

NO. _____
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

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44

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"

PROPOSED MONITOR'S REPORT

ERNST & YOUNG INC.

September 3, 2020

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INTRODUCTION

1. This report (the “**Proposed Monitor’s Report**”) is prepared by Ernst & Young Inc. (“**EYI**”) as the proposed court-appointed Monitor (the “**Proposed Monitor**”) of UrtheCast Corp. (“**UrtheCast**”), 1185729 B.C. Ltd. (“**729 BC**”), UrtheCast International Corp., UrtheCast USA Inc., and those other petitioners set out on the attached **Schedule "A"** (collectively, the “**UrtheCast Group**” or the “**Petitioners**”) pursuant to their application for relief under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”).
2. The Proposed Monitor’s Report should be read in conjunction with Petitioners’ application for an initial order (the “**Proposed Initial Order**”) filed on September 3, 2020, and the supporting affidavit of Sai Chu sworn on September 3, 2020 (the “**Chu Affidavit**”), in support of the Petitioners’ request to commence CCAA proceedings.

PURPOSE

3. The purpose of the Proposed Monitor’s Report is to provide information to this Honourable Court with respect to:
 - a) the qualifications of EYI to act as Monitor, if appointed;
 - b) an overview of the Petitioners;
 - c) an overview of the assets and liabilities of the Petitioners;
 - d) an overview of the Petitioners’ thirteen (13) week cash flow forecast on a consolidated basis (the “**Cash Flow Forecast**”);
 - e) an overview of the requirement for interim financing;
 - f) certain relevant matters about the relief sought in the Proposed Initial Order; and
 - g) the Proposed Monitor’s Recommendations.

TERMS OF REFERENCE

4. In preparing this Proposed Monitor's Report, the Proposed Monitor has been provided with, and in making the comments herein relied upon, unaudited financial information, the UrtheCast Group's books and records, financial information prepared by the UrtheCast Group, and discussions with certain members of the UrtheCast Group ("**Management**"). The Proposed Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, the Proposed Monitor expresses no opinion or other form of assurance in respect of such information contained in this Proposed Monitor's Report.
5. Certain information referred to in this Proposed Monitor's Report consists of forecasts and projections. The Proposed Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposed Monitor expresses no opinion or other form of assurance in respect of the information.
6. Future oriented financial information referred to in the Proposed Monitor's Report was prepared based on Management's estimates and probable and hypothetical 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.
7. This Proposed Monitor's Report has been prepared for the use of this Honourable Court and the UrtheCast Group's stakeholders as general information relating to the UrtheCast Group and their operations. Accordingly, the reader is cautioned that this Proposed Monitor's Report may not be appropriate for any other purpose. The Proposed Monitor assumes no

responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Proposed Monitor's Report contrary to the provisions of this paragraph.

8. Capitalized terms used but not defined in this Proposed Monitor's Report are defined in the Chu Affidavit or the Proposed Initial Order.
9. Unless otherwise stated all monetary amounts contained herein are expressed in Canadian Dollars.

QUALIFICATIONS OF EYI TO ACT AS MONITOR

10. EYI is a licensed trustee within the meaning of subsection 2(1) of the Bankruptcy and Insolvency Act (Canada) and has extensive experience acting as a Monitor pursuant to the provisions of the CCAA in many of Canada's largest restructurings. EYI is not subject to any of the restrictions set out in section 11.7(2) of the CCAA on who may be appointed as Monitor. In particular, EYI has not provided any accounting or auditing services to the UrtheCast Group over the past two years.
11. EYI has consented to act as Monitor in these proceedings should this Honourable Court grant an Initial Order on the terms sought by the UrtheCast Group. A copy of EYI's consent to act as Monitor is attached hereto as **Appendix "A"**.
12. The Proposed Monitor has retained DLA Piper (Canada) LLP ("**DLA**") to act as its independent counsel in these CCAA proceedings.

