

**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"

**THIRD REPORT OF THE MONITOR**

**ERNST & YOUNG INC.**

**October 1<sup>st</sup>, 2020**

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THIRD 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. On September 23, 2020, this Honourable Court granted an order (the “**Revised Amended and Restated Initial Order**”) that, among other things, approved a second DIP facility (the “**Hale DIP Term Sheet**”) and corresponding DIP charge of in the amount of USD \$5,000,000.

5. 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**”), the First Report of the Monitor (the “**First Report**”) dated September 10, 2020, and the Second Report of the Monitor (the “**Second Report**”) date September 23, 2020.
6. 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) two Interim Lender’s Charges in the aggregate of USD \$6,000,000; 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 Revised Amended and Restated Initial Order; and
  - d) the Intercompany Charge as described in the First Report and the Revised Amended and Restated Initial Order.
7. The Monitor has established a website at [www.ey.com/ca/urthecast](http://www.ey.com/ca/urthecast) (the “**Monitor’s Website**”). All court documents and certain other documents will be posted on the Monitor’s Website.
8. The purpose of this report, (the “**Third Report**”) is to provide this Honourable Court with information on the following:
  - a) condensed background information on the Petitioners;
  - b) information on the status of foreign insolvency proceedings commenced in respect of the Urthecast Group;

- c) the Proposed SISP (defined and described below);
- d) a forecast to actual analysis for the two-week period of September 25, 2020;
- e) the Updated Cash Flow Forecast for the thirteen-week period ending December 25, 2020;
- f) a requested extension to the stay of proceedings to December 18, 2020; and
- g) the Monitor's recommendations.

### TERMS OF REFERENCE

9. In preparing this Third 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 Third 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 Third 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.

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

#### **CONDENSED BACKGROUND INFORMATION**

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 in Vancouver, British Columbia.
15. A copy of UrtheCast's organization chart prepared by management was attached to the Proposed Monitor's Report as Appendix "B".

16. 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.
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 (the "**Geosys Operation**") which provides scientific grade weather and satellite data and proven methodologies for monitoring and benchmarking agricultural crops. Geosys primarily operates through the following entities:
  - a) Geosys-Int'l Inc. (incorporated under the laws of the USA) which is located in Maple Grove, Minnesota and amongst other things manages a satellite imagery services agreement with a key customer; and
  - b) Geosys SAS (incorporated under the laws of France) which is located in Toulouse, France and provides support services through the employment of approximately 65 personnel in France to enable the provision of services to Geosys' customers.

The Monitor is advised that Geosys SAS 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.

20. Geosys operates primarily in, a) Maple Grove, Minnesota through Geosys-Int'l Inc., an entity incorporated under the laws of the United States, and b) Toulouse, France through Geosys SAS, an entity incorporated under the laws of the laws of France.
21. 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.
22. 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.



## UPDATE ON FOREIGN INSOVENCY PROCEEDINGS

### Geosys France

23. The Monitor provided an overview of the Geosys Operation in its Second Report and described that given a number of 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. The Second Report further described that 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.
24. On September 29, 2020, Geosys SAS appeared before the Commercial Court in Toulouse (France) and requested the commencement of a type of formal insolvency proceeding in France known as Redressement Judiciaire (“**RJ**”).
25. A RJ is a debtor driven process that is similar to a CCAA and whereby a Debtor is subject to oversight by a trustee who will report to the Commercial Court in Toulouse in a similar as a Monitor. At the September 29, 2020 hearing, the Commercial Court in Toulouse appointed Me. Caviglioli as Trustee (the “**French Trustee**”).
26. The RJ proceedings in France formally commenced on October 1, 2020. A copy of the decision of the Commercial Court of Toulouse (France) is attached hereto as **Appendix “A”**. The benefits of this type of proceeding are that Geosys SAS will enjoy the benefit of a stay of proceedings, retain the ability to operate and be permitted to borrow funds on a priority basis.

### Proposed Chapter 15 Proceedings

27. Given the presence of Geosys in the United States including key clients, the Hale DIP Term Sheet includes a condition precedent which requires the Petitioners to obtain recognition orders in certain jurisdictions including the United States.

