

Supplemental Prospectus



Axxis Geo Solutions ASA

(A Public Limited Liability Company organised under the Laws of Norway)

Supplementing information contained in the prospectus dated 16 June 2021 regarding the listing of new shares issued in connection with the Private Placement and the Debt Conversion, and the Subsequent Offering and listing of Offer Shares with Subscription Rights for Eligible Shareholders on Euronext Expand

This supplemental prospectus (the "**Supplemental Prospectus**") is a supplement to the prospectus dated 16 June 2021 (the "**Prospectus**") prepared by Axxis Geo Solutions ASA (the "**Company**" or "**AGS**"), a public limited liability company incorporated under the laws of Norway (together with its subsidiaries, the "**Group**") in connection with (i) the listing on Euronext Expand, a regulated market operated by Oslo Børs ASA ("**Euronext Expand**") of (a) new shares (the "**Private Placement Shares**") issued in a private placement, and (b) new shares (the "**Debt Conversion Shares**") issued in a debt conversion, (ii) a subsequent offering of new shares in the Company (the "**Offer Shares**") in a subsequent offering (the "**Subsequent Offering**") to Eligible Shareholders and (iii) the listing of the Offer Shares on Euronext Expand (jointly with the listing of the Private Placement Shares and the Debt Conversion Shares, the "**Listing**"). The Company's shares (the "**Shares**") are listed on Euronext Expand under the ticker code "AXXIS".

This Supplemental Prospectus constitutes a supplement to the Prospectus. The information included herein is to be considered as part of the Prospectus and supplements information originally contained in the Prospectus so that any statement contained therein will be deemed to be modified to the extent that a statement in this Supplemental Prospectus modifies such statement. This Supplemental Prospectus must be read together with the Prospectus and as part of the basis for any decision of investment in the Offer Shares. Information in the Prospectus shall still apply unless and then only to the extent it has not been amended, supplemented or deleted by this Supplemental Prospectus, as described above. The term "Prospectus" shall when used herein and in the Prospectus be understood as the Prospectus as supplemented by this Supplemental Prospectus.

The Company is not taking any action to permit a public offering of the Offer Shares in any jurisdiction outside Norway. The Offer Shares are being offered only in those jurisdictions in which, and only to those persons to whom, such an offer may lawfully be made. For a non-exhaustive description of certain applicable selling and transfer restrictions, please see section 19 "Selling and transfer restrictions" of the Prospectus.

Investing in the Company's Shares, including the Offer Shares, involves risk. See section 2 "Risk Factors" of the Prospectus.

Any dispute arising in connection with this Supplemental Prospectus is subject to Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Subsequent Offering, the Prospectus and the Supplemental Prospectus.

Managers

ABG Sundal Collier ASA

SpareBank 1 Markets AS

The date of this Supplemental Prospectus is 7 July 2021

IMPORTANT INFORMATION

This Supplemental Prospectus is a supplement to the Prospectus dated 16 June 2021 which was prepared by Axxis Geo Solutions ASA in order to provide information about the Company and its business in connection with the Subsequent Offering and the listing of the Offer Shares, the Private Placement Shares and the Debt Conversion Shares on Euronext Expand. This Supplemental Prospectus contains information important to the Subsequent Offering.

For the definitions of certain terms used throughout this Supplemental Prospectus, see Section 21 "*Definitions and Glossary of Terms*" of the Prospectus.

This Supplemental Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as implemented in Norway (the "**EU Prospectus Regulation**"). This Supplemental Prospectus has been prepared solely in the English language.

This Supplemental Prospectus will be published at the Company's website www.axxisgeo.com. Information presented at the Company's website or at any other website, is not a part of this Supplemental Prospectus, and the shareholders of the Company should not rely on such information.

The Company has engaged ABG Sundal Collier ASA and SpareBank 1 Markets AS as managers and joint bookrunners of the Private Placement and the Subsequent Offering (the "**Managers**"). The Managers are acting for the Company and no one else in relation to the Subsequent Offering. The Managers will not be responsible to anyone other than the Company for providing the protections afforded to clients of the Managers or for providing advice in relation to the Subsequent Offering. In the ordinary course of their businesses, the Managers and certain of their respective affiliates have engaged, and may continue to engage, in investment and commercial banking transactions with the Company and its subsidiaries.

