Transition and Arverne Group sign combination agreement to publicly list on Euronext Paris' professional segment the future French leader in geothermal and low-carbon lithium to drive the energy transition

- Arverne Group is an industrial group with a wide array of expertise in the energy transition, specializing in harnessing subsurface resources, with a focus on geothermal energy via its subsidiary 2gré and lithium extraction via its subsidiary Lithium de France.

- Although the demand for key resources to decarbonize the economy is exponential, Arverne Group has the unique know-how to become the French champion in geothermal production and low-carbon lithium extraction.

- Geothermal energy combines the benefits of decarbonisation, price stability and energy sovereignty. These issues have become a priority for European countries and are especially important in France, reflecting the absolutely critical and strategic nature of 2gré projects. Geothermal energy is a local energy source par excellence, and will go a long way to helping France and Europe meet their decarbonisation targets for industry and buildings.

- Thanks to the integration of innovative extraction technologies, Lithium de France aims to make France a global champion in low-carbon lithium sourced from the country's geothermal waters, which are essential to the development of low-carbon mobility, in particular by enabling the European automotive industry to benefit from a local supply of this strategic metal with a very low carbon footprint.

- The combined expertise and resources of Arverne Group and Transition will accelerate growth in harnessing subsurface resources to support the energy transition, with an initial goal of achieving revenues of between €200 million and €350 million by 2027, and between €800 million and €1.15 billion by 2030.

- To meet this target, the combined entity plans to operate geothermal heat production facilities able to generate 4.8 TWh per year by 2030 (with initial production starting in 2025), along with an annual 30 kt of low-carbon lithium extraction and refining (with production due to begin in 2027). The group has already secured or filed applications for relevant permits, and draws on a combination of exploration and drilling expertise unparalleled in France.

- Arverne Group has experienced rapid growth and currently has five onshore drilling rigs (able to reach a depth of 5,000 m) and six exclusive research permits and five exclusive research permits under instruction. The group draws on the support of world-renowned players with whom it has set up industrial partnerships. Its assets have enabled it to generate total revenues of around €10 million in 2022 through its drilling business.

- The Initial Business Combination will be based on a fully diluted pre-money valuation of Arverne Group shares of €166 million and a value of Transition shares (issued or to be issued) of around €148 million[1], corresponding to a pro forma enterprise value of around €257 million.[2]

- The Board of Directors of Transition received a fairness opinion from Joh. Berenberg, Gossler & Co. KG ("**Berenberg**"), which determined that the consideration offered to Arverne Group shareholders in the form of Transition shares as part of the merger is fair from a financial standpoint to the existing Transition shareholders.

- On the date of the merger, the combined entity will have development capital comprising (i) the funds raised by Transition via its initial public offering less any amounts resulting from redemption requests made by holders of Class B[3] preference shares issued during the initial public offering and (ii) additional funds raised from institutional investors via a Private Investment in Public Equity ("**PIPE**"), net of listing costs and other operating expenses since Transition's listing.

- The total amount of funding secured to date stands at €130 million, enabling the company to pursue its growth strategy through 2025, regardless of the final level of redemption of Transition's Class B preference shares and costs related to the combination and Transition IPO. This amount corresponds to the PIPE commitments and non-redemption undertakings received from investors (for €63 million and €52 million respectively) including ADEME Investissement, Sycomore AM and Crédit Mutuel Equity, as well as to the conversion into capital under the same conditions of the €15 million “**bridge loan**” made available to Arverne Group by the Transition Sponsors in the form of convertible bonds (the "**Convertible Bonds**"). Transition sponsors support the operation with €30 million[4].

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[1] Amount corresponding to commitments to subscribe to the PIPE and not to request redemption, to the Convertible Bonds and to the conversion of Class A1 preference shares into ordinary shares.

[2] Based on an estimated proforma debt position of €27 million, a cash position at Lithium de France of €44 million, a cash position at Arverne Group of €95 million (including transaction proceeds net of transaction costs) and a value of Lithium de France minority interests of €55 million.

[3] As indicated in the Transition prospectus approved by the French financial markets authority (*Autorité des Marchés Financiers*) on June 16, 2021, Mr. Xavier Caïtucoli and Eiffel Essentiel SLP have irrevocably undertaken not to request the redemption of their Class B preference shares.

[4] Of which €15 million already committed through Convertible Bonds issued by Arverne Group that will be converted in ordinary shares in the transaction (see further below).

- Transition and Arverne Group have also received indications of interest from strategic European investors, with whom they continue to hold active discussions. These additional investments could bring the total amount of financing up to €200 million.

- The planned transaction will give Arverne Group the financial resources needed to effectively pursue its portfolio of projects and develop the technology most suited to extracting and processing lithium. Combined with the capital raised by Lithium de France through its most recent (Series B) round funding of €44 million[5], of which the first tranche of €24 million has been released, in March 2023, the funds provided by Transition will allow the Group to meet its equity investment needs until 2025.

- Transition will change its name to "Arverne Group" on completion of the merger.

"*With this transaction, Arverne is taking a decisive step towards becoming the French champion of geothermal and low-carbon lithium production at a time when demand for key resources to decarbonize our economy is exponential. It's a natural alliance between highly complementary entrepreneurs in the energy transition who share a common ambition, vision and values. We are grateful of the trust placed in us by renowned investors, whom I would like to thank for supporting our sustainable growth strategy. Being publicly listed will enable us to capitalize on our unique expertise and strategic positioning across the entire subsurface value chain in order to accelerate our growth in France and Europe while supporting the energy transition and regional prosperity,*" commented **Pierre Brossollet, Chairman and CEO of Arverne Group**.

"*We are extremely proud to enable the Arverne Group, an outstanding entrepreneurial success story, to go public. Arverne will now have the capital it needs for its rapid and ambitious expansion and will gain visibility by being listed on Euronext Paris. This operation is a tremendous boost for Arverne's teams, who are committed to the energy transition by developing underground resources. By producing green heat and extracting decarbonated lithium, Arverne will contribute not only to the ecological transition, but also to French and European industrial sovereignty,*" added **Xavier Caïtucoli, Erik Maris and Fabrice Dumonteil, Chairman of Eiffel Investment Group, the management company of the Eiffel Essentiel SLP fund, the founders of Transition**.

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[5] It being specified that part of the funds raised in the transaction will be used to release the second tranche of Lithium de France's Series B.

Paris, June 15, 2023 – Transition (Euronext Paris: TRAN) and Arverne Group ("**Arverne**"), a company specialised in harnessing the potential of subsurface resources, with a focus on geothermal production and lithium extraction, today announced that they have entered into business combination agreement (business combination or "**Initial Business Combination**", as defined in the Transition prospectus approved by the French financial markets authority (*Autorité des Marchés Financiers* - "**AMF**") on June 16, 2021 (the "**IPO Prospectus**")).

The Initial Business Combination will involve the merger and absorption of Arverne Group, a French simplified joint stock company (SAS) with registered office at 2 Avenue du Président Pierre Angot, 64000, Pau, France, listed in the trade and companies register under 850 295 957 Pau ("**Arverne**" and its subsidiaries, collectively referred to as the "**Group**") by Transition[6], the acquiring entity in the merger (the "**Merger**"). Transition will change its name to "Arverne Group" on completion of the Merger.

The common shares issued by Transition as part of the Merger in consideration of Arverne shares will be listed for trading in the Professional Segment *(Compartiment Professionnel)* of the Euronext Paris regulated market on the date of the Merger. Transition will prepare and submit a prospectus to the AMF for approval (the "**Merger Prospectus**").

Concurrently with the Merger and as part of the PIPE, Transition will issue new common shares at a subscription price of €10.00 per share, which will also be admitted to trading in the Professional Segment *(Compartiment Professionnel)* of the regulated market of Euronext Paris, on the date of, and a reasonable time prior to, the completion of the Merger. As such, Transition will prepare and submit to the AMF a second prospectus for its approval (the "**Admission Prospectus**").

1) About the Group

The Group is an industry player with a wide array of expertise in the energy transition. It couples that expertise with solid business ethics to help local authorities unleash the potential of subsurface resources in an environmentally responsible manner, to create an innovative energy mix in tune with the needs of future generations.

Established in March 2018, the Group was founded by seasoned experts who specialise in harnessing the potential of subsurface resources, and draw on knowledge gained

[6] Transition's main shareholders holding more than 5% of the share capital and/or voting rights at December 31, 2022 were: Xavier Caïtucoli (10.15% of share capital and 4.94% of voting rights through Crescendix (or any entity controlled by Crescendix)), Erik Maris (8.33% of share capital and 2.72% of voting rights through Schuman Invest), Eiffel Essentiel SLP (11.97% of capital and 7.17% of voting rights), Sycomore Asset Management (11.99% of capital and 14.68% of voting rights), La Financière de l'Echiquier (4.54% of capital and 5.56% of voting rights) and JP Morgan Securities Plc. (10.97% of capital and 13.43% of voting rights).

from a background in the oil and gas and drilling industries. Alongside its focus on geothermal resources, the Group embarked on a new path in 2020 to establish itself as the future French leader in extracting and distributing low-carbon geothermal lithium. Building on the backing of partners at the forefront of industry in Europe and around the globe, including Equinor Ventures and Norsk Hydro, Arverne subsidiary Lithium de France has set out to become a leading provider of lithium extracted from geothermal brine to meet the needs of the fast-changing EV industry and other sectors.

The Group's know-how stems from its expertise in geoscience and its extensive experience in exploration and drilling, which has allowed it to unlock untapped subsurface resources and harness their potential as renewable energy solutions (geothermal heat) while at the same time extracting minerals critical to Europe's electric battery industry (low-carbon geothermal lithium). The Group aims to build on a favourable regulatory and business environment in France and across Europe to become the French leader in both of these fields. Initial production of geothermal heat is scheduled for 2025, with production of lithium due to begin in 2027. The Group aims to achieve 4.8 TWh of geothermal production per year and produce an annual 30 kt of extracted lithium hydroxide monohydrate (LHM) by 2030.

As an integrated player with a significant presence in the Rhine Valley, the Group spans the entire subsurface value chain, with a scope of operations that covers:

- production and sale of geothermal heat by its subsidiary 2gré (formerly Arverne Géothermal);

- extraction, transformation and distribution of low-carbon geothermal lithium by its subsidiary Lithium de France. Through the integration of innovative extraction technologies, Lithium de France aims to make France a global leader in low-carbon lithium extracted from geothermal brine;

- drilling operations via deep geothermal wells by its subsidiary Arverne Drilling Services (formerly COFOR then Entrepose Drilling, with 60 years' experience in geothermal well operations at depths of between 1,500 metres and 4,000 metres, which has already sunk more than 1,000 wells worldwide);

- shallow geothermal drilling operations (up to 200 metres) via its subsidiary DrillHeat, which specialises in installing geothermal probes to offer solutions tailored to the need to quickly decarbonise buildings on a broad scale throughout France.