GENERAL BACKGROUND OF THE PETITIONERS

13. A detailed background with respect to the Petitioners is provided in the Chu Affidavit. The following is a summary prepared by the Monitor to assist this Honourable Court.

14. 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 at 1055 Canada Place – Suite 33 Vancouver, BC V6C 0C3.
15. A copy of UrtheCast’s organization chart prepared by management is provided as an exhibit to the Chu Affidavit and attached hereto as **Appendix “B”**.
16. The UrtheCast Group’s is a vertically-integrated company that provides satellite imaging, data services and geoanalytics through subsidiaries incorporated in the United States, Spain, France, Australia, Switzerland, Brazil, Russia, Barbados and Malta.
17. 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**”).
18. 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**”).
19. Additionally, in January 2019, UrtheCast acquired an operating unit called Geosys 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.

20. The Chu Affidavit describes that 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.
21. 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.

PRIMARY CAUSES OF FINANCIAL DIFFICULTY

22. UrtheCast is an ambitious developer of world-first technologies; and organizations of this nature require continuous access to investor financing to be successful. Historically, the Petitioners have been able to manage their required ongoing financing by obtaining secured bridge financing from its current group of secured creditors.
23. Of late, the Petitioners have required extensive funding to execute on projects still in development (including the projects described above). In addition, the Petitioners' regular financing requirements have been further exacerbated by the COVID-19 pandemic; which has negatively affected sales, the collection of receivables, and delayed the Petitioners in

achieving payment milestones in connection with engineering and services contracts between the Petitioners and their customers.

24. As is described in the Chu Affidavit, on August 27, 2020, UrtheCast entered into a term loan for up to \$1,000,000 USD with 1262743 B.C. Ltd. \$500,000 USD has been advanced under the term loan, which accrues interest at a rate of 18% per annum; has a maturity date of November 30, 2020 and is secured by all the assets owned by UrtheCast (the "**August 2020 Term Loan**").
25. The August 2020 Term Loan has enabled UrtheCast to meet its urgent working capital requirement and position itself to seek relief under the CCAA as described herein.

ASSETS AND LIABILITIES OF THE PETITIONERS

26. The Proposed Monitor has preliminarily reviewed the books and records of the Petitioners including the financial information outlined in the Chu Affidavit and has summarized this information below.

Assets

Assets (as at August 31, 2020)	UrtheCast (consolidated)
Cash	\$905,000
Term deposits	\$237,000
Trade and other receivables (current)	\$16,670,000
Prepaid and other	\$778,000
Assets held for sale	\$36,332,000
Trade and other receivables (non-current)	\$1,354,000
Property and equipment	\$3,613,000
Intangible assets & Goodwill	\$66,726,000
Total Assets (Book Value)	\$126,615,000

27. The material assets listed in the table above are not liquid in nature and the Petitioners will require time and an orderly process to derive value from same. In particular, the Proposed Monitor notes the following:
- a) a material amount of trade and other receivables consists of unbilled revenue on ongoing projects and the Petitioners must complete those projects (or achieve payment milestones on longer term projects) in order to ensure collection;
 - b) assets held for sale represent the Deimos Satellites which are currently being marketed for sale (as described in the Chu Affidavit);
 - c) intangible assets (which includes capitalized costs) and goodwill associated with the Geosys acquisition represents over 50% of the total book value of the Petitioners assets and do not represent an immediate source of liquidity; and
 - d) the values indicated above represent book values only and are unlikely representative of fair market or realizable values particularly in light of the current economic environment and COVID-19 factors.
28. The Chu Affidavit describes that should the Proposed Initial Order be granted, the UrtheCast Group intends to, inter alia, immediately commence a sale and investment solicitation process (a "**SISP**") to divest of core and non-core assets and secure long-term funding for the projects that may form the basis of the UrtheCast Group's go-forward business (subject to the SISP).
29. The Proposed Monitor is of the view that a thoughtfully designed SISP is an appropriate means of deriving fair value for the Petitioners' assets (either by way of sale or refinancing) given their illiquid nature.