The information contained herein is current as at the date hereof and is subject to change, completion and amendment without notice. Neither the publication nor distribution of this Supplemental Prospectus shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as at any date subsequent to the date of this Supplemental Prospectus.

All inquiries relating to the Prospectus must be directed to the Company or the Managers. No other person is authorised to give information or to make any representation in connection with the transactions described herein. If any such information is given or made, it must not be relied upon as having been authorised by the Company or by any of its employees, affiliates or advisers.

No action has been or will be taken in any jurisdiction other than Norway by the Company that would permit the possession or distribution of the Prospectus, any documents relating thereto, or any amendment or supplement thereto, in any country or jurisdiction where this is unlawful or specific action for such purpose is required. The distribution of the Prospectus in certain jurisdictions may be restricted by law. Persons into whose possession the Prospectus may come are required by the Company to inform themselves about and to observe such restrictions. The Company shall not be responsible or liable for any violation of such restrictions by prospective investors. The restrictions and limitations listed and described in the Prospectus are not exhaustive, and other restrictions and limitations in relation to the Prospectus that are not known or identified at the date of the Prospectus may apply in various jurisdictions.

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1 RESPONSIBILITY FOR THE SUPPLEMENTAL PROSPECTUS

The Board of Directors of Axxis Geo Solutions ASA accepts responsibility for the information contained in this Supplemental Prospectus. The members of the Board of Directors confirm that the information contained in this Supplemental Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

7 July 2021

The Board of Directors of Axxis Geo Solutions ASA

Bjørn Gisle Grønlie
Chairman

Nina Skage
Board member

Torstein Sanness
Board member

2 SUPPLEMENTAL INFORMATION

2.1 Revised strategy

2.1.1 Strategy and name change

As announced by the Company on 7 July 2021, the Company has decided to change its strategy from operating in the marine seismic industry towards the oil and gas exploration and production companies, securing OBN contracts and developing multi-client OBN programs in shallow to mid-range water depths, to operating as a listed investment company with a focus towards companies and technologies engaged in the "energy transition" area, which contribute to significant reductions of carbon emissions. The new strategy was described as follows in the aforementioned announcement:

"The board of directors' view is that the recent restructuring process, in which new owners have gained control over the Company and substantially improved the Company's financial situation, represents a unique opportunity to capitalise on it, and create a company with good growth prospects. The board of directors has chosen to follow a strategy which entails creating a sustainable and diversified company with focus on the future, in which the Company will no longer operate as a pure play seismic company as it has been operating historically. The board of directors has thus resolved that the Company promptly shall be transformed to a listed investment company with a focus towards companies and technologies engaged in the "energy transition" area, which contribute to significant reductions of carbon emissions. The Company may also invest more broadly in the "energy transition" space. To reflect the strategic change the board of directors will propose to change the Company's business name to Carbon Transition ASA ("Carbon Transition").

As part of the new strategic direction, the board of directors aims to build a company which is attractive for long term investments, being actively engaged in business areas deemed to grow and prosper in the next decades. Carbon Transition will focus on investing in private companies with an objective of becoming listed in the shorter term, and in private placements in connection with listing of companies, and in such manner that Carbon Transition will become a listed company which create interesting investment opportunities for the broad base of stock market investors. As a result of Carbon Transition being a listed company and having access to capital, it will enable the Company to invest in companies with an attractive rate of return potential, for the benefit of the Company's shareholders.

Carbon Transition will aim to take significant ownership stakes in companies and have a goal of positively impacting the value creation of its investments. The relative size of Carbon Transition's investments is expected to be of such size that the Carbon Transition will be able to realise its investments in an efficient manner in the future. The objective is to invest in a portfolio of companies with focus on "winning" technologies with prospects for substantial future growth within large and well established global markets. The board of directors believes that Carbon Transition can contribute as a catalyst for such companies' growth, and as such aim to create substantial value for its shareholders.

The current seismic business of Carbon Transition will continue going forward, but however be defined as an investment of the Company, and hence be subject to requirements for satisfactory rates of return. The board of directors considers the new strategy of the Company to allow for its current seismic business area to be included in Carbon Transition in such manner for a transition period. Seismic contracts and seismic data library are expected to generate revenues to finance the new strategy. It is essential that the costs related to operating this part of the Carbon Transition's business are kept low. Over time the objective is to utilise revenue from the node technology and multi-client revenues to new investments within the "energy transition" area."

