

July 20, 2017



Camber Energy Announces Fiscal Year 2017 Results

HOUSTON, July 20, 2017 /PRNewswire/ -- Camber Energy, Inc. (NYSE MKT: CEI) ("Camber" or the "Company"), an independent oil and gas company, announces that it filed its fiscal year-end results for the twelve-month period ending March 31, 2017 and the filing of its Annual Report on Form 10-K on July 14, 2017.

"As indicated in our current 10-K filing, the Company has significant short term financial hurdles to overcome to continue operations. The new management team is in active negotiations addressing the issues but our independent registered public accounting firm has expressed concern about our ability to continue as a going concern," stated Robert Schleizer, the Company's Interim Chief Financial Officer.

Fiscal 2017 Annual Results

For the twelve months ending March 31, 2017, Camber reported a fiscal year net loss of \$89.1 million, or a loss of \$6.94 per share, compared to a net loss of \$25.4 million, or a loss of \$17.58 per share, in the twelve months ending March 31, 2016. Fiscal year 2017 included impairment charges related to the full-cost write-down of its oil and gas assets and lease expirations of \$79.1 million compared to a \$21.4 million impairment charge in the fiscal year 2016 results. Excluding for the impairment charges, the adjusted net loss for fiscal year 2017 was \$10.0 million, or a loss of \$0.78 per share, compared to an adjusted net loss of \$4.81 million, or a loss of \$2.80 per share, in fiscal 2016.

Total crude oil and natural gas revenues for the year ended March 31, 2017 increased \$4.3 million, or 448%, to \$5.3 million compared to \$1.0 million for the same period a year ago due primarily to higher production volumes as a result of the properties acquired in the Segundo transaction in August of 2016. Crude oil production rose by 64% to 36.3 million barrels of oil (Mbbbls), and the Company produced 546 million cubic feet (Mmcf) of natural gas and 975 Mbbbls of natural gas liquids (NGLs) compared to no natural gas or NGL production in fiscal 2016.

Lease operating expenses of \$3.2 million for the year ended March 31, 2017 increased \$2.5 million from \$0.7 million for the same period a year ago, principally due to the increased expenses associated with the asset acquisition. General and administrative expenses (excluding share-based compensation) increased approximately \$1.5 million or 62% for fiscal 2017 compared to the prior year.

Depreciation, depletion, amortization and accretion (DD&A) expenses for the 2017 fiscal year increased \$1.8 million primarily due to an increase in production volumes to 224.9 million BOE compared to 22.2 million BOE in 2016. 2017 average daily production was 616 barrels of oil per day (BOPD) compared to 61 BOPD in fiscal 2016, all of which was

produced from the Mid-Continent region.

During the year ended March 31, 2017, the Company recorded impairments totaling \$79.1 million, which represented \$10.9 million related to proved properties, \$18.7 million related to unproved properties, and \$49.5 million in conjunction with the acquisition of Mid-Continent assets, primarily due to continued low commodity prices during the fiscal year.

SELECTED FINANCIAL DATA

Fiscal Year End as of March 31

| INCOME STATEMENT (\$000s) | FYE 2017 | FYE 2016 |
|----------------------------------------|------------|------------|
| Net Operating Revenues | \$5,302 | \$968 |
| Operating Expenses | | |
| Lease Operating Expenses | 3,261 | 741 |
| Severance & Property Taxes | 256 | 123 |
| Depreciation, Depletion & Amortization | 2,699 | 880 |
| General and Administrative | 4,044 | 2,501 |
| Impairment of Oil and Gas Properties | 79,142 | 21,391 |
| Total | 89,402 | 25,636 |
| Interest Expense & Other | (5,037) | (782) |
| Loss Before Income Taxes | (89,138) | (25,450) |
| Income Taxes Benefit | 15 | 0 |
| Net Loss | (\$89,123) | (\$25,450) |

Fiscal 2017 Reserves

During fiscal 2017, Camber increased its reserves by approximately 1.4 million BOE of proved reserves. The increase was the result of a downward revision of previous estimates of 2.6 million BOE, offset by the purchases in place of 7.9 million BOE, which was reduced by the production volume of 3.9 million BOE. Camber had a transfer to proved non-producing reserves on existing leases of 0.8 million BOE due to certain properties which were previously producing, being shut-in, as they became uneconomic due to the decrease in commodity prices.

