

8-K - 2020-06-01

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8-K

8-K 1 cei-8k_052720.htm CURRENT REPORT

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 27, 2020**

Camber Energy, Inc.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation)

001-32508

(Commission File Number)

20-2660243

(I.R.S. Employer Identification No.)

1415 Louisiana, Suite 3500, Houston, Texas 77002

(Address of principal executive offices)

(210) 998-4035

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ? Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ? Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ? Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ? Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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	CEI	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). ?

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. ?

Explanatory Note

As previously disclosed in the [Current Report on Form 8-K](#) filed on February 5, 2020, by Camber Energy, Inc. (“Camber” or the “Company”), the Company, on February 3, 2020, entered into an Agreement and Plan of Merger (the “[Merger Agreement](#)”) with Viking Energy Group, Inc. (“Viking”), which contemplates a newly-formed wholly-owned subsidiary of Camber merging with and into Viking (the “[Merger](#)”), with Viking surviving the Merger as a wholly-owned subsidiary of Camber. This Current Report on Form 8-K is being filed to disclose an amendment to the Merger Agreement.

Item 1.01. Entry into a Material Definitive Agreement.

On May 27, 2020, Viking and Camber entered into the First Amendment to Agreement and Plan of Merger (the “[First Amendment](#)”) to amend the Merger Agreement to (i) modify the Camber Percentage (as defined below) adjustment mechanism to cap the aggregate Camber Percentage Increase (as defined below) or Camber Percentage Decrease (as defined below) at 5%; (ii) modify the events resulting in such adjustments; (iii) correct a prior error with such calculation which discussed Camber being required to have \$4 million in cash at closing; and (iv) agree that neither party will raise capital from the other party’s existing shareholders without the prior written consent of the other party.

Upon the terms and subject to the conditions set forth in the Merger Agreement, at the effective time of the Merger (the “[Effective Time](#)”), each share of common stock, par value \$0.001 per share, of Viking (the “[Viking Common Stock](#)”) issued and outstanding immediately prior to the Effective Time, other than certain shares owned by Camber, Viking and Camber’s merger subsidiary (which will be cancelled), will be converted into the right to receive the pro rata share of 80% of Camber’s post-Effective Time capitalization (Camber’s 20% share being defined herein as the “[Camber Percentage](#)”), taking into account the number of shares of common stock of Camber outstanding on a fully-diluted basis and without taking into account any shares of common stock which the holder of Camber’s Series C Preferred Stock can receive upon conversion of the Series C Preferred Stock, or a separate series of preferred stock issued in exchange for such Series C Preferred Stock, which has fixed conversion provisions. Holders of Viking Common Stock will have any fractional shares of Camber common stock after the Merger rounded up to the nearest whole share.

The Merger Agreement, as amended by the First Amendment, provides that the Camber Percentage is to be adjusted as follows: (i) for each (A) \$500,000 in Camber unencumbered cash (without any associated debt) available for use by the combined company (the “[Combined Company](#)”) after the Effective Time, with a permitted use being to, among other things, pay debt obligations of Viking outside of Viking’s Ichor division or Elysium division, which comes from equity sold by Camber for cash from February 3, 2020, through the Effective Time, which is not contingent or conditional upon the closing of the Merger (the “[Camber Surplus Cash](#)”), or (B) \$500,000 in other unencumbered assets acquired by Camber after the date of First Amendment and prior to closing without increasing Camber’s liabilities (the “[Other Camber Surplus Assets](#)”), the Camber Percentage will increase by an incremental 0.5% (a “[Camber Percentage Increase](#)”); and (ii) for each additional \$500,000 in Viking unencumbered cash (without any associated debt) for use by the Combined Company after the Effective Time which is not contingent or conditional upon the closing of the Plan of Merger, with a permitted use being to, among other things, pay debt obligations of Viking outside of Viking’s Ichor division or Elysium division in excess of \$500,000 at Closing, which comes from equity sold by Viking for cash from February 3, 2020 through the Effective Time, the Camber Percentage will decrease by an incremental 0.5% (a “[Camber Percentage Decrease](#)”). The aggregate Camber Percentage Increase or Camber Percentage Decrease shall not exceed 5% pursuant to this particular section of the Merger Agreement, and neither party will raise capital from the other party’s existing shareholders without the prior written consent of such other party.

