

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 **JUNE 30, 2021**

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: **000-29219**

VIKING ENERGY GROUP, INC.

(Formerly Viking Investments Group, Inc.)
(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

98-0199508

(IRS Employer
Identification No.)

**15915 Katy Freeway, Suite 450
Houston, TX 77094**

(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
Not applicable.	Note applicable.	Not applicable.

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
Non-Accelerated Filer

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 August 8, 2021, the registrant had 95,763,747 shares of common stock outstanding.

VIKING ENERGY GROUP, INC.

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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

VIKING ENERGY GROUP, INC.
(A Majority Owned Subsidiary of Camber Energy, Inc.)
Consolidated Balance Sheets

	June 30, 2021 (unaudited)	December 31, 2020
ASSETS		
Current assets:		
Cash	\$ 2,110,524	\$ 3,976,783
Restricted cash	5,360,506	3,862,756
Accounts receivable – oil and gas - net	5,836,331	4,050,631
Total current assets	13,307,361	11,890,170
Oil and gas properties, full cost method		
Proved developed producing oil and gas properties, net	61,787,619	64,703,753
Proved undeveloped and non-producing oil and gas properties, net	35,868,668	37,452,683
Total oil and gas properties, net	97,656,287	102,156,436
Fixed assets, net	357,770	433,168
Derivative asset	-	1,220,209
Deposits	57,896	57,896
TOTAL ASSETS	\$ 111,379,314	\$ 115,757,879
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 4,909,196	\$ 4,475,519
Accrued expenses and other current liabilities	419,108	3,857,655
Undistributed revenues and royalties	5,833,882	4,115,462
Derivative liability	12,649,422	893,458
Amount due to director	-	559,122
Current portion of long-term debt and other short-term borrowings – net of debt discount	44,325,164	32,977,368
Total current liabilities	68,136,772	46,878,584
Long term debt - net of current portion and debt discount	51,636,447	78,775,796
Operating lease liability	204,714	241,431
Asset retirement obligation	6,455,705	6,164,231
TOTAL LIABILITIES	126,433,638	132,060,042
Commitments and contingencies	-	-
STOCKHOLDERS' DEFICIT		
Preferred stock, \$0.001 par value, 5,000,000 shares authorized, 28,092 shares issued and outstanding as of June 30, 2021 and December 31, 2020	28	28
Common stock, \$0.001 par value, 500,000,000 shares authorized, 68,247,975 and 51,494,956 shares issued and outstanding as of June 30, 2021 and December 31, 2020, respectively.	68,248	51,495
Additional paid-in capital	96,055,924	75,920,811
Accumulated deficit	(111,178,524)	(92,274,497)
TOTAL STOCKHOLDERS' DEFICIT	(15,054,324)	(16,302,163)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 111,379,314	\$ 115,757,879

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

VIKING ENERGY GROUP, INC.
(A Majority Owned Subsidiary of Camber Energy, Inc.)
Consolidated Statements of Operations (Unaudited)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Revenue				
Oil and gas sales	\$ 10,696,633	\$ 9,549,863	\$ 21,190,712	\$ 21,337,815
Operating expenses				
Lease operating costs	5,228,732	4,396,789	9,974,748	8,155,992
General and administrative	1,199,699	917,190	2,320,934	2,201,837
Stock based compensation	114,793	197,632	388,543	451,382
Depreciation, depletion and amortization	2,306,225	2,921,208	4,663,227	6,098,410
Accretion - ARO	147,308	115,658	289,674	241,278
Total operating expenses	<u>8,996,757</u>	<u>8,548,477</u>	<u>17,637,126</u>	<u>17,148,899</u>
Income from operations	<u>1,699,876</u>	<u>1,001,386</u>	<u>3,553,586</u>	<u>4,188,916</u>
Other income (expense)				
Interest expense	(3,179,380)	(6,909,555)	(6,431,875)	(11,493,115)
Amortization of debt discount	(1,086,680)	(1,542,074)	(2,145,036)	(2,777,604)
Change in fair value of derivatives	(7,307,567)	(9,292,013)	(12,976,173)	13,587,431
Loss on financing settlements	-	(931,894)	(926,531)	(931,894)
Interest and other income	21,997	1,200	22,002	2,475
Total other income (expense)	<u>(11,551,630)</u>	<u>(18,674,336)</u>	<u>(22,457,613)</u>	<u>(1,612,707)</u>
Net income (loss) before income taxes	(9,851,754)	(17,672,950)	(18,904,027)	2,576,209
Income tax benefit (expense)	-	-	-	-
Net income (loss)	(9,851,754)	(17,672,950)	(18,904,027)	2,576,209
Net (income) loss attributable to noncontrolling interest	-	1,111,808	-	154,639
Net income (loss) attributable to Viking Energy Group, Inc.	<u>\$ (9,851,754)</u>	<u>\$ (16,561,142)</u>	<u>\$ (18,904,027)</u>	<u>\$ 2,730,848</u>
Earnings (loss) per common share				
Basic and Diluted	<u>\$ (0.14)</u>	<u>\$ (1.11)</u>	<u>\$ (0.28)</u>	<u>\$ 0.19</u>
Weighted average number of common shares outstanding				
Basic and Diluted	<u>68,132,199</u>	<u>14,858,031</u>	<u>67,350,993</u>	<u>14,391,251</u>

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

VIKING ENERGY GROUP, INC.
(A Majority Owned Subsidiary of Camber Energy, Inc.)
Consolidated Statements of Cash Flows (Unaudited)

	Six Months Ended	
	June 30,	
	2021	2020
Cash flows from operating activities:		
Net income (loss)	\$ (18,904,027)	\$ 2,576,209
Adjustments to reconcile net loss to cash provided by operating activities:		
Change in fair value of derivative liability	12,976,173	(13,587,431)
Stock based compensation	388,543	451,382
Depreciation, depletion and amortization	4,663,227	6,098,410
Amortization of operational right-of-use assets	155	1,192
Accretion – asset retirement obligation	289,674	241,278
Amortization of debt discount	2,145,036	2,777,604
Loss on debt settlement	926,531	931,894
Stock based interest expense	-	2,178,356
Changes in operating assets and liabilities		
Accounts receivable	(1,785,700)	(1,803,293)
Prepaid expenses and other assets	-	66,014
Accounts payable	433,677	(2,196,294)
Accrued expenses and other current liabilities	(326,986)	1,688,127
Undistributed revenues and royalties	1,718,420	744,351
Net cash provided by operating activities	2,524,723	167,799
Cash flows from investing activities:		
Investment in and acquisition of oil and gas properties	(999,365)	(1,184,830)
Proceeds from sale of oil and gas properties	876,613	-
Net cash used in investing activities	(122,752)	(1,184,830)
Cash flows from financing activities:		
Proceeds from long-term debt	510,000	8,641,421
Repayment of long-term debt	(3,219,637)	(8,810,703)
Proceeds from exercise of warrants	-	38,000
Repayment of amount due director	(60,843)	-
Net cash used in financing activities	(2,770,480)	(131,282)
Net decrease in cash	(368,509)	(1,148,313)
Cash and Restricted Cash, beginning of period	7,839,539	5,638,724
Cash and Restricted Cash, end of period	\$ 7,471,030	\$ 4,490,411
Supplemental Cash Flow Information:		
Cash paid for:		
Interest	\$ 6,564,807	\$ 7,613,188
Income taxes	\$ -	\$ -
Supplemental disclosure of Non-Cash Investing and Financing Activities:		
Recognition of asset retirement obligation	\$ -	\$ 1,514,328
Amortization of right-of-use asset and lease liability	\$ 36,872	\$ 15,751
Issuance of warrant shares as reduction of debt	\$ -	\$ 15,000
Issuance of shares as discount on debt	\$ 141,321	\$ 718,860
Private placement debt exchanged for new private placement debt	\$ -	\$ 2,160,150
Purchase of working interest through new debt	\$ -	\$ 29,496,356
Accrued interest rolled into new private placement	\$ -	\$ 103,583
Issuance of shares as reduction of debt and accrued expenses	\$ -	\$ 4,110,250
Issuance of shares to parent for reduction of debt and accrued expenses	\$ 18,900,000	\$ -

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

VIKING ENERGY GROUP, INC.
(A Majority Owned Subsidiary of Camber Energy, Inc.)
Consolidated Statements of Changes in Stockholders' Equity (Unaudited)

For the six months ended June 30, 2021

	<u>Preferred Stock</u>		<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Retained Earnings (Accumulated Deficit)</u>	<u>Noncontrolling Interest</u>	<u>Total Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>				
Balances at December 31, 2020	28,092	\$ 28	51,494,956	\$ 51,495	\$ 75,920,811	\$ (92,274,497)	\$ -	\$ (16,302,163)
Rounding due to reverse split			1,770	2				2
Shares issued for services			428,067	428	358,234			358,662
Shares issued as debt discount			169,336	169	141,152			141,321
Warrants issued for services					29,881			29,881
Shares issued to parent for reduction of debt and accrued expenses			16,153,846	16,154	19,605,846			19,622,000
Net loss						(18,904,027)		(18,904,027)
Balances at June 30, 2021	<u>28,092</u>	<u>\$ 28</u>	<u>68,247,975</u>	<u>\$ 68,248</u>	<u>\$ 96,055,924</u>	<u>\$ (111,178,524)</u>	<u>\$ -</u>	<u>\$ (15,054,324)</u>

For the six months ended June 30, 2020

	<u>Preferred Stock</u>		<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Retained Earnings (Accumulated Deficit)</u>	<u>Noncontrolling Interest</u>	<u>Total Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>				
Balances at December 31, 2019	28,092	\$ 28	13,799,812	\$ 13,800	\$ 38,935,790	\$ (30,282,763)	\$ -	\$ 8,666,855
Shares issued for services			359,473	359	451,023			451,382
Warrant exercise			46,250	46	37,954			38,000
Warrants exercised to reduce debt			16,667	17	14,983			15,000
Shares issued as debt discount			657,891	658	718,202			718,860
Shares issued as payment on debt			2,905,699	2,906	4,107,344			4,110,250
Net income						2,730,848	(154,639)	2,576,209
Balances at June 30, 2020	<u>28,092</u>	<u>\$ 28</u>	<u>17,785,792</u>	<u>\$ 17,786</u>	<u>\$ 44,265,296</u>	<u>\$ (27,551,915)</u>	<u>\$ (154,639)</u>	<u>\$ 16,576,556</u>

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

VIKING ENERGY GROUP, INC.
Notes to Consolidated Financial Statements
(Unaudited)

Note 1 Relationship with and Ownership by Camber Energy, Inc.

On December 23, 2020 Camber Energy, Inc. (“Camber”) acquired a 51% interest in the Company. On January 8, 2021, and July 29, 2021, Camber acquired additional interests in the Company resulting in Camber owning approximately 62% of the outstanding common shares of the Company after the January transaction, and approximately 73% of the outstanding common shares of the Company after the July transaction. As a result, since December 23, 2020, Viking has been a majority-owned subsidiary of Camber. The December 2020, January 2021 and July 2021 transactions, along with a new merger agreement executed by Viking and Camber in February 2021 are described further below. References below to the Company’s various debt arrangements are described further in Note 7.

December 23, 2020 Transaction

On December 23, 2020, the Company entered into a Securities Purchase Agreement with Camber, pursuant to which Camber acquired (“Camber’s Acquisition”) 26,274,510 shares of Viking common stock (“Camber’s Viking Shares”), constituting 51% of the common stock of Viking, in consideration of (i) Camber’s payment of \$ 10,900,000 to Viking (the “Cash Purchase Price”), and (ii) cancellation of \$9,200,000 in promissory notes issued by Viking to Camber (“Camber’s Viking Notes”). Pursuant to the purchase agreement, Viking is obligated to issue additional shares of Viking common stock to Camber to ensure that Camber shall own at least 51% of the common stock of Viking through July 1, 2022.

