PRESS RELEASE
(Stock Symbol **"KEL"** – TSX)
November 6, 2013
Calgary, Alberta

KELT REPORTS FINANCIAL AND OPERATING RESULTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013

Kelt Exploration Ltd. ("Kelt" or the "Company") has released its financial and operating results for the three and nine months ended September 30, 2013. Summary of financial results are as follows:

(CA$ thousands, except as otherwise indicated)	Three months ended September 30, 2013	Nine months ended September 30, 2013
Revenue, before royalties and financial instruments	12,388	28,113
Funds from operations(1)	5,473	14,260
Basic ($/ common share)(1)	0.06	0.22
Diluted ($/ common share)(1)	0.06	0.21
Profit (loss)	(2,400)	(3,277)
Basic ($/ common share)	(0.03)	(0.05)
Diluted ($/ common share)	(0.03)	(0.05)
Capital expenditures, prior to completion of the Arrangement	(27)	23,253
Capital expenditures, subsequent to completion of the Arrangement	42,255	74,561
Total capital expenditures	42,228	97,814
Total assets	333,832	333,832
Bank debt	-	-
Working capital surplus	123,774	123,774
Shareholders' equity	294,820	294,820
Weighted average common shares outstanding (000's)		
Basic	89,262	66,234
Diluted	89,829	66,560

(1) Refer to advisory regarding non-GAAP measures

FINANCIAL STATEMENTS

Kelt's unaudited interim financial statements and related notes for the quarter ended September 30, 2013 will be available to the public on SEDAR at www.sedar.com and will also be posted on the Company's website at www.keltexploration.com on November 6, 2013.

Kelt's operating results for the three and nine months ended September 30, 2013 are summarized in the table below:

(CA$ thousands, except as otherwise indicated)	Three months ended September 30, 2013	Nine months ended September 30, 2013
Average daily production		
Oil (bbls/d)	566	417
NGLs (bbls/d)	356	233
Gas (mcf/d)	22,285	16,269
Combined (BOE/d)(2)	4,636	3,361
Production per million common shares (BOE/d)	52	51
Average realized prices, after financial instruments		
Oil ($/bbl)	88.30	90.33
NGLs ($/bbl)	51.50	49.77
Gas ($/mcf)	2.79	3.26
Operating netbacks(1) ($/BOE)		
Oil and gas revenue	29.05	30.63
Cash premium on financial instruments	0.54	0.25
Realized loss on financial instruments	(1.42)	(0.41)
Average realized price, after financial instruments	28.17	30.47
Royalties	(5.56)	(4.18)
Production and transportation expense	(9.67)	(10.30)
Operating netback(1)	12.94	15.99
Undeveloped land		
Gross acres	196,999	196,999
Net acres	124,376	124,376

(1) Refer to advisory regarding non-GAAP measures

(2) Average daily production reported for the nine month period is calculated over the 273 day period ended September 30, 2013. Production for the 216 day period following commencement of active operations on February 27, 2013, averaged 4,249 BOE per day.

MESSAGE TO SHAREHOLDERS

The Company is pleased to report its third quarter interim results to shareholders for the period ended September 30, 2013.

Kelt was incorporated on October 11, 2012 for the purpose of participating in a Plan of Arrangement between ExxonMobil Canada Ltd., ExxonMobil Celtic ULC and Celtic Exploration Ltd. and Kelt (the "Arrangement"). The Arrangement was completed on February 26, 2013, at which time Kelt commenced active operations. During the third quarter of 2013, production averaged 4,636 BOE per day, up 13% from average production of 4,097 BOE per day during the second quarter of 2013, and up 29% from the average production of 3,588 BOE per day for the 33-day period ended March 31, 2013.

For the three months ended September 30, 2013, revenue was $12.4 million and funds from operations was $5.5 million. At September 30, 2013, Kelt did not have any outstanding bank debt on its $56.0 million demand loan facility with a chartered bank in Canada. The working capital surplus position, including cash and cash equivalents, at the end of the third quarter was $123.8 million.

On August 27, 2013, the Company completed an equity financing that resulted in aggregate gross proceeds of $111.6 million. Pursuant to the bought deal private placement, 11.5 million common shares were issued at a price of $8.00 per share for gross proceeds of $92.0 million and 2.0 million flow-through common shares were issued at a price of $9.80 per share, providing additional gross proceeds of $19.6 million. Certain insiders participated in the private placement, acquiring 500,000 common shares and 500,000 flow-through common shares for an aggregate subscription price of $8.9 million.

As at November 5, 2013, the Company has 97.6 million common shares issued and outstanding. Directors and officers of Kelt own (including shares that they exercise control or direction over) 20.9 million common shares or 21.4% of the total shares outstanding.

