Corporate Presentation

January 2023

kelt exploration

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President & Chief Executive Officer

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www.keltexploration.com

Why Invest in Kelt ?

VALUE CREATION

- Kelt Exploration Ltd. ("Kelt" or the "Company") focuses on value creation for shareholders over the long-term.
- The Company emphasizes low-cost land accumulation in resource-style plays with the potential for high rates of return on capital invested and rapid growth of its drilling inventory portfolio.
- The Kelt management team has a track record of creating value through opportunistically timed monetizations:
  - sold Celtic Exploration Ltd. in February 2013 for $3.2 billion;
  - sold Kelt's Karr Montney assets in January 2017 for $100.0 million; and
  - sold Kelt's Inga Montney assets in August 2020 for $510.0 million.
- Kelt has a large and focused resource base that includes approximately 344,000 acres of Montney rights and approximately 88,000 acres of Charlie Lake rights.
- Kelt targets a 2.0 times or better recycle ratio over the long-term on a proved plus probable reserve basis.
- Management and the Board are aligned with all Kelt shareholders through their significant equity ownership in the Company.

Environment, Social and Governance (ESG)

On February 17, 2022, Kelt released its second annual ESG Report as part of its ongoing commitment to health and safety, responsible and sustainable resource development, good governance practices and community engagement. The ESG Report can be viewed on the Company's website at www.keltexploration.com.

Environment
> Emissions and Climate Change
> Spill Prevention and Response
> Abandonment and Reclamation Liabilities
> Water Use
> Hydraulic Fracturing

Social Impact
> Community Impacts
> Economic Impact
> First Nations

Human Capital
> Health and Wellness
> Safety and Accident Prevention
> Critical Incident Management

Leadership & Governance
> Business Ethics
> Transparency
> Profitable Growth
> Profitable Growth

Capital Structure

- **Stock Exchange listing** — **TSX**
- **Trading symbol** — **KEL**
- **Market capitalization** (@ $ 4.70 effective Jan/10/2023) — **$ 900 million**
- **52-week stock trading range** — **$ 4.47 – $ 8.32**
- **Common shares issued** — **192.0 million**

- **Stock options (10.6 MM) & RSUs (0.9 MM)** — **11.5 million (6.0%)**
  → **average exercise price of stock options is $ 3.74 / share**
- **Diluted common shares (includes all options/RSUs)** — **203.5 million**
- **Directors & Officers (D&O's) ownership** *[1]* — **18% (20% diluted)**

Note:

*[1] See slide entitled "Insider Commitment" for details of D&O's participation in equity offerings. Current D&O ownership does **not** include holdings of retired Directors, Eldon McIntyre and Robert Dales, both of whom served on the Kelt Board from the Company's inception until their retirement. Upon retirement, Mr. McIntyre owned 6.7 million Kelt common shares and Mr. Dales owned 1.8 million Kelt common shares.*

Insider Commitment

Offering / Market Purchases	Insider Purchases			
	Date	Shares (MM)	Amount (MM)	Price/share
$ 13.9 MM Equity Private Placement	Feb-2013	3.7	$ 8.7	$ 2.32
$ 94.4 MM Equity Private Placement	Apr-2013	5.7	$ 31.5	$ 5.55
$ 92.0 MM Equity Private Placement	Aug-2013	0.5	$ 4.0	$ 8.00
$ 19.6 MM Flow-through Equity Private Placement	Aug-2013	0.5	$ 4.9	$ 9.80
$ 101.1 MM Equity Private Placement	Dec-2013	2.4	$ 19.6	$8.15
$ 33.6 MM Flow-through Equity Private Placement	Mar-2014	1.1	$ 13.5	$ 12.75
$ 33.4 MM Flow-through Equity Private Placement	Mar-2015	1.7	$ 14.7	$ 8.60
$ 90.0 MM Equity Prospectus Offering	Jul-2015	0.4	$ 3.5	$ 8.85
$ 94.5 MM Flow-through Equity Private Placements	2016-2019	0.3	$ 1.8	$ 6.05
Open Market Purchases	2013-2022	14.4	$ 42.2	$ 2.93
TOTAL *[2]*		30.7	$ 144.4	$ 4.70

Notes:

*[1] Insiders also purchased **$14.7 million of the $90.0 million** convertible debenture offering in May 2016. The Company redeemed the convertible debentures on October 3, 2020.*

*[2] Insiders (excluding retired directors) total current holdings are **35.4 million shares or 18%** of outstanding shares (does not include shares that may be received from exercising current rights under stock option and RSU plans).*

Capital Expenditures – Three Year Comparative

($ millions)	2021	2022 Forecast	2023 Budget
Drilling & Completions	123.5	183.0	220.0
Infrastructure: Equipment, Facilities, Pipelines & Tangible Inventory *[1]*	95.7	112.0	70.0
Land, Seismic, Corporate Assets & Property Acquisitions	3.3	7.5	20.0
Property Dispositions	(9.0)	(2.5)	—
Capital Expenditures, net of A&D	213.5	300.0	310.0

Note:

[1] British Columbia Clean Growth Infrastructure Royalty Credit Program:

*[a] Oak – the Government of British Columbia approved Kelt's 2019 application to recover approximately 37% of $49.5 million (**$18.3 million**) in future infrastructure expenditures through reduced future royalties payable relating to horizontal Montney wells associated with the infrastructure.*

*[b] Oak – the Government of British Columbia approved Kelt's 2021 application to recover approximately 50% of $6.4 million (**$3.2 million**) in future infrastructure expenditures through reduced future royalties payable relating to horizontal Montney wells at Oak. This project is expected to reduce CO2e emissions resulting in future carbon tax savings.*

*[c] Flatrock – the Government of British Columbia approved Kelt's 2022 application to recover approximately 50% of $9.8 million (**$4.9 million**) in future infrastructure expenditures through reduced future royalties payable relating to horizontal Montney wells at Flatrock. This project is expected to reduce CO2e emissions resulting in future carbon tax savings.*

[2] "A&D" – Acquisitions & Dispositions. See "Financial Advisories".

Drilling & Completions Program

Drills	2021 Gross / Net Wells		2022 Forecast Gross / Net Wells		2023 Budget Gross / Net Wells	
Alberta	16	15.7	29	26.1	23	22.0
British Columbia	5	5.0	3	3.0	12	12.0
Total	21	20.7	32	29.1	35	34.0

Completions	2021 Gross / Net Wells		2022 Forecast Gross / Net Wells		2023 Budget Gross / Net Wells	
Alberta	15	15.0	32	29.1	23	22.0
British Columbia	8	8.0	3	3.0	13	13.0
Total	23	23.0	35	32.1	36	35.0

Production – Three Year Comparative

	2021		2022 Forecast		2023 Budget	
Oil (bbls/d)	4,692	22%	5,650 – 6,150	21%	6,950 – 7,650	21%
NGLs (bbls/d) *[1]*	3,154	15%	4,250 – 4,350	15%	4,750 – 5,250	15%
Gas (Mcf/d)	78,846	63%	105,600 – 108,000	64%	127,800 – 132,600	64%
Combined (BOE/d)	20,987	100%	27,500 – 28,500	100%	33,000 – 35,000	100%
Annual Percent Change			31% – 36%		18% – 25%	
Per MM Shares (BOE/d)	111		144 – 149		172 – 182	

Note:

[1] 2023 estimated NGLs production mix is as follows:

Pentane (C5+)	*35%*
Butane (C4)	*18%*
Propane (C3)	*25%*
Ethane (C2)	*22%*
Total NGLs	***100%***

2022 Forecasted Commodity Prices

(CAD, unless otherwise specified)	Jan-Sep	Oct-Dec (E)	2022 Forecast
WTI Crude Oil (USD/bbl) *[1]*	US $ 98.85	US $ 81.58	US $ 94.50
MSW Crude Oil (CAD/bbl) *[2]*	$ 124.41	$ 106.94	$ 120.00
NYMEX Henry Hub [L3D] Natural Gas (USD/MMBtu)	US $ 6.60	US $ 5.81	US $ 6.40
DAWN Gas Daily Index (USD/MMBtu) CHICAGO [ACE] Gas Daily Index (USD/MMBtu) AECO [NIT 5A] Gas Daily Index (CAD/MMBtu) *[3]* Station 2 Gas Daily Index (CAD/MMBtu) *[3]*	US $ 6.35 US $ 6.30 $ 5.38 $ 4.86	US $ 5.37 US $ 5.50 $ 4.61 $ 4.59	US $ 6.10 US $ 6.10 $ 5.20 $ 4.81
Exchange Rate (CAD/USD) Exchange Rate (USD/CAD)	$ 1.283 US $ 0.779	$ 1.350 US $ 0.741	$ 1.300 US $ 0.769
Net realized Oil price ($/bbl)	$ 120.93	$ 102.86	$ 115.28
Net realized NGLs price ($/bbl)	$ 69.60	$ 55.77	$ 65.86
Net realized Gas price ($/Mcf)	$ 6.67	$ 5.92	$ 6.47
Net realized combined price ($/BOE)	$ 60.82	$ 54.29	$ 58.99

Notes:

[1] WTI – West Texas Intermediate – light sweet crude oil (API 40˚) for settlement at Cushing, Oklahoma, priced in USD.

[2] MSW – Mixed Sweet Blend – light sweet crude oil (API 40˚) for settlement at Edmonton, Alberta, priced in CAD.

[3] AECO and Station 2 converted from GJ to MMBtu at a factor of 1.0546 GJ / MMBtu (1,000 Btu/scf gas).

Commodity Prices – Three Year Comparative

(CAD, unless otherwise specified)	2021		2022 Forecast		2023 Budget	
WTI Crude Oil ($/bbl) *[1]*	US $ 68.03	$ 85.31	US $ 94.50	$ 122.85	US $ 78.00	$ 105.30
MSW Crude Oil ($/bbl) *[2]*	US $ 64.08	$ 80.29	US $ 92.30	$ 120.00	US $ 74.00	$ 99.90
NYMEX Henry Hub [L3D] Natural Gas ($/MMBtu)	US $ 3.74	$ 4.69	US $ 6.40	$ 8.32	US $ 5.00	$ 6.75
DAWN Gas Daily Index ($/MMBtu)	US $ 3.62	$ 4.54	US $ 6.10	$ 7.93	US $ 4.90	$ 6.62
CHICAGO [ACE] Gas Daily Index ($/MMBtu)	US $ 4.40	$ 5.53	US $ 6.10	$ 7.93	US $ 4.90	$ 6.62
SUMAS Gas Daily Index ($/MMBtu)	US $ 3.96	$ 4.98	US $ 5.85	$ 7.60	US $ 4.80	$ 6.48
MARCELLUS [TZ4 L300] Daily Index ($/MMBtu)	US $ 2.90	$ 3.65	US $ 5.60	$ 7.28	US $ 4.30	$ 5.80
AECO [NIT 5A] Gas Daily Index ($/MMBtu) *[3]*	US $ 2.89	$ 3.62	US $ 4.00	$ 5.20	US $ 3.35	$ 4.52
STATION 2 Gas Daily Index ($/MMBtu) *[3]*	US $ 2.62	$ 3.29	US $ 3.70	$ 4.81	US $ 3.30	$ 4.45
Exchange Rate (CAD/USD)	$ 1.254		$ 1.300		$ 1.350	
Exchange Rate (USD/CAD)	US $ 0.798		US $ 0.769		US $ 0.741	
Net realized Oil price ($/bbl)	$ 81.30		$ 115.28		$ 95.90	
Net realized NGLs price ($/bbl)	$ 40.03		$ 65.86		$ 53.40	
Net realized Gas price ($/Mcf)	$ 4.35		$ 6.47		$ 5.25	
Net realized combined price ($/BOE)	$ 40.52		$ 58.99		$ 48.55	

Notes:

[1] WTI – West Texas Intermediate – light sweet crude oil (API 40˚) for settlement at Cushing, Oklahoma, priced in USD.

[2] MSW – Mixed Sweet Blend – light sweet crude oil (API 40˚) for settlement at Edmonton, Alberta, priced in CAD.

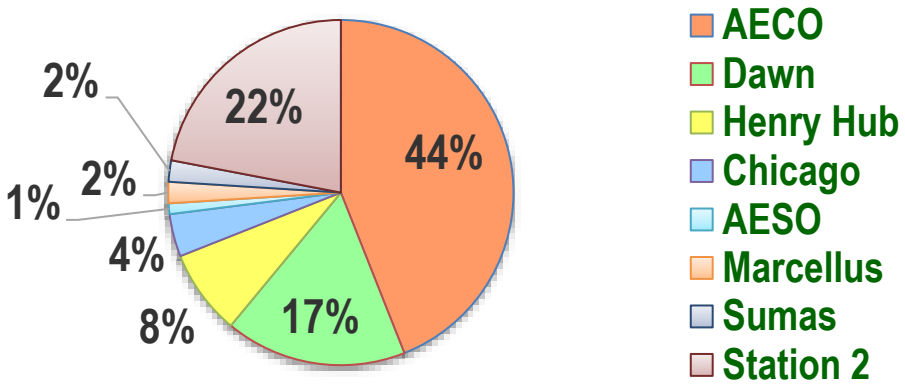
[3] AECO and Station 2 converted from GJ to MMBtu at a factor of 1.0546 GJ / MMBtu (1,000 Btu/scf gas).

