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10-Q

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

? QUARTERLY REPORT UNDER SECTION 13 OR 15 (D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED **MARCH 31, 2025**

OR

? TRANSITION REPORT UNDER SECTION 13 OR 15 (D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number: **001-32508**

Camber Energy, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**20-2660243**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

12 Greenway Plaza, Suite 1100 Houston, TX 77046
(Address of principal executive offices)

(281) 404 4387
(Registrant's telephone number, including area code)

_____
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 Par Value Per Share	NA	NA

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ? No ?

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ? No ?

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	?	Accelerated Filer	?
Non-accelerated Filer	?	Smaller Reporting Company	?
		Emerging Growth Company	?

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ?

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ? No ?

APPLICABLE ONLY TO CORPORATE ISSUERS

As of May 20, 2025, the registrant had 272,789,545 shares of common stock outstanding.

CAMBER ENERGY, INC.

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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CAMBER ENERGY, INC.
Condensed Consolidated Balance Sheets (Unaudited)

	As of March 31, 2025	As of December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 168,924	$ 114,648
Accounts receivable, net	3,888,481	4,735,983
Inventory, net	7,336,016	8,652,417
Prepaids and other current assets	394,684	176,329
Total current assets	11,788,105	13,679,377
Fixed assets, net	1,392,249	1,436,844
Right of use assets, net	7,369,671	7,490,607
ESG Clean Energy license, net	3,882,781	3,958,897
Other intangibles - Variable Interest Entities	15,433,340	15,433,340
Due from related parties	321,529	320,978
TOTAL ASSETS	$ 40,187,675	$ 42,320,043
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 9,771,873	$ 9,473,123
Accrued expenses and other current liabilities	9,063,498	9,208,367
Customer deposits	3,757,717	3,924,744
Undistributed revenues and royalties	1,637,251	1,637,251
Current portion of operating lease liabilities	1,591,970	1,603,199
Due to related parties	983,198	782,183
Current portion of notes payable - related parties	485,286	499,573
Bank indebtedness - credit facility	3,782,332	3,937,008
Derivative liability	533,782	266,891
Current portion of long-term debt - net of discount	2,848	2,848
Total current liabilities	31,609,755	31,335,187
Long-term debt - net of current portion and debt discount	41,276,474	40,483,795
Notes payable - related parties - net of current portion	442,614	444,497
Operating lease liabilities, net of current portion	5,703,753	5,794,104
Contingent obligations	1,435,757	1,435,757
Asset retirement obligation	646,360	646,360
TOTAL LIABILITIES	81,114,713	80,139,700
Commitments and contingencies (Note 11)	-	-
STOCKHOLDERS' DEFICIT		
Preferred stock Series A, $0.001 par value, 50,000 shares authorized, 28,092 shares issued and outstanding as of March 31, 2025 and December 31, 2024	28	28
Preferred stock Series C, $0.001 per value, 5,200 shares authorized, 30 shares issued and outstanding as of March 31, 2025 and December 31, 2024. Liquidation preference of $1,033,950.	1	1
Preferred stock Series G, $0.001 par value, 25,000 authorized, 5,272 shares issued and outstanding as of March 31, 2025 and December 31, 2024. Liquidation preference of nil.	5	5
Common stock, $0.001 par value, 500,000,000 shares authorized, 264,782,264 and 258,136,858 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	264,782	258,137
Common stock to be issued on true-up of prior Series C Preferred stock conversions (14,929,273 and 21,574,679 shares as of March 31. 2025 and December 31. 2024, respectively)	2,388,684	3,451,949
Additional paid-in capital	160,467,882	159,411,262
Accumulated other comprehensive loss	(50,644)	(134,916)

Accumulated deficit	(211,209,979)	(208,492,886)
Parent's stockholders' deficit in Camber Energy, Inc.	(48,139,241)	(45,506,420)
Non-controlling interest	7,212,203	7,686,763
TOTAL STOCKHOLDERS' DEFICIT	(40,927,038)	(37,819,657)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 40,187,675	$ 42,320,043

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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CAMBER ENERGY, INC.
Condensed Consolidated Statements of Operations (Unaudited)

	Three Months Ended March 31,	
	2025	**2024**
Revenue		
Power generation units and parts	$ 3,759,080	$ 3,930,468
Service and repairs	2,470,255	2,693,781
Oil and gas	-	66,631
Total revenue	6,229,335	6,690,880
Operating expenses		
Cost of goods sold	4,648,824	4,572,757
General and administrative	3,224,436	3,820,001
Stock-based compensation	-	304,999
Depreciation, depletion & amortization	136,847	228,799
Lease operating costs	-	22,349
Accretion - asset retirement obligation	-	536
Total operating expenses	8,010,107	8,949,441
Loss from operations	(1,780,772)	(2,258,561)
Other income (expense)		
Interest expense	(493,358)	(598,313)
Amortization of debt discount	(793,381)	(883,277)
Change in fair value of derivatives	(266,891)	(22,117,007)
Loss on disposal of oil and gas properties	-	(755,506)
Other income (expense)	142,749	(5,551)
Total other expense, net	(1,410,881)	(24,359,654)
Net loss before income taxes	(3,191,653)	(26,618,215)
Income tax benefit (expense)	-	-
Net loss	(3,191,653)	(26,618,215)
Net loss attributable to non-controlling interest	(474,560)	(351,883)
Net loss attributable to Camber Energy, Inc.	$ (2,717,093)	$ (26,266,332)
Loss per common share, basic and diluted	$ (0.01)	$ (0.19)
Weighted average number of common shares outstanding, basic and diluted	264,634,588	139,453,030

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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CAMBER ENERGY, INC.
Condensed Consolidated Statements of Comprehensive Loss (Unaudited)

	Three Months Ended March 31,	
	2025	**2024**
Net loss	$ (3,191,653)	$(26,618,215)
Foreign currency translation adjustment	84,272	3,280
Total comprehensive loss	(3,110,381)	(26,614,935)
Less comprehensive loss attributable to non-controlling interest		
Loss attributable to non-controlling interest	(474,560)	(351,883)
Foreign currency translation adjustment attributable to non-controlling interest	33,287	1,296
Comprehensive loss attributable to non-controlling interest	(441,273)	(350,587)
Comprehensive loss attributable to Camber Energy, Inc.	$ (2,669,108)	$(26,264,348)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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CAMBER ENERGY, INC.
Condensed Consolidated Statements of Cash Flows (Unaudited)

	Three Months Ended March 31,	
	2025	**2024**
Cash flows from operating activities:		
Net loss	$ (3,191,653)	$ (26,618,215)
Adjustments to reconcile net loss to cash provided by (used) in operating activities:		
Change in fair value of derivative liability	266,891	22,117,007
Stock-based compensation	-	304,999
Depreciation, depletion and amortization	136,847	228,799
Amortization of right-of-use assets	410,832	587,879
Accretion – asset retirement obligation	-	536
Amortization of debt discount	793,381	883,277
Loss on disposal of oil and gas properties	-	755,506
Foreign currency translation adjustment	84,272	3,280
Changes in operating assets and liabilities:		
Accounts receivable, net	847,502	3,238,247
Inventory	1,316,401	(782,625)
Prepaids and other assets	(218,355)	(187,688)
Accounts payable	298,750	1,654,164
Accrued expenses and other current liabilities	(144,869)	(3,558,335)
Due to related parties	200,464	169,720
Customer deposits	(167,027)	606,658
Operating lease liabilities	(391,476)	(587,794)
Undistributed revenues and royalties	-	(429)

Net cash provided by (used in) operating activities	241,960	(1,185,014)
Cash flows from investing activities:		
Proceeds from sale of oil and gas properties	-	205,000
Acquisition of fixed assets	(16,136)	(42,404)
Net cash provided by (used in) investing activities	(16,136)	162,596
Cash flows from financing activities:		
Repayment of long-term debt	(702)	(676)
Advances from (repayment of) bank credit facility	(154,676)	561,193
Repayment of promissory notes, related parties	(16,170)	(36,454)
Net cash provided by (used in) financing activities	(171,548)	524,063
Net increase (decrease) in cash	54,276	(498,355)
Cash and cash equivalents, beginning of period	114,648	906,060
Cash and cash equivalents, end of period	$ 168,924	$ 407,705
Supplemental Cash Flow Information:		
Cash paid for:		
Interest	$ 79,306	$ 123,240
Income taxes	$ -	$ -
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Issuance of shares on true-up of Series C Preferred Stock	$ 1,063,265	$ 5,647,571
Common stock to be issued related to prior conversions of Series C Preferred Stock	$ -	$ 16,253,757
Acquisition of right of use assets through operating lease	$ 289,896	$ -

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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CAMBER ENERGY, INC.
Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficit) (Unaudited)

For the three months ended March 31, 2025

	Preferred Stock Series A		Preferred Stock Series C		Preferred Stock Series G		Preferred Stock Series H		Common Stock		Common Stock to be Issued		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Non
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount				
Balances at December 31, 2024	28,092	$28	30	1	5,272	5	-	$-	258,136,858	$258,137	21,574,679	$3,451,949	$159,411,262	($134,916)	($208,492,886)	$
Common shares issued on true-up of Series C preferred stock	-	-	-	-	-	-	-	-	6,645,406	6,645	(6,645,406)	(1,063,265)	1,056,620	-	-	

Foreign currency translation adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	84,272	-	
Net loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,717,093)	
Balances at March 31, 2025	28,092	$28	30	$1	5,272	$5	-	$-	264,782,264	$264,782	14,929,273	$2,388,684	$160,467,882	$ (50,644)	$211,209,979)	($

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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For the three months ended March 31, 2024

	Preferred Stock Series A		Preferred Stock Series C		Preferred Stock Series G		Preferred Stock Series H		Common Stock		Common Stock to be Issued		Additional Paid-in Capital	Accumulated Other Comprehensive (Loss)	Accumulated Deficit
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount			
Balances at December 31, 2023	28,092	$28	30	1	5,272	5	275	$3	119,301,921	$119,302	-	$ -	$136,863,364	$248,814)	($140,350,8
Common shares issued on true-up of Series C preferred stock	-	-	-	-	-	-	-	-	31,138,378	31,138			5,921,433	-	
Common shares to be issued on true-up of Series C preferred stock											101,585,980	16,253,757			
Common shares issued for services	-	-	-	-	-	-	-	-	1,500,000	1,500			-	-	
Foreign currency translation adjustment	-	-	-	-	-	-	-	-	-	-			-	3,280	
Net loss	-	-	-	-	-	-	-	-	-	-			-	-	(26,266,3
Balances at March 31, 2024	28,092	$28	30	$1	5,272	$5	275	$3	151,940,299	$151,940	101,585,980	$16,253,757	$142,784,797	$245,534)	($166,617,2

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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CAMBER ENERGY, INC.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 1. Company Overview and Operations

Camber Energy, Inc. ("Camber") is a growth-oriented diversified energy company. Through our subsidiaries we provide custom energy and power solutions to commercial and industrial clients in North America, and have a majority interest in: (i) an entity with intellectual property rights to a fully developed, patented, proprietary medical and bio-hazard waste treatment system using ozone technology; and (ii) entities with the intellectual property rights to fully developed, patented and patent pending, proprietary electric transmission and distribution broken conductor protection systems. Also, we hold a license to a patented clean energy and carbon-capture system with exclusivity in Canada and for multiple locations in the United States. The Company is also exploring other energy-related opportunities and/or technologies which are currently generating revenue, or have a reasonable prospect of generating revenue within a reasonable period of time.

In August, 2023, Camber merged with Viking Energy Group, Inc. ("Viking"), with Viking surviving the merger as a wholly-owned subsidiary of Camber. For accounting purposes, the merger was deemed a reverse acquisition. Consequently, Viking (the legal subsidiary) was treated as the acquiror of Camber (the legal parent).

Custom Energy and Power Solutions:

Simson-Maxwell:

On August 6, 2021, Viking acquired approximately 60.5% of the issued and outstanding shares of Simson-Maxwell Ltd. ("Simson-Maxwell"), a Canadian federal corporation, for $7,958,159 in cash. Simson-Maxwell manufactures and supplies power generation products, services and custom energy solutions. Simson-Maxwell provides commercial and industrial clients with efficient, flexible, environmentally responsible and clean-tech energy systems involving a wide variety of products, including CHP (combined heat and power), tier 4 final diesel and natural gas industrial engines, solar, wind and storage. Simson-Maxwell also designs and assembles a complete line of electrical control equipment including switch gear, synchronization and paralleling gear, distribution, Bi-Fuel and complete power generation production controls. Operating for over 80 years, Simson-Maxwell's seven branches assist with servicing a large number of existing maintenance arrangements and meeting the energy and power-solution demands of the Company's other customers. Also, see Note 13, Subsequent Events.

Clean Energy and Carbon-Capture System:

In August 2021, Viking entered into a license agreement with ESG Clean Energy, LLC ("ESG"), to utilize ESG's patent rights and know-how related to stationary electric power generation and heat and carbon dioxide capture (the "ESG Clean Energy System"). The intellectual property licensed by Viking includes the patents and/or patent applications related to this technology

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The ESG clean Energy System is designed to, among other things, generate clean electricity from internal combustion engines and utilize waste heat to capture approximately 100% of the carbon dioxide (CO2) emitted from the engine without loss of efficiency, and in a manner to facilitate the production of certain commodities. Patent No. 11,286,832, for example, covers the invention of an "exhaust-gas-to-exhaust-gas heat exchanger" that efficiently cools – and then reheats – exhaust from a primary power generator so greater energy output can be achieved by a secondary power source with safe ventilation. Another key aspect of this patent is the development of a carbon dioxide capture system that utilizes the waste heat of the carbon dioxide pump to heat and regenerate the absorber that enables carbon dioxide to be safely contained and packaged.

The Company intends to sell, lease and/or sub-license the ESG Clean Energy System to third parties using, among other things, Simson-Maxwell's existing distribution channels. The Company may also utilize the ESG Clean Energy System for its own account, whether in connection with its petroleum operations, Simson-Maxwell's power generation operations, or otherwise.

Medical Waste Disposal System Using Ozone Technology:

In January 2022, Viking acquired a 51% interest in Viking Ozone Technology, LLC ("Viking Ozone"), which owns the intellectual property rights to a patented (i.e., US Utility Patent No. 11,565,289), proprietary medical and biohazard waste treatment system using ozone technology. Simson-Maxwell has been designated the exclusive worldwide manufacturer and vendor of this system. The technology is designed to be a sustainable alternative to incineration, chemical, autoclave and heat treatment of bio-hazardous waste, and for the treated waste to be classified as renewable fuel for waste-to-energy ("WTE") facilities in many locations around the world.

Broken Conductor Protection Technologies:

In February 2022, Viking acquired a 51% interest in two entities, Viking Sentinel Technology, LLC ("Viking Sentinel") and Viking Protection Systems, LLC ("Viking Protection"), that own the intellectual property rights to patented and patent pending proprietary electric transmission and distribution broken conductor protection systems. The systems are designed to detect a break in a transmission line, distribution line, or coupling failure, and to immediately terminate the power to the line before it reaches the ground. The technology is intended to increase public safety and reduce the risk of causing an incendiary event, and to be an integral component within grid hardening and stability initiatives by electric utilities to improve the resiliency and reliability of existing infrastructure.

Oil and Gas Properties:

Divestitures in 2024:

On February 1, 2024, the Company sold its working interest in oil and gas properties producing from the Cline and Wolfberry formations in Texas for gross proceeds of $205,000.

The Company recorded a net loss on this transaction, as follows:

Proceeds from sale (net of transaction costs)	$ 205,000
Reduction in oil and gas full cost pool (based on % of reserves disposed)	(1,038,900)
ARO recovered	78,394
Loss on disposal	$ (755,506)

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As of March 31, 2025, the Company did not hold any interest in producing oil and gas properties.

