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

FORM 10-Q

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **September 30, 2025**

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number **001-42149**

Tamboran Resources Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

93-411196

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

**Suite 01, Level 39, Tower One,
International Towers Sydney,
100 Barangaroo Avenue,
New South Wales, Australia**

(Address of Principal Executive Offices)

2000

(Zip Code)

(+61) 2 8330 6626

Registrant's telephone number, including area code

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	TBN	New York Stock Exchange

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

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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, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes No

The number of shares of common stock, par value \$0.001, of Tamboran Resources Corporation outstanding as of November 1, 2025 was 20,493,869.

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Part I - Financial Information

Item 1. Financial Statements.

The Condensed Consolidated Financial Statements of Tamboran Resources Corporation (“Tamboran” or the “Company,” and together with its consolidated subsidiaries, the “Group”) presented herein are unaudited but, in the opinion of management, reflect all adjustments necessary to present fairly such information for the periods and at the dates indicated. All adjustments are of a normal recurring nature. Because the following unaudited Condensed Consolidated Financial Statements have been prepared in accordance with Article 10 of Regulation S-X, they do not contain all information and footnotes normally contained in annual consolidated financial statements; accordingly, they should be read in conjunction with the Consolidated Financial Statements and notes thereto appearing in the Company’s Annual Report on Form 10-K for the year ended June 30, 2025. References to “dollars,” “\$,” “U.S. dollars” and “US\$” refer to United States dollars; and references to “Australian dollars” and “A\$” refer to Australian dollars.

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TAMBORAN RESOURCES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (In thousands, except share amounts)

		(Unaudited)	
	Note	September 30, 2025	June 30, 2025
ASSETS			
Current assets			
Cash and cash equivalents		\$ 39,557	\$ 39,439
Restricted cash		—	5,722
Trade and other receivables:			
Joint interest billings		1,763	8,191
ATO receivable		1,687	1,219
Other receivables		757	222
Prepaid expenses and other current assets		2,696	1,903
Total current assets		<u>46,460</u>	<u>56,696</u>
Natural gas properties, successful efforts method:			
Unproved properties	3	378,802	342,314
Assets under construction - natural gas equipment	3	34,868	24,441
Property, plant and equipment, net	3	348	308
Operating lease right-of-use assets	4	4,199	1,549
Finance lease right-of-use assets	4	14,144	16,544
Prepaid expenses and other non-current assets		5,344	4,610
Total non-current assets		<u>437,705</u>	<u>389,766</u>
TOTAL ASSETS		<u>\$ 484,164</u>	<u>\$ 446,462</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued expenses	5	\$ 31,121	\$ 20,457
Advance against joint interest billings	2	1,943	450
Current portion of operating lease obligations	4	2,472	391
Current portion of finance lease obligations	4	14,782	15,307
Total current liabilities		<u>50,318</u>	<u>36,605</u>
Operating lease obligations	4	1,795	1,175
Finance lease obligations	4	6,561	9,523
Asset retirement obligations	7	10,053	9,649
Other non-current liabilities		68	57
Total non-current liabilities		<u>18,477</u>	<u>20,404</u>
Total liabilities		<u>68,796</u>	<u>57,009</u>
Commitments and contingencies (Note 12)			
Stockholders' equity			
Common stock, \$0.001 par value, 10,000,000,000 authorized; 17,820,758 and 16,717,289 issued and outstanding at September 30, 2025 and June 30, 2025, respectively.		18	17
Additional paid-in capital		478,155	464,407
Accumulated other comprehensive loss		(7,560)	(9,421)
Accumulated deficit		(175,464)	(167,281)
Total Tamboran Resources Corporation stockholders' equity		<u>295,150</u>	<u>287,721</u>
Noncontrolling interest		120,218	101,730
Total stockholders' equity		<u>415,368</u>	<u>389,451</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u>\$ 484,164</u>	<u>\$ 446,462</u>

The accompanying notes are an integral part of these condensed financial statements. Certain amounts in the Company's notes to consolidated financial statements may not add up or recalculate due to rounding.

TAMBORAN RESOURCES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED) (In thousands, except share and per share amounts)

	Note	Three months ended September 30,	
		2025	2024
Revenue and other operating income		\$ —	\$ —
Operating costs and expenses			
Compensation and benefits, including stock-based compensation		(1,994)	(2,219)
Consultancy, legal and professional fees		(1,822)	(1,680)
Depreciation and amortization		(2)	(31)
Loss on remeasurement of assets classified as held for sale	3	—	(376)
Accretion of asset retirement obligations	7	(289)	(258)
Exploration expense		(682)	(1,010)
Camp expense recoveries, net		(1,629)	—
LNG feasibility study expense		(191)	—
General and administrative		(1,598)	(1,405)
Total operating costs and expenses		(8,205)	(6,978)
Loss from operations		(8,205)	(6,978)
Other income (expense)			
Interest income (expense), net		(305)	796
Foreign exchange gain (loss), net		(551)	(254)
Other income (expense), net		—	(320)
Total other income (expense)		(856)	222
Net loss		(9,061)	(6,756)
Less: Net loss attributable to noncontrolling interest		(879)	(861)
Net loss attributable to Tamboran Resources Corporation stockholders		\$ (8,182)	\$ (5,895)
Comprehensive income (loss)			
Net loss		(9,061)	(6,756)
Other comprehensive income (loss)			
Foreign currency translation		1,738	12,148
Total comprehensive income (loss)		(7,323)	5,392
Less: Total comprehensive income (loss) attributable to noncontrolling interest		(1,003)	566
Total comprehensive income (loss) attributable to Tamboran Resources Corporation stockholders		\$ (6,320)	\$ 4,826
Net loss per common stock			
Basic and diluted	11	\$ (0.467)	\$ (0.417)
Weighted average number of common stock outstanding			
Basic and diluted	11	17,525,363	14,124,788

The accompanying notes are an integral part of these condensed consolidated financial statements. Certain amounts may not add up or recalculate due to rounding.

TAMBORAN RESOURCES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)
(In thousands)

	Common stock	Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total Tamboran Resources stockholders' equity	Noncontrolling interest	Total stockholders' equity
Balance at July 1, 2024	\$ 14	\$ 404,594	\$ (11,513)	\$ (130,380)	\$ 262,715	\$ 44,971	\$ 307,686
Issuance of common stock under greenshoe option, net of issuance cost	—	6,931	—	—	6,931	—	6,931
Contributions from noncontrolling interest holders	—	—	—	—	—	5,903	5,903
Stock-based compensation	—	1,129	—	—	1,129	—	1,129
Foreign exchange translation	—	—	10,721	—	10,721	1,427	12,148
Net loss	—	—	—	(5,895)	(5,895)	(861)	(6,756)
Balance at September 30, 2024	<u>\$ 14</u>	<u>\$ 412,654</u>	<u>\$ (792)</u>	<u>\$ (136,274)</u>	<u>\$ 275,601</u>	<u>\$ 51,439</u>	<u>\$ 327,040</u>
Balance at July 1, 2025	17	464,407	(9,421)	(167,281)	287,721	101,730	389,451
Issuance of common stock, net of issuance cost	1	13,127	—	—	13,128	—	13,128
Contributions from noncontrolling interest holders	—	—	—	—	—	19,490	19,490
Stock-based compensation	—	621	—	—	621	—	621
Foreign exchange translation	—	—	1,861	—	1,861	(124)	1,738
Net loss	—	—	—	(8,182)	(8,182)	(879)	(9,061)
Balance at September 30, 2025	<u>\$ 18</u>	<u>\$ 478,155</u>	<u>\$ (7,560)</u>	<u>\$ (175,464)</u>	<u>\$ 295,150</u>	<u>\$ 120,218</u>	<u>\$ 415,368</u>

The accompanying notes are an integral part of these condensed consolidated financial statements. Certain amounts may not add up or recalculate due to rounding.

TAMBORAN RESOURCES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (In thousands)

	Three months ended September 30,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (9,061)	\$ (6,756)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	2	31
Stock-based compensation	215	1,129
Foreign exchange (gain) loss, net	551	254
Performance bonds Facility Fee	609	—
Loss on remeasurement of assets classified as held for sale	—	376
Accretion of asset retirement obligations	289	258
Changes in operating assets and liabilities:		
Trade and other receivables	(4,528)	880
Prepaid expenses and other assets	(716)	(184)
Accounts payable and accrued expenses	(1,171)	(150)
Other non-current liabilities	11	8
Net cash used in operating activities	(13,799)	(4,154)
Cash flows from investing activities:		
Payments for property, plant and equipment	(40)	—
Payments for exploration and evaluation	(19,860)	(12,227)
Payments for assets under construction	(7,586)	(2,669)
Payment of interest on finance lease liabilities	(948)	—
Advance received for sale of assets held for sale	—	400
Net cash used in investing activities	(28,434)	(14,496)
Cash flows from financing activities:		
Proceeds from issue of common stock	10,966	—
Proceeds from issue of shares under greenshoe option	—	7,410
Contributions received from noncontrolling interest holders	28,994	11,454
Advance contributions received from noncontrolling interest holders	1,943	—
Common stock issue transaction costs	(619)	(2,120)
Payment of performance bond facility establishment fee	(271)	—
Repayment of lease liabilities	(3,076)	—
Net cash from financing activities	37,937	16,744
Net (decrease) increase in cash and cash equivalents and restricted cash	(4,297)	(1,905)
Cash and cash equivalents and restricted cash at the beginning of period	45,161	74,746
Effects of exchange rate changes on cash and cash equivalents	(1,308)	1,201
Cash and cash equivalents and restricted cash at the end of period	<u>\$ 39,556</u>	<u>\$ 74,042</u>
Supplemental cash flow information:		
Non-cash investing and financing activities:		
Accrued capital expenditure	\$ 9,872	\$ 2,684
Asset retirement obligations	\$ (60)	\$ (326)
Stock-based compensation	\$ (621)	\$ (1,129)
Contribution receivable from noncontrolling interest holders	\$ (1,313)	\$ 3,306
Operating lease right-of-use assets and lease liabilities	\$ (2,650)	\$ (57)
Interest accrued on finance lease liabilities	\$ (212)	\$ (796)
Finance lease right-of-use assets and lease liabilities	\$ (3,207)	\$ —
Non-cash finance lease costs capitalized to unproved properties	\$ 2,533	\$ 3,329
Non-cash equity issuance transactions	\$ 3,176	\$ —

The accompanying notes are an integral part of these condensed consolidated financial statements. Certain amounts may not add up or recalculate due to rounding.

TAMBORAN RESOURCES CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1 – Business and Basis of Preparation

General

Tamboran is an early-stage growth-oriented natural gas company with a vision of supporting the net zero CO₂ energy transition in Australia and Asia-Pacific through developing low CO₂ unconventional gas resources in the Northern Territory (“NT”) of Australia. The Group is in the exploration and appraisal stage with a current focus on exploiting its primary assets, which are rights to working interests (“Tenements”) in exploration acreage in the Beetaloo sub-basin (“Beetaloo” or “Beetaloo Basin”), NT Australia. To date, the Group has not determined whether the Tenements contain any natural gas reserves that are economically recoverable. Further, the Group had no revenues from its gas operations as of September 30, 2025.

Going Concern and Management’s Liquidity Plan

The accompanying condensed consolidated financial statements have been prepared on the basis that the Group will continue as a going concern which contemplates the realization of assets and the satisfaction of liabilities in the ordinary and usual course of business.

As of September 30, 2025, the Group had:

- not generated revenues since inception, and will not generate earnings in the next 12 months sufficient to satisfy all liabilities in the ordinary and usual course of business;
- a working capital deficit of \$3.9 million arising from an increase in trade payables and accruals as a result of increased drilling activity in the quarter, and the first draw down from the SPCF Debt Facility for recoupment of eligible past costs did not occur until October 2025;
- an accumulated deficit of \$175.5 million since inception; and
- significant expenditures planned for natural gas properties in the next 12 months.

While these factors raise substantial doubt regarding the Group’s ability to continue as a going concern for the 12 months following the date these condensed consolidated financial statements were available for issuance, there have been milestones recently satisfied by the Company that indicate progress towards eliminating this substantial doubt in future periods. These include reaching Final Investment Decision (“FID”) for the Shenandoah South Pilot Project and the completion of a public offering in October 2025, of which, net proceeds to the Company were \$53.0 million.

The continuation of the Group as a going concern is dependent upon the ability of the Group to obtain necessary additional capital to fund ongoing exploration, appraisal and development projects and/or obtain gas producing properties to attain future profitable operations. No assurance can be given that the Group will be successful in these efforts in the future, however Management is actively pursuing several plans to mitigate this uncertainty, including:

- Assessment of farm-in partners;
- Continuation of SPCF construction during the wet season in the NT;
- Additional funding through a number of avenues, including the Share Purchase Plan (as defined below) and the PIPE (as defined below); and
- Research & Development tax incentives from Australian government bodies.