Liabilities

Liabilities (as at August 31, 2020)	UrtheCast (consolidated)
Trade and other payables	\$26,301,000
Income taxes payable	986,000
Bank and other loans	22,508,000
Convertible debentures	21,045,000
Other financial liabilities (Current)	8,231,000
Deferred revenue	4,119,000
Liabilities associated with assets for sale (Deimos Satellites)	38,039,000
Long term debt	7,656,000
Derivative financial instruments	2,161,000
Other financial liabilities (Non Current)	16,620,000
Deferred income taxes	3,588,000
Total Liabilities (Book Value)	\$151,254,000

30. The Proposed Monitor notes the following material liabilities:
- a) Bank and other loans of \$22,508,000 consists of secured term loans which matured in January 2020. The Proposed Monitor understands that due to liquidity issues, the UrtheCast Group was unable to repay these loans when they matured but was able to negotiate extensions on the maturity date;
 - b) Approximately \$23,000,000 of the liabilities associated with assets for sale relate amounts owing pursuant to the Sabadell Term Loan;
 - c) Long term debt of \$7,656,000 consists primarily of secured amounts owing to Science and Economic Development Canada's Strategic Aerospace & Defence Initiative ("**SADI**") program; and
 - d) Included in other financial liabilities are deferred payments related to the Geosys acquisition and associated deferred royalty consideration.
31. The Chu Affidavit describes unsecured creditors as consisting primarily of convertible debenture holders, the Canadian Ministry of Industry, trade creditors and certain directors who agreed to defer their salaries.

OVERVIEW OF THE PETITIONERS' CASH FLOW PROJECTIONS

32. Management, with the assistance of the Proposed Monitor, has prepared a cash flow forecast (the “**Cash Flow Forecast**”) on a weekly basis for the period from September 4, 2020 to November 27, 2020 (the “**Forecast Period**”) for the purpose of projecting the Petitioners’ estimated liquidity need during the Cash Flow Period. A copy of the Cash Flow Forecast is attached hereto as **Appendix “C”** and is summarized below.

	First 10 Days	13 Week Total
Beginning Cash	905,000	905,000
Receipts	1,238,000	\$1,395,000
Disbursements		(\$5,041,000)
AWS	(55,000)	(88,000)
Payroll	(341,000)	(1,625,000)
Restructuring Fees	(200,000)	(1,875,000)
Intercompany (Geosys)	(992,000)	(1,138,000)
Miscellaneous	(80,000)	(315,000)
Ending Cash Balance	476,000	(\$3,401,000)
Interim Financing Draw	-	\$2,800,000
Ending Cash after Interim Financing	476,000	\$59,000

33. The Cash Flow Forecast projects that the Petitioners will:
- a) have sufficient liquidity to continue operations during the Initial Stay Period (defined below); and
 - b) require access to a debtor-in-possession (“**DIP**”) financing facility in order to continue operations beyond the Initial Stay Period.
34. The Cash Flow Forecast is prepared with the underlying assumption, amongst others, that an Initial Order under the CCAA will be granted on or around September 4, 2020, and that payments to creditors accrued pre-filing will be stayed and dealt with as part of the CCAA proceedings.