In connection with Camber’s Acquisition, the Company and Camber terminated their previous merger agreement, dated August 31, 2020, as amended, and Camber assigned its membership interests in one of Viking’s subsidiaries, Elysium Energy Holdings, LLC, back to Viking. Also in connection with Camber’s Acquisition, effective December 23, 2020, Camber (i) borrowed \$12,000,000 from an institutional investor; (ii) issued the investor a promissory note in the principal amount of \$2,000,000, accruing interest at the rate of 10% per annum and maturing December 11, 2022 (the “Camber Investor Note”); (iii) granted the Investor a first-priority security interest in Camber’s Viking Shares and Camber’s other assets pursuant to a pledge agreement and a general security agreement, respectively; and (iv) entered into an amendment to Camber’s \$ 6,000,000 promissory note previously issued to the investor dated December 11, 2020 (the “Additional Camber Investor Note”), amending the acceleration provision of the note to provide that the note repayment obligations would also not accelerate if Camber has increased its authorized capital stock by March 11, 2021 (and Camber increased its authorized capital stock in February of 2021 as required). In order to close Camber’s Acquisition, effective December 23, 2020, Viking entered into a Guaranty Agreement, guaranteeing repayment of the Camber Investor Note and the Additional Camber Investor Note.

On December 23, 2020, the Camber Investor Note was funded, and Viking and Camber closed Camber’s Acquisition, with Camber paying the Cash Purchase Price to Viking and cancelling Camber’s Viking Notes, and Viking issuing Camber’s Viking Shares. At the closing, James Doris and Frank Barker, Jr., Viking’s CEO and CFO, were appointed the CEO and CFO of Camber, and Mr. Doris was appointed a member of the Board of Directors of Camber.

January 8, 2021 Transactions

On January 8, 2021, the Company entered into another purchase agreement with Camber pursuant to which Camber agreed to acquire an additional 6,153,846 shares of Company common stock (the “Shares”) in consideration of (i) Camber issuing 1,890 shares of Camber’s Series C Redeemable Convertible Preferred Stock to EMC Capital Partners, LLC (“EMC”), one of the Company’s lenders which held a secured promissory note issued by the Company to EMC in the original principal amount of \$20,869,218 in connection with the purchase of oil and gas assets on or about February 3, 2020 (the “EMC Note”); and (ii) EMC considering the EMC Note paid in full and cancelled pursuant to the Cancellation Agreement described below. The fair value of the 1,890 shares of Camber’s Series C Redeemable Convertible Preferred Stock was determined to be \$19,622,000 at the date of the transaction; as a result, the Company recognized a loss on debt settlement in the amount of \$26,531.

Simultaneously, on January 8, 2021, the Company entered into a Cancellation Agreement with EMC (the “Cancellation Agreement”) pursuant to which the Company agreed to pay \$325,000 to EMC, and EMC agreed to cancel and terminate in the EMC Note and all other liabilities, claims, amounts owing and other obligations under the Note. At the same time, Camber entered into a purchase agreement with EMC pursuant to which (i) Camber agreed to issue 1,890 shares of Camber’s Series C Redeemable Convertible Preferred Stock to EMC, and (ii) EMC agreed to enter into the Cancellation Agreement with the Company to cancel the EMC Note.

February 2021 Merger Agreement with Camber

On February 15, 2021, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Camber. The Merger Agreement provides that, upon the terms and subject to the conditions set forth therein, a newly-formed wholly-owned subsidiary of Camber (“Merger Sub”) will merge with and into the Company (the “Merger”), with the Company surviving the Merger as a wholly-owned subsidiary of Camber.

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: (i) of common stock, par value \$0.001 per share, of the Company (the “Viking Common Stock”) issued and outstanding immediately prior to the Effective Time, other than shares owned by Camber, the Company and Merger Sub, will be converted into the right to receive one share of common stock of Camber; and (ii) of Series C Convertible Preferred Stock of the Company (the “Viking Preferred Stock”) issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of Series A Convertible Preferred Stock of Camber (the “Camber Series A Preferred Stock”). Each share of Camber Series A Preferred Stock will convert into 890 shares of common stock of Camber (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’s common stock), will be treated equally with Camber’s common stock with respect to dividends and liquidation, and will only have 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. Holders of Viking common stock and Viking Preferred Stock will have any fractional shares of Camber common stock or preferred stock after the Merger rounded up to the nearest whole share.

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At the Effective Time, each outstanding Company equity award, will be converted into the right to receive the merger consideration in respect of each share of Viking common stock underlying such equity award and, in the case of Company stock options, be converted into vested Camber stock options based on the merger exchange ratio calculated as provided above (the “Exchange Ratio”).

The Merger Agreement provides, among other things, that effective as of the Effective Time, James A. Doris, the current Chief Executive Officer of both the Company and Camber, shall serve as President and Chief Executive Officer of the Combined Company following the Effective Time. The Merger Agreement provides that, as of the Effective Time, the Combined Company will have its headquarters in Houston, Texas.

The Merger Agreement also provides that, during the period from the date of the Merger Agreement until the Effective Time, each of Camber and Company will be subject to certain restrictions on its ability to solicit alternative acquisition proposals from third parties, to provide non-public information to third parties and to engage in discussions with third parties regarding alternative acquisition proposals, subject to customary exceptions. Company is required to hold a meeting of its stockholders to vote upon the adoption of the Merger Agreement and, subject to certain exceptions, to recommend that its stockholders vote to adopt the Merger Agreement. Camber is required to hold a meeting of its stockholders to approve the issuance of Viking Common Stock and Viking Preferred Stock in connection with the Merger (the “Share Issuance”).

The completion of the Merger is subject to customary conditions, including (i) adoption of the Merger Agreement by Camber’s stockholders and approval of the Share Issuance by Camber’s stockholders, (ii) receipt of required regulatory approvals, (iii) effectiveness of a registration statement on Form S-4 for the Camber common stock to be issued in the Merger (the “Form S-4”), and (iv) the absence of any law, order, injunction, decree or other legal restraint preventing the completion of the Merger or making the completion of the Merger illegal. Each party’s obligation to complete the Merger is also subject to certain additional customary conditions, including (i) subject to certain exceptions, the accuracy of the representations and warranties of the other party, (ii) subject to certain exceptions, performance by the other party of its obligations under the Merger Agreement and (iii) the absence of any material adverse effect on the other party, as defined in the Merger Agreement.

Additional closing conditions to the Merger include that in the event the NYSE American determines that the Merger constitutes, or will constitute, a “back-door listing” / “reverse merger”, Camber (and its common stock) is required to qualify for initial listing on the NYSE American, pursuant to the applicable guidance and requirements of the NYSE as of the Effective Time.

The Merger Agreement can be terminated (i) at any time with the mutual consent of the parties; (ii) by either Camber or Company if any governmental consent or approval required for closing is not obtained, or any governmental entity issues a final non-appealable order or similar decree preventing the Merger; (iii) by either Company or Camber if the Merger shall not have been consummated on or before August 1, 2021; (iv) by Camber or Company, upon the breach by the other of a term of the Merger, which is not cured within 30 days of the date of written notice thereof by the other; (v) by Camber if Company is unable to obtain the affirmative vote of its stockholders for approval of the Merger; (vi) by Company if Camber is unable to obtain the affirmative vote of its stockholders required pursuant to the terms of the Merger Agreement; and (vii) by Company or Camber if there is a willful breach of the Merger Agreement by the other party thereto.

The Merger Agreement contains customary indemnification obligations of the parties and representations and warranties.

July 29, 2021 Transaction

On July 29, 2021, the Company entered into a Securities Purchase Agreement with Camber, pursuant to which Camber acquired an additional 2,750,000 shares of Viking common stock for an aggregate purchase price of \$11,000,000. As a result, Camber's ownership increased to approximately 73% of the issued and outstanding shares of Viking common stock.

Note 2 Nature of Business and Going Concern

Viking Energy Group, Inc. ("Viking" or the "Company") is engaged in the acquisition, exploration, development and production of oil and natural gas properties, both individually and through collaborative partnerships with other companies in this field of endeavor. Since the beginning of 2020, the Company has had the following related activities:

- On February 3, 2020, Elysium Energy, LLC ("Elysium"), a wholly-owned subsidiary of Viking's majority-owned subsidiary, Elysium Energy Holdings, LLC ("Elysium Holdings"), acquired interests in certain oil and gas properties located in Texas and Louisiana. The assets purchased included leases, working interests, and over-riding royalty interests in oil and gas properties in Texas (approximately 72 wells) and Louisiana (approximately 55 wells), along with associated equipment. On February 4, 2020, Elysium hedged 75% of the estimated oil and gas production associated with the newly acquired assets for 2020, 60% of the estimated production for 2021 and 50% of the estimated production for the period between January 2022 to July 2022. These hedges have a floor of \$45 and a ceiling ranging from \$52.70 to \$56 for oil, and a floor of \$2 and a ceiling of \$2.425 for natural gas

The Company's 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 \$18,904,027 for the six months ended June 30, 2021, as compared to a net income of \$2,576,209 for the six months ended June 30, 2020. The loss for the six months ended June 30, 2021 was comprised of, among other things, certain non-cash items, including: (i) stock based compensation of \$388,543; (ii) accretion of asset retirement obligation of \$289,674; (iii) depreciation, depletion & amortization of \$4,663,227; (iv) amortization of debt discount of \$2,145,036; and (v) Change in Fair Value of Derivatives of \$(12,976,173).

As of June 30, 2021, the Company has a stockholders' deficit of \$15,054,324 and total long-term debt of \$95,961,611. As of June 30, 2021, the Company has a working capital deficiency of approximately \$55,000,000. The largest components of current liabilities creating this working capital deficiency are (i) notes payable with a face value aggregating approximately \$6.7 million as of June 30, 2021 due in February of 2022; (ii) a revolving credit facility with a balance of \$6,040,000 as of June 30, 2021 due in January of 2022; (iii) a derivative liability of \$12,649,422; and (iv) a term loan agreement with a face value of approximately \$31.6 million as of June 30, 2021, which, although it has a maturity date of August 3, 2022, has been included as a current liability in the accompanying balance sheet as the Company's subsidiary, Elysium Energy, LLC, and other parties to the term loan agreement, are in default of the maximum leverage ratio covenant under the term loan agreement at June 30, 2021.

Management believes it will be able to continue to leverage the expertise and relationships of its operational and technical teams to enhance existing assets and identify new development and acquisition opportunities in order to improve the Company's financial position. The Company may have the ability, if it can raise additional capital, to acquire new assets in a separate division from existing subsidiaries. Also, as a majority-owned subsidiary of Camber, the Company might be able to benefit from Camber's national stock exchange platform to access additional capital sources.

Nonetheless, recent oil and gas price volatility as a result of geopolitical conditions and the global COVID-19 pandemic have already had and may continue to have a negative impact on the Company's financial position and results of operations. Negative impacts could include but are not limited to: the Company's ability to sell our oil and gas production, reduction in the selling price of the Company's oil and gas, failure of a counterparty to make required hedge payments, possible disruption of production as a result of worker illness or mandated production shutdowns, the Company's ability to maintain compliance with loan covenants and/or refinance existing indebtedness, and access to new capital and financing.