In March 2023, the Commercial Court in Agen approved Arverne's acquisition of 100% of shares in GéoRhin and 12 of its wholly owned subsidiaries (collectively, the "**GéoRhin**

Group")[7]. GéoRhin Group is a French company based in Agen, founded by Yann Maus in 2011 as an independent producer of heat and energy from deep geothermal resources. It has five exclusive prospecting licences either currently held or pending renewal in different regions of France, granted by ministerial decree. Through this Merger, the Group aims to cement its position as a new French leader in both deep and shallow geothermal energy production. The acquisition gives the Group six valid mining permits, with five more applications for exclusive prospecting licences submitted in three different French regions (Nouvelle Aquitaine, Auvergne-Rhône-Alpes, and Grand Est), spanning 2,000 km² of land on which work has already begun or is due to begin in the near future.

In 2022, Arvene's consolidated revenues totalled €10.7 million, compared with €12.6 million in 2021 and €4.5 million in 2020. Revenues generated in 2020 and 2021 were mainly related to deep drilling operations for third parties, while revenues in 2022 largely stemmed from well maintenance work. The vast majority of these revenues are generated with Storengy, a subsidiary of Engie, the Group's main customer.

Arverne's consolidated EBITDA[8] stood at -€0.7 million in 2022, compared with -€0.8 million in 2021 and -€2.0 million in 2020. In 2022, this was mainly caused by the negative EBITDA of the Lithium de France subsidiary, which has yet to generate revenues. The progression between 2020 and 2022 reflects the return to equilibrium for the drilling business acquired in 2020.

Arverne holds €4.2 million in intangible assets at the end of 2022. These assets are divided into two categories: development costs (420,000 euros) and intangible assets in progress (€4.1 million). The latter mainly correspond to investments made by our subsidiary Lithium de France in the development of its exclusive research permits.

Arverne's IFRS-compliant consolidated financial statements for the financial years ended December 31, 2020, 2021 and 2022, along with the pro forma statements for the combined entity for the financial year ending 31 December 31, 2022, are available on the Transition website (spactransition.com) in a section dedicated to the Initial Business Combination (extracts shown in Annex 1) and will be included in the Merger Prospectus. Details of the consolidated balance sheet and income statement are included.

Following the Merger with Transition, the Group aims to invest a total of €1.3 billion in drilling operations, geothermal plants, and lithium extraction and refining facilities by 2027, and €2.4 billion by 2030. These investments will be financed by the capital provided by Transition (including the PIPE). A significant portion will also come from

[7] Groupe GéoRhin was acquired by Arverne for a total of €6.5 million (including the purchase price of GéoRhin shares and the group's liabilities).
[8] Revenues minus purchases and external charges, personnel costs and other expenses.

project financing via bank loans, operating cash flow from the Group's business (particularly geothermal energy production) as of 2025, and the grants currently being discussed at French and European level to promote the production of critical metals in Europe and the decarbonisation of energy systems. Equity financing will also be used where required. The sums contributed by Transition will enable the Group to cover its capital needs until 2025.

The Group's revenue target is between €200 million and €350 million by 2027, with an EBITDA margin of around 60%, and between €800 million and €1.15 billion by 2030, with an EBITDA margin of around 70%.

At present, Arverne Group's shareholders are as follows:

	Total number of shares	**% of share capital and voting rights**
Arosco[9]	12 228	56.22%
New Escence Consulting	1 800	8.28%
Groupe Elanje	1 123	5.16%
Stokka	900	4.14%
David Merle	900	4.14%
Emerode	144	0.66%
Alhia Green	1129	5.19%
Jacques Marraud des Grottes	302	1.39%
Piccolo 5 SA	2 177	10.01%
Langa International	1 049	4.82%
Total	21 752	100.00%

2) About the IBC

Transition sees Arverne as a perfect match across all investment criteria set forth by Transition in its IPO Prospectus:

- a growing actor in the energy transition space focused on unlocking the potential of renewable subsurface energy sources;

[9] holding of Pierre Brossollet.

- exposed to several technologies, with the goal of developing an innovative energy mix including:
    - Deep geothermal energy
    - Shallow geothermal energy
    - Lithium extraction and refining
- based in France;
- with an experienced leadership team offering both operational and technical expertise in areas such as geoscience, drilling, production and R&D;
- having developed a portfolio of key projects (organic and external growth);
- with significant potential for growth and value creation as proven by the first two rounds of funding for Lithium de France, which will be bolstered by the complementary expertise of Transition's founders;
- ambitious goals with respect to CSR, producing energy where it is intended to be consumed, with a focus on short supply chains and serving the needs of the local economy.

Arverne is a "mission-driven company" that aims to accelerate the energy transition through the use of geological resources by pioneering the new renewable energy sector in France and further afield. This approach reflects the Group's steadfast commitment to make sustainability an integral part of its strategy and business operations.

Arverne's mission *(raison d'être)* is enshrined in its articles of association: "Through its unique know-how, Arverne Group unleashes the potential of geo-resources and sustainably values them for a pragmatic energy transition for the prosperity of territories." This gives rise to two key social and environmental objectives, which guide the Group's initiatives:

1. act as a bold energy specialist to defend a pragmatic energy transition;
2. encourage a virtuous society by relying on women and men within the company and the territories.

Above and beyond these objectives, which will be expanded on in an ambitious ESG roadmap in the coming months, Arverne plans to implement a system of governance built around a CSR Committee incorporated into the Board of Directors, a Mission Committee (in compliance with the standards expected of a mission-driven company) and an Impact and Engagement team which will report to the Chairman and Chief Executive Officer of the combined entity and will be represented on the Executive Committee.

The Group's leadership team and Transition's founders plan to leverage their extensive, complementary experience in areas such as:

- the energy sector;
- diversified fundraising;

- the design and execution of an internal and external growth strategy built on the network offered by the founders of Transition and the experience provided by the Arverne Group leadership team, particularly through the acquisition and integration of Arverne Drilling Services and, more recently, GéoRhin.

Transition and Arverne leadership teams are in complete agreement with respect to the combined company's growth strategy and ambitions, with a focus on the following key goals:

- maximise value creation in step with key developments in the European market (with an energy transition already underway that is leading to long-term demand for geothermal energy and lithium);
- pursue profitable growth by building on a portfolio of targeted, strategic projects to make the Group a key European player capable of effectively unlocking the potential of subsurface resources;
- optimise the vertical integration of the Group's businesses (from subsurface analysis to the sale of resources) to unlock an increasingly wide array of project opportunities;
- pool the experience and expertise of the Group's leadership teams and Transition's founders.

The Transaction values Arverne shares at €166 million pre-money (on a fully diluted basis) and Transition shares (issued or to be issued) of around €148 million[10], representing a pro forma enterprise value of the combined entity of around €257 million[11], thus fulfilling the "80% Minimum Threshold" valuation condition as described in the IPO Prospectus.

The Board of Directors received a fairness opinion from Joh. Berenberg, Gossler & Co. KG ("**Berenberg**"). In its report, Berenberg states that the consideration offered to Arverne Group shareholders in the form of Transition shares as part of the Merger is fair from a financial standpoint to the existing Transition shareholders.

There is significant potential for value creation given the outlook for growth, based on a number of macroeconomic factors:

- the "net zero" goal set by the French and European authorities, which is driving interest in geothermal energy as a low-carbon primary energy source;
- the sovereignty goals of France and Europe with respect to critical metals, with a focus on meeting the considerable demand for lithium from the automotive industry to support the production of batteries, a key challenge for the sector's transition towards electric vehicles;

[10] Amount corresponding to commitments to subscribe to the PIPE and not to request redemption, the Convertible Bonds and the conversion of Class A1 preference shares into common shares.
[11] Based on an estimated proforma debt position of €27 million, a cash position at Lithium de France of €44 million, a cash position at Arverne Group of €95 million (including the proceeds of the transaction net of transaction costs) and a minority interest value at Lithium de France of €55 million.

- the determination of the French authorities to adapt the regulatory framework and governance of the geothermal and critical metals industries to rise to these challenges.

The Group is perfectly placed to meet these challenges via:

- its expertise in the exploration and development of geological resources;
- the integration of drilling rigs adapted to the requirements of geothermal energy to unlock its inherent potential for development;
- the possession of exclusive prospecting licences for a promising array of diversified resources, particularly in the Rhine Valley;
- the ramp-up of the Lithium de France subsidiary, with its focus on geothermal lithium development;
- the negotiations underway with a number of key actors regarding battery-grade lithium contracts.

The composition of the Board of Directors of the combined entity is currently being finalized and will be announced at a later date. The Chairman will be Pierre Brossollet, who will also serve as Chief Executive Officer of the combined entity.

The Board of Directors of the combined company plans to create four committees: an Audit Committee, a Nominations and Remuneration Committee, a Strategy and Risks Committee, and a CSR Committee.

Transition intends to ensure ongoing general compliance with the guidelines set forth in the corporate governance code published by AFEP-MEDEF ("**AFEP-MEDEF Code**"), which was last updated in December 2022 and can be found at: http://www.medef.com/. This will entail a particular focus on recommendations with regard to the number of independent directors, as well as gender parity among board members.

In accordance with the recommendations of the AFEP-MEDEF Code, the Merger Prospectus will include a table summarising the recommendations set forth in the Code which Transition will not apply, if any, along with the reasons for these decisions.

Arverne's existing partners and Transition's founders have agreed to be bound by a lock-up agreement with respect to their shares in the combined entity, key details of which are described below.

Main risk factors related to the Transaction

Main risk factors related to the Initial Business Combination are as follows:

- The shares issued as part of the Merger through the PIPE will result in significant dilution for existing Transition shareholders.

- The Initial Business Combination could adversely affect Transition's share price.

- Existing Arverne shareholders whose Transition shares received as part of the Merger are not subject to a lock-up provision may opt to sell those shares on the market, which could adversely affect the value of Transition stock. The main terms of these commitments are described below.

- The Merger is contingent on approval from Transition and Arverne shareholders. In addition, the completion of the Merger remains subject to the conditions precedent outlined on pages 23-24. Failure to meet one of these conditions could prevent completion of the Initial Business Combination.

- During preparatory talks to discuss the planned Initial Business Combination, two of the three Transition founders (Xavier Caïtucoli, through a structure he controls, and Eiffel Essentiel SLP) granted Arverne €15 million in interim financing through bonds to be converted into or exchanged for shares in Arverne or its subsidiary Lithium de France[12]. In the context of the Combination and in accordance with their terms, these Convertible Bonds, which mature on June 30, 2024, will be automatically converted into new ordinary shares (on the basis of the value per share retained in connection with the Merger) immediately prior to the effective completion of the Merger. As a result, the interests of those founders could potentially diverge from those of other Transition shareholders or directors, leading to a conflict of interest regarding the choice of Arverne as a target for the Initial Business Combination. Hence the decision to request a fairness opinion from Berenberg.

- Forecast market opportunities and trends may prove inaccurate.

The main risk factors inherent in the Group's activities are as follows:

- Through its drilling and lithium extraction activities, the Group faces the risk of pollution, whether on the surface or at depth, which could harm people and the environment.

- The Group's design of drilling wells and/or operation of geothermal sites could potentially generate risks of geomechanical disorders at depth and on the surface, of various natures and origins.