Note 2. Going Concern

The Company's condensed consolidated financial statements included herein have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company generated a net loss of $(3,191,653) for the three months ended March 31, 2025, as compared to a net loss of $(26,618,215) for the three months ended March 31, 2024. The loss for the three months ended March 31, 2025, was comprised of, among other things, certain non-cash items, including: (i) amortization of debt discount of $793,381; (ii) change in fair value of derivative liability of $266,891; and (iii) depreciation, depletion and amortization of $136,847.

As of March 31, 2025, the Company had stockholders' deficit of $(40,927,038), long-term debt, net of current, of $41,276,474 and a working capital deficiency of $(19,821,650). The largest components of current liabilities creating this working capital deficiency are accrued interest on notes payable to Discover Growth Fund, LLC ("Discover") of $6,953,336, drawings by Simson-Maxwell against its bank credit facility of $3,782,332, an advance from FK Venture, LLC of $1,200,000 and amounts due to AGD Advisory Group, Inc., a related party, of $1,110,000.

These conditions raise substantial doubt regarding the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to utilize the resources in place to generate future profitable operations, to develop additional acquisition opportunities, and to obtain the necessary financing to meet its obligations and repay its liabilities arising from business operations when they come due. Management believes the Company may be able to continue to develop new opportunities and may be able to obtain additional funds through debt and / or equity financings to facilitate its business strategy; however, there is no assurance of additional funding being available. These condensed consolidated financial statements do not include any adjustments to the recorded assets or liabilities that might be necessary should the Company have to curtail operations or be unable to continue in existence.

Note 3. Summary of Significant Accounting Policies

Recently issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2023-09 ("ASU 2023-09"), *Income Taxes*, which enhances the transparency of income tax disclosures by expanding annual disclosure requirements related to the rate reconciliation and income taxes paid. The amendments are effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied on a prospective basis. Retrospective application is permitted.. The Company adopted ASU 2023-09 for the fiscal year beginning January 1, 2025.

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In June 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-05 ("ASU 2023-05"), Business Combinations (ASC Topic 805): *Joint Venture Formations*, which provides guidance on accounting for joint ventures established through new entities. The update mandates the application of the acquisition method of accounting for such transactions, requiring parties to recognize and measure identifiable assets and liabilities based on fair values at the acquisition date and establishes a measurement period for adjustments. The amendments in this Update are effective prospectively for all joint venture formations with a formation date on or after January 1, 2025. The Company adopted ASU 2023-05 on January 1, 2025.

a) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") and the interim reporting rules of the Securities and Exchange Commission ("SEC") and should be read in conjunction with the audited consolidated financial statements and notes thereto contained in Camber's latest Annual Report filed with the SEC on Form 10-K. In the opinion of management, all adjustments, consisting of normal recurring adjustments (unless otherwise indicated), necessary for a fair presentation of the financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year.

b) Basis of Consolidation

The condensed consolidated financial statements presented herein reflect the consolidated financial results of the Company, its wholly-owned subsidiaries, Viking Energy Group, Inc., Camber Permian LLC and CE Operating LLC, the wholly-owned subsidiaries of Viking (Mid-Con Petroleum, LLC, Mid-Con Drilling, LLC, Mid-Con Development, LLC, and Petrodome Energy, LLC.), and Simson-Maxwell (a majority-owned subsidiary of Viking).

In January 2022, Viking acquired a 51% ownership interest in Viking Ozone, and in February 2022, Viking acquired a 51% ownership interest in both Viking Sentinel and Viking Protection. These entities were formed to facilitate the monetization of acquired intellectual properties (see Note 5). These entities are variable interest entities in which the Company owns a controlling financial interest; consequently, these entities are also consolidated.

All significant intercompany transactions and balances have been eliminated.

c) Foreign Currency

Foreign currency denominated assets and liabilities are translated into U.S. dollars using the exchange rates in effect at the balance sheet date. Results of operations and cash flows of businesses conducted in foreign currency are translated using the average exchange rates throughout the period. The effect of exchange rate fluctuations on translation of assets and liabilities is included as a component of stockholders' equity in accumulated other comprehensive income (loss). Gains and losses from foreign currency transactions have been insignificant.

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d) Use of Estimates in the Preparation of Condensed Consolidated Financial Statements

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts and timing of revenues and expenses, the reported amounts and classification of assets and liabilities, and disclosure of contingent assets and liabilities. Significant areas requiring the use of management estimates relate to the determination of the fair value of the Company's various series of preferred stock, impairment of long-lived assets, goodwill, fair value of commodity derivatives, stock-based compensation, asset retirement obligations, and the determination of expected tax rates for future income tax recoveries.

e) Financial Instruments

Accounting Standards Codification, "ASC" Topic 820-10, "Fair Value Measurement" requires disclosure of the fair value of financial instruments held by the Company. ASC Topic 820-10 defines fair value and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measurement. The carrying amounts reported in the condensed consolidated balance sheets for deposits, accrued expenses and other current liabilities, accounts payable, amount due to director, each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

- Level 1: inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3: inputs to the valuation methodology are unobservable inputs to measure fair value of assets and liabilities for which there is little, if any market activity at the measurement date, using reasonable inputs and assumptions based upon the best information at the time, to the extent that inputs are available without undue cost and effort.

As of March 31, 2025, the significant inputs to the Company's derivative liability relative to the Company's Series C Redeemable Convertible Preferred Stock (the "Series C Preferred Stock") were Level 3 inputs.

Assets and liabilities measured at fair value as of and for the three months ended March 31, 2025 are classified below based on the fair value hierarchy described above:

Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Gains (Losses) (three months ended March 31, 2025)**
Financial liabilities:				
Derivative liability - Series C Preferred Stock	$ -	$ -	$ 533,782	$ (266,891)

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f) Cash and Cash Equivalents

Cash and cash equivalents include cash in banks and highly liquid investment securities that have original maturities of three months or less. Accounts at banks in the United States are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000, while accounts at banks in Canada are insured by the Canada Deposit Insurance Corporation ("CDIC") up to CAD $100,000. The Company's cash balances may at times exceed the FDIC or CDIC insured limits.

g) Accounts Receivable

The Company extends credit to its power generation customers in the normal course of business. The Company performs ongoing credit evaluations and generally does not require collateral. Payment terms are generally 30 days. The Company carries its trade accounts receivable at invoice amount less an allowance for expected credit losses. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for expected credit losses based upon management's estimates that include a review of the history of past write-offs and collections and an analysis of current credit conditions. At March 31, 2025 and December 31, 2024, the Company had a reserve for expected credit losses on power generation accounts receivable of $82,711 and $82,569, respectively. The Company does not accrue interest on past due accounts receivable.

h) Inventory

Inventories are stated at the lower of cost or net realizable value, and consist of parts, equipment and work-in-process. Work-in-process and finished goods included the cost of materials, direct labor and overhead. At the closing of each reporting period, the Company evaluates its inventory in order to adjust the inventory balance for obsolete and slow-moving items.

Inventory consisted of the following at March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Units and work-in-process	$ 6,384,816	$ 7,293,357
Parts	2,294,622	2,700,182
	8,679,438	9,993,539
Reserve for obsolescence	(1,343,422)	(1,341,122)
	$ 7,336,016	$ 8,652,417

i) Accounting for Leases

The Company uses the right-of-use ("ROU") model to account for leases where the Company is the lessee, which requires an entity to recognize a lease liability and ROU asset on the lease commencement date. A lease liability is measured equal to the present value of the remaining lease payments over the lease term and is discounted using the incremental borrowing rate, as the rate implicit in the Company's leases is not readily determinable. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow, on a collateralized basis over a similar term, an amount equal to the lease payments in a similar economic environment. Lease payments include payments made before the commencement date and any residual value guarantees, if applicable. When determining the lease term, the Company includes option periods that it is reasonably certain to exercise as failure to renew the lease would impose a significant economic detriment.

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For operating leases, minimum lease payments or receipts, including minimum scheduled rent increases, are recognized as rent expense where the Company is a lessee on a straight-line basis ("Straight-Line Rent") over the applicable lease terms. The excess of the

Straight-Line Rent over the minimum rents paid is included in the ROU asset where the Company is a lessee. Short-term lease cost for operating leases includes rental expense for leases with a term of less than 12 months.

The Company elected the package of practical expedients permitted under the transition guidance for the revised lease standard, which allowed Viking to carry forward the historical lease classification, retain the initial direct costs for any leases that existed prior to the adoption of the standard and not reassess whether any contracts entered into prior to the adoption are leases. The Company also elected to account for lease and non-lease components in lease agreements as a single lease component in determining lease assets and liabilities. In addition, the Company elected not to recognize the right-of-use assets and liabilities for leases with lease terms of one year or less.

j) Business Combinations

The Company allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired customer lists, acquired technology, and trade names from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period, which is one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings.

k) Intangible Assets

Intangible assets include amounts related to the Company's license agreement with ESG Clean Energy, LLC, and patents and intellectual property owned by Viking Ozone, Viking Protection and Viking Sentinel. Additionally, as part of the acquisition of Simson-Maxwell, Viking identified intangible assets consisting of Simson-Maxwell's customer relationships and its brand.

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The intangible assets related to the ESG Clean Energy license and the Simson-Maxwell customer relationships are being amortized on a straight-line basis over 16 years (the remaining life of the related patents) and 10 years, respectively. The other intangible assets are not amortized.

The Company reviews these intangible assets, at least annually, for possible impairment when events or changes in circumstances that the assets carrying amount may not be recoverable. In evaluating the future benefit of its intangible assets, the Company estimates the anticipated undiscounted future net cash flows of the intangible assets over the remaining estimated useful life. If the carrying amount is not recoverable, an impairment loss is recorded for the excess of the carrying value of the asset over its fair value.

l) Income (Loss) per Share

Basic and diluted income (loss) per share calculations are calculated on the basis of the weighted average number of shares of the Company's common stock outstanding during the year. Diluted earnings per share give effect to all dilutive potential shares of common stock outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted earnings per share, the average stock price for the period is used to determine the number of shares assumed to be purchased from the exercise price of the options and warrants. Purchases of treasury stock reduce the outstanding shares commencing on the date that the stock is purchased. Common stock equivalents are excluded from the calculation when a loss is incurred as their effect would be anti-dilutive.

For the three months ended March 31, 2025 and 2024, there were approximately 2,369,508 and 15,878,576 common stock equivalents, respectively, that were omitted from the calculation of diluted income per share as they were anti-dilutive.

m) Revenue Recognition

Power Generation Revenues

Through its 60.5% ownership in Simson-Maxwell, the Company manufactures and sells power generation products, services and custom energy solutions. Simson-Maxwell provides commercial and industrial clients with emergency power generation capabilities. Simson Maxwell's derives its revenues as follows:

1. Sale of power generation units. Simson-Maxwell manufactures and assembles power generation solutions. The solutions may consist of one or more units and are generally customized for each customer. Contracts are required to be executed for each customized solution. The contracts generally require customers to submit non-refundable progress payments for measurable milestones delineated in the contract. The Company considers a completed unit to be a performance obligation for purposes of revenue recognition and recognizes revenue when control of the product is transferred to the customer, which typically occurs upon shipment or delivery to the customer. Commissioning of the unit is considered to be a separate performance obligation for which revenue is recognized when commissioning is completed. Sales, use, value add and other similar taxes assessed by governmental authorities and collected concurrent with revenue-producing activities are excluded from revenue. Progress payments are recognized as contract liabilities until the completed unit is delivered. Revenue is measured as the amount of consideration the Company expects to be entitled to in exchange for the transfer of the unit and the commissioning of the unit, which is generally the price stated in the contract. The Company does not allow returns because of the customized nature of the units and does not offer discounts, rebates, or other promotional incentives or allowances to customers. Simson-Maxwell has elected to recognize the cost for freight activities when control of the product has transferred to the customer as an expense within cost of goods.

   At the request of certain customers, the Company will warehouse inventory billed to the customer but not delivered. Unless all revenue recognition criteria have been met, the Company does not recognize revenue on these transactions until the customer takes possession of the product.

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2. Parts revenue- Simson-Maxwell sells spare parts and replacement parts to its customers. Simson-Maxwell is an authorized parts distributor for a number of national and international power generation manufacturers. The Company considers the purchase orders for parts, which in some cases are governed by master sales agreements, to be the contracts with the customers. For each contract, the Company considers the commitment to transfer products, each of which is distinct, to be the identified performance obligations. Revenue is measured as the amount of consideration the Company expects to be entitled to in exchange for the transfer of product, which is generally the price stated in the contract specific for each item sold, adjusted for the value of expected returns. Sales, use, value add and other similar taxes assessed by governmental authorities and collected concurrent with revenue-producing activities are excluded from revenue. Simson-Maxwell has elected to recognize the cost for freight activities when control of the product has transferred to the customer as an expense within cost of goods sold in the consolidated statements of comprehensive income. Parts revenues are recognized at the point in time when control of the product is transferred to the customer, which typically occurs upon shipment or delivery to the customer.

3. Service and repairs- Simson-Maxwell offers service and repair of various types of power generation systems. Service and repairs are generally performed on customer owned equipment and billed based on labor hours incurred. Each repair is considered a performance obligation. As a result of control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Simson-Maxwell generally uses the cost-to-cost measure of progress for its service work because the customer controls the asset as it is being serviced. Most service and repairs are completed within one or two days.

The following table disaggregates Simson-Maxwell's revenue by source for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	**2024**
Power generation units	$ 3,012,195	$ 2,911,528
Parts	746,885	1,018,940
Total units and parts	3,759,080	3,930,468
Service and repairs	2,470,255	2,693,781
	$ 6,229,335	$ 6,624,249

Oil and Gas Revenues

Sales of crude oil, natural gas, and natural gas liquids ("NGLs") were included in revenue when production was sold to a customer in fulfillment of performance obligations under the terms of agreed contracts. Performance obligations primarily comprised delivery of oil, gas, or NGLs at a delivery point, as negotiated within each contract. Each barrel of oil, million BTU ("MMBtu") of natural gas, or other unit of measure was separately identifiable and represented a distinct performance obligation to which the transaction price was allocated. Performance obligations were satisfied at a point in time once control of the product had been transferred to the customer.

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n) Stock-Based Compensation

The Company may issue stock options to employees and stock options or warrants to non-employees in non-capital raising transactions for services and for financing costs. The cost of stock options and warrants issued to employees and non-employees is measured on the grant date based on the fair value. The fair value is determined using the Black-Scholes option pricing model. The resulting amount is charged to expense on the straight-line basis over the period in which the Company expects to receive the benefit, which is generally the vesting period.

The Black-Scholes option model requires management to make various estimates and assumptions, including expected term, expected volatility, risk-free rate, and dividend yield. The expected term represents the period of time that stock-based compensation awards granted are expected to be outstanding and is estimated based on considerations including the vesting period, contractual term and anticipated employee exercise patterns. Expected volatility is based on the historical volatility of the Company's stock. The risk-free rate is based on the U.S. Treasury yield curve in relation to the contractual life of the stock-based compensation instrument. The dividend yield assumption is based on historical patterns and future expectations for the Company dividends.

o) Impairment of Long-lived Assets

The Company, at least annually, is required to review its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of the assets. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carrying value exceeds the fair value.