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 development strategy; however, there is no assurance of additional funding being available. These 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

a) Basis of Presentation

The accompanying unaudited 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 financial statements and notes thereto contained in Viking'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 financial statements presented herein reflect the consolidated financial results of the Company, its wholly owned subsidiaries, Mid-Con Petroleum, LLC, Mid-Con Drilling, LLC, and Mid-Con Development, LLC, which were all formed to provide a base of operations for properties in the Central United States, and Petrodome Energy, LLC, Ichor Holdings, LLC, Ichor Energy, LLC, Ichor Energy (TX), LLC, and Ichor Energy (LA), LLC., Elysium Energy Holdings, LLC, and its wholly owned subsidiaries, Elysium Energy, LLC, Elysium Energy TX, LLC, Elysium Energy LA, LLC, Pointe A La Hache, L.L.C., Potash, L.L.C., Ramos Field, L.L.C., and Turtle Bayou, L.L.C., all based in Houston, Texas which provides a base of operations to facilitate property acquisitions in Texas, Louisiana and Mississippi. All significant intercompany transactions and balances have been eliminated.

c) Use of Estimates in the Preparation of Financial Statements

The preparation of consolidated financial statements in conformity with 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 impairment of long-lived assets, fair value of commodity derivatives, stock-based compensation, asset retirement obligations, and the determination of expected tax rates for future income tax recoveries.

The estimates of proved, probable and possible oil and gas reserves are used as significant inputs in determining the depletion of oil and gas properties and the impairment of proved and unproved oil and gas properties. There are numerous uncertainties inherent in the estimation of quantities of proved, probable and possible reserves and in the projection of future rates of production and the timing of development expenditures. Similarly, evaluations for impairment of proved and unproved oil and gas properties are subject to numerous uncertainties including, among others, estimates of future recoverable reserves and commodity price outlooks. Actual results could differ from the estimates and assumptions utilized.

d) 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 consolidated balance sheets for deposits, accrued expenses and other current liabilities, accounts payable, derivative liabilities, amount due to director, and convertible notes 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 and significant to the fair value measurement.

Assets and liabilities measured at fair value as of June 30, 2021 are classified below based on the three 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)
Financial Assets				
Commodity Derivative	-	-	-	-
	\$ -	\$ -	\$ -	\$ -
Financial liabilities				
Commodity Derivative	-	12,649,422	-	(12,976,173)
	\$ -	\$ 12,649,422	\$ -	\$ (12,976,173)

Assets and liabilities measured at fair value as of and for the year ended December 31, 2020 are classified below based on the three 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)
Financial Assets				
Commodity Derivative	-	1,220,209	-	6,227,390
	\$ -	\$ 1,220,209	\$ -	\$ 6,227,390
Financial liabilities				
Commodity Derivative	-	893,458	-	(741,818)
	\$ -	\$ 893,458	\$ -	\$ (741,818)

The Company has entered into certain commodity derivative instruments containing swaps and collars, which management believes are effective in mitigating commodity price risk associated with a portion of its future monthly natural gas and crude oil production and related cash flows. The Company does not designate its commodities derivative instruments as hedges and therefore does not apply hedge accounting. Changes in fair value of derivative instruments subsequent to the initial measurement are recorded as change in fair value on derivative liability, in other income (expense). The estimated fair value amounts of the Company's commodity derivative instruments have been determined at discrete points in time based on relevant market information which resulted in the Company classifying such derivatives as Level 2. Although the Company's commodity derivative instruments are valued using public indices, as well as the Black-Scholes model, the instruments themselves are traded with unrelated counterparties and are not openly traded on an exchange.

In a commodities swap agreement, the Company trades the fluctuating market prices of oil or natural gas at specific delivery points over a specified period, for fixed prices. As a producer of oil and natural gas, the Company holds these commodity derivatives to protect the operating revenues and cash flows related to a portion of its future natural gas and crude oil sales from the risk of significant declines in commodity prices, which helps reduce exposure to price risk and improves the likelihood of funding its capital budget. If the price of a commodity rises above what the Company has agreed to receive in the swap agreement, the amount that it agreed to pay the counterparty is expected to be offset by the increased amount it received for its production.

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The Company has also entered into collar agreements related to oil and gas production with established floors and ceilings. Upon settlement, if the current market price of the commodity is below the floor, the Company receives the difference. Conversely, if the current market price of the commodity is above the ceiling at settlement, the Company pays the excess over the ceiling price.

Although the Company is exposed to credit risk to the extent of nonperformance by the counterparties to these derivative contracts, the Company does not anticipate such nonperformance and monitors the credit worthiness of its counterparties on an ongoing basis.

The derivative assets were \$0 and \$1,220,209 as of June 30, 2021 and December 31, 2020, respectively, and the derivative liabilities were \$12,649,422 and \$893,458 as of June 30, 2021 and December 31, 2020, respectively. The change in the fair value of the derivative liabilities for the six months ended June 30, 2021 consisted of an increase of \$12,976,173 associated with commodity derivatives existing at the beginning of 2021.

The table below is a summary of the Company's commodity derivatives as of June 30, 2021:

Natural Gas	Period	Average MMBTU per Month	Fixed Price per MMBTU
Swap	Dec-18 to Dec-22	118,936	\$ 2.715
Collar	Mar 20 / Aug 22	196,078	\$ 2.00/ \$2.43
Crude Oil	Period	Average BBL per Month	Price per BBL
Swap	Dec-18 to Dec- 22	24,600	\$ 50.85
Collar	Jan 21 to Dec 21	10,135	\$ 45.00 / \$56.00
Collar	Jan 22 to July 22	6,934	\$ 45.00 / \$52.70

e) 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. At June 30, 2021 and December 31, 2020, the Company has cash deposits in excess of FDIC insured limits in the amounts of \$5,343,503 and \$3,726,783, respectively.

Restricted cash in the amount of \$5,360,506 as of June 30, 2021 consists of \$2,450,325 held by Ichor Energy, LLC and/or its subsidiaries and \$2,910,181 held Elysium Energy, LLC and/or its subsidiaries.

Pursuant to the Term Loan Credit Agreement to which Ichor Energy, LLC, and its subsidiaries are parties, following March 31, 2019 the company is required at all times to maintain a minimum cash balance of \$2,000,000 (the "MLR"). Within 30 days of the end of each quarter, commencing with the quarter ended June 30, 2019, the company is required to pay the lenders, as an additional principal payment on the debt, any cash in excess of (i) the MLR and (ii) any funds necessary for the capital expenditures contemplated to be expended in the next six-month period by an approved plan of development ("APOD Capex Amount"). At June 30, 2021, the restricted cash did not exceed the MLR and the APOD Capex Amount.

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Pursuant to the Term Loan Credit Agreement to which Elysium Energy, LLC and its subsidiaries are parties, all receipts are to be deposited to a lockbox account under the control of the administrative agent, and then subsequently transferred for operations to the company's bank accounts, all of which are subject to deposit account control agreements. The aggregate amount of unencumbered cash held in any Operating Account is not to be less than \$2,500,000 for the period commencing June 30, 2021 through and including the Maturity Date. Commencing with the quarter ended September 30, 2020, the company is required to make mandatory prepayments of principal equal to 75% of Excess Cash Flow as defined in the agreement.

f) Accounts receivable

Accounts receivable consist of oil and gas receivables. The Company evaluates these accounts receivable for collectability and, when necessary, records allowances for expected unrecoverable amounts. The Company has recorded an allowance for doubtful accounts of \$217,057 at June 30, 2021 and December 31, 2020.

g) Oil and Gas Properties

The Company uses the full cost method of accounting for its investment in oil and natural gas properties. Under this method of accounting, all costs associated with acquisition, exploration and development of oil and gas reserves, including directly related overhead costs, are capitalized. General and administrative costs related to production and general overhead are expensed as incurred.

All capitalized costs of oil and gas properties, including the estimated future costs to develop proved reserves, are amortized on the unit of production method using estimates of proved reserves. Disposition of oil and gas properties are accounted for as a reduction of capitalized costs, with no gain or loss recognized unless such adjustment would significantly alter the relationship between capitalized costs and proved reserves of oil and gas, in which case the gain or loss is recognized in operations. Unproved properties and major development projects are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is included in loss from operations before income taxes.

h) Limitation on Capitalized Costs

Under the full-cost method of accounting, we are required, at the end of each reporting date, to perform a test to determine the limit on the book value of our oil and natural gas properties (the "Ceiling" test). If the capitalized costs of our oil and natural gas properties, net of accumulated amortization and related deferred income taxes, exceed the Ceiling, this excess or impairment is charged to expense. The expense may not be reversed in future periods, even though higher oil and natural gas prices may subsequently increase the Ceiling. The Ceiling is defined as the sum of:

- (a) the present value, discounted at 10 percent, and assuming continuation of existing economic conditions, of 1) estimated future gross revenues from proved reserves, which is computed using oil and natural gas prices determined as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month hedging arrangements pursuant to SAB 103, less 2) estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves, plus
- (b) the cost of properties not being amortized; plus
- (c) the lower of cost or estimated fair value of unproven properties included in the costs being amortized, net of

(d) the related tax effects related to the difference between the book and tax basis of our oil and natural gas properties.

i) Oil and Gas Reserves

Reserve engineering is a subjective process that is dependent upon the quality of available data and the interpretation thereof, including evaluations and extrapolations of well flow rates and reservoir pressure. Estimates by different engineers often vary sometimes significantly. In addition, physical factors such as the results of drilling, testing and production subsequent to the date of an estimate, as well as economic factors such as changes in product prices, may justify revision of such estimates. Because proved reserves are required to be estimated using recent prices of the evaluation, estimated reserve quantities can be significantly impacted by changes in product prices.

j) Income (loss) per Share

Basic net income (loss) per share is computed by dividing the net income (loss) by the weighted-average number of common shares outstanding during the period. Diluted net income (loss) per share is computed by dividing the net income (loss) by the weighted-average number of common shares outstanding and adjusted by any effects of warrants and options outstanding during the period, if dilutive. For the six months ended June 30, 2021 there were approximately 48,182,727 common stock equivalents that were omitted from the calculation of diluted income per share as they were not dilutive

k) Revenue Recognition

Sales of crude oil, natural gas, and natural gas liquids (NGLs) are included in revenue when production is sold to a customer in fulfillment of performance obligations under the terms of agreed contracts. Performance obligations primarily comprise 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 is separately identifiable and represents a distinct performance obligation to which the transaction price is allocated. Performance obligations are satisfied at a point in time once control of the product has been transferred to the customer. The Company considers a variety of facts and circumstances in assessing the point of control transfer, including but not limited to: whether the purchaser can direct the use of the hydrocarbons, the transfer of significant risks and rewards, the Company's right to payment, and transfer of legal title. In each case, the time between delivery and when payments are due is not significant.

The following table disaggregates the Company's revenue by source for the three and six months ended June 30, 2021 and 2020:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Oil	\$ 8,104,816	\$ 4,205,147	\$ 14,942,504	\$ 12,464,930
Natural gas and natural gas liquids	4,199,274	2,009,872	8,722,887	4,272,060
Settlement on Hedge Contracts	(2,116,873)	3,442,438	(3,077,753)	4,412,265
Other	509,416	(107,595)	603,074	188,560
	<u>\$ 10,696,633</u>	<u>\$ 9,549,863</u>	<u>\$ 21,190,712</u>	<u>\$ 21,337,815</u>

l) Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, the Company determines deferred tax assets and liabilities on the basis of the differences between the consolidated financial statements and the tax basis of assets and liabilities by using estimated tax rates for the year in which the differences are expected to reverse.

The Company recognizes deferred tax assets and liabilities to the extent that we believe that these assets and/or liabilities are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies, and results of recent operations. If we determine that the Company would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

In assessing the realizability of its deferred tax assets, management evaluated whether it is more likely than not that some portion, or all of its deferred tax assets, will be realized. The realization of its deferred tax assets relates directly to the Company's ability to generate taxable income. The valuation allowance is then adjusted accordingly.

In assessing the realizability of its deferred tax assets, management evaluated whether it is more likely than not that some portion, or all of its deferred tax assets, will be realized. The realization of its deferred tax assets relates directly to the Company's ability to generate taxable income. The valuation allowance is then adjusted.

m) 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 fair value of stock options and warrants is determined at the date of grant using the Black-Scholes option pricing model. 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 stock-based compensation instrument. The dividend yield assumption is based on historical patterns and future expectations for the Company dividends.