As a result, these condensed consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

Basis of Presentation of Condensed Consolidated Financial Statements

The accompanying condensed consolidated financial statements have been prepared in conformity with the accounting principles generally accepted in the United States of America (“U.S. GAAP”) and rules and regulations of the Securities and Exchange Commission (“SEC”) applicable to interim financial statements. Pursuant to such rules and regulations, certain disclosures and information required by U.S. GAAP for complete consolidated financial statements have been condensed or omitted. The accompanying condensed consolidated financial statements and notes therein should be read in conjunction with the financial statements and notes included in our consolidated financial statements for the year ended June 30, 2025 (“Group’s Annual Financial Statements”).

These condensed consolidated financial statements reflect all adjustments, in the opinion of management, which include normal and recurring adjustments necessary to fairly state the Group’s consolidated financial position, results of operations, and cash flows for the periods presented herein. The interim results are not necessarily indicative of results for any other future annual or interim period. The June 30, 2025 condensed consolidated balance sheet was derived from the audited Group’s Annual Financial Statements but does not include all disclosures required by U.S. GAAP for annual financial statements.

In the current year, the Group changed the presentation of unaudited condensed consolidated financial statements to thousands and, as a result, any necessary rounding adjustments have been made to prior year disclosed amounts. Certain amounts in the Company’s consolidated financial statements may not add up or recalculate due to rounding.

Significant Judgments and Accounting Estimates

The preparation of these condensed consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the amounts of assets and liabilities, revenue and expenses and related disclosures of contingent assets and liabilities reported in the condensed consolidated financial statements and the accompanying notes. There have been no significant changes to the Group’s accounting estimates from those disclosed in the Group’s Annual Financial Statements.

Significant Accounting Policies

The Group’s significant accounting policies are described in the notes included in the Group’s Annual Financial Statements. There have been no significant changes in accounting policies during the three months ended September 30, 2025.

Foreign Currency Translation

These condensed consolidated financial statements are presented in US dollars (“\$” or “dollars”) and the functional currency of the Group is the Australian Dollar (“A\$”). Adjustments resulting from the translation of functional currency financial statements to reporting currency are accumulated and reported as a part of “Accumulated Other Comprehensive Loss”, a separate component of stockholders’ equity.

Foreign Currency Transactions

Foreign currency transactions are translated into the Company’s functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the condensed consolidated statements of operations and comprehensive loss.

Leases

As a Lessee

The Group accounts for leases under ASC 842, *Leases* (“ASC 842”). The Group determines if an arrangement is a lease at inception of the arrangement and if such lease will be classified as an operating lease or a finance lease. The Group’s leases represent its right to use an underlying asset for the lease term. Right-of-use (“ROU”) assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As the Group’s leases do not provide an implicit rate, the Group used a proxy for its incremental borrowing rate, which is the rate incurred to borrow on a collateralized basis over a similar term, an amount equal to the lease payments in a similar economic environment.

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The Group has elected to account for lease and non-lease components in its contracts as a single lease component for all asset classes except for office premises.

Operating leases are included in “Operating lease right-of-use assets” within the Group’s condensed consolidated balance sheet. The Group’s related obligation to make lease payments are included in “Current portion of operating lease obligations” and “Operating lease obligations” within the Group’s condensed consolidated balance sheet. Operating lease expense for lease payments is recognized on a straight-line basis over the lease term.

Finance leases are included in “Finance lease right-of-use assets” within the Group’s condensed consolidated balance sheet. The Group’s related obligation to make lease payments are included in “Current portion of finance lease obligations” and “Finance lease obligations” within the Group’s condensed consolidated balance sheet. Finance lease expense includes amortization of the ROU assets and interest on lease liabilities. The Group capitalizes the finance lease expense as a part of unproved properties when the leased asset is directly involved in the drilling of wells (i.e. the finance lease expense is a direct cost of drilling wells).

Leases with a lease term of 12 months or less are not recorded on the condensed consolidated balance sheet and are recognized as lease expense on a straight-line basis over the lease term. When it is reasonably certain the Group will exercise an option to extend the short-term lease beyond 12 months, the cost will be capitalized.

As a Lessor

Sublease income is recognized on a straight-line basis over the term of the sublease agreement and is recorded within “Other income (expense), net” in the condensed consolidated statements of operations and comprehensive loss.

Natural Gas Properties

The Group’s operations are in the exploration and appraisal stage and have not yet realized any revenues from operations. The Group holds a number of exploration permits that are grouped into areas of interest according to geographical and geological attributes. Expenditure incurred in each area of interest is accounted for using the successful efforts method, as defined within ASC 932, *Extractive Activities – Oil and Gas*.

Under this method, all general exploration and evaluation costs such as geological and geophysical costs are expensed as incurred. The direct costs of acquiring the rights to explore, drilling exploratory wells, and evaluating the results of drilling are capitalized as exploration and evaluation assets (as a part of unproved properties) pending the determination of the results of the well. If a well does not result in hydrocarbons being present, the previously capitalized costs are immediately expensed.

Deferred Debt Issuance Costs

The Group presents unamortized deferred debt issuance costs related to the establishment of a Performance Bond Facility Agreement (the “Facility Agreement”) as a component of “Prepaid expenses and other non-current assets” on its consolidated balance sheets because the outstanding balance under this Facility Agreement may fluctuate as the Group borrows and repays the relevant amounts. The Group amortizes the deferred debt issuance costs over the remaining term of the Facility on a straight-line basis which is reported within “interest income, net” in the condensed consolidated statements of operations and comprehensive loss.

Recently Issued Accounting Standards

In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures (“ASU 2023-09”), a final standard on improvements to income tax disclosures. The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions and apply to all entities subject to income taxes. The new standard is effective for annual periods beginning after December 15, 2024. The Group adopted ASU 2023-09 prospectively during the three months ended September 30, 2025. The adoption did not have a material impact on the Group’s interim condensed consolidated financial statements but is expected to result in expanded annual income tax disclosures beginning with the Group’s Form 10-K for the fiscal year ending June 30, 2026.

Note 2 – Variable Interest Entities

TB1

Tamboran (B1) Pty Ltd (“TB1”) is a 50/50 joint venture between the Company, through its wholly owned subsidiary Tamboran (West) Pty Ltd (“TR West”), and Daly Waters Energy, LP (“DWE”) governed by the terms of an amended and restated joint venture and shareholders agreement dated June 3, 2024 (the “TB1 Joint Venture Agreement”). In determining the primary beneficiary of TB1, the Company considered those activities which most significantly impact the economic performance of TB1, including, for example, which entity serves as the manager, determination of the strategy and direction of TB1, and the power to create a budget.

The Group is the sole manager of TB1, responsible for managing the day-to-day operations of TB1. The Group, as manager, also prepares the work plans and budget of TB1. As such, the Group has the power to direct those activities which most significantly impact TB1’s economic performance and therefore is the primary beneficiary of TB1. As a result, the results of TB1 have been included in the accompanying condensed consolidated financial statements. TB1 has no assets that are collateral for or restricted solely to settle its obligations. The creditors of TB1 do not have recourse to the Group’s general credit.

The Group also assessed which party to the TB1 Joint Venture Agreement has the obligation to absorb losses or the right to receive the benefits of the VIE that could potentially be significant to the VIE. The future profits and losses of TB1 are shared by the Group and DWE in proportion to their respective equity interest in TB1, however, to date the Group has contributed a greater proportion of the capital and has no ability to recoup any of the excess funding the Group has made to TB1 from DWE and therefore has a greater exposure to absorb losses.

In 2022, Tamboran Resources Pty Ltd (formerly known as Tamboran Resources Limited) (“TR Ltd.”), a wholly owned subsidiary of the Company, made a loan to TR West for purposes of funding TR West’s acquisition of its interest in TB1. On November 9, 2022, TB1 completed the acquisition of a 77.5% share of Beetaloo Basin assets, EP 76, EP 98, and EP 117. The Company and DWE each beneficially own a 38.75% interest in the permits for the total undivided interest of 77.5%. Falcon Oil and Gas Australia limited (“Falcon”) holds the remaining undivided interest of 22.5% in the assets (collectively known as the “Beetaloo Joint Venture”).

On March 4, 2024, Falcon, the owner of the remaining 22.5% interest in the Beetaloo Joint Venture assets, capped its participation to 5% in the Beetaloo Joint Venture’s second Shenandoah South well pad (“SS2”). On March 21, 2024, Tamboran B2 Pty Ltd (“TB1 Operator”) (a wholly owned subsidiary of TB1 in which the Company has a 50% interest) agreed to acquire Falcon’s interest, increasing TB1 Operator’s working interest to at least 95% in the wells drilled from the SS2 well pad.

Pursuant to the TB1 Joint Venture Agreement, the parties are required to implement an approach to dividing the permits whereby Tamboran and DWE pursue a division of TB1 Operator’s interest in the permits such that the title and ownership of the permits will be split evenly between Tamboran and DWE in the specific area in terms of equity interest and number of operated blocks (“Checkerboard Strategy”). The TB1 Joint Venture Agreement provided that if the Checkerboard Strategy is not implemented by December 31, 2024, due to either:

- the failure to obtain the requisite ministerial approval to effectuate the Checkerboard Strategy; or
- a New Area Joint Venture is not approved by the parties to the Joint Operating Agreement (“JOA”) with respect to joint operations of the subject areas, then, by February 15, 2025,

then, the Company must either:

- pay DWE a cash amount of \$7.5 million; or
- issue CHESSE Depository Interests (“CDIs”) to DWE with a value of \$15 million, based on the volume weighted average price of CDIs traded on the Australian Stock Exchange (“ASX”) at the time during the 30 days on which sales in CDIs were recorded prior to December 31, 2024.

At the time of the IPO, DWE agreed to waive the \$7.5 million payment obligation in respect of the Checkerboard Strategy in exchange for Tamboran’s issue to DWE, or its nominee, of 312,500 shares of common stock (calculated based on the obligation of \$7.5 million divided by the common stock price at the IPO of \$24.00 per share), subject to

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shareholders' approval (Refer Note 7), which was granted in November 2024. The obligation to implement the Checkerboard Strategy does not cease with this issuance of shares.

On May 12, 2025, TR West, as seller, and the Company, as seller guarantor, and DWE entered into an Asset Sale Agreement – Beetaloo Acreage Position (the “Asset Sale Agreement”) with Elliot Energy I Pty Ltd (“Elliot Energy”). Pursuant to the Asset Sale Agreement, DWE will acquire a non-operating and non-controlling interest within two areas of Tamboran's post-checkerboard acreage position for a consideration of \$15 million. The transaction is subject to regulatory approvals and other conditions precedent. As of September 30, 2025, this transaction has not completed.

On May 12, 2025, the Company, TR West, TR Ltd., DWE and TB1 (collectively, the “parties”) entered into a second amended and restated joint venture and shareholders agreement (the “TB1 A&R JVSA”). The following summarizes the material changes in the Amended and Restated JVSA from the amended and restated joint venture and shareholders agreement filed as Exhibit 10.18 to the Company’s Annual Report on Form 10-K for the year ended June 30, 2024:

- The Company and DWE have signed a binding agreement to finalize the checkerboard of the joint acreage position across EPs 76, 98 and 117.
- The Checkerboarding Strategy is divided into three tranches:
 - In Tranche 1, Tamboran and Daly Waters must apply for retention licenses for both the North and South First Strategic Development Areas (“FSDAs”) by mid-December 2025 (as extended). The North FSDA will remain with TB1, while the current plan for the South FSDA will be split equally (38.75% each) between Tamboran and DWE, with DWE (or its nominee) acting as Operator. Both retention licenses must be granted and transferred by December 31, 2025. If either deadline is missed, subject to the terms and conditions in the TB1 A&R JVSA, DWE has the right to take over as Manager and/or acquire Tamboran’s entire interest in the South FSDA for A\$1.00. In a letter dated October 13, 2025, DWE extended the deadline for submitting the North and South FSDA RL from October 14, 2025 to December 14, 2025, as reflected above.
 - In Tranche 2, the parties must apply for retention licenses over the Dev A++ and Dev B areas by March 31, 2026, with the grants and transfers to be completed by September 30, 2026. After the retention licenses are granted, Tamboran will remain the operator of Dev A++, and DWE will become the operator of Dev B. If these deadlines are not met, DWE has the same rights as in Tranche 1: to replace the Manager and/or acquire Tamboran’s interest.
 - Tranche 3 covers the remaining “Checkerboard” permit areas. Tamboran and DWE will take turns selecting paired blocks and applying for Retention or Production Licenses until all acreage is allocated. Tamboran must select the Checker 10 area as its first choice.
- In the event that retention license conditions referred to above are not met and DWE elects to exercise its right to take over as Manager, the Group will lose the power to direct those activities which most significantly impact TB1’s economic performance and therefore, will no longer be the primary beneficiary of TB1. Should this occur, the conditions required to continue consolidating TB1 would no longer be satisfied. The Group would be required to de-consolidate TB1 and recognize its remaining interest in TB1 as an equity accounted investment.
- In conjunction with the checkerboard, the Company and DWE entered into the Asset Sale Agreement whereby DWE will acquire a non-operating and non-controlling interest in 100,000 acres within two areas for a consideration of \$15.0 million, or \$150 per acre. The transaction is subject to regulatory approvals and other conditions precedent.
- On completion, the Company will have retained approximately 1.9 million net prospective, development-ready acres across the Beetaloo Basin.
- The Company has reserved 406,693 gross acres as the Phase 2 Development Area, located immediately north of the proposed Pilot Area, where the Company plans to focus development on supplying gas into Australia’s East Coast domestic gas market.