Assets are grouped and evaluated at the lowest level for their identifiable cash flows that are largely independent of the cash flows of other groups of assets. The Company considers historical performance and future estimated results in its evaluation of potential impairment and then compares the carrying amount of the asset to the future estimated cash flows expected to result from the use of the asset. If the carrying amount of the asset exceeds estimated expected undiscounted future cash flows, the Company measures the amount of impairment by comparing the carrying amount of the asset to its fair value. The estimation of fair value is generally determined by using the asset's expected future discounted cash flows or market value. The Company estimates fair value of the assets based on certain assumptions such as budgets, internal projections, and other available information as considered necessary.

p) Accounting for Asset Retirement Obligations

Asset retirement obligations ("ARO") primarily represent the estimated present value of the amount the Company will incur to plug, abandon and remediate oil and gas properties at the projected end of their productive lives, in accordance with applicable federal, state and local laws. The Company determined its ARO by calculating the present value of estimated cash flows related to the obligation. The retirement obligation is recorded as a liability at its estimated present value as of the obligation's inception, with an offsetting increase to proved properties.

The following table describes the changes in the Company's asset retirement obligations for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	**2024**
Asset retirement obligation – beginning	$ 646,360	$ 1,042,900

ARO recovered on disposal of oil and gas properties	-	(78,394)
Accretion expense	-	536
Asset retirement obligation – ending	$ 646,360	$ 965,042

The Company had no oil and gas assets at March 31, 2025. The ARO balance relates to Petrodome's prior working interest in an abandoned offshore well which was the subject of a decommissioning order (the "Order") issued by the Bureau of Safety and Environmental Enforcement ("BSEE") in April 2019, to which Petrodome was a named party. Petrodome filed an appeal with the Interior Board of Land Appeals ("IBLA") in 2019. Petrodome and the BSEE subsequently jointly requested, and received, a stay of the Order from the IBLA that remained in effect as of March 31, 2025. The Company's believes that decommissioning activity has begun and will retain this obligation pending resolution of the Order.

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q) Derivative Liabilities

Convertible Preferred Shares

The Series C Preferred Stock and the Company's Series G Redeemable Convertible Preferred Stock (the "Series G Preferred Stock") contain provisions that could result in modification of the conversion price that is based on a variable that is not an input to the fair value of a "fixed-for-fixed" option as defined under FASB ASC Topic No. 815 - 40, "Derivatives and Hedging".

The Series C Preferred Stock are convertible into shares of common stock at a fixed $162.50 conversion rate. Upon conversion, the holder is entitled to dividends as if the shares had been held to maturity, which is referred to as the Conversion Premium. The conversion ratio is based on a volume weighted average price ("VWAP") calculation based on the lowest stock price over the Measurement Period. The Measurement Period is 30 trading days (or 60 trading days if there is a Triggering Event) prior to the conversion date and 30 trading days (or 60 trading days if there is a Triggering Event) after the conversion date. The VWAP calculation is subject to adjustment if there is a Triggering Event and the Measurement Period is subject to adjustment in the event that the Company is in default of one or more Equity Conditions provided in the Certificate of Designation ("COD"). For example, the Measurement Period may be extended one day for every day the Company is not in compliance with one or more of the Equity Conditions. Trigger events are described in the designation of the Series C Preferred Stock, but include items which would typically be events of default under a debt security, including filing of reports late with the SEC.

At the conversion date, the number of shares due for the Conversion Premium is estimated based on the previous 30-day VWAP (or 60 trading days if there is a Triggering Event). If the VWAP calculation for the portion of the Measurement Period following the date of conversion is lower than the VWAP for the portion of the Measurement Period prior to the date of conversion, the holder will be issued additional shares of common stock (the "True-Up shares"). If the VWAP calculation is higher, no True-Up shares are issued.

The Company has determined that the Series C Preferred Stock contains an embedded derivative liability relating to the Conversion Premium and, upon conversion, a derivative liability for the potential obligation to issue True-Up Shares relating to shares of Series C Preferred Stock that have been converted and the Measurement Period has not expired, if applicable.

The fair value of the derivative liability relating to the Conversion Premium for any outstanding shares of Series C Preferred Stock is equal to the cash required to settle the Conversion Premium. The fair value of the potential True-Up share obligation has been estimated using a binomial pricing mode and the lesser of the conversion price or the lowest closing price of the Company's stock subsequent to the conversion date, and the historical volatility of the Company's common stock.

The Series G Convertible Preferred stock is redeemable or convertible into a variable number of shares of common stock, at the option of the Company. The conversion rate is determined at the time of conversion using a VWAP calculation similar to the Series C Preferred Stock described above. As a result, the Series G Preferred Stock contains an embedded derivative that is required to be recorded at fair value. The Company has determined that the fair value of the embedded derivative is negligible due to the restrictions on conversion.

Capitalized terms used but not defined herein with respect to the Series C Preferred Stock or the Series G Preferred Stock have the meaning assigned to them in the Fifth Amended and Restated Certificate of Designations of Preferences, Powers, Rights and Limitations of Series C Redeemable Convertible Preferred Stock filed by the Company with the Secretary of State of Nevada on

November 8, 2021, as amended on October 28, 2022 and again on February 21, 2024 (as amended, the "Series C COD") or the Certificate of Designations of Preferences, Powers, Rights and Limitations of Series G Redeemable Convertible Preferred Stock filed by the Company with the Secretary of State of Nevada on December 30, 2021 (the "Series G COD"), as applicable.

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Convertible Debt

We review the terms of convertible debt issues to determine whether there are embedded derivative instruments, including embedded conversion options, which are required to be bifurcated and accounted for separately as derivative financial instruments. In circumstances where the host instrument contains more than one embedded derivative instrument, including the conversion option, that is required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

Bifurcated embedded derivatives are initially recorded at fair value and are then revalued at each reporting date with changes in the fair value reported as non-operating income or expense. When the equity or convertible debt instruments contain embedded derivative instruments that are to be bifurcated and accounted for as liabilities, the total proceeds received are first allocated to the fair value of all the bifurcated derivative instruments. The remaining proceeds, if any, are then allocated to the host instruments themselves, usually resulting in those instruments being recorded at a discount from their face value. The discount from the face value of the convertible debt, together with the stated interest on the instrument, is amortized over the life of the instrument through periodic charges to interest expense.

The Company has adopted a sequencing approach to allocating its authorized and unissued shares when the number of such shares is insufficient to satisfy all convertible instruments or option type contracts that may be settled in shares. Specifically, the Company allocates it authorized and unissued shares based on the inception date of each instrument, with shares allocated first to those instruments with the earliest inception dates. Instruments with later inception dates for which no shares remain to be allocated are reclassified to asset or liability.

r) Undistributed Revenues and Royalties

The Company records a liability for cash collected from oil and gas sales that have not been distributed. The amounts are distributed in accordance with the working interests of the respective owners.

s) Subsequent events

The Company has evaluated all subsequent events from March 31, 2025 through May 21, 2025 (see Note 13).

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Note 4. Intangible Assets

ESG Clean Energy License

The Company's intangible assets include costs associated with securing in August 2021 an Exclusive Intellectual Property License Agreement with ESG, pursuant to which Viking received (i) an exclusive license to ESG's patent rights and know-how related to stationary electric power generation (not in connection with vehicles), including methods to utilize heat and capture carbon dioxide in Canada, and (ii) a non-exclusive license to the intellectual property in up to 25 sites in the United States that are operated by the Company or its affiliates.

In consideration of the licenses, Viking paid an up-front royalty of $1,500,000 and Viking was obligated to make additional royalty payments as follows: (i) an additional $1,500,000 on or before January 31, 2022, which may be paid in whole or in part in the form of Viking's common stock based on the price of Viking's common stock on August 18, 2021, at ESG's election; (ii) an additional $ 2,000,000 on or before April 20, 2022, which may be paid in whole or in part in the form of Viking's common stock based on the price

of Viking's common stock on August 18, 2021, at ESG's election; and (iii) continuing royalties of not more than 15% of the Company's net revenues generated using the intellectual property, with the continuing royalty percentage to be jointly determined by the parties collaboratively based on the parties' development of realistic cashflow models resulting from initial projects utilizing the intellectual property, and with the parties utilizing mediation if they cannot jointly agree to the continuing royalty percentage.

With respect to the payments noted in (i) and (ii) above, totaling $3,500,000, on or about November 22, 2021, the Company paid $500,000 to or on behalf of ESG and ESG elected to accept $2,750,000 in shares of Viking's common stock at the applicable conversion price, resulting in 6,942,691 shares, leaving a balance owing of $250,000 which was paid in January 2022.

The Company's exclusivity with respect to Canada shall terminate if minimum continuing royalty payments to ESG are not at least equal to the following minimum payments based on the date that ESG first begins capturing carbon dioxide and selling for commercial purposes one or more commodities from a system installed and operated by ESG using the intellectual property (the "Trigger Date"):

Years from the Trigger Date:	**Minimum Payments For Year Ended**
Year two	$ 500,000
Year three	750,000
Year four	1,250,000
Year five	1,750,000
Year six	2,250,000
Year seven	2,750,000
Year eight	3,250,000
Year nine and after	3,250,000

The Company's management believes that the Trigger Date could occur as early as the third quarter of 2025 but there is no assurance that it will occur at that or any time.

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If the continuing royalty percentage is adjusted jointly by the parties downward from the maximum of 15%, then the minimum continuing royalty payments for any given year from the Trigger Date shall also be adjusted downward proportionally.

The Company recognized amortization expense of $76,116 and $76,962 for the three months ended March 31, 2025 and 2024, respectively. The estimated future amortization expense for each of the next five years is $304,465 per year.

The ESG intangible asset consisted of the following at March 31, 2025 and December 31, 2024:

	March 31, 2025	**December 31, 2024**
ESG Clean Energy License	$ 5,000,000	$ 5,000,000
Accumulated amortization	(1,117,219)	(1,041,103)
	$ 3,882,781	$ 3,958,897

Other intangibles – Simson-Maxwell – Customer Relationships and Brand

The Company allocated a portion of the purchase price of Simson-Maxwell to Customer Relationships with a fair value of $1,677,453 and an estimated useful life of 10 years, and the Simson-Maxwell Brand with a fair value of $2,230,673 and an indefinite useful life.

During the year ended December 31, 2024, the Company determined that the Customer Relationship and Brand intangibles were fully impaired due to lower actual and forecast revenue growth as compared to the date of acquisition and recurring net losses, and recorded an impairment charge of $698,011 related to Customer Relationships and $1,550,929 related to the Brand.

The Other intangibles – Simson-Maxwell consisted of the following at March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Simson-Maxwell Brand	$ -	$ 2,230,673
Customer Relationships	-	1,677,453
Impairment of intangible assets	-	(3,370,422)
Accumulated amortization	-	(537,704)
	-	-

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Note 5. Intangible Assets - Variable Interest Entities (VIE's)

Medical Waste Disposal System

On January 18, 2022, Viking purchased 51 units, representing 51%, of Viking Ozone, from Choppy Group LLC, a Wyoming limited liability company ("Choppy"), in consideration of the issuance of 8,333,333 shares of Viking common stock to Choppy, 3,333,333 of which shares were issued at closing, 3,333,333 of which shares are to be issued to Choppy after 5 units of the System (as defined below) have been sold, and 1,666,667 of which shares are to be issued to Choppy after 10 units of the System have been sold. Viking Ozone was organized on or about January 14, 2022, for the purpose of developing and distributing a medical and biohazard waste treatment system using ozone technology (the "System").The Company determined the acquisition of a 51% interest in Viking Ozone was the acquisition of and initial consolidation of a VIE that is not a business. The acquisition was recorded as follows:

Purchase Price:	
Fair value of stock at closing	$ 2,000,000
Fair value of contingent consideration	495,868
Total consideration	$ 2,495,868
Purchase Price Allocation:	
Intangible asset – Patents and Intellectual Property	$ 4,916,057
Non-controlling interest	(2,420,189)
Camber ownership interest	$ 2,495,868

Broken Conductor Protection Technologies

On February 9, 2022, Viking purchased 51 units, representing 51% of Viking Sentinel, from Virga Systems LLC, a Wyoming limited liability company ("Virga"), in consideration of the issuance of 416,667 shares of Viking common stock to Virga. Viking Sentinel was formed on or about January 31, 2022. The Company determined the acquisition of a 51% interest in Viking Sentinel was the acquisition and initial consolidation of a VIE that is not a business. The acquisition was recorded as follows:

Purchase Price:	
Fair value of stock at closing	$ 233,334
Total consideration	$ 233,334
Purchase Price Allocation:	
Intangible asset – Patents and Intellectual Property	$ 457,518
Non-controlling interest	(224,184)
Camber ownership interest	$ 233,334

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On February 9, 2022, Viking purchased 51 units , representing a 51% ownership interest in Viking Protection, from Jedda Holdings LLC ("Jedda"). In consideration for the units, Viking agreed to issue to Jedda, shares of a new class of Convertible Preferred Stock of Viking with a face value of $10,000 per share (the "Viking Series E Preferred Stock"), or pay cash to Jedda, if applicable, as follows

No.	Purchase Price*	When Due	No. of Pref. Shares	Conversion Price	No. of Underlying Common Shares	Estimated Revenues if Sales Target Achieved**
1	$ 250,000	On closing	N/A	$ 0.60	416,667	N/A
2	4,750,000	On closing	475	0.60	7,916,667	N/A
3	1,000,000	Upon the sale of 10k units	100	0.75	1,333,333	$ 50,000,000
4	2,000,000	Upon the sale of 20k units	200	1.00	2,000,000	100,000,000
5	3,000,000	Upon the sale of 30k units	300	1.25	2,400,000	150,000,000
6	4,000,000	Upon the sale of 50k units	400	1.50	2,666,667	250,000,000
7	6,000,000	Upon the sale of 100k units	600	2.00	3,000,000	500,000,000
Total	**$ 21,000,000**		**2,075**	**$1.06(avg.)**	**19,733,334**	**$500,000,000**

* The $5 million due on closing was payable solely in stock of Viking. All other payments, if the subject sales targets are met, are payable in cash or in shares of convertible preferred stock of the Company, at the seller's option.

** These are estimates only. There is no guarantee any sales targets will be reached.

Viking Protection was formed on or about January 31, 2022. The Company determined the acquisition of a 51% interest in Viking Protection was the acquisition and initial consolidation of a VIE that is not a business. The acquisition was recorded as follows:

Purchase Price:	
Fair value of stock at closing	$ 4,433,334
Fair value of contingent consideration	939,889
Total consideration	$ 5,373,223
Purchase Price Allocation:	
Intangible asset – Patents and Intellectual Property	$ 10,059,765
Non-controlling interest	(4,686,542)
Camber ownership interest	$ 5,373,223

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The Company consolidates any VIEs in which it holds a variable interest and is the primary beneficiary. Generally, a VIE, is an entity with one or more of the following characteristics: (a) the total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support; (b) as a group the holders of the equity investment at risk lack (i) the ability to make decisions about an entity's activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity, or (iii) the right to receive the expected residual returns of the entity; or (c) the equity investors have voting rights that are not proportional to their economic interests and substantially all of the entity's activities either involve, or are conducted on behalf of, an investor that has disproportionately few voting rights. The primary beneficiary of a VIE is generally the entity that has (a) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance, and (b) the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE.

The Company has determined that it is the primary beneficiary of three VIEs (Viking Ozone, Viking Sentinel and Viking Protection), and consolidates the financial results of these entities, as follows:

	Viking Ozone	Viking Sentinel	Viking Protection	Total
Intangible asset - Patents and Intellectual Property	$ 4,916,057	$ 457,518	$ 10,059,765	$ 15,433,340
Non-controlling interest (at acquisition)	(2,420,189)	(224,184)	(4,686,542)	(7,330,915)

Camber ownership interest	$ 2,495,868	$ 233,334	$ 5,373,223	$ 8,102,425

Upon consummation of the Merger between Viking and Camber, all shares of Viking Series E Preferred Stock were exchanged for Camber Series H Preferred Stock, with substantially the same rights and terms with respect to Camber. At March 31, 2025, no shares of Series H Preferred Stock remained outstanding.