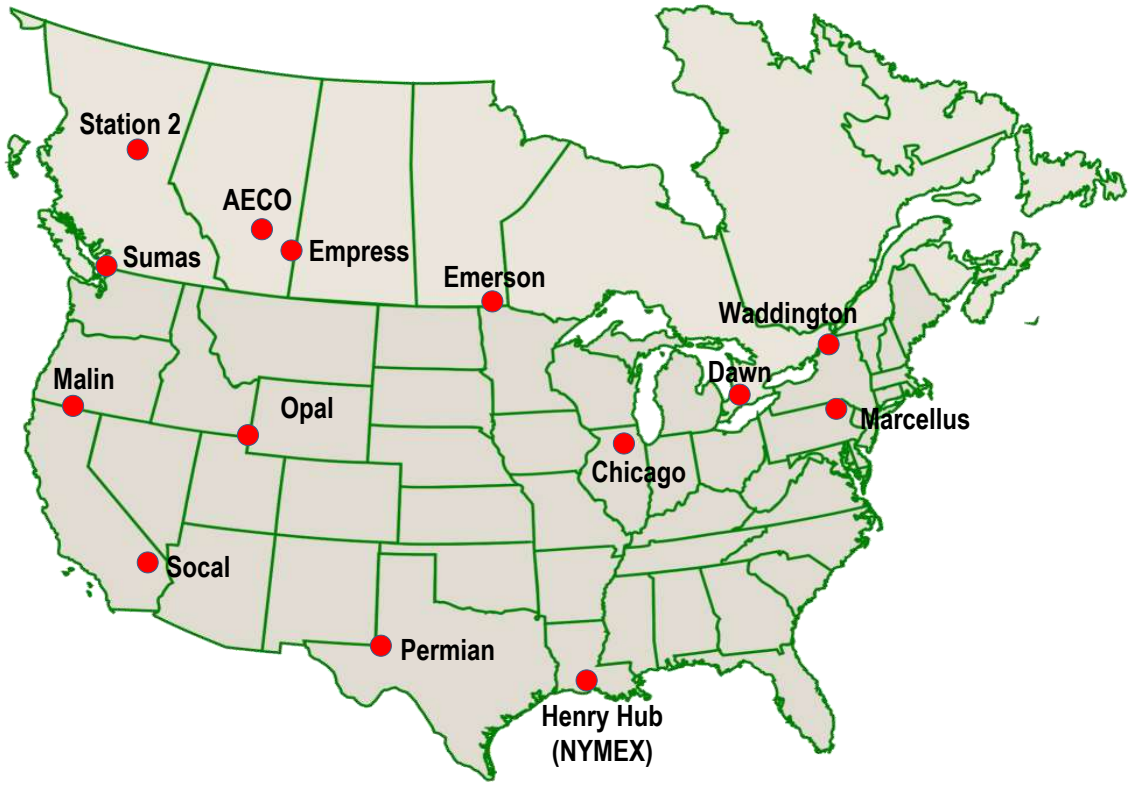
[4] See "Financial Advisories".

Gas Market Risk Management

GAS MARKET DIVERSIFICATION

- Kelt has taken a diversified approach to selling its natural gas in order to reduce exposure to single market risk.
- Estimated % of average gas sales in 2023 at each respective price hub is forecasted to be as follows:





- Kelt has entered into agreements to sell gas produced from its Oak property in British Columbia to various pricing point hubs including Station 2, Chicago (ACE), Marcellus (TZ4 L300) and Sumas.

Commodity Price Risk Management – Derivative Financial Instruments (1/2)

Commodity	Index	Remaining Term	Quantity	Contract Price
Natural Gas	NYMEX Henry Hub Fixed Price	Jan/2023 to Feb/2023	20,000 MMBtu/d	CAD $10.12 / MMBtu *[equivalent to **USD $7.50 / MMBtu** at a CAD/USD exchange rate of **1.350**]*
Natural Gas	NYMEX Henry Hub Fixed Price	Mar/2023	10,000 MMBtu/d	CAD $10.15 / MMBtu *[equivalent to **USD $7.52 / MMBtu** at a CAD/USD exchange rate of **1.350**]*
Natural Gas	NYMEX–AECO Basis Differential	Jan/2023 to Mar/2023	30,000 MMBtu/d	NYMEX Minus USD $1.14 / MMBtu *[equivalent to **CAD $1.54 / MMBtu** at a CAD/USD exchange rate of **1.350**]*
Natural Gas	NYMEX Henry Hub Costless Collar	Jan/2023 to Mar/2023	10,000 MMBtu/d	CAD $9.00 / MMBtu Floor & CAD $16.40 / MMBtu Ceiling *[equivalent to **USD $6.67 Floor & USD $12.15 Ceiling** at a CAD/USD exchange rate of **1.350**]*
Natural Gas	NYMEX Henry Hub Costless Collar	Jan/2023 to Mar/2023	10,000 MMBtu/d	CAD $9.00 / MMBtu Floor & CAD $18.15 / MMBtu Ceiling *[equivalent to **USD $6.67 Floor & USD $13.44 Ceiling** at a CAD/USD exchange rate of **1.350**]*
Natural Gas	NYMEX Henry Hub Costless Collar	Jan/2023 to Mar/2023	10,000 MMBtu/d	CAD $9.50 / MMBtu Floor & CAD $17.00 / MMBtu Ceiling *[equivalent to **USD $7.04 Floor & USD $12.59 Ceiling** at a CAD/USD exchange rate of **1.350**]*
Natural Gas	NYMEX–AECO Basis Differential	Apr/2023 to Oct/2024	10,000 MMBtu/d	Monthly AECO Basis calculated at 30% of the floating monthly NYMEX Henry Hub price
Natural Gas	NYMEX–AECO Basis Differential	Nov/2024 to Oct/2025	30,000 MMBtu/d	NYMEX Minus USD $1.10 / MMBtu *[equivalent to **CAD $1.49 / MMBtu** at a CAD/USD exchange rate of **1.350**]*

Commodity Price Risk Management – Derivative Financial Instruments (2/2)

Commodity	Index	Remaining Term	Quantity	Contract Price
Natural Gas	AECO Fixed Price	Apr/2023 to Oct/2023	5,000 GJ/d	CAD $4.00 / GJ (~ CAD $4.22 / MMBtu) *[equivalent to **USD $3.13 / MMBtu** at a CAD/USD exchange rate of **1.350**]*
Crude Oil	WTI Costless Collar	Jan/2023 to Mar/2023	1,000 bbls/d	CAD $100.00 / bbl Floor & CAD $130.00 / bbl Ceiling *[equivalent to **USD $74.07 Floor & USD $96.30 Ceiling** at a CAD/USD exchange rate of **1.350**]*
Crude Oil	WTI Costless Collar	Jan/2023 to Mar/2023	1,000 bbls/d	CAD $102.00 / bbl Floor & CAD $128.00 / bbl Ceiling *[equivalent to **USD $75.56 Floor & USD $94.81 Ceiling** at a CAD/USD exchange rate of **1.350**]*
Crude Oil	WTI−MSW Basis Differential	Jan/2023 to Jun/2023	2,500 bbls/d	WTI Minus USD $2.70 / bbl *[equivalent to **Minus CAD $3.65 / bbl** at a CAD/USD exchange rate of **1.350**]*
Currency	CAD/USD Fixed Rate	Jan/2023 to Dec/2023	USD $3.0 MM /month	CAD $1.3625 / USD (~ USD $0.7339 / CAD)

Commodity Price Risk Management – Physical Delivery Contracts

Commodity	Index	Remaining Term	Quantity	Contract Price
Natural Gas	Station 2 Fixed Price	Jan/2023	9,900 GJ/d	CAD $5.78 / GJ (~ CAD $6.09 / MMBtu) *[equivalent to **USD $4.51 / MMBtu** at a CAD/USD exchange rate of **1.350**]*
Natural Gas	AESO Power Pool Fixed Heat Factor	Jan/2023 to Mar/2023	7,458 GJ/d	Floating AESO Power Pool Price (CAD / MWh) divided by the Fixed Heat Rate of 16.95 GJ / MWh *[contract satisfied by physical delivery of gas at NGTL-NIT]*

Netbacks – Three Year Comparative

($ / BOE)	2021	2022 Forecast	2023 Budget	2023/22 change
Net realized price	40.52	58.99	48.55	(18%)
Realized hedging gain (loss)	(2.14)	(5.74)	0.72	—
Royalties (% of net realized price)	(8.8%)	(12.2%)	(15.1%)	24%
Transportation expense	(3.38)	(3.15)	(3.13)	(1%)
Production expense	(9.13)	(9.98)	(10.32)	3%
Operating netback *[1]*	22.29	32.95	28.51	(13%)
G&A expense	(1.21)	(1.08)	(1.15)	6%
Interest expense	(0.06)	(0.12)	(0.12)	0%
Other income (expense)	0.03	0.05	0.00	—
Adjusted funds from operations *[1]*	21.05	31.80	27.24	(14%)
Settlement of decommissioning obligations	(0.47)	(0.40)	(0.34)	(15%)
Funds from operations *[1]*	20.58	31.40	26.90	(14%)

Note: [1] See "Financial Advisories".

Financial Summary – Three Year Comparative

($ MM, unless otherwise specified)	2021	2022 Forecast	2023 Budget	2023/22 change
P&NG sales	316.8	617.0	607.0	(2%)
Adjusted funds from operations [1]	161.4	325.0	338.0	4%
AFFO per share – diluted ($/share) [1]	0.85	1.66	1.71	3%
Capital expenditures, net of A&D [1]	213.5	300.0	310.0	3%
Net debt (surplus), at year-end [1,2]	28.2	(5.0)	(28.0)	460%

Notes:
[1] See "Financial Advisories".
[2] Net debt includes working capital except for derivative financial instruments (mark to market), decommissioning obligations and lease liabilities.

Reserves - Volumes

(MBOE)	Dec/31/2020		Dec/31/2021		Change
Proved Developed Producing	29,606		43,854		48%
Proved	95,956		134,091		40%
Proved plus Probable	178,782		254,149		42%
Oil & NGLs / Gas Mix	42%	58%	41%	59%	

(MBOE)	PDP	Proved	P+P
Reserve Additions, net	21,896	45,784	83,015
2021 Production	7,648	7,648	7,648
Reserves Replacement	286%	599%	1,085%

Notes:

[1] Reserves are per the reports prepared by Sproule Associates Limited. Reserve volumes include Company gross working interest share of remaining reserves, as determined in accordance with NI 51-101.

[2] PDP: Proved developed producing. P+P: Proved plus probable.

Reserves – Future Development Capital

December 31, 2021	Proved Reserves		P+P Reserves	
	FDC ($ MM)	Net Wells	FDC ($ MM)	Net Wells
Alberta Montney wells	585.6	86.8	1,091.1	158.3
B.C. Montney wells	52.6	9.0	129.5	22.0
Other formation wells (including Doig & Charlie Lake)	77.4	23.0	157.4	41.8
Other expenditures	38.7	—	42.9	—
TOTAL FDC EXPENDITURES	754.3	118.8	1,420.9	222.1

Notes:

[1] Reserves are per the report prepared by Sproule Associates Limited. Reserve volumes include Company gross working interest share of remaining reserves, as determined in accordance with NI 51-101.

[2] FDC = Future Development Capital.

2021 Finding, Development, Acquisition & Disposition Costs

($ M, unless otherwise specified)	PDP Reserves	Proved Reserves	P+P Reserves
Capital expenditures, net of dispositions	213,511	213,511	213,511
Change in FDC costs required to develop reserves	1,402	217,631	494,307
Total capital costs	214,913	431,142	707,818
Reserve additions, net of dispositions (MBOE)	21,896	45,784	83,015
FDA&D cost ($/BOE)	9.82	9.42	8.53
Q4 2021 operating netback ($/BOE)	30.00	30.00	30.00
Recycle ratio	3.1 x	3.2 x	3.5 x

Notes:

[1] Reserves are per the report prepared by Sproule Associates Limited. Reserve volumes include Company gross working interest share of remaining reserves, as determined in accordance with NI 51-101.

[2] FDA&D: Finding, development, acquisition & disposition. FDC: Future development capital. PDP: Proved developed producing. P+P: Proved plus probable.