At year-end on March 31, 2017, Camber' estimated net proved crude oil and natural gas reserves were approximately 5.6 million BOE, of which 3.4 million BOE were proved

developed reserves. Total proved undeveloped reserves (PUDs) decreased by 2.7 million BOE to 1.4 million BOE. The proved undeveloped reserve decrease was primarily due to the transfer of approximately 0.2 million BOE of PUDs to probable undeveloped reserves as there has been no development within the last five year in addition to a reduction of approximately 1.6 million BOE due to expiring leases.

We had 0.8 million of developed non-producing BOE, and we transferred no amounts of proved undeveloped reserves to proved developed reserves during the fiscal year 2017. In addition, our plan is to convert our remaining PUD balance as of March 31, 2017 to proved developed reserves within five years or prior to the end of fiscal year 2022 provided that we are able to obtain adequate funding and capital over the time period.

Using the SEC pricing methodology of an average monthly crude oil price of \$47.61 per Bbl and natural gas price of \$2.74 per thousand cubic feet for the twelve months ended March 31, 2017, the estimated discounted future net cash flow (PV-10) before tax expenses for Camber' proved reserves was approximately \$25.4 million. These reserves were determined in accordance with standard industry practices and SEC regulations by the licensed independent petroleum engineering firm of Ralph E. Davis Associates, LLC.

| | <u>Oil</u> <u>(MBbls)</u> | <u>Gas</u> <u>(Mmcf)</u> | <u>NGLs</u> <u>(MBbls)</u> | <u>Total</u> <u>(Mboe)</u> | <u>PV-10</u> <u>(\$mm)</u> | <u>PV-10 /</u> <u>BOE</u> |
|--------------|------------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------|
| | | | | | | \$ |
| PDP | 312 | 7,4580 | 1,784 | 3,339 | \$ 15.4 | 46.16 |
| PNP | 9 | 3,296 | 294 | 853 | 2.8 | 32.92 |
| PUD | 1,266 | 521 | 96 | 1,339 | 7.2 | 49.71 |
| Total | 1,587 | 11,275 | 2,175 | 5,641 | \$125.4 | \$47.61 |

The Company also announced that pursuant to the disclosure requirements of NYSE MKT Company Guide Section 610(b), its audited consolidated financial statements for the year ended March 31, 2017, which were filed with the Securities and Exchange Commission on July 14, 2017, contained an audit opinion from its independent registered public accounting firm that includes an explanatory paragraph related to the Company's ability to continue as a going concern. Accordingly, this press release does not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Please refer to our Annual Report on Form 10-K for the year ended March 31, 2017, at www.sec.gov for complete financial statements, footnotes relating to such financial statements, risk factors regarding the Company and a more detailed discussion of our operational plan and results of operations, among other matters.

About Camber Energy, Inc.

Based in Houston, Texas, Camber Energy (NYSE MKT: CEI) is a growth-oriented, independent oil and gas company engaged in the development of crude oil, natural gas and natural gas liquids in the Hunton formation in Central Oklahoma in addition to the Austin Chalk and Eagle Ford formations in South Texas.

For more information, please visit the Company's web site at www.camber.energy.

Safe Harbor Statement and Disclaimer

This news release includes "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward looking statements give our current expectations, opinion, belief or forecasts of future events and performance. A statement identified by the use of forward looking words including "may," "expects," "projects," "anticipates," "plans," "believes," "estimate," "should," and certain of the other foregoing statements may be deemed forward-looking statements. Although Camber believes that the expectations reflected in such forward-looking statements are reasonable, these statements involve risks and uncertainties that may cause actual future activities and results to be materially different from those suggested or described in this news release. These include risks inherent in natural gas and oil drilling and production activities, including risks of fire, explosion, blowouts, pipe failure, casing collapse, unusual or unexpected formation pressures, environmental hazards, and other operating and production risks, which may temporarily or permanently reduce production or cause initial production or test results to not be indicative of future well performance or delay the timing of sales or completion of drilling operations; delays in receipt of drilling permits; risks with respect to natural gas and oil prices, a material decline which could cause Camber to delay or suspend planned drilling operations or reduce production levels; risks relating to the availability of capital to fund drilling operations that can be adversely affected by adverse drilling results, production declines and declines in natural gas and oil prices; risks relating to unexpected adverse developments in the status of properties; risks relating to the absence or delay in receipt of government approvals or fourth party consents; and other risks described in Camber's Annual Report on Form 10-K and other filings with the SEC, available at the SEC's website at www.sec.gov. Investors are cautioned that any forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those projected. The forward-looking statements in this press release are made as of the date hereof. The Company takes no obligation to update or correct its own forward-looking statements, except as required by law, or those prepared by third parties that are not paid for by the Company. The Company's SEC filings are available at <http://www.sec.gov>.

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