During the quarter ended June 30, 2021, the Company issued 100,000 fully vested warrants to purchase common stock. The Company used the following Black-Scholes assumptions in arriving at a fair value of \$29,881, which was recorded as stock-based compensation expense during the three months ended June 30, 2021.

Expected Life in Years	1.0
Risk-free Interest Rates	0.06%
Volatility	126.15%
Dividend Yield	0%

The following table represents stock warrant activity as of and for the six months ended June 30, 2021:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Warrants Outstanding – December 31, 2020	7,111,021	0.99	5.47 years	-
Granted	100,000	.57	.82 years	-
Exercised	-	-	-	-
Forfeited/expired/cancelled	(104,167)	-	-	-
Warrants Outstanding – June 30, 2021	<u>7,106,854</u>	<u>\$ 0.76</u>	<u>5.24 years</u>	<u>\$ -</u>
Outstanding Exercisable – June 30, 2021	<u>7,106,854</u>	<u>\$ 0.76</u>	<u>5.47 years</u>	<u>\$ -</u>

n) Impairment of long-lived assets

The Company 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. There is no impairment of long-lived assets during the six months ended June 30, 2021 and 2020.

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o) 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 its producing 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 six months ended June 30, 2021:

	Six months ended June 30, 2021
Asset retirement obligation – beginning	\$ 6,164,231
Oil and gas purchases	-
Revisions	1,800
Accretion expense	289,674
Asset retirement obligation – ending	<u>\$ 6,455,705</u>

p) Undistributed Revenues and Royalties

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

q) Subsequent events

The Company has evaluated all subsequent events from June 30, 2021, through the date of filing of this report.

Note 4. Oil and Gas Properties

The following table summarizes the Company’s oil and gas activities by classification and geographical cost center for the six months ended June 30, 2021:

	December 31, 2020	Adjustments	Impairments	June 30, 2021
Proved developed producing oil and gas properties				
United States cost center	\$ 81,352,074	\$ 43,550	\$ -	\$ 81,395,624
Accumulated depreciation, depletion and amortization	(16,648,321)	(2,959,684)	-	(19,608,005)
Proved developed producing oil and gas properties, net	<u>\$ 64,703,753</u>	<u>\$ (2,916,134)</u>	<u>\$ -</u>	<u>\$ 61,787,619</u>
Undeveloped and non-producing oil and gas properties				
United States cost center	\$ 47,209,269	\$ 81,002	\$ -	\$ 47,290,271
Accumulated depreciation, depletion and amortization	(9,756,586)	(1,665,017)	-	(11,421,603)
Undeveloped and non-producing oil and gas properties, net	<u>\$ 37,452,683</u>	<u>\$ (1,584,015)</u>	<u>\$ -</u>	<u>\$ 35,868,668</u>
Total Oil and Gas Properties, Net	<u>\$ 102,156,436</u>	<u>\$ (4,500,149)</u>	<u>\$ -</u>	<u>\$ 97,656,287</u>

Note 5. 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. As of June 30, 2021, the total amount due to AGD Advisory Group, Inc. is \$ 180,000 and is included in accounts payable. Additionally, Mr. Doris has made several loans through promissory notes to the Company, all accruing interest at 12%, and payable on demand. During the six months ended June 30, 2021, the Company made payments totaling \$63,319 toward principal and interest associated with these loans, and Mr. Doris in separate transactions sold \$506,000 of his loans to independent third parties. As of June 30, 2021, there are no remaining balances due to Mr. Doris for these loans.

The Company's CFO, Frank W. Barker, Jr., renders professional services to the Company through FWB Consulting, Inc., an affiliate of Mr. Barker's. As of June 30, 2021, the total amount due to FWB Consulting, Inc. is \$281,968 and is included in accounts payable.

Note 6. Equity

(a) Preferred Stock

The Company is authorized to issue 5,000,000 shares of Preferred Stock, par value \$0.001 per share (the "Preferred Stock"), of which 50,000 have been designated as Series C Preferred Stock (the "Series C Preferred Stock"). Pursuant to the amended Certification of Designation of the Series C Preferred Stock filed on December 22, 2020, each share of Series C Preferred Stock entitles the holder thereof to 37,500 votes on all matters submitted to the vote of the stockholders of the Company. Notwithstanding, so long as Camber Energy, Inc. owns or is entitled to own at least 51% of the outstanding shares of common stock of the Company and James Doris remains a director and Chief Executive Officer of Camber, each share of Preferred Stock shall not be entitled to any votes on matters submitted to a vote of the stockholders of the Company. Each share of Series C Preferred Stock is convertible, at the option of the holder, at any time after the date of issuance of such share, at the office of the Company or any transfer agent for such stock, into 37,500 shares of fully paid and non-assessable common stock. However, upon any business combination or merger between Camber and Viking such that Camber acquires substantially all of the outstanding common stock or substantially all of Viking's assets, the Company shall ensure that the Preferred Stock is convertible into the greater of: (i) 25,000,000 common shares of Camber (or a number of preferred shares of Camber convertible into such number of common shares of Camber); or (ii) that number of common shares of Camber that 25,000,000 shares of common stock would be convertible or exchange into in the Combination (or a number of preferred shares of Camber convertible into such number of common shares of Camber).

(b) Common Stock

On January 5, 2021, the Company filed a Certificate of Amendment with the Secretary of State of the State of Nevada to effect a reverse split of our common stock at a ratio of 1-for-9 (the "Reverse Stock Split"). As a result of the Reverse Stock Split, each nine (9) pre-split shares of common stock outstanding were automatically combined into one (1) new share of common stock. All share and per shares numbers in this Periodic Report on Form 10-Q have been adjusted to reflect the Reverse Stock Split.

During the six months ended June 30, 2021, the Company issued shares of its common stock as follows:

- 428,067 shares of common stock issued for services valued at fair value on the date of the transactions, totaling \$58,662.
- 169,336 shares of common stock issued as discount on debt valued at fair value on the date of the transaction totaling \$41,321.
- 16,153,846 shares of common stock issued pursuant to a subscription agreement for \$8,900,000. (see Note 1)

During the six months ended June 30, 2020, the Company issued shares of its common stock as follows:

- 359,473 shares of common stock issued for services valued at fair value on the date of the transaction totaling \$51,382.
- 46,250 shares of common stock issued for exercise of warrants valued at fair value on the date of the transaction totaling \$8,000.
- 16,667 shares of common stock issued for exercise of warrants as a reduction of debt valued at fair value on the date of the transaction totaling \$5,000.
- 657,891 shares of common stock issued as discount on debt valued at fair value on the date of the transaction totaling \$18,860.
- 2,905,699 shares of common stock issued in settlement of debt and short term borrowings, valued at fair value on the date of the transaction totaling \$1,110,250 and resulting in a loss on financing settlements of \$931,894.

Note 7. Long-Term Debt

Long term debt consisted of the following at June 30, 2021 and December 31, 2020:

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Long-term debt:		
On June 13, 2018, the Company borrowed \$12,400,000 pursuant to a revolving line of credit facility with a maximum principal amount of \$30,000,000 from Crossfirst Bank, bearing interest 1.5% above a base rate equal to the prime rate of interest published by the Wall Street Journal. Principal is payable at \$100,000 monthly through the maturity date of January 5, 2022, at which time all remaining unpaid principal and accrued interest is due. The loan is secured by a mortgage on all of the oil and gas leases of Petrodome Energy, LLC and its subsidiaries, a security agreement covering all of Petrodome Energy, LLC’s assets and a guaranty by Viking Energy Group, Inc. The balance shown is net of unamortized discount of \$0 at June 30, 2021 and at December 31, 2020	6,040,000	6,490,000
On December 28, 2018, to facilitate the acquisition of certain oil and gas assets, the Company, through its subsidiary, Ichor Energy LLC, entered into a Term Loan Credit Agreement with various lenders represented by ABC Funding, LLC as administrative agent. The agreement provided for a total loan amount of \$63,592,000, bearing interest at a rate per annum equal to the greater of (i) a floating rate of interest equal to 10% plus LIBOR, and (ii) a fixed rate of interest equal to 12%, payable monthly on the last day of each calendar month, commencing January 31, 2019. Principal payments are made quarterly at 1.25% of the initial loan amount, commencing on the last business day of the fiscal quarter ending June 30, 2019. On June 3, 2020, the Term Loan Credit Agreement was amended to reduce the permitted Asset Coverage Ratio for the fiscal quarters ending March 31, 2020, June 30, 2020 and September 30, 2020 from 1.35:1.00 to 1.15:1.00. Additionally, the First Amendment revises the interest rate under the Term Loan for the period from May 16, 2020 a per annum interest rate (i) if, as of the last day of the immediately preceding fiscal quarter, the Asset Coverage Ratio is less than 1.50:1.00, then the interest rate is the greater of (x) a floating rate of interest equal to 11.00% plus LIBOR, and (y) a fixed rate of interest equal to 13.00%, or (ii) if, as of the last day of the immediately preceding fiscal quarter, the Asset Coverage Ratio is greater than or equal to 1.50:1.00, then the interest rate is the greater of (x) a floating rate of interest equal to 10.50% plus LIBOR and (y) a fixed rate of interest equal to 12.50%. Cash generated from the operation of these assets is restricted to lease operating expenses, the payment of debt service on the Term Loan, approximately \$12,000,000 of oil and gas development projects approved by the lender, and distributions to the Company of \$65,000 per month for general and administrative expenses, and a quarterly tax distribution at the current statutory rates. Within 30 days of the end of each quarter, commencing with the quarter ended June 30, 2019, Ichor Energy, LLC is required to pay, as an additional principal payment on the debt, any cash in excess of the MLR and the APOD Capex Amount. To the extent not previously paid, all loans under the Loan Agreement shall be due and payable on the December 28, 2023 (the Maturity Date). The loan agreement contains prepayment penalties through December 28, 2021 and “make-whole” obligations through December 28, 2020. In addition, at maturity (or sooner under certain circumstances which include prepayment of the loan or sale of Ichor Energy, LLC) the lenders will receive a payment approximating 7% of the fair value of Ichor Energy, LLC at that time; such amount is not estimable. Obligations under the loan agreement are secured by mortgages on the oil and gas leases of Ichor Energy, LLC and all of its subsidiaries, a security agreement covering all assets of Ichor Energy, LLC, and a pledge by Ichor Holdings of all if the membership interests in Ichor Energy, LLC. The balance shown is net of unamortized discount of \$2,191,501 at June 30, 2021 and \$2,626,915 at December 31, 2020.	51,041,309	51,400,794