28. The Petitioners have retained Fredrickson & Byron, P.A. in Minneapolis, Minnesota as legal advisor to file a motion with the United States Bankruptcy Court for the District of Minnesota for entry of an order granting recognition of the within CCAA proceedings as a foreign proceeding pursuant to Chapter 15 of the United States Bankruptcy Code.
29. The Petitioners are seeking an Order of this Honourable Court that expressly authorizes UrtheCast Corp. to act as a foreign representative with respect to insolvency proceedings recognized in jurisdictions outside of Canada, including the proposed Chapter 15 proceedings. The Monitor notes that it is normal for a Petitioner to act as a foreign representative in proceeding commenced under Chapter 15 of the United States Bankruptcy Code; and the purpose of the Order is administrative in nature and to assist in commencing any such filing.
30. The Monitor is advised that this motion will be filed with the United States Bankruptcy Court for the District of Minnesota in the very near term.

#### **PROPOSED SALE AND INVESTMENT PROCESS**

31. This Petitioners are very close to finalizing a sale and investment solicitation process (a "**Proposed 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. The Monitor anticipates that the Petitioners will be in a position to file a motion with this Honourable Court to seek the approval of the Proposed SISP in the very near future.

#### **CASH FLOW FORECAST BUDGET TO ACTUALS**

32. Appendix "C" of the First Report contained a weekly cash flow projection for the Petitioners (the "**Cash Flow Forecast**") for the three-week period ending October 2, 2020.

33. The table below provides a variance analysis of the actual cash flow activity versus the Cash Flow Forecast for the two-week period ending September 25, 2020.

	<b>Projection</b>	<b>Actuals</b>	<b>Variance</b>
<b>Beginning Cash</b>	<b>1,185,000</b>	<b>1,185,000</b>	<b>-</b>
<b>Misc. Gov Receipts</b>	<b>27,000</b>	<b>21,177</b>	<b>(5,823)</b>
<b>Disbursements</b>			
AWS	-	-	-
Payroll	(35,000)	(281,629)	(246,629)
Restructuring Fees	0	(100,000)	(100,000)
Intercompany (Geosys)	(196,000)	(253,000)	(57,000)
Intercompany (Deimos)	(232,000)	(94,000)	138,000
Pending Payments	-	(21,000)	(21,000)
Miscellaneous	(65,000)	(55,493)	9,507
<b>Total Disbursements</b>	<b>(528,000)</b>	<b>(805,122)</b>	<b>(277,122)</b>
Net Cash Flow	(501,000)	(762,945)	(282,945)
DIP Draw	660,000	660,000	-
<b>Ending Cash</b>	<b>1,344,000</b>	<b>1,061,055</b>	<b>(282,945)</b>

34. Broadly speaking, the variance in ending cash noted above is attributable to timing differences. Explanations for the larger variances noted in the table above include:
- a) the Cash Flow Forecast assumed a payroll expense of \$333,000 the week ending October 2, 2020. Payroll was funded on September 25, 2020, in the amount of \$280,461;
  - b) Restructuring fees of \$100,000 relate to retainers being provided to both the Monitor's counsel and the DIP Lender's counsel. The Cash Flow Forecast anticipated Restructuring fees of \$175,000 during the week ending October 2, 2020; and,

- c) Less than anticipated expenses were paid during the two weeks ending September 25, 2020, at the Deimos subsidiaries.

### THE UPDATED CASH FLOW FORECAST

35. The Monitor, on behalf of the Petitioners, has prepared a weekly cash flow projection (the “**Updated Cash Flow Forecast**”) for the thirteen week period ending December 25, 2020 (the “**Updated Cash Flow Period**”).
36. A copy of the Updated Cash Flow Forecast along with its notes and assumptions are attached hereto as **Appendix “B”** and is summarized below:

