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APPENDIX 4D **Tamboran Resources Corporation** **Half Year Report**

Company Details

Name of entity	Tamboran Resources Corporation
ARBN	672 879 024
Reporting Period	For the half year ended 31 December 2025
Previous Period	For the half year ended 31 December 2024

Results for announcement to the market (in thousands)

	Six months ended December 31,		\$ Change	% Change
	2025	2024		
Revenues from ordinary activities	\$ —	\$ —	\$ —	— %
Loss from ordinary activities after tax attributable to members of Tamboran Resources Corporation	(14,796)	(20,062)	5,266	26 %
Loss attributable to members of Tamboran Resources Corporation	(14,796)	(20,062)	5,266	26 %
Adjusted loss from ordinary activities after tax	\$ (14,796)	\$ (20,062)	\$ 5,266	26 %

Dividends

No dividends were paid or declared

Additional Information

The following document is the 10-Q prepared in accordance with United States Generally Accepted Accounting Principles (“U.S. GAAP”) as lodged with the Securities and Exchange Commission on February 11, 2026.

**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 December 31, 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)

93-4111196

(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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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 February 1, 2026 was 22,639,513.

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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 late 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 Tamboran and Falcon are expected to incur significant transaction costs in connection with the Falcon Acquisition, potential litigation related to the Falcon Acquisition, the risk that the combined company may be unable to realize the anticipated benefits of the Falcon Acquisition and the risk that the Falcon Acquisition may result in a loss of joint venture partners and other business partners and may result in the termination of existing contracts; 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 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 and per share amounts)

	Note	(Unaudited)	
		December 31, 2025	June 30, 2025
ASSETS			
Current assets			
Cash and cash equivalents		\$ 83,404	\$ 39,439
Restricted cash		15,020	5,722
Trade and other receivables:			
Joint interest billings	2	1,272	8,191
ATO receivable		1,713	1,219
Other receivables		1,122	222
Prepaid expenses and other current assets	6	3,832	1,903
Total current assets		<u>106,363</u>	<u>56,696</u>
Natural gas properties, successful efforts method:			
Unproved properties	3	415,574	342,314
Assets under construction - natural gas equipment	3	47,794	24,441
Property, plant and equipment, net	3	530	308
Operating lease right-of-use assets	4	4,126	1,549
Finance lease right-of-use assets	4	17,212	16,544
Prepaid expenses and other non-current assets		8,956	4,610
Total non-current assets		<u>494,192</u>	<u>389,766</u>
TOTAL ASSETS		<u><u>\$ 600,555</u></u>	<u><u>\$ 446,462</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued expenses	5	\$ 38,413	\$ 20,457
Advance against joint interest billings	2	—	450
Current portion of operating lease obligations	4	2,829	391
Current portion of finance lease obligations	4	11,713	15,307
Total current liabilities		<u>52,955</u>	<u>36,605</u>
Operating lease obligations	4	1,277	1,175
Finance lease obligations	4	11,711	9,523
Asset retirement obligations	7	10,461	9,649
Long-term debt, net	6	32,592	—
Other non-current liabilities		807	57
Total non-current liabilities		<u>56,848</u>	<u>20,404</u>
Total liabilities		<u><u>109,803</u></u>	<u><u>57,009</u></u>
Commitments and contingencies (Note 12)			
Stockholders' equity			
Common stock, \$0.001 par value, 10,000,000,000 authorized; 21,115,136 and 16,717,289 issued and outstanding at December 31, 2025 and June 30, 2025, respectively		21	17
Additional paid-in capital		542,712	464,407
Accumulated other comprehensive loss		(1,801)	(9,421)
Accumulated deficit		(182,077)	(167,281)
Total Tamboran Resources Corporation stockholders' equity		<u>358,855</u>	<u>287,722</u>
Noncontrolling interest		131,897	101,730
Total stockholders' equity		<u><u>490,752</u></u>	<u><u>389,452</u></u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u><u>\$ 600,555</u></u>	<u><u>\$ 446,462</u></u>

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

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

Note	Three months ended December 31,		Six months ended December 31,	
	2025	2024	2025	2024
Revenue and other operating income	\$ —	\$ —	\$ —	\$ —
Operating costs and expenses				
Compensation and benefits, including stock-based compensation	(3,320)	(1,683)	(5,314)	(3,902)
Consultancy, legal and professional fees	(912)	(1,004)	(2,734)	(2,684)
Depreciation and amortization	(2)	(31)	(3)	(61)
Loss on remeasurement of assets classified as held for sale	—	—	—	(376)
Accretion of asset retirement obligations	7	(293)	(242)	(582)
Exploration expense		(426)	(1,473)	(1,109)
Camp expense recoveries, net		(1,025)	—	(2,654)
LNG feasibility study expense		(136)	(3,233)	(326)
Checkerboard fee		—	(5,950)	—
General and administrative		(1,689)	(1,399)	(3,287)
Total operating costs and expenses	(7,802)	(15,015)	(16,008)	(21,993)
Loss from operations	(7,802)	(15,015)	(16,008)	(21,993)
Other income (expense)				
Interest income (expense), net	238	705	(67)	1,501
Foreign exchange gain (loss), net	8	(1,228)	(543)	(1,482)
Other income (expense), net	—	37	—	(282)
Total other income (expense)	246	(486)	(609)	(263)
Net loss	(7,556)	(15,500)	(16,617)	(22,256)
Less: Net loss attributable to noncontrolling interest	(943)	(1,333)	(1,821)	(2,194)
Net loss attributable to Tamboran Resources Corporation stockholders	\$ (6,613)	\$ (14,167)	\$ (14,796)	\$ (20,062)
Comprehensive income (loss)				
Net loss	\$ (7,556)	\$ (15,500)	\$ (16,617)	\$ (22,256)
Other comprehensive income (loss)				
Foreign currency translation	6,756	(29,158)	8,493	(17,010)
Total comprehensive income (loss)	(800)	(44,658)	(8,124)	(39,266)
Less: Total comprehensive income (loss) attributable to noncontrolling interest	54	(5,359)	(948)	(4,792)
Total comprehensive income (loss) attributable to Tamboran Resources Corporation stockholders	\$ (854)	\$ (39,299)	\$ (7,176)	\$ (34,474)
Net loss per common stock				
Basic and diluted	11	\$ (0.330)	\$ (0.987)	\$ (0.788)
Weighted average number of common stock outstanding	11	20,026,416	14,346,556	18,786,660
Basic and diluted				14,236,753

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

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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>\$ 275,602</u>	<u>\$ 51,439</u>	<u>\$ 327,041</u>
Issuance of common stock as checkerboard fee	—	5,950	—	—	5,950	—	5,950
Contributions from noncontrolling interest holders	—	—	—	—	—	19,089	19,089
Stock-based compensation	—	1,627	—	—	1,627	—	1,627
Foreign exchange translation	—	—	(25,133)	—	(25,133)	(4,025)	(29,158)
Net loss	—	—	—	(14,167)	(14,167)	(1,333)	(15,500)
Balance at December 31, 2024	<u>\$ 15</u>	<u>\$ 420,231</u>	<u>\$ (25,925)</u>	<u>\$ (150,441)</u>	<u>\$ 243,879</u>	<u>\$ 65,170</u>	<u>\$ 309,049</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.

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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, 2025	\$ 17	\$ 464,407	\$ (9,421)	\$ (167,281)	\$ 287,722	\$ 101,730	\$ 389,452
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	\$ 18	\$ 478,155	\$ (7,560)	\$ (175,464)	\$ 295,150	\$ 120,218	\$ 415,369
Issuance of common stock, net of issuance cost	3	63,511	—	—	63,514	—	63,514
Contributions from noncontrolling interest holders	—	—	—	—	—	11,625	11,625
Stock-based compensation	—	1,045	—	—	1,045	—	1,045
Foreign exchange translation	—	—	5,759	—	5,759	997	6,756
Net loss	—	—	—	(6,613)	(6,613)	(943)	(7,556)
Balance at December 31, 2025	\$ 21	\$ 542,712	\$ (1,801)	\$ (182,077)	\$ 358,855	\$ 131,897	\$ 490,752

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

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

	Six months ended December 31,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (16,617)	\$ (22,256)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	3	61
Stock-based compensation	1,514	1,834
Foreign exchange (gain) loss, net	543	1,482
Performance bonds facility fee	1,146	—
Loss on remeasurement of assets classified as held for sale	—	376
Accretion of asset retirement obligations	582	500
Checkerboard fee	—	5,950
Accrued interest income	(232)	—
Interest expense	97	94
Changes in operating assets and liabilities:		
Trade and other receivables	28	2
Prepaid expenses and other assets	(131)	680
Accounts payable and accrued expenses	(2,188)	2,361
Other non-current liabilities	749	14
Net cash used in operating activities	(14,506)	(8,902)
Cash flows from investing activities:		
Payments for property, plant and equipment	(208)	(197)
Payments for exploration and evaluation	(47,241)	(42,090)
Payments for assets under construction	(14,247)	(6,603)
Payments of third party costs for proposed Falcon Acquisition	(1,835)	—
Proceeds from sale of assets held for sale	—	7,990
Payment of interest on borrowings	(1,163)	—
Payment of interest on finance lease liabilities	(1,969)	(1,074)
Proceeds from government grants for exploration	120	6,169
Net cash used in investing activities	(66,543)	(35,805)
Cash flows from financing activities:		
Proceeds from issue of common stock	78,356	—
Proceeds from issue of shares under greenshoe option	—	7,410
Contributions received from noncontrolling interest holders	36,419	30,316
Common stock issue transaction costs	(4,494)	(479)
Payment of performance bond facility establishment fee	(271)	(383)
Proceeds from borrowings	32,506	—
Payment of debt issuance costs	(2,887)	—
Repayment of lease liabilities	(6,135)	(5,504)
Net cash from financing activities	133,494	31,360
Net (decrease) increase in cash and cash equivalents and restricted cash	52,447	(13,347)
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	816	(1,957)
Cash and cash equivalents and restricted cash at the end of period	\$ 98,424	\$ 59,442
Supplemental cash flow information:		
Non-cash investing and financing activities:		
Accrued capital expenditure	\$ 11,863	\$ 5,846
Asset retirement obligations	(60)	(445)
Stock-based compensation	(1,667)	(2,757)
Contribution receivable from noncontrolling interest holders	—	3,286
Operating lease right-of-use assets and lease liabilities	(2,577)	(128)
Interest accrued on finance lease liabilities	—	(415)
Finance lease right-of-use assets and lease liabilities	(914)	—
Accrued debt issuance costs	(595)	—
Interest and fee payable	(514)	—
Non-cash finance lease costs capitalized to unproved properties	4,515	5,480
Non-cash equity issuance transactions	\$ 2,188	\$ —