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On February 14, 2019, the Company executed a promissory note payable to CrossFirst Bank in the amount of \$56,760 for the purchase of transportation equipment, bearing interest at 7.15%, payable in 60 installments of \$1,130, secured by a vehicle, with a maturity date of February 14, 2024.	32,808	38,397
On July 24, 2019, the Company through its wholly owned subsidiary, Mid-Con Petroleum, LLC, executed a promissory note payable to Cornerstone Bank in the amount of \$2,241,758, bearing interest at 6%, payable interest only through July 24, 2021, then on August 24, 2021, payable in monthly installments of \$43,438, with a final payment due on a maturity date of July 24, 2025. The note is secured by a first mortgage on all of the assets of Mid-Con Petroleum, LLC and a guarantee of payment by Viking Energy Group, Inc. The balance shown is net of unamortized discount of \$19,394 at June 30, 2021 and \$21,758 at December 31, 2020.	2,222,364	2,220,001
On July 24, 2019, the Company through its wholly owned subsidiary, Mid-Con Drilling, LLC, executed a promissory note payable to Cornerstone Bank in the amount of \$1,109,341, bearing interest at 6%, payable interest only through July 24, 2021, then on August 24, 2021, payable in monthly installments of \$21,495, with a final payment due on a maturity date of July 24, 2025. The note is secured by a first mortgage on all of the assets of Mid-Con Drilling, LLC and a guarantee of payment by Viking Energy Group, Inc. The balance shown is net of unamortized discount of \$19,340 at June 30, 2021 and \$21,697 at December 31, 2020.	1,039,339	1,036,982
On February 3, 2020, in connection with an acquisition of oil and gas interests, the Company executed a secured promissory note in the amount of \$20,869,218, payable to EMC Capital Partners, LLC, subject to revision to the extent of any post-closing adjustment payments in connection with the acquisition. Such payments were to be applied to reduce the balance owing under the promissory note. During April 2020 the Company received post-closing adjustment payments in the amount of \$5,277,589 which were applied to the note balance. This note replaced the secured promissory dated December 18, 2018 in favor of RPM Investments. This note bears interest at 10% and is payable along with the full amount of principal on June 11, 2021 and is secured by a pledge of all of the membership interests of Viking's wholly-owned subsidiary, Ichor Energy Holdings, LLC. On January 8, 2021, as discussed in Note 1, this debt was extinguished by the issuance of equity and was therefore classified as noncurrent on the consolidated balance sheet at December 31, 2020.	-	15,591,629

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<p>On February 3, 2020, to facilitate the acquisition of certain oil and gas assets, the Company, through one of its subsidiaries, Elysium Energy, LLC, entered into a Term Loan Credit Agreement with various lenders represented by 405 Woodbine, LLC as administrative agent. The agreement provides for a total loan amount of \$35,000,000 at a 4.0% original issue discount, bearing interest at the prime rate plus seven and three quarters percent (7.75%) payable monthly. Principal payments are due beginning on May 1, 2020, and on each month thereafter at one percent (1%) of the then-outstanding balance, and to the extent not paid on the maturity date of August 3, 2022. Cash generated from the operation of these assets is restricted to lease operating expenses, the payment of debt service on the Term Loan, oil and gas development projects approved by the lender, and a cost allocation of \$150,000 per month for general and administrative expenses of the Company. The Borrower shall have the right at any time to prepay all or a portion of the Loan Balance. The loan agreement contains a prepayment penalty of 5% of any voluntary prepayment of principal through February 3, 2021 and 3% of any voluntary prepayment of principal on or between February 3, 2021 and February 3, 2022. Commencing with the quarter ended September 30, 2020 the Borrower is required to make mandatory prepayments of principal equal to 75% of Excess Cash Flow as defined in the agreement without any prepayment penalty fees. The loans are secured by mortgages on the oil and gas leases of Elysium Energy LLC and its subsidiaries, a security agreement covering all assets of Elysium and its subsidiaries, and a pledge of all of Elysium's membership interests. The balance shown is net of unamortized discount of \$2,165,678 at June 30, 2021 and \$3,148,104 at December 31, 2020.</p>	29,506,906	30,493,630
<p>On or about February 18, 2020, the Company commenced an offering of securities consisting of a subordinated, secured, convertible debt instrument with equity features. The notes bear interest at 12%, payable quarterly, contain a conversion entitlement to convert all or a portion of the amount outstanding into common shares of the Company at \$1.35 per share, and provide for the issuance of 16,667 common shares of the Company for every \$100,000 exchanged or advanced. As security, the holders received, pari passu with all other holders, a pledge of the Company's membership interest in Elysium Energy Holdings, LLC, and, as soon as the Company's obligations to EMC Capital Partners, LLC are satisfied, a pledge of the Company's membership interest in Ichor Energy Holdings, LLC. Any unpaid principal and interest is due on the maturity date of February 11, 2022. The balance shown is net of unamortized discount of \$923,719 as of June 30, 2021 and \$1,504,868 as of December 31, 2020.</p>	5,779,285	4,182,136
<p>On April 18, 2020, the Company entered into an unsecured promissory note with Crossfirst Bank in the principal amount of \$149,600 related to the CARES Act Payroll Protection Program. This note is fully guaranteed by the Small Business Administration and may be forgivable provided that certain criteria are met. The interest rate on the loan is 1%, and the note has a two-year maturity. The Company is required to make payments on the remaining principal of the note net of any loan forgiveness beginning November 18, 2020.</p>	149,600	149,600
<p>On July 1, 2020 the Company received a loan of \$150,000 from the U.S. Small Business Administration. The loan bears interest at 3.75%, and is payable in monthly installments of at \$731 monthly beginning 12 months from the date of the note, with the remaining principal and accrued interest due 30 years from the date of the note.</p>	150,000	150,000
<p>Total long-term debt and other short-term borrowings</p>	95,961,611	111,753,164
<p>Less current portion</p>	(44,325,164)	(32,977,368)
	<u>\$ 51,636,447</u>	<u>\$ 78,775,796</u>

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

Twelve-month period ended June 30,

	Principal	Unamortized Discount	Net
2022	\$ 48,302,618	\$ 3,977,454	\$ 44,325,164
2023	3,823,153	888,057	2,935,096
2024	47,554,158	443,974	47,110,184
2025	714,644	9,529	705,115
2026	745,004	618	744,386
Thereafter	141,666	-	141,666
	<u>\$ 101,281,243</u>	<u>\$ 5,319,632</u>	<u>\$ 95,961,611</u>

Loan Covenants

Pursuant to the terms of the Revolving Line of Credit Facility executed on June 13, 2018 with CrossFirst Bank for a maximum principal amount of \$0,000,000, the Company is required to provide on a quarterly basis, certain information to the Bank relative to operational performance of the Borrowers, to include internally prepared consolidated financial statements, hedge reports, and a compliance certificate. At June 30, 2021, the Company is in compliance with these loan covenants.

Pursuant to the terms of the Term Loan Credit Agreement executed on December 28, 2018 with various lenders in the initial amount of \$3,592,000 (and as amended in June 2020), the Company is required to provide, periodically to the lenders, certain information (including restrictive financial ratios) regarding the financial and operational performance of the related assets, accompanied by a compliance certificate. At June 30, 2021, the Company is in compliance with these loan covenants.

Pursuant to the terms of the Term Loan Credit Agreement executed on February 3, 2020 with various lenders in the initial amount of \$6,458,333, the Company is required to periodically provide the lenders certain information (including restrictive financial ratios) regarding the financial and operational performance of the related assets, accompanied by a compliance certificate. The Company is in compliance with applicable covenants in the agreement at June 30, 2021 except for a default in meeting the maximum leverage ratio. The Company has classified this debt as a current liability in the accompanying Consolidated Balance Sheets (i) due to this default at June 30, 2021, and (ii) due to uncertainty as to its ability to comply with all of the term loan covenants at December 31, 2020.

Note 8. Commitments and contingencies

Office lease

In April 2018, the Company's subsidiary, Petrodome Energy, LLC entered into a 66-month lease for 4,147 square feet of office space for the Company's corporate office in Houston, Texas. The annual base rent commenced at \$22.00 per square foot, and escalates at \$0.50 per foot each year through expiration of the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. Operating lease expense was \$48,192 for the six months ended June 30, 2021 and 2020.

Pending Merger

See Note 1 regarding the pending merger with Camber.

Legal matters

From time to time the Company may be a party to litigation involving commercial claims against the Company. Management believes that the ultimate resolution of these matters will not have a material effect on the Company's financial position or results of operations.

In April of 2019, the staff (the "Staff") of the SEC's Division of Enforcement notified the Company that the Staff had made a preliminary determination to recommend that the SEC file an enforcement action against the Company, as well as against its CEO and its CFO, for alleged violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder during the period from early 2014 through late 2016. The Staff's notice is not a formal allegation or a finding of wrongdoing by the Company, and the Company has communicated with the Staff regarding its preliminary determination. The Company believes it has adequate defenses and intends to vigorously defend any enforcement action that may be initiated by the SEC.

Note 9. Subsequent Events

During July 2021, the Company issued 15,772 shares of common stock in exchange for services.

On July 29, 2021, the Company issued 27,500,000 shares of common stock pursuant to a Securities Purchase Agreement with Camber for an aggregate purchase price of \$11,000,000 (see Note 1)

On August 6, 2021, the Company acquired approximately 60.5% of the issued and outstanding shares of Simson-Maxwell Ltd. ("Simson"), a Canadian federal corporation, for a cash purchase price of approximately \$8 million. Simson is a leading manufacturer and supplier of industrial engines, power generation products, services and custom energy solutions. Simson has seven branch locations and services over 4,000 maintenance contracts.

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 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 policies; 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

Overview

Viking Energy Group, Inc. ("Viking" or the "Company") is an independent exploration and production company engaged in the sale of crude oil, natural gas and natural gas liquids, focused on the acquisition and development of oil and natural gas properties in the Gulf Coast and Mid-Continent regions of the United States. The Company owns oil and gas leases in Texas, Louisiana, Mississippi and Kansas. The Company targets under-valued assets with realistic appreciation potential.

The Company's business plan is to engage in the acquisition, exploration, development of and production from oil and natural gas properties, both individually and through collaborative partnerships with other companies in this field of endeavor. Viking has relationships with industry experts and formulated an acquisition strategy, with emphasis on acquiring under-valued, producing properties from distressed vendors or those deemed as non-core assets by larger sector participants. The Company does not focus on speculative exploration programs, but rather targets oil and gas properties with current production and untapped reserves. The Company's growth strategy includes the following key initiatives:

- Acquisition of under-valued producing oil and gas assets
- Employ enhanced recovery techniques to maximize production: and
- Implement responsible, lower-risk drilling programs on existing assets
- Aggressively pursue cost-efficiencies
- Opportunistically explore strategic mergers and/or acquisitions
- Actively hedge to mitigate commodity risk

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The following overview provides a background for the current strategy being implemented by management

Acquisitions – Texas, Louisiana and Mississippi

On December 22, 2017, the Company completed an acquisition of 100% of the membership interests of Petrodome Energy, LLC, a privately-owned company, with working interests in multiple oil and gas fields across Texas, Louisiana and Mississippi, comprising approximately 11,700 acres.

As a part of this acquisition, the Company retained an operational office in Houston, Texas that includes several senior level professionals with over 100 years of combined oil and gas experience which provides the Company the capability of operating many of its own wells internally. This expertise has since been utilized to evaluate potential oil and gas acquisitions, evaluate the management of the Company's oil and gas assets, and evaluate and develop new drilling prospects.

Acquisitions – Texas and Louisiana

On December 28, 2018, the Company, through its newly formed Ichor Energy subsidiaries completed an acquisition (the "Ichor Energy Acquisition") of working interests in oil and gas leases in Texas (primarily in Orange and Jefferson Counties) and Louisiana (primarily in Calcasieu Parish), which included 58 producing wells and 31 salt water disposal wells. The properties produce hydrocarbons from known reservoirs/sands in the on-shore Gulf Coast region, with an average well depth in excess of 10,600 feet, and daily production volumes averaging in excess of 2,000 BOE. This acquisition of these assets is consistent with the location of the Company's Petrodome assets and the acquired assets are effectively managed from the Company's Houston office.

On May 10, 2019, Petrodome Louisiana Pipeline LLC ("Petrodome LA"), a subsidiary of the Company's subsidiary, Petrodome Energy, LLC, acquired a majority working interest in 6 gas wells (including 2 producing gas wells), 1 producing oil well and 1 salt water disposal well located in the East Mud Lake Field in Cameron Parish, Louisiana, with leases to mineral rights (oil and gas) concerning approximately 765 acres.