Note 6. Related Party Transactions

The Company's CEO and Director, James Doris, renders professional services to the Company through AGD Advisory Group, Inc., an affiliate of Mr. Doris's. During the three months ended March 31, 2025 and 2024, the Company paid or accrued $150,000 and $ 150,000 respectively, in fees to AGD Advisory Group, Inc. As of March 31, 2025 and December 31, 2024, the total amount due to AGD Advisory Group, Inc. was $1,110,000 and $960,000, respectively, and is included in accounts payable.

As of March 31. 2025, the Company's CEO and Director, James Doris, has provided advances to the Company in the amount of $ 390,830, of which $200,000 was advanced during the three months ended March 31, 2025. As of December 31. 2024, advances from the Company's CEO and Director were $190,830. The advances are non-interest bearing with no fixed repayment terms and are included in "Due to related parties".

The Company's CFO, John McVicar, renders professional services to the Company through 1508586 Alberta Ltd., an affiliate of Mr. McVicar's. During the three months ended March 31, 2025 and 2024, the Company paid or accrued $90,000 and $90,000, respectively, in fees to 1508586 Alberta Ltd.

Simson-Maxwell

At the time of acquisition, Simson-Maxwell had several amounts due to/due from related parties and notes payable to certain employees, officers, family members and entities owned or controlled by such individuals. Viking assumed these balances and loan agreements in connection with the acquisition.

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The balance of amounts due to and due from related parties as of March 31, 2025 and December 31, 2024 are as follows:

	Due from related party	Due to related party	Net due (to) from
March 31, 2025			
Simmax Corp. & majority owner	$ 321,529	$ (592,368)	$ (270,839)
Adco Power Ltd.	-	-	-
	$ 321,529	$ (592,368)	$ (270,839)
December 31, 2024			
Simmax Corp. & majority owner	$ 320,978	$ (591,353)	$ (270,375)
Adco Power Ltd.	-	-	-
	$ 320,978	$ (591,353)	$ (270,375)

Simmax Corp. owns a 17% non-controlling interest in Simson-Maxwell and is majority-owned by a Director of Simson-Maxwell. Adco Power Ltd., an industrial, electrical and mechanical construction company, is a wholly-owned subsidiary of Simmax Corp., and conducts business with Simson-Maxwell.

The notes payable to related parties as of March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024

Total notes payable to related parties	$ 927,900	$ 944,070
Less current portion of notes payable - related parties	(485,286)	(499,573)
Notes payable - related parties, net of current portion	$ 442,614	$ 444,497

Note 7. Non-Controlling Interests

The following discloses the effects of changes in the Company's ownership interest in Simson-Maxwell, and on the Company's equity for three months ended March 31, 2025:

Non-controlling interest - January 1, 2025	$ 815,118
Net loss attributable to non-controlling interest	(451,898)
Non-controlling interest – March 31, 2025	$ 363,220

The following discloses the effects of the Company's ownership interest in Viking Ozone, Viking Sentinel and Viking Protection in the aggregate, and on the Company's equity for three months ended March 31, 2025:

Non-controlling interest - January 1, 2025	$ 6,871,645
Net loss attributable to non-controlling interest	(22,662)
Non-controlling interest – March 31, 2025	$ 6,848,983

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Note 8. Long-Term Debt and Other Short-Term Borrowings

Long-term debt and other short-term borrowings consisted of the following at March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Long-term debt:		
Note payable to Discover, pursuant to a Secured Promissory Note dated December 24, 2021 and funded on January 3, 2022 in the original amount of $26,315,789 with interest and principal due at maturity on January 1, 2027. The note bears interest at a rate equal to the Wall Street Journal Prime Rate (3.25%) as of the effective date and is secured by lien on substantially all of the Company's assets. The balance shown is net of unamortized debt discount of $5,695,041 and $6,488,422 at March 31, 2025 and December 31, 2024, respectively.	$ 20,620,748	$ 19,827,367
Note payable to Discover pursuant to a 10.0% Secured Promissory Note dated April 23, 2021 in the original amount of $2,500,000 with interest and principal due at maturity on January 1, 2027. Pursuant to an amendment dated December 24, 2021 the interest rate was adjusted to the Wall Street Journal Prime Rate (3.25%) as of the amendment date. The Note is secured by a lien on substantially all of the Company's assets.	2,500,000	2,500,000
Note payable to Discover, pursuant to a 10.0% Secured Promissory Note dated December 22, 2020 in the original amount of $12,000,000 with interest and principal due at maturity on January 1, 2027. Pursuant to an amendment dated December 24, 2021 the interest rate was adjusted to the Wall Street Journal Prime Rate (3.25%) as of the amendment date. The Note is secured by a lien on substantially all of the Company's assets.	12,000,000	12,000,000

Note payable to Discover, pursuant to a 10.0% Secured Promissory Note dated December 11, 2020 in the original amount of $6,000,000 with interest and principal due at maturity on January 1, 2027. Pursuant to an amendment dated December 24, 2021 the interest rate was adjusted to the Wall Street Journal Prime Rate (3.25%) as of the amendment date. The Note is secured by a lien on substantially all of the Company's assets.	6,000,000	6,000,000
Loan of $150,000 dated July 1, 2020 from the U.S. Small Business Administration. The loan bears interest at 3.75% and matures on July 28, 2050. The loan is payable in monthly installments of $731 with the remaining principal and accrued interest due at maturity. Installment payments were originally due to start 12 months from the date of the note but the date was extended to January 2023. Accrued interest from the original installment due date to January 2023 was capitalized to the loan principal balance.	158,574	159,276
Total long-term debt	41,279,322	40,486,643
Less current portion	(2,848)	(2,848)
Total long-term debt, net of current portion and debt discount	$ 41,276,474	$ 40,483,795

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Principal maturities of long-term debt for the next five years and thereafter are as follows:

Twelve-month period ended March 31,

	Principal	Unamortized Discount	Net
2026	$ 2,848	$ -	$ 2,848
2027	46,818,745	(5,695,041)	41,123,704
2028	3,069	-	3,069
2029	3,186	-	3,186
2030	3,308	-	3,308
Thereafter	143,207	-	143,207
	$ 46,974,363	$ (5,695,041)	$ 41,279,322

Advance from FK Venture LLC

During the three months ended June 30, 2024, FK Venture LLC advanced $1,200,000 to the Company's wholly owned subsidiary, Viking. The terms of this advance have not been finalized as of March 31, 2025. The amount has been included in Accrued Expenses and Other Current Liabilities at March 31, 2025. Also see Note 13, Subsequent Events.

Bank Credit Facility

Simson-Maxwell has a demand operating credit facility of CAD $6,000,000 with TD Bank, comprised of an operating line, secured by a second interest in accounts receivable and inventory, up to CAD $4,000,000 and a fixed loan of CAD $2,000,000. The facility bears interest at prime plus 2.25%, with an annual fee of CAD $10,000 and a monthly administration fee of CAD $500. The Company is required to make monthly principal payments in the amount of CAD $55,555 on the fixed loan portion commencing on October 31, 2024. The balance outstanding under this credit facility is CAD $5,438,544 ($3,782,332) and CAD $5,670,658 ($3,937,008) as of March 31, 2025 and December 31, 2024, respectively.

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Note 9. Derivative Liability

Series C Preferred Stock

The Series C Preferred Stock contains an embedded derivative due to the potential conversion into a variable number of shares of common stock. Upon conversion of the Series C Preferred Stock into shares of common stock, the Company has a potential obligation to issue additional shares of common stock to satisfy the True-Up obligation. Both the Conversion Premium and the True-Up obligation are derivatives and are required to be recorded at fair value.

Conversion of the face value of the Series C Preferred Stock is fixed at $162.50 per share of common stock. The Conversion Premium is convertible into shares of common stock based on a variable that is not an input to fair value of a fixed-for-fixed option as defined in FASB ASC 815-40 and is a derivative liability and is recorded at fair value.

The Company determines the redemption value of the face value of the Series C Preferred Stock to be the fair value of the shares of common stock issuable to satisfy the conversion of the face value of the Series C Preferred Stock. The fair value of the Conversion Premium is determined to be the fair value of the shares required to satisfy the Conversion Premium.

The Company receives notice of conversion from the holder with a calculation of the number of shares of common stock required to be issued to satisfy the redemption value plus the Conversion Premium. The Company then issues the number of shares of common stock determined by the holder using a VWAP calculation for the Measurement Period before the conversion date. The shares may be issued over time due to ownership limitations of the holder. Upon conversion of the Series C Preferred Stock, the Company reduces the derivative liability by the amount that was originally recorded for the number of Series C Preferred Stock converted. Any difference between the current fair value of the common shares issued to satisfy the conversion premium and the originally recorded derivative liability is recorded as a loss on derivative liability.

The holder may be entitled to additional shares subsequent to the conversion date if the VWAP calculation for the portion of the Measurement Period following the date of conversion is lower than the VWAP for the portion of the Measurement Period prior to the date of conversion, referred to as True-Up shares. If the VWAP calculation is higher, no True-Up shares are issued.

The potential obligation to issue True-Up shares may create an additional derivative liability. The determination of the number of True-Up shares due, if any, is based on the lowest VWAP calculation over the Measurement Period that extends beyond the conversion date. In addition, if the Company has not complied with certain provisions of the COD, the Measurement Period does not end until the Company is in compliance. The potential obligation to issue True-Up shares after the conversion date is a derivative liability.

The derivative liability for the True-Up Shares at the end of each period represents Series C Preferred Stock conversions in respect of which the Measurement Period had not expired as of the period end. The fair value of the derivative liability is estimated using a binomial pricing model, the estimated remaining Measurement Period, the share price and the historical volatility of the Company's common stock.

The fair value of the derivative liability relating to the potential obligation to issue True-Up shares is subject to adjustment as the Company's stock price changes. Such changes are recorded as changes in fair value of derivative liability.

On March 25, 2024, the Company received a notice letter from the NYSE American stating that the Company was back in compliance with all of the NYSE American's continued listing standards. As a result, the Measurement Period related to prior conversions of 240 Series C Preferred Stock ended and the number of remaining True-Up shares due from these prior conversions was fixed at 101,585,980. This reduced the value of derivative liability associated with True-Up shares to zero, and the fair value of the True-Up share obligation at March 25, 2024 was reclassified to Stockholders' Equity as common shares to be issued.

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Activities for Series C Preferred Stock derivative liability during the three months ended March 31, 2025 was as follows:

	March 31, 2025
Carrying amount at beginning of year	$ 266,891
Change in fair value	266,891
Carrying amount at end of period	$ 533,782

Note 10. Equity

(a) Common Stock

The Company is authorized to issue 500,000,000 shares of Common Stock, par value $0.001 per share.

During the three months ended March 31, 2025, the Company issued a total of 6,645,406 shares of common stock, as follows:

(i) A total of 6,645,406 True-Up shares related to prior conversions of Series C Preferred Stock as a result of the continuation of the Measurement Period (as defined in the Series C COD with respect to such Series C Preferred Stock) associated with such conversions and a decline in the price of the Company's shares of common stock within the Measurement Period.

(b) Preferred Stock

The Company is authorized to issue 10,000,000 shares of Preferred Stock, par value $0.001 per share (the "Preferred Stock").

(i) Series A Convertible Preferred Stock

On August 1, 2023, the Company issued 28,092 shares of new Series A Preferred Stock in exchange for 28,092 outstanding shares of old Series C Preferred Stock of Viking Energy Group Inc. Pursuant to the COD for the Series A Preferred Stock (the "Series A COD"), each share of Series A Preferred Stock is convertible into 890 shares of Camber Common Stock (subject to a beneficial ownership limitation preventing conversion into Camber Common Stock if the holder would be deemed to beneficially own more than 9.99% of Camber Common Stock), is treated equally with Camber Common Stock with respect to dividends and liquidation, and only has voting rights with respect to voting: (a) on a proposal to increase or reduce Camber's share capital; (b) on a resolution to approve the terms of a buy-back agreement; (c) on a proposal to wind up Camber; (d) on a proposal for the disposal of all or substantially all of Camber's property, business and undertaking; (f) during the winding-up of Camber; and/or (g) with respect to a proposed merger or consolidation in which Camber is a party or a subsidiary of Camber is a party.

(ii) Series C Redeemable Convertible Preferred Stock

Holders of the Series C Preferred Stock are entitled to cumulative dividends in the amount of 24.95% per annum (adjustable up to 34.95% if a Trigger Event, as described in the Series C COD occurs), payable upon redemption, conversion, or maturity, and when, as and if declared by our board of directors in its discretion, provided that upon any redemption, conversion, or maturity, seven years of dividends are due and payable on such redeemed, converted or matured stock. The Series C Preferred Stock ranks senior to the common stock. Except as prohibited by applicable law or as set forth herein, the holders of shares of Series C Preferred Stock have the right to vote together with holders of Common Stock on all matters other than: (i) the election of directors; (ii) and any shareholder proposals, including proposals initiated by any holder of shares of Series C Preferred Stock), in each instance on an as-if converted basis, subject to the beneficial ownership limitation in the COD, even if there are insufficient shares of authorized Common Stock to fully convert the shares of Series C Preferred Stock.

The Series C Preferred Stock may be converted into shares of our common stock at any time at the option of the holder, or at Camber's option if certain equity conditions (as defined in the Series C COD), are met. Upon conversion, Camber will pay the holders of the Series C Preferred Stock being converted through the issuance of common stock, in an amount equal to the dividends that such shares would have otherwise earned if they had been held through the maturity date (i.e., seven years), and issue to the holders such number of shares of common stock equal to $10,000 per share of Series C Preferred Stock (the "Face Value") multiplied by the number of such shares of Series C Preferred Stock divided by the applicable conversion price of $162.50 (after adjustment following the December 21, 2022 reverse stock split) adjusted for any future forward or reverse splits.

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The conversion premium under the Series C Preferred Stock is payable and the dividend rate under the Series C Preferred Stock is adjustable. Specifically, the conversion rate of such premiums and dividends equals 95% of the average of the lowest 5 individual daily volume weighted average prices during the Measuring Period (as defined below), not to exceed 100% of the lowest sales prices on the last day of the Measuring Period, less $0.05 per share of common stock, unless a trigger event has occurred, in which case the conversion rate equals 85% of the lowest daily volume weighted average price during the Measuring Period, less $0.10 per share of

common stock not to exceed 85% of the lowest sales prices on the last day of such the Measuring Period, less $0.10 per share. The "Measuring Period" is the period beginning, if no trigger event has occurred, 30 trading days, and if a trigger event has occurred, 60 trading days, before the applicable notice has been provided regarding the exercise or conversion of the applicable security, and ending, if no trigger event has occurred, 30 trading days, and if a trigger event has occurred, 60 trading days, after the applicable number of shares stated in the initial exercise/conversion notice have actually been received into the holder's designated brokerage account in electronic form and fully cleared for trading. Trigger Events are described in the designation of the Series C Preferred Stock, but include items which would typically be events of default under a debt security, including filing of reports late with the SEC.