[12] In view of this investment, Xavier Caïtucoli and Eiffel Essentiel SLP do not intend to exercise the forward purchase warrants they subscribed to on the day of Transition's IPO. To date, Transition is not aware of any intention by other shareholders to exercise their forward purchase warrants.

- The Group is subject to competitive risk due to the presence of well-established historical competitors. Furthermore, the Group cannot guarantee the success of its commercial strategy.

- Variations in the price of raw materials used and produced by the Group could have a direct impact on the price of the Group's services, reduce the value of the Group's projects, render some of them unviable, or require the Group to postpone their delivery schedule.

- The Group cannot guarantee access to and the successful exploitation of the resources it has identified, and hence the expected return on investment. In particular, uncertainties relating to the geology and hydrology of the various geothermal deposits that the Group intends to exploit could have an impact on the quality and quantity of exploitable heat and lithium resources.

- The Group could face difficulties in the construction and operation of its future power plants and, more generally, malfunctions in its industrial equipment that would have an impact on its business. Similarly, although the Group is currently carrying out a series of tests, it cannot guarantee the efficiency of the operating processes it intends to implement, particularly in view of the technologies currently available on the market.

- Although the Group is actively developing its fleet of drilling tools, it is facing a concentration of drilling customers, mainly due to the number of tools currently in its possession. By way of illustration, for the year ending December 31, 2022, the Group's 5 biggest drilling customers represent 88% of total Group sales (all activities combined).

- Any questioning or unfavorable changes in public policies encouraging geothermal energy or in the regulations governing the Group's activities could have a negative impact on the development of its business plan. Similarly, the Group cannot guarantee that it will obtain all the permits and other authorizations required for its activities, and that it will be able to maintain them.

- Over the past few years, the Group has made two targeted acquisitions that have made a significant contribution to the growth of its business, namely Arverne Drilling in 2020 and GéoRhin in 2023. With regard to the latter acquisition, the Group cannot guarantee that it will be able to successfully integrate this new business or obtain the benefits expected from it.

- The Group may not succeed in generating sufficient cash flow to finance its business plan, and may require additional financing which may not be available or may be available only on unacceptable terms.

Arverne valuation and Merger consideration

The Initial Business Combination will be based on a value of the Arverne shares of €166 million and a value of Transition shares (issued or to be issued) of around €148 million, corresponding to a pro forma enterprise value for the combined entity of around €257 million.

As stated above, in its Fairness Opinion (a copy of which can be found in Annex 2), Berenberg states that the consideration offered to Arverne Group shareholders in the form of Transition shares as part of the Merger is fair from a financial standpoint to the existing Transition shareholders.

As part of the Initial Business Combination, Transition will absorb Arverne, which will transfer all of its assets and liabilities to Transition, in accordance with the terms of a Merger Agreement concluded on expiration of the period for the redemption of the Class B preference shares issued by Transition ("**Class B Shares**"), in accordance with Article L. 236-1 et seq. of the French Commercial Code (the "**Merger Agreement**"). On completion of the Merger, Arverne will cease to exist and Transition will remain as the surviving entity. Transition will change its company name to "Arverne Group" as of the date on which the Initial Business Combination is completed.

In consideration of the Arverne assets and liabilities transferred to it in the Merger, Transition will issue new common shares to Arverne investors. The value of each newly issued Transition common share, used to determine the exchange ratio, will be €10.00.

In accordance with French legislative and regulatory provisions, Transition and Arverne will file a joint request with the *Président* of the Commercial Court of Paris to appoint two independent auditors, who will assess the value of the contributions, any related consideration and the fairness of the exchange ratio.

All Class A1 preference shares issued by Transition and all Class B shares, except those for which Transition has received a redemption request from the holders (the "**Dissenting Shareholders**"), will automatically be converted into common shares in accordance with Transition's articles of association and the IPO Prospectus.

The Class A2, A3 and A4 preference shares issued by Transition will not be converted into common shares on completion of the Merger. Instead, they will be converted into common shares in the combined entity in accordance with the terms and conditions set forth in Transition's articles of association, notably with regard to specific share price thresholds for the combined entity, as specified below.

Starting from the completion date of the Initial Business Combination and no later than the tenth anniversary of that date, each Class A2, A3, and A4 preference share will be automatically converted into one common share in the combined entity if, and only if, the closing market price of the common shares of the combined entity equals or exceeds the specified threshold for at least 20 trading days within a consecutive 30-day trading period (these 20 trading days need not be consecutive):

- for Class A2 preference shares only, the price is set at €12.00;
- for Class A3 preference shares only, the price is set at €14.00;
- for Class A4 preference shares only, the price is set at €20.00.

Class A2, A3 and A4 preference shares will not be listed until they have been converted into common shares.

There are also plans to give Transition shareholders the opportunity to amend the company's articles of association in order to grant double voting rights to fully paid shares held continuously in their registered form by the same shareholder for a period of at least two (2) years from the completion date of the Initial Business Combination, in accordance with Article L. 225-123 of the French Commercial Code.

In addition to the €206 million held in escrow by Transition (which may be reduced by redemption requests from Dissenting Shareholders), the combined entity will be financed through the PIPE.

In view of this, Transition and Arverne have secured commitments from a select group of investors, including ADEME Investissement and Crédit Mutuel Equity, who are willing to provide long-term support for the newly combined entity.

As part of the Initial Business Combination, all Arverne partners have agreed to be bound by a lock-up agreement relating to (A) Transition common shares (i) issued in connection with the Merger, and (ii) which may have been subscribed in connection with the PIPE, and (B) any dilutive instruments giving access to Transition common or preferred shares, for a period from the date of completion of the Combination which varies depending on the partner concerned, namely:

- three (3) months for Lithium partners who have elected to transfer their shares in that subsidiary to Arverne prior to the Initial Business Combination (together holding 4% of Arverne's share capital post-contribution but pre-merger),
- 12 months for Arverne's historical partners (together holding 45% of Arverne's share capital post-transfer but pre-merger), and
- 48 months for Pierre Brossollet, in respect of the shares he holds directly or indirectly via his asset holding company Arosco (i.e. 51% of Arverne's share capital post-transfer but pre-merger).

Transition's founders and have also agreed to a 48 months lock-up period, starting from the date of the Initial Business Combination, which is similar to that of Pierre Brossollet concerning: (A) Transition common shares (i) issued in connection with the Merger and (ii) potentially subscribed to in the PIPE; (B) the Class A2, A3 and A4 preference shares; and (C) any other dilutive instruments providing access to Transition common shares or preference shares.

All the aforementioned commitments are subject to the usual exceptions and, as regards the founders of Transition and Mr. Pierre Brossollet only, to the possibility, as from the 1st anniversary of the Initial Business Combination, to sell up to 20% of their stake in Transition or pledge all or part of the shares held to an international financial institution based within the European Union.

In addition, as part of the Transaction, Transition's founders have undertaken to transfer to ADEME Investissement, as a long-term reference investor, which has undertaken to acquire them, 364,358 Transition preference shares of category A1 at a price of €1.40 per share, 163,364 preference shares of category A2 at a price of €0.90 per share, 100,956 preference shares of category A3 at a price of €0, 72 per share and 75,717 Class A4 preference shares at a price of €0.40 per share (i.e. 19.85% of the total number of outstanding Class A1 preference shares, 8.9% of the total number of outstanding Class A2 preference shares, 5.5% of the total number of outstanding Class A3 preference shares and 5.5% of the total number of outstanding Class A4 preference shares to be transferred).

The implementation of the Merger will require the convening of:

- a special meeting of Class B shareholders, whom will be asked to approve the Initial Business Combination (by a two-thirds majority), followed by
- extraordinary meetings of Transition and Arverne shareholders, whom will be asked to approve the Merger and, in the case of Transition, authorise the PIPE.

In the event that (i) the Initial Business Combination is not approved by the special meeting of Transition Class B shareholders or (ii) the Merger or PIPE is not approved by Transition or Arverne shareholders, the Initial Business Combination will not be implemented.

Approval of the Initial Business Combination by the Board of Directors

In accordance with the provisions of the IPO Prospectus, the independent members of the Transition Board of Directors, meeting on May 10, 2023, appointed Berenberg as an independent financial expert to confirm that the consideration offered to Arverne Group shareholders in the form of Transition shares as part of the merger is fair from a financial standpoint to the existing Transition shareholders (the "**Fairness Opinion**").

This was done to ensure no conflict of interest on the part of Transition's founders. In February 2023, Mr. Xavier Caïtucoli (through an entity he controls) and Eiffel Essentiel provided Arverne with equity bridge financing in the form of bonds convertible into Arverne shares or exchangeable for Lithium de France shares, comprising two tranches worth a total of thirty million euros (€30,000,000). The first tranche of fifteen million euros (€15,000,000) was made available on March 10, 2023 in order to (i) allow Arverne to participate in the Series B round of funding for Lithium de France and (ii) to finance Arverne's acquisition of GéoRhin. In the event of a Merger before the first of the two dates between (i) the dissolution of Transition and (ii) December 31, 2023, Mr. Xavier Caïtucoli and Eiffel Essentiel will be deemed to have requested early redemption of their bonds by conversion into new Arverne shares (based on the value per share used in the Merger), which will occur on the day of and shortly before completion of the Merger, based on a price per Arverne share equal to the value of one Arverne share, as determined in the Merger Agreement.

In accordance with Transition's articles of association, the strategy committee of Transition's Board of Directors held a meeting on June 14, 2023. After reviewing the terms of the Initial Business Combination and the Fairness Opinion, the committee decided unanimously among its members having taken part in the vote (it being specified that Mr. Xavier Caïtucoli and Mr. Fabrice Dumonteil (Chairman of Eiffel Investment Group, management company of the Eiffel Essentiel SLP fund) took part neither in the deliberations nor in the vote, in accordance with the provisions of the AFEP-MEDEF Code of corporate governance relating to the ethics of directors) to recommend that the Board of Directors vote in favor of the Initial Business Combination. The members of the strategy committee include Mr. Xavier Caïtucoli, Schuman Invest (represented by Mr. Erik Maris), Mr. Fabrice Dumonteil, Ms. Béatrice Dumurgier, Ms. Christine Kolb, Cowin (represented by Ms. Colette Lewiner) and Ms. Monique Roosmale Nepveu. All members of the strategy committee were present.

Pursuant to the recommendations of the strategy committee, the members of the Transition Board of Directors were convened by the chairman, Mr. Xavier Caïtucoli, at a meeting on June 14, 2023 (i) to review the Fairness Opinion and the terms of the Initial Business Combination, and (ii) to vote on the planned Initial Business Combination with Arverne, based on a majority of the members of the Board of Directors, including a majority of the independent members of the Board of Directors, i.e. three out of the four independent Board members (the **"Required Majority"**) in accordance with Transition's articles of association and the IPO Prospectus. All Board members were present.