On February 3, 2020, the subsidiary of the Company's 75% owned subsidiary, Elysium Energy Holdings, LLC, acquired interests in oil and gas properties located in Texas and Louisiana, which included leases, working interests, and over-riding royalty interests in oil and gas properties in Texas (approximately 72 wells in 11 counties) and Louisiana (approximately 55 wells in 6 parishes), along with associated equipment. On February 4, 2020, Elysium hedged 75% of the estimated oil and gas production associated with the newly acquired assets for 2020, 60% of the estimated production for 2021 and 50% of the estimated production for the period between January, 2022 to July, 2022. These hedges have a floor of \$45 and a ceiling ranging from \$52.70 to \$56.00 for oil, and a floor of \$2.00 and a ceiling of \$2.425 for natural gas.

Simson-Maxwell Acquisition

On August 6, 2021, the Company acquired approximately 60.5% of the issued and outstanding shares of Simson-Maxwell Ltd. ("Simson-Maxwell"), a Canadian federal corporation, for a cash purchase price of approximately \$8 million. Simson-Maxwell is a leading manufacturer and supplier of industrial engines, power generation products, services and custom energy solutions for over 80 years. Simson has seven branch locations and services over 4,000 maintenance contracts.

Pending Merger

On February 15, 2021, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Camber Energy, Inc., the majority owner of the Company's common stock ("Camber"). The Merger Agreement provides that, upon the terms and subject to the conditions set forth therein, a newly-formed wholly-owned subsidiary of Camber ("Merger Sub") will merge with and into the Company (the "Merger"), with the Company surviving the Merger as a wholly-owned subsidiary of Camber.

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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: (i) of common stock, par value \$0.001 per share, of the Company (the “Viking Common Stock”) issued and outstanding immediately prior to the Effective Time, other than shares owned by Camber, the Company and Merger Sub, will be converted into the right to receive one share of common stock of Camber; and (ii) of Series C Convertible Preferred Stock of the Company (the “Viking Preferred Stock”) issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of Series A Convertible Preferred Stock of Camber (the “Camber Series A Preferred Stock”). Each share of Camber Series A Preferred Stock will convert into 890 shares of common stock of Camber (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’s common stock), will be treated equally with Camber’s common stock with respect to dividends and liquidation, and will only have 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. Holders of Viking Common Stock and Viking Preferred Stock will have any fractional shares of Camber common stock or preferred stock after the Merger rounded up to the nearest whole share.

At the Effective Time, each outstanding Company equity award, will be converted into the right to receive the merger consideration in respect of each share of Viking Common Stock underlying such equity award and, in the case of Company stock options, be converted into vested Camber stock options based on the merger exchange ratio calculated as provided above (the “Exchange Ratio”).

The Merger Agreement provides, among other things, that effective as of the Effective Time, James A. Doris, the current Chief Executive Officer of both the Company and Camber, shall serve as President and Chief Executive Officer of the Combined Company following the Effective Time. The Merger Agreement provides that, as of the Effective Time, the Combined Company will have its headquarters in Houston, Texas.

The Merger Agreement also provides that, during the period from the date of the Merger Agreement until the Effective Time, each of Camber and Company will be subject to certain restrictions on its ability to solicit alternative acquisition proposals from third parties, to provide non-public information to third parties and to engage in discussions with third parties regarding alternative acquisition proposals, subject to customary exceptions. Company is required to hold a meeting of its stockholders to vote upon the adoption of the Merger Agreement and, subject to certain exceptions, to recommend that its stockholders vote to adopt the Merger Agreement. Camber is required to hold a meeting of its stockholders to approve the issuance of Viking Common Stock and Viking Preferred Stock in connection with the Merger (the “Share Issuance”).

The completion of the Merger is subject to customary conditions, including (i) adoption of the Merger Agreement by Camber’s stockholders and approval of the Share Issuance by Camber’s stockholders, (ii) receipt of required regulatory approvals, (iii) effectiveness of a registration statement on Form S-4 for the Camber common stock to be issued in the Merger (the “Form S-4”), and (iv) the absence of any law, order, injunction, decree or other legal restraint preventing the completion of the Merger or making the completion of the Merger illegal. Each party’s obligation to complete the Merger is also subject to certain additional customary conditions, including (i) subject to certain exceptions, the accuracy of the representations and warranties of the other party, (ii) subject to certain exceptions, performance by the other party of its obligations under the Merger Agreement and (iii) the absence of any material adverse effect on the other party, as defined in the Merger Agreement.

Additional closing conditions to the Merger include that in the event the NYSE American determines that the Merger constitutes, or will constitute, a “back-door listing” / “reverse merger”, Camber (and its common stock) is required to qualify for initial listing on the NYSE American, pursuant to the applicable guidance and requirements of the NYSE as of the Effective Time.

The Merger Agreement can be terminated (i) at any time with the mutual consent of the parties; (ii) by either Camber or Company if any governmental consent or approval required for closing is not obtained, or any governmental entity issues a final non-appealable order or similar decree preventing the Merger; (iii) by either Company or Camber if the Merger shall not have been consummated on or before August 1, 2021; (iv) by Camber or Company, upon the breach by the other of a term of the Merger, which is not cured within 30 days of the date of written notice thereof by the other; (v) by Camber if Company is unable to obtain the affirmative vote of its stockholders for approval of the Merger; (vi) by Company if Camber is unable to obtain the affirmative vote of its stockholders required pursuant to the terms of the Merger Agreement; and (vii) by Company or Camber if there is a willful breach of the Merger Agreement by the other party thereto.

The Merger Agreement contains customary indemnification obligations of the parties and representations and warranties.

Going Concern Qualification

The Company's 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 \$18,904,027 for the six months ended June 30, 2021, as compared to a net income of \$2,576,209 for the six months ended June 30, 2020. The loss for the six months ended June 30, 2021 was comprised of, among other things, certain non-cash items, including: (i) stock based compensation of \$388,543; (ii) accretion of asset retirement obligation of \$289,674; (iii) depreciation, depletion & amortization of \$4,663,227; (iv) amortization of debt discount of \$2,145,036; and (v) change in fair value of derivatives of \$(12,976,173).

As of June 30, 2021, the Company has a stockholders' deficit of \$15,054,324 and total long-term debt of \$95,961,611. As of June 30, 2021, the Company has a working capital deficiency of approximately \$55,000,000. The largest components of current liabilities creating this working capital deficiency are (i) notes payable with a face value aggregating approximately \$6.7 million as of June 30, 2021 due in February of 2022, (ii) a revolving credit facility with a balance of \$6,040,000 as of June 30, 2021 due in January of 2022, (iii) a derivative liability of \$12,649,422, and (iv) a term loan agreement with a face value of approximately \$31.6 million as of June 30, 2021, which, although it has a maturity date of August 3, 2022, has been included as a current liability in the accompanying balance sheet as the Company's subsidiary, Elysium Energy, LLC and other parties to the term loan agreement, are in default of the maximum leverage ratio covenant under the term loan agreement at June 30, 2021.

Management believes it will be able to continue to leverage the expertise and relationships of its operational and technical teams to enhance existing assets and identify new development and acquisition opportunities in order to improve the Company's financial position. The Company may have the ability, if it can raise additional capital, to acquire new assets in a separate division from existing subsidiaries. Also, as a majority-owned subsidiary of Camber, the Company might be able to benefit from Camber's national stock exchange platform to access additional capital sources.

Nonetheless, recent oil and gas price volatility as a result of geopolitical conditions and the global COVID-19 pandemic have already had and may continue to have a negative impact on the Company's financial position and results of operations. Negative impacts could include but are not limited to: the Company's ability to sell our oil and gas production, reduction in the selling price of the Company's oil and gas, failure of a counterparty to make required hedge payments, possible disruption of production as a result of worker illness or mandated production shutdowns, the Company's ability to maintain compliance with loan covenants and/or refinance existing indebtedness, and access to new capital and financing.

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 development strategy; however, there is no assurance of additional funding being available. These 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 and six months ended June 30, 2021, and 2020, 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, 2020, filed with the SEC on March 25, 2021.

Liquidity and Capital Resources

As of June 30, 2021, and December 31, 2020, the Company had \$7,471,030 (of which \$5,360,506 is restricted) and \$7,839,539 (of which \$3,862,756 is restricted) in cash holdings, respectively.

Restricted cash in the amount of \$5,360,506 as of June 30, 2021, consists of \$2,450,325 held by Ichor Energy, LLC and/or its subsidiaries and \$2,910,181 held Elysium Energy, LLC, and/or its subsidiaries.

Pursuant to the Term Loan Credit Agreement to which Ichor Energy, LLC, and its subsidiaries are parties, following March 31, 2019, the company is required at all times to maintain a minimum cash balance of \$2,000,000 (the "MLR"). Within 30 days of the end of each quarter, commencing with the quarter ended June 30, 2019, the company is required to pay the lenders, as an additional principal payment on the debt, any cash in excess of (i) the MLR and (ii) any funds necessary for the capital expenditures contemplated to be expended in the next six-month period by an approved plan of development ("APOD Capex Amount"). At June 30, 2021, the restricted cash did not exceed the MLR and the APOD Capex Amount.

Pursuant to the Term Loan Credit Agreement to which Elysium Energy, LLC, and its subsidiaries are parties, all receipts are to be deposited to a lockbox account under the control of the administrative agent, and then subsequently transferred for operations to the company's bank accounts, all of which are subject to deposit account control agreements. The aggregate amount of unencumbered cash held in any Operating Account is not to be less than (a) \$1,000,000 for the period commencing on December 31, 2020 through and including April 29, 2021, (b) \$1,750,000 for the period commencing on April 30, 2021 through and including June 29, 2021, and (c) \$2,500,000 for the period commencing June 30, 2021 through and including the Maturity Date. Commencing with the quarter ended September 30, 2020, the company is required to make mandatory prepayments of principal equal to 75% of Excess Cash Flow as defined in the agreement.

On July 29, 2021, the Company issued 27.5 million shares of common stock to Camber for \$11 million in cash. Subsequently, on August 6, 2021, the Company acquired a 60.5% interest in Simson-Maxwell Ltd. for approximately \$8 million in cash. Simson-Maxwell Ltd. is a leading manufacturer and supplier of industrial engines, power generation products, services and custom energy solutions with seven branches and over 4,000 maintenance contracts in Canada.

Three months ended June 30, 2021, compared to the three months ended June 30, 2020

Revenue

The Company had gross revenues of \$10,696,633 for the three months ended June 30, 2021, as compared to \$9,549,863 for the three months ended June 30, 2020, reflecting an increase of 12% or \$1,146,770. This increase in revenue is primarily a result of recovering oil and gas market prices as compared to the sharp decline that occurred in 2020 during the same period.

Expenses

The Company's operating expenses increased by less than 1%, or \$448,280 to \$8,996,757 for the three-month period ended June 30, 2021, from \$8,548,477 in the corresponding prior period. Lease operating costs increased by \$831,943 to \$5,228,732 for the three-month period ended June 30, 2021, as compared to \$4,396,789 for the three-month period ended June 30, 2020, due to additional wells purchased by the Company in February 2020 and increased workover costs associated with underperforming and shut-in wells. DD&A expense decreased by \$614,983 to \$2,306,225 for the three-month period ended June 30, 2021, as compared to \$2,921,208 for the period ended June 30, 2020, primarily as a result of the impairment charge for the year ended December 31, 2020, decreasing the amortization base used for the calculation. General and administrative expenses reflected an increase of \$282,509 to \$1,199,699, when compared to \$917,190 in the corresponding prior period.

Income (Loss) from Operations

The Company generated an income from operations for the three months ended June 30, 2021, of \$1,699,876, when compared to income from operations of \$1,001,386 for the three months ended June 30, 2020.

Other Income (Expense)

The Company had other expense of \$(11,551,630) for the three months ended June 30, 2021, as compared to other expense of \$(18,674,336) for the three months ended June 30, 2020. Interest expense decreased by \$3,730,175 to \$3,179,380 for the three-month period ended June 30, 2021, as compared to \$6,909,555 for the three months ended June 30, 2020, due to a reduction in long term debt resulting from the transactions with Camber and EMC Capital Partners, LLC, described in Note 1 to the Company's consolidated financial statements. As a result of the fluctuating commodities markets, changes in the fair value of our commodity derivatives reflected a loss to the consolidated financial statements of \$(7,307,567) for the three-month period ended June 30, 2021, as compared to a loss of \$(9,292,013) for the three month-period ended June 30, 2020.