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- On completion of the sale to DWE, the Company is expected to hold 236,370 net acres (58.12% operated interest) over the Phase 2 Development Area, with DWE (19.38%) and Falcon Oil & Gas (Australia) Limited (Falcon) (22.5%) holding the remaining interest.
- The Company has engaged RBC Capital Markets, LLC to commence a formal farm-down of the Phase 2 Development Area. As of September 30, 2025, the formal process has commenced and DWE will have participation rights to any transaction on the same terms.
- Ownership of the Pilot Area, the focus for initial gas production in the Northern Territory, remains unchanged (the Company 47.5% operator, DWE 47.5% and Falcon 5%).
- The Company will hold 77.5% operating interest in the ex-EP 76, 98 and 117 acreage, with Falcon holding the remaining 22.5% interest.

The following table summarizes the carrying amounts of TB1's assets and liabilities included in the Group's condensed consolidated balance sheet as of September 30, 2025 and June 30, 2025 (in thousands):

	September 30, 2025	June 30, 2025
ASSETS		
Current assets		
Cash and cash equivalents	\$ 13,109	\$ 3,729
Trade and other receivables:		
Joint interest billing	1,763	8,191
Intercompany receivable	—	1,934
ATO receivable	1,118	722
Other receivable	179	113
Prepaid expenses and other current assets	205	—
Total current assets	16,374	14,690
Natural gas properties, successful efforts method:		
Unproved properties	321,815	285,631
Operating lease right-of-use-assets	2,739	—
Finance lease right-of-use assets	14,144	16,544
Prepaid expenses and other non-current assets	2,081	2,026
Total non-current assets	340,779	304,201
TOTAL ASSETS	\$ 357,153	\$ 318,891
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	\$ 21,163	\$ 12,507
Current portion of operating lease obligations	2,063	—
Current portion of finance lease obligations	14,782	15,307
Total current liabilities	38,008	27,814
Operating lease obligations	722	—
Finance lease obligations	6,561	9,523
Asset retirement obligations	5,370	5,127
Loan from Group	180,361	163,016
Total non-current liabilities	193,014	177,666
TOTAL LIABILITIES	\$ 231,022	\$ 205,480

Tamboran SPCF Pty Ltd

In October 2024, the Company, through its wholly owned subsidiary Tamboran SPCF Pty Ltd ("TR SPCF"), entered into a Unit Holders and Shareholders Deed with Daly Waters Infrastructure, LP ("DWI") for the establishment of a trust ("SPCF Sub Trust") to be owned 50%/50% by the Group and DWI to own the Sturt Plateau Compression Facility ("SPCF"). In determining the primary beneficiary of the SPCF Sub Trust, the Company considered those activities that most significantly impact the economic performance of the SPCF, including, for example, which entity serves as the manager, determination of the strategy and direction of the SPCF, and the power to create a budget.

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The Group was appointed as manager of the SPCF Sub Trust responsible for managing the day-to-day operations of the SPCF. The Group, as manager, also prepares the work plans and budget of the SPCF Sub Trust. As such, the Group has the power to direct those activities that most significantly impact the SPCF's economic performance and therefore is the primary beneficiary of the SPCF Sub Trust. As a result, the results of SPCF Sub Trust have been included in the accompanying condensed consolidated financial statements. SPCF Sub Trust has no assets that are collateral for or restricted solely to settle its obligations. The creditors of SPCF Sub Trust do not have recourse to the Group's general credit.

The Group also assessed which party to the SPCF Sub Trust has the obligation to absorb losses or the right to receive the benefits of the VIE that could potentially be significant to the VIE. The future profits and losses of SPCF Sub Trust are shared by the Group and DWI in proportion to their respective equity interest in SPCF Sub Trust, and both parties have no ability to recoup any funding the Group has made to SPCF.

The following table summarizes the carrying amounts of SPCF Sub Trust's assets and liabilities included in the Group's condensed consolidated balance sheet as of September 30, 2025:

	September 30, 2025	June 30, 2025
ASSETS		
Current assets		
Cash and cash equivalents	\$ 5,940	\$ 1,935
Trade and other receivables:		
ATO receivable	262	123
Loan to Tamboran	—	1,124
Total current assets	<u>6,202</u>	<u>3,182</u>
Natural gas properties, successful efforts method:		
Assets under construction - natural gas equipment	34,868	24,441
Prepaid expenses and other non-current assets	716	—
Total non-current assets	<u>35,584</u>	<u>24,441</u>
TOTAL ASSETS	<u>\$ 41,786</u>	<u>\$ 27,623</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	\$ 6,860	\$ 4,364
Advance against joint interest billings	1,943	450
Intercompany Payable	2,207	1,338
Total current liabilities	<u>11,010</u>	<u>6,152</u>
Asset retirement obligations	98	95
Total non-current liabilities	<u>98</u>	<u>95</u>
TOTAL LIABILITIES	<u>\$ 11,108</u>	<u>\$ 6,247</u>

Note 3 – Property, Plant and Equipment & Natural Gas Properties

Natural Gas Properties

The Group held unproved natural gas properties as of September 30, 2025 and June 30, 2025 amounting to \$378.8 million and \$342.3 million, respectively. These amounts reflect the Group's exploration and evaluation projects, which are pending the determination of proven and probable reserves and were not being depleted for the three months ended September 30, 2025, and 2024. These assets will be reclassified to proven gas properties upon commencement of production and then subsequently depleted.

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During the three months ended September 30, 2025 and September 30, 2024, the Group recognized no impairment related to unproved natural gas properties.

(in thousands)	Natural gas properties			
	EP 161	EP 136	EP 76, 98 and 117	Total
Balance at July 1, 2025	\$ 25,091	\$ 45,483	\$ 271,740	\$ 342,314
Capital expenditure	274	33	31,264	31,571
Restoration assets	—	—	60	60
Interest on finance lease liability and related depreciation of ROU assets capitalized	—	—	2,988	2,988
Disposal	—	(444)	—	(444)
Effect of changes in foreign exchange rates	137	379	1,797	2,313
Balance at September 30, 2025	<u>\$ 25,502</u>	<u>\$ 45,451</u>	<u>\$ 307,849</u>	<u>\$ 378,802</u>

On September 30, 2025, the Beetaloo Joint Venture made a FID for the Shenandoah South Pilot Project in EP 98 and EP 117.

Property, Plant and Equipment

The Group held property, plant and equipment, including leasehold improvements, as of September 30, 2025 and June 30, 2025, amounting to \$0.3 million and \$0.3 million, respectively.

Assets Under Construction

In April 2024, the Group began to execute agreements for long lead items required for the SPCF in the Beetaloo Basin. These items included essential plant components comprising of two compressors and a dehydration unit that would convert future raw gas to sales gas quality, subject to the terms of definitive development agreements. As of September 30, 2025, the essential plant components were completed and have been delivered to site and construction of the facility has commenced. The Group held total assets under construction related to the SPCF as of September 30, 2025 and June 30, 2025 of \$34.9 million and \$24.4 million, respectively.

The 40 TJ/d (39 MMcf/d) SPCF is expected to be connected to the Amadeus Gas Pipeline (“AGP”) via the construction of the 35-kilometer Sturt Plateau Pipeline (“SPP”) subject to achieving project milestones.

Falcon Acquisition

On September 30, 2025, it was announced that, subject to the completion of the transaction, the Group would enter into an Arrangement Agreement in exchange for 6,537,503 shares of the Company's common stock and \$22.7 million in cash, with Falcon Oil & Gas Australia Limited (“Falcon Australia”) to acquire (the “Falcon Acquisition”):

- 98.1% ownership interest in Falcon Australia;
- 100% ownership interest in TXM Oil and Gas Exploration Kft, Falcon Oil & Gas Ireland Limited, Falcon Oil & Gas Ireland Limited, Falcon Oil & Gas Holdings Ireland Limited and Falcon Exploration and Production South Africa (Pty) Ltd.

Upon completion of the Falcon Acquisition, the Group will also enter into consulting agreements with certain directors and officers of Falcon, pursuant to which the Group will issue to those directors and officers an aggregate of up to 369,084 share options with an exercise price of \$21.94 per share.

The closing of the Falcon Acquisition is subject to approval by the Company’s shareholders and the satisfaction of other customary closing conditions.

Note 4 – Leases

As a Lessee

The Group’s operating lease activities consist of leases for office premises and modular buildings at the SPCF site.

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Commencing on August 14, 2025, the Group entered into a new lease arrangement with Northern Transportables for the hire of modular buildings and related equipment (“Stage 1 and 2 Hire Goods”). The term of the lease arrangement is seventeen months, with an option to further renew the lease (as needed).

Commencing May 24, 2025, the Group entered into a new lease arrangement with Mackwell 33 Queen Pty Ltd for their office premises in Brisbane, Australia. The term of the lease is five years.

Commencing July 1, 2024, the Group entered into a new lease agreement with Drecom Pty Ltd ATF English Family Trust for their office premises in Darwin, Australia. The term of the lease is three years, with an option to further renew the lease for two years.

On October 1, 2023, the Group entered into a new lease agreement with Lendlease IMT (OITST ST) Pty Ltd for their office premises in Barangaroo, Australia. The term of the lease is four years, with no option to renew.

On September 9, 2022, Sweetpea Petroleum Pty Ltd (“Sweetpea”), a wholly owned subsidiary of Tamboran, entered into a drilling contract with Helmerich & Payne International Holdings LLC (“H&P”) for H&P to assist the Group in carrying out its onshore drilling operations in Australia. The drilling contract grants Tamboran the right to use the drilling rig from H&P over the non-cancellable contract term of 25 months starting from July 1, 2023. Under the terms of the agreement, the Group has the right to place the drilling rig on a temporary suspension rate between wells for a period up to 270 days (the “Gap Period”). For each day of the original Gap Period consumed, and subsequent suspension periods negotiated, additional days are added to the fixed minimum term. As of September 30, 2025, the end date of the drilling contract for the current rig is mid-April 2027. The drilling contract is recognized as a finance lease under ASC 842 (“H&P Rig Lease”).

The present value of the minimum future obligations was calculated based on an interest rate of 12.76% p.a., which was recognized in finance lease liabilities in the condensed consolidated balance sheet.

The following table presents the classification and location of the Group’s leases on the condensed consolidated balance sheets (in thousands):

	September 30, 2025	June 30, 2025
Right-of-use assets:		
Operating lease right-of-use assets	\$ 4,199	\$ 1,549
Finance lease right-of-use assets	14,144	16,544
	<u>18,343</u>	<u>18,093</u>
Lease liabilities:		
Current portion of operating lease obligations	2,472	391
Non-current portion of operating lease obligations	1,795	1,175
Current portion of finance lease obligations	14,782	15,307
Non-current portion of finance lease obligations	6,561	9,523
	<u>\$ 25,610</u>	<u>\$ 26,396</u>

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For the three months ended September 30, 2025, and 2024, the components of the lease costs were as follows (in thousands):

	Three months ended September 30,	
	2025	2024
Operating leases:		
Operating lease cost charged to profit and loss	\$ 138	\$ 157
Finance leases:		
Interest on lease liabilities	668	796
Depreciation on right-of-use assets	2,321	2,533
Total finance lease cost	2,988	3,329
Less: Lease cost capitalized to unproved properties	(2,988)	(3,329)
Finance lease cost charged to profit and loss	\$ —	\$ —

The following table presents the cash flow information related to lease payments for the three months ended September 30, 2025, and 2024 (in thousands):

	Three months ended September 30,	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 138	\$ 157
Financing cash flows for finance leases	3,076	—
	\$ 3,215	\$ 157

The following table presents supplemental information for the Group's non-cancellable leases for the three months ended September 30, 2025, and 2024:

	Three months ended September 30,	
	2025	2024
Operating leases:		
Weighted-average remaining lease term	2.16	3.57
Weighted-average incremental borrowing rate	13.57%	13.50%
Finance leases:		
Weighted-average remaining lease term	1.58	1.83
Weighted-average incremental borrowing rate	12.76%	13.45%

As of September 30, 2025, the Group's undiscounted minimum cash payment obligations for its lease liabilities are as follows (in thousands):

As of September 30, 2025	Operating leases	Finance leases
Fiscal year ending June 30, 2026 (excluding three months period from July 1, 2025 to September 30, 2025)	\$ 2,204	\$ 11,954
Fiscal year ending June 30, 2027	1,844	11,297
Fiscal year ending June 30, 2028	341	—
Thereafter	477	—
Total lease payments	4,866	23,251
Less: Imputed interest	(599)	(1,908)
Present value of lease liabilities ¹	\$ 4,267	\$ 21,343

¹ Includes both current and long-term portion of the lease liabilities.