Transition's Board of Directors reached a decision unanimously approved by its members who took part in the vote (it being specified that Mr. Xavier Caïtucoli and Mr. Fabrice Dumonteil took neither part in the deliberations nor in the vote, in accordance with the provisions of the AFEP-MEDEF Code of Corporate Governance relating to the ethics of directors), including the independent members, an extract of which is given below:

"*In accordance with the information and conditions provided and as stipulated in the IPO Prospectus, the Board of Directors must vote for or against the proposed Initial Business Combination with Arverne by the Required Majority.*

*In addition, and in accordance with the IPO Prospectus and Transition's articles of association, the Transition strategy committee (the "**Strategy Committee**") was convened prior to this meeting. The Chairman informed the Board members of the findings of the strategy committee meeting, which were in favour of the Initial Business Combination.*

*The members of the Strategy Committee and the members of the Board of Directors were provided with relevant information prior to their decisions and given the opportunity to review and assess the report delivered by Berenberg on June 14, 2023 confirming the Arverne valuation (the "**Fairness Opinion**").*

*After reviewing the recommendations of the Strategy Committee and deliberating on the matter, the Board of Directors has taken note of (i) the terms of the proposed Initial Business Combination, (ii) the draft agreement outlining the terms and conditions of the Merger (the "**Business Combination Agreement**") to be entered into by Transition and Arverne, as well as the information contained in the Company's press release to be issued following this meeting (the "**IBC Notice**") (iii)the Fairness Opinion, and (v) the opinion of the Strategy Committee, and acknowledges that:*

- *the proposed Initial Business Combination meets the criteria set forth in the IPO Prospectus for the completion of the IBC, particularly with regard to the "80% Minimum Threshold" (as defined in the IPO Prospectus) and other criteria and guidelines identified by Transition in the IPO Prospectus;*

- *the proposed Initial Business Combination will lead to the Merger and absorption of Arverne with and by Transition in accordance with the terms and conditions of the Merger Agreement and Articles L. 236-1 et seq. of the French Commercial Code;*

- *as a result of the Merger, Arverne will cease to exist and Transition will be the surviving entity;*

- *the terms and conditions of the Merger will be prepared based on the financial statements of Arverne and Transition for the financial year ended December 31, 2022 (i.e. the closing date of the last accounting year for each of the parties);*

- *the proposed Initial Business Combination will be based on the pre-money valuation of Arverne shares, i.e. €166 million (on a fully diluted basis);*

- *in its Fairness Opinion, Berenberg states that the consideration offered to Arverne Group shareholders in the form of Transition shares as part of the Merger is fair from a financial standpoint to the existing Transition shareholders;*

- *in consideration of the Arverne assets transferred to it in the context of the Initial Business Combination, Transition will issue new common shares to Arverne shareholders;*

- *Arverne's shareholders, with the exception of Mr. Pierre Brossollet, have agreed to a 12-month lock-up period starting from the date of the Initial Business Combination, in relation to the Transition common shares issued in connection with the Merger; this lock-up will be limited to three months for Lithium de France shareholders who have elected to transfer their shares to the Arverne subsidiary prior to the Initial Business Combination;*

- *Transition's founders and Mr. Pierre Brossollet have agreed to a four-year lock-up period starting from the date of the Initial Business Combination, with the exception of disposals not exceeding 20% of their holdings in Transition as of the 1st anniversary of the Initial Business Combination;*

- *the value of each newly issued common share in Transition, used to determine the exchange ratio, will be €10.00;*

- *in order to meet the cash requirements of Transition following the Merger, the new entity will need to be financed in part via a capital increase estimated at €133 million (including share premium), reserved for select investors and potentially some categories of investors through the issuance of up to 13.3 million new common shares (the "**PIPE**") at a subscription price of €10.00 per share;*

- *the planned Initial Business Combination is subject to the following conditions precedent: (i) the company having an amount of Available Cash of at least €130 million, and (ii) the completion of the PIPE transaction;*

- *the composition of Transition's governing bodies and corporate governance will be modified to reflect its new shareholder base, in accordance with the principles set forth in the IBC Notice;*

- *the Arverne Drilling social and economic committee (CSE) approved the proposed Initial Business Combination on June 13, 2023 by way of an information and consultation process.*

As a result, the Board of Directors, by unanimous vote:

- *determines that the Initial Business Combination is fair and in the best interests of Transition and its shareholders;*
- *recommends that Transition shareholders approve the Merger, the PIPE and all documents necessary to the Merger and the PIPE;*
- *agrees to submit the planned Initial Business Combination for approval by the special meeting of holders of Transition Class B preference shares, as per the conditions set forth in Article 20 of Transition's articles of association, and to convene the meeting on July 26, 2023;*
- *determines that if the planned Initial Business Combination is not approved by the aforementioned special meeting, then it will be submitted for approval by the Transition shareholders at a subsequently convened shareholders' meeting;*
- *approves the contents of the draft IBC Notice it has received;*
- *approves the terms and conditions of the Business Combination Agreement and the decision to give full powers to Mr. Xavier Caïtucoli, in his capacity as Chairman and Chief Executive Officer, to (i) complete the Business Combination Agreement, sign the Business Combination Agreement and (ii) take any other steps necessary to complete and execute the Business Combination Agreement;*
- *grants all powers to Mr. Xavier Caïtucoli, in his capacity as Chairman and Chief Executive Officer, to (i) finalise the Merger Agreement, the Merger Prospectus to be submitted to the AMF, along with any other documents required as part of the Initial Business Combination, notably the listing prospectus in relation to Transition common shares newly issued through the PIPE, (ii) sign and submit any other documents required as part of the Initial Business Combination to the AMF, (iii) sign any attestations required as part of the Initial Business Combination, and (iv) take any other steps necessary to complete and execute the Business Combination Agreement, i.e. concluding and signing for and on behalf of Transition all transactions and documents related to and required by the Initial Business Combination, including any press releases and attestations.*"

Terms and conditions of the Initial Business Combination

Main terms and conditions of the Merger

As previously stated, as a result of the Initial Business Combination, Arverne will be merged into and absorbed by Transition. The Merger aims to create a new French leader in geothermal energy production and low-carbon lithium extraction to support the energy transition.

As a result of the Merger, Transition will change its company name to "Arverne Group" and update its mission statement to cover the following activities in France and abroad:

- technical studies and consulting, operational support, project management, and assistance to business leaders in an industrial and commercial environment;
- acquisition, ownership and management of majority and minority holdings in all types of civil or commercial companies;
- all activities within the scope of financial companies or holdings;
- all services provided to other companies and subsidiaries;
- holdings in any existing or future enterprises or entities that are related to the company's purpose, including but not limited to the creation of new companies, contributions, partnerships, subscriptions or purchases of securities or equity interests, mergers, alliances, or joint ventures;
- holdings or interests in any other undertakings or companies in France and abroad, irrespective of their stated purpose;
- all commercial undertakings directly or indirectly linked to the above or liable to promote the development and expansion of the company's business activities.

The Merger will also expand Transition's shareholder base. In addition, Transition may call on the market to raise additional funds and finance its business development.

Existing Transition shareholders

Arverne and Transition have secured €67 million in financing from Sycomore AM, Arbevel, Guisando and Financière St James, through non-repurchase commitments from existing Transition shareholders and Convertible Bonds subscribed by Xavier Caïtucoli and Eiffel Essentiel SLP.

Main terms and conditions of the PIPE

The PIPE will have a ceiling of €133 million.

To date, Transition and Arverne have received commitments from the aforementioned parties totalling €63 million.

The total of the above-mentioned amounts of €67 million and €63 million corresponds to the total amount secured to date of €130 million.

The use of these funds will provide Transition with the capital needed to support the future development of the combined entity until 2025. The amount of funding available to the combined entity to support its future development will depend on the actual amount raised through the PIPE and the number of B Class shares actually redeemed by Transition at the request of Dissenting Shareholders.

Conditions precedent to the Merger

Completion of the Merger is notably contingent on complying with the following conditions precedent:

- approval of the Initial Business Combination by the special meeting of Transition Class B shareholders;

- approval by the Transition shareholders' meeting of (i) the Merger, (ii) the capital increase in consideration of the contributions as part of the Merger and (iii) the PIPE;

- approval by the Arverne shareholders' meeting of (i) the Merger and, in particular, the valuation of the assets transferred to Transition by Arverne and related consideration, and (ii) the dissolution without liquidation of Arverne;

- completion of the PIPE;

- approval of the Merger Prospectus and the Listing Prospectus by the AMF;

- Available Cash amounting to at least €133 million held by Transition on completion of the Merger, where "Available Cash" refers to the sum of (i) the principal amount and accrued interest not received from funds immediately available in the escrow account opened by Transition with Caisse d'Epargne CEPAC under the business current account agreement entered into on September 21, 2021 between Transition and Caisse d'Epargne CEPAC, net of expenses of any redemption requests from shareholders; (ii) any other funds held by Transition that are available, excluding the funds held in escrow mentioned in (i); (iii) the proceeds from the PIPE and (iv) of the proceeds from the subscription of the Bonds.

Indicative timetable

The Transaction is due to be completed in the month of September/October 2023, subject in particular to its approval by the Transition and Arverne shareholders' meetings.

The expected timetable for completion of the Transaction is as follows:

Dates	**Milestones**
June 21, 2023	Start of the Class B share redemption period
June 21, 2023	Convening notice for the special meeting of Class B shareholders published in the Bulletin des Annonces Légales Obligatoires (BALO)
July 20, 2023	End of the Class B share redemption period
July 24, 2023	Press release on redemption of Class B shares
July 26, 2023	Special meeting of Class B shareholders
July 2023	Signing of the Merger Agreement
July 2023	Press release covering key terms and conditions of the Merger
August/September 2023	Convening notice for the combined general meeting of Transition shareholders published in the BALO
August/September 2023	Merger Prospectus approved by the AMF
September/October 2023	Combined general meeting of Transition shareholders Arverne shareholders' meeting
September/October 2023	Settlement and delivery of shares issued as part of the PIPE - Completion of the PIPE Settlement and delivery of shares issued as part of the Merger - Completion of the Merger
September/October 2023	Cancellation of repurchased Class B shares and payment by Transition of the redemption price to Dissenting Shareholders.

Compensation of Transition Executives

No exceptional or variable remuneration will be due to the Transition Executives as a result of the Initial Business Combination.

Redemption of shares

In accordance with the provisions of the Transition articles of association and pursuant to Section III of Article L. 228-12 of the French Commercial Code, following the approval of the Initial Business Combination by the Board of Directors by the Required Majority, the redemption of B Shares will be proceed at the joint initiative of Transition (by publishing this IBC Notice) and the Dissenting Shareholders (by submitting a redemption request) under the following conditions:

1. As from the date of this IBC Notice, Transition offers holders of Class B shares the opportunity to redeem all or part of their Class B shares. Any shareholder holding Class B shares who wishes to benefit from the redemption (irrespective of whether they participate in the special meeting of Class B shareholders called to approve the proposed Initial Business Combination and regardless of their vote on said proposal) must submit a redemption request to the financial intermediary holding their Class B shares, using the form provided by the intermediary, in a timely manner from the date of publication of the IBC Notice, and no later than the fourth (4^{th}) business day preceding the date of the special meeting of Class B shareholders convened to vote on the proposed Initial Business Combination, i.e. no later than July 20, 2023. Class B shares must be freely transferable and free from any liens, pledges, encumbrances, or any other guarantees or restrictions of any kind that would restrict the free transfer of their ownership.