35. The Petitioners are seeking a stay of proceedings for a period of ten (10) days until September 14, 2020 (the “**Initial Stay Period**”). The Proposed Monitor is cognizant of the current liquidity projections in the Cash Flow Forecast and intends to monitor the Petitioners' liquidity throughout the Initial Stay Period and provide the Court with an update, in the event that it becomes apparent that the Petitioners will not have sufficient liquidity to fund their operations throughout the entirety of the Initial Stay Period.
36. The Proposed Monitor's review of the Initial Projection consisted of inquiries, analytical procedures, and discussion related to information supplied to it by Management. Since hypothetical assumptions need not be supported, the procedures with respect to them were limited to evaluating whether they were consistent with the purposes of the Initial Projection. The Proposed Monitor also reviewed the support provided by Management for the probable assumptions and the preparation and presentation of the Initial Projection.
37. Based on the Proposed Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:
- a) the hypothetical assumptions are not reasonable and consistent with the purposes of the Cash Flow Forecast;
 - b) as at the date of this Proposed Monitor's Report, the probable and hypothetical assumptions developed by Management are not suitably supported and consistent with the plans of the UrtheCast Group or do not provide a reasonable basis for the Cash Flow Forecast; or
 - c) the Cash Flow does not reflect the probable and hypothetical assumptions.
38. As described in the Terms of Reference above, since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the probable and hypothetical assumptions occur, and the variations may be material.

Accordingly, the Proposed Monitor expresses no assurance as to whether the Cash Flow Forecast will be achieved.

39. The Cash Flow Forecast has been prepared solely for the purposes described above, and readers are cautioned that it may not be appropriate for other purposes.

INTERIM FINANCING

40. As is noted above, the Cash Flow Forecast contemplates that the Petitioners will require interim financing in order to facilitate an efficient and orderly restructuring. The Petitioners are working with the Proposed Monitor to finalize debtor-in-possession ("**DIP**") financing in the approximate principal amount of \$5,000,000 USD (the "**DIP Facility**"); and as such, the Monitor anticipates that as early as the comeback hearing the Petitioners will be seeking the approval of a DIP Facility together with a charge secured against the property of the Petitioners (a "**DIP Facility Charge**").
41. While the Petitioners are working diligently with the Proposed Monitor with respect to securing a DIP facility, it is likely that funds will be required prior to the DIP Facility becoming available. The Petitioners are in discussions with 1262743 B.C. Ltd. with respect to securing interim funding.

RELEVANT MATTERS ADDRESSED IN THE PROPOSED INITIAL ORDER

42. The proposed initial order provides for two priority charges (collectively, the "**Charges**") on the current and future assets, undertakings and properties of the Petitioners wherever located, including all proceeds thereof, that rank in the following order:
 - a) First, the Administration Charge to the maximum amount of \$500,000 (defined below; and

b) Second, the Directors Charge to a maximum amount of \$350,000 (defined below).

Administration Charge

43. The proposed Initial Order provides for a charge in the amount of \$500,000 (the “**Administration Charge**”) in favour of legal counsel for the UrtheCast Group, the Proposed Monitor, and independent counsel to the Proposed Monitor, as security for professional fees and disbursements incurred both before and after the making of the Initial Order in respect of these CCAA proceedings.
44. The Administrative Charge was determined based on an analysis of anticipated work required in respect of these CCAA proceedings. The Proposed Monitor believes that the quantum of the Administration Charge is fair and reasonable in the circumstances.

Directors and Offices Indemnification and Charge

45. The Proposed Initial Order provides:
- a) that the Petitioners shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Petitioners after the commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director’s or officer’s gross negligence or wilful misconduct; and
 - b) for a charge in an amount not to exceed \$350,000 (the “**Directors’ Charge**”) as security for the indemnity described above.
46. The quantum of the Director’s Charge is based on an estimate of director and officers’ liabilities that may arise from non-payment of payroll for one pay period.
47. The Proposed Monitor notes that provisions of this nature are customary in CCAA proceedings and the Petitioners’ directors and officers shall only be entitled to the benefit of

the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent such coverage is insufficient to pay an indemnified amount as described above.

48. The Proposed Monitor is of the view that the amount of the Directors' Charge is required and is fair and reasonable in the circumstances as it is anticipated the Petitioners restructuring will benefit from these individuals' continued assistance in the within proceedings.