Note 5 – Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses included in current liabilities consist of the following (in thousands):

	September 30, 2025	June 30, 2025
Accounts payable	\$ 4,493	\$ 5,708
Accrued payroll	533	5
Compensated absences	759	873
Defined contribution superannuation payable	—	1
Accrued capital expenditure	24,794	12,315
Accrued expenses	542	1,556
Total accounts payable and accrued expenses	<u>\$ 31,121</u>	<u>\$ 20,457</u>

Note 6 - Debt

On September 29, 2025, the Group through its subsidiaries, SPCF Financing Pty Ltd, as Borrower (“SPCF Financing”), Sturt Plateau Compression Facility Sub Pty Ltd, in its personal capacity and in its capacity as trustee for the Sturt Plateau Compression Facility Sub Trust, and Sturt Plateau Compression Facility Mid Pty Ltd, in its personal capacity and in its capacity trustee for the Sturt Plateau Compression Facility Mid Trust (together with SPCF Financing, the “Obligors”), have entered into a syndicated facility agreement (the “Syndicated Facility Agreement”) with, among others, Macquarie Bank Limited and Evolution Trustees Limited as trustee for the Alpha Wave Credit (Australia) Trust as original lenders (the “Lenders”).

Pursuant to the terms and conditions of the Syndicated Facility Agreement, the Lenders agreed to extend term loans to the Group in an aggregate principal amount of up to A\$179.8 million (the “Syndicated Facility”), comprised of (i) Tranche 1A in an amount equal to A\$75.0 million (“Tranche 1A”), (ii) Tranche B in an amount equal to A\$14.9 million (“Tranche 1B”) and (iii) Tranche 2 in an amount equal to A\$89.9 million (“Tranche 2”). The Syndicated Facility remained available for funding as of September 30, 2025, which was available at the Group's election. The Syndicated Facility Agreement is secured by the following guarantees:

- a guarantee given by the Northern Territory Government, up to A\$75.0 million, in respect of Tranche 1A and Tranche 1B (the “Tranche 1 Guarantee”). The Tranche 1 Guarantee will be released upon certain conditions being met relating to the completion of the SPCF and production of commercial volumes of gas (such date, the “Tranche 1 Guarantee Release Date”);
- a guarantee given by the Company and its wholly-owned subsidiaries, Tamboran (West) Pty Limited and Tamboran Resources Pty Ltd in respect of Tranche 1A and Tranche 1B (the “Deed of Guarantee”); and
- a guarantee given by Formentera Australia Fund 1, LP and certain of its affiliates, related parties of the Group in respect of Tranche 2.

pursuant to which each relevant entity agrees, among other things, to unconditionally guarantee, in full, the repayment obligations of the Obligors in respect of Tranche 1A, Tranche 1B and/or Tranche 2 (as applicable).

In consideration for providing the Tranche 1 Guarantee, SPCF Financing agrees to pay the Northern Territory Government a guarantee fee of 4% per annum on the lesser of (a) the Guarantee Limit, and (b) the daily balance of the principal outstanding under Tranche 1A and Tranche 1B (the “Guarantee Fee”). The Guarantee Fee is only payable on the termination of the gas sales agreement, payment by the Northern Territory Government under the Tranche 1 Guarantee or the purchase by the Northern Territory Government from the Lenders of all amounts outstanding under Tranche 1A and Tranche 1B.

Any outstanding principal on the Syndicated Facility will accrue interest at a rate equal Australian Bank Bill Swap Rate and a margin. Prior to the Tranche 1 Guarantee Release Date, the margin for Tranche 1 is 8%, and the margin for Tranche 2 is 12%. Following the Tranche 1 Guarantee Release Date, the margin for all the Tranches is 8%. Interest payments are payable quarterly following the funding of a Syndicated Facility Tranches. The Syndicated Facility will terminate four years after financial close under the Syndicated Facility Agreement and all the principal payments on the outstanding balance of Syndicated Facility Tranches will be paid at that date.

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The Syndicated Facility may be prepaid early in accordance with the terms of the Syndicated Facility Agreement, subject to an agreed prepayment premium. If prepayment occurs within the first 12 months after the date of the first utilization, the prepayment premium is 3% of the amount being prepaid. If prepayment occurs within 12 – 18 months after first utilization, the prepayment premium is 2% of the amount being prepaid. If prepayment occurs within 18 – 24 months after first utilization, the prepayment premium is 1% of the amount being prepaid. After 24 months after first utilization, no prepayment premium applies.

The Syndicated Facility Agreement also contains customary events of default, including among other things, our failure to make any principal or interest payments when due, non-compliance, change of Obligor ownership, events which have a material adverse effect and the occurrence of certain bankruptcy or insolvency events. Upon the occurrence of an event of default, the Lenders may, among other things, accelerate our obligations under the Loan Agreement. As of September 30, 2025 no borrowings had been drawn under the Syndicated Facility Agreement.

Note 7 – Asset Retirement Obligations

The Group recognizes the liability for an asset retirement obligation at the estimated fair value in the period in which the obligation originates. Fair value is estimated using the present value technique (level 2) based on a number of observable inputs including estimates and assumptions such as future retirement costs, future inflation rates and the Group's credit-adjusted risk-free interest rate.

The Group capitalized the present value of the estimated asset retirement obligations as a part of the carrying amount of the related natural gas properties. The liability has been accreted to its present value for three months ended September 30, 2025.

The reconciliation of changes in asset retirement obligations for the three months ended September 30, 2025, is as follows (in thousands):

	Three months ended, September 2025
Beginning asset retirement obligations	\$ 9,649
Liabilities incurred	60
Accretion expense	289
Effect of changes in foreign exchange rates	55
Long-term asset retirement obligations	\$ 10,053

Note 8 – Stockholders' Equity

Movement in Common Stock

(in thousands, except share numbers and per share amount)	Date	Tamboran common stock	Fair Market Value at time of Issuance	Details	Net proceeds
Balance at July 1, 2025		16,717,289			\$ 450,437
Issuance of common stock pursuant to Subscription Agreement	July 2025	940,729	\$ 17.74	\$ 10,966	
Issuance of common stock as prepayment of Facility Fee	July 2025	112,740	\$ 19.41	\$ 2,188	
Issuance of common stock as termination payment	September 2025	50,000	\$ 19.75	\$ 988	
Less: Transaction costs		—		\$ (1,014)	13,128
Balance at September 30, 2025		17,820,758			\$ 463,565

July 2025 Issuance of common stock pursuant to Subscription Agreement

On July 23, 2025, the Company issued 940,729 shares of common stock pursuant to subscription agreements entered into on May 12, 2025, for \$17.74 per share. Total proceeds from this issuance was \$16.7 million out of which \$5.7 million was received in May 2025. The Company incurred \$1.4 million in transaction expenses related to this issuance, out of which \$0.4 million was incurred and recognized during the fiscal year ended June 30, 2025.

July 2025 Issuance of common stock as prepayment of facility fee

On July 23, 2025, the Company issued 112,740 shares of Common Stock at a price of \$19.41 per share to Macquarie Bank Limited as prepayment of facility fees that will become due over the term of the Facility under the Performance Bond Facility Agreement between Tamboran (West) Pty Limited, as borrower, Tamboran Resources Pty Ltd, as guarantor, and Macquarie Bank Limited, as lender, dated December 19, 2024 (Refer Note 12).

September July 2025 Issuance of common stock as termination payment

On July 28, 2025, the employment of Joel Riddle, the former Chief Executive Officer and board member of the Company, was terminated and consequently Mr. Riddle resigned from the board. The Company issued 50,000 shares of common stock at a price of \$19.75 per share to Mr. Riddle as a part of his termination payment package.

Note 9 – Stock-Based Compensation

Milestone Options

During the three months ended September 30, 2025, the Group did not grant any new milestone options to its employees and 12,900,000 milestone options were forfeited.

As a result of the forfeitures during the period, there was a reversal of \$1.0 million of previously recorded expense during the three months ended September 30, 2025. The Company accelerated the recognition of the remaining expense for milestone options during the fiscal year ended June 30, 2025 and the Group recognized \$0.1 million as stock-based compensation expense related to milestone options for the three months ended September 30, 2024.

Employee Restricted Stock Units

On August 6, 2024, the Group adopted the 2024 Incentive Award Plan (the “2024 Plan”). As of September 30, 2025, the maximum number of shares of common stock that may be issued under the 2024 Plan was 1,600,000 shares.

The 2024 Plan, allows, among other things, for the grant of Restricted Stock Units (“RSUs”). On August 6, 2024, the Group issued RSUs to certain eligible service providers, employees and executive officers (the “participants”) to provide them an opportunity to participate in the growth and profits of the Group and to attract, motivate, and retain their services to promote the long-term success of the Group.

On August 6, 2024, the Company granted 47,400 Restricted Stock Units (“Retention Awards”) to its employees in Australia and U.S. The Retention Awards granted to Australian employees entitle them to CDIs representing 39,250 shares of common stock (each CDI represents 1/200th of a share of common stock). Similarly, the Retention Awards granted to U.S. employees entitle them to 8,150 shares of common stock. The vesting conditions state that all Retention Awards will vest in full on December 31, 2025, provided the employees remain in service as of the vesting date. The fair value at grant date of the Retention Awards was \$21.73 per common stock and \$0.109 per CDI.

On August 6, 2024, the Company also granted 795,000 Restricted Stock Units (“IPO Awards”) to its employees in Australia and U.S. The IPO Awards granted to Australian employees entitle them to CDIs representing 620,000 shares of common stock. Similarly, the IPO Awards granted to U.S. employees entitle them to 175,000 shares of common stock. The IPO Awards will vest in following three tranches:

- Tranche 1 – 397,500 IPO Awards granted to Australian and U.S. employees will vest in full on July 3, 2027, provided the employee remains in service as of the vesting date. The fair value at grant date of Tranche 1 was \$21.73 per common stock and \$0.109 per CDI.
- Tranche 2 – 98,750 IPO Awards granted to Australian and U.S. employees will vest subject to the completion of the Group’s Phase 1 Development Plan to establish first production of the Shenandoah South Pilot Project and establish first production of 40 TJ/d measured by completion of the milestones (“Vesting Trigger Conditions”). Full vesting of Tranche 2 may occur at any time between July 3, 2027, and July 3, 2029, should the Vesting Trigger Conditions be satisfied, or unless otherwise determined by the Board of the Company. The fair value at grant date of Tranche 2 was \$21.73 per common stock and \$0.109 per CDI.
- Tranche 3 – 298,750 IPO Awards granted to Australian and U.S. employees will vest subject to the Company’s Total Shareholder Return (“TSR”) reaching or exceeding the 75th percentile of the Benchmark Index TSR

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between July 3, 2027, and July 3, 2029. TSR will be measured against the S&P SmallCap 600 Energy (or any other market index determined by the Board in their sole discretion) (“Benchmark Index”) over the same performance measurement period. The fair value at grant date of Tranche 3 was \$19.64 per common stock and \$0.098 per CDI.

The grant date fair value of the Tranche 3 RSUs were determined through the use of the Monte Carlo simulation method. This method requires the use of subjective assumptions such as the price and the expected volatility of the Company’s common stock and its self-determined peer group companies’ stock, risk free rate of return, and cross-correlations between the Company and its peer group companies. Expected volatilities for the Company and each peer company utilized in the model are estimated using a historical period consistent with the awards’ remaining performance period as of the grant date. The risk-free interest rate is based on the yield on U.S. Treasury Constant Maturity for a term consistent with the remaining performance period. The valuation model assumes dividends, if any, are immediately reinvested.

The following table summarizes the assumptions used to calculate the grant date fair value of the Tranche 3 RSUs granted on August 6, 2024:

Expected term for performance period (in years)	4.9
Expected volatility	74.6%
Risk-free interest rate	3.7%

The Retention Awards and IPO Awards entitle the participants to receive the equivalent value (in cash or shares of common stock/CDIs) of dividends paid on shares of common stock and CDIs, respectively.