2. In practice, any holders of Class B shares wishing to have all or part of their shares redeemed should:

   - submit a redemption request to their financial intermediary for all or part of their Class B shares during the redemption period open from June 21, 2023, to July 20, 2023, in accordance with the standard procedures for securities transactions in Euroclear France. Euronext will notify the market of the start of the redemption period on June 19, 2023. Shareholders are responsible for contacting their financial intermediary to obtain specific instructions on how to submit their redemption requests.
   - possess full and absolute ownership of the number of Class B shares for which they are requesting redemption by July 20, 2023;
   - not have transferred, as of the date of the redemption of the Class B shares by Transition, full ownership of the number of Class B shares for which they have requested redemption.

3. The Initial Business Combination, contingent on approval from the special meeting of Class B shareholders, must be completed no later than the IBC deadline, i.e. December 21, 2023.

Transition will not redeem Class B shares held by Transition shareholders who have not notified their financial intermediary during the aforementioned period.

The redemption price of a Class B share is equal to €10.00.

Transition will redeem Class B shares within a period ending no later than the thirtieth (30th) calendar day from the date on which the Merger is completed, or the next business day if that date is not a business day. The Board of Directors will determine the redemption date for the Class B shares and proceed with the redemption within the specified timeframe, and will have the power to delegate such authority in accordance with applicable laws and regulations, after acknowledging that all necessary redemption criteria have been met.

The Class B shares redeemed by Transition as described above will be cancelled immediately after their redemption through a reduction of Transition's share capital, in accordance with applicable laws and regulations, including Article L. 228-12-1 of the French Commercial Code. The Board of Directors will record the number of Class B shares redeemed and cancelled, and make the necessary amendments to Transition's articles of association.

An amount corresponding to the total redemption price of the Class B shares redeemed in this manner will be deducted from the share capital up to the amount mentioned in the previous paragraph. The remainder will be allocated to distributable reserves (as defined in Article L. 232-11 of the French Commercial Code), in accordance with applicable laws and regulations.

Transition will publish a press release on expiry of the redemption deadline to inform the market of the number of Class B shares to be redeemed. This press release must be published no later than two business days before the date of the special meeting of shareholders of B shares, i.e. July 24, 2023.

Advisors and placement agent

ATFIS and CIC Market Solutions are acting as financial advisors to Transition for the purposes of the Transaction. Bredin Prat is serving as legal counsel to Transition.

CIC Market Solutions is the placement agent.

Rothschild & Co is acting as financial advisor to Arverne. Jones Day is serving as legal counsel to Arverne.

Important notice

The distribution of this document may be restricted by law in certain jurisdictions. Persons into whose possession this document comes are required to inform themselves about and to observe any such restrictions.

This press release is provided for information purposes only. It does not constitute and should not be deemed to constitute an offer to the public of securities, nor a solicitation of the public relating to an offer of any kind whatsoever in any country, including France.

European Economic Area – France

This press release is not a prospectus but an advertisement provided for information purposes only. It does not constitute and should not be deemed to constitute an offer to the public of securities by Transition, nor a solicitation of the public relating to an offer of any kind whatsoever in any country, including France.

*A prospectus (the "**Merger Prospectus**") will be submitted to the approval of the Autorité des marchés financiers solely for the purpose of the merger between Transition and Arverne Group and a separate prospectus (the "**Listing Prospectus**") will be submitted to the approval of the Autorité des marchés financiers solely for the purpose of the admission for trading on the professional segment (compartiment professionnel) of the regulated market of Euronext Paris of the securities to be issued by Transition through a placement to the benefit of certain investors and a categories of investors, as the case may be. A copy of the Merger Prospectus and the Listing Prospectus will be available on the AMF's website (www.amf-france.org) and on Transition's website (spactransition.com) and will be obtainable free of charge from Transition. The Merger Prospectus and the Listing Prospectus will include a detailed description of Transition, including a section describing certain risk factors relating to Transition and the Merger and the PIPE.*

Investors should not subscribe for or purchase any securities referred to in this press release except on the basis of the information contained in the Merger Prospectus and the Listing Prospectus, as applicable.

The distribution of this press release may be subject to legal or regulatory restrictions in certain jurisdictions. Any person who comes into possession of this press release must inform him or herself of and comply with any such restrictions.

The securities of Transition admitting for trading on the professional segment (compartiment professionnel) of the regulated market of Euronext Paris are addressed solely to Qualified Investors, as defined in the regulation (EU) 2017/1129 of 14 June 2017 and in accordance with the provisions of Article L. 411-2, 1° of the French Code monétaire et financier.

United Kingdom

*This press release does not constitute an offer of securities to the public in the United Kingdom. In the United Kingdom, this press release is for distribution only to and is directed only at (a) "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation as it forms part of U.K. domestic law by virtue of the EUWA which are (b) (i) persons who have professional experience in matters relating to investments falling within the provisions of Article 19(5) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (ii) "high net worth entities", "unincorporated* *associations" and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). This press release must not be acted on or relied on, in the United Kingdom, by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is only available to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this press release must satisfy themselves that it is lawful to do so.*

United States of America

*This press release and the information it contains does not, and will not, constitute an offer to the public to subscribe for or sell, nor the solicitation of an offer to subscribe for or buy, Transition securities in the United States or any other jurisdiction where restrictions may apply. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), it being specified that the Transition securities have not been and will not be registered under the Securities Act and Transition does not intend to register securities or conduct an offer to the public in the United States.*

Canada

This press release and the information it contains do not, and will not, constitute an offer to the public to subscribe for or sell, nor the solicitation of an offer to subscribe for or buy, Transition securities in any province or territory of Canada. Securities may not be offered or sold in Canada except in a transaction exempt from the prospectus requirements of applicable Canadian securities laws or pursuant to a prospectus that qualifies those securities in the relevant provinces and territories of Canada, it being specified that the Transition securities have not been and will not be qualified by way of prospectus under the securities laws of any province or territory of Canada and Transition does not intend to qualify any such securities or conduct an offering to the public in Canada.

This announcement is not being made in and copies of it may not be distributed or sent, directly or indirectly, into the United States of America, Canada, Australia or Japan.

Public information

Potential investors should review the risk factors described in Transition's prospectus that has been approved by the AMF on June 16, 2021 solely for the purpose of listing of Transition securities on the professional segment (compartiment professionnel) of the regulated market of Euronext Paris. A copy of the prospectus is available on the AMF's website at www.amf-france.org and on Transition's website at spactransition.com and may be obtained free of charge from Transition.

The information relating to Arverne Group contained in this press release has been extracted from the information made publicly available by Arverne Group. Transition, ATFIS, CIC Market Solutions, Rothschild & Co or any of their respective affiliates, shareholders, directors, officers, advisors, employees and representatives have not independently verified the accuracy of any such information. No representation, warranty or undertaking, express or implied, is made by any of them as to the accuracy or completeness of the information relating to Arverne Group contained in this press release and no liability whatsoever (in negligence or otherwise) is accepted for any loss howsoever arising, directly or indirectly, from any use of such information or otherwise arising in connection therewith.

Forward looking statements

*This press release contains forward looking statements, estimates, opinions and projections with respect to anticipated future performance of the combined entity ("**forward-looking statements**"). These* *forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts, including, without limitation, statements regarding the consummation of the contemplated business combination, statements regarding market opportunities and forecasts regarding market trends, and statements regarding the anticipated performance of the combined entity. Forward-looking statements are based on the current views, expectations and assumptions regarding the potential business combination, the business, the economy and other future conditions of the combined entity and involve significant known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Factors that may cause actual results to differ materially from those contemplated by forward-looking statements, include, without limitation, the inability of the parties to successfully or timely consummate the contemplated business combination, including the risk that any required regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined entity; changes in domestic and foreign business, market, financial, political and legal conditions; failure to realize the anticipated benefits of the contemplated business combination; risks relating to the uncertainty of projected market opportunities and market trend forecasts; risks related to the growth of the combined entity's business and product offerings; the effects of competition on the combined entity's future business; the amount of redemption requests made by Transition's shareholders; and the ability of Transition to issue equity securities in connection with the contemplated business combination or in the future.*

Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Any forward-looking statements included herein only speak as at the date of this press release. Transition and Arverne Group undertake no obligation, and do not expect to publicly update, or publicly revise, any of the information, forward-looking statements or the conclusions contained herein or to reflect new events or circumstances or to correct any inaccuracies which may become apparent subsequent to the date hereof, whether as a result of new information, future events or otherwise. Transition and Arverne Group accept no liability whatsoever in respect of the achievement of such forward-looking statements and assumptions.

Annex 1

Extract from the consolidated financial statements of Arverne Group for FY 2020, 2021 and 2022

Consolidated income statement

En milliers d'euros	Note	**2022.12** 12 mois	**2021.12** 12 mois	**2020.12** 20 mois
Chiffre d'affaires	6.2	10 717	12 613	4 496
Autres produits de l'activité	6.3	45	365	66
Production immobilisée	6.3	961	1 050	
Achats consommés	6.4	- 774	- 1 078	- 414
Charges externes	6.4	- 5 494	- 9 113	- 3 370
Charges de personnel	6.5	- 5 786	- 4 396	- 2 510
Impôts et taxes		- 207	- 202	- 153
Autres charges d'exploitation	6.4	- 160	- 14	- 159
Résultat opérationnel courant avant amortissements		**- 699**	**- 776**	**- 2 044**
Dotation aux amortissements		- 1 968	- 1 635	- 1 472
Résultat opérationnel courant		**- 2 667**	**- 2 411**	**- 3 515**
Autres produits opérationnels non courants	6.6			7 958
Autres charges opérationnelles non courantes	6.6			- 137
Résultat opérationnel		**- 2 667**	**- 2 411**	**4 305**
Coût de l'endettement financier brut	7	- 125	- 46	- 8
Coût de l'endettement financier net		**- 125**	**- 46**	**- 8**
Autres produits financiers	7	954	52	2
Autres charges financières	7	- 18	- 17	- 15
Résultat avant impôt		**- 1 856**	**- 2 422**	**4 284**
Impôts sur les bénéfices	8	- 19	- 38	- 17
Résultat après impôt		**- 1 875**	**- 2 461**	**4 267**
Quote-part du résultat des entreprises mises en équivalence	5.3	0	- 0	- 35
Résultat net total		**- 1 875**	**- 2 461**	**4 232**
Part du groupe		**- 1 646**	**- 2 382**	**4 232**
Part des participations ne donnant pas le contrôle		**- 228**	**- 79**	
Résultat par action	(en €)	-76	-118	223
Résultat dilué par action	(en €)	-76	-118	223