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 December 31, 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 December 31, 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 surplus of \$38.4 million arising from an increase in cash and cash equivalents subsequent to the capital raise activities during the period;
- long-term debt drawn down of \$32.6 million related to the construction of the Sturt Plateau Compression Facility (“SPCF”) plus associated financing costs;
- an accumulated deficit of \$182.1 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, which is currently on track to commence first gas sales from the second half of calendar year 2026 and the completion of a public offering in October 2025, the share purchase plan in November 2025, and the Private Investment in Public Equity (“PIPE”) in January 2026.

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-down partners and completion of those arrangements, including the need to raise further equity for EP161, SS1 Pilot expenditure, and the phase 2 development;
- Continuation of SPCF construction during the wet season in the NT, progressing toward revenue from gas production in the second half of calendar year 2026; 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.

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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 fiscal 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 Group’s unaudited condensed 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 six months ended December 31, 2025.

Cash and Cash Equivalents and Restricted Cash

Cash represents cash deposits held at financial institutions. Cash equivalents include short-term highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less.

Restricted cash as of December 31, 2025 represents amounts held in a payment reserve account that serves as a security for servicing of expected future interest and commitment fee payments over the term of the long-term debt. Restricted cash as of June 30, 2025 represents amounts related to proceeds received in advance in respect of the common stock pending issuance on that date. The following table is a reconciliation of the total cash and cash equivalents and restricted cash in the accompanying consolidated statements of cash flows and their corresponding balance sheet presentation:

	December 31, 2025	June 30, 2025
Cash and cash equivalents	\$ 83,404	\$ 39,439
Restricted cash	15,020	5,722
Total cash, cash equivalents and restricted cash	\$ 98,424	\$ 45,161

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.

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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 fiscal 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.

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.

The Group capitalizes borrowing costs for assets under construction. Upon the asset becoming available for use, capitalized borrowing costs, as a portion of the total cost of the asset, are depreciated over the estimated useful life of the related asset.

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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 sheet 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 (expense), net” in the condensed consolidated statements of operations and comprehensive loss.

The Group initially recognizes the establishment and commitment fees and other third party-fees related to the long-term debt as a component of “Prepaid expenses and other non-current assets” on its consolidated balance sheet. As and when, the Group draws down funds from the long-term debt, these costs are reclassified (on proportionate basis) and presented as a direct deduction from the carrying amount of the debt liability. These costs are amortized to the asset under construction over the contractual term of the debt using the effective interest rate method.

Recently Issued Accounting Standards

In December 2025, the Financial Accounting Standards Board (“FASB”) issued ASU 2025-12, *Codification Improvements* (“ASU 2025-12”). ASU 2025-12 clarifies or otherwise modifies U.S. GAAP in a number of areas. The standard is effective for all entities for annual reporting periods beginning after December 15, 2026, and for interim periods within those annual reporting periods. Early adoption is permitted as of the beginning of an annual reporting period and adoption can be applied on prospectively or retrospectively, as well as on an issue-by-issue basis. The Group does not expect any material impact on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements* (“ASU 2025-11”). ASU 2025-11 clarifies interim disclosure requirements, including providing a comprehensive list of interim disclosure requirements under U.S. GAAP and a disclosure principle that requires entities to disclose events since the last annual reporting period that have a material impact on the entity. The standard is effective for interim periods within annual reporting periods beginning after December 15, 2027. The Group is currently evaluating ASU 2025-11 and the impact it may have on the Group's consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities* (“ASU 2025-10”). ASU 2025-10 establishes authoritative guidance on how to recognize, measure, and present government grants received by business entities. ASU 2025-10 is effective for annual periods beginning after December 15, 2028, and interim reporting periods within those annual reporting periods. ASU 2025-10 may be applied using a modified prospective, modified retrospective or retrospective approach with early adoption permitted in an interim or annual reporting period. If an entity early adopts in an interim reporting period, it must adopt as of the beginning of the annual reporting period that includes that interim reporting period. The Group is evaluating the impact of this guidance on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures* (“ASU 2024-03”), and in January 2025, the FASB issued ASU 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date* (“ASU 2025-01”). ASU 2024-03 requires public business entities to provide detailed disclosures in the notes to financial statements disaggregating specific expense categories, including employee compensation, depreciation, and intangible asset amortization, as well as certain other disclosures to provide enhanced transparency into the nature and function of expenses on an interim and annual basis. ASU 2024-03, as clarified by ASU 2025-01 is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Group is currently evaluating ASU 2024-03 and the impact it may have on the Group's consolidated financial statements.

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.

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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 & Gas Australia Limited (“FOGA”) holds the remaining undivided interest of 22.5% in the assets (collectively known as the “Beetaloo Joint Venture”).

On March 4, 2024, FOGA, 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 FOGA’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 were 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 was 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 CHESS 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 Company’s Initial Public Offering (“IPO”) in June 2024, 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 shareholders’ approval, which was granted in November 2024. The obligation to implement the Checkerboard Strategy does not cease with this issuance of shares.

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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 \$15.0 million. The transaction is subject to regulatory approvals and other conditions precedent. As of December 31, 2025, this transaction has not been 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 February 14, 2026 (as extended in a letter dated December 11, 2025). 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. In a letter signed by DWE on February 10, 2026, both Tamboran and DWE have agreed to extend the February 14, 2026, deadline to February 27, 2026 for the retention licenses to be applied for in the FSDAs. Subject to the terms and conditions in the TB1 A&R JVSA, DWE has the right to take over as Manager in the South FSDA if this February 27, 2026 deadline is missed.
 - 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.
- 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 FOGA (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 December 31, 2025, the formal process has commenced and DWE will have participation rights to any transaction on the same terms.

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- Ownership of the Pilot Area which includes the North FSDA and South FSDA, the focus for initial gas production in the NT, remains unchanged (the Company 47.5% operator in the Northern FSDA, DWE 47.5% operator in the Southern FSDA and FOGA 5%).
- The Company will hold 77.5% operating interest in the ex-EP 76, 98 and 117 acreage, with FOGA 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 December 31, 2025 and June 30, 2025 (in thousands):

	December 31, 2025	June 30, 2025
ASSETS		
Current assets		
Cash and cash equivalents	\$ 9,885	\$ 3,729
Trade and other receivables:		
Joint interest billing	1,272	8,191
Intercompany receivable	—	1,934
ATO receivable	1,213	722
Other receivable	778	113
Prepaid expenses and other current assets	—	—
Total current assets	13,147	14,690
Natural gas properties, successful efforts method:		
Unproved properties	357,998	285,631
Operating lease right-of-use-assets	2,752	—
Finance lease right-of-use assets	17,212	16,544
Prepaid expenses and other non-current assets	2,170	2,026
Total non-current assets	380,132	304,201
TOTAL ASSETS	\$ 393,279	\$ 318,891
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	\$ 22,584	\$ 12,507
Current portion of operating lease obligations	2,399	—
Current portion of finance lease obligations	11,713	15,307
Total current liabilities	36,696	27,814
Operating lease obligations	306	—
Finance lease obligations	11,711	9,523
Asset retirement obligations	5,589	5,127
Loan from Group	196,762	163,016
Total non-current liabilities	214,368	177,666
TOTAL LIABILITIES	\$ 251,064	\$ 205,480

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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 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.

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 December 31, 2025 and June 30, 2025 (in thousands):

	December 31, 2025	June 30, 2025
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,113	\$ 1,935
Restricted cash	15,020	—
Trade and other receivables:		
ATO receivable	223	123
Other receivable	48	—
Loan to Tamboran	—	1,124
Total current assets	16,404	3,182
Natural gas properties, successful efforts method:		
Assets under construction - natural gas equipment	47,794	24,441
Prepaid expenses and other non-current assets	3,278	—
Total non-current assets	51,072	24,441
TOTAL ASSETS	\$ 67,476	\$ 27,623
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	\$ 11,818	\$ 4,364
Advance against joint interest billings	—	450
Intercompany payable	2,355	1,338
Total current liabilities	14,173	6,152
Asset retirement obligations	102	95
Long-term debt, net	32,592	—
Other non-current liabilities	724	—
Total non-current liabilities	33,418	95
TOTAL LIABILITIES	\$ 47,591	\$ 6,247

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

Natural Gas Properties

The Group held unproved natural gas properties as of December 31, 2025 and June 30, 2025 amounting to \$415.6 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 six months ended December 31, 2025, and 2024. These assets will be reclassified to proven gas properties upon commencement of production and then subsequently depleted.