Creditor Notification

49. The Proposed Initial Order contemplates that the Proposed Monitor shall (i) without delay, publish in the Globe and Mail a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Petitioners of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.
50. The Proposed Monitor will establish 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.

CONCLUSIONS AND RECOMMENDATIONS

51. The Proposed Monitor has reviewed the Petitioners' filing materials and has consented to act as the Monitor should this Honourable Court grant the Proposed Initial Order.

All of which is respectfully submitted this 3rd day of September, 2020.

ERNST & YOUNG INC.

in its capacity as Proposed Monitor
of the UrtheCast Group
and not in their personal capacity

Per:

A handwritten signature in black ink, appearing to be 'MB', with a long horizontal stroke extending to the right.

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

A handwritten signature in black ink, appearing to be 'PM', with a long horizontal stroke extending to the right.

Philippe Mendelson, CIRP, LIT
Vice President

Appendix A

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 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"

PETITIONERS

CONSENT TO ACT AS MONITOR

Ernst & Young Inc. hereby consents to act as court-appointed monitor in these proceedings of URTHECAST CORP., URTHECAST INTERNATIONAL CORP., URTHECAST USA INC, 1185729 B.C. LTD. AND THOSE OTHER PETITIONERS SET OUT ON THE ATTACHED SCHEDULE "A", if so appointed by this Honourable Court.

DATED at the City of Vancouver, in the Province of British Columbia this 2nd day of September, 2020.

ERNST & YOUNG INC.

Per:

A handwritten signature in black ink, appearing to be 'Michael Bell', written over a light grey signature line.