The foregoing description of the First Amendment is not a complete summary and is qualified in its entirety by reference to the full text of the First Amendment, which is filed as [Exhibit 2.2](#) to this Current Report on Form 8-K and incorporated by reference into this [Item 1.01](#).

Item 8.01 Other Events.

On May 12, 2020, the Company entered into the first amendment to the prior letter agreement the Company had entered into on February 19, 2020 with Sylva International LLC d/b/a SylvaCap Media (“SylvaCap”), pursuant to which SylvaCap agreed to act as the Company’s non-exclusive digital marketing service provider. Pursuant to the amendment, the Company and SylvaCap extended the term of the letter agreement to October 19, 2020.

On June 1, 2020, Viking and Camber each published a joint press release announcing the entry into the First Amendment. A copy of the press release is included herewith as Exhibit 99.1, and the information in the press release is incorporated by reference into this Item 8.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description of Exhibit
2.1#	Agreement and Plan of Merger, dated as of February 3, 2020, by and between Viking Energy Group, Inc. and Camber Energy, Inc. (Filed as Exhibit 2.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on February 5, 2020, and incorporated by reference herein)(File No. 001-32508)
2.2*	First Amendment to Agreement and Plan of Merger, dated as of May 27, 2020, by and between Viking Energy, Inc. and Camber Energy, Inc.
99.1**	Press release dated June 1, 2020

* Filed herewith.

** Furnished herewith.

Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or Exhibit will be furnished supplementally to the Securities and Exchange Commission upon request; provided, however that Camber Energy, Inc. may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedule or Exhibit so furnished.

Forward-Looking Statements

Certain of the matters discussed in this communication which are not statements of historical fact constitute forward-looking statements that involve a number of risks and uncertainties and are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Words such as “strategy,” “expects,” “continues,” “plans,” “anticipates,” “believes,” “would,” “will,” “estimates,” “intends,” “projects,” “goals,” “targets” and other words of similar meaning are intended to identify forward-looking statements but are not the exclusive means of identifying these statements.

Important factors that may cause actual results and outcomes to differ materially from those contained in such forward-looking statements include, without limitation, the occurrence of any event, change or other circumstances that could give rise to the parties failing to complete the merger on the terms disclosed, if at all, the right of one or both of Viking or Camber to terminate the merger agreement and the result of such termination; the outcome of any legal proceedings that may be instituted against Viking, Camber or their respective directors; the ability to obtain regulatory approvals and meet other closing conditions to the merger on a timely basis or at all, including the risk that regulatory approvals required for the merger are not obtained on a timely basis or at all, or which are obtained subject to conditions that are not anticipated or that could adversely affect the combined company or the expected benefits of the transaction; the ability to obtain approval by Viking stockholders and Camber stockholders on the expected schedule; required closing conditions which may not be able to be met and/or consents which may not be able to be obtained; difficulties and delays in integrating Viking’s and Camber’s businesses; prevailing economic, market, regulatory or business conditions, or changes in such conditions, negatively affecting the parties, including, but not limited to, as a result of the recent volatility in oil and gas prices and the status of the economy (both US and global) due to the Covid-19 pandemic and actions taken to slow the spread of Covid-19; risks that the transaction disrupts Viking’s or Camber’s current plans and operations; failing to fully realize anticipated cost savings and other anticipated benefits of the merger when expected or at all; potential adverse reactions or changes to business relationships resulting from the announcement or completion of the merger; the ability of Camber to obtain the approval of the Series C Preferred Stock

holder to close the Merger; the ability of Viking or Camber to retain and hire key personnel; the diversion of management's attention from ongoing business operations; uncertainty as to the long-term value of the common stock of the combined company following the merger; the continued availability of capital and financing following the merger; the business, economic and political conditions in the markets in which Viking and Camber operate; and the fact that Viking's and Camber's reported earnings and financial position may be adversely affected by tax and other factors.

Other important factors that may cause actual results and outcomes to differ materially from those contained in the forward-looking statements included in this communication are described in Viking's and Camber's publicly filed reports, including Viking's Annual Report on Form 10-K for the year ended December 31, 2019, Camber's Annual Report on Form 10-K for the year ended March 31, 2019 and subsequently filed Quarterly Reports on Form 10-Q for each of Viking and Camber.

Viking and Camber caution that the foregoing list of important factors is not complete, and they do not undertake to update any forward-looking statements that either party may make except as required by applicable law. All subsequent written and oral forward-looking statements attributable to Viking, Camber or any person acting on behalf of either party are expressly qualified in their entirety by the cautionary statements referenced above.