During the six months ended December 31, 2025 and December 31, 2024, the Group recognized no impairment related to unproved natural gas properties.

(in thousands)	Natural gas properties				Total
	EP 161	EP 136	117	EP 76, 98 and	
Balance at July 1, 2025	\$ 25,091	\$ 45,483	\$ 271,740	\$ 342,314	
Capital expenditure	525	104	60,094	60,723	
Restoration assets	—	—	60	60	
Interest on finance lease liability and related depreciation of ROU assets capitalized	—	—	5,992	5,992	
Disposal	—	(444)	—	(444)	
Government grants	(66)	(54)	—	(120)	
Effect of changes in foreign exchange rates	421	878	5,749	7,048	
Balance at December 31, 2025	\$ 25,971	\$ 45,967	\$ 343,635	\$ 415,574	

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 December 31, 2025 and June 30, 2025, amounting to \$0.5 million and \$0.3 million, respectively.

Assets Under Construction

In April 2024, the Group began to execute agreements for the SPCF in the Beetaloo Basin which would deliver a plant that would convert future raw gas to sales gas quality, subject to the terms of definitive development agreements. As of December 31, 2025, construction of the facility is well underway. The Group held total assets under construction related to the SPCF as of December 31, 2025 and June 30, 2025 of \$47.8 million and \$24.4 million, respectively. These costs of construction include \$1.7 million of capitalized borrowing costs for the three months ended and six months ended December 31, 2025, respectively. Refer to [Note 6](#) for additional discussion.

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 Tamboran, Tamboran (Beetaloo) Pty Ltd, a company organized under the laws of Australia and an indirect wholly owned subsidiary of Tamboran (“Australia Sub”), Tamboran Resources Investments Holding Corporation, a Delaware corporation and an indirect wholly owned subsidiary of Tamboran (“U.S. Sub”) and Falcon Oil & Gas Ltd., a corporation incorporated under the Business Corporations Act (British Columbia) (“Falcon”), entered into an Arrangement Agreement (the “Arrangement Agreement”), pursuant to which, on the terms and subject to the conditions set forth therein, (a) Australia Sub will acquire from Falcon approximately 98.1% of the issued and outstanding equity interests (the “Falcon Interests”) of FOGA and (b) U.S. Sub will acquire from Falcon all of the issued and outstanding equity interests (together with the Falcon Interests, the “Subject Interests”) of TXM Oil and Gas Exploration Kft., Falcon Oil & Gas Ireland Limited, Falcon Oil & Gas Holdings Ireland Limited and Falcon Exploration and Production South Africa (Pty) Ltd (collectively, the “Falcon Acquisition”). In exchange for the Subject Interests, Tamboran will issue to Falcon 6,537,503 shares of common stock (the “Falcon Parent stock consideration”) and pay \$23.7 million in cash.

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The closing of the Falcon Acquisition (the “Closing”) is subject to certain conditions, including, among others, (a) the approval of the Transactions 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 Tamboran stockholders at a meeting of Tamboran 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 New York Stock Exchange and (e) the absence of any law or order enjoining, restricting or prohibiting the consummation of the transactions contemplated by the Falcon Acquisition.

On December 30, 2025, FOGA secured necessary approval from its minority shareholders for the sale of Falcon's 98.1% interest in FOGA to Tamboran.

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.

Further, following completion of the Falcon Acquisition, upon Australia Sub owning the Australia Interests, Australia Sub will become entitled to compulsorily acquire the remaining 1.9% of the issued and outstanding equity interests of FOGA (the “FOGA minority stock”) held by the shareholders other than Australia Sub (the “FOGA minority holders”). Australia Sub will proceed with the compulsory acquisition of the FOGA minority stock for cash consideration at a price per share no less than the price paid to Falcon for the Australia Interests. To the extent that any FOGA minority holders notify Australia Sub that they wish to receive shares of Tamboran common stock in lieu of cash, Tamboran and Australia Sub will consider and may agree to such requests. If Tamboran and Australia Sub agree to issue shares of Tamboran common stock in lieu of cash to such requesting FOGA minority holders, Tamboran may issue to the FOGA minority holders up to an aggregate of 147,508 shares of Tamboran common stock.

The Falcon Acquisition is expected to be completed during the three months ended March 31, 2026.

Note 4 – Leases

As a Lessee

The Group's operating lease activities consist of leases for office premises and modular buildings at the camp pad site.

Commencing on October 1, 2025 the Group entered into the use of additional bunkhouses and accommodation verandahs pursuant to the lease arrangement entered into with Northern Transportables on August 14, 2025 (the “Stage 3 Hire of Goods”). The term of the lease arrangement is fifteen months, with an option to further renew the lease (as needed).

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 (the “Stage 1 and 2 Hire of 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 Docom 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 initial 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 December 31, 2025, the end date of the drilling

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contract for the current rig is early January 2028 (inclusive of additional days). 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 15.60% per annum, 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):

	December 31, 2025	June 30, 2025
Right-of-use assets:		
Operating lease right-of-use assets	\$ 4,126	\$ 1,549
Finance lease right-of-use assets	17,212	16,544
	<u>21,338</u>	<u>18,093</u>
Lease liabilities:		
Current portion of operating lease obligations	2,829	391
Non-current portion of operating lease obligations	1,277	1,175
Current portion of finance lease obligations	11,713	15,307
Non-current portion of finance lease obligations	11,711	9,523
	<u>\$ 27,530</u>	<u>\$ 26,396</u>

For the three months and six months ended December 31, 2025, and 2024, the components of the lease costs were as follows (in thousands):

	Three months ended December 31,		Six months ended December 31,	
	2025	2024	2025	2024
Operating leases:				
Operating lease cost charged to profit and loss	\$ 1,300	\$ 130	\$ 1,439	\$ 287
Finance leases:				
Interest on lease liabilities	809	693	1,476	1,489
Depreciation on right-of-use assets	2,195	2,533	4,515	5,065
Total finance lease cost	3,003	3,225	5,992	6,554
Less: Lease cost capitalized to unproved properties	(3,003)	(3,225)	(5,992)	(6,554)
Finance lease cost charged to profit and loss	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

The following table presents the cash flow information related to lease payments for the six months ended December 31, 2025, and 2024 (in thousands):

	Six months ended December 31,	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 2,215	\$ 287
Financing cash flows for finance leases	6,135	5,504
	<u>\$ 8,350</u>	<u>\$ 5,791</u>

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The following table presents supplemental information for the Group's non-cancellable leases for the six months ended December 31, 2025, and 2024:

	Six months ended December 31,	
	2025	2024
Operating leases:		
Weighted-average remaining lease term	1.88	2.91
Weighted-average incremental borrowing rate	13.67%	11.50%
Finance leases:		
Weighted-average remaining lease term	2.08	1.58
Weighted-average incremental borrowing rate	15.60%	13.45%

As of December 31, 2025, the Group's undiscounted minimum cash payment obligations for its lease liabilities are as follows (in thousands):

As of December 31, 2025	Operating leases	Finance leases
Fiscal year ending June 30, 2026 (excluding six months period from July 1, 2025 to December 31, 2025)	\$ 1,601	\$ 5,392
Fiscal year ending June 30, 2027	2,202	14,418
Fiscal year ending June 30, 2028	344	7,545
Thereafter	482	—
Total lease payments	4,629	27,354
Less: Imputed interest	(524)	(3,929)
Present value of lease liabilities¹	\$ 4,105	\$ 23,425

¹Includes 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):

	December 31, 2025	June 30, 2025
Accounts payable	\$ 3,525	\$ 5,708
Accrued payroll	1,404	5
Compensated absences	647	873
Defined contribution superannuation payable	—	1
Interest and commitment fee payable on Syndicated Facility	514	—
Accrued capital expenditure	31,464	12,315
Accrued expenses	860	1,556
Total accounts payable and accrued expenses	\$ 38,413	\$ 20,457

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Note 6 - Long-term debt

The Group's long-term debt consisted of the following (in thousands):

	December 31, 2025	June 30, 2025
Principal balance of Syndicated Facility:		
Tranche 1A	\$ 13,992	\$ —
Tranche 1B	2,781	—
Tranche 2	16,773	—
Total principal balance	33,546	—
Less: Unamortized debt issuance costs ⁽¹⁾	(954)	
Long-term debt, net	\$ 32,592	\$ —

(1) Unamortized debt issuance costs related to undrawn portions of the Syndicated Facility are included in "Prepaid expenses and other non-current assets" in our condensed consolidated balance sheet. As of December 31, 2025, we had \$2.6 million in unamortized debt issuance costs on our SPCF Syndicated Facility Agreement.

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 ("Macquarie") 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 December 31, 2025, which was available at the Group's election. The Syndicated Facility Agreement is secured by the following guarantees:

- a guarantee given by the NT 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 NT 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 only becomes payable on the termination of the gas sales agreement, payment by the NT Government under the Tranche 1 Guarantee or the purchase by the NT 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 to Australian Bank Bill Swap ("BBSW") Rate plus a margin. Prior to the Tranche 1 Guarantee Release Date, the margin for Tranche 1A is 4% per annum and the margin for Tranches 1B and 2 is 12% per annum. Following the Tranche 1 Guarantee Release Date, the margin for all the Tranches will be 8% per annum. Interest payments are made in arrears depending on the interest selection period, which can be 1-3 months following the funding of a Syndicated Facility Tranches. The Syndicated Facility will terminate four years after financial close under the Syndicated Facility Agreement, September 29, 2029, and all the principal payments on the outstanding balance of Syndicated Facility Tranches will be paid at that date.

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The total amount of debt issuance costs incurred was \$3.5 million consisting of \$2.4 million being paid upfront to original lenders and \$1.1 million to the agent, Security Trustee and third party legal fees.