Reserves - Values

Net Asset Value per Share

	$ M	$ / share
P+P Reserves, NPV 10% BT [3] [4]	2,143,646	10.82
Undeveloped land	135,429	0.68
Net debt (surplus) [5]	(28,220)	(0.14)
Stock option proceeds	22,704	0.11
Net asset value [5]	2,273,559	11.47
Diluted shares outstanding (M)	198,208	

Sproule's Forecasted Future Commodity Prices

	WTI Crude Oil (USD/bbl)	NYMEX HH Natural Gas (USD/MMBtu)	Exchange Rate (CAD / USD)
2022	73.00	4.00	1.250
2023	70.00	3.50	1.250
2024	68.00	3.25	1.250
2025	69.36	3.32	1.250
2026	70.75	3.38	1.250

Notes:

[1] Reserves are per the reports prepared by Sproule Associates Limited. Reserve volumes include Company gross working interest share of remaining reserves, as determined in accordance with NI 51-101.

[2] Abbreviations: PDP = Proved Developed Producing. P+P = Proved plus Probable. NPV = Net Present Value. BT = Before Tax.

[3] NPV 10% BT of PDP Reserves = $520.0 MM.

[4] NPV 10% BT of Proved Reserves = $1,125.6 MM.

[5] Unaudited – see Financial Advisories.

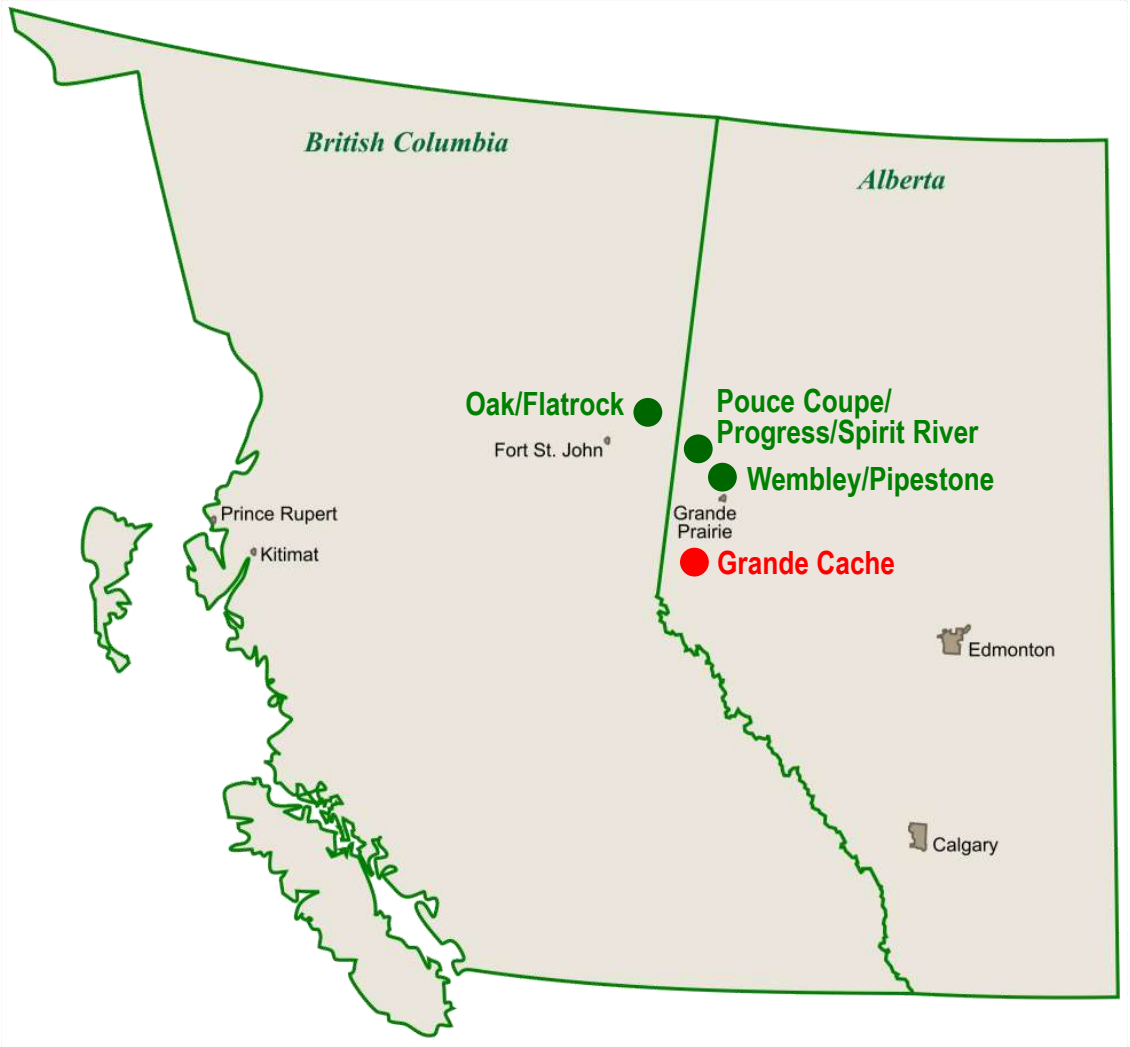
Operating Divisions

Oak/Flatrock
- Montney light oil/condensate-rich gas

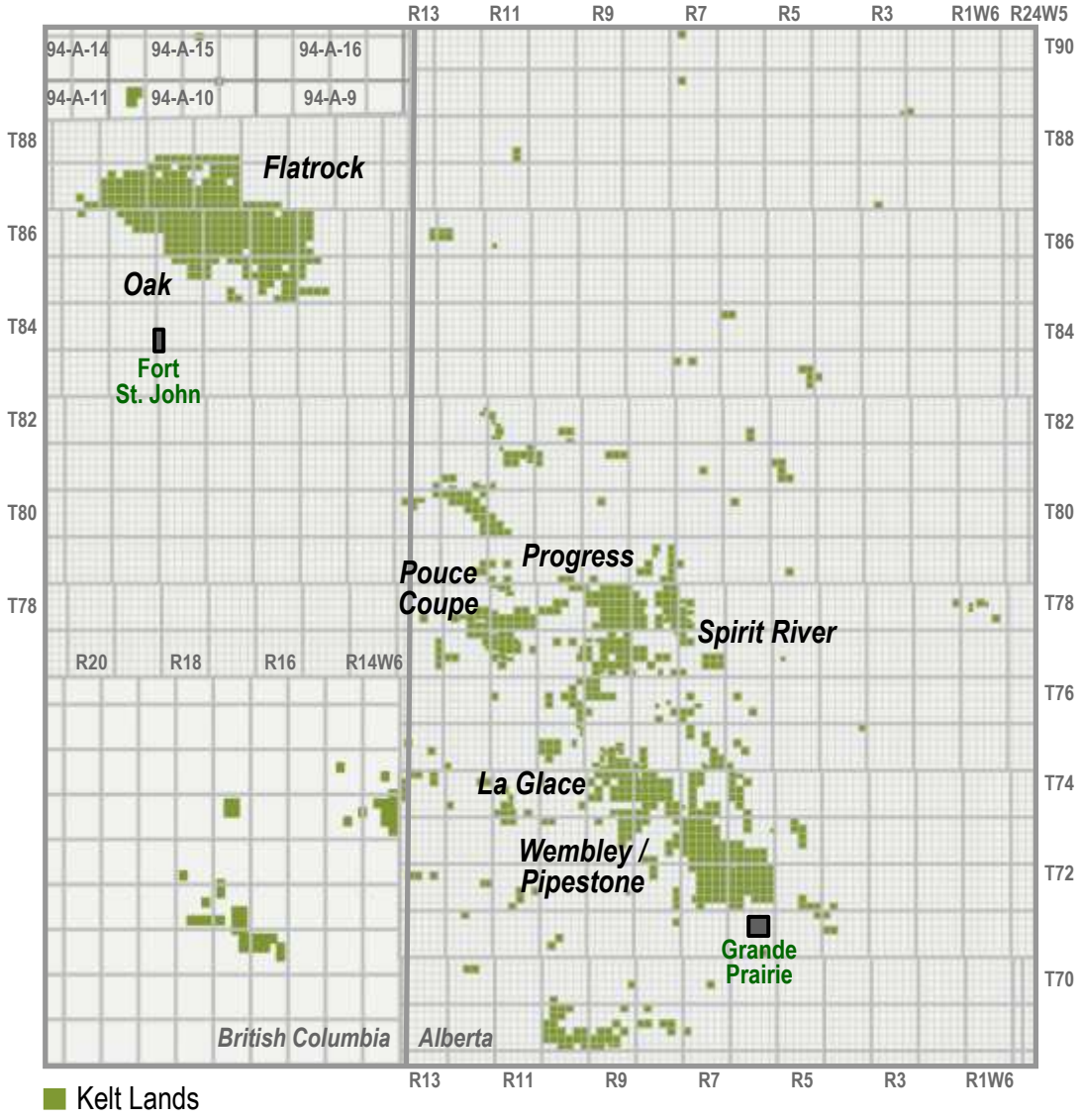
Pouce Coupe/Progress/Spirit River
- Montney light oil
- Montney and Doig gas
- Charlie Lake light oil

