



PRESS RELEASE: For immediate dissemination

KELT EXPLORATION LTD. CLOSSES EQUITY FINANCINGS FOR \$101.06 MILLION

CALGARY, Alberta, December 3, 2013 ("KEL" – TSX) – Kelt Exploration Ltd. ("**Kelt**" or the "**Company**") is pleased to announce that it has completed a bought deal private placement offering (the "**Brokered Offering**") with a syndicate of underwriters led by Peters & Co. Limited and including CIBC World Markets Inc., FirstEnergy Capital Corp., RBC Capital Markets, National Bank Financial Inc., Scotia Capital Inc., AltaCorp Capital Inc., Cormark Securities Inc., GMP Securities Inc., Dundee Capital Markets and Macquarie Capital Markets Canada Ltd. (collectively, the "**Underwriters**") pursuant to which the Company issued 10.0 million subscription receipts of Kelt ("**Subscription Receipts**") at a price of \$8.15 per Subscription Receipt for gross proceeds of \$81,500,000.

Kelt is also pleased to announce the completion of its previously announced non-brokered private placement offering (the "**Non-Brokered Offering**"), to certain directors and officers of the Company, of 2.4 million Subscription Receipts at a price of \$8.15 per Subscription Receipt for gross proceeds of \$19,560,000.

Each Subscription Receipt entitles the holder to receive, without payment of any additional consideration, one common share of the Company ("**Common Shares**") upon the Company being in a position to close the Asset Acquisition (defined below), other than the payment of the purchase price therefor.

As previously announced, Kelt has entered into an agreement (the "**Acquisition Agreement**") with a Canadian oil and gas company and an Alberta partnership to acquire certain crude oil and natural gas assets located at Pouce Coupe/Spirit River, in close proximity to Kelt's core producing areas at Grande Cache and Karr in west central Alberta for cash consideration of approximately \$192.0 million, before closing adjustments (the "**Asset Acquisition**"). Kelt expects to fund the purchase price for the Asset Acquisition through the aggregate net proceeds from the Brokered Offering and the Non-Brokered Offering and existing cash on hand.

The Asset Acquisition is expected to close on or about December 20, 2013.

The gross proceeds from both the Brokered Offering and the Non-Brokered Offering have been placed in escrow, pending the the Company being in a position to close the Asset Acquisition, other than the payment of the purchase price. The Subscription Receipts and underlying Common Shares are subject to a statutory four (4) month hold period from the date hereof under applicable securities legislation.

This press release does not constitute an offer to sell or a solicitation of any offer to buy the Subscription Receipts in the United States. The Subscription Receipts 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 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 timing and completion of the Asset Acquisition, the release from escrow of the proceeds from the Brokered Offering and the Non-Brokered Offering, and the use of proceeds from the Brokered Offering and the Non-Brokered Offering.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Kelt, including: (i) with respect to the timing and completion of the Asset Acquisition, the satisfaction or waiver of all applicable conditions to closing; and (ii) with respect to the release from escrow of the proceeds from the Brokered Offering and the Non-Brokered Offering, the satisfaction of the respective escrow release conditions.

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 financing in respect of the purchase price of the Asset Acquisition, the failure to obtain necessary regulatory approvals for the Asset Acquisition 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 document 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 28, 2013 for additional risk factors relating to Kelt which is available for viewing on www.sedar.com.

Further Information

For further information, please contact:

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