	<b>To December 25, 2020</b>
<b>Beginning Cash</b>	<b>\$1,061,000</b>
<b>Receipts</b>	<b>\$3,757,000</b>
<b>Disbursements</b>	
AWS	(60,000)
Payroll	(1,610,000)
Restructuring Fees	(1,529,000)
Intercompany (Geosys)	(2,323,000)
Intercompany (Deimos)	(1,976,000)
Payment to Interim Lender (126)	(1,380,000)
DIP Interest and Fees	(396,000)
SAR	(473,000)
Miscellaneous	(472,000)
<b>Ending Cash Balance</b>	<b>\$(5,401,000)</b>
<b>Interim Financing Draw</b>	<b>\$6,600,000</b>
<b>Ending Cash after Interim Financing</b>	<b>\$1,199,000</b>

37. The Updated Cash Flow Forecast projects that the Petitioners will have access to enough cash by utilizing the cash on hand and the authorized borrowings under the DIP Facility to pay obligations that arise over the Updated Cash Flow Period and throughout the proposed extension to the Stay Period (as discussed below).
38. Shortly before the preparation of the Updated Cash Flow Forecast, the Petitioners received USD \$2,000,000 pursuant to a services agreement between certain of the Petitioners and one of Geosys’ key clients.

## **REQUEST FOR AN EXTENSION TO THE STAY OF PROCEEDINGS**

39. The Stay Period is currently set to expire on October 2, 2020. The Petitioners are requesting an extension of the Stay Period until December 18, 2020, being the approximate date timeframe for the completion of the Proposed SISP currently being considered.
40. The Monitor has considered the burden of evidence that resides with the Petitioners to demonstrate that an extension of the Stay of Proceedings by this Honourable Court is warranted, having regard to:
- a) the circumstances that justify the making of an extension order;
  - b) the good faith efforts of the Petitioners to effect the restructuring; and
  - c) the due diligence with which the Petitioners are advancing the restructuring.

### Circumstances that justify the extension sought

41. In the Monitor's view, the extension of the Stay of Proceedings is necessary in order to:
- a) permit the Petitioners to formalize and undertake the Proposed SISP;
  - b) maintain operational control of the Petitioners and preserve the value of same throughout the Stay Period.
42. Moreover, as is depicted in the Third Cash Flow Forecast, the Monitor projects that the Petitioners will have sufficient liquidity and cash on hand to fund its ongoing obligations through December 18, 2020.

### Good Faith Efforts and Due Diligence

43. The Petitioners have been working in good faith and with due diligence on developing the Proposed SISP with the goal of maximizing value for stakeholders.

44. The Petitioners have complied with all of the requirements under the CCAA, as well as the various orders granted by this Honourable Court in this proceeding.
45. For the foregoing reasons, the Monitor supports the Petitioners' request for an order extending the Stay Period to December 18, 2020.

### **CONCLUSIONS AND RECOMMENDATIONS**

46. For the reasons stated herein, the Monitor supports the relief sought by the Petitioners and recommends that this Honourable Court approve:
- a) an extension of the Stay Period to December 18, 2020; and
  - b) the relief sought with respect to authorizing the Urthecast Corp. to act as a foreign representative in respect of the within proceedings for the purposes of having these proceedings recognized in a jurisdiction outside of Canada.

All of which is respectfully submitted this 1st day of October 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**

SCP CBF ET ASSOCIES prise en la personne  
de Me Christian CAVIGLIOLI  
10 Rue d'Alsace-Lorraine  
31000 TOULOUSE

Toulouse, le 01/10/2020

Communication électronique

**COMMUNICATION/NOTIFICATION DE JUGEMENT**

Madame, Monsieur, Maître,

Vous trouverez ci-joint copie d'un jugement en date du 01/10/2020 ouvrant une procédure collective à l'égard de :

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

N° de dossier : 2020RJ0398

Dirigeant :  
Suite 2600 Oceanic Plaza 1066 West Hastings Street VANCOUVER BC V6E 3X1  
Canada  
Tél dirigeant : 0607141783  
g.sanchez@geosys.com

Vous en souhaitant bonne réception, je vous prie d'agréer, Madame, Monsieur, Maître, l'expression de mes sentiments distingués.

Le greffier.