Wembley/Pipestone
- Montney light oil/condensate-rich gas

Grande Cache
- Cretaceous gas



Kelt Land Fairway

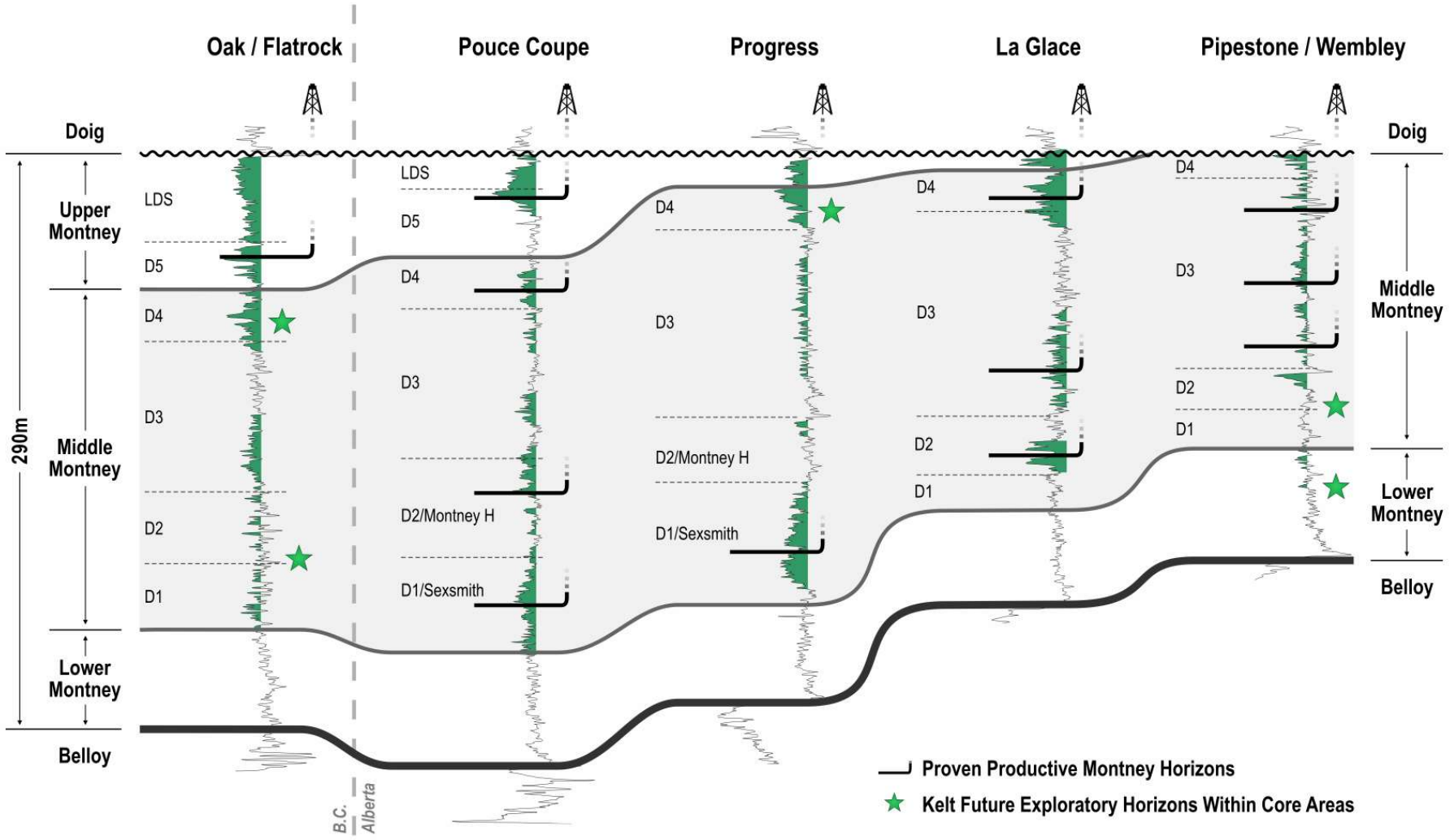


Land Holdings

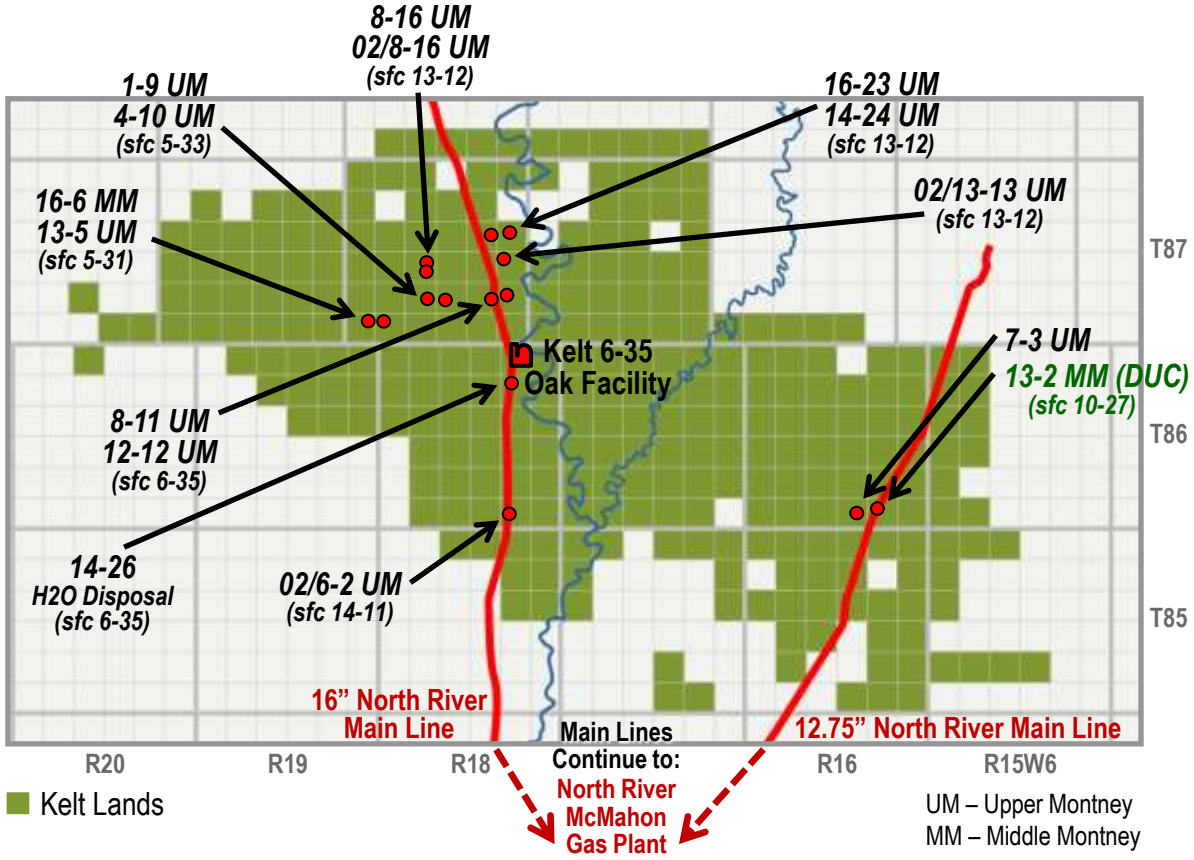
(January 10, 2023)

Developed + Undeveloped	Gross Acres	Net Acres	Net Sections
BC Montney	196,792	193,607	303
AB Montney	169,928	150,667	235
TOTAL MONTNEY	366,720	344,274	538
AB Charlie Lake	121,280	88,447	138
TOTAL COMPANY	795,559	579,856	906

Kelt Montney Framework



British Columbia Montney - Oak / Flatrock Division



In November 2021, Kelt started up the Oak 6-35 facility. There are currently 11 wells connected to the facility. Kelt has entered into a firm service agreement with NorthRiver Midstream Inc. to process gas from Oak at the McMahon Gas Plant.

Kelt has entered into various marketing agreements to sell gas produced from its Oak property in British Columbia to various pricing point hubs including Station 2 (BC), ACE (Chicago), TZ4 L300 (Marcellus/Pennsylvania) and Sumas (Washington).

Montney Land Holdings	
Gross	191,742 acres (300 sections)
Net	190,470 acres (298 sections)

Upper Montney Type Curve (Sproule, December 31, 2021)	
Estimated sales – IP365	542 BOE/d (33% Oil/NGLs)
EUR: estimated ultimate recovery	968,000 BOE (25% Oil/NGLs)

Upper Montney Inventory	
Future drilling locations (un-risked)	583 wells
Drilling locations included in FDC (in the P+P case)	22 (4% booked)

Oak – Recovery of D&C Capital (Payout Calculation)

Upper Montney Well	D&C Capex ($ MM)	Cumulative Operating Income [1] ($ MM)	D&C Capex to Recover (Excess Recovered) ($ MM)	Cumulative Production to May/31/22 [2] (MBOE)	Daily Average Production June 2022 [3] (BOE/d)
00/13-05-087-18W6 (sfc 5-31)	6.0	7.9	(1.8)	182.8	635
00/01-09-087-18W6 (sfc 5-33)	6.0	7.6	(1.6)	157.4	779
00/04-10-087-18W6 (sfc A5-33)	5.1	7.7	(2.6)	160.7	711
00/12-12-087-18W6 (sfc B6-35)	5.3	6.5	(1.2)	137.5	557
00/08-11-087-18W6 (sfc C6-35)	5.8	5.8	(0.1)	124.6	470
00/08-16-087-18W6 (sfc C13-12)	5.7	5.4	0.3	122.3	609
02/08-16-087-18W6 (sfc D13-12)	5.2	5.1	0.1	106.4	537
TOTAL	39.1	46.0	(6.9)	991.7	4,298

Notes:

[1] Cumulative operating income is from well start-up until May 31, 2022, and is calculated by deducting royalties, production expenses and transportation expenses from petroleum and natural gas sales.

[2] Cumulative production is from well start-up at various times during the month of November 2021 until May 31, 2022 (May/22 production is based on field estimates). Certain wells were restricted at times due to start-up facility constraints and also due to optimization of well flowback of frac water.

[3] June 2022 production is based on field estimates.

Pioneering a Model for Sustainable Oil & Gas Development at Oak

Kelt's "Green" Initiatives for Sustainable Oil & Gas Development at Oak in British Columbia

ELECTRONIC FLARE STACK*

Elimination of continuous pilot flare.

70 t

RENEWABLE HEAT*

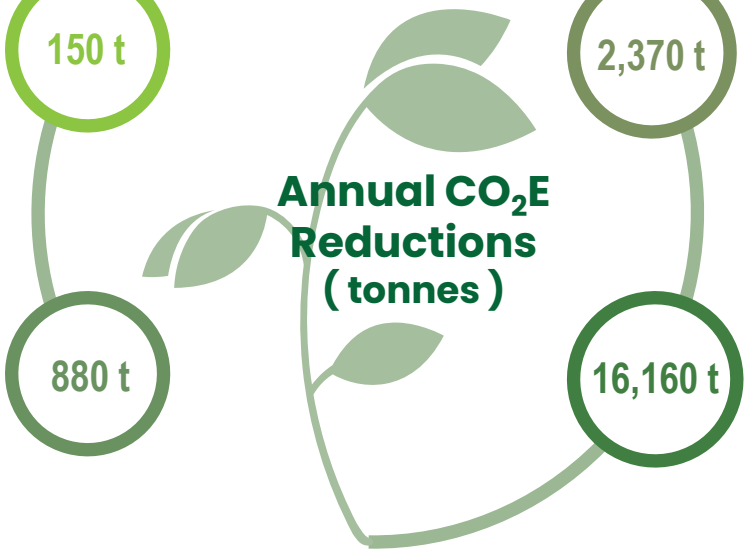
Solar powered heat source for surface facilities.

150 t

WATER MANAGEMENT*

Water injection and water pipelines for water handling and reduced trucking.

2,370 t



SOLAR & INSTRUMENT AIR*

Wellsite powered with solar electricity: ESD valves, wellhead choke, pumps.

Well pads and facility instrument air, no methane emissions from devices.

880 t

CONVERSION TO HYDRO / CLEAN POWER**

Planned electrical conversion of natural gas compressors and elimination of natural gas generators at the facility once BC Hydro is connected.

16,160 t

Annual CO_2E reduction of

19,630 tonnes

from initiatives supporting sustainable development.

Annual savings of

$981,000

@ $50/tonne carbon tax.

Total savings of

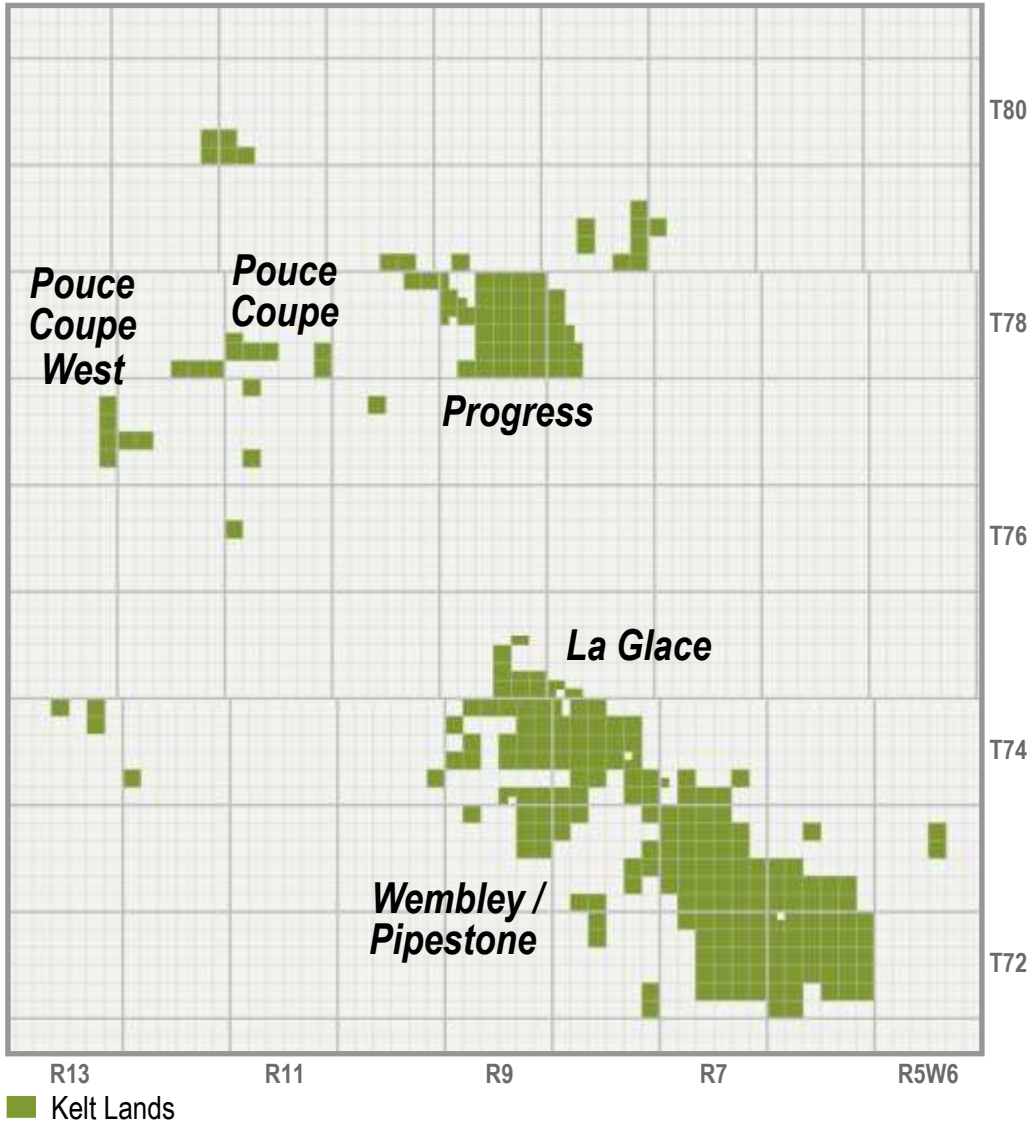
$23 million

over 10 years assuming carbon tax escalation to $170/tonne.

** Completed initiatives in 2021/22 with area preparation and facility construction.*

*** Planned implementation in 2023.*

Alberta Montney Lands



Alberta – Montney Land Holdings	
Gross	169,928 acres (265 sections)
Net	150,667 acres (235 sections)

POUCE COUPE WEST

- High deliverability dry gas wells.
- Wells that came on production in Q1 2021 at rates between 10-12 MMcf/d, were producing between 8-9 MMcf/d, per well, at year-end.