Consolidated statement of financial position | assets

En milliers d'euros	Note	2022.12 12 mois	2021.12 12 mois	2020.12 20 mois	2019.03 Ouverture
Immobilisations incorporelles	9.1	4 475	555	21	
Immobilisations corporelles	9.2	6 685	8 254	8 360	
Titres mis en équivalence	5.3	0	0	- 0	
Actifs financiers	9.5	20	259	277	
Impôts différés actifs	8.1	0	1	0	
Actifs non-courants		**11 180**	**9 068**	**8 659**	
Créances clients et actifs de contrat	9.6	161	3 985	4 497	
Créances d'impôt exigibles	9.6	57			
Actifs d'indemnisation	9.6		150	552	
Autres actifs financiers	9.5	72	875	833	
Autres actifs courants	9.6	891	1 021	994	
Trésorerie et équivalents de trésorerie	10	3 165	2 787	1 072	18
Actifs destinés à être cédés	5.4	5 175			
Actifs courants		**9 521**	**8 817**	**7 948**	**18**
Total Actif		**20 701**	**17 884**	**16 608**	**18**

Consolidated statement of financial position | liabilities

En milliers d'euros	Note	2022.12 12 mois	2021.12 12 mois	2020.12 20 mois	2019.03 Ouverture
Capital	11.1	314	314	288	18
Primes liées au capital		843	843		
Autres réserves		- 7 005	133	4	
Résultats accumulés		1 850	4 232	0	
Résultat de l'exercice		- 1 646	- 2 382	4 232	
Capitaux propres - part du groupe		**- 5 644**	**3 140**	**4 523**	**18**
Participations ne donnant pas le contrôle		748	133		
Participations ne donnant pas le contrôle		**748**	**133**		
Total capitaux propres		**- 4 896**	**3 273**	**4 523**	**18**
Emprunts et dettes financières	13	5 116	5 817	4 131	
Autres passifs financiers	14	11 324	650		
Dettes locatives	13	23	97	10	
Passif au titre des engagements liés au personnel	6.5	44	65	59	
Impôts différés passifs	8.1	3	8	0	
Total passifs non courants		**16 510**	**6 638**	**4 199**	
Emprunts et dettes financières - courant	13	12	1 693	2 897	
Autres passifs financiers et dérivés	14	366	1 302	29	
Dettes locatives - courant	13	26	75	5	
Provisions	12		150	760	
Dettes fournisseurs	15	907	2 909	2 169	
Dettes d'impôt exigible	15	174	1 410	1 606	
Autres passifs courants	15	202	435	418	
Passifs liés à un groupe d'actifs destinés à être cédés	5.4	7 401			
Total passifs courants		**9 087**	**7 973**	**7 885**	
Total des passifs		**25 597**	**14 611**	**12 084**	
Total Passif		**20 701**	**17 884**	**16 608**	**18**

Cash flow statement

En milliers d'euros	Note	2022.12 12 mois	2021.12 12 mois	2020.12 20 mois
Résultat net de l'exercice		**- 1 875**	**- 2 461**	**4 232**
Ajustements pour :				
- Amortissements des immobilisations et droits d'utilisation		1 966	1 101	1 628
- Badwill	5.1			- 7 958
- Coût de l'endettement financier net	7	125	46	8
- Quote-part dans le résultat des entreprises mise en équivalence (nette d'impôt)		- 0	0	35
- Résultat de cession d'actifs immobilisés		126	46	
- Impôt sur le résultat		19	38	17
- Augmentation (diminution) de la juste valeur des passifs financiers dérivés	16.1	- 937	- 50	- 0
- Reprise de l'actif d'indemnisation	9.6		402	
Total des éliminations des charges et produits sans incidence sur la trésorerie		**1 298**	**1 583**	**- 6 270**
Total marge brute d'autofinancement		**- 576**	**- 878**	**- 2 038**
Variations des :				
- Créances clients et autres débiteurs	9.6	353	27	- 4 372
- Dettes fournisseurs et autres créditeurs	15	- 503	620	1 385
- Autres créances / dettes courantes	9.6	- 307	- 13	1 859
Total des variations		**- 458**	**634**	**- 1 127**
Flux de trésorerie générés par les activités opérationnelles		**- 1 034**	**- 244**	**- 3 165**
Impôts payés		- 28	- 29	- 836
Trésorerie nette liée aux activités opérationnelles		**- 1 061**	**- 273**	**- 4 001**
Acquisition d'immobilisations corporelles et incorporelles	9.2	- 1 170	- 1 115	- 324
Dépenses de développement capitalisées	9.1	- 3 978	- 558	- 21
Cession d'immobilisations corporelles et incorporelles	9	162	57	
Augmentation d'actifs financiers	9.5	- 77	- 42	- 756
Diminutions d'actifs financiers	9.5	877	25	8
Acquisition de filiale, nette de la trésorerie acquise	5.1			1 821
Trésorerie nette utilisée par les activités d'investissements		**- 4 187**	**- 1 632**	**727**
Augmentation de capital	11		570	270
Augmentation de capital souscrite par les participations de donnant pas le contrôle	5	4 368	2 650	
Encaissements liés aux nouveaux emprunts	13.2	2 100	1 000	1 980
Remboursement d'emprunts et dettes financières	13.2	- 130	- 102	
Encaissement et (Remboursement) des autres flux de financement	13.2	- 697	- 545	2 092
Paiement de dettes de loyers	13.2	- 82	- 36	- 11
Intérêts payés sur emprunts et dettes financières	13.2	- 109	- 45	- 8
Intérêts payés sur dettes de loyer	13.2	- 4	- 0	- 0
Trésorerie nette liée aux activités de financement		**5 445**	**3 491**	**4 324**
Variation nette de trésorerie et équivalents de trésorerie		**197**	**1 586**	**1 050**
Trésorerie et équivalents de trésorerie au 1er janvier	10	**2 654**	**1 068**	**18**
Effet de la variation des taux de change sur la trésorerie détenue				
Trésorerie et équivalents de trésorerie au 31 décembre	10	**2 851**	**2 654**	**1 068**

The Group's consolidated financial statements for the years ending December 31, 2022, 2021, and 2020 are the first financial statements presented in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union, including the application of IFRS 1: "First-time Adoption of International Financial Reporting Standards".

The IFRS accounting principles and methods described below were applied in preparing the financial statements for the years ended December 31, 2022, 2021, and 2020, and for the opening IFRS balance sheet as of March 12, 2019, i.e. the transition date to IFRS.

No comparative information is available as the Group has not previously prepared consolidated financial statements.

The Group has prepared its opening balance sheet in line with IFRS 1 ("First-time Adoption of International Financial Reporting Standards"). This standard is based on the general principle of retrospective application of all applicable standards as of December 31, 2022, subject to certain mandatory exceptions and optional exemptions. However, the first-time adoption exemptions do not apply insofar as the transition date corresponds to the date on which the Arverne Group was established.

Extract from pro forma financial statements for the combined entity for the financial year ended December 31, 2022

Pro Forma balance sheet at December 31, 2022

En milliers EUR	Bilan consolidé retraité du groupe Arverne au 31 déc. 2022 Note 3.1	Bilan retraité du SPAC Transition au 31 déc. 2022 Note 3.2	Ajust. pro forma liés au rappro. d'entreprises Note 3.3	Bilan Pro Forma
Actifs				
Ecart d'acquisition	37 975			37 975
Immobilisations incorporelles	13 956			13 956
Immobilisations corporelles	6 966			6 966
Actifs financiers non courants	136			136
Impôts différés actifs				
Total actifs non-courants	**59 032**			**59 032**
Stocks et en-cours	413			413
Créances clients et actifs de contrat	6 667			6 667
Créances d'impôt exigibles	57			57
Autres actifs financiers	72			72
Autres actifs courants	914	355		1 269
Compte séquestre		206 578	(206 578)	
Trésorerie et équivalents de trésorerie	46 033	1 040	136 938	184 011
Actifs destinés à être cédés				
Total actifs courants	**54 156**	**207 973**	**(69 640)**	**192 489**
Total Actif	**113 189**	**207 973**	**(69 640)**	**251 522**
Passif				
Capital	314	275	(190)	399
Primes liées au capital	843	5 749	152 010	158 601
Autres réserves	3 418			3 418
Résultats accumulés	10 227	(15 134)	53 506	48 599
Résultat de l'exercice	3 098	(2 828)	(53 388)	(53 118)
Capitaux propres - part du groupe	17 900	(11 938)	151 938	157 900
Participations ne donnant pas le contrôle	18 577			18 577
Total capitaux propres	**36 476**	**(11 938)**	**151 938**	**176 477**
Emprunts et dettes financières	20 540			20 540
Autres passifs financiers	16 272		(15 000)	1 272
Passifs financiers dérivés				
Dettes locatives	23			23
Passif au titre des engagements liés au personnel	44			44
Impôts différés passifs non-courants	24 671			24 671
Total passifs non-courants	**61 551**		**(15 000)**	**46 551**
Emprunts et dettes financières - courant	3 707	208 544	(206 578)	5 673
Autres passifs financiers et dérivés		10 613		10 613
Dettes locatives - courant	26			26
Impôts différés passifs courants				
Dettes fournisseurs	10 723			10 723
Dettes d'impôt exigible	174			174
Autres passifs courants	531	754		1 285
Passifs liés à un groupe d'actifs destinés à être cédés				
Total passifs courants	**15 162**	**219 911**	**(206 578)**	**28 495**
Total Passif	**113 189**	**207 973**	**(69 640)**	**251 522**

Pro Forma income statement from January 1, 2022 to December 31, 2022

En milliers d'euros	Compte de résultat consolidé retraité du groupe Arverne 2022	Compte de résultat retraité de Transition 2022	Coûts de listing	Coûts de transaction	Compte de résultat Pro Forma
	Note 4.1	Note 4.2	Note 8.3	Note 8.4	
Chiffre d'affaires	11 425				11 425
Autres produits de l'activité	45				45
Production immobilisée	961				961
Achats consommés	(943)				(943)
Charges externes	(6 214)	(2 690)	(48 766)	(4 622)	(62 292)
Charges de personnel	(6 026)				(6 026)
Impôts et taxes	(228)	(41)			(270)
Autres charges d'exploitation	(387)	(96)			(483)
Dotation aux amortissements	(2 207)				(2 207)
Résultat opérationnel	**(3 574)**	**(2 828)**	**(48 766)**	**(4 622)**	**(59 791)**
Coût de l'endettement financier brut	(430)				(430)
Autres produits financiers	7 001				7 001
Autres charges financières	(18)				(18)
Résultat financier	**6 553**				**6 553**
Impôts sur les bénéfices	(110)				(110)
Quote-part du résultat des entreprises mises en équiv					
Résultat net	**2 869**	**(2 828)**	**(48 766)**	**(4 622)**	**(53 347)**
Part du groupe	3 098	(2 828)	(48 766)	(4 622)	(53 118)
Part des participations ne donnant pas le contrôle	(228)				(228)

The Unaudited Pro Forma Financial Information has been prepared in accordance with the principles described in Annex 20 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129, ESMA guidance on disclosure requirements under the Prospectus Regulation (ESMA32-382-1138 of March 4, 2021) and position-recommendation n°2021-02 issued by the AMF on pro forma financial information.

The Pro Forma adjustments included in the Unaudited Pro Forma Financial Information are limited to those directly attributable to the agreements relating to the Business Combination, notably the Term Sheet signed between the shareholders of Transition and Arverne Group on February 1, 2023, and which can be supported by facts.

