

## Extractive Sector Transparency Measures Act - Annual Report

<b>Reporting Entity Name</b>	Kelt Exploration Ltd.					
<b>Reporting Year</b>	<b>From</b>	1/1/2017	<b>To:</b>	12/31/2017	<b>Date submitted</b>	5/30/2018
<b>Reporting Entity ESTMA Identification Number</b>	E622697		<input checked="" type="radio"/> Original Submission <input type="radio"/> Amended Report			
<b>Other Subsidiaries Included</b> (optional field)						
<b>For Consolidated Reports - Subsidiary Reporting Entities Included in Report:</b>	Kelt Exploration (LNG) Ltd. (E647821)					
<b>Not Substituted</b>						
<b>Attestation by Reporting Entity</b>						
<i>In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.</i>						
<b>Full Name of Director or Officer of Reporting Entity</b>	Sadiq H. Lalani			<b>Date</b>	5/30/2018	
<b>Position Title</b>	Vice President and Chief Financial Officer					

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<b>Reporting Entity Name</b>	Kelt Exploration Ltd.			<b>Currency of the Report</b>	CAD
<b>Reporting Entity ESTMA Identification Number</b>	E622697				
<b>Subsidiary Reporting Entities (if necessary)</b>	Kelt Exploration (LNG) Ltd. (E647821)				

### Payments by Payee

Country	Payee Name <sup>1</sup>	Departments, Agency, etc... within Payee that Received Payments <sup>2</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes <sup>3,4</sup>
Canada	Government of Alberta			14,080,000	1,530,000		570,000			16,180,000	Royalties paid in-kind total \$11,050,000 and are valued at the fair market value of the volumes taken in-kind, based on Kelt's realized sales price.
Canada	Government of British Columbia		580,000	4,570,000	1,370,000		6,850,000			13,370,000	
Canada	Clear Hills County		160,000							160,000	
Canada	Grande Prairie County		520,000				60,000			580,000	
Canada	Saddle Hills County		1,510,000				20,000			1,530,000	
Canada	Municipal District Of Greenview		440,000							440,000	

**Additional Notes:** All Payments were made in Canadian dollars.

<sup>1</sup> Enter the proper name of the Payee receiving the money (i.e. the municipality of x, the province of y, national government of z).

<sup>2</sup> Optional field.

<sup>3</sup> When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

<sup>4</sup> Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the Additional notes row or the Notes column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.

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<b>Reporting Year</b>	<b>From:</b> 1/1/2017	<b>To:</b> 12/31/2017	
<b>Reporting Entity Name</b>	Kelt Exploration Ltd.		<b>Currency of the Report</b> CAD
<b>Reporting Entity ESTMA Identification Number</b>	E622697		
<b>Subsidiary Reporting Entities (if necessary)</b>	Kelt Exploration (LNG) Ltd. (E647821)		

### Payments by Project

Country	Project Name <sup>1</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes <sup>23</sup>
Canada	Grande Cache	400,000	320,000	340,000					<b>1,060,000</b>	Royalties paid in-kind total \$40,000 and are valued at the fair market value of the volumes taken in-kind, based on Kelt's realized sales price.
Canada	Grande Prairie	2,210,000	13,540,000	1,170,000		570,000			<b>17,490,000</b>	Royalties paid in-kind total \$10,790,000 and are valued at the fair market value of the volumes taken in-kind, based on Kelt's realized sales price.
Canada	Karr	20,000	180,000	70,000					<b>270,000</b>	Royalties paid in-kind total \$180,000 and are valued at the fair market value of the volumes taken in-kind, based on Kelt's realized sales price.
Canada	British Columbia	580,000	4,570,000	1,370,000		6,850,000			<b>13,370,000</b>	
Canada	Leduc-Woodbend	-	40,000	30,000					<b>70,000</b>	Royalties paid in-kind total \$40,000 and are valued at the fair market value of the volumes taken in-kind, based on Kelt's realized sales price.

All Payments were made in Canadian dollars.

**Additional Notes<sup>3</sup>:**

<sup>1</sup> Enter the project that the payment is attributed to. Some payments may not be attributable to a specific project, and do not need to be disclosed in the "Payments by Project" table.

<sup>2</sup> When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

<sup>3</sup> Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the "Additional Notes" row or the "Notes" column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.