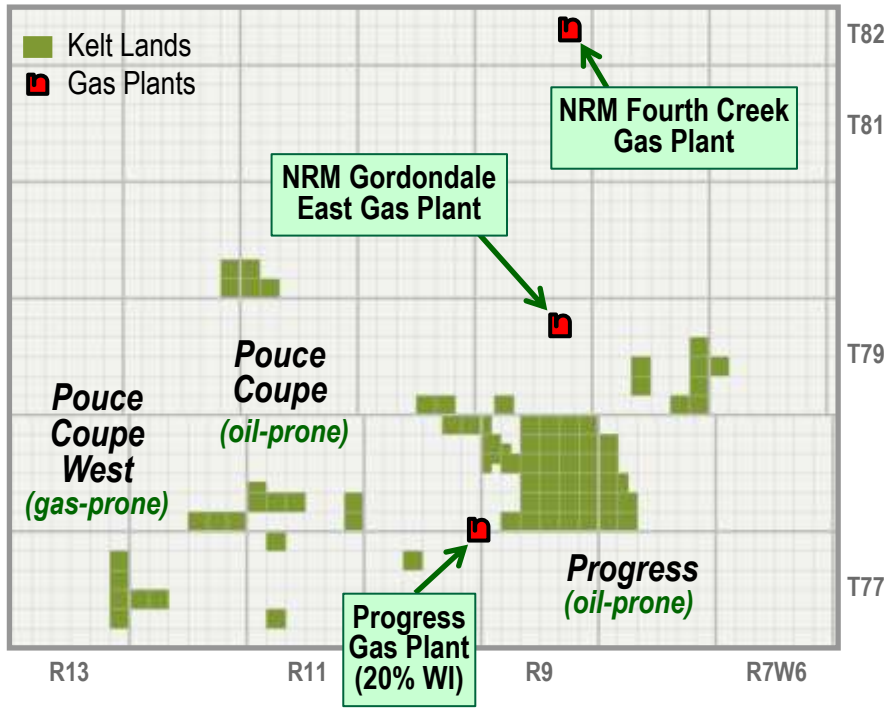
POUCE COUPE / PROGRESS

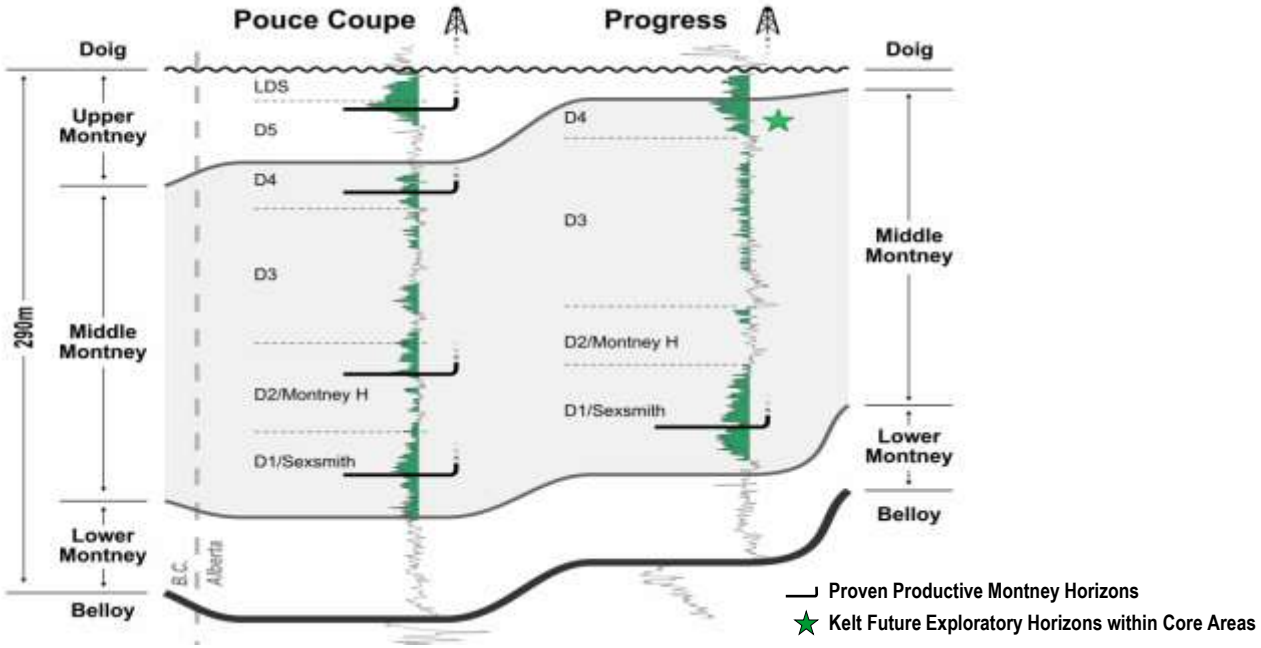
- Oil-prone area with associated gas production.
- Four oil wells were brought on production at Pouce Coupe during 2022.

WEMBLEY / PIPESTONE / LA GLACE

- Delineation of this large Montney land block now almost complete.
- Extensive infrastructure currently in place.
- Was the most active drilling area for the Company during 2022, as the Company positions itself for multi-well pad development.

Pouce Coupe / Progress Division – Montney

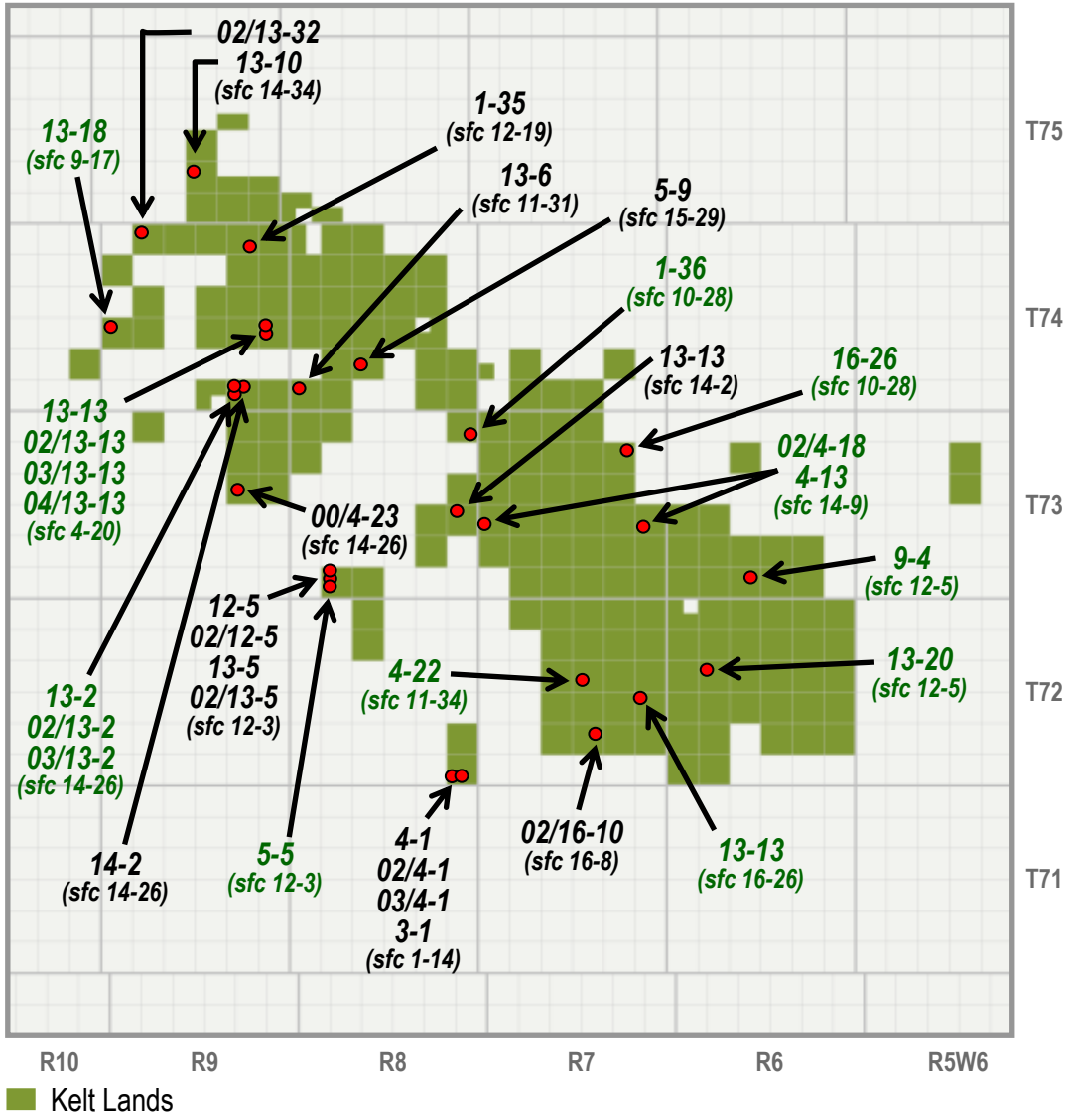




Pouce Coupe West – Montney Gas Type Curve (Sproule, December 31, 2021)	
Estimated sales – IP365	1,769 BOE/d (90% Gas)
EUR: estimated ultimate recovery	2.7 MM BOE (90% Gas)

Pouce Coupe West – Montney / Doig Inventory	
Future drilling locations (un-risked)	30 wells
Drilling locations included in FDC (in the P+P case)	12 (40% booked)

Wembley / Pipestone / La Glace Division – Montney (D3)

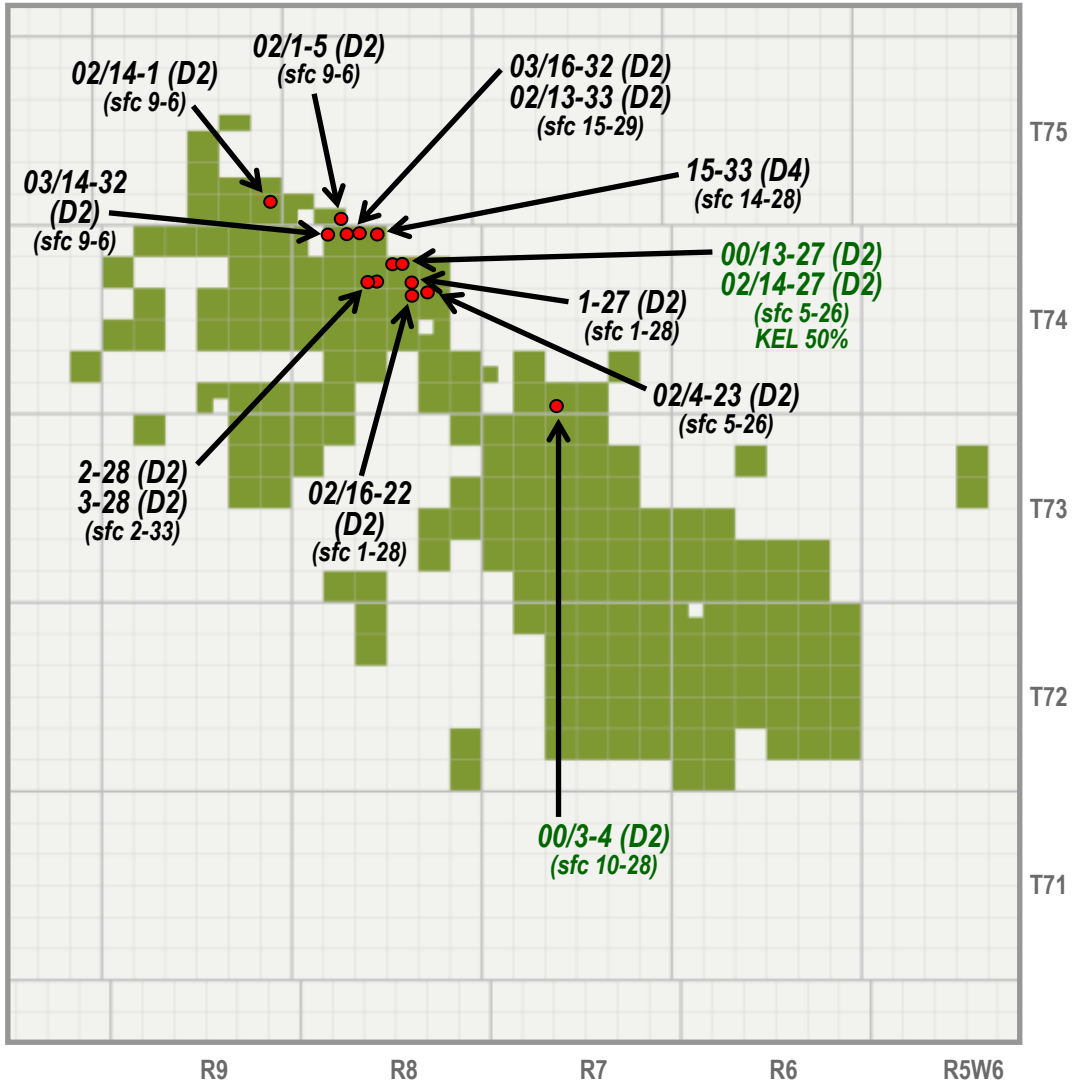


Montney Land Holdings	
Gross	113,608 acres (177 sections)
Net	109,659 acres (171 sections)

