



PRESS RELEASE

(Stock Symbol: **KEL** – TSX; **RTK** – TSX)

April 16, 2015

Calgary, Alberta

KELT EXPLORATION AND ARTEK EXPLORATION COMPLETE PLAN OF ARRANGEMENT

CALGARY, Alberta, Kelt Exploration Ltd. (“Kelt” or the “Company”) and Artek Exploration Ltd. (“Artek”) are pleased to announce the successful acquisition by Kelt of all of the issued and outstanding common shares of Artek (“Artek Shares”) pursuant to the previously announced plan of arrangement (the “Arrangement”) between Kelt, Artek and the shareholders of Artek (the “Artek Shareholders”).

Arrangement

Artek Shareholders approved the Arrangement by an overwhelming majority of greater than 99.9% of those Artek Shareholders voting in person or by proxy, as well as by a majority of Artek Shareholders after excluding those votes required to be excluded by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, at a special meeting of Artek Shareholders held earlier today. The Arrangement was also approved earlier today by the Court of Queen's Bench of Alberta. Under the Arrangement, Artek Shareholders received 0.34 of a common share of Kelt (each, a “Kelt Share”) for each Artek Share held. As a result of the Arrangement, an aggregate of 26.9 million Kelt Shares were issued to the former Artek Shareholders. It is anticipated that the Artek Shares will be delisted from trading on the Toronto Stock Exchange within two to three business days following the date hereof. Peters & Co. Limited acted as exclusive financial advisor to Artek with respect to the Arrangement.

Artek Shareholders whose Artek Shares are held by a broker, agent or other intermediary should contact their broker or agent in respect of the exchange of their Artek Shares for Kelt Shares pursuant to the Arrangement. Registered Artek Shareholders who have not already done so should submit their certificates representing Artek Shares to Valiant Trust Company, the depositary pursuant to the Arrangement, together with applicable letters of transmittal in accordance with the instructions set out therein in order to receive the Kelt Shares that they are entitled to pursuant to the Arrangement. Letters of transmittal were previously sent to Artek Shareholders and additional copies may be obtained by contacting Valiant Trust Company by telephone at 1-866-313-1872 or by email to inquiries@valianttrust.com. Certificates formerly representing Artek Shares now represent only the right to receive Kelt Shares to which the holders thereof are entitled pursuant to the

Arrangement. A detailed description of the Arrangement is contained in the information circular of Artek dated March 19, 2015, a copy of which is available under Artek's profile on SEDAR at www.sedar.com.

Acquisition Highlights

The acquisition of Artek consolidates the majority of Kelt's land acreage in its Inga-Fireweed-Stoddart, British Columbia core area to 100% and is consistent with the Company's strategy to operate and control all of its major core exploration and development prospects. In addition, Kelt's acquisition of Artek results in 100% ownership by Kelt in key infrastructure including compression facilities and pipelines in the area. The net present value of Artek's Inga-Fireweed-Stoddart reserves at December 31, 2014 represented approximately 90% of Artek's total corporate reserves value.

Pursuant to the Arrangement, Artek became a wholly-owned subsidiary of Kelt. Immediately following the Arrangement, a name change was effected to change the name of Artek Exploration Ltd. to Kelt Exploration (LNG) Ltd. ("Kelt LNG"). Kelt has transferred all of its British Columbia assets to Kelt LNG and at the same time, Kelt LNG has transferred all of its Alberta assets to Kelt. Kelt LNG will operate in British Columbia as a wholly-owned subsidiary of Kelt.

Kelt Credit Facility

Immediately subsequent to the closing of the Arrangement, the Company increased its existing revolving committed term credit facility with a syndicate of financial institutions from \$235.0 million to \$300.0 million. Kelt estimates that its bank debt, net of working capital, at December 31, 2015 will be approximately \$198.0 million or 66% of its available borrowing capacity, giving the Company sufficient financial flexibility.

The oil and gas industry in North America continues to operate in a challenging commodity price environment as a result of low oil and gas prices. Kelt believes that the current business environment creates opportunities to add value at a reasonable cost and at the same time to strengthen the Company's portfolio of future drilling opportunities. As a result of the current business environment and given Kelt's strong financial position, the Company will continue to focus on further working interest consolidation opportunities in its existing properties, on tuck-in property acquisition opportunities and on continued accumulation of land. Kelt remains optimistic about the long-term outlook for oil and gas prices.

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 pertaining to the delisting of the Artek Shares from the TSX. In respect of such forward-looking statements and information, Kelt and Artek have provided such statements and information in reliance on certain assumptions, including assumptions as to the time necessary to complete the delisting of the Artek Shares and operations and expenditures for the remainder of the calendar year.

Although Kelt and Artek believe 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 and Artek 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 neither Kelt nor Artek intend to, and neither Kelt nor Artek 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.

For further information, please contact:

Kelt Exploration Ltd., Suite 300, 311 – 6th Avenue SW, Calgary, Alberta, Canada T2P 3H2
David J. Wilson, President and Chief Executive Officer (403) 201-5340, or
Sadiq H. Lalani, Vice President, Finance and Chief Financial Officer (403) 215-5310.
Or visit our website at www.keltexploration.com.