The Series C Preferred Stock has a maturity date that is seven years after the date of issuance and, if the Series C Preferred Stock has not been wholly converted into shares of common stock prior to such date, all remaining outstanding Series C Preferred Stock will automatically be converted into shares of common stock, to the extent Camber has sufficient authorized but unissued shares of common stock available for issuance upon conversion. Notwithstanding any other provision of this designation, available authorized and unissued shares of common stock will be a limit and cap on the maximum number of shares of common stock that could be potentially issuable with respect to all conversions and other events that are not solely within the control of Camber. Camber will at all times use its best efforts to authorize sufficient shares. The number of shares required to settle the excess obligation is fixed on the date that net share settlement occurs. The Dividend Maturity Date will be indefinitely extended and suspended until sufficient authorized and unissued shares become available. 100% of the Face Value, plus an amount equal to any accrued but unpaid dividends thereon, automatically becomes payable in the event of a liquidation, dissolution or winding up by Camber.

Camber may not issue any preferred stock that is pari passu or senior to the Series C Preferred Stock with respect to any rights for a period of one year after the earlier of such date (i) a registration statement is effective and available for the resale of all shares of common stock issuable upon conversion of the Series C Preferred Stock, or (ii) Rule 144 under the Securities Act is available for the immediate unrestricted resale of all shares of common stock issuable upon conversion of the Series C Preferred Stock.

The Series C Preferred Stock is subject to a beneficial ownership limitation, which prevents any holder of the Series C Preferred Stock from converting such Series C Preferred Stock into common stock, if upon such conversion, the holder would beneficially own greater than 9.99% of Camber's outstanding common stock.

Pursuant to the Series C COD, holders of the Series C Preferred Stock are permitted to vote together with holders of common stock on all matters other than election of directors and shareholder proposals (including proposals initiated by any holders of preferred shares), on an as-if converted basis, subject to the beneficial ownership limitation in the Series C COD, even if there are insufficient shares of authorized common stock to fully convert the Series C Preferred Stock. Also pursuant to certain agreements entered into with the holders of the Series C Preferred Stock in October 2021, due to the occurrence of a Trigger Event, Camber no longer has the right to conduct an early redemption of the Series C Preferred Stock as provided for in the Series C COD unless the Company's indebtedness to Discover is paid in full.

On October 31, 2022, Camber filed with the Secretary of State of Nevada an amendment to the Series C COD (the "Series C Amendment"), dated as of October 28, 2022 (the "Series C Amendment Date"), pursuant to agreements between Camber and each of Discover and Antilles Family Office, LLC ("Antilles") signed on October 28, 2022, which amended the Series C COD such that (i) beginning on the Series C Amendment Date and thereafter, when determining the conversion rate for each share of Series C Preferred Stock based on the trading price of Camber's common stock over a certain number of previous days ("Measurement Period"), no day will be added to what would otherwise have been the end of any Measurement Period for the failure of the Equity Condition (as defined in the Series C COD), even if the volume weighted average trading price ("Measuring Metric") is not at least $1.50 and each holder of Series C Preferred Stock waived the right to receive any additional shares of common stock that might otherwise be due if such Equity Condition were to apply after the Series C Amendment Date, including with respect to any pending Measurement Period; and (ii) (A) beginning on the Series C Amendment Date and for the period through December 30, 2022, the Measuring Metric will be the higher of the amount provided in Section I.G.7.1(ii) of the Series C COD and $0.20, and (B) beginning at market close on December 30, 2022 and thereafter, the Measuring Metric will be the volume weighted average trading price of the common stock on any day of trading following the date of first issuance of the Series C Preferred Stock.

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November 2022 Agreement with Discover Growth Fund, LLC

On November 3, 2022, the Company entered into an agreement with Discover, pursuant to which Discover absolutely and unconditionally waived and released any and all rights to receive further or additional shares of the Company's common stock (the

"Conversion Shares") with respect to any and all shares of Series C Preferred Stock previously converted by Discover including, but not limited to, the right to deliver additional notices for more Conversion Shares under the Series C COD.

Discover also absolutely and unconditionally waived and released any and all rights to convert all or any part of any Promissory Notes previously executed by the Company in favor of Discover into shares of the Company's common stock and agreed not to convert or attempt to convert any portion of any Promissory Notes, at any particular price or at all.

February 2024 Agreement with Antilles Family Office, LLC

On or about February 15, 2024, the Company and Antilles entered into the February 2024 Antilles Agreement in relation to an amendment to the fifth amended and restated certificate of designations regarding its Series C Preferred Stock, as amended (the "COD"). Particularly, in exchange for the release and indemnity as provided for in the Agreement, Antilles agreed to certain amendments to the COD. On February 21, 2024, the Company filed with the Secretary of State of Nevada an amendment to the COD (the "Amendment"), dated as of February 21, 2024 (the "Amendment Date"), pursuant to the Agreement, which amended the COD to (i) establish a floor price in connection with determining the Conversion Premium (as defined in the COD) associated with conversions of Series C Preferred Stock, (ii) confirm that the Company may make an early redemption of any outstanding Series C Preferred Stock provided that outstanding promissory notes in favor of the Investor or its affiliates (collectively, the "Notes") are paid in full, and (iii) confirm that no additional conversion shares will be owed to the Investor if the Notes are paid in full and all then outstanding shares of Series C Preferred Stock have been redeemed. Specifically, the Amendment provides that (i) beginning on the Amendment Date and thereafter, the Measuring Metric will be the higher of (x) the volume weighted average price of the Common Stock on any Trading Day following the Issuance Date of the Series C Preferred Stock and (y) $0.15, (ii) notwithstanding any other provision of the COD or any other document or agreement between the parties, the Company may make an early redemption pursuant to Section I.F.2 of the COD even though multiple Trigger Events (as defined in the COD) have occurred, subject to full repayment of any outstanding Notes, and (iii) if all outstanding Notes are paid in full and all then outstanding shares of Series C Preferred Stock are redeemed, the Investor will not thereafter deliver any Additional Notices (as defined in the COD) with respect to then already-converted shares of Series C Preferred Stock, and no additional Conversion Shares (as defined in the COD) will be owed to Antilles.

In addition, pursuant to the Agreement, (i) beginning on February 15, 2024 and thereafter, the Company agreed to pay at least fifty percent of the net proceeds received by the Company in connection with any registered or unregistered offering of equity or debt securities of the Company toward repayment of any outstanding Notes, and (ii) Antilles rescinded its prior notice to increase the beneficial ownership limitation to 9.99%, such that the limitation is restored to 4.99% effective five Business Days from the date of the Agreement.

As of March 31, 2025, Antilles held 30 shares of Series C Preferred Stock. The Series C Preferred Stock is convertible into a substantial number of the Company's shares of common stock which could result in significant dilution of the Company's existing shareholders. If the outstanding Series C Preferred Stock were converted as of March 31, 2025, the Company estimates that the following shares of common stock would be required to be issued to satisfy the conversion of shares of the Series C Preferred Stock:

	March 31, 2025*
Estimated number of shares issuable for conversion at $ 162.50 per share	1,846
Estimated number of shares of common stock required to satisfy Conversion Premium using VWAP at period end	26,689,091
	26,690,937

**based on 30 shares of Series C Convertible Preferred Stock outstanding as of such date and a VWAP of $0.15 for the purposes of calculating the Conversion Premium, with $0.15 being the floor price of the Measuring Metric established in the February 2024 agreement between the Company and Antilles.*

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On March 25, 2024, the Company received a notice letter from the NYSE American stating that the Company was back in compliance with all of the NYSE American's continued listing standards. As a result, the Measurement Period related to prior conversions of 240 Series C Preferred Stock ended and the number of remaining True-Up shares due from these prior conversions was fixed at 101,585,980. The fair value of these shares on March 25, 2024 was determined to be $16,253,757 and was included in Stockholders' Equity as common stock to be issued at March 31, 2024. At March 31, 2025, the number of remaining True-Up shares due from prior

conversions was 14,929,273.

(iii) Series G Redeemable Convertible Preferred Stock

On or about December 30, 2021, the Company created a new class of Series G Preferred Stock, having a face value of $10,000 per share.

The rights, entitlements and other characteristics of the Series G Preferred Stock are set out in the Series G *COD.*

Pursuant to the Series G COD, the Series G Preferred Stock may be converted into shares of common stock at any time at the option of the holder at a price per share of common stock equal to one cent above the closing price of the Company's common stock on the date of the issuance of such shares of Series G Preferred Stock, or as otherwise specified in the Stock Purchase Agreement, subject to adjustment as otherwise provided in the COD. Upon conversion, the Company will pay the holders of the Series G Preferred Stock being converted a conversion premium equal to the amount of dividends that such shares would have otherwise earned if they had been held through the maturity date.

The Series G Preferred Stock, with respect to dividend rights and rights upon liquidation, winding-up or dissolution, rank: (a) senior to the Company's common stock; (b) junior to the Series C Preferred Stock, (c) senior to the Series E Redeemable Convertible Preferred Stock and Series F Redeemable Convertible Preferred Stock, as such may be designated as of the date of this Designation, or which may be designated by the Company after the date of this Designation; (d) senior, pari passu or junior with respect to any other series of Preferred Stock, as set forth in the COD with respect to such Preferred Stock; and (d) junior to all existing and future indebtedness of the Company.

Except as prohibited by applicable law or as set forth herein, the holders of shares of Series G Preferred Stock will have the right to vote together with holders of common stock and Series C Preferred on all matters other than: (i) the election of directors; (ii) and any shareholder proposals, including proposals initiated by any holder of shares of Series G Preferred Stock), in each instance on an as-converted basis, subject to the beneficial ownership limitation in the COD even if there are insufficient shares of authorized common stock to fully convert the shares of Series G Preferred Stock into common stock.

Commencing on the date of the issuance of any such shares of Series G Preferred Stock, each outstanding share of Series G Preferred Stock will accrue cumulative dividends at a rate equal to 10.0% per annum, subject to adjustment as provided in the COD, of the Face Value. Dividends will be payable with respect to any shares of Series G Preferred Stock upon any of the following: (a) upon redemption of such shares in accordance with the Series G COD; (b) upon conversion of such shares in accordance with the Series G COD; and (c) when, as and if otherwise declared by the board of directors of the Corporation.

Dividends, as well as any applicable Conversion Premium payable hereunder, will be paid in shares of common stock valued at (i) if there is no Material Adverse Change as at the date of payment or issuance of shares of common stock for the Conversion Premium, as applicable, (A) 95.0% of the average of the 5 lowest individual daily volume weighted average prices of the common stock on the Trading Market during the applicable Measurement Period, which may be non-consecutive, less $0.05 per share of common stock, not to exceed (B) 100% of the lowest sales price on the last day of such Measurement Period less $0.05 per share of common stock, or (ii) during the time that any Material Adverse Change is ongoing, (A) 85.0% of the lowest daily volume weighted average price during any Measurement Period for any conversion by Holder, less $0.10 per share of common stock, not to exceed (B) 85.0% of the lowest sales price on the last day of any Measurement Period, less $0.10 per share of common stock.

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On the Dividend Maturity Date, the Corporation may redeem any or all shares of Series G Preferred Stock by paying Holder, in registered or unregistered shares of common stock valued at an amount per share equal to 100% of the Liquidation Value for the shares redeemed, and the Corporation will use its best efforts to register such shares.

In the first quarter of 2022, pursuant to a stock purchase agreement between the Company and an accredited investor (the "Investor") dated on or about December 30, 2021, the Investor purchased from the Company 10,544 shares of newly designated Series G Preferred Stock, having a face value of $10,000 per share, for an aggregate price of $100,000,000 (the "Purchase Price"), representing at a 5% original issue discount.

The Purchase Price was paid by the Investor via payment of $5,000,000 in cash, and the execution and delivery of four Promissory Notes (each a "Note" and collectively, the "Notes") from the Investor in favor of Company, each in the amount of $23,750,000 and payable by the Investor to the Company on March 31, 2022, June 30, 2022, September 30, 2022 and December 31, 2022, respectively.

There are 2,636 shares of Series G Preferred Stock associated with each Note, and the Investor may not convert the shares of preferred stock associated with each Note into shares of common stock or sell any of the underlying shares of common stock unless that Note is paid in full by the Investor.

The Company may in its sole discretion redeem the 2,636 shares of Series G Preferred Stock associated with each Note by paying the Investor $1,375,000 as full consideration for such redemption. Also, the Investor may offset the then outstanding balance of each Note against the 2,636 shares of Series G Preferred Stock associated with that Note by electing to cancel the 2,636 shares as full consideration for cancellation of the Note in the event of a breach or default of any of the transaction documents by the Company.

In 2022, the Company paid the Investor $2,750,000 and redeemed 5,272 shares of Series G Preferred Stock associated with the Notes due March 31, 2022 and June 30, 2022, thereby canceling such Notes and reducing the number of shares of Series G Preferred Stock outstanding from 10,544 to 5,272. The Investor may not convert any of the remaining shares of Series G Preferred Stock associated with any remaining Note into shares of common stock or sell any of the underlying shares of common stock unless that Note is paid in full by the Investor, and the Company may redeem the shares of Series G Preferred Stock associated with each Note by paying the Investor $1,375,000 as full consideration for such redemption. As of March 31, 2025, none of the outstanding Notes had been paid in full and thus the underlying shares were not convertible.

(iv) Series H Convertible Preferred Stock

On August 1, 2023, the Company issued 475 shares of new Series H Preferred Stock in exchange for 475 outstanding shares of old Series E Preferred Stock of Viking Energy Group inc. Pursuant to the COD for the Series H Preferred Stock (the "Series H COD"), each share of New Camber Series H Preferred Stock has a face value of $10,000 per share, is convertible into a certain number of shares of Camber Common Stock, with the conversion ratio based upon achievement of certain milestones by Viking's subsidiary, Viking Protection (provided the holder has not elected to receive the applicable portion of the purchase price in cash pursuant to that certain Purchase Agreement, dated as of February 9, 2022, by and between Viking and Jedda Holdings, LLC), is subject to a beneficial ownership limitation of 4.99% of Camber Common Stock (but may be increased up to a maximum of 9.99% at the sole election of a holder by the provision of at least 61 days' advance written notice) and has voting rights equal to one vote per share of Camber Series H Preferred Stock held on a non-cumulative basis. During the year ended December 31, 2023, Jedda Holdings converted 200 of the 475 shares of Series H Preferred Stock into 3,333,333 shares of Common Stock. During the year ended December 31, 2024, Jedda Holdings converted the remaining 275 shares of Series H Preferred Stock into 4,583,333 shares of Common Stock.

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(c) Warrants

The following table represents stock warrant activity as of and for the three months ended March 31, 2025 and 2024:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Warrants Outstanding – December 31, 2024	2,341,416	0.86	2.55 years	-
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired/cancelled	-	-	-	-
Warrants Outstanding – March 31, 2025	2,341,416	$ 0.86	2.31 years	$ -
Outstanding Exercisable – March 31, 2025	2,341,416	$ 0.86	2.31 years	$ -

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Warrants Outstanding – December 31, 2023	3,691,143	0.66	2.62 years	-
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired/cancelled	(120,000)	0.35	-	-
Warrants Outstanding – March 31, 2024	3,571,143	$ 0.67	2.45 years	$ -
Outstanding Exercisable – March 31, 2024	3,571,143	$ 0.67	2.45 years	$ -

On or about October 23, 2024, the Company and James Doris entered into a Second Amendment to Common Stock Warrant Agreement pursuant to which the exercise price of Mr. Doris' outstanding warrants (i.e., the right to purchase 1,666,667 shares of common stock of the Company) was increased from $0.009 to $1.00 per share.

Note 11. Commitments and Contingencies

Building, vehicle and equipment leases – Simson-Maxwell

The Company has right-of-use assets and operating lease liabilities associated with various operating lease agreements of Simson-Maxwell pertaining to seven business locations, for the premises, vehicles and equipment used in operations in the amount of $ 7,295,723. These values were determined using a discount rate of 3.45% for the premises, and 7.5% for vehicles and equipment. The leases have varying terms, payment schedules and maturities. Operating lease expense is recognized on a straight-line base over each of the lease terms.