Montney (D3) Gas Type Curve (Sproule, December 31, 2021)	
Estimated sales – IP365	851 BOE/d (57% Oil/NGLs)
EUR: estimated ultimate recovery	1.2 MM BOE (53% Oil/NGLs)

Montney (D3) Inventory	
Future drilling locations (un-risked)	870 wells
Drilling locations included in FDC (in the P+P case)	138 (16% booked)

Wembley / Pipestone / La Glace Division – Montney (D2 / D4)

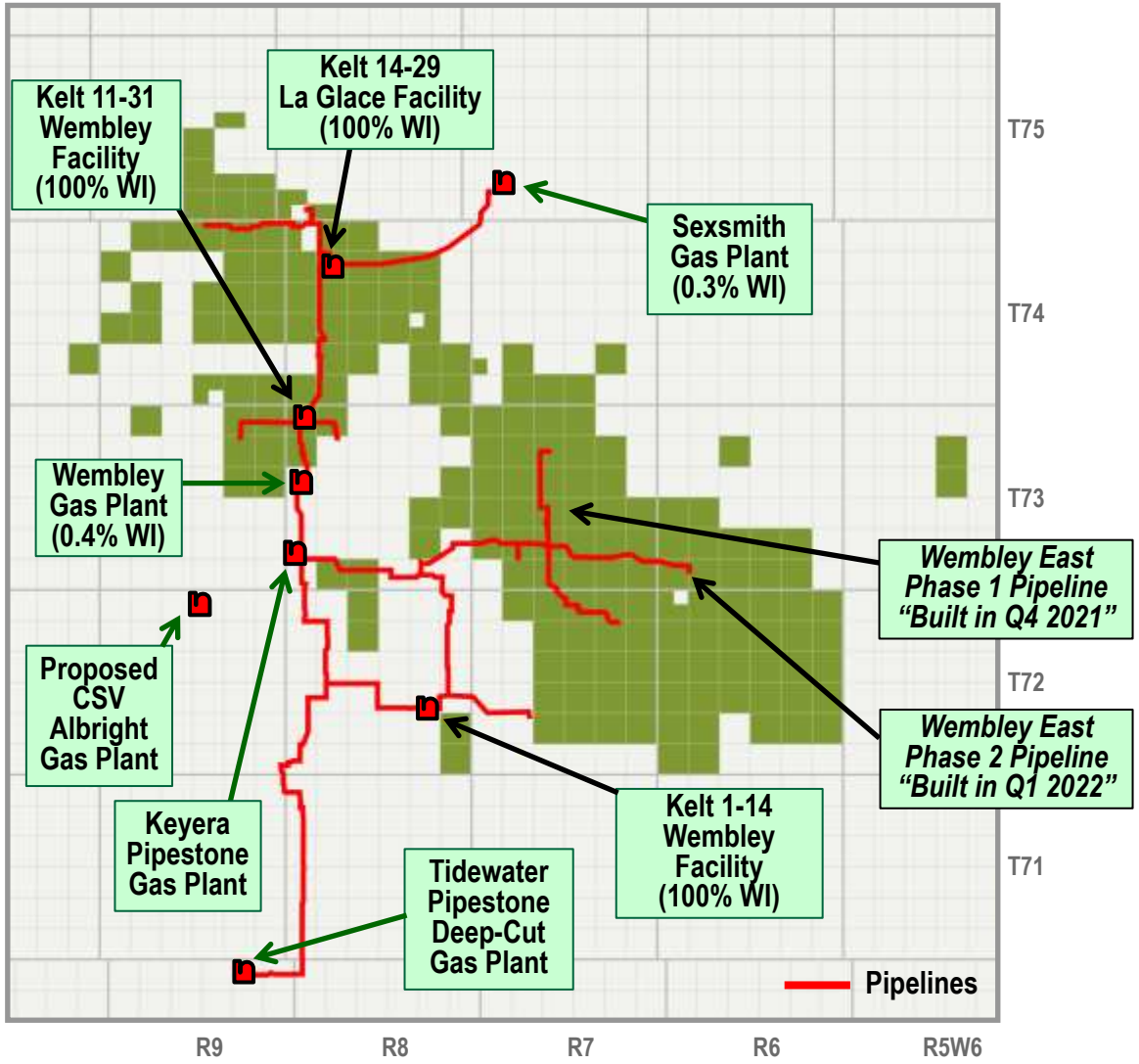


OPERATIONS

- The D2 Middle Montney formation at La Glace is generally more conventional in nature with higher porosity and permeability as compared to the D3 Middle Montney.
- The D4 Upper Montney formation was proved to be productive – tested in the 15-33 well.
- Kelt expects to test a lower zone in the D1 Montney formation.

Montney (D2 / D4) Inventory	
Future drilling locations (un-risked)	187 wells
Drilling locations included in FDC (in the P+P case)	4 (2% booked)

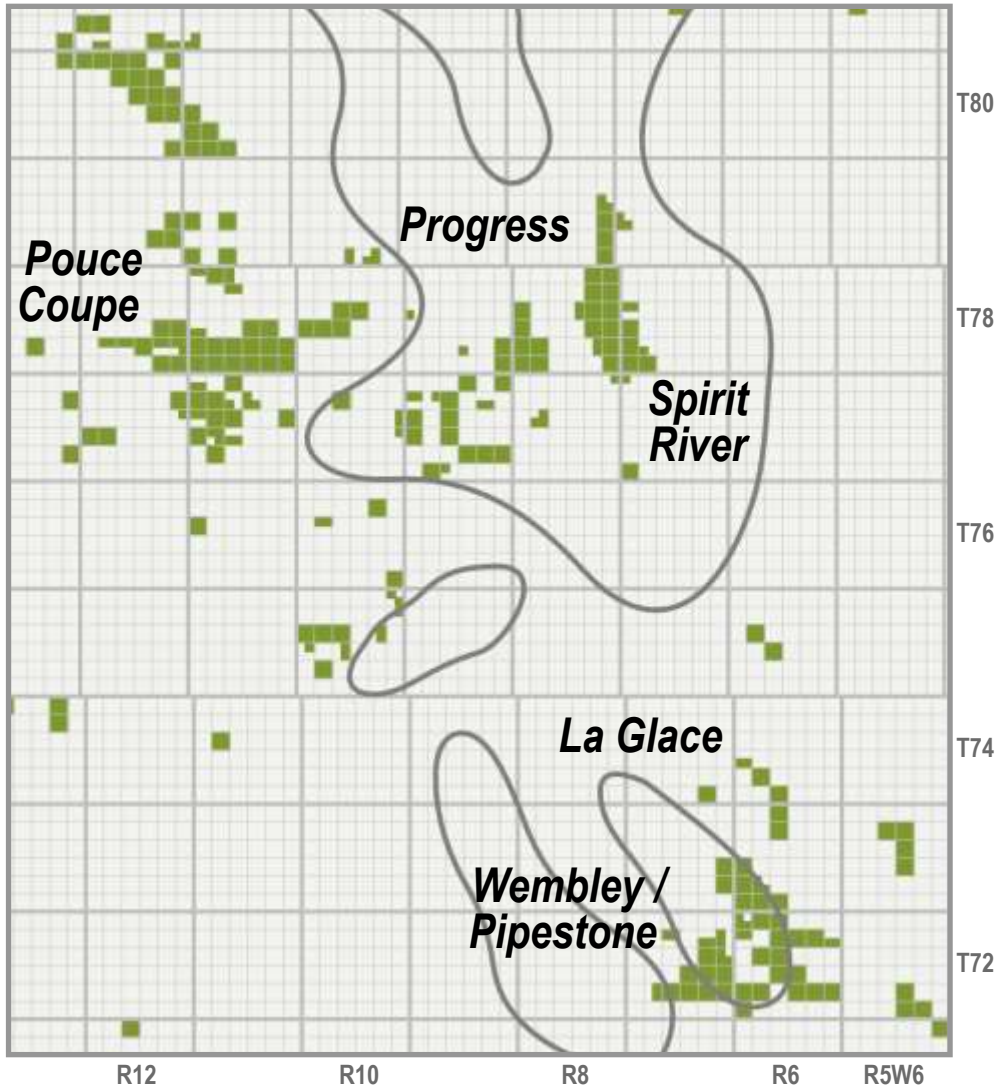
Wembley / Pipestone / La Glace Division – Infrastructure



INFRASTRUCTURE

- Ownership in extensive pipeline infrastructure and minor interests in the Sexsmith (200 MMcf/d) and Wembley (130 MMcf/d) Gas Plants.
- Firm service agreements in place for gas processing at Midstream Facilities:
  - Pipestone Deep-Cut Gas Plant: 34 MMcf/d;
  - Pipestone Gas Plant: 25 MMcf/d (expected on-stream in Q4 2023);
  - Albright Gas Plant: 50 MMcf/d (expected on-stream in Q4 2024) + 20 MMcf/d additional firm service (five years after on-stream date).
- A 100% interest in three Oil Battery and Gas Compression Facilities.
- In addition, Kelt has its own water disposal facilities capable of water injection adjacent to each of its three main Facilities.

Alberta Charlie Lake Lands

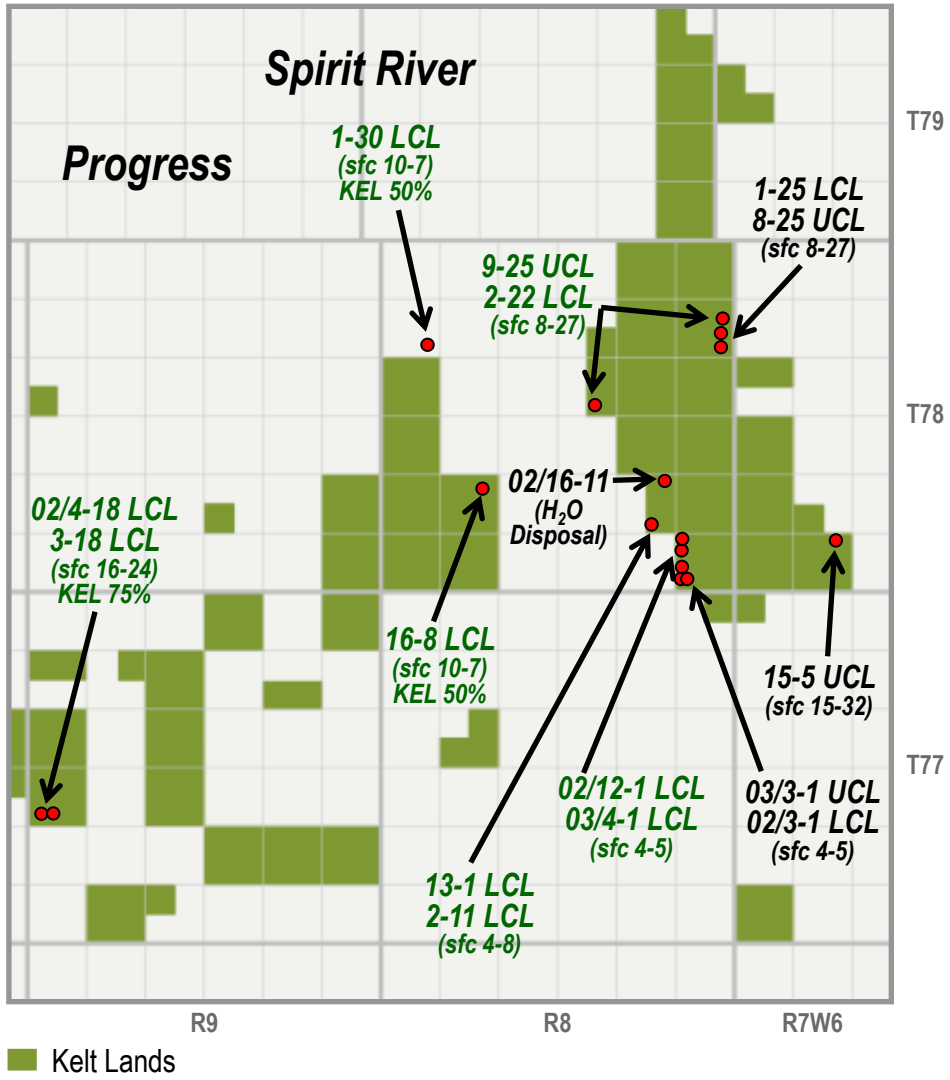


Alberta – Charlie Lake Land Holdings	
Gross	121,280 acres (189 sections)
Net	88,447 acres (138 sections)