Additional Information and Where to Find It

In connection with the planned merger, Camber will file with the Securities and Exchange Commission (SEC) a registration statement on Form S-4 to register the shares of Camber's common stock to be issued in connection with the merger. The registration statement will include a preliminary joint proxy statement/prospectus which, when finalized, will be sent to the respective stockholders of Viking and Camber seeking their approval of their respective transaction-related proposals. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT ON FORM S-4 AND THE RELATED JOINT PROXY STATEMENT/PROSPECTUS INCLUDED WITHIN THE REGISTRATION STATEMENT ON FORM S-4, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC IN CONNECTION WITH THE PLANNED MERGER, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT VIKING, CAMBER AND THE PLANNED MERGER.

Investors and security holders may obtain copies of these documents free of charge through the website maintained by the SEC at www.sec.gov or from Viking at its website, www.vikingenergygroup.com, or from Camber at its website, www.camber.energy. Documents filed with the SEC by Viking will be available free of charge by accessing Viking's website at www.vikingenergygroup.com under the heading "Investors," or, alternatively, by directing a request by telephone or mail to Viking Energy Group, Inc. at 15915 Katy Freeway, Suite 450, Houston, Texas, 77094, (281) 404-4387, and documents filed with the SEC by Camber will be available free of charge by accessing Camber's website at www.camber.energy under the heading "Investors" – "SEC Filings" or, alternatively, by directing a request by telephone or mail to Camber Energy, Inc. at 1415 Louisiana, Suite 3500, Houston, Texas, 77002, (210) 998-4035.

Participants in the Solicitation

Viking, Camber and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the respective stockholders of Viking and Camber in respect of the planned merger under the rules of the SEC. Information about Viking's directors and executive officers is available in Viking's Annual Report on Form 10-K for the year ended December 31, 2019. Information about Camber's directors and executive officers is available in Camber's Annual Report on Form 10-K for the year ended March 31, 2019 and its definitive proxy statement for its 2020 annual meeting of shareholders. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the merger when they become available. Investors should read the joint proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions. You may obtain free copies of these documents from Viking or Camber using the sources indicated above.

No Offer or Solicitation

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CAMBER ENERGY, INC.

By: /s/ Robert Schleizer
Name: *Robert Schleizer*
Title: Chief Financial Officer

Date: June 1, 2020

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
<u>2.1#</u>	<u>Agreement and Plan of Merger, dated as of February 3, 2020, by and between Viking Energy Group, Inc. and Camber Energy, Inc. (Filed as Exhibit 2.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on February 5, 2020, and incorporated by reference herein)(File No. 001-32508)</u>
<u>2.2*</u>	<u>First Amendment to Agreement and Plan of Merger, dated as of May 27, 2020, by and between Viking Energy, Inc. and Camber Energy, Inc.</u>
<u>99.1**</u>	<u>Press release dated June 1, 2020</u>

* Filed herewith.

** Furnished herewith.

Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or Exhibit will be furnished supplementally to the Securities and Exchange Commission upon request; provided, however that Camber Energy, Inc. may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedule or Exhibit so furnished.

**FIRST AMENDMENT TO
AGREEMENT AND PLAN OF MERGER**

This First Amendment to Agreement and Plan of Merger (this “**Agreement**”), dated and effective as of May [], 2020 (the “**Effective Date**”), amends that certain Agreement and Plan of Merger dated February 3, 2020¹ (the “**Plan of Merger**”), by and between Viking Energy Group, Inc., a Nevada corporation (“**Viking**”), and Camber Energy, Inc., a Nevada corporation (“**Camber**”). Certain capitalized terms used below but not otherwise defined shall have the meanings given to such terms in the Plan of Merger.