Name: Michael Bell

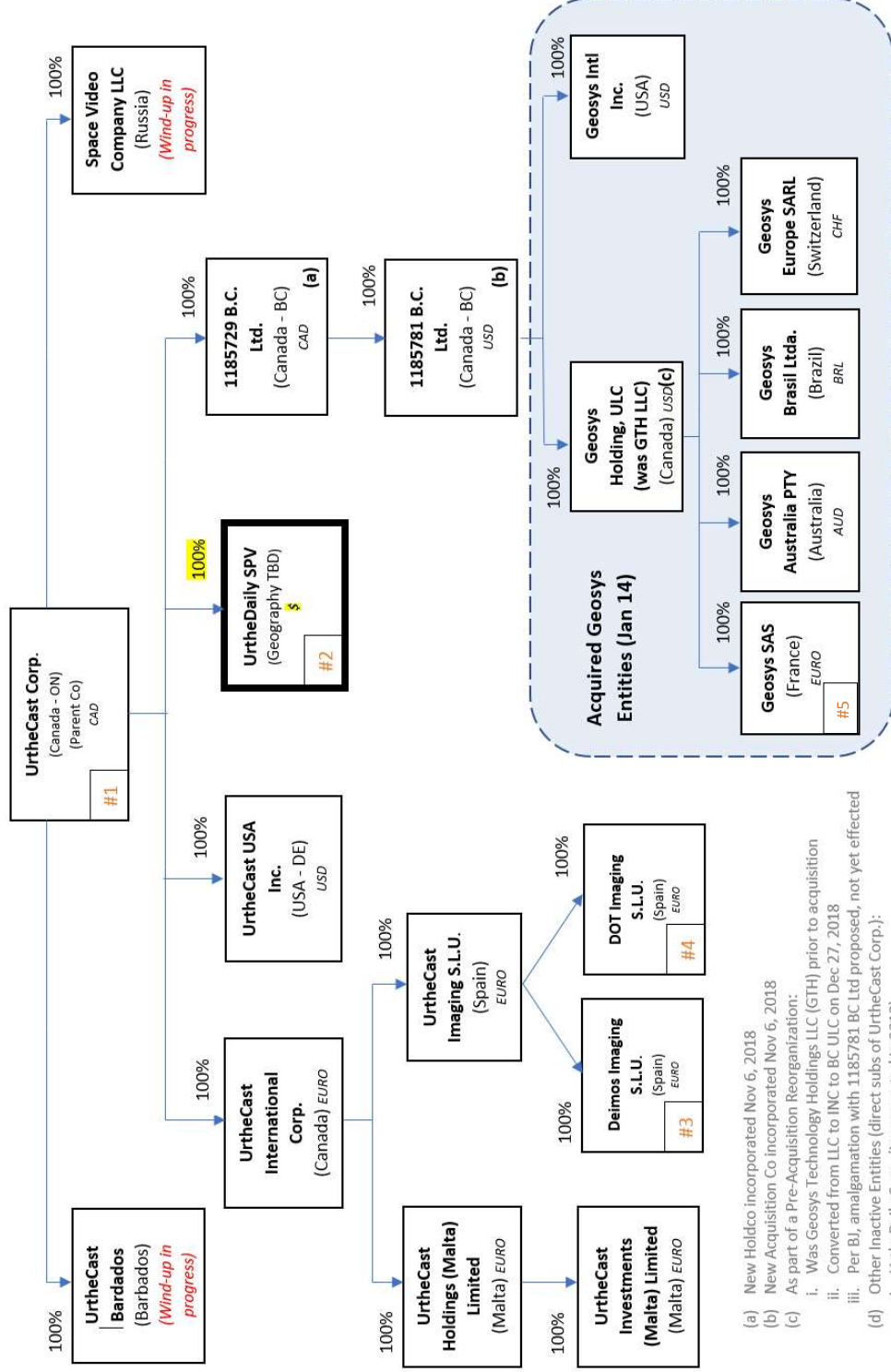
Title: Senior Vice President

Appendix B

UrtheCast Corp.

Corporate Structure

Post-Acquisition of Geosys Group of Companies



- (a) New Holdco incorporated Nov 6, 2018
- (b) New Acquisition Co incorporated Nov 6, 2018
- (c) As part of a Pre-Acquisition Reorganization:
 - i. Was Geosys Technology Holdings LLC (GTH) prior to acquisition
 - ii. Converted from LLC to INC to BC ULC on Dec 27, 2018
 - iii. Per BJ, amalgamation with 1185781 BC Ltd proposed, not yet effected
- (d) Other Inactive Entities (direct subs of UrtheCast Corp.):
 - i. UrtheDaily Corp. (Incorporated in 2018)
 - ii. Holland Operating Co. (US) (wind-up in progress)

Key Assets

#1 UrtheCast Corp.:

- A. High Resolution Camera (video) – IRIS
- B. Medium Resolution Camera (imagery) – Theia
- C. Software – UrthePipeline, OptiSAR
- D. FPP Contracts – Airbus, 21AT, RSI, Terratech, Winfield (assignable to #2)
- E. Patents:
 - Systems and Methods for Processing Distributing Earth Observation Images
 - Systems and Methods for Processing and Providing Terrestrial and/or Space-Based Earth Observation Video
 - Efficient Planar Phased Array Antenna Assembly
 - Others pending (refer to Patent Summary)

#2 UrtheDaily SPV:

- A. License – UrthePipeline (TBD)
- B. FPP Contracts – (assignable from #1) (TBD)
- C. Satellites – Constellation (TBD)

#3 Deimos Imaging S.L.U.:

- A. Satellite (imagery) – Deimos 1

#4 DOT Imaging S.L.U.:

- A. Satellite (imagery) – Deimos 2

#5 Geosys SAS:

- A. Cropital
- B. Cropital In Field
- C. Field Coverage Service
- D. Image Processing Chain
- E. Field Manager / GIS Module
- F. Low Resolution Processing Chain
- G. Automatic Cloud Masking
- H. Patents:
 - Method for correcting the time delay in measuring agricultural yield

Appendix C

UrtheCast Corp. et al.
 Combined Cash Flow Statement
 For the Thirteen Weeks ending November 27, 2020
 All figures in Canadian dollars (000)