During the six months ended December 31, 2025 drawdowns of \$14.0 million, \$2.8 million, \$16.8 million were made from the Syndicated Facility for Tranches 1A, 1B and 2, respectively.

The Group is also required to pay a commitment fee of 1.6% per annum for Tranche 1A, and 4.8% per annum for Tranches 1B and 2 on any undrawn principal balance of the Syndicated Facility up to the end of the availability period.

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 Syndicated Facility Agreement. As of December 31, 2025 the total gross amount of borrowings under our Syndicated Facility Agreement was \$33.5 million. Interest expense on the Syndicated Facility Agreement was \$1.7 million for both the three months and six months ended December 31, 2025, respectively.

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 six months ended December 31, 2025.

The reconciliation of changes in asset retirement obligations for the six months ended December 31, 2025, is as follows (in thousands):

	Six months ended December 31, 2025
Beginning asset retirement obligations	\$ 9,649
Liabilities incurred	60
Accretion expense	582
Effect of changes in foreign exchange rates	170
Long-term asset retirement obligations	<u><u>\$ 10,461</u></u>

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Note 8 – Stockholders' Equity

Movement in Common Stock

(in thousands, except share numbers and per share amounts)	Date	Tamboran common stock	Fair market value at time of issuance	Details	Cumulative 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	
Issuance of common stock under public offering	October 2025	2,673,111	\$ 21.00	\$ 56,135	
Issuance of common stock under share purchase plan	November 2025	537,794	\$ 20.93	\$ 11,255	
Issuance of shares against vested equity awards	December 2025	38,500	\$ 21.73	\$ 837	
Issuance of shares against vested equity awards	December 2025	7,650	\$ 21.73	\$ 166	
Issuance of shares against vested equity awards	December 2025	2,309	\$ 20.99	\$ 48	
Issuance of shares against vested equity awards	December 2025	5,002	\$ 19.99	\$ 100	
Issuance of shares against vested equity awards	December 2025	30,012	\$ 19.99	\$ 600	
Less: Transaction costs		—		\$ (4,889)	78,394
Balance at December 31, 2025		21,115,136			\$ 528,831

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 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 2025 Issuance of Common Stock as Termination Payment

On July 28, 2025, the employment of Joel Riddle, the former Chief Executive Officer (“CEO”), and board member of the Company, was terminated and consequently Mr. Riddle resigned from the board of directors (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.

October 2025 Issuance of Common Stock under Public Offering

On October 27, 2025, the Company issued 2,673,111 shares of common stock for \$21.00 per share under a public offering. Total proceeds from the issuance was \$56.1 million. The Company incurred \$3.9 million in transaction expenses related to this issuance.

November 2025 Share Purchase Plan

On November 24, 2025, the Company issued 107,558,800 CDIs at a price of A\$0.162 per CDI, the equivalent of 537,794 shares of common stock at a price of \$20.93 per share, pursuant to the Share Purchase Plan opened by the Company on October 30, 2025. Total proceeds from the Share Purchase Plan was \$11.3 million (A\$17.4 million).

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December 2025 Issuance of Common Stock Against Vested Equity Awards

On December 4, 2025, the Company issued 7,700,000 CDIs at a price of \$0.109 per CDI the equivalent of 38,500 shares of common stock at a price of \$21.73 per share upon the conversion of RSUs granted to certain eligible employees of the Group.

On December 9, 2025, the Company issued 7,650 shares of common stock at a price of \$21.73 per share upon conversion of RSUs granted to certain eligible employees of the Group.

On December 12, 2025, the Company issued 2,309 shares of common stock at a price of \$20.99 per share and 5,002 shares of common stock at a price of \$19.99 per share upon conversion of RSUs granted to a member of the Board.

On December 15, 2025, the Company issued 30,012 shares of common stock at a price of \$19.99 per share upon conversion of RSUs granted to eligible directors, approved June 17, 2024.

Note 9 – Stock-Based Compensation

Milestone Options

During the six months ended December 31, 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 prior period, there was a reversal of \$1.0 million of previously recorded expense during the six months ended December 31, 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 six months ended December 31, 2024.

Employee Restricted Stock Units

On August 6, 2024, the Group adopted the 2024 Incentive Award Plan (the “2024 Plan”). As of December 31, 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.

A summary of the Group's employee RSUs activity for the six months ended December 31, 2025 is as follows (in numbers and dollars):

	Balance at July 1, 2025	Granted	Vested	Forfeited	Balance at December 31, 2025
IPO Awards:					
Tranche 1	395,000	—	(50,000)	(55,000)	290,000
Tranche 2	97,500	—	—	(2,500)	95,000
Tranche 3	297,500	—	—	(102,500)	195,000
Retention Awards	46,650	25,000	(46,150)	(500)	25,000
Total RSUs ⁽¹⁾	836,650	25,000	(96,150)	(160,500)	605,000
Weighted average grant date fair value	\$ 20.99	\$ 19.94	\$ 21.73	\$ 20.40	\$ 20.98

⁽¹⁾ As of December 31, 2025, 605,000 RSU's are expected to vest.

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The following table presents the stock-based compensation costs recognized related to our RSUs for the three months ended December 31, 2025 (in thousands, except remaining contractual term):

	Three months ended December 31, 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)	\$ 552	\$ 3,246	1.50
IPO Awards (Tranche 2)	181	1,063	1.50
IPO Awards (Tranche 3)	335	1,973	1.50
Retention Awards - granted FY25	178	—	1.50
Retention Awards - granted FY26	42	414	2.50
Less: Forfeitures	—	—	
Total cost incurred	\$ 1,288	\$ 6,696	
 Total stock compensation costs capitalized	\$ 703		
Total stock compensation costs expensed	585		
Total cost incurred	\$ 1,288		
	Six months ended December 31, 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)	\$ 1,112	\$ 3,246	1.50
IPO Awards (Tranche 2)	366	1,063	1.50
IPO Awards (Tranche 3)	675	1,973	1.50
Retention Awards - granted FY25	377	—	1.50
Retention Awards - granted FY26	85	414	2.50
Less: Forfeitures	(1,354)	—	
Total cost incurred	\$ 1,260	\$ 6,696	
 Total stock compensation costs capitalized	\$ 1,281		
Total stock compensation costs expensed	(22)		
Total cost incurred	\$ 1,260		

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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 used a vesting date of the next shareholders meeting subsequent to the grant date, which took place in December 2025. The fair value on the grant date of these RSUs was \$19.99 per unit.

On December 4, 2025, the Company granted 25,271 fully vested Director RSUs under the 2024 plan to Mr. Richard Stoneburner, one of the directors (then Interim "CEO") for which each awarded RSU represented a right to receive a share of the Company's common stock. For the three months and six months ended December 31, 2025, the Company recognized \$0.7 million, respectively, in stock-based compensation expense related to these awards.

As of December 31, 2025 a total of 37,323 RSUs had vested in relation to RSUs issued in May of 2025 and December of 2024. For the three months and six months ended December 31, 2025, the Company recognized \$0.3 million and \$0.8 million, respectively, in stock-based compensation expense related to these Director awards.

Note 10 – Income Taxes

The effective tax rates for the three months and six months ended December 31, 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 and six months ended December 31, 2025, and 2024. As of December 31, 2025, the Group has unrecognized accumulated losses for tax purposes in the amount of \$516.7 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 December 31, 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 December 31, 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):

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	Three months ended December 31,		Six months ended December 31,	
	2025	2024	2025	2024
Numerator:				
Net loss after income tax attributable to Tamboran Resources Corporation stockholders	\$ (6,613)	\$ (14,167)	\$ (14,796)	\$ (20,062)
Denominator:				
Weighted average number of common stock outstanding, basic and diluted	20,026,416	14,346,556	18,786,660	14,236,753
Net loss per share, basic and diluted	\$ (0.330)	\$ (0.987)	\$ (0.788)	\$ (1.409)

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 and six months December 31, 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

	December 31, 2025	June 30, 2025
(in thousands)		
Committed at the reporting date but not recognized as liabilities, payable:		
Sweetpea	\$ 23,327	\$ 23,115
EP 161	5,848	2,302
Beetaloo Joint Venture	76,609	75,630
Midstream	\$ 12,116	\$ 9,056

Sweetpea

Sweetpea's committed spend as of December 31, 2025, was \$23.3 million, which was related to two licenses, EP 136 with total commitments of \$14.0 million and EP 143 with total commitments of \$9.3 million.

A variation application for EP 136 was submitted to the Department of Mining and Energy ("DME") in November 2025, requesting an extension of the permit for a period of 18 months. This application remains under review. As such, the Group maintains a minimum work program commitment of \$14.0 million.

An application for EP 143 was submitted to and approved by DME in December 2025 requesting to suspend the work program conditions for a period of six months to June 30, 2026. The total minimum work program commitments remain the same at \$9.3 million.

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. An application was approved in December 2025 to extend the term of the exploration permit and the required work program twelve months to March 2027 which includes the drilling and stimulation of two horizontal wells along with related geological and geophysical studies. Our commitment through March 2027 is expected to be \$5.8 million based on the minimum work requirements. There are no minimum commitment requirements after March 2027.

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

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through May 2028. These commitments include an expected spend of \$76.6 million related to drilling and multi-stage hydraulic fracturing of four wells, 3D seismic survey, and subsurface studies, with expenditure across EP 76 of \$10.7 million, EP 98 of \$54.2 million and EP 117 of \$11.7 million.

Midstream

Committed spend remaining for the SPCF project as of December 31, 2025, was \$12.1 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.

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, 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 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 was 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 December 31, 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 Group 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.

