



**PRESS RELEASE**

(Stock Symbol “KEL” – TSX)  
November 9, 2017  
Calgary, Alberta

**KELT REPORTS FINANCIAL AND OPERATING RESULTS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017**

Kelt Exploration Ltd. (“Kelt” or the “Company”) has released its financial and operating results for the three and nine months ended September 30, 2017. The Company’s financial results are summarized as follows:

<b>FINANCIAL HIGHLIGHTS</b> <i>(CA\$ thousands, except as otherwise indicated)</i>	Three months ended September 30			Nine months ended September 30		
	<b>2017</b>	2016	%	<b>2017</b>	2016	%
Revenue, before royalties and financial instruments	<b>56,422</b>	47,760	18	<b>176,719</b>	128,876	37
Adjusted funds from operations <sup>(1)</sup>	<b>22,957</b>	17,658	30	<b>75,113</b>	35,280	113
Basic (\$/ common share) <sup>(1)</sup>	<b>0.13</b>	0.10	30	<b>0.43</b>	0.20	115
Diluted (\$/ common share) <sup>(1)</sup>	<b>0.13</b>	0.10	30	<b>0.42</b>	0.20	110
Loss and comprehensive loss	<b>(10,653)</b>	(15,299)	-30	<b>(17,789)</b>	(61,630)	-71
Basic (\$/ common share)	<b>(0.06)</b>	(0.09)	-33	<b>(0.10)</b>	(0.36)	-72
Diluted (\$/ common share)	<b>(0.06)</b>	(0.09)	-33	<b>(0.10)</b>	(0.36)	-72
Total capital expenditures, net of dispositions	<b>75,933</b>	12,616	502	<b>72,199</b>	61,929	17
Total assets	<b>1,227,962</b>	1,232,147	0	<b>1,227,962</b>	1,232,147	0
Bank debt, net of working capital <sup>(1)</sup>	<b>134,759</b>	132,471	2	<b>134,759</b>	132,471	2
Convertible debentures	<b>73,584</b>	70,134	5	<b>73,584</b>	70,134	5
Shareholders' equity	<b>830,344</b>	823,887	1	<b>830,344</b>	823,887	1
Weighted average shares outstanding (000s)						
Basic	<b>176,013</b>	174,349	1	<b>175,875</b>	172,338	2
Diluted	<b>177,206</b>	174,671	1	<b>177,204</b>	172,585	3

(1) Refer to advisories regarding non-GAAP financial measures and other key performance indicators.

**FINANCIAL STATEMENTS**

Kelt’s unaudited consolidated interim financial statements and related notes for the quarter ended September 30, 2017 will be available to the public on SEDAR at [www.sedar.com](http://www.sedar.com) and will also be posted on the Company’s website at [www.keltexploration.com](http://www.keltexploration.com) on November 9, 2017.

Kelt's operating results for the third quarter ended September 30, 2017 are summarized as follows:

<b>OPERATIONAL HIGHLIGHTS</b> <i>(CA\$ thousands, except as otherwise indicated)</i>	Three months ended September 30			Nine months ended September 30		
	<b>2017</b>	2016	%	<b>2017</b>	2016	%
Average daily production						
Oil (bbls/d)	<b>6,881</b>	4,606	49	<b>6,206</b>	5,179	20
NGLs (bbls/d)	<b>2,714</b>	2,960	-8	<b>2,348</b>	2,778	-15
Gas (mcf/d)	<b>77,489</b>	77,854	0	<b>75,524</b>	80,327	-6
Combined (BOE/d)	<b>22,510</b>	20,542	10	<b>21,141</b>	21,345	-1
Production per million common shares (BOE/d) <sup>(1)</sup>	<b>128</b>	118	8	<b>120</b>	124	-3
Average realized prices, before financial instruments						
Oil (\$/bbl)	<b>53.22</b>	52.47	1	<b>56.51</b>	44.64	27
NGLs (\$/bbl)	<b>24.34</b>	17.96	36	<b>26.79</b>	16.82	59
Gas (\$/mcf)	<b>2.33</b>	2.88	-19	<b>3.09</b>	2.39	29
Operating netbacks (\$/BOE) <sup>(1)</sup>						
Petroleum and natural gas revenue	<b>27.24</b>	25.27	8	<b>30.62</b>	22.04	39
Cash premiums on derivatives	-	0.13	-100	-	0.04	-100
Realized gain (loss) on financial instruments	<b>0.02</b>	0.07	-71	<b>(0.06)</b>	0.02	-400
Average realized price, after financial instruments	<b>27.26</b>	25.47	7	<b>30.56</b>	22.10	38
Royalties	<b>(2.46)</b>	(2.55)	-4	<b>(2.84)</b>	(1.83)	55
Production expense	<b>(9.19)</b>	(8.43)	9	<b>(9.67)</b>	(9.23)	5
Transportation expense	<b>(2.75)</b>	(2.76)	0	<b>(3.14)</b>	(2.78)	13
Operating netback <sup>(1)</sup>	<b>12.86</b>	11.73	10	<b>14.91</b>	8.26	81
Undeveloped land						
Gross acres	<b>775,485</b>	717,641	8	<b>775,485</b>	717,641	8
Net acres	<b>657,175</b>	596,957	10	<b>657,175</b>	596,957	10

(1) Refer to advisories regarding non-GAAP financial measures and other key performance indicators.

## MESSAGE TO SHAREHOLDERS

Average production for the three months ended September 30, 2017 was 22,510 BOE per day, up 9% compared to average production of 20,684 BOE per day during the previous quarter ended June 30, 2017 and up 10% compared to average production of 20,542 BOE per day during the quarter ended September 30, 2016. Year-over-year, Kelt's oil production has increased significantly, averaging 6,881 barrels per day during the third quarter of 2017, up 49% from average oil production of 4,606 barrels per day in the third quarter of 2016.

Kelt expects to exit 2017 with approximately 27,500 BOE per day of estimated production, up 4% from its previous estimate of 26,500 BOE per day. Estimated exit production (average production for the month of December) does not include eight wells that are expected to be drilled in 2017 and put on production in 2018. These include a five-well pad at Pouce Coupe targeting Montney Oil and three wells at Inga – two of which are targeting the Upper Montney and the third of which is targeting the Middle Montney. Average production for 2017 is estimated to be 21,800 BOE per day (previous forecast was 22,500 BOE per day) and is estimated to be weighted 42% to oil and NGLs and 58% to gas. The reduction in forecasted 2017 production reflects the previously announced shut-in of approximately 4,770 BOE (92% gas) per day in both Alberta and British Columbia due to low domestic gas prices. The majority of this production was brought back on-stream in early November to coincide with the start of Kelt's new gas contracts outside of the AECO and Station 2 Gas Hubs.

Kelt's realized average oil price during the third quarter of 2017 was \$53.22 per barrel, up 1% from \$52.47 per barrel in the third quarter of 2016. The realized average NGLs price during the third quarter of 2017 was \$24.34 per barrel, up 36% from \$17.96 per barrel in the corresponding quarter of 2016. Kelt's realized average gas price for the third quarter of 2017 was \$2.33 per MCF, down 19% from \$2.88 per MCF in the third quarter of the previous year.

For the three months ended September 30, 2017, revenue was \$56.4 million and adjusted funds from operations was \$23.0 million (\$0.13 per share, diluted), compared to \$47.8 million and \$17.7 million (\$0.10 per share, diluted) respectively, in the third quarter of 2016. At September 30, 2017, bank debt, net of working capital was \$134.8 million, up 2% from \$132.5 million at September 30, 2016.

Capital expenditures incurred during the three months ended September 30, 2017 were \$75.9 million. The Company spent \$45.7 million (60%) on drilling and completion operations, \$24.6 million (33%) on facilities, pipelines and equipment and \$5.6 million (7%) on land and seismic.