COPIE

**TRIBUNAL DE COMMERCE DE TOULOUSE**

**Jugement du 01/10/2020**

**Redressement Judiciaire : SAS GEOSYS**

Prononcé par mise à disposition au greffe et signé par :

Monsieur Maxime AMAR, président, et Monsieur Jean-Charles BURGUES, greffier.

Après que la cause a été débattue en chambre du conseil le 29/09/2020 devant Monsieur Maxime AMAR, président, Monsieur Patrick VERNIER, Monsieur Patrick NARDIN, juges, assistés de Monsieur Jean-Charles BURGUES, greffier.

Après qu'il en a été délibéré par les juges ayant assisté aux débats.

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Sur demande d'ouverture d'une procédure de redressement judiciaire de la  
**SAS GEOSYS**

2 Rue Joseph Hubert B-Park - Bâtiment B 31130 BALMA,

N° siren : 343 043 790

N° gestion : 1987B1614

« *service conseil vente matériel et logiciels et utilisation télédétection spatiale* »

déposée au greffe le 18/09/2020 par Maître LELEU-MENASSIER, avec procuration, pour le compte de Monsieur Guillaume SANCHEZ, directeur général de la SASu GEOSYS, domicilié 74 avenue de Lombez 31300 TOULOUSE ; le président de ladite SASu étant la société de droit étranger GEOSYS HOLDING ULC, ayant son siège social au Canada, sis Suite 2600 Océanic Plaza 1066 West Hastings Street Vancouver BC V6E 3x1, représentée par Monsieur Sai CHU, domicilié 7186 Clarendon St Vancouver BC V5s 2k4 (Canada) et par Monsieur Donald OSBORNE, domicilié 70 Tsawwassen Beach Rd Delta Bc V4m 4c6 (Canada).

La SAS GEOSYS et, le cas échéant, les représentants du comité d'entreprise ou, à défaut, des délégués du personnel, ont été convoqués, par le greffier de ce tribunal, en chambre du conseil à l'audience du 22/09/2020 afin qu'il soit statué sur l'éventuelle ouverture d'une procédure de redressement judiciaire.

L'affaire a fait l'objet d'un renvoi à l'audience du 29/09/2020.

Lors de ladite audience du 29/09/2020, ont comparu et été entendus en leurs observations :

- Monsieur Guillaume SANCHEZ, directeur général de la SASu GEOSYS, assisté de Maître LELEU-MENASSIER (AXIOM AVOCATS), avocate au barreau de Toulouse,
- Madame Caroline BAUDIN, directrice administrative et financière,
- Monsieur Louis OLIVIER, membre du CSE,
- Maître Jean-François LAFFONT, avocat au barreau de Toulouse, représentant la DELEGATION UNEDIC AGS.

Monsieur Guillaume SANCHEZ a rappelé au tribunal le contexte général de cette affaire, les causes des difficultés ayant entraîné la demande d'ouverture d'une procédure de redressement judiciaire :

*« ...La société Geosys SAS est un centre de service pour les autres entités du groupe Geosys. La plupart des contrats commerciaux sont portés par d'autres entités du groupe et les revenus de Geosys SAS proviennent très majoritairement de facturation intra-groupe. Ainsi, la société Geosys SAS est très dépendante des autres sociétés du groupe pour sa facturation et ses flux entrants, et dans le même temps Geosys SAS supporte la majorité des coûts de l'offre de service du groupe Geosys.*

*Geosys SAS exécute la majeure partie du contrat avec la société Land O'Lakes (75% de son chiffre d'affaires), acteur majeur de l'agriculture aux USA, et ancien propriétaire de Geosys.*

*Land O'Lakes a cédé Geosys en janvier 2019 à Urthecast.*

*Aujourd'hui, Geosys SAS fournit une technologie, des données et des services qui sont critiques pour l'offre digitale de Land O'Lakes.*

*Le 04 septembre 2020, notre maison mère, Urthecast Corp s'est placé sous la protection du CCAA (Companies' Creditors Arrangement Act) au Canada dans le but de se protéger de ses créanciers et restructurer sa dette.*

*Les difficultés financières actuelles du groupe ont un impact très négatif sur la trésorerie de Geosys, et nous ne pouvons pas respecter nos engagements financiers depuis début août.*

