

To the general meeting of Axxis Geo Solutions ASA

REPORT ON SHARE CAPITAL INCREASE BY CONVERSION OF DEBT

INTRODUCTION

The Board of Directors in Axxis Geo Solutions ASA (“Axxis”) have requested that we issue a report in our capacity as independent experts in accordance with the Norwegian Public Limited Liability Companies Act section 10-2, cf. section 2-6. This report concerns the board’s proposal for a private placement by way of conversion of the sellers’ receivables against Axxis. vendor payables to shares.

Axxis put forward a reconstruction proposal on 7 April 2021. In connection with this reconstruction, the Board of Directors is proposing a share capital increase by way of conversion of debt in order to strengthen the Company’s balance sheet. Completion of the debt conversion is subject to approval by a sufficient majority of the company’s, and that the reconstruction proposal is resolved as legally binding and enforceable pursuant to the Reconstruction Act § 52.

Some of the vendor claims proposed to be converted to equity, are currently obligations of subsidiaries within the Axxis group, to an aggregate amount of NOK 13,862,265. Any such vendor claims will be transferred from the respective subsidiaries to Axxis prior to set-off. Following such transfer, the original debtors (i.e. Axxis’s respective subsidiaries) will have a corresponding debt to Axxis. The transfer of debt to Axxis is done with a view to allow for the completion of the proposed reconstruction.

THE BOARD OF DIRECTORS’ RESPONSIBILITY

The Board is responsible for the information on which this report is based, and for the valuations which constitute the basis for determining the share consideration.

THE INDEPENDENT EXPERT’S RESPONSIBILITY

Our responsibility is to prepare a report in connection with the board of directors’ decision that the sellers subscribing for shares, that are set out in appendix 1 to this report, shall be allowed to settle their contribution of shares in Axxis by converting debt, and to express an opinion on whether the debt to be converted at least equals the consideration.

The remaining report is divided into two parts. The first part is a description of the debt to be converted. The second part is our opinion on whether the value of the debt to be converted at least equals the consideration.

PART 1: INFORMATION ABOUT THE DEBT

The board of directors of Axxis will resolve a share capital increase totaling NOK 212,199,729 by issuance of 424,399,458 new shares, each with a nominal amount of NOK 0.10, at a subscription amount of NOK 0.50 per share.

NOK 139,332,764 of the outstanding debt consists of a share of the bond "Axxis Geo Solutions ASA 8.00% senior secured USD 35,000,000 bonds 2020/2022" including accrued interest, for 4 of the sellers subscribing for shares.

NOK 72,886,965 of the outstanding debt consists of unsecured vendor payables that have been incurred prior to opening of the reconstruction. The vendor payables have been incurred in connection with Axxis' ordinary operations, and they have also been examined by the reconstructor and the appointed auditor for the reconstruction estate, as part of their statutory review of claims filed in the reconstruction.

The debt to be converted will be set off based on its nominal amount, which represents the actual payment obligation for Axxis. The subscription amount of NOK 0.50 per share, while the subscription price per share in the private placement against new shareholders is NOK 0.10 per share. This relative difference in subscription prices means that the creditors will incur a curtailment compared to the new shareholders in the company.

By set-off of the amount outstanding under the debt, Axxis will receive a total contribution at least corresponding to the consideration for the 424,399,458 new shares that are issued.

PART 2: THE INDEPENDENT EXPERT'S REPORT

We have conducted our review and issue our statement in accordance with the Norwegian standard SA 3802-1 "The auditor's statements and reports pursuant to Norwegian company legislation". The standard requires that we plan and perform our review to obtain reasonable assurance for the fact that the value of the debt to be taken over by Axxis at least equals the agreed consideration, and that the debt to be converted is a real payment obligation.

We believe that the audit evidence we have obtained is sufficient and appropriate to constitute a basis for our opinion.

CONCLUSION

In our opinion, the debt to be converted have a value per 29 April 2021 at least equaling the agreed consideration, corresponding to an aggregate nominal amount of NOK 42,439,945.80 and aggregate share premium of NOK 169,759,783.20 on the shares that are issued.

Oslo, 29 April 2021

KWC Revisjon AS

Trond Bjerger

State Authorized Public Accountant (Norway)

Appendix 1 – Overview of debt

The translation to English has been prepared for information purposes only.

Appendix 1

Creditor name	Claim converted (NOK)	Number of shares issued
Bond holders		
Lehmkuhl Capital AS	120 978 969,00	241 957 938
Pentagon Freight Services AS	9 695 781,00	19 391 562
Evotec AS	6 960 551,00	13 921 102
Acel AS	1 697 462,50	3 394 925
Other creditors Axxis Geo Solutions ASA		
SeaBird Exploration Norway AS	11 786 931,50	23 573 863
GMC Maritime AS v/ Kluge Advokatfirma AS	7 159 263,00	14 318 526
Sound Oceanics LLC	6 672 407,50	13 344 815
ABG Sundal Collier ASA	5 745 899,50	11 491 799
Langfang Dynamic Technologies CO., LTD Company	4 569 282,00	9 138 564
SpareBank 1 Regnskapshuset SMN AS	4 477 772,50	8 955 545
Pentagon Freight Services AS	2 576 183,00	5 152 366
Havila Holding AS	2 400 000,00	4 800 000
Fearnley Securities AS	2 250 000,00	4 500 000
Remøy Shipping AS	1 599 655,00	3 199 310
Impact Geo Solutions, inc	1 228 956,00	2 457 912
Ikatech Equipment and Repair LLC	1 057 475,50	2 114 951
Evotec AS	754 836,50	1 509 673
Crux Advisers AS	704 228,00	1 408 456
Sigma IKT AS	656 378,50	1 312 757
RedQ AS v/ Finanstorget	522 499,00	1 044 998
Marine Assets Corporation DMCC	491 006,00	982 012
Hadrian Maritime AS	453 687,50	907 375
D. Danielsen AS	400 000,00	800 000
Sunnhordland Mek. Verksted AS	351 265,00	702 530
Christian Huseby	258 101,00	516 202
Ronja Capital AS	255 826,00	511 652
TRH AS	233 251,50	466 503
Rome AS	225 000,00	450 000
Nina Skage	209 707,00	419 414
Vibeke G. Fængsrud	203 254,00	406 508
Eirin Inderberg	177 444,00	354 888
Njål Sævik	177 444,00	354 888
Rome AS v/ Hasund	166 462,00	332 924
Workboat Safety International	165 217,50	330 435
Kjøllås Stansekniver AS	164 724,00	329 448
Stette Invest	158 898,00	317 796
GAC Norway AS	155 561,50	311 123
Debia Finans	139 134,00	278 268
The Leadership Advisory	100 913,00	201 826
ACTE IT Services Ltd.	100 000,00	200 000
Blueocean Marine AS	86 108,50	172 217
Metizoft AS	60 916,00	121 832
Law Office of Mark L. Carlton, PLLC	28 637,50	57 275
Metizoft AS	27 550,00	55 100
Rolf Rønningen	21 455,00	42 910
SL interiør & kontor AS	19 975,00	39 950
RS Crewing AS	11 395,00	22 790
Creditors where there has been a debtor transfer from group companies		
Gulf Agency Company	5 873 859,50	11 747 719
Mediterranean Oilfield Service Company (MOSCO)	2 067 973,50	4 135 947
Magic Shipping Agency	1 814 932,00	3 629 864
Lee Parker	4 105 500,00	8 211 000
Totalt	212 199 729,00	424 399 458