The RSUs are not transferable. There are no participation rights or entitlements inherent in the RSUs, and the participants will not be entitled to participate in new issues of capital offered to stockholders or holders of CDIs.

If the Company makes a bonus issue of common stock, CDIs, or other securities to existing stockholders or holders of CDIs (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of shares of common stock or CDIs that must be issued on the exercise of a Retention Award or IPO Award, respectively, will be increased by the number of shares of common stock or CDIs that the participant would have received if the participant had exercised the RSUs before the record date for the bonus issue.

The following table presents the stock-based compensation costs recognized related to our RSUs for the three months ended September 30, 2025 (in thousands, expect remaining contractual term):

	Three months ended September 30, 2025		
	Stock-Based Compensation Cost Incurred	Remaining costs to recognize, if all vesting conditions are met	Weighted average remaining contractual term (in years)
IPO Awards (Tranche 1)	\$ 560	\$ 3,798	1.76
IPO Awards (Tranche 2)	185	1,244	1.76
IPO Awards (Tranche 3)	339	2,308	1.76
Retention Awards - Granted FY25	199	178	0.25
Retention Awards - Granted FY26	42	456	2.76
Less: Forfeitures	(1,354)	—	
Total Cost Incurred	\$ (28)	\$ 7,984	
Total Stock Compensation Costs Capitalized	\$ 579		
Total Stock Compensation Costs Expensed	(607)		
Total Cost Incurred	\$ (28)		

On July 3, 2025, the Company granted 25,000 common stock equivalent RSUs (“Retention Awards - Granted FY26”) to employees in Australia. The Retention Awards granted to Australian employees entitle them to CDIs. The vesting conditions state that all Retention Awards will vest in full on July 3, 2028, provided the employee remain in service

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as of the vesting date. The fair value at grant date of the Retention Awards was \$19.94 per common stock and \$0.100 per CDI.

2025 Director Restricted Stock Units

On January 1, 2025, the Company granted 27,281 Director RSUs for which each awarded RSU represented an unfunded, unsecured right to receive a share of the Company's common stock. These awards have a cliff-vesting period of one year. The fair value on grant date of the RSUs was \$20.99 per unit.

Additionally on May 16, 2025, in conjunction with the TB1 A&R JVSA, the Company granted 35,014 Director RSUs under the 2024 plan for which each awarded RSU represented an unfunded, unsecured right to receive a share of the Company's common stock. The awards vesting date is the earlier of the one year anniversary of the grant date and the date of the next annual shareholders' meeting occurring after the grant date, subject to continued service. The Company has used a vesting date approximating the next shareholders meeting, which is to take place in December 2025. The fair value on the grant date of these RSUs was \$19.99 per unit.

All Director RSUs remained outstanding as of September 30, 2025. The Company recognized \$0.4 million in stock-based compensation expense related to these Director awards for the three months ended September 30, 2025.

Note 10 – Income Taxes

The effective tax rates for the three months ended September 30, 2025, and 2024 were nil. The Group's effective tax rate differed from the applicable statutory income tax rate due to operating losses incurred for the three months ended September 30, 2025, and 2024. The Group has accumulated losses for tax purposes as of September 30, 2025, in the amount of \$466.3 million, which may be carried forward and offset against taxable income in the future for an indefinite period, subject to meeting Australian tax rules around continuity of ownership or business continuity test.

On July 4, 2025, the U.S. government enacted The One Big Beautiful Bill Act ("OBBBA") which includes, among other provisions, changes to the U.S. corporate income tax system such as allowing of immediate expensing of qualifying domestic research and development expenses and permanent extensions of certain provisions within the Tax Cuts and Jobs Act. Certain provisions of the OBBBA are effective for the Group beginning in fiscal year 2026. The OBBBA did not have any impact on the Group's interim financial statements for the three months ended September 30, 2025 and is not expected to have an impact on Groups annual financial statements for the year ending on June 30, 2026. For additional information regarding the Group's income tax matters, refer to the section entitled "Income Taxes" of our Annual Report on Form 10-K for the fiscal year ended June 30, 2025.

As of September 30, 2025, and June 30, 2025, the Group did not have any uncertain tax positions.

Note 11 – Loss Per Share

Basic net loss per share applicable to common stockholders is computed by dividing earnings applicable to common stockholders by the weighted average number of common shares outstanding. Diluted loss per share assumes the conversion of any convertible securities using the treasury stock method.

The computations for basic and diluted loss per share are as follows (in thousands, except shares and per share amounts):

	Three months ended September 30,	
	2025	2024
Numerator:		
Net loss after income tax attributable to Tamboran Resources Corporation stockholders	\$ (8,182)	\$ (5,895)
Denominator:		
Weighted average number of common stock outstanding, basic and diluted	17,525,363	14,124,788
Net loss per share, basic and diluted	\$ (0.467)	\$ (0.417)

The Company's potentially dilutive shares, which include outstanding milestone options and RSUs, have not been included in the computation of diluted net loss per share for the three months ended September 30, 2025, and 2024 as the result would be anti-dilutive.

Note 12 – Commitments and Contingencies

From time to time, the Group may be subject to various claims, title matters and legal proceedings arising in the ordinary course of business, including environmental contamination claims, personal injury and property damage claims, claims related to joint interest billings and other matters under natural gas operating agreements and other contractual disputes. The Group maintains general liability and other insurance to cover some of these potential liabilities. All known liabilities are fully accrued based on the Group's best estimate of the potential settlement amount. While the outcome and impact on the Group cannot be predicted with certainty, the Group believes that its ultimate liability with respect to any such matters will not have a significant impact or material adverse effect on its financial positions, results of operations or cash flows. Results of operations and cash flows, however, could be significantly impacted in the reporting periods in which such matters are resolved.

Capital Commitments

(in thousands)	September 30, 2025	June 30, 2025
Committed at the reporting date but not recognized as liabilities, payable:		
Sweetpea	\$ 23,074	\$ 23,115
EP 161	2,314	2,302
Beetaloo Joint Venture	75,779	75,630
Midstream	\$ 11,960	\$ 9,056

Sweetpea

Sweetpea's committed spend as of September 30, 2025, was \$23.1 million, which was related to two licenses, EP 136 with total commitments of \$13.9 million and EP 143 with total commitments of \$9.2 million.

A renewal application for EP 136 was submitted to the Department of Mining and Energy ("DME") (formerly the Department of Industry, Tourism and Trade) in September 2023, and approved in July 2024, granting a five-year extension for the period July 24, 2025 to July 23, 2030 with a minimum work program commitment of \$13.9 million.

A variation application for EP 143 was submitted to DME in August 2024 and approved in October 2024. The total minimum work program commitments remain the same at \$9.2 million with activity and associated spend being transferred within the license term.

EP 161

For the EP 161 working interest, we are obligated to contribute our share of expenses to uphold our stake in this permit, for which Santos Limited is the operator. Our commitment through March 2026 is expected to be \$2.3 million based on the minimum work requirements. There are no minimum commitment requirements after March 2026.

Beetaloo Joint Venture

An application was submitted to DME in September 2024 to vary the year 2 and 3 work program and was approved in November 2024. The terms of the Beetaloo Joint Venture continue to necessitate specific minimum work obligations through May 2028. These commitments include an expected spend of \$75.8 million related to drilling and multi-stage hydraulic fracturing of four wells, 3D seismic survey, and subsurface studies, with expenditure across EP 76 of \$10.6 million, EP 98 of \$53.6 million and EP 117 of \$11.5 million.

Midstream

Committed spend for the SPCF project as of September 30, 2025, was \$12.0 million which was related to the remaining procurement, and construction management for the detailed design, engineering, planning, construction, testing, inspection and commissioning of the facility.

Environmental

The Group's operations are subject to risks normally associated with drilling, completion and production of oil and gas, including blowouts, fires, and environmental risks such as oil spills or gas leaks that could expose the Group to liabilities associated with these risks.

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In the Group's acquisition of existing or previously drilled well bores, the Group may not be aware of prior environmental safeguards, if any, that were taken at the time such wells were drilled or during such time the wells were operated. The Group maintains comprehensive insurance coverage that it believes is adequate to mitigate the risk of any adverse financial effects associated with these risks.

However, should it be determined that a liability exists with respect to any environmental cleanup or restoration, the liability to cure such a violation could still fall upon the Group. No claim has been made, nor is the Group aware of any liability which the Group may have, as it relates to any environmental cleanup, restoration, or the violation of any rules or regulations relating thereto except for the matter discussed above.

Legal Proceedings

The Group is a party to legal proceedings encountered in the ordinary course of its business. While the ultimate outcome and impact to the Group cannot be predicted with certainty, in the opinion of management, it is remote that these legal proceedings will have a material adverse impact on the Group's condensed consolidated financial condition, results of operations or cash flows.

Other Commitments and Contingencies

As part of its ongoing business and operations, the Group is required to provide bank letters of credit and bank guarantees for various purposes, including environmental remediation, reclamation, construction costs and other general corporate purposes.

On December 19, 2024, TR Ltd., as guarantor, entered into the Facility Agreement with TR West, as borrower, each a wholly-owned subsidiary of the Company, as obligors, and Macquarie Bank Limited ("Macquarie"), as lender. The Facility Agreement provides TR West with A\$25.0 million in availability ("Facility A") for letters of credit and bank guarantees ("performance bonds"), and includes two potential additional performance bond facilities, each in the amount of A\$5.0 million ("Facility B" and "Facility C," respectively, and collectively, the "Facilities"). Availability under the Facility B and Facility C is subject, among other conditions, to the Company raising additional capital in the amounts of at least A\$62.5 million and A\$75.0 million, respectively, which occurred in July 2025 following completion of that equity raise. Accordingly, the full A\$35.0 million is currently available. All Facilities terminate on December 19, 2027. The obligations under the Facility Agreement are unconditionally guaranteed on a senior secured basis by TR Ltd.

The Facilities are subject to customary representations, warranties and ongoing affirmative and negative covenants and agreements. The Group is required to maintain Minimum Liquidity of A\$20.0 million and have a current ratio of at least 1:1. The Facility Agreement provides for events of default that include, among others, nonpayment of any amount due under the Facility Agreement, breach of covenants and certain events of bankruptcy or insolvency. If an event of default occurs, Macquarie will be able to, among other things, terminate the commitments immediately, declare any amounts outstanding to be due and payable in whole or in part, and exercise other rights and remedies. The Group was in compliance with all terms of the Facility Agreement as of September 30, 2025.

In relation to Facility A, the Group incurred an establishment fee of A\$0.5 million. The outstanding letters of credit and bank guarantees under the Facilities are subject to a drawdown fee of 10% per annum, payable quarterly in arrears. The Group is also required to pay a commitment fee of 4% per annum, payable quarterly in arrears, on the average monthly unused amount of the Facilities. If the borrower fails to pay any amount payable under the Facility Agreement by the due date, interest accrues on the overdue amount at a rate of 12% per annum, payable quarterly in arrears.

As of September 30, 2025, there was A\$23.3 million of letters of credits issued under the Facility Agreement. As of September 30, 2025 there was A\$1.7 million of unused credit under Facility A and A\$10.0 million of unused credit under Facility B and Facility C.

Costs incurred in connection with securing the Facility Agreement, including fees paid to legal advisors and third parties, are deferred and amortized to interest expense over the term of the Facility Agreement. As of September 30, 2025, total unamortized debt issuance costs were A\$0.6 million. During the three months ended September 30, 2025, the Group recorded A\$0.1 million, as amortization of deferred debt issuance costs as a part of interest expense.

In December 2024, Tamboran B1 Operator signed a Development Agreement ("DA") with APA Group ("APA") that defines the conditions under which APA will design and construct the SPP. Under the DA, Tamboran B1 Operator is required to put in place bank guarantees that cover approximately two-thirds of APA's projected construction cost. As of

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September 30, 2025, Tamboran had drawn down A\$18.6 million in bank guarantees related to the SPP. Pursuant to the Gas Transportation Agreement (“GTA”) signed with APA, the bank guarantees will be reduced or released by APA once certain performance conditions are met related to well flow test performance and first gas has been delivered to the NT Government under the Gas Sales Agreement (“GSA”). APA may call on the bank guarantees if certain defaults under the DA or GTA remain unremedied, which in turn triggers a requirement by Tamboran B1 Operator to deposit cash amounts sufficient to cover the bank guarantees under the Facility Agreement with Macquarie.

Note 13 – Related Party Transactions

The Group transacts with two shareholders identified as related parties, H&P and Mr. Bryan Sheffield (“Mr. Sheffield”). The transactions during the three months ended September 30, 2025 are as follows.

H&P

During the year ended June 30, 2023, the Group entered into a strategic alliance with H&P and secured a \$15.0 million equity investment from H&P (and as a consequence, John Bell, a member of the H&P Executive Leadership Team (the “H&P appointee”) was appointed as a director of the Group). The strategic alliance resulted in H&P supporting the Group’s development plans in the Beetaloo Basin through their equity investment in the Company while at the same time executing on H&P’s strategy to gain more international exposure through the use of drilling rigs in Australia.