Spirit River – Lower Charlie Lake Type Curve (Sproule, December 31, 2021)	
Estimated sales – IP365	346 BOE/d (55% Oil/NGLs)
EUR: estimated ultimate recovery	522,000 BOE (47% Oil/NGLs)

Spirit River / Progress – Upper & Lower Charlie Lake	
Drilling inventory (un-risked)	93 wells
Drilling locations included in FDC (in the P+P case)	25 (27% booked)

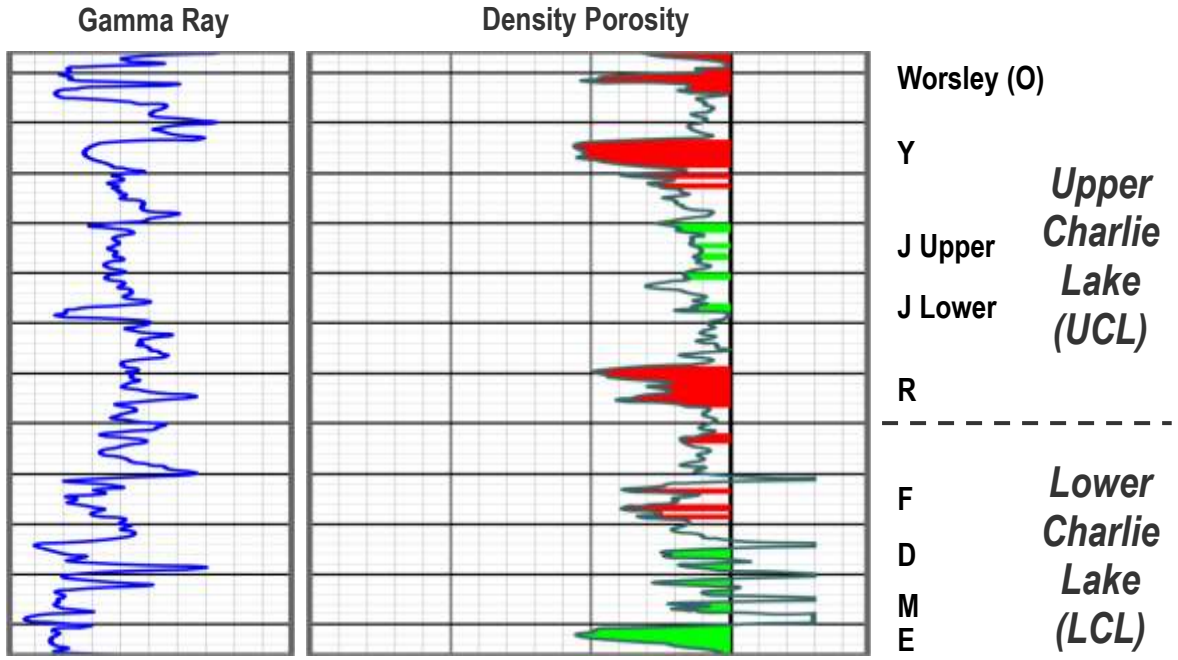
Progress / Spirit River – Charlie Lake



CHARLIE LAKE LAND HOLDINGS

Gross: 27,840 acres (43 sections)
Net: 20,755 acres (32 sections)

CHARLIE LAKE GEOLOGY



Future Considerations

- **The Company has numerous potential future drilling opportunities on its existing lands that will provide for continued growth in the years to come.**
- **The Company has amassed vast Montney acreage in new plays to complement its existing development Montney lands.**
- **The Company will continue to de-risk its undeveloped exploration lands as it embarks on full scale development of its de-risked Montney and Charlie Lake resource.**
- **The Company may divest certain assets in order to monetize (bring forward) net present value and to fund continued growth in the future.**

Appendix

- Economic Environment – COVID-19 Pandemic
- ESG – GHG Emissions
- ESG – Carbon Tax
- ESG – Corporate Governance
- Corporate Governance – Board of Directors
- Leadership – Management
- Abbreviations and Definitions
- Disclaimers

Economic Environment – COVID-19 Pandemic

- **The COVID-19 pandemic has had a substantial impact on people's lives, and it also impacted the way companies conducted their business.**
- **Kelt's highest priority during the pandemic was the health and safety of its employees, partners and the communities where it operates. The Company is proud of the dedication of its workforce that allowed the Company to maintain safe operations and business continuity during the pandemic.**
- **The unprecedented impact to global oil demand destruction resulting from the COVID-19 pandemic, as well as excess oil supplies, as many oil producing nations sought to gain global market share, resulted in a collapse in crude oil prices around the world during 2020:**
  - ***WTI crude oil prices averaged US$16.55 per barrel during the month of April 2020, the lowest monthly average price since March 1999 (US$14.68 per barrel).***
  - ***Average annual WTI prices for 2019, 2020 and 2021 were US$56.98, US$39.24 and $68.03, respectively.***
- **Oil prices have risen significantly in 2022 as massive cuts in global energy-related capital spending occurred in response to declining oil prices during the pandemic; whereby long-term energy projects were either put on hold or cancelled completely, ultimately affecting the supply of oil required to keep up with growing global demand:**
  - ***WTI crude oil prices averaged US$98.85 per barrel during the first nine months of 2022.***

ESG – Greenhouse Gas Emissions

Kelt supports innovative strategies, clean technology (including alternative energy and renewable energy), green products and utilizing lower emitting solutions to improve air quality by reducing greenhouse gas ("GHG") emissions.

Type of Emissions	Units	2018 Emissions	2019 Emissions	2020 Emissions
Direct GHG *[1]*	CO_2E tonnes	191,239	210,055	196,293
Indirect GHG *[2]*	CO_2E tonnes	13,198	12,565	12,140
Combined total GHG emissions	CO_2E tonnes	204,437	222,620	208,433
Operated gross product sales *[3]*	BOE	9,759,429	10,662,868	9,336,033
GHG EMISSION INTENSITY *[3]*	tonnes / BOE	0.0209	0.0209	0.0223

Notes:

[1] Direct GHG emissions are created on site during the extraction and processing of oil and gas, including flaring, venting, combustion and fugitive emissions.
[2] Indirect GHG emissions are generated from the purchased electricity used in our oil and gas operations, converted to CO_2E using the National Inventory Report, 1990-2016.
[3] Sulphur dioxide(SO_2), methane (CH_4) and nitrogen oxide (NO_x) emissions have been converted to a CO_2 equivalent and are included in direct GHG emissions in the above table.
[4] Emission Intensity is calculated based on operated gross product sales volumes and include third party volumes processed and sold through operated facilities.

On February 17, 2022, Kelt released its second annual ESG Report as part of its ongoing commitment to health and safety, responsible and sustainable resource development, good governance practices and community engagement. The ESG Report can be viewed on Kelt's website at www.keltexploration.com.

ESG – Carbon Tax

CARBON TAX

- **FEDERAL**
  - The Federal carbon tax applies where a Province does not have a carbon pricing system that aligns with Federal benchmarks.
  - The current carbon tax rate is $50/tonne; and proposing annual increases reaching $170/tonne by 2030.
- **ALBERTA**
  - The Technology Innovation and Emissions Reduction ("TIER") program provides exemption from the Federal fuel charge.
  - Kelt's aggregate facilities will be required to reduce emission intensity by 10% relative to the aggregate facility specific benchmark. Any shortfall to the 10% reduction in 2022 will be subject to a carbon tax which is expected to be $50/tonne.
  - Activities outside of the TIER program will be subject to the Federal carbon tax.
  - Carbon credits can be earned in Alberta for approved projects based on emission reductions that are achieved.
- **BRITISH COLUMBIA**
  - Carbon tax is imposed on all purchases or use of fuel with limited exemptions.
  - Current tax is $50/tonne.

There are various government (both Federal and Provincial) grant programs such as the Federal Emissions Reduction Fund ("ERF"), Baseline and Reduction Opportunity ("BRO") Assessments, Alberta Emission Offset Systems (carbon credits), Alberta Industrial Energy Efficiency ("IEE") and Carbon Capture Utilization and Storage ("CCUS"), that Kelt has made application, where applicable, to participate in.

ESG – Corporate Governance

Corporate Governance

The following documents relating to the Company's corporate governance matters are available on the internet at www.keltexploration.com:

- Advance Notice Policy
- Articles of Incorporation, Amalgamation, Continuation and By-Laws
- Audit Committee Chair Position Description
- Audit Committee Charter
- Board Chair Position Description
- Board Diversity Policy
- Board Mandate
- Chief Executive Officer Position Description
- Chief Financial Officer Position Description
- Code of Business Conduct and Ethics
- Compensation Committee Chair Position Description
- Compensation Committee Mandate
- Disclosure, Confidentiality and Trading Policy
- Health Safety & Environment Chair Position Description
- Health Safety & Environment Committee Mandate
- Lead Director Position Description
- Majority Voting Policy
- Nominating Committee Chair Position Description
- Nominating Committee Mandate
- Reserves Committee Chair Position Description
- Reserves Committee Mandate
- Share Ownership Guidelines
- Whistleblower Policy

Corporate Governance - Board of Directors

Geri L. Greenall *[1, 2, 5]*
Lead Director, Independent

Common shares	38,500
Stock options	161,000
RSUs	5,000
2021 Director fees	$ 10,000

William C. Guinan *[4]*
Board Chair, Independent

Common shares	1,154,459
Stock options	106,000
RSUs	5,000
2021 Director fees	$ 10,000

Michael R. Shea *[2, 3, 5]*
Director, Independent

Common shares	544,320
Stock options	173,000
RSUs	5,000
2021 Director fees	$ 10,000

Neil G. Sinclair *[1, 3, 4, 5]*
Director, Independent

Common shares	2,601,141
Stock options	161,000
RSUs	5,000
2021 Director fees	$ 10,000

Janet E. Vellutini *[1, 2, 3]*
Director, Independent

Common shares	27,500
Stock options	66,000
RSUs	5,000
2021 Director fees	$ 5,000

David J. Wilson *[4]*
President & Chief Executive Officer

Common shares	26,230,442
Stock options	1,061,500
RSUs	242,500
2021 Director fees	Nil

Louise K. Lee
Corporate Secretary

Common shares	12,900
Stock options	45,000
RSUs	2,500

Notes:

[1] Member, Audit Committee.

[2] Member, Reserves Committee.

[3] Member, Compensation Committee.

[4] Member, Health, Safety and Environment Committee.

[5] Member, Nominating Committee.

Leadership - Management

David J. Wilson
President & Chief Executive Officer

Common shares	26,230,442
Stock options	1,061,500
RSUs	242,500
2021 Salary + bonus	$ 30,000

Sadiq H. Lalani
Vice President & Chief Financial Officer

Common shares	1,779,838
Stock options	606,000
RSUs	35,000
2021 Salary + bonus	$ 253,750

Douglas J. Errico
Senior Vice President, Land and Corporate Development

Common shares	488,772
Stock options	514,000
RSUs	35,000
2021 Salary + bonus	$ 236,250

Alan G. Franks
Vice President, Production

Common shares	374,755
Stock options	498,000
RSUs	30,000
2021 Salary + bonus	$ 228,750

Bruce D. Gigg
Vice President, Engineering

Common shares	198,790
Stock options	498,000
RSUs	30,000
2021 Salary + bonus	$ 228,750

David A. Gillis
Vice President, Finance

Common shares	46,332
Stock options	557,000
RSUs	30,000
2021 Salary + bonus	$ 217,237

Douglas O. MacArthur
Vice President, Operations

Common shares	973,797
Stock options	498,000
RSUs	30,000
2021 Salary + bonus	$ 228,750

Patrick W. G. Miles
Vice President, Exploration

Common shares	876,647
Stock options	498,000
RSUs	30,000
2021 Salary + bonus	$ 228,750

Carol Van Brunschot
Vice President, Marketing

Common shares	28,895
Stock options	312,667
RSUs	30,000
2021 Salary + bonus	$ 217,237

Abbreviations and Definitions

ACE	the Chicago natural gas hub pricing point identified as the Alliance Chicago Exchange
AECO	Alberta Energy Company "C" Meter Station of the Nova Gas Pipeline System
AESO	Alberta Electric System Operator
AFFO	Adjusted funds from operations
bbls/d	barrels per day
BOE/d	barrels of oil equivalent per day
CO_2E	carbon dioxide equivalent
GAAP	Canadian generally accepted accounting principles as set out in the *CPA Canada Handbook – Accounting*
gas-prone	the quality of a source rock that makes it more likely to generate gas than oil
GHG	greenhouse gas emissions
GJ	gigajoules
LNG	liquefied natural gas
LT	long tonnes
Mcf/d	thousand cubic feet per day

M	thousand
MM	million
MSW	Medium Sweet Blend
NGTL	Nova Gas Transmission Limited
NIT	Nova Inventory Transfer
NYMEX HH	the Henry Hub natural gas pipeline delivery location for futures contracts on the New York Mercantile Exchange
oil-prone	the quality of a source rock that makes it more likely to generate oil than gas
P&NG	Petroleum and natural gas
P+P	Proved plus probable reserves
PDP	Proved developed producing reserves
sfc	well surface location
Sproule	Sproule Associates Limited, an independent qualified reserve evaluator retained by Kelt to prepare a report on its oil and gas reserves
TZ4 L300	the Marcellus natural gas hub pricing point identified as Tennessee Zone 4 Leg 300
WTI	West Texas Intermediate

Disclaimer

Forward-Looking Statements

Certain statements included in this corporate presentation (the **"Presentation"**) constitute forward-looking statements or forward-looking information under applicable securities legislation. Such forward-looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Forward looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project", "goal", "objective", "assume", "forecast" or similar words suggesting future outcomes or statements regarding an outlook.