2.1.2 Industry and Business

Furthermore, following the implementation of the strategy, the Company will as a consequence partly continue to operate in the marine seismic industry as described by Section 9 of the Prospectus, but also gradually enter into the industry for renewable and sustainable energy with focus on "energy transition" and technologies focusing on reducing carbon emissions. Consequently, the business of the Group as it is described by Section 10 of the Prospectus will going forward represent one of several business areas, alongside the activities which follow from gradually transforming into a listed investment company with the abovementioned strategy.

2.2 Material contracts

As announced by the Company on 7 July 2021, the Company has entered into a convertible loan agreement for the Company's investment in Arbaflame AS. The investment was described as follows in the aforementioned announcement:

"The Company has today made its first investment under the new strategy by investing in a convertible loan with a face value of NOK 30 million in Arbaflame AS ("Arbaflame").

Arbaflame has spent a decade and invested around NOK 550 million (owner's equity/equity like instruments and grants) in developing a patented technology which enables the production of black pellets from bio waste ("ArbaCore"). ArbaCore can fully replace coal in coal-fired power plants worldwide. When replacing coal with ArbaCore in coal fired power plants, Co2 emissions are reduced by approximately 90% compared to coal. Thus, ArbaCore enables long term use of coal-fired power plants with minimal Co2 emissions and a speedy, cost efficient switch from coal to environmentally friendly energy sources. Arbaflame is a technology developer and enabler of the production process for ArbaCore. As part of its growth strategy, it has an aim to build, own and operate the first ArbaCore production plant(s) in the initial market penetration phase. In the second stage of its growth strategy, it will seek partners in the global market which it will co-own ArbaCore production facilities with and license the use of the ArbaCore technology from Arbaflame. In line with this growth strategy, Arbaflame has recently completed construction of its first production facility in Kongsvinger, Norway (ArbaOne). The facility has an annual production capacity of 70,000 tons of ArbaCore pellets. Arbaflame has recently signed an off-take agreement for most of the production (at ArbaOne) the next 5 years which corresponds to a backlog of up to EUR 65m, given certain conditions being met.

The ArbaCore black pellets not only drastically reduces carbon emissions compared to coal, it also has large benefits compared to white pellets and other black pellets on the market in terms of demonstrated fuel properties. Equally important, coal-fired power plants can utilize ArbaCore in their existing plants with only minimal adjustments to the plants and related infrastructure, which also makes ArbaCore the superior economical choice for energy producers. In comparison, upgrading a coal power plant to the use of white pellets have huge costs compared to ArbaCore.

Through the same process of making ArbaCore pellets from bio waste, Arbaflame's technology is also able to extract high value biochemicals with significant positive environmental impact and high earnings potential. This product area which operates under the name ArbaRaf, includes bio-chemical products such as furfural, methanol and aromatics. In addition, the company has an R&D program for bi-products such as bioplastics and fish feed. Arbaflame has signed an MOU with a Belgian off taker for the entire volume of furfural from the first production plant at Kongsvinger. The extraction of biochemicals is currently undergoing further R&D to fully utilize the potential and Arbaflame expects that biochemicals has the potential to constitute at least 50% of their earnings over time.

Arbaflame has positioned themselves to revolutionize the market for coal-fired energy production by simply replacing the coal with their environmentally friendly ArbaCore pellets. The market potential for ArbaCore is therefore enormous. From current production capacity at 70.000 tonnes per year, Arbaflame expects to add more

than tenfold this capacity by 2026 to more than 850,000 tonnes per year, which only constitutes 0.2% of the total coal consumption in EU. In addition to being environmentally friendly, the rising Co2 emission prices have made ArbaCore an economically viable and attractive solution for energy producers, as the CO2 emission costs have risen to a level which makes ArbaOne very price competitive compared to coal in key markets.

The market potential for biochemicals is also expected to be very large, and Arbaflame estimates their addressable market currently is around USD 20 billion and includes markets such as bio fuel, aromatics and coatings, and which could increase significantly if their R&D activities related to bioplastics and fish feed materialises.