*A ce stade, deux options principales sont possibles pour le redressement de Geosys SAS :*

*- une amélioration de la situation financière d'Urthecast avec un refinancement de GEOSYS*

*- une reprise de la société : Geosys est reconnu pour ses compétences en télédétection et en développement de solutions digitales pour l'agriculture et sert des contrats très intéressants en Europe, au Brésil, et en Amérique du Nord... ».*

Maître LELEU-MENASSIER, représentant la SAS GEOSYS indique que cette dernière sollicitera l'AGS pour le règlement des salaires de septembre 2020, elle sollicite également un jugement rendu pour le 01/10/2020, ainsi que la désignation de Maître Christian CAVIGLIOLI en qualité d'administrateur judiciaire.

Maître Jean-François LAFFONT, représentant la DELEGATION UNEDIC AGS, ne fait pas d'observation particulière.

### **SUR CE, LE TRIBUNAL**

Attendu que les comparants ont exposé les raisons qui les amènent aujourd'hui à solliciter l'ouverture d'une procédure de redressement judiciaire à l'encontre de la **SAS GEOSYS** ;

Attendu que le débiteur emploie 63 salariés et a réalisé un chiffre d'affaires de 8.802.732 euros lors de l'exercice clos au 31/12/2019 ;

Qu'il déclare l'existence d'un passif exigible d'un montant de 2.313.543,81 euros, d'un passif à échoir d'un montant de 1.874.372,01 euros, et d'un actif disponible insuffisant (solde global du compte bancaire créditeur de 155.000 euros avec un découvert autorisé de 50.000 euros) ;

Attendu qu'il ressort des explications fournies et des documents versés que la SAS GEOSYS est dans l'impossibilité de faire face à son passif exigible avec son actif disponible et se trouve donc en état de cessation des paiements ; qu'il conviendra, en conséquence, d'ouvrir en son encontre une procédure de **redressement judiciaire** avec une période d'observation de **SIX MOIS** ;

Attendu qu'une telle procédure apparaît en effet nécessaire pour déterminer s'il existe en l'espèce des possibilités de redressement ;

Attendu que préalablement à la prochaine comparution en chambre du conseil, l'administrateur qui sera désigné, avec le concours du débiteur, devra déposer au greffe de ce tribunal, conformément à l'article L. 631-15 du code de commerce, un rapport justifiant que le débiteur dispose des capacités financières suffisantes pour poursuivre la période d'observation ;

Attendu qu'il conviendra d'ordonner la comparution sous deux mois en chambre du conseil de la **SAS GEOSYS** pour qu'il soit statué, au vu du rapport précité, sur la poursuite de la période d'observation ou le prononcé de la liquidation judiciaire ;

Attendu que des pièces versées aux débats et des explications fournies par le débiteur, il ressort que l'entreprise est en état de cessation des paiements depuis le 05/08/2020, date à laquelle la SAS GEOSYS n'a pu régler l'URSSAF, qu'il conviendra dès lors de fixer à cette date la cessation des paiements ;

Attendu que les dépens seront passés par frais privilégiés de la procédure collective.

### **PAR CES MOTIFS**

Le tribunal, statuant par décision contradictoire et en premier ressort, après en avoir délibéré,

Le ministère public informé.

Constate l'état de cessation des paiements de la :

#### **SAS GEOSYS**

2 Rue Joseph Hubert B-Park - Bâtiment B 31130 BALMA

Ordonne l'ouverture d'une procédure de **redressement judiciaire** ;

Fixe au 01/04/2021 la fin de la période d'observation ;

Fixe au 05/08/2020 la date de cessation des paiements ;

Désigne :

Juge-commissaire : Madame Martine ETHUIN  
Juge-commissaire suppléant : Monsieur Jean-Marie COSSET

Mandataire judiciaire : SAS REY ET ASSOCIES MANDATAIRES JUDICIAIRES prise en la personne de Me Marc-Antoine REY 2 BIS Avenue Jean Rieux 31506 TOULOUSE CEDEX 5

