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ProStar Geocorp®

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A local software company is moving toward becoming what its founder believes will be the first publicly traded company with headquarters in Grand Junction.

The move is also expected to draw additional attention to the growing technology sector in the Grand Valley, said Page Tucker, president and chief executive officer of ProStar Geocorp. "This is a giant step in creating the economic environment in Grand Junction to sustain a tech hub."

ProStar announced it has entered into a binding agreement with Doxa Energy in what's called a reverse takeover. The process offers a way for small private companies to take over publicly traded companies.

While Doxa will acquire ProStar and settle nearly $3.5 million in debt, ProStar shareholders will hold more than 80 percent of shares following completion of the transaction. Tucker will remain president and CEO and also serve on a new board of directors. The public company will carry on the business of ProStar and be renamed — likely to ProStar Holdings. The company also will be assigned a new trading symbol.

Page Tucker, CEO ProStar Geocorp

ProStar combines cloud and mobile technologies with patented processes to create geospatial intelligence software that helps companies and government agencies manage underground infrastructure. That includes capturing, recording and displaying the precise locations of utilities, pipelines and other buried facilities.

Doxa is an oil and natural gas exploration firm with operations in Texas. Doxa's oil and gas interests will be sold before completing the transaction with ProStar.

Doxa is listed on the TSX Venture Exchange in Canada. The TMX Group owns both the Toronto Stock Exchange and the TSX Venture Exchange. The Toronto Stock Exchange offers a senior equity market, while the TSX Venture Exchange offers a public venture capital marketplace for emerging companies.

Tucker said he expects to enter into formal agreements in December and the closing to occur concurrently with a relisting on the Toronto Venture Exchange in 2019.

Tucker said a reverse takeover offers a less expensive and more expedient way for ProStar to become a publicly traded company than the more traditional methods required for an initial public offering. The goal is the same, though, in more easily accessing capital through the sale of stock.

Tucker said he hopes to raise a total of nearly $7.5 million through a pre-IPO and IPO capital financing.

The capital will be used for growth and marketing, he said. "We've reached a critical point in our business life cycle where it's time to ramp and scale our operations."

ProStar employs 15 people, but Tucker expects the staff to increase to 25 by the end of 2019 and grow to 35 in 2020. Those are high-paying positions, he said, with salaries about 60 percent higher than the average salary in the Grand Valley. Tucker said he'll need software developers, data security specialists, project managers and client support personnel.

ProStar has developed a work force pipeline of sorts, he said, in offering paid internships to students at Colorado Mesa University in Grand Junction and then hiring them for full-time positions when they graduate.

ProStar has worked to develop different markets for its products and services, Tucker said, including oil and natural gas production, engineering and surveying, construction and state and federal transportation agencies.

ProStar has worked with the City of Grand Junction to make the city a model for more precisely locating and managing underground infrastructureas and has become a test bed for ProStar technologies.

Tucker said he appreciates the support ProStar has received from the city and other local and state agencies, including the Grand Junction Economic Partnership and Colorado Office of Economic Development and International Trade.

ProStar provides information not only on desktop computers, but also smartphones, tablets and even such virtual reality and augmented reality devices as the Oculus Rift and Microsoft HoloLens.

In locating underground pipes and utilities based on records, there could be discrepancies between where records indicate utilities were installed and where they're actually located. Using ProStar software and services, workers can capture, record and display the location of buried infrastructure down to the centimeter as well as update old records, Tucker said.

ProStar has added to its capabilities in developing software that uses augmented reality, combining computer-generated images with what's perceived in the real world. Tucker said the company's flagship product is called Transparent Earth because it offers transparency of the world, and he envisions a day when field crews and heavy equipment operators using heads-up display systems will "see" buried utilities as if they possessed X-ray vision.

Even as Tucker expects the transaction with Doxa to infuse capital into his operation, he also hopes to attract attention from the major banking firms with which he's working for other technology companies in the Grand Valley and what he sees as the potential to develop a tech hub on the Western Slope.

ProStar was selected in 2017 as one of 50 winners in the Colorado Companies to Watch program. In 2016, Tucker was among the winners of 10 Apex Awards presented by the Colorado Technology Association. Tucker won the award for entrepreneur excellence.

"I think we are starting to shine the light on the Western Slope and become known for more than just producing oil and gas," Tucker said. "Today, both recreation and technology are playing a major role in providing a more diverse economic landscape, and I will do my very best to continue to do my part."