



PRESS RELEASE

(Stock Symbol "KEL" – TSX)

July 7, 2015

Calgary, Alberta

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KELT CLOSES EQUITY FINANCINGS FOR \$90.0 MILLION

Kelt Exploration Ltd. ("Kelt" or the "Company") is pleased to announce that it has completed a bought deal short-form prospectus offering with a syndicate of underwriters led by Peters & Co. Limited, and including FirstEnergy Capital Corp., CIBC World Markets Inc., National Bank Financial Inc., RBC Capital Markets, Cormark Securities Inc., Scotia Capital Inc., AltaCorp Capital Inc., GMP Securities L.P., Macquarie Capital Markets Canada Ltd., TD Securities Inc., Credit Suisse Securities (Canada), Inc., Desjardins Securities Inc. and Raymond James Ltd. (collectively the "Underwriters"), pursuant to which the Company issued 9,775,000 common shares of Kelt (which includes the exercise in full of the over-allotment option to purchase 1,275,000 common shares) at a price of \$8.85 per common share for gross proceeds of approximately \$86.5 million.

Kelt is also pleased to announce the completion of its previously announced non-brokered private placement offering to certain directors and officers of the Company and their associates, of 400,000 common shares at a price of \$8.85 per share for gross proceeds of approximately \$3.5 million. The Kelt common shares to be issued in connection with the non-brokered private placement will be subject to a statutory hold period of four months plus one day from the date of completion of the private placement, in accordance with applicable securities legislation.

Net proceeds from the short-form prospectus offering and the non-brokered private placement will initially be used to pay down existing credit facilities and thereafter to partially finance Kelt's 2015 expanded capital expenditure programs and for general working capital purposes.

This press release does not constitute an offer to sell or a solicitation of any offer to buy the common shares in the United States. The common shares have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act.

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 and Advisory Regarding 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”, “could”, “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 use of proceeds from the equity financings.

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 failure to obtain necessary regulatory approvals for planned operations and 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; health, safety and environmental risks; commodity price and exchange rate fluctuations; and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures).

The forward-looking statements contained in this press release are made as of the date hereof and Kelt does not undertake any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. Please refer to Kelt’s Annual Information Form

dated March 11, 2015 for additional risk factors relating to Kelt which is available for viewing on www.sedar.com.

Additional Information

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.