Positive indicators have started to appear that may lead to higher oil and gas prices in 2018:

- U.S. crude oil exports increased substantially in October 2017 and U.S. crude oil inventories continue to decline;
- The Brent-WTI crude oil price differential in October 2017 has widened, potentially implying that global crude oil supply/demand has tightened;
- U.S. natural gas exports (to Mexico and LNG) continue to grow; and
- U.S. natural gas storage at the end of the winter withdrawal season in 2016 has gone from a 1.0 tcf surplus compared to the previous year to current gas storage that is below the comparative period of the previous year.

Kelt is forecasting WTI crude oil to average US\$52.00 per barrel in 2018, up 4% from the estimated average price of US\$50.00 per barrel in 2017. AECO natural gas prices are forecasted to average \$2.15 per GJ in 2017, unchanged from the Company's estimated average AECO price in 2017. Kelt is expecting to realize a premium (prior to adjusting for heat content) of approximately 30% to the average forecasted AECO price in 2018 as a result of its diversified portfolio of gas marketing contracts.

Kelt has prepared its 2018 budget based on capital expenditures of \$210.0 million and with management's forecasted commodity prices the following results are projected:

- Estimated average production of 28,500 to 29,500 BOE per day;
- Production mix is expected to be weighted 47% to oil/NGLs and 53% to gas;
- Operating income is expected to be derived 83% from oil/NGLs and 17% from gas;
- Estimated funds from operations of \$175.0 million (\$0.97 per share, diluted); and
- Estimated bank debt, net of working capital as at December 31, 2018 of \$155.0 million (0.9 times forecasted 2018 funds from operations).

Kelt is currently unhedged in 2018. As a result, a 10% change in the Company's forecasted average oil/NGLs price for 2018 would change forecasted funds from operations by approximately \$21.0 million. A 10% change in the Company's average gas price forecasted for 2018 would impact funds from operations by approximately \$11.0 million.

The Company is well positioned financially to execute its budgeted capital program during 2018, leading into the year with strong operational momentum.

Management looks forward to updating shareholders with 2017 fourth quarter and year-end results on or about March 7, 2018.

#### **FLOW-THROUGH EQUITY FINANCING**

In October 2017, the Company completed non-brokered private placements of 2.6 million common shares for aggregate gross proceeds of \$20.6 million, of which: 2.0 million common shares were issued on a "flow-through" basis in respect of Canadian Development Expenses ("CDE") at a price of \$7.75 per share for gross proceeds of \$15.6 million; and 0.6 million common shares were issued on a "flow-through" basis in respect of

Canadian Exploration Expenses (“CEE”) at a price of \$8.75 per share for gross proceeds of \$5.0 million (together, the “Private Placements”). After estimated expenses related to the Private Placements, net proceeds to Kelt were approximately \$20.3 million.

Proceeds from the CDE private placement will be used to partially finance the Company's development drilling and completion expenditures during the remainder of 2017. Pursuant to the provisions in the *Income Tax Act* (Canada), Kelt will incur eligible CDE prior to December 31, 2017, in the aggregate amount of not less than the total gross proceeds of the CDE private placement of \$15.6 million.

Proceeds from the CEE private placement will be used to partially finance the Company's exploration drilling and completion expenditures in 2018. Pursuant to the “look-back” provisions in the *Income Tax Act* (Canada), Kelt will incur eligible CEE prior to December 31, 2018, in the aggregate amount of not less than the total gross proceeds of the CEE private placement of \$5.0 million. The qualifying expenditures to be incurred will be renounced to the subscribers with an effective date of December 31, 2017.

The common shares issued in connection with the Private Placements are subject to a statutory hold period of four months plus one day from the respective dates of closing of the Private Placements, in accordance with applicable securities legislation.

## **OUTLOOK AND GUIDANCE**

During the period of low oil and gas prices experienced by the energy industry, Kelt was well positioned to take advantage of opportunities to add value at a reasonable cost. The cost to acquire land at Crown sales in the Company's core operating areas had dropped significantly and service related costs to drill and complete wells had also declined substantially. Kelt has transitioned to development pad drilling in order to take advantage of lower oilfield related service costs and will continue to test newly acquired exploration lands.