On July 1, 2023, the lease commenced with H&P for the use of the FlexRig® for a 25-month period (Refer Note 4). During the three months ended September 30, 2025, the Group incurred cost of \$3.0 million relating to a combination of drilling, labor and rig move costs, \$1.2 million of which remained invoiced and unpaid as of September 30, 2025. During the three months ended September 30, 2025 John Bell resigned from his position as a director of the Group.

Mr. Sheffield

During the three months ended September 30, 2025, the Group transacted with DWE and DWI, which are wholly owned by Formentera Australia Fund, LP, which is managed by Formentera Partners, LP, a private equity firm of which Mr. Sheffield serves as managing partner. Mr. Sheffield has been a shareholder in the Company since November 2021.

The Group and DWE jointly own a 50/50 joint venture referred to as TB1 and the Group and DWI jointly own a 50/50 joint venture referred to as SPCF Sub Trust (Refer Note 2).

During the three months ended September 30, 2025, DWE's share of expenditure for the Beetaloo Joint Venture for which contributions were due was \$14.8 million. As of September 30, 2025, the Group had a joint interest billing receivable owing from DWE in the amount of \$1.4 million.

During the three months ended September 30, 2025, DWI's share of expenditure for SPCF for which contributions were due was \$8.5 million. As of September 30, 2025, the Group had advances against joint interest billings owing to DWI in the amount of \$1.9 million.

Note 14 – Subsequent Events

Public Offering

On October 24, 2025, Tamboran closed a public offering under which it issued and sold 2,673,111 shares of common stock at a price to the public of \$21.00 per share (the “Public Offering”) resulting in gross proceeds of \$56.1 million and net proceeds to us of \$53.0 million, after deducting the underwriting discount. RBC Capital Markets, LLC and Wells Fargo Securities, LLC acted as representatives of the several underwriters of the Public Offering.

The net proceeds of the Public Offering will be used to fund the Group's development plan, working capital, and other general corporate purposes.

Share Purchase Plan

On October 30, 2025, the Company opened a Share Purchase Plan (the “Share Purchase Plan”) for eligible securityholders to apply and purchase new CDI's in the Company up to A\$30,000 per securityholder. The SSP is expected to close on November 20, 2025. The Group is targeting a raise up to A\$46.0 million, with some capacity for

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oversubscriptions. The net proceeds of the Share Purchase Plan will be used to fund the Group's development plan, working capital, and other general corporate purposes.

Subscription Agreements

On October 24, 2025, Tamboran entered into subscription agreements (the "Subscription Agreements") with certain investors, including Bryan Sheffield, our largest shareholder, Scott Sheffield, our director, and certain of our employees, officers and other directors (the "PIPE Investors"), pursuant to which the Company expects to sell to the PIPE Investors up to \$32.0 million worth of shares of common stock, at a price of \$21.00 per share, on the terms and subject to the conditions set forth therein (the "PIPE"). The closing of the PIPE is subject to approval by the Company's shareholders and the satisfaction of other customary closing conditions.

Interim CEO Compensation

In connection with Mr. Stoneburner's appointment as Interim Chief Executive Officer, on October 15, 2025, the Company entered into a letter agreement, effective as of July 27, 2025, with Mr. Stoneburner (the "Letter Agreement"). The Letter Agreement provides for a six-month term (or if earlier, the date the Company hires a replacement Chief Executive Officer). Mr. Stoneburner shall continue to serve as Chairman of the Board during the term of his service as Interim Chief Executive Officer.

DWE Commercial Agreements

On October 23, 2025, TR (West) entered into an updated commercial arrangement with DWE regarding the Phase 2 Development Area and related working interests. The following summarizes the material terms of this arrangement:

- The Phase 2 Development Area was increased from 406,693 gross acres to approximately 500,000 gross acres.
- Current Working Interests will be adjusted to TR (West) – 44.897%, DWE – 32.603%, and Falcon – 22.50%.
- Subject to execution of definitive agreements and completion of Tamboran's proposed acquisition of Falcon, the revised working interests will be TR (West) (Operator) – 77.5%, and DWE – 22.5%.
- TR (West) will hold rights requiring DWE to participate proportionately in any sale of Tamboran's interest in the Phase 2 Development Area, limited to 50% of DWE's working interest.

The Group has evaluated its subsequent events occurring after September 30, 2025, through November 13, 2025, which represents the date these condensed consolidated financial statements were available to be issued. No further subsequent events have been identified that would require disclosure in these condensed consolidated financial statements.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Forward-looking statements can be identified by words such as: “anticipate,” “intend,” “plan,” “goal,” “commit,” “seek,” “believe,” “project,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “should,” “will” and similar references to future periods.

It is possible that the future financial performance of Tamboran Resources Corporation (the “Company”) may differ from expectations due to a variety of factors, including but not limited to: our early stage of development with no material revenue expected until 2026 and our limited operating history; the substantial additional capital required for our business plan, which we may be unable to raise on acceptable terms; risks related to the Falcon Acquisition, including the risk that we may fail to realize the expected benefits of the Falcon Acquisition; our strategy to deliver natural gas to the Australian East Coast and select Asian markets being contingent upon constructing additional pipeline capacity, which may not be secured; the absence of proved reserves and the risk that our drilling may not yield natural gas in commercial quantities or quality; the speculative nature of drilling activities, which involve significant costs and may not result in discoveries or additions to our future production or reserves; the challenges associated with importing U.S. practices and technology to the Northern Territory, which could affect our operations and growth due to limited local experience; the critical need for timely access to appropriate equipment and infrastructure, which may impact our market access and business plan execution; the operational complexities and inherent risks of drilling, completions, workover, and hydraulic fracturing operations that could adversely affect our business; the volatility of natural gas prices and its potential adverse effect on our financial condition and operations; the risks of construction delays, cost overruns, and negative effects on our financial and operational performance associated with midstream projects; the potential fundamental impact on our business if our assessments of the Beetaloo are materially inaccurate; the concentration of all our assets and operations in the Beetaloo, making us susceptible to region-specific risks; our inability to make accretive acquisitions or successfully integrate acquired businesses or assets, including in connection with the Falcon Acquisition; the substantial doubt raised by our recurring operational losses, negative cash flows, and cumulative net losses about our ability to continue as a going concern; complex laws and regulations that could affect our operational costs and feasibility or lead to significant liabilities; community opposition that could result in costly delays and impede our ability to obtain necessary government approvals; exploration and development activities in the Beetaloo that may lead to legal disputes, operational disruptions, and reputational damage due to native title and heritage issues; the requirement to produce natural gas on a Scope 1 net zero basis upon commencement of commercial production, with internal goals for operational net zero, which may increase our production costs; the increased attention to environmental, social and governance (“ESG”) matters and environmental conservation measures that could adversely impact our business operations; risks related to our corporate structure; risks related to our common stock and CDIs; and the other risk factors discussed in the this report and the Company’s filings with the Securities and Exchange Commission (the “SEC”).

It is not possible to foresee or identify all such factors. Any forward-looking statements in this report are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate in the circumstances. Forward-looking statements are not a guarantee of future performance and actual results or developments may differ materially from expectations. While the Company continually reviews trends and uncertainties affecting the Company’s results of operations and financial condition, the Company does not assume any obligation to update or supplement any particular forward-looking statements contained in this report, except as required by law.

Additionally, certain forward-looking and other statements in this report or at other locations, such as the Company’s corporate website, regarding ESG matters are informed by various ESG standards and frameworks (which may include standards for the measurement of underlying data) and the interests of various stakeholders. Accordingly, such information may not be and should not be interpreted as necessarily being “material” under the federal securities laws for SEC reporting purposes, even if the Company uses the word “material” or “materiality” in such discussions. ESG information is also often reliant on third-party information or methodologies that are subject to evolving expectations and best practices, and the Company’s approach to and discussion of these matters may continue to evolve as well. For example, the Company’s disclosures may change due to revisions in framework requirements, availability of information, changes in its business or applicable governmental policies, or other factors, some of which may be beyond its control.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with, and is qualified in its entirety by, our condensed consolidated financial statements, the accompanying notes to the condensed consolidated financial statements and other financial information included in this report and in our Annual Report on Form 10-K for the year ended June 30, 2025. For further information on items that could impact our financial condition and operating performance, see the section entitled “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended June 30, 2025, and “Cautionary Note Regarding Forward-Looking Statements” in this report.

The following tables present selected financial information for the periods presented (dollar amounts in thousands):

	Three months ended September 30,	
	2025	2024
Revenue and other operating income	\$ —	\$ —
Operating costs and expenses:		
Compensation and benefits, including stock-based compensation	(1,994)	(2,219)
Consultancy, legal and professional fees	(1,822)	(1,680)
Depreciation and amortization	(2)	(31)
Loss on remeasurement of assets classified as held for sale	—	(376)
Accretion of asset retirement obligations	(289)	(258)
Exploration expense	(682)	(1,010)
Camp expense recoveries, net	(1,629)	—
LNG feasibility study expense	(191)	—
General and administrative	(1,598)	(1,405)
Total operating costs and expenses	(8,207)	(6,979)
Other income (expense):		
Interest income (expense), net	(305)	796
Foreign exchange loss, net	(551)	(254)
Other income (expense), net	—	(320)
Total other income (expense)	(856)	222
Net loss	(9,061)	(6,756)
Foreign currency translation	1,738	12,148
Total comprehensive income (loss) attributable to noncontrolling interest	(1,003)	566
Total comprehensive income (loss) attributable to Tamboran Resources stockholders	\$ (6,320)	\$ 4,826

Certain amounts in the Company's consolidated financial statements may not add up or recalculate due to rounding.

Results of Operations for the Three Months Ended September 30, 2025 and 2024

Revenue and other operating income. We have not yet commenced natural gas production; therefore, we did not earn any revenue and other operating income during the three months ended September 30, 2025 and 2024, respectively.

Compensation and benefits, including stock-based compensation. Compensation and benefits, including stock-based compensation, decreased by \$0.2 million during the three months ended September 30, 2025, as compared to the three months ended September 30, 2024, primarily as a result of the forfeiture of stock-based compensation awards during the period for individuals who left the business and increased capitalized internal labor costs.

Consultancy, legal and professional fees. Consultancy, legal and professional fees remained fairly consistent as compared to the three months ended September 30, 2024, increasing by just \$0.1 million during the three months ended September 30, 2025.

Accretion of asset retirement obligations expense. For the three months ended September 30, 2025, an expense for accretion of asset retirement obligations of \$0.3 million was recognized. The recognition of such an expense was due to the accretion of asset retirement obligation liabilities in relation to all EPs, inclusive of EPs 76, 98, 117, 136 and 161, as well as the SPCF pad.

Exploration expense. For the three months ended September 30, 2025, the exploration expense decreased by \$0.3 million as compared to the three months ended September 30, 2024 as the current period was heavily focused on the drilling of SS-4H, SS-5H, and SS-6H, resulting in a larger portion of costs capitalized and less costs incurred related to topographical, geographical and geophysical studies.

Camp expense recoveries, net. For the three months ended September 30, 2025, expenses for the newly established field camp of \$1.6 million were recognized primarily related to mobilization expenses of the modular buildings and related equipment to the site. These costs are offset by recoveries from external parties who utilize the camp.

LNG feasibility study expense. During the three months ended September 30, 2025, the Group incurred expenses of \$0.2 million related to certain studies and pre-front-end engineering and design services related to the proposed NT LNG facility.

General and administrative. General and administrative costs increased by \$0.2 million during the three months ended September 30, 2025, as compared to the three months ended September 30, 2024, primarily as a result of increased expenses related to headcount.

Interest income (expense), net. Interest income, net decreased by \$1.1 million during the three months ended September 30, 2025, as compared to the three months ended September 30, 2024, primarily due to lower cash balances and lower interest rates for the period ended September 30, 2025 and an increase in interest expense related to the Facility Agreement with Macquarie Bank Limited entered into in December 2024.

Foreign currency translation. For the three months ended September 30, 2025, we recognized a foreign currency translation gain of \$1.7 million, primarily due to the slight strengthening of the Australian Dollar as of September 30, 2025, as compared to June 30, 2025. In the three months ended September 30, 2024, we recognized a foreign currency translation gain of \$12.1 million, primarily due to the significant strengthening of the Australian Dollar as of September 30, 2024, as compared to June 30, 2024. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at fiscal year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized on our condensed consolidated statement of operations and comprehensive loss.