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As of December 31, 2025, there was A\$32.2 million of letters of credits issued under the Facility Agreement. As of December 31, 2025 there was A\$1.7 million of unused credit under Facility A and A\$1.1 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 December 31, 2025, total unamortized debt issuance costs were A\$0.6 million. During the three months and six months ended December 31, 2025, the Group recorded A\$0.1 million and A\$0.1 million, respectively, 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 December 31, 2025, Tamboran had drawn down A\$27.4 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 H&P and Mr. Bryan Sheffield (“Mr. Sheffield”) identified as related parties. The transactions during the six months ended December 31, 2025 with these related parties 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, Mr. 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, a lease commenced with H&P for the use of the FlexRig® for a 25-month period (Refer Note 4). During the six months ended December 31, 2025, Mr. Bell resigned from his position as a director of the Group. Consequently, H&P is no longer a related party of the Group.

Mr. Sheffield

During the three months and six months ended December 31, 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 and six months ended December 31, 2025, DWE’s share of expenditure for the Beetaloo Joint Venture for which contributions were due was \$16.1 million and \$30.9 million, respectively. As of December 31, 2025, the Group had a joint interest billing receivable owing from DWE in the amount of less than \$0.1 million.

During the three months and six months ended December 31, 2025, DWI’s share of expenditure for SPCF was nil as SPCF Sub Trust reimbursed DWI for the contributions made during three months ended September 30, 2025. All SPCF expenditure incurred during the three months ended December 31, 2025 were funded through long-term debt under the Syndicated Facility. As of December 31, 2025, there were no joint interest billings owing to DWI or receivable from DWI as the expenditure is expected to be funded by Syndicated Facility through the end of construction (Refer [Note 6](#)).

Note 14 – Subsequent Events

Appointment of Todd Abbott as Chief Executive Officer

On January 10, 2026, the Board appointed Mr. Todd Abbott as CEO, effective January 15, 2026. Mr. Abbott will succeed Mr. Richard Stoneburner, who has been serving as interim CEO since July 28, 2025, following the resignation of the then CEO, Mr Riddle. Mr. Stoneburner will continue to serve as Chairman of the Board. Upon concluding his tenure as interim CEO, Mr. Stoneburner will resume his status as an independent Board member.

Mr. Abbott has over 25 years' upstream oil and gas experience spanning unconventional shale operations, business planning, corporate finance and strategy. He was formerly the Chief Operating Officer ("COO") at Appalachian Basin (Marcellus and Utica shale) producer Seneca Resources Company, LLC.

Subscription Agreements

In October 2025, the Company announced entering into a subscription agreement (the "PIPE") with certain investors, including: Mr. Bryan Sheffield, Mr. Scott Sheffield and other directors and certain of our employees and officers (the "PIPE Investors"). The PIPE entered into between the Company and the PIPE investors closed on January 16, 2026 upon issuance of 1,524,337 shares of common stock for \$21.00 per share by the Company. Total gross proceeds from this issuance under the PIPE was \$32.0 million and received in cash in January 2026.

Retention License Application Extension

In a letter signed by DWE on February 10, 2026, both Tamboran and DWE have agreed to extend the February 14, 2026, deadline to February 27, 2026 for the retention licenses to be applied for in the FSDAs. (Refer [Note 2](#))

Long-term debt under Syndicated Facility

Through February 11, 2026, total drawdowns of \$3.3 million, \$0.7 million and \$4.0 million were made from the Syndicated Facility for Tranches 1A, 1B and 2, respectively.

The Group has evaluated its subsequent events occurring after December 31, 2025, through February 11, 2026, 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.

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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" in this Quarterly Report and in 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 (in thousands):

	Three months ended December 31,		Six months ended December 31,	
	2025	2024	2025	2024
Revenue and other operating income	\$ —	\$ —	\$ —	\$ —
Operating costs and expenses:				
Compensation and benefits, including stock-based compensation	(3,320)	(1,683)	(5,314)	(3,902)
Consultancy, legal and professional fees	(912)	(1,004)	(2,734)	(2,684)
Depreciation and amortization	(2)	(31)	(3)	(61)
Loss on remeasurement of assets classified as held for sale	—	—	—	(376)
Accretion of asset retirement obligations	(293)	(242)	(582)	(500)
Exploration expense	(426)	(1,473)	(1,109)	(2,483)
Camp expense recoveries, net	(1,025)	—	(2,654)	—
LNG feasibility study expense	(136)	(3,233)	(326)	(3,233)
Checkerboard fee	—	(5,950)	—	(5,950)
General and administrative	(1,689)	(1,399)	(3,287)	(2,804)
Total operating costs and expenses	(7,802)	(15,015)	(16,008)	(21,993)
Other income (expense):				
Interest income (expense), net	238	705	(67)	1,501
Foreign exchange gain (loss), net	8	(1,228)	(543)	(1,482)
Other income (expense), net	—	37	—	(282)
Total other income (expense)	246	(486)	(610)	(263)
Net loss	(7,556)	(15,500)	(16,617)	(22,256)
Foreign currency translation	6,756	(29,158)	8,493	(17,010)
Total comprehensive income (loss) attributable to noncontrolling interest	54	(5,359)	(948)	(4,792)
Total comprehensive income (loss) attributable to Tamboran Resources stockholders	\$ (854)	\$ (39,299)	\$ (7,176)	\$ (34,474)

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

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Results of Operations for the Three Months Ended December 31, 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 December 31, 2025 and 2024, respectively.

Compensation and benefits, including stock-based compensation. Compensation and benefits, including stock-based compensation, increased by \$1.6 million during the three months ended December 31, 2025, as compared to the three months ended December 31, 2024, largely due to the transition to a calendar year employee bonus schedule and compensation awarded to the interim CEO.

Consultancy, legal and professional fees. Consultancy, legal and professional fees remained fairly consistent period-over-period.

Accretion of asset retirement obligations expense. For the three months ended December 31, 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. The incremental expense period over period is driven by the three wells drilled in Q1 which had a full quarter of accretion in the current period.

Exploration expense. For the three months ended December 31, 2025, the exploration expense decreased by \$1.0 million as compared to the three months ended December 31, 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 December 31, 2025, expenses for the newly established field camp of \$1.0 million were recognized primarily related to camp utilization, camp services, and related consumables. These costs are offset by recoveries from external parties who utilize the camp.

LNG feasibility study expense. During the three months ended December 31, 2025, the Group incurred expenses of \$0.1 million related to certain studies and pre-front-end engineering and design services related to the proposed NT LNG facility. These studies were substantially completed in the prior period.

Checkerboard fee. During the three months ended December 31, 2024, the Group incurred an expense of \$6.0 million related to the satisfaction of certain payment obligations to DWE under the TB1 Joint Venture Agreement. This obligation was satisfied through the issuance of common stock, subsequent to shareholder approval received in November 2024 and is a nonrecurring event.

General and administrative. General and administrative costs increased by \$0.3 million during the three months ended December 31, 2025, as compared to the three months ended December 31, 2024, primarily as a result of increased expenses related to headcount.

Interest income (expense), net. Interest income, net decreased by \$0.5 million during the three months ended December 31, 2025, as compared to the three months ended December 31, 2024, primarily due to the increase in interest expense on increased drawdowns for bank guarantees under the Facility Agreement with Macquarie Bank Limited entered into in December 2024.

Foreign currency translation. For the three months ended December 31, 2025, we recognized a foreign currency translation gain of \$6.8 million, primarily due to the slight strengthening of the Australian Dollar as of December 31, 2025, as compared to September 30, 2025. In the three months ended December 31, 2024, we recognized a foreign currency translation loss of \$29.2 million, primarily due to the significant weakening of the Australian Dollar as of December 31, 2024, as compared to September 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 December 31, 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

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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.

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Results of Operations for the Six Months Ended December 31, 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 six months ended December 31, 2025 and 2024, respectively.

Compensation and benefits, including stock-based compensation. Compensation and benefits, including stock-based compensation, increased by \$1.4 million during the six months ended December 31, 2025, as compared to the six months ended December 31, 2024, largely due to the transition to a calendar year employee bonus schedule and compensation awarded to the interim CEO.

Consultancy, legal and professional fees. Consultancy, legal and professional fees remained fairly consistent period-over-period.

Accretion of asset retirement obligations expense. For the six months ended December 31, 2025, an expense for accretion of asset retirement obligations of \$0.6 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. The incremental expense period over period is driven by the three wells drilled in Q1 which had a full quarter of accretion in the current period.

Exploration expense. For the six months ended December 31, 2025, the exploration expense decreased by \$1.4 million as compared to the six months ended December 31, 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 six months ended December 31, 2025, expenses for the newly established field camp of \$2.7 million were recognized primarily related to mobilization expenses of the modular buildings and related equipment to the site, camp utilization, camp services, and related consumables. These costs are offset by recoveries from external parties who utilize the camp.

LNG feasibility study expense. During the six months ended December 31, 2025, the Group incurred expenses of \$0.3 million related to certain studies and pre-front-end engineering and design services related to the proposed NT LNG facility. These studies were substantially completed in the prior period.

Checkerboard fee. During the six months ended December 31, 2024, the Group incurred an expense of \$6.0 million related to the satisfaction of certain payment obligations to DWE under the TB1 Joint Venture Agreement. This obligation was satisfied through the issuance of common stock, subsequent to shareholder approval received in November 2024 and is a nonrecurring event.

General and administrative. General and administrative costs increased by \$0.5 million during the six months ended December 31, 2025, as compared to the six months ended December 31, 2024, primarily as a result of increased expenses related to headcount.