### **2017 OUTLOOK**

WTI crude oil prices are forecasted to average US\$50.00 per barrel in 2017 (no change from previous forecast), up 15% from the average price of US\$43.32 per barrel in 2016. AECO natural gas prices are forecasted to average \$2.15 per GJ in 2017 (down 14% from the previous forecast of \$2.50 per GJ), up 5% from the average price of \$2.05 per GJ in 2016.

The Company's Board of Directors has increased Kelt's 2017 capital expenditures budget to \$226.0 million (\$115.0 million net after dispositions), up 12% from its previous budget of \$202.0 million (\$91.0 million net after dispositions). The increase will allow the Company to move certain drilling projects, originally planned for the first quarter of 2018, forward to the fourth quarter of 2017, giving Kelt the ability to take advantage of favourable service costs that could potentially be higher in the first quarter of 2018. The increased budget includes \$15.6 million of development drilling and completion capital expenditures that the Company has committed to incur prior to December 31, 2017, pursuant to the CDE flow-through private placement.

Forecasted average production of 21,800 BOE per day in 2017 (previous forecast was 22,500 BOE per day) represents a 4% increase from average production of 20,947 BOE per day in 2016 and is estimated to be weighted 42% to oil/NGLs and 58% to gas. The reduction in forecasted 2017 production reflects the previously announced shut-in of approximately 4,770 BOE (92% gas) per day in both Alberta and British Columbia due to low domestic gas prices. The majority of this production was brought back on-stream in early November to coincide with the start of Kelt's new gas contracts outside of the AECO and Station 2 Gas Hubs.

After giving effect to the aforementioned production estimates, commodity price assumptions and estimated expenses, funds from operations for 2017 is forecasted to be approximately \$110.0 million (previous forecast was \$124.0 million) or \$0.62 (previous forecast was \$0.70) per common share, diluted. Kelt estimates that the Company's bank debt, net of working capital, will be approximately \$120.0 million as at December 31, 2017 (previous forecast was \$104.0 million). Bank debt, net of working capital at December 31, 2017 is estimated to be 1.1 times forecasted 2017 funds from operations. Royalties are expected to average 9.9% of revenue in 2017 (previous forecast was 10.2%). On average during 2017, combined production and

transportation expense is estimated to be \$12.74 per BOE (previous forecast was \$12.61 per BOE), G&A expense is estimated to be \$0.88 per BOE (previous forecast was \$0.97 per BOE) and interest expense is forecasted at \$0.98 per BOE (previous forecast was \$0.93 per BOE).

## 2018 GUIDANCE

WTI crude oil prices are forecasted to average US\$52.00 per barrel in 2018, up 4% from the estimated average price of US\$50.00 per barrel in 2017. AECO natural gas prices are forecasted to average \$2.15 per GJ in 2017, unchanged from the estimated average price in 2017. Kelt is expected to realize a premium (prior to adjusting for heat content) of approximately 30% to the average forecasted AECO price in 2018 as a result of its diversified gas market contracts.

The Company's Board of Directors has approved an initial capital expenditure budget of \$210.0 million for 2018. Kelt expects to drill 21 gross (19.5 net) wells in 2018, however the Company expects to complete 29 gross (27.5 net) wells in 2018 as there are expected to be 8 gross (8.0 net) drilled but un-completed ("DUC") wells from 2017.

Forecasted average production in 2018 is estimated to be from 28,500 BOE per day to 29,500 BOE per day, representing a 31% to 35% increase from forecasted average production of 21,800 BOE per day in 2017. It is estimated that this 2018 forecasted average production will be weighted 47% to oil/NGLs and 53% to gas. However, based on the Company's forecasted commodity prices for 2018, 83% of forecasted operating income in 2018 is expected to be generated from oil and NGLs versus 17% from gas.