Arbaflame has just completed an efficient and private funding round attracting strong interest from high quality Norwegian investors and raised NOK 156 million in a convertible loan to fund working capital and further growth. The convertible loan carries an annual interest rate of 3% p.a. and allows holders to convert their debt to equity corresponding to a pre-money equity value of roughly NOK 500 million. Arbaflame has signed an LOI for a second production facility in Sweden and Carbon Transition expects Arbaflame to conduct an IPO in Norway in the foreseeable future."

The loan together with accrued and unpaid interest matures in full five years from the date of the loan agreement, with no instalments prior to maturity. Carbon Transition may at its sole discretion during the term of the loan require that all or some of its commitment is converted into shares. Arbaflame may at any time during the term of the loan repay the loan at a premium on the principal amount, the size of which varies depending on certain defined circumstances, which Carbon Transition in turn may counter with a notice of conversion.

2.3 Revised timetable

Solely due to the relevant applicants' rights to withdraw its subscriptions within two working days after the publication of the Supplemental Prospectus pursuant to Section 3 below, the indicative key dates in the timetable in Section 8.4 of the Prospectus is amended to the following:

Last day of trading in the Shares including the Subscription Rights	30 April 2021
First day of trading in the Shares excluding the Subscription Rights	3 May 2021
Record Date	4 May 2021
Subscription Period commences	24 June at 12:00 (CET)
Subscription Period ends	8 July at 16:30 (CET)
Publication of the final results of the Subsequent Offering	On or about 12 July 2021
Distribution of allocation letters	On or about 12 July 2021
Payment Date	On or about 14 July 2021
Registration of new share capital in the Norwegian Register of Business Enterprises	On or about 19 July 2021
Delivery of the Offer Shares	On or about 19 July 2021
Listing of and commencement of trading in the Offer Shares on Euronext Expand	On or about 19 July 2021

2.4 Board of Directors

2.4.1 The Board of Directors

On 23 June 2021 a new Board of Directors was elected by the Company's general meeting. The names and positions and current term of office of the Board Members as at the date of this Supplemental Prospectus are set out in the table below.

Name	Position	Elected from	Term expires
Bjørn Gisle Grønlie	Chairman	23 June 2021	2023

Torstein Sanness	Board member	23 June 2021	2023
Nina Skage	Board member	23 June 2021	2023

The composition of the Board of Directors is in compliance with the independence requirements of the Norwegian Code of Practice for Corporate Governance, dated 17 October 2018 (the "**Corporate Governance Code**"), meaning that (i) the majority of the shareholder-elected Board Members are independent of the Company's executive management and material business contacts, (ii) at least two of the shareholder-elected Board Members are independent of the Company's main shareholders (shareholders holding more than 10% of the Shares in the Company), and (iii) no members of the Company's Management serves on the Board of Directors. The Company's registered business address at Strandveien 50, N-1366 Lysaker, Norway, serves as the business address for the members of the Board of Directors in relation to their directorship of the Company.

2.4.2 Brief biographies of the members of the Board of Directors

Set out below are brief biographies of the members of the Board of Directors, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a Board Member is or has been a member of the administrative, management or supervisory bodies or partner in the previous five years (not including directorships and executive management positions in subsidiaries of the Company).

Bjørn Gisle Grønlie, Chairman

Bjørn Gisle Grønlie has experience from Technip, FMC, the combined TechnipFMC as Legal Director and in various global roles over a period of 14 years. His experience includes a variety of contracts, negotiations, claims, litigation, restructuring, landlording, incident management, M&A and compliance tasks. Mr. Grønlie also has management and strategic experience as part of multiple leadership teams and several directorships on Technomic's intercompany boards, and as co-chair of the Norsk Industri's Juridiske forum. Mr. Grønlie holds a Cand Jur from University of Oslo.

Current directorships and management positions: Axxis Geo Solutions ASA (Chairman), Smeden Holding AS (Chairman), Mnara AS (Chairman), Deep Purple AS (Chairman), Oslo Base Invest AS (Chairman), Agat Technology AS (Chairman), FMC Technologies Norway AS (board member), Hankø Tennisklubb AS (board member) and Karibukten Båtforening (board member).