Interest income (expense), net. Interest income, net decreased by \$1.6 million during the six months ended December 31, 2025, as compared to the six months ended December 31, 2024, primarily due to the increase in interest expense on increased drawdowns for bank guarantees under the Facility Agreement with Macquarie Bank Limited entered into in December 2024.

Foreign currency translation. For the six months ended December 31, 2025, we recognized a foreign currency translation gain of \$8.5 million, primarily due to the slight strengthening of the Australian Dollar as of December 31, 2025, as compared to June 30, 2025. In the six months ended December 31, 2024, we recognized a foreign currency translation loss of \$17.0 million, primarily due to the significant weakening of the Australian Dollar as of December 31, 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 six months ended December 31, 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

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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.

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Liquidity and Capital Resources

We are a development stage company 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 the second half of calendar year 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/or 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 \$45.5 million to progress our development plans. We expect the proceeds from the public offering during the current fiscal period and PIPE announced in October 2025 (PIPE proceeds received in January 2026), together with our existing cash on hand, to be sufficient to fund remaining drilling and stimulation costs of SS-4H, SS-5H and SS-6H and to carry out 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).

	December 31, 2025	June 30, 2025
Cash and cash equivalents	\$ 83,404	\$ 39,439

As of December 31, 2025, we had \$83.4 million of cash and cash equivalents. This balance represents an increase of \$44.0 million from June 30, 2025. Cash calls received, proceeds from our subscription agreements to institutional investors and Share Purchase Plan, proceeds from the Syndicated Facility during the period 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.

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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:

	December 31, 2025	June 30, 2025
Capital commitments:		
Sweetpea	\$ 23,327	\$ 23,115
EP 161	5,848	2,302
Beetaloo Joint Venture	76,609	75,630
Midstream	\$ 12,116	\$ 9,056

Sweetpea

Sweetpea's committed spend as of December 31, 2025, was \$23.3 million, which was related to two licenses, EP 136 with total commitments of \$14.0 million and EP 143 with total commitments of \$9.3 million.

A variation application for EP 136 was submitted to the Department of Mining and Energy ("DME") in November 2025, requesting an extension of the permit for a period of 18 months. This application remains under review. As such, the Group maintains a minimum work program commitment of \$14.0 million.

An application for EP 143 was submitted to and approved by DME in December 2025 requesting to suspend the work program conditions for a period of six months to June 30, 2026. The total minimum work program commitments remain the same at \$9.3 million.

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. An application was approved in December 2025 to extend the term of the exploration permit and the required work program for twelve months to March 2027 which includes the drilling and stimulation of two horizontal wells along with related geological and geophysical studies. Our commitment through March 2027 is expected to be \$5.8 million based on the minimum work requirements. There are no minimum commitment requirements after March 2027.

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 \$76.6 million related to drilling and multi-stage hydraulic fracturing of four wells, 3D seismic survey, and subsurface studies, with expenditure across EP 76 of \$10.7 million, EP 98 of \$54.2 million and EP 117 of \$11.7 million.

Midstream

Committed spend remaining for the SPCF project as of December 31, 2025, was \$12.1 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 December 31, 2025, there was A\$32.2 million of letters of credits issued under the Facility Agreement. As of December 31, 2025 there was A\$1.7 million of unused credit under Facility A and A\$1.1 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):

	Six months ended December 31,	
	2025	2024
Statement of Cash Flows:		
Net cash used in operating activities	\$ (14,506)	\$ (8,902)
Net cash used in investing activities	(66,543)	(35,805)
Net cash from financing activities	\$ 133,494	\$ 31,360

Net Cash Used in Operating Activities

For the six months ended December 31, 2025, net cash used in operating activities was \$14.5 million during which we incurred a net loss of \$16.6 million compared to net cash used in operating activities for the six months ended December 31, 2024 of \$8.9 million, during which we incurred a net loss of \$22.3 million. The net loss for the six months ended December 31, 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 six months ended December 31, 2025, net unfavorable changes in operating assets and liabilities totaled \$1.5 million, primarily consisting of a \$2.2 million decrease in accounts payable and accrued expenses due to timing of our pay cycle during the fiscal period, a less than \$0.1 million decrease in trade and other receivables and a \$0.1 million increase in prepaid expenses and other assets.

Net Cash Used in Investing Activities

For the six months ended December 31, 2025, net cash used in investing activities was \$66.5 million compared to \$35.8 million for the six months ended December 31, 2024. In the period ended December 31, 2025, there was spend on exploration and evaluation activities of \$47.2 million in connection with the drilling of the SS-4H, SS-5H and SS-6H pilot wells, expenditure of \$14.2 million of spend related to SPCF, \$1.8 million incurred in connection with the proposed Falcon Acquisition, \$2.0 million related to interest on financing lease liabilities and \$1.2 million related to interest on borrowings under our SPCF Syndicated Facility Agreement.

Net Cash from Financing Activities

For the six months ended December 31, 2025, net cash received from financing activities was \$133.5 million compared to \$31.4 million received for the six months ended December 31, 2024. The increase was primarily due to proceeds from the issuance of common stock of \$78.4 million that occurred in the current fiscal period compared to \$7.4 million in gross proceeds from the greenshoe option exercised in July 2024, \$32.5 million of proceeds from the Syndicated Facility, \$36.4 million attributable to contributions from noncontrolling interest holders to fund their share of cash calls, partially offset by common stock issuance transaction costs of \$4.5 million, payment of debt issuance costs of \$2.9 million, repayments of finance lease liabilities of \$6.1 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 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 Group's reported and expected financial results.

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For additional information on our critical accounting estimates, refer to Management's Discussion and Analysis of Critical Accounting Estimates included in Part II, Item 7 of the Group's Annual Report on Form 10-K for the year ended June 30, 2025, as filed with SEC on September 25, 2025. There have been no material changes in critical accounting estimates at December 31, 2025 from those described in the Group'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.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on the evaluation, our principal executive officer and principal financial officer concluded that, as of December 31, 2025, our disclosure controls and procedures as of such date were not effective at the reasonable assurance level 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.

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, has begun the process of, and is committed to, designing and implementing effective measures to strengthen our internal controls over financial reporting and remediate the material weakness.

Our planned internal control remediation efforts, which are underway, include:

- We have engaged a third-party consulting firm to assist with the documentation of our processes and internal controls over financial reporting. During the second quarter of fiscal year 2026, management, with the help of our third-party consulting firm, performed a risk assessment and walkthroughs of our key business and IT processes to facilitate the design and documentation of internal controls, including those that would be necessary to effectively remediate the existing material weakness. A walkthrough is performed to gain comfort regarding the design effectiveness of the key controls. Further assessments will be made of these controls to conclude on design and operating effectiveness and determine additional actions needed in support of remediation of this material weakness.
- Our recently hired Vice President of Information Technology and Financial Reporting Manager, with extensive knowledge in their respective fields, have implemented, enhanced, and formalized procedures in

their relevant areas, which will assist in the remediation of the above control deficiencies. We will continue to assess our needs and hire accounting and finance personnel to ensure reporting requirements are met and segregation of duties are maintained.

- We selected and implemented a new ERP System at the start of fiscal year 2025 to facilitate recording and reporting of transactions for all entities.
- We will provide training to control owners, as appropriate, in support of an effective internal control framework, including how to sufficiently document and evidence the completeness and accuracy of the operation of internal controls.
- For certain complex transactions executed during this fiscal period, we engaged technical specialists, as appropriate, to ensure accurate accounting and the preparation of accounting memoranda. We will continue to evaluate our practices related to significant non-recurring transactions and continue to implement improvements in those practices, including the development of a more comprehensive review process and monitoring controls over significant transactions.

While these actions and planned actions are subject to ongoing management evaluation and will require validation and testing of the design and operating effectiveness of internal controls over a sustained period of financial reporting cycles, we are committed to the continuous improvement of our internal control over financial reporting and will continue to diligently review our internal control over financial reporting.

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.

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 December 31, 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 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 are numerous factors that affect our business and operating results, many of which are beyond our control. Except as provided below, there have been no material changes in risk factors for the quarterly period ended December 31, 2025 from those described in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2025.

Risks Related to the Pending Falcon Acquisition

Tamboran stockholders and Falcon shareholders, in each case as of immediately prior to the Falcon Acquisition, will have significantly reduced ownership in the combined company.

Tamboran anticipates issuing 6,537,503 shares of Tamboran common stock to Falcon in exchange for Falcon’s equity interests in the Falcon Entities. Following the completion of the Falcon Acquisition, it is anticipated that persons who were stockholders and shareholders of Tamboran and Falcon, respectively, immediately prior to the Falcon Acquisition will own approximately 77.6% and 22.4% of the combined company, respectively, with Tamboran maintaining control over the combined company. As a result, Tamboran’s current stockholders and Falcon’s current shareholders will have less influence on the policies of the combined company than they currently have on Tamboran’s policies and Falcon’s policies, respectively.

The Falcon Parent stock consideration will not be adjusted in the event of any change in either Tamboran’s or Falcon’s share price.

Upon completion of the Falcon Acquisition, Falcon’s shareholders will receive 6,537,503 shares of Tamboran common stock. The Falcon Parent stock consideration was generally fixed in the Arrangement Agreement and will not be adjusted to reflect changes in the market price of either Falcon common shares or Tamboran common stock before the arrangement is completed. Stock price changes may result from a variety of factors (many of which are beyond Tamboran’s and Falcon’s control), including the following:

- changes in Tamboran’s and Falcon’s respective businesses, operations and prospects;
- investor behavior and strategies, including market assessments of the likelihood that the arrangement will be completed, including related considerations regarding court approval and regulatory clearance or approval, if any, of the arrangement; or
- interest rates, general market and economic conditions and other factors generally affecting the price of Tamboran’s and Falcon’s shares; and
- foreign, federal, state, provincial and local legislation, governmental regulation and legal developments in the businesses in which Tamboran and Falcon operate.