After giving effect to the aforementioned production estimates, commodity price assumptions and estimated expenses, funds from operations for 2018 is forecasted to be approximately \$175.0 million or \$0.97 per common share, diluted. Kelt estimates that the Company's bank debt, net of working capital, will be approximately \$155.0 million as at December 31, 2018 (0.9 times forecasted 2018 funds from operations). Royalties are expected to average 10.5% of revenue in 2018. On average during 2018, combined production and transportation expense is estimated to be \$12.91 per BOE (\$9.49 per BOE and \$3.42 per BOE respectively), G&A expense is estimated to be \$0.76 per BOE and interest expense is forecasted at \$0.85 per BOE.

The table below outlines the Company's forecasted financial and operating results for 2017 and new guidance for 2018:

<i>(CA\$ millions, except as otherwise indicated)</i>	<b>2018 Budget</b>	2017 Forecast	Change
Average Production			
Oil (bbls/d)	<b>10,600 - 11,000</b>	6,830	55% - 61%
NGLs (bbls/d)	<b>2,800 - 2,900</b>	2,370	18% - 22%
Gas (mmcf/d)	<b>90.6 - 93.6</b>	75.6	20% - 24%
Combined (BOE/d)	<b>28,500 - 29,500</b>	21,800	31% - 35%
Production per million common shares (BOE/d) <sup>(1)</sup>	<b>159 - 165</b>	124	28% - 33%
Forecasted Average Commodity Prices			
WTI oil price (US\$/bbl)	<b>52.00</b>	50.00	4%
Canadian Light Sweet (\$/bbl)	<b>61.52</b>	60.81	1%
NYMEX natural gas price (US\$/MMBTU)	<b>3.15</b>	3.15	0%
AECO natural gas price (\$/GJ)	<b>2.15</b>	2.15	0%
Average Exchange Rate (US\$/CA\$)	<b>0.794</b>	0.774	3%
Capital Expenditures			
Drilling & completions	<b>135.0</b>	144.0	- 6%
Facilities, pipeline & well equipment	<b>65.0</b>	67.0	- 3%
Land, seismic & property acquisitions	<b>10.0</b>	15.0	- 33%

Property dispositions	-	(111.0)	- 100%
Net Capital Expenditures	<b>210.0</b>	115.0	83%
Funds from operations <sup>(1)</sup>	<b>175.0</b>	110.0	59%
Per common share, diluted	<b>0.97</b>	0.62	56%
Bank debt, net of working capital, at year-end <sup>(1)(2)</sup>	<b>155.0</b>	120.0	29%
Net bank debt to trailing annual funds from operations ratio <sup>(1)</sup>	<b>0.9 x</b>	1.1 x	- 18%
Weighted average common shares outstanding (millions)	<b>179.0</b>	176.5	1%
Common shares issued and outstanding (millions)	<b>179.1</b>	178.9	0%

(1) Refer to advisories regarding non-GAAP financial measures and other key performance indicators.

(2) In addition to bank debt, the Company has \$90.0 million principal amount of convertible debentures outstanding with a coupon of 5% per annum, maturing May 31, 2021.

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 advisories regarding forward-looking statements and to the cautionary statement below.

The information set out herein 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 the balance of 2017 and for the calendar year 2018. Readers are cautioned that this financial outlook may not be appropriate for other purposes.

#### ADVISORY REGARDING FORWARD-LOOKING STATEMENTS

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”, “potentially” and similar expressions are intended to identify forward-looking information or statements. In particular, this press release contains forward-looking statements pertaining to the following: Kelt’s intention to incur sufficient qualifying expenditures to fully satisfy the Company’s commitments in respect of the Private Placements of flow-through shares; the objective to take advantage of favourable service costs during the fourth quarter of 2017 and the possibility that service costs to drill and complete wells may increase in the first quarter of 2018; the Company’s ability to continue accumulating land at a low-cost in its core operating areas; positive indicators in the current economic environment that the Company believes may lead to higher oil and gas prices in 2018; and the Company’s expected future financial position and operating results, as well as the amount and timing of future development capital expenditures. Statements relating to “reserves” or “resources” are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future. Actual reserves may be greater than or less than the estimates provided herein.