Previous directorships and management positions last five years: Magnora ASA (deputy board member)

Torstein Sanness, Board Member

Torstein Sanness has experience as managing director of Lundin Petroleum Norway and DNO, and from several executive positions during his 25 years at Saga Petroleum. Mr. Sanness also has experience as Board member of Lundin Energy, IPC, Panoro Energy, Dr. Techn. Olav Olsen, and as Chairman of Lundin Petroleum Norway and Executive Chairman of Magnora ASA. Mr. Sanness holds a master's degree in engineering (geology, geophysics and mining engineering) from NTH.

Current directorships and management positions: Axxis Geo Solutions ASA (board member), The Infra Company AS (Chairman), Magnora ASA (Chairman), Magnora Offshore Wind AS (Chairman) and Panoro Energy ASA (board member).

Previous directorships and management positions last five years: N/A

Nina Skage, Board Member

From 1 September 2019, Nina Skage became partner in Vest Corporate Advisors. Nina Skage became Managing Director at Norwegian School of Economics (NHH) in January 2014 and Director for External Relations and

Fundraising at NHH in 2017. From 1988 to 2013, she held various positions in the Norwegian food industry group Rieber & Søn ASA (sold to Orkla ASA in 2013), including Director of Personnel and Organisational Development, Director of Corporate Communications, Director of Business Unit Food Service and Director of Marketing TORO. Mrs Skage has her education in business administration and management from St. Cloud State University, Minnesota. Mrs Skage has been on the boards of Biomega, AFF and GC Rieber Skinn, and currently serves as board member in Havila Shipping ASA, Eiendoms kreditt, Dyrket.no, PODTOWN, CCT, Grieghallen AS and Bergen Music Festival. Mrs Skage is a Norwegian citizen and resides in Bergen, Norway.

Current directorships and management positions: Axxis Geo Solutions ASA (board member), Vest Corporate Advisors (Partner), Norges Handelshøyskole (Management), Havila Shipping ASA (board member), Eiendoms kreditt AS (board member), Dyrket.no AS, (board member), PODTOWN AS (board member), CCT Group AS (board member), Grieghallen AS (board member) and Bergen Music Festival (board member),

Previous directorships and management positions last five years: Norges Handelshøyskole (Management), Biomega AS (board member)

2.4.3 Shares held by members of the Board of Directors

Name	Position	No. of Shares	No. of Options
Bjørn Gisle Grønlie	Chairman	-	-
Torstein Sanness	Board member	-	-
Nina Skage	Board member	-	-

2.5 Revised Risk Factors

An investment in the Shares involves inherent risk. In this Section, certain additional risk factors are included which have been identified due to the circumstances triggering this Supplemental Prospectus. If any of these risks or uncertainties would materialise, the business, prospects, financial position, reputation and results of operations of the Group could be materially and adversely affected. The risks presented herein are not exhaustive, and other risks not discussed herein, not currently known or not currently considered to be material, may also affect the Group's future operations, performance and financial position. Potential investors should carefully consider the information contained in this Section and make an independent evaluation before making an investment in the Shares.

The Group's organisation is not established based on the new strategy

While the Group has an established, experienced and well-functioning organisation for its marine seismic business, the employees have not been employed for performing services in an investment company, and hence there is a risk that the employees may not be sufficiently qualified for their new work tasks. This could result in employees performing their tasks in an inadequate manner, causing directly or indirectly monetary loss in relation to the Company's investments, or contribute to the failing of the Company's strategy. In turn this may delay the implementation and/or success of the new strategy.

Furthermore, there is a risk that the Company's organisation, with its systems, routines, structure, communication and instruction channels may not be able to adapt to the new strategy. There is a risk that this could delay the implementation and/or success of the new strategy.

3 RIGHT TO WITHDRAW APPLICATIONS

Applicants that have already subscribed for Offer Shares in the Subsequent Offering before the time of publication of the Supplemental Prospectus have the right to withdraw their subscriptions within two working days after the

publication of the Supplemental Prospectus. Such subscriptions may be withdrawn before the end of 9 July 2021. Subscriptions may be withdrawn by contacting the Manager with whom the subscription was made or, with respect to investors who have subscribed for Offer Shares through the VPS' online application system, by contacting either of the Managers. Investors that have subscribed for Offer Shares in the Subsequent Offering before the publication of the Supplemental Prospectus and who have not utilized the right to withdraw their subscription within the two-day deadline described above, will be deemed to have accepted the information and revised terms included in the Supplemental Prospectus, and will not need to submit a new subscription.