The Pro Forma adjustments reflecting the completion of the Merger and the PIPE are based on certain information currently available and on certain assumptions and methodologies considered reasonable at the date of the Unaudited Pro Forma Financial Information. They may be revised as additional information becomes available. Consequently, it is likely that actual amounts will differ from the Unaudited Pro Forma Financial Information.

The Unaudited Pro Forma Financial Information is based on the respective historical consolidated financial statements of Arverne Group and Transition. It should be read in conjunction with the following financial statements:

Arverne Group's IFRS consolidated financial statements for the years ended December 31, 2022, December 31, 2021 and December 31, 2020, which are included in the present “IBC Notice”. These consolidated financial statements have been audited by KPMG, which will issue its audit reports at the time of publication of the prospectus.

Transition's IFRS financial statements for the year ended December 31, 2022, which are appended to this IBC Notice. These financial statements have been audited by Deloitte & Associés. Their audit report is dated May 10, 2023 and is also appended to this IBC Notice.

Annex 2

Fairness Opinion

15 June 2023
Transition SA
49 bis, avenue Franklin Delano Roosevelt 75008 Paris
Attn: Board of Directors

Dear Members of the Board of Directors:

We understand that Transition SA ("Transition") intends to enter into a Business Combination Agreement (the "Agreement") with Arverne Group (the "Company") pursuant to which, among other things, (i) the Company will merge (the "Merger" or the "Transaction") with and into Transition with Transition being the surviving company in such Merger, and (ii) each ordinary share of the Company ("Company Shares") will be exchanged for a number of ordinary shares ("Transition Shares") of Transition (such shares the "Merger Consideration") as provided by, and subject to the procedures, adjustments and limitations set forth in, the Agreement (as to which procedures, adjustments and limitations we express no view or opinion). We in addition understand and at your direction have assumed that, based on the stated value per share of Transition ordinary shares of €10.00 set forth in the Agreement, the aggregate value of the Merger Consideration is equal to €166 million. In addition, we understand that pursuant to, or as contemplated by, the Agreement, the Company intends to enter into subscription agreements (the "Subscription Agreements") with certain investors pursuant to which such investors will purchase (the "PIPE Financing") immediately prior to the Merger a number of Transition ordinary shares (the "Related Transactions"). Please be advised that while certain provisions of the Transaction are summarised above, the terms of the Transaction are more fully described in the Agreement. As a result, the description of the Transaction and certain other information contained herein is qualified in its entirety by reference to the more detailed information appearing or incorporated by reference in the Agreement.

The Board of Directors of Transition (the "Board"), at the direction of its independent directors, has requested that Joh. Berenberg, Gossler & Co. KG ("Berenberg") provide an opinion (the "Opinion") to the Board as to whether, as of the date hereof, the Merger Consideration to be issued and paid by Transition in the Merger pursuant to the Agreement is fair, from a financial point of view, to the holders of outstanding shares of Transition.

In connection with this Opinion, we have made such reviews, analyses and inquiries as we have deemed necessary and appropriate under the circumstances. Among other things, we have:

1. reviewed a draft, dated 15 June 2023, of the Agreement;
2. reviewed certain publicly available business and financial information relating to the Company that we deemed to be relevant;

3. reviewed certain information relating to the historical, current and future operations, financial condition and prospects of the Company made available to us by the Company and Transition, including financial and production projections prepared by the management of Transition and the Company relating to the Company (the "Projections") and certain estimates of measured, indicated and/ or inferred reserves of Lithium Carbonate Equivalent (LCE) or Lithium Hydroxide Monohydrate (LHM) reported in tons of the Company (the "Reserves Information"), certain estimates of LCE and/ or LHM output (the "Output Information") as well as certain estimates of geothermal energy volumes ("Geothermal Information") in each case, as made available to us by the management of Transition;
4. spoken with certain members of the management of Transition and certain of their respective representatives and advisors regarding the business, operations, financial condition and prospects of the Company, the Transaction and related matters;
5. compared certain financial and operating data of the Company with that of companies with publicly traded equity securities that we deemed to be relevant;
6. considered the publicly available financial terms of certain transactions that we deemed to be relevant; and
7. conducted such other financial studies, analyses and inquiries and considered such other information and factors as we deemed appropriate.

We have relied upon and assumed, without independent verification, the accuracy and completeness of all data, material and other information furnished, or otherwise made available, to us, discussed with or reviewed by us, or publicly available, and do not assume any responsibility with respect to such data, material and other information. In addition, at your direction, we have assumed that the Projections and the Reserves, Output and Geothermal Information have been reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the management of Transition and the Company as to the future financial results and condition of the Company. At your direction, we have assumed that the Projections, Reserves, Output and Geothermal Information provide a reasonable basis on which to evaluate the Company and the Transaction and we have, at your direction, used and relied upon the Projections, Reserves, Output and Geothermal Information for purposes of our analyses and this Opinion. We express no view or opinion with respect to the Projections or the Reserves, Output, and Geothermal Information or the assumptions on which they are based. For purposes of our financial analyses and this Opinion, with your consent, we (i) did not perform any financial analyses to evaluate the value of Transition or to derive valuation references ranges for any shares of Transition for purposes of comparison with the Merger Consideration or otherwise, and (ii) have assumed that the value of each ordinary share of Transition to be issued as part of the Merger Consideration is equal to the original issue price per class B preferred share of Transition (which you have advised us is €10.00 per share), notwithstanding the different voting rights and other non-financial terms of Transition shares that could impact their value. We have relied upon and assumed, without independent verification, that there has been no change in the business, assets, liabilities, financial condition, results of operations, cash flows or prospects of the Company or Transition since the respective dates of the most recent financial statements and other information, financial or otherwise, provided to us that would be material to our analyses or this

Opinion, and that there is no information or any facts that would make any of the information reviewed by us incomplete or misleading.

We have relied upon and assumed, without independent verification, that (a) the representations and warranties of all parties to the Agreement and all other related documents and instruments that are referred to therein are true and correct, (b) each party to the Agreement and such other related documents and instruments will fully and timely perform all of the covenants and agreements required to be performed by such party, (c) all conditions to the consummation of the Transaction will be satisfied without waiver thereof, and (d) the Transaction will be consummated in a timely manner in accordance with the terms described in the Agreement and such other related documents and instruments, without any amendments or modifications thereto. We have relied upon and assumed, without independent verification, that (i) the Transaction will be consummated in a manner that complies in all respects with all applicable foreign, federal, state and local statutes, rules and regulations, and (ii) all governmental, regulatory, and other consents and approvals necessary for the consummation of the Transaction will be obtained and that no delay, limitations, restrictions or conditions will be imposed or amendments, modifications or waivers made that would result in the disposition of any assets of the Company or Transition, or otherwise have an effect on the Transaction, the Company or Transition or any expected benefits of the Transaction that would be material to our analyses or this Opinion. In addition, we have relied upon and assumed, without independent verification, that the final form of the Agreement will not differ in any respect from the draft of the Agreement identified above.

Furthermore, in connection with this Opinion, we have not been requested to make, and have not made, any physical inspection or independent appraisal or evaluation of any of the assets, properties or liabilities (fixed, contingent, derivative, off-balance-sheet or otherwise) of Transition, the Company or any other party. We did not estimate, and express no opinion regarding, the liquidation value of any entity or business. We did not conduct or provide geological, environmental or other technical assessments and are not experts in the evaluation of Lithium and Geothermal reserves or properties and we expressed no view or opinion as to reserve quantities, or the exploration, development or production (including, without limitation, as to the feasibility or timing thereof) of any properties of the Company. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims or other contingent liabilities, to which Transition or the Company is or may be a party or is or may be subject, or of any governmental investigation of any possible unasserted claims or other contingent liabilities to which Transition or the Company is or may be a party or is or may be subject. In giving our

Opinion, we have relied on Transition’s commercial assessments of the Transaction. The decision as to whether or not Transition enters into a Transaction (and the terms on which it does so) is one that can only be taken by Transition.

This Opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. As you are aware, the credit, financial and stock markets have been experiencing unusual volatility and we express no opinion or view as to any potential effects of such volatility on the Transaction, and this Opinion does not purport to address potential developments in any such markets. We have not undertaken, and are under no obligation, to update, revise, reaffirm or withdraw this Opinion, or otherwise comment on or consider events occurring or coming to our attention after the date hereof.

The opinion contained in this letter is not and does not purport to constitute an independent appraisal or "attestation d'équité" from an independent appraisal expert within the meaning of Article 262-1 of the AMF's General Regulation and the related regulations of the AMF relating to independent appraisals in the context of public offers. It cannot be excluded that analyses conducted pursuant to such an appraisal could come to a result differing from that contained in this Opinion Letter. The underlying analyses for this letter rely on customary valuation methods as applied by investment banks in the context of corporate transactions. The analyses may potentially deviate in material aspects from valuations conducted by independent appraisers under Article 262-1 of the AMF's General Regulation.

We have not been requested to, and did not, (a) initiate or participate in any discussions or negotiations with, or solicit any indications of interest from, third parties with respect to the Transaction, the securities, assets, businesses or operations of Transition, the Company or any other party, or any alternatives to the Transaction, (b) negotiate the terms of the Transaction, (c) advise the Board, Transition or any other party with respect to alternatives to the Transaction, or (d) identify, introduce to the Board, Transition or any other party, or screen for creditworthiness, any prospective investors, lenders or other participants in the Transaction.

We are not expressing any opinion as to what the value of the Transition ordinary shares actually will be when issued in the Transaction pursuant to the Agreement or the price or range of prices at which the Transition ordinary shares may be purchased or sold, or otherwise be transferable, at any time.

This Opinion is furnished for the use of the Board in its capacity as such to support the Board in carrying out its duties in connection with its evaluation of the Transaction and this Opinion may not be used for any other purpose without our prior written consent. This Opinion is not intended to be, and does not constitute, a recommendation to the Board, Transition, any security holder or any other party as to how to act or vote or make any election with respect to any matter relating to the Transaction or otherwise, including, without limitation, whether holders of Transition ordinary shares should redeem their shares or whether any party should participate in the PIPE Financing. We have agreed that the Board may include a copy of this Opinion as an annex to the shareholder materials distributed in connection with the Extraordinary General Meeting called to approve the initial business combination. However, the letter is directed only to the Board and no person other than the Board is authorized to rely on the Opinion for any purpose. We accept no responsibility to any person other than to the Board in relation to the contents of this letter.

In the ordinary course of business, certain of our employees and affiliates, as well as investment funds in which they may have financial interests or with which they may co-invest, may acquire, hold or sell, long or short positions, or trade, in debt, equity, and other securities and financial instruments (including loans and other obligations) of, or investments in, Transition, the Company or any other party that may be involved in the Transaction and their respective affiliates or security holders or any currency or commodity that may be involved in the Transaction.

Berenberg is not affiliated with Transition or the Company or any of their financial advisors involved in the Transaction. During the 18 months preceding this Opinion, except in connection with the delivery of this Opinion, Apart from the none of Berenberg or its affiliates (i) has been engaged as an advisor by Transition or the Company to provide any services or (ii) been engaged by any other party to proceed with a valuation of the Company.