WHEREAS, Camber and Viking desire to amend the Plan of Merger on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the premises and the mutual covenants, agreements, and considerations herein contained, and other good and valuable consideration, which consideration the parties hereby acknowledge and confirm the receipt and sufficiency thereof, the parties hereto agree as follows:

1. Amendments to Plan of Merger. Effective as of the Effective Date, Section 1.5(b) of the Plan of Merger is amended and restated to provide as follows:

“(b) Subject to Section 2.2(e), each share of Viking Common Stock issued and outstanding immediately prior to the Effective Time, except for shares of Viking Common Stock that are owned by Camber, Viking or Merger Sub (the “**Cancelled Shares**”), shall be converted into the right to receive a number of shares (the “**Merger Consideration**”) of Camber Common Stock equal to the following (the “**Exchange Ratio**”): the number of shares of Camber Common Stock considered outstanding on a fully diluted basis immediately prior to Closing, excluding any shares into which the Series C Preferred Stock may be convertible, multiplied by the difference between 100 and the Camber Percentage (as defined below), divided by the Camber Percentage, divided by the number of shares of Viking Common Stock considered outstanding on a fully diluted basis immediately prior to Closing, rounded up to the nearest one-hundred thousandth (1/100,000th). The “**Camber Percentage**” shall initially equal 20, and the Camber Percentage shall be subject to adjustment as follows: (i) for each (A) additional \$500,000 of unencumbered cash (without any associated debt) available for use by the Combined Company after the Effective Time, with a permitted use being to, among other things, pay debt obligations of Viking outside of Viking’s Ichor division or Elysium division, which comes from equity sold by Camber for cash from February 3, 2020 through the Effective Time which is not contingent or conditional upon the closing of the Plan of Merger (the “**Camber Surplus Cash**”), or (B) \$500,000 in other unencumbered assets acquired by Camber after the date hereof and prior to Closing without increasing Camber’s liabilities (the “**Other Camber Surplus Assets**”), the Camber Percentage shall be increased by 0.5 (a “**Camber Percentage Increase**”), or subject to the written agreement of both parties, such Camber Surplus Cash or Other Camber Surplus Assets, as applicable, shall be distributed to the Camber Common Stock holders subject to applicable Law; and (ii) for each additional \$500,000 in Viking unencumbered cash (without any associated debt) available for use by the Combined Company after the Effective Time which is not contingent or conditional upon the closing of the Plan of Merger, with a permitted use being to, among other things, pay debt obligations of Viking outside of Viking’s Ichor division or Elysium division (“**Viking Unencumbered Cash**”) in excess of \$500,000 at Closing, which comes from equity sold by Viking for cash from February 3, 2020 through the Effective Time (the “**Viking Surplus Cash**”), the Camber Percentage shall decrease by 0.5 (a “**Camber Percentage Decrease**”). It is understood and agreed by each of Camber and Viking that neither party will raise capital from the other party’s existing shareholders without the prior written consent of such other party, including, but not limited to Viking contacting Discover Growth Fund for such purpose. Notwithstanding the above, the aggregate Camber Percentage Increase shall not exceed 5% and the aggregate Camber Percentage Decrease shall not exceed 5% pursuant to adjustments made to the Camber Percentage pursuant to this Section 1.5(b).”

¹ <https://www.sec.gov/Archives/edgar/data/1309082/000158069520000068/ex2-1.htm>

2. **Consideration**. Each of the parties agrees and confirms by signing below that they have received valid consideration in connection with this Agreement and the transactions contemplated herein.

3. **Mutual Representations, Covenants and Warranties**. Each of the parties, for themselves and for the benefit of each of the other parties hereto, represents, covenants and warranties that:

(a) Such party has all requisite power and authority, corporate or otherwise, to execute and deliver this Agreement and to consummate the transactions contemplated hereby and thereby. This Agreement constitutes the legal, valid and binding obligation of such party enforceable against such party in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and general equitable principles;

(b) The execution and delivery by such party and the consummation of the transactions contemplated hereby and thereby do not and shall not, by the lapse of time, the giving of notice or otherwise: (i) constitute a violation of any law; or (ii) constitute a breach of any provision contained in, or a default under, any governmental approval, any writ, injunction, order, judgment or decree of any governmental authority or any contract to which such party is bound or affected; and

(c) Any individual executing this Agreement on behalf of an entity has authority to act on behalf of such entity and has been duly and properly authorized to sign this Agreement on behalf of such entity.

4. **Further Assurances**. The parties agree that, from time to time, each of them will take such other action and to execute, acknowledge and deliver such contracts, deeds, or other documents as may be reasonably requested and necessary or appropriate to carry out the purposes and intent of this Agreement and the transactions contemplated herein.

5. **Effect of Agreement**. Upon the effectiveness of this Agreement, each reference in the Plan of Merger to "**Agreement**," "**hereunder**," "**hereof**," "**herein**" or words of like import shall mean and be a reference to such Plan of Merger as modified or amended hereby.

