rosenstein

Email: krosenstein@millerthomson.com

In the case of the CCAA parties:

UrtheCast Corp.
1055 Canada Place, PI#33
Vancouver, British Columbia
V6C 0C3

Attention: Sai Chu
Email: schu@urthecast.com

With a copy to:

Bennett Jones LLP
666 Burrard Street, Suite 2500
V6C 2X8

Attention: Christian P. Gauthier
Email: gauthierc@bennettjones.com

In either case, with a copy to the Monitor:

EY Inc.
700 West Georgia Street
PO Box 10101
Vancouver, British Columbia
V7Y 1C7

Attention: Mike Bell
Email: mike.bell@ca.ey.com

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 PM local time or on a day other than a business day, in which case the notice shall be deemed to be received the next business day.

English Language: The parties hereto confirm that this Agreement and all related documents have been drawn up in the English language at their request. *Les parties aux présentes confirment que le présent acte et tous les documents y relatifs furent rédigés en anglais à leur demande.*

Governing Law and Jurisdiction: This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

[Signature pages follow]

Appendix C

UrtheCast Corp. et al.
Combined Cash Flow Statement
For the Thirteen Weeks ending December 18, 2020
All figures in Canadian dollars (000)

Week Ending	Notes	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Forecast
		2020-09-25	2020-10-02	2020-10-09	2020-10-16	2020-10-23	2020-10-30	2020-11-06	2020-11-13	2020-11-20	2020-11-27	2020-12-04	2020-12-11	2020-12-18	Total
Collections															
Other Collections	1	21	-	-	157	-	-	-	-	-	-	-	-	300	478
Total Collections		21	-	-	157	-	300	478							
Operating Disbursements															
AWS	2	-	-	(17)	-	-	(10)	(13)	-	(10)	-	-	-	(10)	(60)
Payroll	3	-	(368)	-	(306)	(250)	(341)	-	-	(306)	-	(341)	-	(306)	(2,216)
Miscellaneous	4	(25)	(156)	(109)	-	-	-	(127)	-	-	-	(122)	-	-	(540)
Total Operating Disbursements		(25)	(524)	(126)	(306)	(250)	(351)	(140)	-	(316)	-	(463)	-	(316)	(2,815)
NET OPERATING CASH FLOW		(4)	(524)	(126)	(149)	(250)	(351)	(140)	-	(316)	-	(463)	-	(16)	(2,338)
Restructuring Disbursements															
Restructuring professional fees	5	(25)	(75)	-	(400)	-	-	-	-	(550)	-	(625)	-	(625)	(2,300)
DIP interest and fees		-	-	-	-	-	(125)	-	-	-	(139)	-	-	-	(264)
Total Restructuring Disbursements		(25)	(75)	-	(400)	-	(125)	-	-	(550)	(139)	(625)	-	(625)	(2,564)
NET WEEKLY CASH FLOW		(29)	(599)	(126)	(549)	(250)	(476)	(140)	-	(866)	(139)	(1,088)	-	(641)	(4,902)
Cash Balance															
Beginning Book Balance		1,753	4,172	3,867	2,861	2,387	4,733	3,474	4,113	3,623	2,789	2,727	1,978	1,772	1,753
Net Cash Flow		(29)	(599)	(126)	(549)	(250)	(476)	(140)	-	(866)	(139)	(1,088)	-	(641)	(4,902)
Intercompany to / from Geosys Subsidiaries	6	(16)	394	(773)	75	(10)	(783)	779	(490)	32	77	339	(206)	250	(333)
Intercompany to / from Deimos Subsidiaries	7	(177)	(100)	(106)	-	-	-	-	-	-	-	-	-	-	(382)
Advances pursuant to term loan	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Financing	9	2,640	-	-	-	3,960	-	-	-	-	-	-	-	-	6,600
Repayment of DIP Financing	10	-	-	-	-	(1,355)	-	-	-	-	-	-	-	-	(1,355)
Ending Cash Balance		4,172	3,867	2,861	2,387	4,733	3,474	4,113	3,623	2,789	2,727	1,978	1,772	1,381	1,381

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF URTHECAST CORP.,
URTHECAST INTERNATIONAL CORP., URTHECAST USA INC, 1185729 B.C. LTD. AND THOSE
OTHER PETITIONERS SET OUT ON THE ATTACHED SCHEDULE "A"

Notes and Assumptions to the Cash Flow Forecast

For the period Sept 23, 2020 to December 18, 2020 (the "Period")

Disclaimer:

This cash flow forecast (the "**Forecast**"), has been prepared using unaudited financial information and the Monitor has not attempted to further verify the accuracy or completeness of such information.

The Forecast is based on the probable and hypothetical assumptions outlined below.

Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Period will vary from the Forecast, and such variation may be material. There is no representation, warranty or other assurance that any of the assumptions or estimates used in the Forecast will be realized.

Overview:

The Cash Flow Forecast includes receipts and disbursements of the Petitioners during the Period. The Petitioners, with the assistance of Ernst & Young Inc., in its capacity as the monitor of the Petitioners (the "**Monitor**"), have prepared the Forecast based primarily on estimated receipts and disbursements related to the CCAA proceedings and the Petitioners ongoing operations.

Receipts and disbursements are denominated in Canadian dollars.

The Forecast was prepared for the purpose of satisfying the requirements pursuant to paragraph 10(2)(a) of the *Companies' Creditors Arrangement Act* ("**CCAA**").

Beginning Cash:

The Petitioner's opening cash balance as at September 23, 2020 is approximately \$1,753,000. This amount includes funds held in operating subsidiaries in various jurisdictions and currencies (converted to CAD).

[1] Other collections

Includes various non repayable government grants.

[2] Amazon Web Services ("**AWS**")

Payments made to AWS for use of their cloud-based servers. AWS payments are derived by management estimates of anticipated usage related to processing imagery data via the Urthe Pipeline platform and general usage.

[3] Payroll

Includes UrtheCast Corp. bi weekly payroll. Payroll amounts include approximately 53 highly skilled employees including aerospace engineers and computer software developers. The payroll amounts are estimated based on anticipated staffing levels during the CCAA proceedings.

[4] Miscellaneous

Miscellaneous disbursements include office expenses, rent, subcontractors, computer systems and software and other miscellaneous costs.

[5] Restructuring professional fees

Fees owing to or estimated to be incurred by the Petitioner's legal counsel, the Monitor and the Monitor's legal counsel in connection with the CCAA proceedings.

[6] Intercompany to / from Geosys Subsidiaries

Intercompany to / from Geosys Subsidiaries shows the funding needs of the Geosys Holding, ULC operations as well as it's ability to fund the parent company over the forecast period. These funding requirements arise from the timing of receipts from large customers and timing of payments to suppliers. Annualized Geosys operations are forecasted to positively affect the Petitioners' cash flow.

[7] Intercompany to / from Deimos Subsidiaries

Intercompany to / from Deimos Subsidiaries shows the funding needs of the Deimos operations as well as it's ability to fund the parent company over the forecast period.

[8] Advances pursuant to term loan

N/A

[9] DIP Funding

The Petitioners anticipate drawing on the DIP funds as they become available. \$2,000,000 USD will be drawn on funding and \$3,000,000 USD will be drawn once the conditions precedent of the term loan portion of the DIP are satisfied.

[9] Repayment of DIP Financing

The Petitioners anticipate repaying the 124 DIP financing facility from the funds DIP Funding above.