Notes	Week 1 2020-09-04	Week 2 2020-09-11	Week 3 2020-09-18	Week 4 2020-09-25	Week 5 2020-10-02	Week 6 2020-10-09	Week 7 2020-10-16	Week 8 2020-10-23	Week 9 2020-10-30	Week 10 2020-11-06	Week 11 2020-11-13	Week 12 2020-11-20	Week 13 2020-11-27	Forecast Total
Collections														
1	116	400	62	-	157	-	-	-	-	-	-	-	-	735
Total Collections	116	400	62	-	157	-	-	-	-	-	-	-	-	735
Operating Disbursements														
2	(55)	-	-	-	-	-	(10)	-	-	(13)	-	(10)	-	(88)
3	-	(306)	(35)	-	(333)	-	(306)	-	(341)	-	-	(306)	-	(1,625)
4	(80)	-	-	-	(150)	-	-	-	(85)	-	-	-	-	(315)
Total Operating Disbursements	(135)	(306)	(35)	-	(483)	-	(316)	-	(341)	(98)	-	(316)	-	(2,028)
NET OPERATING CASH FLOW	(19)	94	27	-	(326)	-	(316)	-	(341)	(98)	-	(316)	-	(1,293)
Restructuring Disbursements														
5	-	(200)	-	(525)	-	-	(525)	-	-	-	-	(625)	-	(1,875)
Total Restructuring Disbursements	-	(200)	-	(525)	-	-	(525)	-	-	-	-	(625)	-	(1,875)
NET WEEKLY CASH FLOW	(19)	(106)	27	(525)	(326)	-	(841)	-	(341)	(98)	-	(941)	-	(3,168)
Cash Balance														
Beginning Book Balance	905	1,328	1,105	476	18	203	22	57	132	70	970	328	61	905
Net Cash Flow	(19)	(106)	27	(525)	(326)	-	(841)	-	(341)	(98)	-	(941)	-	(3,168)
Intercompany to / from Geosys Subsidiaries	(218)	(118)	(656)	68	510	(481)	(224)	(125)	(21)	998	(842)	(226)	(2)	(1,138)
Advances pursuant to term loan	660	-	-	-	-	-	-	-	-	-	-	-	-	660
DIP Funding	-	-	-	-	-	300	1,100	200	300	-	-	900	-	2,800
Ending Cash Balance	1,328	1,105	476	18	203	22	57	132	70	970	328	61	59	59

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 4, 2020 to November 27, 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 proposed monitor of the Petitioners (the "**Proposed 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 the week of September 4, 2020 is approximately \$905,000. This amount includes funds of approximately \$506,000 CAD held in Geosys Holding, ULC operating subsidiaries in various jurisdictions and currencies (converted to CAD).

[1] Other gov receipts

Includes various non repayable government grants, and draws on the Strategic Aerospace and Defence Initiative ("**SADI**") loan program. It is assumed that the filing of the CCAA initial order will not impair the Petitioner's abilities to receive funds through SADI program and the various 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.

The intercompany transfers to/from Geosys Subsidiaries assume the above mentioned \$506,000 CAD cash held in Geosys subsidiaries is being held by Urthecast Corp. and that Geosys subsidiaries' opening cash balances are \$0.

[7] Advances pursuant to term loan

Considers remaining advance pursuant to the August 2020 Term Loan.

[8] DIP Funding

The Petitioners anticipate applying for the approval of DIP Funding and associated charge at the comeback hearing. It is anticipated that the DIP facility will drawn on an as needed basis.

"Schedule "A"
List of Petitioners

1185729 B.C. Ltd.

1185781 B.C. Ltd.

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.

UrtheCast International Corp.

UrtheCast Corp.

UrtheCast Holdings (Malta) Limited

UrtheCast Imaging S.L.U.

UrtheCast Investments (Malta) Limited

UrtheCast USA Inc.

UrtheDaily Corp.