PRESS RELEASE: for immediate dissemination
(Stock Symbol: **"KEL"** – TSX)
November 17, 2014
Calgary, Alberta

KELT PROVIDES 2015 FINANCIAL AND OPERATING GUIDANCE

CALGARY, Alberta, November 17, 2014 (KEL-T) – Kelt Exploration Ltd. ("Kelt" or the "Company") is pleased to provide 2015 financial and operating guidance and comparisons to the Company's 2014 forecast which is summarized in the following table:

	2014 Forecast	2015 Guidance	Percent Change
Average Production			
Oil (bbls/d)	3,400	5,800	71%
NGLs (bbls/d)	950	1,310	38%
Gas (mmcf/d)	49.50	60.54	22%
Combined (BOE/d)	**12,600**	**17,200**	**36%**
Production per million common shares (BOE/d)	**103**	**136**	**32%**
Oil / NGLs / Gas production weighting	27% / 8% / 65%	33% / 8% / 59%	
Forecasted Average Commodity Prices			
WTI oil price (USD/bbl)	94.70	79.50	-16%
Equivalent CAD WTI oil price ($/bbl)	104.30	89.85	-14%
NYMEX natural gas price (USD/MMBTU)	4.25	3.50	-18%
AECO natural gas price ($/GJ)	4.25	3.45	-19%
Exchange rate (CAD/USD)	1.101	1.130	3%
Realized Kelt prices, before financial instruments			
Kelt oil price ($/bbl)	89.59	78.80	-12%
Kelt NGLs price ($/bbl)	61.48	51.90	-16%
Kelt gas price ($/mcf)	4.72	3.94	-17%
Kelt combined price ($/BOE)	47.68	44.42	-7%
Revenue, before royalties & financial instruments ($MM)	219.2	278.9	27%
Funds from operations ($MM)	**115.9**	**136.0**	**17%**
Per share, diluted	**0.93**	**1.05**	**13%**

	2014 Forecast	2015 Guidance	Percent Change
Capital Expenditures ($MM)			
Drilling & completions	215.5	163.5	-24%
Facilities, pipeline & well equipment	33.5	31.0	-7%
Land & seismic	19.0	20.5	8%
Acquisitions, net of dispositions	160.0	-	-
Total Capital Expenditures	**428.0**	**215.0**	**-50%**
Bank debt, net of working capital, at year-end ($MM)	111.0	190.0	71%
Debt/Trailing funds from operations ratio	1.0 x	1.4 x	
Weighted average common shares outstanding (MM)	121.8	126.7	4%
Common shares issued & outstanding (MM)	126.7	126.7	0%
Options & RSUs issued & outstanding (MM)	5.5	6.7	22%
Total common shares, including all dilutive instruments (MM)	132.2	133.4	1%

Kelt's Board of Directors has approved a 2015 capital expenditure budget of $215.0 million. In aggregate, the Company expects to spend $163.5 million on drilling and completing wells, $31.0 million on facilities, pipeline and well equipment, and $20.5 million on land and seismic. The Company expects to drill 30 gross (22.0 net) wells in 2015 of which 20 gross (15.7 net) wells will target the Montney formation, 6 gross (2.7 net) wells will target the Doig formation, 3 gross (2.6 net) wells will target other horizons and 1 gross (1.0 net) well will be drilled as a service well.

Kelt expects production in 2015 to average approximately 17,200 BOE per day weighted 33% oil, 8% NGLs and 59% gas; however, operating income in 2015 is expected to be generated 70% from oil production, 10% from NGL production and 20% from gas production. The Company expects to exit 2015 with production of approximately 18,250 BOE per day.

The Company's average commodity price assumptions for 2015 are US$79.50 per barrel for WTI oil, US$3.50 per MMBTU for NYMEX natural gas, $3.45 per GJ for AECO natural gas and a US/Canadian dollar exchange rate of US$0.8848.

Capital spending in 2015 is expected to be 50% lower than 2014, average WTI oil prices are expected to be 16% lower and average AECO gas prices are expected to be 19% lower than the previous year; however, in 2015, Kelt expects to increase production by 36% and increase funds from operations by 17% compared to 2014, and at the same time maintain a debt to trailing funds from operations ratio of less than 1.5 times at the end of 2015.

Certain information set out herein is "financial outlook" within the meaning of applicable securities laws. The purpose of this financial outlook is to provide readers with disclosure regarding Kelt's reasonable expectations as to the anticipated results of its proposed business activities for 2014 and 2015. Readers are cautioned that this financial outlook may not be appropriate for other purposes.