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 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 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.

## **NON-GAAP FINANCIAL MEASURES AND OTHER KEY PERFORMANCE INDICATORS**

This press release contains certain financial measures, as described below, which do not have standardized meanings prescribed by GAAP. In addition, this press release contains other key performance indicators (“KPI”), financial and non-financial, that do not have standardized meanings under the applicable securities legislation. As these non-GAAP financial measures and KPI 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.

### *Non-GAAP financial measures*

“Operating income” is calculated by deducting royalties, production expenses and transportation expenses from petroleum and natural gas revenue, after realized gains or losses on associated financial instruments. The Company refers to operating income expressed per unit of production as an “Operating netback”. “Funds from operations” is calculated as cash provided by operating activities before changes in non-cash operating working capital. “Adjusted funds from operations” is calculated by adding back to funds from operations (if applicable): transaction costs associated with acquisitions and dispositions, provisions for potential credit losses, and settlement of decommissioning obligations. Adjusted 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. Adjusted funds from operations and operating income or 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.

Throughout this press release, the term “net bank debt” is used synonymously with, and is equal to, “bank debt, net of working capital”. “Net bank debt” is calculated by adding the working capital deficiency to bank debt. The working capital deficiency is equal to total current assets net of total current liabilities. The Company uses a “net bank debt to trailing funds from operations ratio” as a benchmark on which management monitors the Company’s capital structure and short-term financing requirements. Management believes that this ratio, which is a non-GAAP financial measure, provides investors with information to understand the Company’s liquidity risk. The “net bank debt to trailing funds from operations ratio” is also indicative of the “debt to cash flow” calculation used to determine the applicable margin for a quarter under the Company’s Credit Facility agreement (though the calculation may not always be a precise match, it is representative).

### *Other KPI*

“Production per common share” is calculated by dividing total production by the basic weighted average number of common shares outstanding, as determined in accordance with GAAP.

## **MEASUREMENTS**

All dollar amounts are referenced in thousands of Canadian dollars, except when noted otherwise. This press release contains various references to the abbreviation BOE which means barrels of oil equivalent. Where amounts are expressed on a 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 and is significantly different than the value ratio based on the current price of crude oil and natural gas. This conversion factor is an industry accepted norm and is not based on either energy content or current prices. Such abbreviation may be misleading, particularly if used in isolation. References to “oil” in this press release include crude oil and field condensate. References to “natural gas liquids” or “NGLs” include pentane, butane, propane, and ethane. References to “liquids” include field condensate and NGLs. References to “gas” in this discussion include natural gas and sulphur.

#### **ABBREVIATIONS**

bbls	barrels
bbls/d	barrels per day
mcf	thousand cubic feet
mcf/d	thousand cubic feet per day
mmcf	million cubic feet
mmcf/d	million cubic feet per day
tcf	trillion cubic feet
MMBTU	million British Thermal Units
GJ	gigajoule
BOE	barrel of oil equivalent
BOE/d	barrel of oil equivalent per day
NGLs	natural gas liquids
LNG	liquefied natural gas
AECO	Alberta Energy Company “C” Meter Station of the NOVA Pipeline System
NIT	NOVA Inventory Transfer (“AB-NIT”), being the reference price at the AECO Hub
WTI	West Texas Intermediate
NYMEX	New York Mercantile Exchange
Station 2	Spectra Energy receipt location
US\$	United States dollars
CA\$	Canadian dollars
TSX	the Toronto Stock Exchange
KEL	trading symbol for Kelt Exploration Ltd. common shares on the TSX
KEL.DB	trading symbol for Kelt Exploration Ltd. 5% convertible debentures on the TSX
CDE	Canadian Development Expenses, as defined by the <i>Income Tax Act</i> (Canada)
CEE	Canadian Exploration Expenses, as defined by the <i>Income Tax Act</i> (Canada)
GAAP	Generally Accepted Accounting Principles
KPI	Key Performance Indicators

For further information, please contact:

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