Administrateur : SCP CBF ET ASSOCIES prise en la personne de Me Christian CAVIGLIOLI 10 Rue d'Alsace-Lorraine 31000 TOULOUSE, avec mission d'assistance du débiteur

Invite le comité d'entreprise, les délégués du personnel, ou à défaut, les salariés à désigner un représentant parmi les salariés de l'entreprise conformément à l'article L. 621-4 du code de commerce et à en communiquer sans délai les nom et adresse au greffe de ce tribunal ;

Dit que la SAS GEOSYS devra se présenter au tribunal devant le juge-commissaire (2<sup>ème</sup> étage) **le 10/11/2020 à 15H00** munie d'une situation comptable visée par un expert-comptable relatant l'activité de l'entreprise depuis l'ouverture de la procédure et accompagnée du comité d'entreprise, des délégués du personnel ou à défaut du représentant des salariés ;

Fixe au **17/11/2020 à 09H30** la date à laquelle la SAS GEOSYS devra se présenter devant le tribunal siégeant en chambre du conseil (2<sup>ème</sup> étage - salle d'audience 2) afin qu'il soit statué sur la poursuite de la période d'observation ou le prononcé de la liquidation judiciaire ;

Invite le comité d'entreprise, les délégués du personnel, ou à défaut, le représentant des salariés désigné à comparaître à cette même date ;

Dit que préalablement à cette comparution en chambre du conseil, l'administrateur, avec le concours du débiteur, devra déposer au greffe de ce tribunal, conformément à l'article L. 631-15 du code de commerce, un rapport justifiant que le débiteur dispose des capacités financières suffisantes pour poursuivre la période d'observation ;

Désigne la SCP CADENE - CASIMIRO - RAYNAUD - RIBAUTE - BERENGUER 6 Route d'Espagne 31100 TOULOUSE, conformément aux articles L. 631-9, L. 631-14 et R. 631-18 du code de commerce, aux fins de procéder contradictoirement à un inventaire et de réaliser une prise du patrimoine du débiteur ainsi que des garanties qui le grèvent ;

Dit qu'elle déposera au greffe, dans un délai de **QUINZE JOURS**, l'inventaire et communiquera copie de celui-ci au débiteur, à l'administrateur et au mandataire judiciaire ;

Dit que les frais d'inventaire seront à la charge du débiteur ;

Dit que, s'il y a lieu, le mandataire judiciaire déposera au greffe la liste des créances déclarées avec ses propositions d'admission, de rejet ou de renvoi devant la juridiction compétente, dans le délai de **HUIT MOIS** qui suit l'insertion au BODACC du présent jugement ;

Dit que la publicité du présent jugement sera effectuée sans délai nonobstant toute voie de recours ;

Dit que les dépens seront passés par frais privilégiés de la procédure collective.

Suivent les signatures :

- Maxime AMAR, *Président*
- Jean-Charles BURGUES, *Greffier*

# Appendix B

UrtheCast Corp. et al.  
 Combined Cash Flow Statement  
 For the Thirteen Weeks ending December 25, 2020  
 All figures in Canadian dollars (000)

