



PRESS RELEASE: For immediate dissemination

KELT CLOSES EQUITY FINANCINGS FOR \$147 MILLION

CALGARY, Alberta, March 25, 2014 ("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 FirstEnergy Capital Corp., RBC Capital Markets, National Bank Financial Inc., CIBC World Markets Inc., GMP Securities L.P., Scotia Capital Inc., AltaCorp Capital Inc., Dundee Securities Ltd., Cormark Securities Inc. and Macquarie Capital Markets Canada Ltd. (collectively, the "**Underwriters**") pursuant to which the Company issued 9,775,000 common shares of Kelt ("**Common Shares**") (which includes the exercise in full of the over-allotment option to purchase 1,275,000 Common Shares) at a price of \$11.60 per Common Share for gross proceeds of \$113,390,000 and 1,530,000 Common Shares issued on a "flow-through" basis pursuant to the *Income Tax Act* (Canada) ("**Flow-Through Shares**") at a price of \$12.75 per Flow-Through Share for gross proceeds of \$19,507,500.

Kelt is also pleased to announce the completion of its previously announced non-brokered private placement offering (the "**Non-Brokered Offering**"), to certain directors, officers and employees of the Company, of 1,105,000 Flow-Through Shares at a price of \$12.75 per Flow-Through Share for gross proceeds of \$14,088,750.

Net proceeds from the Brokered Offering and the Non-Brokered Offering (collectively, the "**Offerings**") will be used to partially finance Kelt's increased 2014 capital expenditure programs and for general working capital purposes.

Kelt shall, pursuant to the provisions in the *Income Tax Act* (Canada), incur eligible Canadian development expenses, (the "**Qualifying Expenditures**") after the closing of the Offerings and prior to December 31, 2014 in the aggregate amount of \$33,596,250 raised from the issue of Flow-Through Shares. Kelt shall renounce the Qualifying Expenditures so incurred to the purchasers of the Flow-Through Shares on or prior to December 31, 2014.

The Common Shares and Flow-Through Shares issued pursuant to the Offerings are subject to a statutory hold period under applicable securities legislation until July 26, 2014.

This press release does not constitute an offer to sell or a solicitation of any offer to buy the Common Shares or Flow-Through Shares in the United States. The Common Shares and Flow-Through 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 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 use of proceeds from the Offerings and the timing during which Qualifying Expenditures are expected to be incurred.

The forward-looking statements contained in this press release are based on certain key expectations and assumptions made by Kelt. 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, 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:

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