Income tax expense. We have no income tax expense due to operating losses incurred for the three months ended September 30, 2025, and 2024. We have provided a full valuation allowance on our net deferred tax asset because management has determined that it is more likely than not that we will not earn income sufficient to realize the deferred tax assets during a foreseeable future period. Management will continue to assess the potential for realizing deferred tax assets based upon income forecast data and the feasibility of future tax planning strategies and may record adjustments to the valuation allowance against deferred tax assets in future periods, as appropriate, that could have a material impact on the condensed consolidated statement of operations and comprehensive loss.

Liquidity and Capital Resources

We are a development stage enterprise and will continue to be so until commencement of substantial production from our natural gas properties. We do not expect to generate any revenue from production until late 2026, at the earliest, which will depend upon successful drilling results, additional and timely capital funding, negotiation of certain commercial agreements and access to suitable infrastructure. Until then, our primary sources of liquidity are expected to be cash on hand and funds from future private and public equity placements, debt funding and asset sales.

We expect to incur substantial expenses and generate significant operating losses as we continue to develop our natural gas prospects and as we:

- complete our current appraisal drilling and testing program;
- develop and commercialize our assets, including the SPCF, the proposed NT LNG facility and other infrastructure;
- opportunistically invest in additional natural gas assets adjacent to our current positions; and
- incur expenses related to operating as a public company and compliance with regulatory requirements.

Our future financial condition and liquidity will be impacted by, among other factors, the success of our exploration and appraisal drilling program, the number of commercially viable natural gas discoveries made, the quantities of natural gas discovered, the speed with which we can bring such discoveries to production, and the actual cost of exploration, appraisal and development of our prospects.

For the remainder of the fiscal year ending June 30, 2026, we estimate that we will need to invest approximately \$43.4 million to progress our development plans. We expect the proceeds from the public offering received in October 2025, together with our existing cash on hand, to be sufficient to fund remaining drilling costs of SS-4H, SS-5H and SS-6H and to carry out stimulation activities and flow testing of SS-5H. However, we may require significant additional funds earlier than we currently expect in order to execute our strategy as planned. Additional funding may not be available to us on acceptable terms or at all. In addition, the terms of any financing may adversely affect the holdings or the rights of our stockholders. For example, if we raise additional funds by issuing additional equity securities, further dilution to our existing stockholders will result. If we are unable to obtain funding on a timely basis, we may be required to significantly curtail one or more of our planned activities. We also could be required to seek funds through arrangements with collaborators or others that may require us to relinquish rights to some of our assets which we would otherwise develop on our own, or with a majority working interest.

Cash and Cash Equivalents

The following table summarizes our key measures of liquidity for the periods indicated (in thousands).

	September 30, 2025	June 30, 2025
Cash and cash equivalents	\$ 39,557	\$ 39,439

As of September 30, 2025, we had \$39.6 million of cash and cash equivalents. This balance represents an increase of \$0.1 million from June 30, 2025. Cash calls received throughout the period and proceeds from our subscription agreements to institutional investors received in July 2025 were primarily offset by spending from operations on the SS-4H, SS-5H and SS-6H pilot wells, construction of the SPCF facility and other corporate expenditure in the fiscal period.

Capital Commitments

We had the following five-year capital commitments as of the periods indicated (in thousands), which are not recognized as liabilities or payables on the condensed consolidated balance sheet:

	September 30, 2025	June 30, 2025
Capital commitments:		
Sweetpea	\$ 23,074	\$ 23,115
EP 161	2,314	2,302
Beetaloo Joint Venture	75,779	75,630
Midstream	\$ 11,960	\$ 9,056

Sweetpea

As of September 30, 2025, the Company's wholly owned subsidiary, Sweetpea committed to spend \$23.1 million related to two licenses, EP 136 with total commitments of \$13.9 million and EP 143 with total commitments of \$9.2 million over the following five years.

A renewal application for EP 136 was submitted to the Department of Mining and Energy ("DME") (formerly the Department of Industry, Tourism and Trade) in September 2023, and approved in July 2024, granting a five-year extension for the period July 24, 2025 to July 23, 2030 with a minimum work program commitment of \$13.9 million.

A variation application for EP 143 was submitted to DME in August 2024 and approved in October 2024. The total minimum work program commitments remain the same at \$9.2 million with activity and associated spend being transferred within the license term.

EP 161

For the EP 161 working interest, we are obligated to contribute our share of expenses to uphold our stake in this permit, for which Santos Limited is the operator. Our commitment through March 2026 is approximately \$2.3 million based on the minimum work requirements. There are no minimum commitment requirements after March 2026.

Beetaloo Joint Venture

The terms of the Beetaloo Joint Venture necessitate specific minimum work obligations through May 2028. These commitments include an expected spend of \$75.8 million related to drilling and multi-stage hydraulic fracturing of four wells, 2D seismic survey, and subsurface studies, with expenditure across EP 76 of \$10.6 million, EP 98 of \$53.6 million and EP 117 of \$11.5 million. An application was submitted to DME on September 26, 2024 to vary the year 2 and 3 work program, and is currently pending resolution.

Midstream

Committed spend for the SPCF project as of September 30, 2025, was \$12.0 million which was related to the remaining procurement, and construction management for the detailed design, engineering, planning, construction, testing, inspection and commissioning of the facility.

Other Commitments and Contingencies

On December 19, 2024, TR Ltd., as guarantor, entered into the Facility Agreement with TR West, as borrower, each a wholly owned subsidiary of the Company, as obligors, and Macquarie, as lender. The Facility Agreement provides TR West with Facility A amounting to A\$25.0 million in availability for performance bonds and includes potential additional Facility B and Facility C each amounting to A\$5.0 million. Availability under the Facility B and Facility C is subject, among other conditions, to the Company raising additional capital in the amounts of at least A\$62.5 million and A\$75.0 million, respectively. All Facilities terminate on December 19, 2027. The obligations under the Facility Agreement are unconditionally guaranteed on a senior secured basis by TR Ltd.

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As of September 30, 2025, there was A\$23.3 million of letters of credits issued under the Facility Agreement. As of September 30, 2025 there was A\$1.7 million of unused credit under Facility A and A\$10.0 million of unused credit under Facility B and Facility C.

Cash Flows

The following table summarizes our cash flows for the periods indicated (in thousands):

	Three months ended September 30,	
	2025	2024
Statement of Cash Flows:		
Net cash used in operating activities	\$ (13,799)	\$ (4,154)
Net cash used in investing activities	(28,434)	(14,496)
Net cash from financing activities	\$ 37,937	\$ 16,744

Net Cash Used in Operating Activities

For the three months ended September 30, 2025, net cash used in operating activities was \$13.8 million during which we incurred a net loss of \$9.1 million compared to net cash used in operating activities for the three months ended September 30, 2024 of \$4.2 million, during which we incurred a net loss of \$6.8 million. The net loss for the three months ended September 30, 2025, included the non-cash impacts of depreciation and amortization, stock-based compensation, performance bond facility fees, accretion of asset retirement obligations, interest expense, and foreign exchange differences. Additionally, in the three months ended September 30, 2025, net unfavorable changes in operating assets and liabilities totaled \$6.4 million, primarily consisting of a \$1.2 million decrease in accounts payable and accrued expenses due to timing of our pay cycle during the fiscal period, a \$4.5 million increase in trade and other receivables and a \$0.7 million increase in prepaid expenses and other assets.

Net Cash Used in Investing Activities

For the three months ended September 30, 2025, net cash used in investing activities was \$28.4 million compared to \$14.5 million for the three months ended September 30, 2024. In the period ended September 30, 2025, there was spend on exploration and evaluation activities of \$19.9 million in connection with the drilling of the SS-4H, SS-5H and SS-6H pilot wells, expenditure of \$7.6 million of spend related to SPCF and \$0.9 million related to interest on financing lease liabilities.

Net Cash from Financing Activities

For the three months ended September 30, 2025, net cash received in financing activities was \$37.9 million compared to \$16.7 million received for the three months ended September 30, 2024. The increase was primarily due proceeds from the issuance of common stock of \$11.0 million that occurred in the current period compared to \$7.4 million in gross proceeds from the greenshoe option exercised in July 2024, \$29.0 million attributable to contributions from noncontrolling interest holders to fund their share of cash calls, \$1.9 million of advance contributions received from noncontrolling interest holders, partially offset by common stock issuance transaction costs of \$0.6 million, repayments of finance lease liabilities of \$3.1 million and \$0.3 million related to the payment of performance bond facility establishment fees.

Critical Accounting Estimates

Management's discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of our financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of certain assets, liabilities and related disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The following critical accounting policies relate to the more significant estimates and assumptions used in preparing the consolidated financial statements.

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The impact of, and any associated risks related to, estimates and assumptions are discussed within Management's Discussion and Analysis of Financial Condition and Results of Operations, as well as in the Notes to the Condensed Consolidated Financial Statements, if applicable, where estimates and assumptions affect the Company's reported and expected financial results.

There have been no other material changes in critical accounting estimates at September 30, 2025 from those described in the Company's Annual Report on Form 10-K for the year ended June 30, 2025.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not required.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As of September 30, 2025, our principal executive officer and principal financial officer concluded that we did not maintain effective internal control over financial reporting due to the material weakness that was disclosed in our Annual Report on Form 10-K for the years ended June 30, 2025 and June 30, 2024

As discussed in Part II, Item 9A, “Controls and Procedures” in our Annual Report on Form 10-K for the year ended June 30, 2025 and June 30, 2024, we identified the following deficiencies in our internal control over financial reporting, which in the aggregate, constituted a material weakness:

- i) lack of sufficient evidence retained of the performance of internal controls,
- ii) insufficient resources in key accounting and finance roles leading to inadequate segregation of duties,
- iii) lack of manage access and manage change IT general controls over the cloud-based enterprise resource planning system, and
- iv) accounting for complex transactions in accordance with U.S. GAAP, which in the aggregate constitute a material weakness

Status of Remediation Efforts

In response to the material weakness identified and described above, our management, with the oversight of the Audit & Risk Management Committee of our Board of Directors, will continue to dedicate significant efforts and resources to further improve our control environment and to take steps to remediate this material weakness. As part of our plan to address this material weakness, a remediation plan has been initiated and the Company has engaged an internal audit firm to assist with the documentation of our processes and internal controls and we will also provide training to control owners, supported by external consultants, as appropriate, in support of an effective internal control framework, including how to sufficiently document and evidence the operation of internal controls. We have also hired a Vice President of Information Technology and a Financial Reporting Manager with extensive knowledge in their respective fields to assist in the remediation of the above control deficiencies. We will continue to hire accounting and finance personnel, or engage technical specialists, who possess the required technical knowledge to ensure reporting requirements are met and segregation of duties are maintained. The material weakness cannot be considered remediated until the newly designed control activity operates for a sufficient period of time and management has concluded, through testing, that the control is operating effectively.

While we have begun implementing a plan to remediate this material weakness, we cannot predict the success of such plan or the outcome of our assessment of this plan at this time. If our steps are insufficient to successfully remediate the material weakness and otherwise establish and maintain an effective system of internal control over financial reporting, the reliability of our financial reporting, investor confidence in us, and the value of our common stock could be materially and adversely affected. We can give no assurance that the implementation of this plan will remediate this deficiency in internal control or that additional material weaknesses in our internal control over financial reporting will not be identified in the future. Our failure to implement and maintain effective internal control over financial reporting could result in errors in our financial statements that could result in a restatement of our financial statements or cause us to fail to meet our periodic reporting obligations. For as long as we are an “emerging growth company” under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404.

Changes in Internal Control Over Financial Reporting

Except for the implementation of our remediation plans in connection with our ineffective disclosure controls and procedures described above, there were no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) during the quarter ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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Item 1. Legal Proceedings

Other than given as below, as of the date of this report, we are not a party to any material pending legal proceedings, nor are we aware of any material civil proceeding or government authority contemplating any legal proceeding, and to our knowledge, no such proceedings by or against us have been threatened. We anticipate that we and our subsidiaries may from time to time in the future become subject to claims and legal proceedings arising in the ordinary course of business. It is not feasible to predict the outcome of any such proceedings, and we cannot assure you that their ultimate disposition will not have a materially adverse effect on our business, financial condition, cash flows or results of operations.