During the third quarter, Kelt participated in the drilling of 3 gross (1.2 net) horizontal wells at Inga, British Columbia. These wells were drilled for Doig production and one of the wells is testing the southern portion of the Company's land base. At Chicken, in the greater Grande Cache area of Alberta, Kelt drilled a horizontal well targeting the Wilrich/Falher formation. This well is currently being completed. On September 20, 2013, the Company spud a horizontal well at Karr, Alberta targeting Montney oil production. This well has now been drilled and is awaiting completion.

Entering the fourth quarter of 2013, Kelt is well positioned financially and expects that it will have sufficient financial flexibility to carry out its operations during the remainder of the year and pursue new opportunities as they arise. Management is excited about the Company's prospects and looks forward to updating shareholders with drilling results in the near future.

2013 GUIDANCE

Kelt remains optimistic about its future prospects. The Company is opportunity driven and is confident that it can grow its production base by building on its current inventory of development projects and by adding new exploration prospects. Kelt will endeavor to maintain a high quality product stream that on a historical basis receives a superior price with reasonably low production costs. In addition, the Company will focus its exploration efforts in areas of multi-zone hydrocarbon potential, primarily in west central Alberta and northeastern British Columbia.

Kelt's Board of Directors has approved a 2013 capital expenditure budget of $147.0 million, including approximately $23.3 million incurred by Kelt with respect to capital projects, including land acquisitions, prior to the completion of the Arrangement on February 26, 2013. In aggregate, the Company expects to spend $96.0 million on drilling and completing wells, $18.0 million on facilities, equipment and pipelines, $18.0 million on land and seismic, and $15.0 million on property acquisitions. During the nine months ended September 30, 2013, Kelt incurred $97.8 million of capital expenditures, leaving $49.2 million of budgeted expenditures to be incurred during the remainder of the year.

Kelt expects production in 2013 to average approximately 3,500 BOE per day during the 365 day year (4,150 BOE per day, for the 308 day period following commencement of active operations on February 27, 2013). Production is expected to be weighted 21% oil & NGLs and 79% gas; however, operating income in 2013 is expected to be derived 59% (previously 52%) from oil & NGL production and 41% (previously 48%) from gas production.

The Company's average commodity price assumptions for the period from February 27, 2013 to December 31, 2013 are US$98.00 per barrel (previously US$90.00 per barrel) for WTI oil, US$3.75 per MMBTU (previously US$4.10 per MMBTU) for NYMEX natural gas, $2.95 per GJ (previously $3.55 per GJ) for AECO natural gas and a US/Canadian dollar exchange rate of US$0.9804. These prices compare to average calendar 2012 prices of US$94.20 per barrel for WTI oil, US$2.80 per MMBTU for NYMEX natural gas, $2.26 per GJ for AECO natural gas and a US/Canadian dollar exchange rate of US$0.9994. After giving effect to the aforementioned production and commodity price assumptions, funds from operations for 2013 is forecasted to be approximately $20.0 million or $0.26 per common share, diluted (previously $25.9 million or $0.35 per common share, diluted). The significant decrease in forecasted 2013 average natural gas prices were a result of the unprecedented widening of the NYMEX-AECO basis differential during the third quarter of 2013. Subsequent to September 30, 2013, the NYMEX-AECO basis differential has narrowed to historical levels.

Kelt estimates that the Company's will have a working capital surplus of approximately $84.3 million at December 31, 2013. Kelt has established a demand operating loan facility with a Canadian chartered bank with an authorized borrowing limit of $56.0 million.

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.

The information set out herein under the heading "2013 Guidance" 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 2013. Readers are cautioned that this financial outlook may not be appropriate for other purposes.

ADVISORY REGARDING FORWARD-LOOKING STATEMENTS

Certain information with respect to the Company contained herein, including expectations, beliefs, plans, goals, objectives, assumptions, information and statements about future events, conditions, results of operations, performance, Kelt's planned capital expenditure program, or management's assessment of future potential, contains forward-looking statements. These forward-looking statements are based on assumptions and are subject to numerous risks and uncertainties, certain of which are beyond the Company's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency exchange rate fluctuations, imprecision of reserve estimates, environmental risks, competition from other explorers, stock market volatility, and ability to access sufficient capital. We caution that the foregoing list of risks and uncertainties is not exhaustive.

Statements relating to "reserves" or "resources" are deemed to be forward looking statements as they involve the implied assessment, based on current estimates and assumptions that the reserves and resources can be profitably produced in the future.

Kelt's actual results, performance or achievement could differ materially from those expressed or implied by these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur. As a result, undue reliance should not be placed on forward-looking statements.

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 netback" is calculated by deducting royalties, production expenses and transportation expenses from oil and gas revenue. "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 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.

MEASUREMENTS AND ABBREVIATIONS

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.

bbls	barrels
mcf	thousand cubic feet
MMBTU	million British Thermal Units
AECO-C	Alberta Energy Company "C" Meter Station of the Nova Pipeline System
WTI	West Texas Intermediate
NYMEX	New York Mercantile Exchange

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