

KELT EXPLORATION LTD.
(the “Corporation”)

Share Ownership Guidelines

Objective

To align the interest of the Corporation’s non-employee directors with those of the Corporation’s shareholders.

Share Ownership Requirements

For the purpose of determining share ownership of a particular non-employee director, common shares of the Corporation (“**Common Shares**”) owned directly by such individual, such individual’s spouse, any minor children that share the same home as such individual, and any trust in which the individual is a trustee with voting and investment power, shall be treated as Common Shares owned and paid for by such individual.

1. By no later than three years after their appointment or election to the board, each non-employee director of the Corporation shall hold Common Shares having a value¹ equal to three times the total annual compensation (cash and non-cash) then payable to Directors.
2. Once their minimum guidelines have been achieved, if a director’s share ownership later falls below the minimum guidelines due to a decline in the share price, such director will have two years to restore compliance.

These requirements will be audited annually at the end of the calendar year by the Corporate Secretary of the Corporation and reported to the Compensation Committee of the board of directors (the “**Compensation Committee**”).

¹ For purposes of these requirements, the value of the share ownership is defined as the greater of: (a) the original amount paid by the director to acquire the Common Shares; and (b) the current market value of those shares at the point of measurement, normally the last trading day of the year.

Hardship Relief

The Compensation Committee may, in its discretion, determine the appropriate hardship relief, if any, for non-compliance with the share ownership guidelines, including but not limited to allowing individuals additional time to gain or regain compliance and suspending ownership and/or retention requirements in the event of extreme volatility in the trading price of the Common Shares.

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