Week Ending	Week 1 2020-10-02	Week 2 2020-10-09	Week 3 2020-10-16	Week 4 2020-10-23	Week 5 2020-10-30	Week 6 2020-11-06	Week 7 2020-11-13	Week 8 2020-11-20	Week 9 2020-11-27	Week 10 2020-12-04	Week 11 2020-12-11	Week 12 2020-12-18	Week 13 2020-12-25	Forecast Total
<b>Collections</b>														
1 Other Collections	-	-	157	-	-	-	-	-	-	-	-	300	-	457
2 Winfield	3,300	-	-	-	-	-	-	-	-	-	-	-	-	3,300
<b>Total Collections</b>	<b>3,300</b>	<b>-</b>	<b>157</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>3,757</b>
<b>Operating Disbursements</b>														
3 AWS	-	-	-	-	(20)	-	-	-	-	(20)	-	-	(20)	(60)
4 Payroll	(62)	-	(246)	(250)	(281)	-	-	(246)	-	(281)	-	-	-	(1,610)
5 Miscellaneous	(129)	(109)	(7)	(5)	(17)	(85)	-	-	-	(102)	-	-	-	(472)
6 SAR	(35)	-	(65)	-	(103)	-	-	(65)	-	(123)	-	(65)	(18)	(473)
<b>Total Operating Disbursements</b>	<b>(226)</b>	<b>(109)</b>	<b>(317)</b>	<b>(255)</b>	<b>(420)</b>	<b>(85)</b>	<b>-</b>	<b>(311)</b>	<b>-</b>	<b>(525)</b>	<b>-</b>	<b>(310)</b>	<b>(55)</b>	<b>(2,615)</b>
<b>NET OPERATING CASH FLOW</b>	<b>3,074</b>	<b>(109)</b>	<b>(161)</b>	<b>(255)</b>	<b>(420)</b>	<b>(85)</b>	<b>-</b>	<b>(311)</b>	<b>-</b>	<b>(525)</b>	<b>-</b>	<b>(10)</b>	<b>(55)</b>	<b>1,142</b>
<b>Restructuring Disbursements</b>														
7 Restructuring professional fees	(304)	-	(400)	-	-	-	(500)	-	-	(325)	-	-	-	(1,529)
DIP interest and fees	-	(198)	-	-	(99)	-	-	-	-	(99)	-	-	-	(396)
<b>Total Restructuring Disbursements</b>	<b>(304)</b>	<b>(198)</b>	<b>(400)</b>	<b>-</b>	<b>(99)</b>	<b>-</b>	<b>(500)</b>	<b>-</b>	<b>-</b>	<b>(424)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,925)</b>
<b>NET WEEKLY CASH FLOW</b>	<b>2,770</b>	<b>(307)</b>	<b>(561)</b>	<b>(255)</b>	<b>(519)</b>	<b>(85)</b>	<b>(500)</b>	<b>(311)</b>	<b>-</b>	<b>(949)</b>	<b>-</b>	<b>(10)</b>	<b>(55)</b>	<b>(783)</b>
<b>Cash Balance</b>														
Beginning Book Balance	1,061	3,726	8,210	7,413	7,025	6,064	5,709	4,971	4,623	4,307	2,526	2,170	1,995	1,061
Net Cash Flow	2,770	(307)	(561)	(255)	(519)	(85)	(500)	(311)	-	(949)	-	(10)	(55)	(783)
Intercompany to / from Geosys Subsidiaries	12	(171)	(91)	9	(352)	(194)	(238)	38	42	(762)	(203)	(21)	(392)	(2,323)
Intercompany to / from Delmos Subsidiaries	(117)	(258)	(145)	(142)	(89)	(76)	1	(75)	(359)	(70)	(153)	(144)	(349)	(1,976)
Advances pursuant to term loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Funding	-	5,220	-	-	-	-	-	-	-	-	-	-	-	5,220
<b>Ending Cash Balance</b>	<b>3,726</b>	<b>8,210</b>	<b>7,413</b>	<b>7,025</b>	<b>6,064</b>	<b>5,709</b>	<b>4,971</b>	<b>4,623</b>	<b>4,307</b>	<b>2,526</b>	<b>2,170</b>	<b>1,995</b>	<b>1,199</b>	<b>1,199</b>

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 thirteen week period ending December 25, 2020 (the "Period")**

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### **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 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 28, 2020 is approximately \$1,061,000. 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] Winfield

Includes the quarterly payment from Winfield pursuant to the contract between certain of the Petitioners and Land O' Lakes, Inc.

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[3] 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.

[4] 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.

[5] Miscellaneous

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

[6] SAR

Includes payroll and operating costs directly associated with the OptiSar project.

[7] 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.

[8] 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.

[9] 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.

[10] Advances pursuant to term loan

N/A

[11] DIP Funding

The Petitioners anticipate drawing on the entirety of the USD \$5,000,000 DIP facility provided by HCP-FVL, LLC once the conditions precedent with respect to same are satisfied. Approximately USD \$1,000,000 will be used to repay the DIP facility from 1262743 B.C. Ltd., the initial DIP lender.

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