On July 4, 2024, the Environment Centre Northern Territory (“ECNT”) lodged an Originating Application in the Northern Territory Civil and Administrative Appeals Tribunal (“NTCAT”) for a merits review of the Minister for Environment, Climate Change and Water Security’s (“Minister’s”) approval of TB1 Operator’s Shenandoah South Exploration & Appraisal Program EP98 and EP117 Environment Management Plan (“Shenandoah EMP”) (“NTCAT Merits Review”). On August 20, 2024, the TB1 Operator was added as a respondent to the NTCAT Merits Review. The NTCAT Merits Review commenced by ECNT under the Petroleum Act 1984 (NT) and the Petroleum (Environment) Regulations 2016 (NT). ECNT are seeking an order that the Minister’s Original Decision is set aside and substituted with a decision that the Tribunal Member is not satisfied the information provided in the Shenandoah EMP is sufficiently compliant with the Petroleum (Environment) Regulations 2016 (NT), including in relation to: (a) risks of wastewater spills and (b) risks in relation to inter-aquifer connectivity and an order that the Shenandoah EMP should be referred to the NT EPA for an independent assessment or, in the alternative, an order that varies the Minister’s original decision and establishes conditions in the Shenandoah EMP. On August 25, 2025, the NTCAT granted leave for the substantive proceedings to be withdrawn by the ECNT. This followed the dismissal of the ECNT’s stay application, with the NTCAT handing down its reason for dismissing the application on November 27, 2024 and the dismissal of the ECNT’s application to issue summonses and admit further expert reports, with the NTCAT handing down its reasons for dismissing the application on July 15, 2025.

On December 6, 2024, Lock the Gate Alliance Ltd (“Lock the Gate”) lodged an Originating Application in the Federal Court of Australia seeking an injunction under s475(2) of the *Environment Protection and Biodiversity Conservation Act 1999 (Cth)* (“EPBC Act”), to restrain TB1 Operator from conducting the Shenandoah South Pilot Project and a declaration under s 21 of the Federal Court of Australia Act 1976 (Cth) that the Shenandoah South Pilot Project is an action which involves unconventional gas development and is likely to have a significant impact on a water resource within the meaning of ss 24D and 24E of the EPBC Act (the “Originating Application”). The Originating Application was heard in the Federal Court of Australia from June 23 to June 26, 2025, and August 14, 2025, before Owens J. who reserved Judgment.

Item 1A. Risk Factors

There have been no material changes in risk factors for the quarterly period ended September 30, 2025 from those described in the Company’s Annual Report on Form 10-K for the year ended June 30, 2025.

Risks Related to the Pending Falcon Acquisition

The market price for our common stock and CDIs following the closing of the Falcon Acquisition may be affected by factors different from those that historically have affected or currently affect our common stock and CDIs.

Our financial position may differ from our financial position before the completion of the Falcon Acquisition, and the results of operations of the combined company may be affected by some factors that are different from those currently affecting our results of operations. Accordingly, the market price and performance of our common stock and CDIs is likely to be different from the performance of our common stock and CDIs in the absence of the Falcon Acquisition. In addition, general fluctuations in stock markets could have a material adverse effect on the market for, or liquidity of, our common stock and CDIs, regardless of our actual operating performance.

Our existing stockholders will have reduced ownership in the combined company following consummation of the Falcon Acquisition.

Immediately following consummation of the Falcon Acquisition, based on the number of shares of common stock outstanding as of the date of the Arrangement Agreement and the issuance of the Stock Consideration as contemplated by the Arrangement Agreement, our existing stockholders would own approximately 73% of the outstanding shares of the

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combined company and Falcon's existing stockholders would own approximately 27% of the outstanding shares of the combined company. As a result, our current stockholders will have less influence on the policies of the combined company than they currently have on our policies.

We may not consummate the Falcon Acquisition.

We may not consummate the Falcon Acquisition, which is subject to the satisfaction of closing conditions. These conditions include, but are not limited to, (a) the approval of the Falcon Acquisition by at least 66 2/3% of the votes cast by Falcon shareholders and, if required by applicable Canadian securities laws, a simple majority of the votes cast by Falcon shareholders, excluding Falcon common shares held by persons required to be excluded under such laws, at a meeting of Falcon shareholders, (b) the approval of the issuance of the Stock Consideration by a majority of the votes cast by our stockholders at a meeting of our stockholders, (c) the approval of the Falcon Acquisition by the Supreme Court of British Columbia on terms consistent with the Arrangement Agreement and otherwise reasonably satisfactory to the parties, (d) the authorization for listing of the Stock Consideration on the NYSE and (e) the absence of any law or order enjoining, restricting or prohibiting the consummation of the transactions contemplated by the Falcon Acquisition. Neither we nor Falcon can predict when, or if, these conditions will be satisfied. If any of these conditions are not satisfied or waived prior to the outside date, it is possible that the Falcon Acquisition may be terminated. Although we have agreed with Falcon to use reasonable best efforts, subject to certain limitations, to promptly complete the Falcon Acquisition, these and other conditions to the completion of the Falcon Acquisition may fail to be satisfied. In addition, satisfying the conditions to and completion of the Falcon Acquisition may take longer, and could cost more, and require additional borrowings, than we currently expect. There can be no assurance that such conditions will be satisfied or that the Falcon Acquisition will be consummated on the terms currently contemplated or at all. If additional borrowings are required to consummate the Falcon Acquisition, our total debt and leverage will be greater than currently anticipated.

Failure to complete the Falcon Acquisition could negatively impact our stock price and have a material adverse effect on our results of operations, cash flows and financial position.

If the Falcon Acquisition is not completed for any reason, including as a result of failure to obtain all requisite regulatory approvals or Falcon's stockholders fail to approve the applicable requisite proposals, we may be materially and adversely affected and, without realizing any of the benefits of having completed the Falcon Acquisition, we would be subject to a number of risks, including the following:

- we may experience negative reactions from the financial markets, including negative impacts on our stock price;
- we may experience negative reactions from our customers, distributors, suppliers, vendors, landlords, joint venture partners and other business partners;
- we will still be required to pay certain significant costs relating to the Falcon Acquisition, such as legal, accounting, financial advisor and printing fees;
- Falcon may be entitled to receive a termination fee of \$3,750,000 pursuant to the Arrangement Agreement;
- the Arrangement Agreement places certain restrictions on our conduct pursuant to the terms thereof, which may delay or prevent us from undertaking business opportunities that, absent the Arrangement Agreement, may have been pursued;
- matters relating to the Falcon Acquisition (including integration planning) require substantial commitments of time and resources by our management, which may have resulted in the distraction of our management from ongoing business operations and pursuing other opportunities that could have been beneficial to us; and
- litigation related to any failure to complete the Falcon Acquisition or related to any enforcement proceeding commenced against us to perform our obligations pursuant to the Arrangement Agreement.

If the Falcon Acquisition is not completed, the risks described above may materialize and they may have a material adverse effect on our results of operations, cash flows, financial position and stock price.

The combined company following the Falcon Acquisition may be unable to integrate the business of the Company and Falcon successfully or realize the anticipated benefits of the Falcon Acquisition.

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The Falcon Acquisition involves the combination of two companies that currently operate as independent companies. The combination of two independent businesses is complex, costly and time consuming, and we will be required to devote significant management attention and resources to integrating the business practices and operations of Falcon into ours. Potential difficulties that we may encounter as part of the integration process include the following:

- the inability to successfully combine our business and Falcon's in a manner that permits the combined company to achieve, on a timely basis, or at all, the enhanced revenue opportunities and cost savings and other benefits anticipated to result from the Falcon Acquisition;
- complexities associated with managing the combined businesses, including difficulty addressing possible differences in operational philosophies and the challenge of integrating complex systems, technology, networks and other assets of each of the companies in a seamless manner that minimizes any adverse impact on customers, suppliers, employees and other constituencies;
- the inability to retain the service of key management and other key personnel;
- the assumption of contractual obligations with less favorable or more restrictive terms; and
- potential unknown liabilities and unforeseen increased expenses or delays associated with the Falcon Acquisition.

In addition, we and Falcon have operated and, until the completion of the Falcon Acquisition, will continue to operate, independently. It is possible that the integration process could result in:

- diversion of the attention of each company's management; and
- the disruption of, or the loss of momentum in, each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies.

Any of these issues could adversely affect each company's ability to maintain relationships with customers, suppliers, employees and other constituencies or achieve the anticipated benefits of the Falcon Acquisition or could reduce each company's earnings or otherwise adversely affect the business and financial results of the combined company following the Falcon Acquisition.

Securities class action and derivative lawsuits may be brought against us in connection with the Falcon Acquisition, which could result in substantial costs.

Securities class action lawsuits and derivative lawsuits are often brought against public companies that have entered into acquisition, merger or other business combination agreements. Even if such a lawsuit is without merit, defending against these claims can result in substantial costs and divert management time and resources. An adverse judgment could result in monetary damages, which could have a negative impact on our liquidity and financial condition.

The synergies attributable to the Falcon Acquisition may vary from expectations.

The combined company may fail to realize the anticipated benefits and synergies expected from the Falcon Acquisition, which could adversely affect the combined company's business, financial condition and results of operations. The success of the Falcon Acquisition will depend, in significant part, on the combined company's ability to successfully integrate the acquired business, grow the revenue of the combined company and realize the anticipated strategic benefits and synergies from the combination. We believe that the combination of the companies will provide operational and financial scale, and enhancing the combined company's corporate rate of return. However, achieving these goals requires, among other things, realization of the targeted cost synergies expected from the Falcon Acquisition. This growth and the anticipated benefits of the transaction may not be realized fully or at all, or may take longer to realize than expected. Actual operating, technological, strategic and revenue opportunities, if achieved at all, may be less significant than expected or may take longer to achieve than anticipated. If the combined company is not able to achieve these objectives and realize the anticipated benefits and synergies expected from the Falcon Acquisition within the anticipated timing or at all, the combined company's business, financial condition and results of operations may be adversely affected.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

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No shares of the Company's common stock were repurchased during the three months ended September 30, 2025.

Item 5. Other Information

During the three months ended September 30, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

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Item 6. Exhibits

The following documents are filed as exhibits hereto:

Exhibit	
Number	Description
2.1+	Arrangement Agreement, by and between the Group and Falcon, dated September 30, 2025 (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K dated September 30, 2025, File No. 001-42149, and incorporated herein by reference).
3.1	Certificate of Incorporation of Tamboran Resources Corporation (filed as Exhibit 3.1 to the Company's Registration Statement on Form S-1 dated May 3, 2024, File No. 333-279119, and incorporated herein by reference).
3.2	Amended and Restated Bylaws of Tamboran Resources Corporation (filed as Exhibit 3.2 to the Company's Registration Statement on Form S-1 dated June 17, 2024, File No. 333-279119, and incorporated herein by reference).
10.1+	Agreement, by and among Tamboran Resources Corporation, Bryan Sheffield, Sheffield Holdings, LP and certain other affiliated entities party thereto, dated July 27, 2025 (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated July 27, 2025, File No. 001-42149, and incorporated herein by reference).
10.2	Separation Deed, between Tamboran Services Pty Ltd and Joel Riddle, dated July 28, 2025 (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated July 27, 2025, File No. 001-42149, and incorporated herein by reference).
10.3	Form of Support Agreement (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated September 30, 2025, File No. 001-42149, and incorporated herein by reference).
10.4	Syndicated Facility Agreement, by and among the Company, SPCF Financing, Sturt Plateau Compression Facility Sub Pty Ltd, Sturt Plateau Compression Facility Mid Pty Ltd, and other parties, dated September 29, 2025 (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated September 29, 2025, File No. 001-42149, and incorporated herein by reference).
10.5	Deed of Guarantee and Indemnity, between Tamboran Resources Corporation, Tamboran Resources Pty Ltd, Tamboran (West) Pty Limited, and Global Loan Agency Services Australia Nominees Pty Ltd, dated September 29, 2025 (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated September 29, 2025, File No. 001-42149, and incorporated herein by reference).
10.6	NTG Guarantee, between Northern Territory of Australia, Macquarie Bank Limited, Evolution Trustees Limited as trustee for the Alpha Wave Credit (Australia) Trust, and SPCF Financing Pty Ltd, dated September 29, 2025 (filed as Exhibit 10.3 to the Company's Current Report on Form 8-K dated September 29, 2025, File No. 001-42149, and incorporated herein by reference).
10.7†	Letter Agreement, between the Company and Richard Stoneburner, dated October 15, 2025 (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed on October 17, 2025, File No. 001-42149, and incorporated herein by reference).
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1*	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350 (furnished herewith).
32.2*	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350 (furnished herewith).
101	Financial statements from the Quarterly Report on Form 10-Q of Tamboran Resources Corporation for the quarter ended September 30, 2025, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations and Comprehensive Loss, (iii) the Condensed Consolidated Statements of Stockholders' Equity (Deficit), (iv) the Condensed Consolidated Statements of Cash Flows and (v) the Notes to Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data file (formatted as iXBRL and contained in Exhibit 101).

* This exhibit shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

+ Schedules and similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Tamboran agrees to furnish a supplemental copy of any omitted schedule or attachment to the SEC upon request; provided, that Tamboran may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act for any schedules and similar attachments so furnished.

† Indicates a management contract or compensatory plan or arrangement required to be filed as an exhibit to this report.

SIGNATURES

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

Tamboran Resources Corporation

Date: November 13, 2025

/s/ Eric Dyer
Eric Dyer
Chief Financial Officer

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