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## Camber Energy Signs Agreement to Acquire Oil Companies with ~ \$55M in Annual Gross Revenues

HOUSTON, TX / ACCESSWIRE / December 27, 2022 / Camber Energy, Inc. (NYSE American: CEI) ("Camber" or the "Company") announced today that it entered into an agreement (the "PSA") to acquire all of the issued and outstanding membership interests (the "Purchased Interests") of certain privately-owned companies (collectively, the "Acquired Companies") which in turn own interests in certain oil and gas properties and related equipment and other tangible personal property, including working interests in approximately one hundred sixty nine (169) proved producing oil wells (producing approx. two thousand (2,000) barrels of oil per day (net)), one hundred seventy four (174) proved non-producing wells and twelve (12) proved undeveloped well locations.

The wells produce hydrocarbons from known geological formations and reservoirs, and the seller's internal estimates of the remaining oil reserves based on recent NYMEX strip pricing, historical production rates, historical lease operating expenses and transportation differentials, indicate a total proved reserve value, on a PV10 basis, of approximately USD\$185 million as at January 1, 2023.

The purchase price for the Purchased Interests is USD\$69 million subject to permitted adjustments (the "Purchase Price"), payable as follows: (a) at the Seller's election, up to no more than eighty percent (80%) of the Purchase Price in cash on closing; and (b) as to the balance of the Purchase Price, by issuance to the Seller of convertible preferred stock of Camber with the following terms and characteristics: (i) Face value - \$10,000 per share; (ii) convertible into common stock of Camber's at a **fixed** conversion price equal to the volume weighted average price of Camber's common stock during the period commencing ten business days prior to the Closing Date and ending ten business days following the Closing Date; (iii) all conversions shall be subject to a 9.99% beneficial ownership limitation; (iv) redeemable in whole or in part by Camber for cash at 110% of the face value; and (v) dividend entitlement equal to 10% of the face value, payable in shares of common stock or cash, or combination of both, at Camber's option.

The Seller's obligation to sell the Purchased Interests is conditioned on a number of items set out in the PSA, including, without limitation, receiving certain acknowledgements and/or agreements from Camber's existing senior secured lender and Camber's preferred stockholder, and Camber's obligation to purchase the Purchased Interests is conditioned on a number of items set out in the PSA, including, without limitation: (i) approval of the Board of Directors of Camber; (ii) Camber obtaining approval to increase its authorized capital; (iii) Camber obtaining an independent *Estimate of Reserves and Future Revenue to the Acquired Companies*' Interest in the assets of the Acquired Companies; and (iv) the Acquired Companies obtaining a new loan to facilitate payment of the cash portion of the

Purchase Price due to the Seller on closing. There is no guaranty the conditions will be satisfied.

Additional details regarding the proposed transaction were included in, and the description above is qualified in its entirety by reference to the Membership Interest Purchase Agreement attached as an exhibit to, Camber's Current Report on Form 8-K filed with the Securities and Exchange Commission ("SEC") on December 27, 2022, and is available under "investors" - "SEC filings" at [www.camber.energy](http://www.camber.energy).

### **About Camber Energy, Inc.**

Camber Energy, Inc. is a growth-oriented diversified energy company. Through its majority-owned subsidiary, Camber provides custom energy & power solutions to commercial and industrial clients in North America and owns interests in oil and natural gas assets in the United States. The company's majority-owned subsidiary also holds an exclusive license in Canada to a patented carbon-capture system, and has a majority interest in: (i) an entity with intellectual property rights to a fully developed, patent pending, ready-for-market proprietary Medical & Bio-Hazard Waste Treatment system using Ozone Technology; and (ii) entities with the intellectual property rights to fully developed, patent pending, ready-for-market proprietary Electric Transmission and Distribution Open Conductor Detection Systems. For more information, please visit the company's website at [www.camber.energy](http://www.camber.energy).

### **Forward-Looking Statements**

This press release may contain forward-looking information within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Any statements that are not historical facts contained in this press release are "forward-looking statements", which statements may be identified by words such as "expects," "plans," "projects," "will," "may," "anticipates," "believes," "should," "intends," "estimates," and other words of similar meaning. Such forward-looking statements are based on current expectations, involve known and unknown risks, a reliance on third parties for information, transactions that may be cancelled, and other factors that may cause our actual results, performance or achievements, or developments in our industry, to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from anticipated results include risks and uncertainties related to the fluctuation of global economic conditions or economic conditions with respect to the oil and gas industry, the COVID-19 pandemic, the performance of management, actions of government regulators, vendors, and suppliers, our cash flows and ability to obtain financing, competition, general economic conditions, an outbreak or escalation of armed hostilities or acts of war or terrorism and other factors that are detailed in Camber's filings with the Securities and Exchange Commission. We intend that all forward-looking statements be subject to the safe-harbor provisions.

### **Contact Information**

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