Payments due in each of the next five years and thereafter at March 31, 2025 under these leases are as follows:

	Building Leases	Vehicle and Equipment Leases	Totals
2026	$ 1,012,608	$ 696,182	$ 1,708,790
2027	847,497	522,061	1,369,558
2028	820,912	349,067	1,169,979
2029	736,757	113,655	850,412
2030	731,002	-	731,002
Thereafter	2,422,776	-	2,422,776
	$ 6,571,552	$ 1,680,965	$ 8,252,517
Less imputed interest	(767,429)	(189,365)	(956,794)
Present value of remaining lease payments	$ 5,804,123	$ 1,491,600	$ 7,295,723
Current			$ 1,591,970
Non-current			$ 5,703,753

Operating lease expense for these leases was $481,297 and $453,683 for the three months ended March 31, 2025 and 2024, respectively.

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Legal matters

Merger-Related Litigation

On February 9, 2024, plaintiff Lawrence Rowe, on behalf of himself and all other similarly situated former public minority shareholders of Viking, filed against the Company and its CEO a putative Class Action Complaint (i.e. C.A. No.4:24-cv-00489) styled *Lawrence Rowe, Individually and on Behalf of All Others Similarly Situated v. James A. Doris and Camber Energy, Inc.*, in the U.S. District Court for the Southern District of Texas, Houston Division. The complaint alleges breaches of fiduciary duty in connection with the merger between Viking and the Company and seeks to recover damages for the alleged breaches. The defendants deny the allegations and filed a motion to dismiss ("MTD") the case on April 26, 2024. The MTD hearing was held on August 30, 2024. On March 31 2025, the U.S. District Court for the Southern District of Texas, Houston Division, granted a motion by the Company to dismiss the complaint with prejudice. The deadline for the Plaintiff to appeal the Court's decision expired on April 30, 2025.

Maranatha Oil Matter

In November 2015, Randy L. Robinson, d/b/a Maranatha Oil Co. sued the Company in Gonzales County, Texas (Cause No. 26160). The plaintiff alleged that it assigned oil and gas leases to the Company in April 2010, retaining a 4% overriding royalty interest and 50% working interest and that the Company failed to pay such overriding royalty interest or royalty interest. The interests relate to certain oil and gas properties which the Company subsequently sold to Nordic Oil USA in April 2013. The petition alleges causes of actions for breach of contract, failure to pay royalties, non-payment of working interest, fraud, fraud in the inducement of contract, money had and received, constructive trust, violation of theft liability act, continuing tort and fraudulent concealment. The suit seeks approximately $100,000 in amounts alleged owed, plus pre-and post-judgment interest. The Company has filed a denial to the claims and intends to vehemently defend itself against the allegations.

Note 12. Business Segment Information and Geographic Data

The Company has two reportable segments: Power Generation and Other. Prior to 2025, the Company's two reportable segments were Power Generation and Oil and Gas. However, following the disposal of the Company's oil and gas assets, the oil and gas segment has been renamed to Other.

The Power Generation segment provides custom energy and power solutions to commercial and industrial clients in North America. The Other segment includes the Company's investments in licenses and intellectual property that have not yet reached commercial stage, corporate expenses, and assets previously classified as corporate and unallocated. All Power Generation segment revenues are currently generated outside of the U.S., and all Power Generation segment assets are located outside of the U.S. Other segment assets are all located in the U.S.

The Company's chief operating decision maker ("CODM") is the Chief Executive Officer, who reviews financial information presented on a consolidated basis. When evaluating performance and allocating resources to the Power Generation segment, the CODM uses revenue and operating profit (loss). The Other segment does not currently generate revenues. Performance is evaluated and resources allocated to, and within, this segment based upon the progress and projected financial requirements to advance each technology towards commercialization.

Information related to our reportable segments and our consolidated results for the three months ended March 31, 2025 is presented below.

	Three Months Ended March 31, 2025		
	Power Generation	Other	Total
Loss from Operations is as follows:			
Revenue	$ 6,229,335	$ -	$ 6,229,335
Operating expenses			
Cost of goods	4,648,824	-	4,648,824
General and administrative	2,608,542	615,894	3,224,436
Depreciation, depletion and amortization	60,731	76,116	136,847
Total operating expenses	7,318,097	692,010	8,010,107
Loss from operations	$ (1,088,762)	$ (692,010)	$ (1,780,772)
Assets (at end of period)			

Segment assets	$ 21,648,540	$ 18,539,135	$ 40,187,675
Corporate and unallocated assets			-
Total Consolidated Assets			$ 40,187,675

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	Three Months Ended March 31, 2024		
	Power Generation	Oil and Gas	Total
Income (Loss) from Operations is as follows:			
Revenue	$ 6,624,249	$ 66,631	$ 6,690,880
Operating expenses			
Cost of goods	4,572,757	-	4,572,757
Lease operating costs	-	22,349	22,349
General and administrative	2,712,330	1,107,670	3,820,000
Stock-based compensation	-	305,000	305,000
Accretion - ARO	-	536	536
Depreciation, depletion and amortization	106,215	122,584	228,799
Total operating expenses	7,391,302	1,558,139	8,949,441
Loss from operations	$ (767,053)	$ (1,491,508)	$ (2,258,561)
Assets (at end of period)			
Segment assets	$ 24,321,662	$ 882,020	$ 25,203,682
Corporate and unallocated assets			54,485,228
Total Consolidated Assets			$ 79,688,910

Note 13. Subsequent Events

Series C Preferred Stock

On April 8, 2025, the Company issued 8,007,281 shares of Common Stock to Antilles in exchange for the conversion of 9 shares of Series C Convertible Preferred Stock, leaving 21 shares of Series C Convertible Preferred Stock issued and outstanding as of such date.

Simson-Maxwell Transaction

On April 1, 2025, Viking entered into a Share Subscription Agreement (the "SSA") with T&T Power Group Inc. ("T&T"), Remora EQ LP ("Remora"), Simmax Corp. ("Simmax"), and Simson-Maxwell Ltd. ("Simson"), a Canadian federal corporation. The SSA relates to a restructuring of the ownership of Simson that results in Camber ceasing to have a controlling interest in Simson.

Under the SSA, T&T agreed to (i) subscribe for 952 Class A Common Shares of Simson (the "Subscription Shares") for an aggregate subscription price of approximately CAD$2.28 million; (ii) purchase 903 Class A Common Shares from Remora (the "Remora Shares") for an agreed purchase price; and (iii) purchase 681 Class A Common Shares from Simmax (the "Simmax Shares") for an agreed purchase price. T&T also agreed to provide up to CAD $3.0 million in additional working capital to Simson on closing or at such time as is reasonably required to meet the cash requirements of Simson, and to repay on or within a reasonable period following the closing amounts owing under Simson's then outstanding senior secured credit facilities. T&T acquired the Subscription Shares by paying the subscription price in cash. T&T acquired the Remora Shares by paying approximately 3.5% of the purchase price in cash

and issuing a promissory note for the remaining balance, maturing on December 1, 2025. T&T acquired the Simmax Shares by issuing a promissory note to Simmax, also maturing on December 1, 2025.

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Following the closing of the transactions described above (collectively, the "Simson Share Transactions"), T&T and Viking are the only remaining shareholders of Simson. T&T owns 51% of Simson's issued and outstanding Class A Common Shares, and Viking owns the remaining 49%. Viking did not sell or purchase any shares in connection with the Simson Share Transactions; however, Viking's ownership decreased from approximately 60.5% to 49%. As a result of the reduction in Viking's ownership interest and ceasing to have control over Simson, Camber will no longer consolidate Simson's financial results in its consolidated financial statements, beginning April 1, 2025. The Company will instead account for its investment in Simson under the equity method of accounting.

In connection with the closing of the Simson Share Transactions, Viking also entered into a Unanimous Shareholders Agreement (the "USA") with T&T and Simson. The USA governs the ownership and management of Simson and provides that T&T is entitled to nominate two members to Simson's board of directors, and Viking is entitled to nominate one member.

FK Venture LLC Convertible Promissory Note

On April 7, 2025, the Company and its wholly-owned subsidiary, Viking Energy Group, Inc., entered into an agreement with FK Venture LLC (the "Investor") to restructure an existing obligation of Viking to Investor in the amount of $1,200,000. Pursuant to the Agreement, the Company issued to Investor an unsecured convertible promissory note in the principal amount of $1,200,000 (the "Note"), thereby assuming and refinancing the debt under new terms.

The Note bears interest at a rate of 10% per annum and matures on September 30, 2026 (the "Maturity Date"). The Company may prepay the Note in whole or in part, provided that if prepayment occurs within twelve months of issuance, the Company must pay a minimum of twelve months' interest.

At any time prior to the Maturity Date, the Investor may elect to convert the outstanding principal and any accrued but unpaid interest into shares of the Company's common stock at a fixed conversion price of $0.15 per share.

Viking Ozone Promissory Notes

(i) On April 15, 2025, Viking Ozone Technology, LLC ("Viking Ozone"), a majority-owned subsidiary of the Company, received $ 200,000 from an individual investor (the "Investor") in exchange for a promissory note (the "Note"). The maturity date of the Note is the earlier of: (i) September 30, 2025; or (ii) receipt by Viking Ozone of proceeds from the sale of the VKIN-300 waste treatment system that was shipped to France in the first quarter of 2025. The Note bears interest at a fixed rate of 10% and Viking Ozone may prepay at any time any portion of the principal and all other amounts due under the Note. Viking Ozone's obligations under the Note were personally guaranteed by the Company's President & CEO, James Doris.

In connection with the issuance of the Note, the Company issued a Common Stock Warrant entitling the Investor to purchase up to 100,000 shares of common stock of the Company at $0.15 per share at any time between April 15, 2025 and May 1, 2027.

(ii) On April 29, 2025, Viking Ozone entered into a short-term loan arrangement with an accredited investor (the "Investor"). Pursuant to the transaction, Viking Ozone issued the Investor a promissory note in the principal amount of $500,000 (the "Note"). The Note bears interest at a fixed rate equal to 10% of the principal amount and matures on the earlier of (i) September 30, 2025, or (ii) the date VOT receives proceeds from the sale of the VKIN-300 waste treatment system that was shipped to France in the first quarter of 2025

The Company was not a party to the Note and the Note did not include any conversion rights or warrant issuances.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis in conjunction with the condensed consolidated financial statements and notes thereto appearing elsewhere in this Quarterly Report on Form 10-Q. In preparing the management's discussion and analysis, the registrant presumes that you have read or have access to the discussion and analysis for the preceding fiscal year.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 or the Reform Act. All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws, including, but not limited to, any projections of earning, revenue or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions of performance; and statements of belief; and any statements of assumptions underlying any of the foregoing. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: our ability to raise capital and the terms thereof; ability to gain an adequate player base to generate the expected revenue; competition with established gaming websites; adverse changes in government regulations or polices; and other factors referenced in this Form 10-Q.

The use in this Form 10-Q of such words as "believes", "plans", "anticipates", "expects", "intends", and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. These forward-looking statements present the Company's estimates and assumptions only as of the date of this Report. Except for the Company's ongoing obligation to disclose material information as required by the federal securities laws, the Company does not intend, and undertakes no obligation, to update any forward-looking statements.

Although the Company believes that the expectations reflected in any of the forward-looking statements are reasonable, actual results could differ materially from those projected or assumed or any of the Company's forward-looking statements. The Company's future financial condition and results of operations, as well as any forward-looking statements, are subject to change and inherent risks and uncertainties.

PLAN OF OPERATIONS

Company Overview

Camber is a growth-oriented diversified energy company. Through our subsidiaries we provide custom energy and power solutions to commercial and industrial clients in North America, and have a majority interest in: (i) an entity with intellectual property rights to a fully developed, patented, proprietary medical and bio-hazard waste treatment system using ozone technology; and (ii) entities with the intellectual property rights to fully developed, patented and patent pending, proprietary electric transmission and distribution broken conductor protection systems. Also, we hold a license to a patented clean energy and carbon-capture system with exclusivity in Canada and for multiple locations in the United States. The Company is also exploring other energy-related opportunities and/or technologies which are currently generating revenue, or have a reasonable prospect of generating revenue within a reasonable period of time.

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Custom Energy and Power Solutions:

Simson-Maxwell:

On August 6, 2021, Viking acquired approximately 60.5% of the issued and outstanding shares of Simson-Maxwell Ltd. ("Simson-Maxwell"), a Canadian federal corporation, for $7,958,159 in cash. Simson-Maxwell manufactures and supplies power generation products, services and custom energy solutions. Simson-Maxwell provides commercial and industrial clients with efficient, flexible, environmentally responsible and clean-tech energy systems involving a wide variety of products, including CHP (combined heat and power), tier 4 final diesel and natural gas industrial engines, solar, wind and storage. Simson-Maxwell also designs and assembles a complete line of electrical control equipment including switch gear, synchronization and paralleling gear, distribution, Bi-Fuel and

complete power generation production controls. Operating for over 80 years, Simson-Maxwell's seven branches assist with servicing a large number of existing maintenance arrangements and meeting the energy and power-solution demands of the Company's other customers.

Clean Energy and Carbon-Capture System:

In August 2021, Viking entered into a license agreement with ESG Clean Energy, LLC ("ESG"), to utilize ESG's patent rights and know-how related to stationary electric power generation and heat and carbon dioxide capture (the "ESG Clean Energy System"). The intellectual property licensed by Viking includes certain patents and/or patent applications, including the following:

No.	Reference No.	Details	Status	Directed To
1	5874.001A	U.S. Patent No.: 10,774,733, File date: October 24, 2018, Issue date: September 15, 2020, Titled: "Bottoming Cycle Power System."	Issued	Systems for generating bottoming cycle power and producing distilled water
2	5874.001AEP	European Patent No.: EP3728891, Issue Date: April 12, 2023; Validated in the United Kingdom, France and Germany; European Patent Application No.: EP18870699.8, International File date: October 24, 2018, PCT Publication No.: WO2019084208, European Publication No.: EP3728801A1; Titled: "Bottoming Cycle Power System."	Issued	Systems for generating bottoming cycle power and producing distilled water
3	5874.004	U.S. Patent No.: 11286832, Issue Date: March 29, 2022; U.S. Patent Application No.: 17/224,200, File date: April 7, 2021, Titled: "Bottoming Cycle Power System."	Issued	Systems for generating bottoming cycle power and capturing carbon dioxide
4	5874.004A	U.S. Patent No.: 11415052, Issue Date: August 16, 2022; U.S. Patent Application No.: 17/448,943, File date: September 27, 2021, Titled: "Systems and Methods Associated With Bottoming Cycle Power Systems for Generating Power and Capturing Carbon Dioxide."	Issued	Systems and Methods for generating bottoming cycle power and capturing carbon dioxide
5	5874.004B	US Patent No.: 11624307, Issue Date: April 11, 2023; U.S. Patent Application No.: 17/580,777, File date: January 21, 2022, Titled: "Systems and Methods Associated With Bottoming Cycle Power Systems for Generating Power and Capturing Carbon Dioxide."	Issued	Systems and Methods for generating bottoming cycle power and capturing carbon dioxide
6	5874.004WO	PCT International Patent Application No.: PCT/US2022/022827, File date: March 31, 2022, Titled: "Bottoming Cycle Power Systems."	Pending	Systems and Methods for generating bottoming cycle power and capturing carbon dioxide
7	5874.004AWO	PCT International Patent Application No.: PCT/US2022/076635, File date: September 19, 2022, Titled: "Systems And Methods Associated With Bottoming Cycle Power Systems For Generating Power And Capturing Carbon Dioxide; Published on October 13, 2022 with Publication No.: WO 2022/216519	Pending	Systems and Methods for generating bottoming cycle power and capturing carbon dioxide
8	5874.005	U.S. Patent No.: 11,339,712, Issue Date: May 24, 2022; U.S. Patent Application No.: 17/358,197, File date: June 25, 2021, Titled: "Bottoming Cycle Power System."	Issued	Systems for generating bottoming cycle power, capturing carbon dioxide and producing associated products such as distilled water