Net Income (Loss)

The Company had a net loss of \$(9,851,754) during the three-month period ended June 30, 2021, compared with a net loss of \$(16,561,142) for the three-month period ended June 30, 2020, a \$6,709,388 difference primarily as a result of the items discussed above.

Six months ended June 30, 2021, compared to the Six months ended June 30, 2020

Revenue

The Company had gross revenues of \$21,190,712 for the six months ended June 30, 2021, as compared to \$21,337,815 for the six months ended June 30, 2020. This consistency of revenue when comparing the two periods is primarily a result of the protection provided by the Company's hedge contracts on oil and gas production as well as recovering oil and gas market prices as compared to the sharp decline that occurred in 2020 during the same period.

Expenses

The Company's operating expenses increased by less than 3%, or \$488,227 to \$17,637,126 for the six-month period ended June 30, 2021, from \$17,148,899 in the corresponding prior period. Lease operating costs increased by \$1,818,756 to \$9,974,748 for the six-month period ended June 30, 2021, as compared to \$8,155,992 for the six-month period ended June 30, 2020, due to additional wells purchased by the Company in February 2020 and increased workover costs associated with underperforming and shut-in wells. DD&A expense decreased by \$1,435,183 to \$4,663,227 for the six-month period ended June 30, 2021, as compared to \$6,098,410 for the period ended June 30, 2020, primarily as a result of the impairment charge for the year ended December 31, 2020, decreasing the amortization base used for the calculation. General and administrative expenses reflected an increase of \$119,097 to 2,320,934, when compared to \$2,201,837 in the corresponding prior period.

Income (loss) from Operations

The Company generated an income from operations for the six months ended June 30, 2021, of \$3,553,586, when compared to income from operations of \$4,188,916 for the six months ended June 30, 2020.

Other Income (Expense)

The Company had other expense of \$(22,457,613) for the six months ended June 30, 2021, as compared to other expense of \$(1,612,707) for the six months ended June 30, 2020. Interest expense decreased by \$5,061,240 to \$6,431,875 for the six-month period ended June 30, 2021 as compared to \$11,493,115 for the six months ended June 30, 2020 due to a reduction in long term debt resultant from the transactions with Camber and EMC Capital Partners, LLC, described in Note 1 to the Company's consolidated financial statements. As a result of the fluctuating commodities markets, changes in the fair value of our commodity derivatives reflected a loss to the consolidated financial statements of \$12,976,173 for the six-month period ended June 30, 2021, as compared to a gain of \$13,587,431 for the six month-period ended June 30, 2020.

Net Income (Loss)

The Company had a net loss of \$(18,904,027) during the six-month period ended June 30, 2021, compared with a net income of \$2,730,848 for the six-month period ended June 30, 2020, a \$21,634,875 difference primarily as a result of the items discussed above.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We prepare our financial statements in conformity with 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 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 financial statements, as well as the sufficiency of the disclosures pertaining to our accounting policies in the footnotes accompanying our financial statements. Described below are the most significant policies we apply in preparing our 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 2 - Summary of Significant Accounting Policies" to our consolidated financial statements.

Oil and Gas Property Accounting

The Company uses the full cost method of accounting for its investment in oil and natural gas properties. Under this method of accounting, all costs of acquisition, exploration and development of oil and natural gas properties (including such costs as leasehold acquisition costs, geological expenditures, dry hole costs, tangible and intangible development costs and direct internal costs) are capitalized as the cost of oil and natural gas properties when incurred.

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The full cost method requires the Company to calculate quarterly, by cost center, a “ceiling,” or limitation on the amount of properties that can be capitalized on the balance sheet. To the extent capitalized costs of oil and natural gas properties, less accumulated depletion and related deferred taxes, exceed the sum of the discounted future net revenues of proved oil and natural gas reserves, the lower of cost or estimated fair value of unproved not properties subject to amortization, the cost of properties not being amortized, and the related tax amounts, such excess capitalized costs are charged to expense.

Proved Reserves

Estimates of our proved reserves included in this report are prepared in accordance with U.S. SEC guidelines for reporting corporate reserves and future net revenue. The accuracy of a reserve estimate is a function of:

- i. the quality and quantity of available data;
- ii. the interpretation of that data;
- iii. the accuracy of various mandated economic assumptions; and
- iv. the judgment of the persons preparing the estimate.

Our proved reserve information included in this report was predominately based on estimates. Because these estimates depend on many assumptions, all of which may substantially differ from future actual results, reserve estimates will be different from the quantities of oil and gas that are ultimately recovered. In addition, results of drilling, testing and production after the date of an estimate may justify material revisions to the estimate.

In accordance with SEC requirements, we based the estimated discounted future net cash flows from proved reserves on the unweighted arithmetic average of the prior 12-month commodity prices as of the first day of each of the months constituting the period and costs on the date of the estimate.

The estimates of proved reserves materially impact depreciation, depletion, amortization and accretion (“DD&A”) expense. If the estimates of proved reserves decline, the rate at which we record DD&A expense will increase, reducing future net income. Such a decline may result from lower market prices, which may make it uneconomic to drill for and produce from higher-cost fields.

Asset Retirement Obligation

Asset retirement obligations (“ARO”) primarily represent the estimated present value of the amount we will incur to plug, abandon and remediate our producing properties at the projected end of their productive lives, in accordance with applicable federal, state and local laws. We determined our 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. Periodic accretion of discount of the estimated liability is recorded as accretion expense in the accompanying consolidated statements of operations.

ARO liability is determined using significant assumptions, including current estimates of plugging and abandonment costs, annual inflation of these costs, the productive lives of wells and a risk-adjusted interest rate. Changes in any of these assumptions can result in significant revisions to the estimated ARO.

Commodity Derivatives

The Company does not designate its commodities derivative instruments as hedges and therefore does not apply hedge accounting. Changes in fair value of derivative instruments subsequent to the initial measurement are recorded as change in fair value on derivative liability, in other income (expense). The estimated fair value amounts of the Company's commodity derivative instruments have been determined at discrete points in time based on relevant market information which resulted in the Company classifying such derivatives as Level 2. Although the Company's commodity derivative instruments are valued using public indices, as well as the Black-Scholes model, the instruments themselves are traded with unrelated counterparties and are not openly traded on an exchange.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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.

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 June 30, 2021, have been evaluated, and, based upon this evaluation, the Company's Chief Executive Officer has concluded that these controls and procedures are not effective in providing reasonable assurance of compliance.

Changes in Internal Control over Financial Reporting

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 June 30, 2021.

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 June 30, 2021, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of operations.

In April of 2019, the staff (the “Staff”) of the SEC’s Division of Enforcement notified the Company that the Staff had made a preliminary determination to recommend that the SEC file an enforcement action against the Company, as well as against its CEO and its CFO, for alleged violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder during the period from early 2014 through late 2016. The Staff’s notice is not a formal allegation or a finding of wrongdoing by the Company, and the Company communicated with the Staff regarding its preliminary determination. The Company believes it has adequate defenses and intends to defend any enforcement action that may be initiated by the SEC.

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.

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

During the six months ended June 30, 2021, the Company issued unregistered equity securities as described below:

On January 8, 2021, the Company issued 16,153,846 shares of the Company’s common stock to Camber Energy, Inc. pursuant to a subscription agreement for \$18,900,000, with a fair value of \$19,622,000.

On January 12, 2021, the Company issued 8,292 shares of the Company’s common stock to a consultant for \$10,000 of consulting services rendered to the Company.

On February 15, 2021, the Company issued 8,818 shares of the Company’s common stock to a consultant for \$10,000 of consulting services rendered to the Company.

On March 5, 2021, the Company issued 7,704 shares of the Company’s common stock to a consultant for \$10,000 of consulting services rendered to the Company.

On March 8, 2021, the Company issued 250,000 shares of the Company’s common stock to a consultant for \$243,750 of consulting services rendered to the Company.

On May 18, 2021, the Company issued 27,654 shares of the Company’s common stock to a consultant for \$20,000 of consulting services rendered to the Company.

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On May 25, 2021, the Company issued 55,659 shares of the Company's common stock to a consultant for \$30,000 of consulting services rendered to the Company.

On June 21, 2021, the Company issued 20,243 shares of the Company's common stock to a consultant for \$10,000 of consulting services rendered to the Company.

On June 24, 2021, the Company issued 9,444 shares of the Company's common stock to a consultant for \$4,912 of consulting services rendered to the Company.

On June 28, 2021, the Company issued 40,253 shares of the Company's common stock to a consultant for \$20,000 of consulting services rendered to the Company.

The issuances of the foregoing securities were made in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended, as there was no general solicitation, the shareholders were sophisticated and/or accredited, and the transactions with the shareholders did not involve a public offering.

On January 6, 2021, the Company issued (i) 76,667 shares of Company common stock, and (ii) a \$460,000 convertible promissory note maturing February 11, 2022, to a third-party investor in consideration for promissory notes held by the investor in the same amount.

On January 12, 2021, the Company issued (i) 7,667 shares of Company common stock, and (ii) a \$46,000 convertible promissory note maturing February 11, 2022, to a third-party investor in consideration for promissory notes held by the investor in the same amount.

On March 4, 2021, the Company issued (i) 4,167 shares of Company common stock, and (ii) a \$25,000 convertible promissory note maturing February 11, 2022, to a third-party investor in consideration for cash in the amount of \$25,000.

On March 15, 2021, the Company issued (i) 16,667 shares of Company common stock, and (ii) a \$100,000 convertible promissory note maturing February 11, 2022, to a third-party investor in consideration for cash in the amount of \$100,000.

On March 24, 2021, the Company issued (i) 16,667 shares of Company common stock, and (ii) a \$100,000 convertible promissory note maturing February 11, 2022, to a third-party investor in consideration for cash in the amount of \$100,000.

On March 25, 2021, the Company issued (i) 16,667 shares of Company common stock, and (ii) a \$100,000 convertible promissory note maturing February 11, 2022, to a third-party investor in consideration for cash in the amount of \$100,000.

On March 25, 2021, the Company issued (i) 16,667 shares of Company common stock, and (ii) a \$100,000 convertible promissory note maturing February 11, 2022, to a third-party investor in consideration for cash in the amount of \$100,000.

On April 19, 2021, the Company issued (i) 14,167 shares of Company common stock, and (ii) an \$85,000 convertible promissory note maturing February 11, 2022, to a third-party investor in consideration for cash in the amount of \$85,000.