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The price of Tamboran common stock at the completion of the Falcon Acquisition will vary from its price on the date the Arrangement Agreement was executed, the date of this proxy statement, the date of the special meeting and the effective date. As a result, the market value represented by the number of shares issued to Falcon will also vary. For example, based on the range of closing prices of Tamboran common stock during the period from September 29, 2025, the trading day before the date of the public announcement of the Falcon Acquisition, through January 26, 2026, the latest practicable date before the date of this proxy statement, the total Falcon Parent stock consideration represented a market value ranging from a low of \$147,747,567.80 to a high of \$199,001,591.32.

The arrangement is subject to a number of conditions which may delay the Falcon Acquisition and could result in additional expenditures of money and resources or reduce the anticipated benefits, or result in termination of the Arrangement Agreement and Tamboran having to pay a termination fee.

Tamboran's and Falcon's respective obligations to consummate the Falcon Acquisition are subject to the satisfaction (or waiver by all parties, to the extent permissible under applicable laws) of a number of conditions described in the Arrangement Agreement, including the approval by Tamboran stockholders of the issuance of the Falcon Parent stock consideration to Falcon, the approval and adoption of the arrangement resolution by the Falcon shareholders, the approval of the arrangement by the Court on terms consistent with the Arrangement Agreement and otherwise reasonably satisfactory to the parties and receipt of certain regulatory clearances and approvals. Many of the conditions to completion of the arrangement are not within Tamboran's control and Tamboran cannot predict when, or if, these conditions will be satisfied. If any of these conditions are not satisfied or waived prior to the termination date, it is possible that the Arrangement Agreement may be terminated. The Arrangement Agreement provides that, upon termination of the Arrangement Agreement under certain circumstances, Tamboran or Falcon would be required to pay the other party a termination fee of \$3.75 million and \$1.62 million, respectively. In addition, Falcon would be required to reimburse Tamboran for its documented out-of-pocket expenses incurred in connection with the arrangement under certain circumstances.

Although the parties have agreed to use reasonable best efforts, subject to certain limitations, to complete the arrangement promptly, these and other conditions may fail to be satisfied. In addition, completion of the arrangement may take longer and could cost more than we expect. The requirements for obtaining the regulatory approvals, including approval of the TSX Venture Exchange (the "TSXV"), could delay the completion of the Falcon Acquisition for a significant period of time or prevent them from occurring. Any delay in completing the Falcon Acquisition may adversely affect the benefits that Tamboran expects to achieve if the Falcon Acquisition and the integration of businesses were to be completed within the expected timeframe.

If a governmental authority asserts objections to the Falcon Acquisition, Tamboran may be unable to complete the Falcon Acquisition or, in order to do so, Tamboran or Falcon may be required to comply with material restrictions or satisfy material conditions.

Closing is subject to the condition that there is no order preventing the consummation of the Falcon Acquisition and no law applicable to the Falcon Acquisition that makes consummation of the Falcon Acquisition illegal. Pursuant to the Arrangement Agreement, Tamboran and Falcon have agreed to use reasonable best efforts, subject to certain limitations, to complete the Falcon Acquisition promptly.

There can be no assurance as to the cost, scope or impact of the actions that may be required to address any governmental authority objections to the Falcon Acquisition. If Tamboran or Falcon takes such actions, it may be detrimental to them or to the combined company following the consummation of the Falcon Acquisition. Furthermore, these actions may have the effect of delaying or preventing consummation of the Falcon Acquisition or imposing additional costs on or limiting the revenue or cash available for distribution of the combined company following the consummation of the Falcon Acquisition. There are also limitations in the Arrangement Agreement on the actions Tamboran is required to take in order to address any governmental authority objections to the Falcon Acquisition; so, depending on the nature of the governmental authority objections to the Falcon Acquisition, Tamboran may decline to agree to take such actions resulting in the failure of the Falcon Acquisition to be completed.

Tamboran or Falcon may waive one or more of the closing conditions without re-soliciting approval by Tamboran stockholders.

Tamboran or Falcon may determine to waive, in whole or part, one or more of the conditions to closing prior to Tamboran or Falcon, as the case may be, being obligated to consummate the Falcon Acquisition. Tamboran expects to evaluate the materiality of any proposed waiver and its effect on Tamboran stockholders in light of the facts and

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circumstances at the time, to determine whether any amendment of this proxy statement or any re-solicitation of proxies is required in light of such waiver. Any determination whether to waive any condition to closing or to re-solicit stockholder approval or amending or supplementing this proxy statement as a result of a waiver will be made by Tamboran at the time of such waiver based on the facts and circumstances as they exist at that time.

The business relationships of Tamboran and Falcon, as applicable, may be subject to disruption due to uncertainty associated with the Falcon Acquisition, which could have a material adverse effect on the results of operations, cash flows and financial position of Tamboran pending and following the Falcon Acquisition.

Parties with which Tamboran and Falcon, as applicable, does business may experience uncertainty associated with the Falcon Acquisition, including with respect to current or future business relationships with Tamboran following the Falcon Acquisition. Tamboran's and Falcon's business relationships may be subject to disruption as joint venture partners and other business partners may attempt to delay or defer entering into new business relationships, negotiate changes in existing business relationships or consider entering into business relationships with parties other than Tamboran or Falcon, as applicable, following the Falcon Acquisition. These disruptions could have a material and adverse effect on the results of operations, cash flows and financial position of Tamboran, regardless of whether the Falcon Acquisition is completed, as well as a material and adverse effect on Tamboran's ability to realize the expected benefits of the Falcon Acquisition. The risk, and adverse effect, of any disruption could be exacerbated by a delay in completion of the Falcon Acquisition or termination of the Arrangement Agreement.

The Arrangement Agreement subjects Tamboran to restrictions on its business activities prior to the Closing, limits its ability to pursue alternatives to the Falcon Acquisition and may discourage other companies from making a favorable alternative transaction proposal.

The Arrangement Agreement subjects Tamboran to restrictions on its business activities prior to the Closing. The Arrangement Agreement obligates Tamboran to generally conduct its businesses in the ordinary course until the Closing and to, among other things, use its reasonable best efforts to (i) preserve substantially intact its present business organization, goodwill and assets, (ii) keep available the services of its current officers and employees and (iii) preserve its existing relationships with governmental entities and others having significant business dealings with Tamboran. These restrictions could prevent Tamboran from pursuing certain business opportunities that arise prior to the Closing and are outside the ordinary course of business.

Tamboran is subject to customary restrictions on its ability to solicit alternative acquisition proposals and to provide information to, or engage in discussions with, third parties regarding such proposals, except that Tamboran is permitted in limited circumstances prior to receiving approval from Tamboran stockholders of the issuance of new shares of Tamboran common stock to Falcon in the Falcon Acquisition to provide information to, and engage in discussions with, a party which has made an unsolicited acquisition proposal that the Tamboran board of directors has determined constitutes or would reasonably be expected to constitute a superior proposal. Furthermore, in limited circumstances prior to receiving stockholder approval, the Tamboran board of directors may effect a change of its recommendation in response to an applicable intervening event if the Tamboran board of directors determines in good faith that a failure to effect a change in recommendation would be reasonably likely to be inconsistent with the Tamboran board of director's fiduciary duties.

Tamboran does not currently control the Falcon Entities.

Tamboran will not control the Falcon Entities until completion of the Falcon Acquisition and the business and results of operations of the Falcon Entities may be adversely affected by events that are outside of Tamboran's control during the intervening period. The performance of the Falcon Entities may be influenced by, among other factors, economic downturns, changes in commodity prices, political instability in the countries in which the Falcon Entities operate, changes in applicable laws, expropriation, increased environmental regulation, volatility in the financial markets, unfavorable regulatory decisions, litigation, rising costs, civic and labor unrest, disagreements with joint venture partners, delays in ongoing exploration and development projects and other factors beyond Tamboran's control. As a result of any one or more of these factors, among others, the operations and financial performance of the Falcon Entities may be negatively affected, which may adversely affect the future financial results of the combined company.

Failure to complete the Falcon Acquisition could negatively impact Tamboran's stock price and have a material adverse effect on its 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, approval of the TSXV or if the Tamboran stockholders or Falcon shareholders fail to approve the stock issuance proposal, the ASX capacity proposal and the Falcon Acquisition resolution, respectively, the ongoing

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businesses of Tamboran may be materially adversely affected and, without realizing any of the benefits of having completed the Falcon Acquisition, Tamboran would be subject to a number of risks, including the following:

- Tamboran may experience negative reactions from the financial markets, including negative impacts on our stock price;
- Tamboran and its subsidiaries may experience negative reactions from their joint venture partners and other business partners;
- Tamboran will still be required to pay certain significant costs relating to the Falcon Acquisition, such as legal, accounting, financial advisor and printing fees;
- Tamboran may be required to pay a termination fee as required by the Arrangement Agreement;
- the Arrangement Agreement places certain restrictions on the conduct of Tamboran's business prior to the completion of the Arrangement Agreement, which may delay or prevent Tamboran 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 Tamboran's management, which may have resulted in the distraction of Tamboran's management from ongoing business operations and pursuing other opportunities that could have been beneficial to the companies; and
- litigation related to any failure to complete the Falcon Acquisition or related to any enforcement proceeding commenced against Tamboran to perform its 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 Tamboran's results of operations, cash flows, financial position and stock price.

Tamboran and Falcon are expected to incur significant transaction costs in connection with the Falcon Acquisition, which may be in excess of those anticipated by them.