Berenberg will receive a fee for rendering this Opinion, all of which became payable to us upon the rendering of this Opinion. In addition, Transition has agreed to reimburse certain of our expenses and to indemnify us and certain related parties for certain potential liabilities arising out of our engagement. Other than as described above, Berenberg has no financial interest in the completion of the Transaction and it holds no debt of Transition or the Company or any of their subsidiaries that would affect its independence in connection with the delivery of this Opinion.

We have not been requested to opine as to, and this Opinion does not express an opinion as to or otherwise address, among other things: (i) the underlying business decision of the Board, Transition, its security holders or any other party to proceed with or effect the Transaction, (ii) the terms of any arrangements, understandings, agreements or documents related to, or the form, structure or any other portion or aspect of, the Transaction or otherwise (other than the Merger Consideration to the extent expressly specified herein), including, without limitation, any Related Transaction, (iii) the fairness of any portion or aspect of the Transaction to the holders of any class of securities, creditors or other constituencies of Transition, or to any other party, except if and only to the extent expressly set forth in the last sentence of this Opinion, (iv) the relative merits of the Transaction as compared to any alternative business strategies or transactions that might be available for Transition or any other party, (v) the fairness of any portion or aspect of the Transaction to any one class or group of Transition's or any other party's security holders or other constituents vis-à-vis any other class or group of Transition's or such other party's security holders or other constituents (including, without limitation, the allocation of any consideration amongst or within such classes or groups of security holders or other constituents), (vi) the appropriate capital structure of Transition, whether Transition should be issuing debt or equity securities or a combination of both in the Transaction, or the form, structure or any aspect or terms of any debt or equity financing for the Transaction (including, without limitation, the PIPE Financing) or the likelihood of obtaining such financing, (vii) whether or not Transition, the Company, their respective security holders or any other party is receiving or paying reasonably equivalent value in the Transaction, (viii) the solvency, creditworthiness or fair value of Transition, the Company or any other participant in the Transaction, or any of their respective assets, under any applicable laws relating to bankruptcy, insolvency, fraudulent conveyance or similar matters, or (ix) the fairness, financial or otherwise, of the amount, nature or any other aspect of any compensation to or consideration payable to or received by any officers, directors or employees of any party to the Transaction, any class of such persons or any other party, relative to the Merger Consideration or otherwise. Furthermore, we are not expressing any opinion, counsel or interpretation regarding matters that require legal, regulatory, environmental, accounting, insurance, tax or other similar professional advice. It is assumed that such opinions, counsel or interpretations have been or will be obtained from the appropriate professional sources. Furthermore, we have relied, with the consent of the Board, on the assessments by the Board, Transition, the Company and their respective advisors, as to all legal, regulatory, environmental, mining, accounting, insurance, tax and other similar matters with respect to Transition, the Company and the Transaction or otherwise.

At your request, we have briefly summarized in Annex I to this letter the principal valuation methods considered as part of our analysis.

Based upon and subject to the foregoing, and in reliance thereon, it is our opinion that, as of the date hereof, the Merger Consideration to be issued to holders of securities of the Company by Transition in the Merger pursuant to the Agreement is fair from a financial point of view to the holders of outstanding shares of Transition.

Very truly yours,

JOH. BERENBERG, GOSSLER & CO. KG

Annex I

Financial Analyses

In preparing the Opinion expressed in the attached letter, we performed a variety of analyses, including those described below. The summary below is not a complete description of the analyses underlying the Opinion. The preparation of such an Opinion is a complex process involving various quantitative and qualitative judgments and determinations with respect to the financial, comparative and other analytical methods employed and the adaptation and application of these methods to the unique facts and circumstances presented. As a consequence, neither our Opinion nor its underlying analyses is readily susceptible to summary description. We arrived at our Opinion based on the results of all analyses undertaken by us and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any individual analysis, methodology or factor. While the results of each analysis were taken into account in reaching our overall conclusion with respect to fairness, we did not make separate or quantifiable judgments regarding individual analyses. Accordingly, such analyses and the following summary must be considered as a whole - selecting portions of the analyses, methodologies and factors, without considering all analyses, methodologies and factors, could create a misleading or incomplete view of the processes underlying our analyses and Opinion.

The following is a summary of the material financial analyses we performed in connection with the preparation of our Opinion. The order of the analyses does not represent relative importance or weight given to those analyses by us.

For purposes of our analyses, we reviewed a number of financial and operational metrics of the Company and selected publicly traded companies, including:

- Enterprise Value—generally, the value as of a specified date of the relevant company's outstanding equity securities (taking into account outstanding options and other securities convertible, exercisable or exchangeable into or for equity securities of the company) plus the amount of its net debt (the amount of its outstanding indebtedness, non-convertible preferred stock, capital lease obligations and non-controlling interests less the amount of cash and cash equivalents on its balance sheet).

- Equity Value – generally, the value as of a specified date of the relevant company's outstanding equity securities (taking into account outstanding options and other securities convertible, exercisable or exchangeable into or for equity securities of the company).

- Measured, indicated and/ or inferred Lithium reserves – generally, as of a specified date, the most recent measured, indicated and/ or inferred reserves of Lithium Carbonate Equivalent (LCE) or Lithium Hydroxide Monohydrate (LHM) reported in tons.

- Lithium Output – the annual LCE or LHM production in tons for the relevant companies (calculated, in the cases of projects under development or construction, on the basis of planned production upon reaching full production capacity).

- Geothermal Energy – the annual geothermal energy volumes produced in MWth for the relevant companies.

Unless the context indicates otherwise, enterprise values and equity values used in the selected companies analysis described below were calculated using the closing prices of the common stock of the selected companies listed below as of 9 June 2023. The estimates of the future financial performance of the Company relied upon for the financial analyses described below were based on the Projections.

Implied total equity value. For purposes of our financial analyses, with Transition's consent, we assumed that the value of each ordinary share of Transition to be issued in the Merger was equal to the original issue price of the class B preferred shares of Transition, which Transition advised us was €10.00 per share. In addition, for purposes of our financial analyses we evaluated the Merger Consideration to be issued and paid by Transition for the outstanding shares of the Company at €166 million based on the number of shares to be issued to the holders of shares of the Company and the price of €10.00 per share.

Selected Companies Analysis. We reviewed certain financial and operating data and equity research and consensus estimates for selected companies with publicly traded equity securities that Berenberg deemed relevant. No company or business used in Berenberg's analyses for comparative purposes is identical in all respects to any of the business units of the Company and an evaluation of the results of those analyses is not entirely mathematical. For each of the selected companies, we reviewed (where available) the enterprise value and equity value of the company as a multiple of measured, indicated and/ or inferred Lithium reserves, as a multiple of Lithium output capacity and as a multiple of NPV. In assessing the relevance of publicly traded companies for purposes of our analysis, we considered, among other things, the degree to which they were similar to the Company in terms of their stage of development, cost dynamics, extraction processes and other characteristics. The selected companies deemed most relevant for purposes of our analysis and the multiples derived are set forth below.

	Vulcan Energy Resources	Standard Lithium	Lake Resources	E3 Lithium
Equity Value (EURm)	378	717	434	98
Equity Value/ Output (EURm/ ktpa LCE)	16	18	12	5
Price/ NPV (reported)	0.15	0.33	0.39	0.13
Equity Value/ Resource (EURm/ Mt LCE)	75	207	573	6

Source: FactSet (median values as of 9 June 2023), investor presentations and annual reports

We then applied these multiples to the corresponding financial and operating data of the Company provided to us by management of Transition and the Company. This selected companies analysis provided a series of indicated implied total equity value references for the Company. We compared these values to the Merger Consideration of € 166 million to be issued and paid by Transition in exchange for the outstanding shares of the Company.

Selected Transactions Analysis. We considered certain financial and operational terms of certain transactions involving target companies that we deemed relevant. We based our analysis on publicly available information for announced transactions we identified in the global lithium mining sector over the last eight years. After excluding transactions for which transaction data was not available, and further screening out others for comparability based on factors such as business model, size, products/services, markets and stage of growth, we identified 9 transactions we considered relevant for purposes of the analysis. The selected transactions and corresponding financial and operational ratios considered included the following :

Date	Investor/ Acquirer	Target	Country	Enterprise Value in EURm	Equity Value/ Output
12 Jan 2015	Albemarle	Rockwood Holdings	United States	4,897	n.a.
25 Aug 2021	Orocobre	Galaxy Resources Limited	Australia	2,330	64.8x
25 Jan 2022	Lithium Americas Corp.	Millennial Lithium	Canada	313	16.6x
26 Jan 2022	Zijin Mining Group	Neo Lithium	Canada	624	14.4x
31 Jan 2022	Ganfeng International Trading	Bacanora Lithium	United Kingdom	322	9.4x
06 June 2022	Livent Corporation	Nemaska Lithium	Canada	1,422	41.8x
27 March 2023	Albemarle	Liontown	Australia	3,170	6.8x
14 Feb 2023	Norsk, Equinor, Groupe Arverne	Lithium de France	France	98.6	12.8x
10 May 2023	Allkem	Livent Corporation	United States	3,507	13.8x

Sources: FactSet, Mergermarket

We then applied the resulting multiples to the corresponding data for the Company provided to us by management of Transition and the Company. Our selected transaction analysis provided a series of indicated implied total equity value references for the Company. We compared these values to the Merger Consideration of € 166 million to be issued and paid by Transition in exchange for the outstanding shares of the Company.

Discounted Cash Flow Analysis. We performed a sum of the parts discounted cash flow analysis of the Company based on the Projections. In performing this analysis, we calculated the present value of the projected free cash flows to the firm in the period covered by the Projections. In carrying out this analysis, we used a discount rate corresponding to the estimated weighted average cost of capital of the Company. That weighted average cost of capital (estimated at between 11.8% and 13.9%) for the Company was calculated by estimating the cost of equity and cost of debt for the Company and calculating a weighted average based on the target debt to total capitalisation ratio of the Company as estimated in selected public equity research reports for the closest listed Direct Lithium Extraction peer Vulcan Energy Resources. The cost of debt for the Company was estimated by reference to the borrowing costs of selected public companies considered to have characteristics in common with the Company and an assumed standard corporate tax rate provided by Transition's management. The cost of equity was estimated using the capital asset pricing model, using a market risk premium obtained by comparing equity market returns for France's CAC Mid and Small index to France's risk-free rate and an estimate of levered beta derived by determining the unlevered beta values of selected public companies we considered relevant and adjusting those figures by the tax shield and the target debt / equity ratio of the Company as estimated by Berenberg from the analysis of the closest listed peers to estimate a levered beta value. The discounted cash flow analysis indicated an implied total equity value reference range for the Company that we compared to the Merger Consideration of € 166 million to be issued and paid by Transition in exchange for the outstanding shares of the Company.

Other. Given their early stage of development, public analyst estimates and consensus estimates for the ratio of enterprise value to revenues or EBITDA were unavailable for most of the companies deemed most relevant for purposes of the selected companies analysis. Moreover and the first periods for which the Projections provided by Transition anticipate significant revenues or EBITDA for the Company are beyond the periods for which public analyst estimates and consensus estimates are generally available. Accordingly, we did not consider a multiples analysis based on the ratio of enterprise value to revenues or EBITDA to be relevant.