6. **Plan of Merger to Continue in Full Force and Effect.** Except as specifically modified or amended herein, the Plan of Merger and the terms and conditions thereof shall remain in full force and effect.

7. **Entire Agreement.** This Agreement sets forth all of the promises, agreements, conditions, understandings, warranties and representations among the parties with respect to the transactions contemplated hereby and thereby, and supersedes all prior agreements, arrangements and understandings between the parties, whether written, oral or otherwise.

8. **Construction.** In this Agreement words importing the singular number include the plural and vice versa; words importing the masculine gender include the feminine and neuter genders.

9. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada, without reference to conflicts of law principles except to the extent that United States federal law preempts Nevada law, in which case United States federal law (including, without limitation, copyright, patent and federal trademark law) shall apply, without reference to conflicts of law principles.

10. **Heirs, Successors and Assigns.** This Agreement shall bind and inure to the benefit of the parties and their respective successors and permitted assigns. Neither party shall be able to assign this Agreement without the prior written consent of the other party; provided, that, either party can assign this Agreement to a successor to all or substantially all of its business to which this Agreement relates, whether by asset sale, merger, reorganization or otherwise.

11. **Counterparts and Signatures.** This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments hereto or thereto, may be executed in one or more counterparts, all of which shall constitute one and the same instrument. Any such counterpart, to the extent delivered by means of a facsimile machine or by .pdf, .tif, .gif, .jpeg or similar attachment to electronic mail (any such delivery, an “**Electronic Delivery**”) shall be treated in all manner and respects as an original executed counterpart and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No party shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent such defense relates to lack of authenticity.

[Remainder of page left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written to be effective as of the Effective Date.

“Camber”

CAMBER ENERGY, INC.

/s/ Louis G. Schott

Name: Louis G. Schott

Title: Interim Chief Executive Officer

“Viking”

VIKING ENERGY GROUP, INC.

/s/ James A. Doris

Name: James A. Doris

Title: Chief Executive Officer

Page 4 of 4

First Amendment to Agreement and Plan of
Merger

Exhibit 99.1**Camber Energy, Inc. and Viking Energy Group, Inc. Amend Definitive Merger Agreement Relating to Their Planned Combination and Provide Update on Status of Merger**

HOUSTON, TX – June 1, 2020 (GlobeNewswire) – Camber Energy, Inc. (NYSE American: CEI) (“**Camber**”) and **Viking Energy Group, Inc.** (OTCQB: VKIN) (“**Viking**”) today announced that they have entered into an amendment to the definitive Agreement and Plan of Merger (“**Merger Agreement**”) signed by the parties on February 3, 2020 (the “**Merger**”). Details regarding the Merger, along with a copy of the Merger Agreement, were included in Viking’s and Camber’s Current Reports on Form 8-K filed on February 5, 2020, with the Securities and Exchange Commission, and are available under “Investors” at www.vikingenergygroup.com and www.camber.energy. Terms were also summarized in press releases filed by each company on the same date.

The amendment (i) modified and clarified the mechanisms pursuant to which Camber’s and Viking’s post-combination percentage of Camber would be determined (without affecting any changes to the originally contemplated 80/20 percentage split between Viking and Camber, based on the fully-diluted post-merger capitalization of Camber, without taking into account Camber’s outstanding Series C Preferred Stock (Camber’s 80% split being defined as the “**Camber Percentage**”)); (ii) placed a cap of 5% (up or down) on the adjustment mechanism; (iii) corrected a prior error in the Merger Agreement relating to such calculation; and (iv) included a prohibition on either party raising capital from the other party’s existing shareholders without prior written consent.

As disclosed previously, the planned merger contemplates Camber issuing newly-issued shares of common stock to the equity holders of Viking in exchange for 100% of the outstanding equity securities of Viking by means of a reverse triangular merger in which a newly formed wholly-owned subsidiary of Camber will merge with and into Viking, with Viking continuing as the surviving corporation and as a wholly-owned subsidiary of Camber after the Merger. If the closing of the Merger occurs (the “**Closing**”), the Viking equity holders prior to the Merger will own approximately 80% of Camber’s issued and outstanding common stock immediately after the Merger (the “**Camber Percentage**”), and the Camber equity holders prior to the Merger shall own approximately 20% of Camber’s issued and outstanding common stock immediately after the Merger, subject to adjustment mechanisms set out in the Merger Agreement, and in each case on a fully-diluted, as-converted basis as of immediately prior to the Closing (including options, warrants and other rights to acquire equity securities of Viking or Camber), but without taking into account any shares of common stock issuable to the holder of Camber’s Series C Preferred Stock upon conversion of the Series C Preferred Stock. Completion of the Merger is subject to a number of closing conditions, as set out in the Merger Agreement.