Changes in forecasted commodity prices and variances in production estimates can have a significant impact on estimated funds from operations and profit. Please refer to the cautionary statement on forward-looking statements and information set out below.

Common Share Information

Kelt currently has approximately 126.7 million common shares issued and outstanding, of which approximately 24.6 million (19.4%) are held by officers and directors of the Company.

Kelt has 1.8 million restricted share units outstanding under its Restricted Share Unit Plan and 3.7 million stock options outstanding under its Incentive Stock Option Plan. The foregoing restricted share units and stock options represent approximately 4.3% of Kelt's issued and outstanding common shares as at the date hereof.

About Kelt

Kelt is a Calgary, Alberta, Canada-based oil and gas company focused on exploration, development and production of crude oil and natural gas resources, primarily in west central Alberta and northeastern British Columbia.

Cautionary Statement on Forward-Looking Statements and Information

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, this press release contains forward-looking statements concerning the Company's expected future financial position and operating results, including with respect to the amount of Kelt's credit facility as at December 31, 2015 and with respect to the remainder of Kelt's forecasted 2014 capital expenditures and its planned 2015 capital expenditure budget.

Although Kelt believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Kelt cannot give any assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses; failure to obtain necessary regulatory approvals for planned operations; health, safety and environmental risks; uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures; volatility of commodity prices, currency exchange rate fluctuations; imprecision of reserve estimates; and competition from other explorers) as well as general economic conditions, stock market volatility; and the ability to access sufficient capital. We caution that the foregoing list of risks and uncertainties is not exhaustive.

In addition, the reader is cautioned that historical results are not necessarily indicative of future performance. The forward-looking statements contained herein are made as of the date hereof and the Company does not intend, and does not assume any obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise unless expressly required by applicable securities laws.

Certain information set out herein may be considered as "financial outlook" within the meaning of applicable securities laws. The purpose of this financial outlook is to provide readers with disclosure regarding Kelt's reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

Non-GAAP Measures

This document contains certain financial measures, as described below, which do not have standardized meanings prescribed by GAAP. As these measures are commonly used in the oil and gas industry, the Company believes that their inclusion is useful to investors. The reader is cautioned that these amounts may not be directly comparable to measures for other companies where similar terminology is used.

"Operating income" is calculated by deducting royalties, production expenses and transportation expenses from oil and gas revenue, after realized gains or losses on financial instruments. The Company refers to operating income expressed per unit of production as an "Operating netback". "Funds from operations" is calculated by adding back settlement of decommissioning obligations and change in non-cash operating working capital to cash provided by operating activities. Funds from operations per common share is calculated on a consistent basis with profit (loss) per common share, using basic and diluted weighted average common shares as determined in accordance with GAAP. Funds from operations and operating income or netbacks are used by Kelt as key measures of performance and are not intended to represent operating profits nor should they be viewed as an alternative to cash provided by operating activities, profit or other measures of financial performance calculated in accordance with GAAP. "Production per common share" is calculated by dividing total production by the basic weighted average number of common shares outstanding, as determined in accordance with GAAP.

Measurements

All dollar amounts are referenced in thousands of Canadian dollars, except when noted otherwise. Where amounts are expressed on a barrel of oil equivalent ("BOE") basis, natural gas volumes have been converted to oil equivalence at six thousand cubic feet per barrel and sulphur volumes have been converted to oil equivalence at 0.6 long tons per barrel. The term BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet per barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. References to oil in this discussion include crude oil and field condensate. References to natural gas liquids ("NGLs") include, pentane, butane, propane, and ethane. References to gas in this discussion include natural gas and sulphur.

Abbreviations

M	thousand
MM	million
bbls	barrels
bbls/d	barrels per day
mcf	thousand cubic feet
mcf/d	thousand cubic feet per day
mmcf	million cubic feet
mmcf/d	million cubic feet per day
MMBTU	million British Thermal Units
BOE	barrel of oil equivalent
BOE/d	barrel of oil equivalent per day
NGLs	natural gas liquids
AECO	Alberta Energy Company "C" Meter Station of the Nova Pipeline System
WTI	West Texas Intermediate
NYMEX	New York Mercantile Exchange
USD	United States dollars
CAD	Canadian dollars
$	Canadian dollars
TSX	the Toronto Stock Exchange
KEL-T	trading symbol for Kelt Exploration Ltd. on the Toronto Stock Exchange
RSUs	restricted share units
WI	working interest
GAAP	Generally Accepted Accounting Principles

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