9	5874.005A	U.S. Patent No.: 11,346,256, Issue Date: May 31, 2022; U.S. Patent Application No.: 17/448,938, File date: September 27, 2021, Titled: "Systems and Methods Associated With Bottoming Cycle Power Systems for Generating Power, Capturing Carbon Dioxide and Producing Products."	Issued	Systems and Methods for generating bottoming cycle power, capturing carbon dioxide and producing associated products such as distilled water and diesel exhaust fluid (DEF)
10	5874.005B	U.S. Patent Application No.: 17/661,382, File date: April 29, 2022, Titled: "Systems and Methods Associated With Bottoming Cycle Power Systems for Generating Power, Capturing Carbon Dioxide and Producing Products."	Issued	Systems and Methods for generating bottoming cycle power, capturing carbon dioxide and producing associated products such as distilled water and diesel exhaust fluid (DEF).
11	5874.005AWO	PCT International Patent Application No.: PCT/US2022/034298, File date: June 21, 2022, Titled: "Systems and Methods Associated With Bottoming Cycle Power Systems for Generating Power, Capturing Carbon Dioxide and Producing Products."; Published on December 29, 2022 with Publication No.: WO 2022/271667	Pending	Systems and Methods for generating bottoming cycle power, capturing carbon dioxide and producing associated products such as distilled water and diesel exhaust fluid (DEF).
12	5874.006	U.S. Patent No.: 11639677, Issue Date: May 2, 2023; U.S. Patent Application No.: 17/934,279, File date: September 22, 2022, Titled: “System And Method For Capturing Carbon Dioxide From A Flow Of Exhaust Gas From A Combustion Process.”	Issued	Systems and Methods of Capturing Carbon Dioxide Utilizing The Exhaust Gas From An Internal Combustion Engine
13	5874.007A	U.S. Non-Provisional Patent Application No.: 18/312930, Filing date: May 5, 2023; Converted to a non-provisional from provisional case no: 5874.007P1; U.S. Provisional Patent Application No.: 63/371546, File date: August 16, 2022, Titled: "Absorption Chiller System With A Transport Membrane Heat Exchanger."	Pending	Systems and Methods for removing water from air or exhaust gas using an absorption chiller system having a transport membrane heat exchanger as an evaporator

The ESG Clean Energy System is designed to, among other things, generate clean electricity from internal combustion engines and utilize waste heat to capture approximately 100% of the carbon dioxide (CO2) emitted from the engine without loss of efficiency, and in a manner to facilitate the production of certain commodities. Patent No. 11,286,832, for example, covers the invention of an “exhaust-gas-to-exhaust-gas heat exchanger” that efficiently cools – and then reheats – exhaust from a primary power generator so greater energy output can be achieved by a secondary power source with safe ventilation. Another key aspect of this patent is the development of a carbon dioxide capture system that utilizes the waste heat of the carbon dioxide pump to heat and regenerate the absorber that enables carbon dioxide to be safely contained and packaged.

The Company intends to sell, lease and/or sub-license the ESG Clean Energy System to third parties using, among other things, Simson-Maxwell’s existing distribution channels. The Company may also utilize the ESG Clean Energy System for its own account, whether in connection with its petroleum operations, Simson-Maxwell’s power generation operations, or otherwise.

Medical Waste Disposal System Using Ozone Technology:

In January 2022, Viking acquired a 51% interest in Viking Ozone, which owns the intellectual property rights to a patented (i.e., US Utility Patent No. 11,565,289), proprietary medical and biohazard waste treatment system using ozone technology. Simson-Maxwell has been designated the exclusive worldwide manufacturer and vendor of this system. The technology is designed to be a sustainable alternative to incineration, chemical, autoclave and heat treatment of bio-hazardous waste, and for the treated waste to be classified as renewable fuel for waste-to-energy (“WTE”) facilities in many locations around the world.

Broken Conductor Protection Technologies:

In February 2022, Viking acquired a 51% interest in two entities, Viking Sentinel and Viking Protection, that own the intellectual property rights to patented and patent pending proprietary electric transmission and distribution broken conductor protection systems. The systems are designed to detect a break in a transmission line, distribution line, or coupling failure, and to immediately terminate the power to the line before it reaches the ground. The technology is intended to increase public safety and reduce the risk of causing an incendiary event, and to be an integral component within grid hardening and stability initiatives by electric utilities to improve the resiliency and reliability of existing infrastructure. . A summary of the applicable patents, pending patents and/or patent applications associated with the intellectual property owned by Viking Sentinel and/or Viking Protection as at the date hereof is as follows:

Application #	Description	Application Filed	Notice of Allowance Received	Patent Issued
U.S. No. 17/672,422	Electric Transmission Line Ground Fault Prevention Methods Using Dual, High Sensitivity Monitoring	Yes	Yes	Yes
U.S. No. 17/693,504	Electric Transmission Line Ground Fault Prevention Systems Using Dual, High Sensitivity Monitoring	Yes	Yes	Yes
U.S. No. 17/821,651	Electric Transmission Line Ground Fault Prevention systems using dual parameter monitoring with high sensitivity relay devices in parallel with low sensitivity relay devices	Yes	Yes	Yes
U.S. No. 18/227,670	Electric Transmission Line Ground Fault Prevention Methods Using Multi-Parameter High Sensitivity Monitoring	Yes	Yes	Yes
U.S. No. 17/300,485	End of Line Protection with Trip-Signal Engaging	Yes	Yes	Yes
U.S. No. 17/628,545	End of Line Protection with Blocking	Yes	Yes	Yes
International Application No. PCT/US2024/010627	Electric Transmission Line Ground Fault Prevention Methods Using Multi-Parameter High Sensitivity Monitoring	Yes		

Oil and Gas Properties:

As of March 31, 2025, the Company did not hold any interest in producing oil and gas properties.

Divestitures in 2024:

On February 1, 2024, the Company sold its working interest in oil and gas properties producing from the Cline and Wolfberry formations in Texas for gross proceeds of $205,000.

The Company recorded a net loss on this transaction, as follows:

Proceeds from sale (net of transaction costs)	$ 205,000
Reduction in oil and gas full cost pool (based on % of reserves disposed)	(1,038,900)
ARO recovered	78,394
Loss on disposal	$ (755,506)

Merger with Viking Energy Group, Inc.

On August 1, 2023, Camber Energy, Inc. (“Camber”, the “Company”, “we”, “us” or “our”) completed the previously announced merger (the “Merger”) with Viking Energy Group, Inc. pursuant to the terms and conditions of the Agreement and Plan of Merger between Camber and Viking dated February 15, 2021, which was amended on April 18, 2023 (as amended, the “Merger Agreement”), with Viking surviving the Merger as a wholly-owned subsidiary of Camber.

Upon the terms and conditions in the Merger Agreement, each share: (i) of common stock, par value $0.001 per share, of Viking (the “Viking Common Stock”) issued and outstanding, other than shares owned by Camber, was converted into the right to receive one share of common stock of Camber (the “Camber Common Stock”); (ii) of Series C Preferred Stock of Viking (the “Viking Series C Preferred Stock”) issued and outstanding was converted into the right to receive one share of Series A Convertible Preferred Stock of Camber (the “New Camber Series A Preferred Stock”) and (iii) of Series E Convertible Preferred Stock of Viking (the “Viking Series E Preferred Stock,” and, together with the Viking Series C Preferred Stock, the “Viking Preferred Stock”) issued and outstanding was converted into the right to receive one share of Series H Preferred Stock of Camber (the “New Camber Series H Preferred Stock,” and, together with the New Camber Series A Preferred Stock, the “New Camber Preferred”).

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Each share of New Camber Series A Preferred Stock is convertible into 890 shares of Camber Common Stock (subject to a beneficial ownership limitation preventing conversion into Camber Common Stock if the holder would be deemed to beneficially own more than 9.99% of Camber Common Stock), is treated equally with Camber Common Stock with respect to dividends and liquidation, and only has voting rights with respect to voting: (a) on a proposal to increase or reduce Camber’s share capital; (b) on a resolution to approve the terms of a buy-back agreement; (c) on a proposal to wind up Camber; (d) on a proposal for the disposal of all or substantially all of Camber’s property, business and undertaking; (e) during the winding-up of Camber; and/or (f) with respect to a proposed merger or consolidation in which Camber is a party or a subsidiary of Camber is a party.

Each share of New Camber Series H Preferred Stock has a face value of $10,000 per share, is convertible into a certain number of shares of Camber Common Stock, with the conversion ratio based upon achievement of certain milestones by Viking’s subsidiary, Viking Protection (provided the holder has not elected to receive the applicable portion of the purchase price in cash pursuant to that certain Purchase Agreement, dated as of February 9, 2022, by and between Viking and Jedda Holdings, LLC), is subject to a beneficial ownership limitation of 4.99% of Camber Common Stock (but may be increased up to a maximum of 9.99% at the sole election of a holder by the provision of at least 61 days’ advance written notice) and has voting rights equal to one vote per share of Camber Series H Preferred Stock held on a non-cumulative basis.

Each outstanding option or warrant to purchase Viking Common Stock (a “Viking Option”), to the extent unvested, automatically became fully vested and was converted automatically into an option or warrant (an “Adjusted Option”) to purchase, on substantially the same terms and conditions as were applicable to such Viking Option, except that instead of being exercisable into Viking Common Stock, such Adjusted Option is exercisable into Camber Common Stock.

Each outstanding promissory note issued by Viking that was convertible into Viking Common Stock (a “Viking Convertible Note”) was converted into a promissory note convertible into Camber Common Stock (an “Adjusted Convertible Note”) having substantially the same terms and conditions as applied to the corresponding Viking Convertible Note (including, for the avoidance of doubt, any extended post-termination conversion period that applies following consummation of the Merger), except that instead of being convertible into Viking Common Stock, such Adjusted Convertible Note is convertible into Camber Common Stock.

In connection with the Merger, Camber issued approximately 49,290,152 shares of Camber Common Stock, which represented approximately 59.99% of the outstanding Camber Common Stock after giving effect to such issuance. In addition, Camber reserved for issuance approximately 88,647,137 additional shares of Camber Common Stock in connection with the potential (1) conversion of the New Camber Series A Preferred Stock, (2) conversion of the New Camber Series H Preferred Stock, (3) exercise of the Adjusted Options and (4) conversion of the Adjusted Convertible Notes.

For accounting purposes, the Merger was deemed a reverse acquisition. Consequently, Viking (the legal subsidiary) was treated as the acquiror of Camber (the legal parent).

James A. Doris continues to serve as President and Chief Executive Officer of the combined company, and the combined company continues to have its headquarters in Houston, Texas.

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Going Concern Qualification

The Company's condensed consolidated financial statements included herein have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company generated a net loss of $(3,191,653) for the three months ended March 31, 2025, as compared to a net loss of $(26,618,215) for the three months ended March 31, 2024. The loss for the three months ended March 31, 2025, was comprised of, among other things, certain non-cash items, including: (i) amortization of debt discount of $793,381; (ii) change in fair value of derivative liability of $266,891; and (iii) depreciation, depletion and amortization of $136,847.

As of March 31, 2025, the Company had stockholders' deficit of $(40,927,038), long-term debt, net of current, of $41,276,474 and a working capital deficiency of $(19,821,650). The largest components of current liabilities creating this working capital deficiency are accrued interest on notes payable to Discover Growth Fund, LLC ("Discover") of $6,953,336, drawings by Simson-Maxwell against its bank credit facility of $3,782,332, an advance from FK Venture, LLC of $1,200,000 and amounts due to AGD Advisory Group, Inc., a related party, of $1,110,000.

These conditions raise substantial doubt regarding the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to utilize the resources in place to generate future profitable operations, to develop additional acquisition opportunities, and to obtain the necessary financing to meet its obligations and repay its liabilities arising from business operations when they come due. Management believes the Company may be able to continue to develop new opportunities and may be able to obtain additional funds through debt and / or equity financings to facilitate its business strategy; however, there is no assurance of additional funding being available. These condensed consolidated financial statements do not include any adjustments to the recorded assets or liabilities that might be necessary should the Company have to curtail operations or be unable to continue in existence.

RESULTS OF CONTINUING OPERATIONS

The following discussion of the financial condition and results of operation of the Company for the three months ended March 31, 2025 and 2024, should be read in conjunction with the audited consolidated financial statements and the notes thereto in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on May 12, 2025.

Liquidity and Capital Resources

Working Capital:	**Three Months Ended March 31,**	
	2025	**2024**
Current assets	$ 11,788,105	$ 16,897,847
Current liabilities	31,609,755	31,410,179
Working capital deficit	$(19,821,650)	$(14,512,332)

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Cash Flows:	**Three Months Ended March 31,**	
	2025	**2024**
Net Cash Provided by (Used in) Operating Activities	$ 241,960	$ (1,185,014)
Net Cash Provided by (Used in) Investing Activities	(16,136)	162,596
Net Cash Provided by (Used in) Financing Activities	(171,548)	524,063
Increase (decrease) in Cash during the Period	54,276	(498,355)
Cash and Cash Equivalents, beginning of period	114,648	906,060

Cash and Cash Equivalents, end of Period	$ 168,924	$ 407,705

Net cash provided by (used in) in operating activities was $241,960 during the three months ended March 31, 2025, as compared to $(1,185,014) in the comparable period in 2024. This increase is primarily the result of a higher net working capital deficit, plus a reduced cash operating loss.

Net cash flows from investing activities decreased to $(16,136) during the three months ended March 31, 2025, as compared to $162,596 in the comparable period in 2024. The increase is due primarily to proceeds of $205,000 from the sale of oil and gas properties in 2024 and lower investment in fixed asset additions.

Net cash flows from financing activities decreased to $(171,548) during the three months ended March 31, 2025, as compared to $524,063 in the comparable period in 2024. This decrease is mainly due to a reduction in advances on the bank credit facility as compared to the prior year.

Three months ended March 31, 2025, compared to the three months ended March 31, 2024

Revenue

The Company had gross revenues of $6,229,335 for the three months ended March 31, 2025, as compared to $6,690,880 for the three months ended March 31, 2024, a decrease of $461,545 or 7%. Power generation units and parts, and service and repairs, both decreased as compared to the prior period.

Expenses

The Company's operating expenses decreased by $939,334 to $8,010,107 for the three-month period ended March 31, 2025, from $8,949,441 in the corresponding prior year three-month period. Cost of goods sold for the three months ended March 31, 2025 were $4,648,824, as compared to $4,572,757 for the three-month period ended March 31, 2024 due to lower margins. General and administrative expenses decreased by $595,565 to $3,224,436 compared to $3,820,001 in the corresponding prior period. Depreciation, depletion and amortization ("DD&A") expense decreased to $136,847 as compared to $228,799 in the prior period.

Loss from Operations

The Company generated a loss from operations for the three months ended March 31, 2025 of $(1,780,772), compared to $(2,258,561) for the three months ended March 31, 2024.

Other Income (Expense)

The Company had other expense, net, of $(1,410,881) for the three months ended March 31, 2025, as compared to other expense, net of $(24,359,654) for the three months ended March 31, 2024. The lower expense was due primarily to a decrease of $21,850,116 in expense related to the change in the fair value of derivatives as compared to the prior year.