Specifically, the Merger Agreement, as amended, provides that the Camber Percentage is to be adjusted as follows: (i) for each (A) \$500,000 in Camber unencumbered cash (without any associated debt) available for use by the combined company (the “**Combined Company**”) after the effective time of the Merger (the “**Effective Time**”), which comes from equity sold by Camber for cash from February 3, 2020, through the Effective Time, which is not contingent or conditional upon the closing of the Merger, or (B) \$500,000 in other unencumbered assets acquired by Camber prior to closing without increasing Camber’s liabilities, the Camber Percentage will increase by an incremental 0.5% (a “**Camber Percentage Increase**”); and (ii) for each additional \$500,000 in Viking unencumbered cash (without any associated debt) for use by the Combined Company after the Effective Time which is not contingent or conditional upon the closing of the Merger, in excess of \$500,000, which comes from equity sold by Viking for cash from February 3, 2020 through the Effective Time, the Camber Percentage will decrease by an incremental 0.5% (a “**Camber Percentage Decrease**”). The aggregate Camber Percentage Increase or Camber Percentage Decrease shall not exceed 5%.

Camber and Viking are also updating their previously planned next steps in the merger process and the anticipated timing associated with each item, as disclosed below:

<u>Event</u>	<u>Projected Timeline*</u>
Viking to file its Annual Report on Form 10-K for Viking's December 31, 2019 fiscal year end	Completed
Viking to file Current Report on Form 8-K/A including financial statements related to its February 3, 2020 acquisition	Completed
Camber to file Registration Statement on Form S-4 with preliminary joint proxy statement with the Securities and Exchange Commission	Early June 2020
Camber and Viking to receive Fairness Opinions regarding the planned Merger	Camber: Received in April 2020 Viking: Pending
Camber to file its Annual Report on Form 10-K for Camber's March 31, 2020 fiscal year end	June 2020
Camber and Viking to receive Shareholder Approval	Summer 2020
Camber to receive Stock Exchange Approval for the Merger	Summer 2020
Closing of the Merger	Summer 2020

*Estimate only. There is no guarantee items will be completed by such date, or at all. Such timeline may also need to be extended in connection with delays caused by the Covid-19 pandemic and governmental responses to such pandemic.

James Doris, President & CEO of Viking, stated, "We continue to be excited by the enhanced capabilities for greater liquidity and access to capital markets which will be available as a result of the combination of Viking and Camber and are pleased with the progress each party has made towards closing the Merger to date."

Louis G. Schott, Interim CEO of Camber, stated, "Camber is in the process of finalizing the initial draft Form S-4 Registration Statement for the Merger which we plan to file in the next week or so, and we look forward to closing the transaction this Summer."

About Viking:

Viking is an independent exploration and production company focused on the acquisition and development of oil and natural gas properties in the Gulf Coast and Mid-Continent region. The company owns oil and gas leases in Texas, Louisiana, Mississippi and Kansas. Viking targets undervalued assets with realistic appreciation potential.

About Camber:

Based in Houston, Texas, Camber Energy (NYSE American:CEI) is a growth-oriented, independent oil and gas company engaged in the development of crude oil, natural gas and natural gas liquids in Texas. For more information, please visit the company's website at www.camber.energy.

Forward-Looking Statements

Certain of the matters discussed in this communication which are not statements of historical fact constitute forward-looking statements that involve a number of risks and uncertainties and are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Words such as "strategy," "expects," "continues," "plans," "anticipates," "believes," "would," "will," "estimates," "intends," "projects," "goals," "targets" and other words of similar meaning are intended to identify forward-looking statements but are not the exclusive means of identifying these statements.