The issuances of the foregoing securities were made in reliance on the exemption from registration provided by Rule 506(c) promulgated under Section 4(a)(2) of the Securities Act of 1933, as amended, as the shareholders were accredited, as well as Section 4(a)(2) of the Securities Act of 1933, as amended, as 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

ITEM 6. EXHIBITS

<u>Number</u>	<u>Description</u>
2.1	Agreement and Plan of Merger, dated as of February 15, 2021, by and between Viking Energy Group, Inc. and Camber Energy, Inc. (incorporated by reference to our Current Report on Form 8-K filed on February 18, 2021)
3.1	Articles of Incorporation (incorporated by reference to our Definitive Information Statement on Schedule 14C filed on October 14, 2008)
3.2	Bylaws (incorporated by reference to our Definitive Information Statement on Schedule 14C filed on October 14, 2008)
3.3	Certificate of Amendment to Articles of Incorporation (incorporated by reference to our Annual Report on Form 10-K filed on March 25, 2021)
3.4	Certificate of Amendment to Designation - After Issuance of Class or Series (incorporated by reference to our Current Report on Form 8-K filed on December 28, 2020)
10.1	Term Loan Agreement, dated December 22, 2017, by the Borrowers listed therein, 405 Petrodome LLC, as Administrative Agent, and 405 Petrodome LLC and Cargill, Incorporated, as Lenders (incorporated by reference to our Current Report on Form 8-K filed on December 29, 2017)
10.2	Purchase and Sale Agreement, executed as of September 1, 2018, by and among Viking Energy Group, Inc. and Bodel Holdings, L.L.C., Cleveland Holdings, L.L.C., Delbo Holdings, L.L.C., DeQuincy Holdings, L.L.C., Gulf Coast Working Partners, L.L.C., Oakley Holdings, L.L.C., SamJam Energy, L.L.C., and Perry Point Holdings, L.L.C. (incorporated by reference to our Current Report on Form 8-K filed on September 5, 2018)
10.3	First Amendment to Purchase and Sale Agreement, executed as of November 1, 2018, by and among Viking Energy Group, Inc. and Bodel Holdings, L.L.C., Cleveland Holdings, L.L.C., Delbo Holdings, L.L.C., DeQuincy Holdings, L.L.C., Gulf Coast Working Partners, L.L.C., Oakley Holdings, L.L.C., SamJam Energy, L.L.C., and Perry Point Holdings, L.L.C. (incorporated by reference to our Current Report on Form 8-K filed on November 5, 2018)
10.4	Second Amendment to Purchase and Sale Agreement, executed as of November 1, 2018, by and among Viking Energy Group, Inc. and Bodel Holdings, L.L.C., Cleveland Holdings, L.L.C., Delbo Holdings, L.L.C., DeQuincy Holdings, L.L.C., Gulf Coast Working Partners, L.L.C., Oakley Holdings, L.L.C., SamJam Energy, L.L.C., and Perry Point Holdings, L.L.C. (incorporated by reference to our Current Report on Form 8-K filed on December 31, 2018)
10.5	Collateral Agreement to Purchase and Sale Agreement, executed as of December 26, 2018, by and among Viking Energy Group, Inc. and Bodel Holdings, L.L.C., Cleveland Holdings, L.L.C., Delbo Holdings, L.L.C., DeQuincy Holdings, L.L.C., Gulf Coast Working Partners, L.L.C., Oakley Holdings, L.L.C., SamJam Energy, L.L.C., and Perry Point Holdings, L.L.C. (incorporated by reference to our Current Report on Form 8-K filed on December 31, 2018)
10.6	Term Loan Credit Agreement, dated as of December 28, 2018, by and among Ichor Energy Holdings, LLC, Ichor Energy, LLC, ABC Funding, LLC, as Administrative Agent, and the Lender Parties (incorporated by reference to our Current Report on Form 8-K filed on December 31, 2018)
10.7	10% Secured Promissory Note, dated December 27, 2018, issued by Viking Energy Group, Inc. to RPM Investments, a Division of Opus Bank, in favor of Sellers (incorporated by reference to our Current Report on Form 8-K filed on December 31, 2018)
10.8	Security and Pledge Agreement, executed as of December 27, 2018, by and among Viking Energy Group, Inc. and Bodel Holdings, L.L.C., Cleveland Holdings, L.L.C., Delbo Holdings, L.L.C., DeQuincy Holdings, L.L.C., Gulf Coast Working Partners, L.L.C., Oakley Holdings, L.L.C., SamJam Energy, L.L.C., and Perry Point Holdings, L.L.C. (incorporated by reference to our Current Report on Form 8-K filed on December 31, 2018)
10.9	Purchase and Sale Agreement, dated as of October 10, 2019, by and among Elysium Energy, LLC, 5Jabor, LLC, Bass Petroleum, L.L.C., Bodel Holdings, LLC, Delbo Holdings, L.L.C., James III Investments, L.L.C., JamSam Energy, LLC, Lake Boeuf Investments, LLC, Oakley Holdings, L.L.C., and Plaquemines Holdings, L.L.C. (incorporated by reference to our Current Report on Form 8-K filed on October 11, 2019)
10.10	First Amendment to Purchase and Sale Agreement, effective as of December 23, 2019, by and among 5Jabor, LLC; Bass Petroleum, L.L.C.; Bodel Holdings, LLC; Delbo Holdings, L.L.C.; James III Investments, LLC; JamSam Energy, L.L.C.; Lake Boeuf Investments, LLC; Oakley Holdings, L.L.C.; Plaquemines Holdings, L.L.C.; Elysium Energy, LLC; Viking Energy Group, Inc. and Five JAB, Inc. (incorporated by reference to our Current Report on Form 8-K filed on December 30, 2019)

10.11	<u>Second Amendment to Purchase and Sale Agreement and Waiver, effective as of February 2, 2020, by and among 5Jabor, LLC; Bass Petroleum, L.L.C.; Bodel Holdings, LLC; Delbo Holdings, L.L.C.; James III Investments, LLC; JamSam Energy, L.L.C.; Lake Boeuf Investments LLC; Oakley Holdings, L.L.C.; Plaquemines Holdings, L.L.C. and Elysium Energy, LLC (incorporated by reference to our Current Report on Form 8-K filed on February 6, 2020)</u>
10.12	<u>Term Loan Agreement, dated as of February 3, 2020, by and among Elysium Energy Holdings, LLC; Elysium Energy, LLC; Elysium Energy LA, LLC; Elysium Energy TX, LLC; Pointe a la Hache, L.L.C.; Turtle Bayou, L.L.C.; Potash, L.L.C.; Ramos Field, L.L.C.; 405 Woodbine LLC, as Administrative Agent, and the Lenders signatory thereto. (incorporated by reference to our Current Report on Form 8-K filed on February 6, 2020)</u>
10.13	<u>First Amendment to Term Loan Agreement, effective as of September 1, 2020, by and among Viking Energy Group, Inc.; Elysium Energy, LLC; Elysium Energy Holdings, LLC; Elysium Energy LA, LLC; Elysium Energy TX, LLC; Pointe a La Hache, L.L.C.; Turtle Bayou, L.L.C.; Potash, L.L.C.; Ramos Field, L.L.C.; 405 Woodbine LLC, as Agent, and the Lenders (incorporated by reference to our Current Report on Form 8-K filed on September 4, 2020)</u>
10.14	<u>Security Agreement, dated as of February 3, 2020, by and among Elysium Energy, LLC; Elysium Energy LA, LLC; Elysium Energy TX, LLC; Pointe a la Hache, L.L.C.; Turtle Bayou, L.L.C.; Potash, L.L.C.; Ramos Field, L.L.C. and 405 Woodbine LLC (incorporated by reference to our Current Report on Form 8-K filed on February 6, 2020)</u>
10.15	<u>Guarantee and Pledge Agreement, dated as of February 3, 2020, by Elysium Energy Holdings, LLC and 405 Woodbine LLC (incorporated by reference to our Current Report on Form 8-K filed on February 6, 2020)</u>
10.16	<u>Securities Purchase Agreement, dated as of February 3, 2020, Issued by Viking Energy Group, Inc. and Camber Energy, Inc. (incorporated by reference to our Current Report on Form 8-K filed on February 5, 2020)</u>
10.17	<u>\$5,000,000 10.5% Secured Promissory Note, dated as of February 3, 2020, Issued by Viking Energy Group, Inc. to Camber Energy, Inc. (incorporated by reference to our Current Report on Form 8-K filed on February 5, 2020)</u>
10.18	<u>Security and Pledge Agreement, dated as of February 3, 2020, by and between Viking Energy Group, Inc. and Camber Energy, Inc. (incorporated by reference to our Current Report on Form 8-K filed on February 5, 2020)</u>
10.19	<u>Security and Pledge Agreement, dated as of February 3, 2020, by and between Viking Energy Group, Inc. and Camber Energy, Inc. (incorporated by reference to our Current Report on Form 8-K filed on February 5, 2020)</u>
10.20	<u>Assignment of Membership Interests by Viking Energy Group, Inc. in favor of Camber Energy, Inc. dated February 3, 2020 (incorporated by reference to our Current Report on Form 8-K filed on February 5, 2020)</u>
10.21	<u>Mutual Termination Agreement, by and between Viking Energy Group, Inc. and Camber Energy, Inc., dated December 22, 2020 (incorporated by reference to Current Report on Form 8-K filed on December 28, 2020)</u>
10.22	<u>Assignment of Membership Interests, by Camber Energy, Inc. in favor of Viking Energy Group, Inc., dated December 22, 2020 (incorporated by reference to Current Report on Form 8-K filed on December 28, 2020)</u>
10.23	<u>Securities Purchase Agreement (with Cancellation Agreement), by and between Camber Energy, Inc. and Viking Energy Group, Inc., dated December 22, 2020 (incorporated by reference to our Current Report on Form 8-K filed on December 28, 2020)</u>
10.24	<u>Form of Guaranty, issued by Viking Energy Group, Inc., dated December 22, 2020 (incorporated by reference to our Current Report on Form 8-K filed on December 28, 2020)</u>
10.25	<u>Securities Purchase Agreement, by and between Camber Energy, Inc. and Viking Energy Group, Inc., dated December 31, 2020 (incorporated by reference to our Current Report on Form 8-K filed on January 13, 2021)</u>
10.26	<u>Cancellation Agreement, by and between Viking Energy Group, Inc. and EMC Capital Partners, LLC, dated December 31, 2020 (incorporated by reference to our Current Report on Form 8-K filed on January 13, 2021)</u>

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10.27	Form of Guaranty, issued by Viking Energy Group, Inc., dated April 23, 2021 (incorporated by reference to our Current Report on Form 8-K filed on April 27, 2021)
10.28	Securities Purchase Agreement, by and between Camber Energy, Inc. and Viking Energy Group, Inc., dated July 29, 2021 (incorporated by reference to our Current Report on Form 8-K filed on July 30, 2021)
10.29	Share Purchase Agreement, by and between Viking Energy Group, Inc., Simmax Corp., Remora EQ LP and Simson-Maxwell Ltd., dated August 6, 2021 (incorporated by reference to our Current Report on Form 8-K filed on August 9, 2021)
10.30	Subscription Agreement between Viking Energy Group, Inc. and Simson-Maxwell Ltd., dated August 6, 2021 (incorporated by reference to our Current Report on Form 8-K filed on August 9, 2021)
10.31	Unanimous Shareholders Agreement, by and between Viking Energy Group, Inc., Simmax Corp., Remora EQ LP and Simson-Maxwell Ltd., dated August 6, 2021 (incorporated by reference to our Current Report on Form 8-K filed on August 9, 2021)
21.1*	Subsidiaries of Viking Energy Group, Inc. (incorporated by reference to our Annual Report on Form 10-K filed on March 30, 2020)
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 Labels 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.

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.

VIKING ENERGY GROUP, INC.
(Registrant)

/s/ James Doris
Principal Executive Officer

Date: August 16, 2021

/s/ Frank W. Barker, Jr.
Principal Financial and Accounting Officer

Date: August 16, 2021

VIKING ENERGY GROUP, 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 Viking Energy Group, 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: August 16, 2021

/s/ James Doris

James Doris
Principal Executive Officer

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

I, Frank W. Barker, Jr., Principal Financial and Accounting Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Viking Energy Group, 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: August 16, 2021

/s/ Frank W. Barker, Jr.

Frank W. Barker, Jr.
Principal Financial and Accounting Officer

VIKING ENERGY GROUP, 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 Viking Energy Group, Inc. (the Company) on Form 10-Q for the quarterly period ended June 30, 2021, 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
August 16, 2021

VIKING ENERGY GROUP, 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 Viking Energy Group, Inc. (the Company) on Form 10-Q for the quarterly period ended June 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Frank W. Barker, Jr., 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/ Frank W. Barker, Jr.

Frank W. Barker, Jr.
Principal Financial and Accounting Officer
August 16, 2021