Net Loss

The Company had a net loss of $(3,191,653) during the three-month period ended March 31, 2025, compared with a net loss of $(26,618,215) for the three-month period ended March 31, 2024.

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CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We prepare our condensed consolidated financial statements in conformity with U.S. GAAP, which requires management to make certain estimates and assumptions and apply judgments. We base our estimates and judgments on historical experience, current trends and other factors that management believes to be important at the time the consolidated financial statements are prepared and actual results could differ from our estimates and such differences could be material. Due to the need to make estimates about the effect of matters that are inherently uncertain, materially different amounts could be reported under different conditions or using different assumptions. On a regular basis, we review our critical accounting policies and how they are applied in the preparation of our

condensed consolidated financial statements, as well as the sufficiency of the disclosures pertaining to our accounting policies in the footnotes accompanying our condensed consolidated financial statements. Described below are the most significant policies we apply in preparing our condensed consolidated financial statements, some of which are subject to alternative treatments under GAAP. We also describe the most significant estimates and assumptions we make in applying these policies. See “Note 3 - Summary of Significant Accounting Policies” to our condensed consolidated financial statements.

Consolidation of Variable Interest Entities

The Company consolidates the financial results of its subsidiaries, defined as entities in which the Company holds a controlling financial interest.

Several of the Company’s subsidiaries are considered to be Variable Interest Entities (“VIE’s”) which are defined as an entity for which any of the following conditions exist:

1. The total equity is not sufficient to permit the entity to finance its activities without additional subordinated financial support.
2. The equity holders as a group have one of the following four characteristics:
    i. Lack the power to direct activities that most significantly impact the entity’s economic performance.
    ii. Possess non-substantive voting rights.
    iii. Lack the obligation to absorb the entity’s expected losses.
    iv. Lack the right to receive the entity expected residual returns.

The Company consolidates the financial results of a VIE when it is determined that the Company is the primary beneficiary of the VIE.

Revenue Recognition

Power Generation Revenues

Through its 60.5% ownership in Simson-Maxwell, the Company manufactures and sells power generation products, services and custom energy solutions.

Sale of Power Generation Units

The Company considers a completed unit to be a performance obligation for purposes of revenue recognition and recognizes revenue when control of the product is transferred to the customer, which typically occurs upon shipment or delivery to the customer. Commissioning of the unit is considered to be a separate performance obligation for which revenue is recognized when the commissioning is completed. Progress payments are recognized as contract liabilities until the completed unit is delivered. Revenue is measured as the amount of consideration the Company expects to be entitled to in exchange for the transfer of the unit and commissioning of the unit, which is generally the price stated in the contract. The Company does not allow returns because of the customized nature of the units and does not offer discounts, rebates, or other promotional incentives or allowances to customers. Simson-Maxwell has elected to recognize the cost for freight activities when control of the product has transferred to the customer as an expense within cost of goods.

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Parts Revenue

The Company considers the purchase orders for parts, which in some cases are governed by master sales agreements, to be the contracts with the customers. For each contract, the Company considers the commitment to transfer products, each of which is distinct, to be the identified performance obligations. Revenue is measured as the amount of consideration the Company expects to be entitled to in exchange for the transfer of product, which is generally the price stated in the contract specific for each item sold, adjusted for the value of expected returns. Simson-Maxwell has elected to recognize the cost for freight activities when control of the product has transferred to the customer as an expense within cost of goods sold in the consolidated statements of comprehensive income. Parts revenues are recognized at the point in time when control of the product is transferred to the customer, which typically occurs upon shipment or delivery to the customer.

Service and Repairs

Service and repairs are generally performed on customer owned equipment and billed based on labor hours incurred. Each repair is considered a performance obligation. As a result of control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Simson-Maxwell generally uses the cost-to-cost measure of progress for its service work because the customer controls the asset as it is being serviced. Most service and repairs are completed in one or two days.

Intangible Assets

Intangible assets include amounts capitalized for the Company's license agreement with ESG as described in Note 1. This asset is amortized on a straight-line basis over the remaining life of the related patents being licensed, which is approximately 16 years.

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With the acquisition of a 51% interest in Viking Ozone, Viking Sentinel and Viking Protection, as described in Note 8, the Company has aggregate intangible assets of $15,433,340. These assets have an indefinite life and are not being amortized.

The Company reviews these intangible assets, at least annually, for possible impairment when events or changes in circumstances that the assets carrying amount may not be recoverable. In evaluating the future benefit of its intangible assets, the Company estimates the anticipated discounted future net cash flows of the intangible assets over the remaining estimated useful life. If the carrying amount is not recoverable, an impairment loss is recorded for the excess of the carrying value of the asset over its fair value.

Derivative Liability

The Series C Preferred Stock COD contains provisions that could result in modification of the Series C Preferred Stock conversion price that is based on a variable that is not an input to the fair value of a "fixed-for-fixed" option as defined under FASB ASC Topic No. 815 - 40.

The Series C Preferred Stock are convertible into shares of common stock at a fixed $162.50 conversion rate. Upon conversion, the holder is entitled to dividends as if the shares had been held to maturity, which is referred to as the Conversion Premium. The Conversion Premium may be paid in shares or cash, at the option of the Company. If the Conversion Premium is paid in cash, the amount is fixed and not subject to adjustment. If the Conversion Premium is paid in shares, the conversion ratio is based on a VWAP calculation based on the lowest stock price over the Measurement Period. The Measurement Period is 30 trading days (or 60 trading days if there is a Triggering Event) prior to the conversion date and 30 trading days (or 60 trading days if there is a Triggering Event) after the conversion date. The VWAP calculation is subject to adjustment if there is a Triggering Event and the Measurement Period is subject to adjustment in the event that the Company is in default of one or more Equity Conditions provided in the COD. For example, the Measurement period may be extended one day for every day the Company is not in compliance with one or more of the Equity Conditions. Trigger events are described in the designation of the Series C Preferred Stock, but include items which would typically be events of default under a debt security, including filing of reports late with the SEC.

At the conversion date, the number of shares due for the Conversion Premium is estimated based on the previous 30-day VWAP. If the Company does not elect to pay the Conversion Premium in cash, the Company will issue all shares due for the conversion and the estimated shares due for the conversion premium. If the VWAP calculation for the portion of the Measurement Period following the date of conversion is lower than the VWAP for the portion of the Measurement Period prior to the date of conversion, the holder will be issued additional shares of common stock, referred to as True-Up shares. If the VWAP calculation is higher, no True-Up shares are issued.

The Company has determined that the Series C Preferred Stock contains an embedded derivative liability relating to the Conversion Premium and, upon conversion, a derivative liability for the potential obligation to issue True-Up Shares relating to Series C shares that have been converted and the Measurement Period has not expired, if applicable.

The fair value of the derivative liability relating to the Conversion Premium for any outstanding Series C Shares is equal to the cash required to settle the Conversion Premium. The fair value of the potential True-Up share obligation has been estimated using a binomial pricing mode and the lesser of the conversion price or the low closing price of the Company's stock subsequent to the conversion date and the historical volatility of the Company's common stock.

Capitalized terms used but not defined in this section have the meaning assigned to them in the Series C COD.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company, as a smaller reporting company (as defined by Rule 12b-2 of the Exchange Act), is not required to furnish the information required by this item.

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ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company does not currently maintain controls and procedures that are designed to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act are recorded, processed, summarized, and reported within the time periods specified by the Commission's rules and forms. Disclosure controls and procedures would include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of management, including the Company's Chief Executive Officer, the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 31, 2025, have been evaluated, and, based upon this evaluation, the Company's Chief Executive Officer has concluded that these controls and procedures were not effective.

Material Weaknesses and Changes in Internal Control over Financial Reporting

Management has identified the following material weaknesses in the Company's system of internal control over financial reporting:

1. The Company does not have sufficient staff to maintain a proper segregation of duties;

2. The Company lacks sufficient internal resources to analyze, interpret, and monitor compliance with complex accounting issues; and

3. The Company has not designed controls to ensure that financial information is reviewed and approved by an individual at the same or higher level than the preparer of the financial information. Specifically, the CFO is the primary preparer of most of the financial information, including the complex accounting areas such as equity transactions, derivative liabilities, impairment and business combinations. There is no review or approval of this information.

Management of the Company is addressing these material weaknesses by hiring additional staff and seeking the assistance of subject matter experts for accounting advice on complex matters. Management will continue to monitor and evaluate the effectiveness of the Company's internal controls and procedures and the Company's internal controls over financial reporting on an ongoing basis and are committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

There were no changes in Internal Control Over Financial Reporting during the quarter ended March 31, 2025.

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PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company may be involved in litigation relating to claims arising out of commercial operations in the normal course of business. As of March 31, 2025, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the Company's results of operations.

Merger-Related Litigation

On February 9, 2024, plaintiff Lawrence Rowe, on behalf of himself and all other similarly situated former public minority shareholders of Viking, filed against the Company and its CEO a putative Class Action Complaint (i.e. C.A. No.4:24-cv-00489) styled *Lawrence Rowe, Individually and on Behalf of All Others Similarly Situated v. James A. Doris and Camber Energy, Inc.*, in the U.S. District Court for the Southern District of Texas, Houston Division. The complaint alleges breaches of fiduciary duty in connection with the merger between Viking and the Company and seeks to recover damages for the alleged breaches. The defendants deny the allegations and filed a motion to dismiss ("MTD") the case on April 26, 2024. The MTD hearing was held on August 30, 2024. On March 31 2025, the U.S. District Court for the Southern District of Texas, Houston Division, granted a motion by the Company to dismiss the complaint with prejudice. The deadline for the Plaintiff to appeal the Court's decision expired on April 30, 2025.

Maranatha Oil Matter

In November 2015, Randy L. Robinson, d/b/a Maranatha Oil Co. sued the Company in Gonzales County, Texas (Cause No. 26160). The plaintiff alleged that it assigned oil and gas leases to the Company in April 2010, retaining a 4% overriding royalty interest and 50% working interest and that the Company failed to pay such overriding royalty interest or royalty interest. The interests relate to certain oil and gas properties which the Company subsequently sold to Nordic Oil USA in April 2013. The petition alleges causes of actions for breach of contract, failure to pay royalties, non-payment of working interest, fraud, fraud in the inducement of contract, money had and received, constructive trust, violation of theft liability act, continuing tort and fraudulent concealment. The suit seeks approximately $100,000 in amounts alleged owed, plus pre-and post-judgment interest. The Company has filed a denial to the claims and intends to vehemently defend itself against the allegations.

ITEM 1A. RISK FACTORS

As a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, the Company is not required to provide the information under this item.

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ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the three months ended March 31, 2025, the Company issued unregistered equity securities as described below:

The Company issued a total of 6,645,406 shares of common stock to preferred stockholders. Such shares of common stock were due under one of the stockholder's prior conversions of Series C Preferred Stock into common stock, and were issued pursuant to the exemptions from registration provided by Sections 3(a)(9), 3(a)(10), 4(a)(1) and 4(a)(2) of the Securities Act of 1933, as amended, and/or Rule 144 promulgated thereunder, as the shares of common stock were issued in exchange for preferred stock of the Company held by the preferred stockholder, there was no additional consideration for the exchanges, there was no remuneration for the solicitation of the exchanges, the exchanged securities had been held by the preferred stockholder for the requisite holding period, the preferred stockholder was not an affiliate of the Company, the Company was not a shell company, there was no general solicitation and the transactions with the shareholders did not involve a public offering.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Arrangements

During the three months ended March 31, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

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ITEM 6. EXHIBITS

10.1	**Share Subscription Agreement, dated April 1, 2025, by and among Viking Energy Group, Inc., T&T Power Group Inc., Simson-Maxwell Ltd., Remora EQ LP, and Simmax Corp. (Filed as Exhibit 10.1 to Camber's Current Report on Form 8-K, filed with the Commission on April 1, 2025 and incorporated herein by reference)**
10.2	**Unanimous Shareholders Agreement, dated April 1, 2025, by and among Simson-Maxwell Ltd., Viking Energy Group, Inc., and T&T Power Group Inc. (Filed as Exhibit 10.2 to Camber's Current Report on Form 8-K, filed with the Commission on April 1, 2025 and incorporated herein by reference)**
10.3	**Agreement, dated April 7, 2025, by and among Camber Energy, Inc., Viking Energy Group, Inc., and FK Venture LLC. (Filed as Exhibit 10.1 to Camber's Current Report on Form 8-K, filed with the Commission on April 8, 2025 and incorporated herein by reference)**
10.4	**Convertible Promissory Note, dated April 7, 2025, issued by Camber Energy, Inc. to FK Venture LLC. (Filed as Exhibit 10.2 to Camber's Current Report on Form 8-K, filed with the Commission on April 8, 2025 and incorporated herein by reference)**
10.5	**Form of Promissory Note, dated April 29, 2025, issued by Viking Ozone Technology, LLC, a majority-owned subsidiary of Viking Energy Group, Inc. (a wholly-owned subsidiary of Camber Energy, Inc.). (Filed as Exhibit 10.1 to Camber's Current Report on Form 8-K, filed with the Commission on May 5, 2025 and incorporated herein by reference)**
31.1*	**Certification of Principal Executive Officer required by Rule 13a-14(1) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**
31.2*	**Certification of Principal Financial and Accounting Officer required by Rule 13a-14(1) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**
32.1*	**Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and Section 1350 of 18 U.S.C. 63**
32.2*	**Certification of Principal Financial and Accounting Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and Section 1350 of 18 U.S.C. 63**
101.INS**	**Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)**
101.SCH**	**Inline XBRL Taxonomy Extension Schema Document**
101.CAL**	**Inline XBRL Taxonomy Extension Calculation Linkbase Document**
101.DEF**	**Inline XBRL Taxonomy Extension Definition Linkbase Document**
101.LAB**	**Inline XBRL Taxonomy Extension Label Linkbase Document**
101.PRE**	**Inline XBRL Taxonomy Extension Presentation Linkbase Document**
104	**Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)**

* Filed herewith

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18

of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

ITEM 7. OFF BALANCE-SHEET ARRANGEMENTS

None.

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SIGNATURES

In accordance with the requirements of Section 13 or 15(d) of the Securities Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CAMBER ENERGY, INC.
(Registrant)

/s/ James Doris Date: May 21, 2025
Principal Executive Officer

/s/ John McVicar Date: May 21 , 2025
Principal Financial and Accounting Officer

EX-31.1
EX-31.1 2 cei_ex311.htm CERTIFICATION

EXHIBIT 31.1

CAMBER ENERGY, INC.
Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, James Doris, Principal Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Camber Energy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that was materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors:

   (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 21, 2025

/s/ James Doris

James Doris
Principal Executive Officer

EX-31.2
EX-31.2 3 cei_ex312.htm CERTIFICATION

EXHIBIT 31.2

CAMBER ENERGY, INC.
Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, John McVicar, Principal Financial and Accounting Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Camber Energy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that was materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors:

   (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 21, 2025

/s/ John McVicar

John McVicar
Principal Financial and Accounting Officer

EX-32.1
EX-32.1 4 cei_ex321.htm CERTIFICATION

EXHIBIT 32.1

CAMBER ENERGY, INC.
Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Camber Energy, Inc. (the Company) on Form 10-Q for the quarterly period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, James Doris, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James Doris
James Doris
Principal Executive Officer

May 21, 2025

EX-32.2
EX-32.2 5 cei_ex322.htm CERTIFICATION

EXHIBIT 32.2

CAMBER ENERGY, INC.
Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Camber Energy, Inc. (the Company) on Form 10-Q for the quarterly period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, John McVicar, Principal Financial and Accounting Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ John McVicar
John McVicar
Principal Financial and Accounting Officer

May 21, 2025