Important factors that may cause actual results and outcomes to differ materially from those contained in such forward-looking statements include, without limitation, the occurrence of any event, change or other circumstances that could give rise to the parties failing to complete the merger on the terms disclosed, if at all, the right of one or both of Viking or Camber to terminate the merger agreement and the result of such termination; the outcome of any legal proceedings that may be instituted against Viking, Camber or their respective directors; the ability to obtain regulatory approvals and meet other closing conditions to the merger on a timely basis or at all, including the risk that regulatory approvals required for the merger are not obtained on a timely basis or at all, or which are obtained subject to conditions that are not anticipated or that could adversely affect the combined company or the expected benefits of the transaction; the ability to obtain approval by Viking stockholders and Camber stockholders on the expected schedule; required closing conditions which may not be able to be met and/or consents which may not be able to be obtained; difficulties and delays in integrating Viking's and Camber's businesses; prevailing economic, market, regulatory or business conditions, or changes in such conditions, negatively affecting the parties, including, but not limited to, as a result of the recent volatility in oil and gas prices and the status of the economy (both US and global) due to the Covid-19 pandemic and actions taken to slow the spread of Covid-19; risks that the transaction disrupts Viking's or Camber's current plans and operations; failing to fully realize anticipated cost savings and other anticipated benefits of the merger when expected or at all; potential adverse reactions or changes to business relationships resulting from the announcement or completion of the merger; the ability of Camber to obtain the approval of its Series C Preferred Stock holder to close the Merger; the ability of Viking or Camber to retain and hire key personnel; the diversion of management's attention from ongoing business operations; uncertainty as to the long-term value of the common stock of the combined company following the merger; the continued availability of capital and financing following the merger; the business, economic and political conditions in the markets in which Viking and Camber operate; and the fact that Viking's and Camber's reported earnings and financial position may be adversely affected by tax and other factors.

Other important factors that may cause actual results and outcomes to differ materially from those contained in the forward-looking statements included in this communication are described in Viking's and Camber's publicly filed reports, including Viking's Annual Report on Form 10-K for the year ended December 31, 2019, Camber's Annual Report on Form 10-K for the year ended March 31, 2019 and subsequently filed Quarterly Reports on Form 10-Q for each of Viking and Camber.

Viking and Camber caution that the foregoing list of important factors is not complete, and they do not undertake to update any forward-looking statements that either party may make except as required by applicable law. All subsequent written and oral forward-looking statements attributable to Viking, Camber or any person acting on behalf of either party are expressly qualified in their entirety by the cautionary statements referenced above.

Additional Information and Where to Find It

In connection with the proposed merger, Camber will file with the SEC a registration statement on Form S-4 to register the shares of Camber's common stock to be issued in connection with the merger. The registration statement will include a preliminary joint proxy statement/prospectus which, when finalized, will be sent to the respective stockholders of Viking and Camber seeking their approval of their respective transaction-related proposals. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT ON FORM S-4 AND THE RELATED JOINT PROXY STATEMENT/PROSPECTUS INCLUDED WITHIN THE REGISTRATION STATEMENT ON FORM S-4, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED MERGER, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT VIKING, CAMBER AND THE PROPOSED MERGER.

Investors and security holders may obtain copies of these documents free of charge through the website maintained by the SEC at www.sec.gov or from Viking at its website, www.Viking.com, or from Camber at its website, www.Camber.com. Documents filed with the SEC by Viking will be available free of charge by accessing Viking's website at www.vikingenergygroup.com under the heading "Investors," or, alternatively, by directing a request by telephone or mail to Viking Energy Group, Inc. at 15915 Katy Freeway, Suite 450, Houston, Texas, 77094, (281) 404-4387, and documents filed with the SEC by Camber will be available free of charge by accessing Camber's website at www.camber.energy under the heading "Investors" – "SEC Filings", or, alternatively, by directing a request by telephone or mail to Camber Energy, Inc. at 1415 Louisiana, Suite 3500, Houston, Texas, 77002, (210) 998-4035.

Participants in the Solicitation

Viking, Camber and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the respective stockholders of Viking and Camber in respect of the proposed merger under the rules of the SEC. Information about Viking's directors and executive officers is available in Viking's Annual Report on Form 10-K for the year ended December 31, 2019. Information about Camber's directors and executive officers is available in Camber's Annual Report on Form 10-K for the year ended March 31, 2019 and its definitive proxy statement for its 2020 annual meeting of shareholders. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the merger when they become available. Investors should read the joint proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions. You may obtain free copies of these documents from Viking or Camber using the sources indicated above.

No Offer or Solicitation

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.