Tamboran and Falcon have incurred and are expected to continue to incur a number of non-recurring costs associated with negotiating and completing the Falcon Acquisition and combining the operations of the two companies. These costs have been, and will continue to be, substantial and, in many cases, will be borne by Tamboran whether or not the Falcon Acquisition is completed. A substantial majority of non-recurring expenses will consist of transaction costs and include, among others, fees paid to legal, accounting and other advisors, employee retention, severance and benefit costs, and filing fees. Tamboran will also incur costs related to formulating and implementing integration plans, including facilities and systems consolidation costs and other employment-related costs. Tamboran and Falcon will continue to assess the magnitude of these costs, and additional unanticipated costs may be incurred in connection with the Falcon Acquisition and the integration of the two companies' businesses. While Tamboran and Falcon have assumed that a certain level of expenses would be incurred, there are many factors beyond their control that could affect the total amount or the timing of the expenses. The elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, may not offset integration-related costs and achieve a net benefit in the near term, or at all. The costs described above and any unanticipated costs and expenses, many of which will be borne by Tamboran even if the Falcon Acquisition is not completed, could have an adverse effect on Tamboran's financial condition and operating results.

Litigation relating to the Falcon Acquisition could result in an injunction preventing the completion of the Falcon Acquisition and/or substantial costs to Tamboran and Falcon.

Securities class action lawsuits and derivative lawsuits are often brought against public companies that have entered into acquisitions, mergers 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 Tamboran's and Falcon's respective liquidity and financial condition.

Lawsuits may be brought against Tamboran, Falcon or their respective directors which could seek, among other things, injunctive relief or other equitable relief, including a request to rescind parts of the Arrangement Agreement already

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implemented and to otherwise enjoin the parties from consummating the Falcon Acquisition. One of the conditions to the Closing is that no injunction by any court or other tribunal of competent jurisdiction has been entered and continues to be in effect and no law has been adopted or is effective, in either case that prohibits or makes illegal the Closing. Consequently, if a plaintiff is successful in obtaining an injunction prohibiting completion of the Falcon Acquisition, that injunction may delay or prevent the Falcon Acquisition from being completed within the expected timeframe or at all, which may adversely affect Tamboran's and Falcon's respective business, financial position, results of operations and cash flows.

There can be no assurance that any of the defendants will be successful in the outcome of any pending or any potential future lawsuits. The defense or settlement of any lawsuit or claim that remains unresolved at the time the Falcon Acquisition is completed may adversely affect Tamboran's or Falcon's respective business, financial condition, results of operations and cash flows.

Falcon may have liabilities that are not known to Tamboran.

Falcon may have liabilities that Tamboran failed, or was unable, to discover in the course of performing its due diligence investigations. Other than publicly available information, all historical information relating to Falcon and its subsidiaries has been provided in exclusive reliance on the information made available to us by Falcon and its representatives. Through the completion of the Falcon Acquisition, Falcon continues to be obligated to file certain reports with the TSXV and AIM. Additionally, pursuant to the Arrangement Agreement, during the period from the date of the Arrangement Agreement until the earlier of the effective time and the termination thereof, Falcon is required to notify us in writing of any material change in the business, operations, results of operations, properties, assets, liabilities (whether absolute, accrued, contingent or otherwise), or financial condition of it and its subsidiaries on a consolidated basis or any change in any representation or warranty it has provided in the Arrangement Agreement that may render any representation or warranty misleading or untrue in any material respect. Tamboran may learn additional information about the other party that materially adversely affects it, such as unknown or contingent liabilities and liabilities related to compliance with applicable laws. As a result of these factors, the combined company may incur additional costs and expenses and may be forced to later write-down or write-off assets, restructure operations or incur impairment or other charges that could result in the combined company reporting losses. Even if Tamboran's due diligence has identified certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with its preliminary risk analysis. If any of these risks materialize, this could have a material adverse effect on the combined company's financial condition and results of operations and could contribute to negative market perceptions about Tamboran common stock.

Potential payments to Falcon shareholders who exercise dissent rights could have an adverse effect on the combined company's financial condition.

Falcon shareholders have the right to exercise dissent rights and demand payment equal to the fair value of their Falcon common shares. If dissent rights are properly exercised in respect of a significant number of Falcon common shares, a substantial payment may be required to be made to such Falcon shareholders, which could have an adverse effect on the combined company's financial condition and cash flows.

Risk Factors Relating to the Combined Company Following the Arrangement

The combined company may be unable to integrate the businesses of Tamboran and the Falcon Entities successfully or realize the anticipated benefits of the Falcon Acquisition.

The Falcon Acquisition involves the combination of an independent public company with the subsidiaries of another independent public company. The combination of independent businesses is complex, costly and time consuming, and each of Tamboran and Falcon will be required to devote significant management attention and resources to integrating the business practices and operations of the Falcon Entities into Tamboran. Potential difficulties that Tamboran and Falcon may encounter as part of the integration process include the following:

- the inability to successfully combine the business of Tamboran and the Falcon Entities 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

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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 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, Tamboran 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.

The trading price and volume of the combined company common stock may be volatile following the Falcon Acquisition.

The trading price and volume of the combined company common stock may be volatile following completion of the Falcon Acquisition. The stock markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of the combined company common stock. As a result, you may suffer a loss on your investment. Many factors may impair the market for the combined company common stock and the ability of investors to sell shares at an attractive price, and could also cause the market price and demand for the combined company common stock to fluctuate substantially, which may negatively affect the price and liquidity of the combined company common stock. Many of these factors and conditions are beyond the control of the combined company or the combined company stockholders.

The market price of Tamboran common stock may decline if large amounts of Tamboran common stock are sold following the Falcon Acquisition and may be affected by factors different from those that historically have affected or currently affect the market price of Tamboran common stock.

The market price of Tamboran common stock may fluctuate significantly following completion of the Falcon Acquisition and holders of Tamboran common stock could lose some or all of the value of their investment. If the Falcon Acquisition is consummated, Tamboran will issue shares of Tamboran common stock to former Falcon shareholders. The Arrangement Agreement contains no restrictions on the ability of former Falcon shareholders to sell or otherwise dispose of such shares following completion of the Falcon Acquisition. Former Falcon shareholders may decide not to hold the shares of Tamboran common stock that they receive in the Falcon Acquisition, and Tamboran's historic stockholders may decide to reduce their investment in Tamboran as a result of the changes to Tamboran's investment profile as a result of the Falcon Acquisition. These sales of Tamboran common stock (or the perception that these sales may occur) could have the effect of depressing the market price for Tamboran common stock. In addition, Tamboran's financial position after completion of the Falcon Acquisition may differ from its financial position before the completion of the Falcon Acquisition, and the results of Tamboran's operations and cash flows after the completion of the Falcon Acquisition may be affected by factors different from those currently affecting its financial position or results of operations and cash flows, all of which could adversely affect the market price of Tamboran common stock. Accordingly, the market price and performance of Tamboran common stock is likely to be different from the performance of Tamboran common stock prior to the Falcon Acquisition. Furthermore, the stock market has experienced significant price and volume fluctuations in recent times which, if they continue to occur, could have a material adverse effect on the market for, or liquidity of, Tamboran common stock, regardless of our actual operating performance.

The anticipated benefits attributable to the Falcon Acquisition may vary from expectations.

The combined company may fail to realize the anticipated benefits expected from the Falcon Acquisition, which could adversely affect the combined company's business, financial condition and operating results. The success of the Falcon Acquisition will depend, in significant part, on the combined company's ability to successfully integrate the

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acquired business and realize the anticipated strategic benefits from the combination. Tamboran believes that the combination of the two leading Beetaloo Basin businesses will provide a pro forma 2.9 million net prospective acres across the Beetaloo Basin depocenter. The anticipated benefits of the Falcon Acquisition 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 expected from the Falcon Acquisition within the anticipated timing or at all, the combined company's business, financial condition and operating results may be adversely affected.

The Falcon Acquisition may result in a loss of joint venture partners and other business partners and may result in the termination of existing contracts.

Following the Falcon Acquisition, some of the joint venture partners and other business partners of Tamboran or Falcon may terminate or scale back their current or prospective business relationships with the combined company. Some customers may not wish to source a larger percentage of their needs from a single company or may feel that the combined company is too closely allied with one of their competitors. In addition, Tamboran and Falcon have contracts with joint venture partners and other business partners that may require Tamboran or Falcon to obtain consents from these other parties in connection with the Falcon Acquisition, which may not be obtained on favorable terms or at all. If relationships with joint venture partners and other business partners are adversely affected by the Falcon Acquisition, or if the combined company, following the Falcon Acquisition, loses the benefits of the contracts of Tamboran or Falcon, the combined company's business and financial performance could suffer.

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

Recent Sales of Unregistered Securities

None.

Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) Disclosure in lieu of reporting on a Current Report on Form 8-K

None.

(b) Material changes to the procedures by which security holders may recommend nominees to the board of directors

None.

(c) Insider Trading Arrangements and Policies

During the three months ended December 31, 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
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	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).
10.2	Form of Subscription Agreement (B. Sheffield) (furnished as Exhibit 10.1 to the Company's Current Report on Form 8-K dated October 22, 2025, File No. 001-42149, and incorporated herein by reference).
10.3	Form of Subscription Agreement (D&O) (furnished as Exhibit 10.2 to the Company's Current Report on Form 8-K dated October 22, 2025, File No. 001-42149, and incorporated herein by reference).
10.4	Form of Subscription Agreement (furnished as Exhibit 10.3 to the Company's Current Report on Form 8-K dated October 22, 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 December 31, 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.

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: February 11, 2026

/s/ Eric Dyer
Eric Dyer
Chief Financial Officer