Forward looking statements or information in this Presentation include, but are not limited to, statements or information with respect to: Kelt Exploration Ltd.'s (**"Kelt"** or the **"Company"**) business strategy and objectives; statements with respect to the performance characteristics of Kelt's oil and natural gas properties and wells; potential future drilling locations; development plans, exploration plans, delineation drilling, in-fill drilling, optimization plans and effect on costs and production; the Company's focus for 2022, including capital expenditures, budgeted drilling and completion costs per well, drilling program, maintaining a strong balance sheet and cost reductions; anticipated production including production mix; estimated recoverable resources; expansion of infrastructure; timing of drilling and completions; plans to investigate or participate in infrastructure projects; the Company's plan to continue to evaluate construction of processing facilities and sales pipelines; forecasted pricing; actual and estimated internal rates of return, which include assumptions respecting production and other costs, pricing, well depths, royalty rates and taxes and budgeted activities, financial and operating results with lower oil, NGL and gas prices; economic metrics including capital, IRR, net present values, EUR, netbacks, and production rates; that the estimated future production and operating income for development wells will be sufficient to payback the drill and complete capital costs incurred for each respective well; the expectation that the Company's gas market diversification will limit exposure to single market risk.

In addition, the statements contained herein relating to "reserves" and "resources" are by their nature forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves or resources described exist in the quantities predicted or estimated and that the reserves or resources can be profitably produced in the future. Actual reserves or resources may be greater than or less than the estimates provided herein.

Future Oriented Financial Information

This Presentation contains Future Oriented Financial Information ("FOFI") within the meaning of applicable securities laws. The FOFI has been prepared by Kelt's management to provide an outlook of the Company's activities and results. The FOFI has been prepared based on a number of assumptions including the assumptions discussed under the heading "Forward Looking Statements" and assumptions with respect to the costs and expenditures to be incurred by the Company, capital equipment and operating costs, foreign exchange rates, taxation rates for the Company, general and administrative expenses and the prices to be paid for the Company's production. Management does not have firm commitments for all of the costs, expenditures, prices or other financial assumptions used to prepare the FOFI or assurance that such operating results will be achieved and, accordingly, the complete financial effects of all of those costs, expenditures, prices and operating results are not objectively determinable.

Disclaimer

The actual results of operations of the Company and the resulting financial results will likely vary from the amounts set forth in the analysis presented in this Presentation, and such variation may be material. The Company and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is highly subjective and subject to numerous risks including the risks discussed under the heading "Forward Looking Statements", it should not be relied on as necessarily indicative of future results.

Except as required by applicable securities laws, Kelt undertakes no obligation to update such FOFI and forward-looking statements and information.

Assumptions

Forward looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward looking statements because the Company can give no assurance that such expectations will prove to be correct.

In addition to other factors and assumptions which may be identified in this Presentation, assumptions have been made regarding, among other things: commodity prices; the accuracy of geological and geophysical data and its interpretations of that data; estimated decline rates; the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the timely receipt of any required regulatory approvals; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the Company to operate in a safe, efficient and effective manner; the ability of the Company to obtain financing on acceptable terms; that the Company will have sufficient cash flow, debt or equity or other financial resources to fund its capital and operating expenditures as needed; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development or exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Company to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; that the estimates of the Company's reserve volumes and assumptions related thereto are accurate in all material respects; and the ability of the Company to successfully market its oil and natural gas products.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.

Disclaimer

Risks and Uncertainties

Forward looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward looking statements or information. These risks and uncertainties which may cause actual results to differ materially from the forward looking statements or information include, among other things: the ability of management to execute its business plan; general economic and business conditions; the risk of instability affecting the jurisdictions in which the Company operates; the risks of the oil and gas industry, such as operational risks in exploring for, developing and producing crude oil and natural gas and market demand; the possibility that government policies or laws may change or governmental approvals may be delayed or withheld; risks and uncertainties involving geology of oil and gas deposits; the uncertainty of reserves estimates and reserves life; the ability of the Company to add production and reserves through acquisition, development and exploration activities; the Company's ability to enter into or renew leases; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to production (including decline rates), costs and expenses; fluctuations in oil and gas prices, foreign currency exchange rates and interest rates; risks inherent in the Company's marketing operations, including credit risk; uncertainty in amounts and timing of royalty payments; health, safety and environmental risks; risks associated with potential future lawsuits and regulatory actions against the Company; uncertainties as to the availability and cost of financing; changes in income tax rates; changes in incentive programs related to the oil and gas industry; and financial risks affecting the value of the Company's investments.

Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

No Obligation to Update

The forward looking statements or information contained in this Presentation are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise unless required by applicable securities laws.

The forward looking statements or information contained in this Presentation are expressly qualified by this cautionary statement.

Disclaimer

Oil and Gas Advisories

Barrel of Oil Equivalent Presentation

This Presentation 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 current prices. Such abbreviation may be misleading, particularly if used in isolation.

References to **"oil"** in this Presentation include crude oil and field condensate.

References to **"natural gas liquids"** or **"NGLs"** include pentane plus, butane, propane, and ethane.

References to **"liquids"** includes crude oil, field condensate and NGLs.

References to **"gas"** in this discussion include natural gas and sulphur.

Type Well Production and Economics

This Presentation contains references to type well, or "type curve", production and economics, which are derived, at least in part, from available information respecting the well economics of other companies and, as such, there is no guarantee that Kelt will achieve the stated or similar results, capital costs and return costs per well. Any references to peak rates, test rates or initial production rates or declines are useful for confirming the presence of hydrocarbons, however, such rates and declines are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long-term performance or ultimate recovery. In addition, such rates or declines may also include recovered fluids used in well completion stimulation.

Readers are cautioned not to place reliance on such rates in calculating aggregate production for the Company.

Disclaimer

Reserves

Unless otherwise specified, reserve estimates disclosed in this Presentation were prepared by Sproule Associates Limited ("**Sproule**") in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("**NI 51-101**") and the Canadian Oil and Gas Evaluation Handbook ("**COGE Handbook**") and using Sproule's forecast prices. There is no guarantee that the estimated reserves will be recovered. As a consequence, actual results may differ materially from those anticipated in the forward looking statements. EUR is not indicative of reserves. Estimates of the net present value of the future net revenue from Kelt's reserves do not represent the fair market value of Kelt's reserves. Reserves estimates contained herein have been made assuming that funding is likely to be available to Kelt for the development of the applicable property.

Future Drilling Locations

Unless otherwise specified, the information in this Presentation pertaining to future drilling locations or drilling inventories is based solely on internal estimates made by management and such locations have not been reflected in any independent reserve or resource evaluations prepared pursuant to NI 51-101. Similarly, unless otherwise specified, the information in this Presentation pertaining to targeted reserve volumes from future drilling is intended to indicate that in making its internal drilling decisions, the Company seeks to target drilling locations that, based on previous drilling results and its own internal assessments, it believes will on average ultimately generate the indicated volumes. This Presentation discloses drilling locations which are unbooked locations and are internal estimates based on Kelt's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources and have been identified by management as an estimation of multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that Kelt will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

Estimated Ultimate Recovery

Estimated Ultimate Recovery ("**EUR**") is an approximation of the quantity of oil or gas that is potentially recoverable or has already been recovered from a reserve or well. EUR is not a defined term within the COGE Handbook and therefore any reference to EUR in this Presentation is not deemed to be reported under the requirements of NI 51-101. Readers are cautioned that there is no certainty that the Company will ultimately recover the estimated quantity of oil or gas from such reserves or wells.

Disclaimer

Financial Advisories

All dollar amounts are referenced in Canadian dollars, except when otherwise noted. Refer to "Non-GAAP Measures and Other Financial Measures" in the Company's Management's Discussion and Analysis ("MD&A") as at and for the three months ended March 31, 2022 for a quantitative reconciliation of capital expenditures net of A&D, capital expenditures before A&D, funds from operations, adjusted funds from operations, annualized quarterly adjusted funds from operations, and see the "Capital Resources and Liquidity" section in the MD&A as at and for the three months ended March 31, 2022 for a quantitative reconciliation of the Company's net bank debt (surplus).

Non-GAAP Measures and Other Financial Measures

This Presentation contains certain financial measures, as described below, which do not have standardized meanings prescribed by GAAP. In addition, this Presentation contains capital management measures, and supplementary financial measures that do not have standardized meanings under the applicable securities legislation. As these non-GAAP and other financial 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.

Non-GAAP Measures

"Operating netback" is a non-GAAP measure calculated by deducting royalties, production expenses and transportation expenses from petroleum and natural gas sales, net of the cost of purchases and after realized gains or losses on associated financial instruments. The Company also presents operating netbacks on a per boe basis which allows management to better analyze performance against prior periods, on a comparable basis, and is a key industry performance measure of operational efficiency.

"Net realized price" is a non-GAAP measure and is calculated by deducting the cost of purchases from petroleum and natural gas sales (before royalties), divided by the Company's production and reflects Kelt's realized selling prices plus the net benefit of oil blending/marketing activities. In addition to using its own production, the Company may purchase butane and crude oil from fourth parties for use in its blending operations, with the objective of selling the blended oil product at a premium. Marketing revenue from the sale of third-party volumes is included in total petroleum and natural gas sales as reported in the Consolidated Statement of Net Income (Loss) and Comprehensive Income (Loss) in accordance with GAAP. Given the Company's per unit operating statistics are calculated based on Kelt's production volumes, management believes that disclosing its net realized prices based on petroleum and natural gas sales after cost of purchases is more appropriate and useful, because the cost of third-party volumes purchased to generate the incremental marketing revenue has been deducted. Net realized prices referenced throughout this MD&A are before financial instruments, except as otherwise indicated as being after financial instruments.

"Capital expenditures, before A&D" and **"Capital expenditures, net of A&D"** are non-GAAP measures the Company uses to monitor its investment in exploration and evaluation, investment in property plant and equipment, and net investment in acquisition and disposition activities. The most directly comparable GAAP measure is Cash provided by (used in) financing activities. See Kelt's Management Discussion and Analysis as at and for the year ended December 31, 2021 for the full reconciliation to Cash provided by (used in) financing activities.

Disclaimer

"Net asset value" is calculated by adding the present value of proved plus probable petroleum and natural gas reserves discounted at 10% before tax, undeveloped land value, proceeds from exercise of stock options, and net bank debt (surplus). "Net asset value per common share" is calculated by dividing the "Net Asset Value" by the diluted number of common shares outstanding. The calculation of proceeds from exercise of stock options and the diluted number of common shares outstanding only include stock options that are "in-the-money" based on the closing price of Kelt common shares as at the calculation date. The diluted number of common shares outstanding includes common shares issuable upon conversion of the convertible debentures that are "in-the-money" based on the closing price of Kelt common shares as at the calculation date. Management believes that the "Net Asset Value" provides a useful measure to analyze the comparative change in the Company's estimated value on a normalized basis.

Capital Management Measures

Adjusted funds from operations and annualized quarterly adjusted funds from operations

Management considers adjusted funds from operations and annualized quarterly adjusted funds from operations key capital management measures as it demonstrates the Company's ability to meet its financial obligations and cash flow available to fund its capital program. Adjusted funds from operations and annualized quarterly adjusted funds from operations are not standardized measures and therefore may not be comparable with the calculation of similar measures by other entities.

Net debt (surplus) and net debt (surplus) to annualized quarterly adjusted funds from operations ratio

Management considers net debt (surplus) and a net debt (surplus) to annualized quarterly adjusted funds ratio from operations as key capital management measures to assess the Company's liquidity at a point in time and to monitor its capital structure and short-term financing requirements. The "net debt (surplus) to annualized quarterly adjusted funds from operations ratio" is also indicative of the "net debt (surplus) to cash flow ratio" 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).

"Net debt (surplus)" is equal to bank debt, accounts payable and accrued liabilities, net of cash and cash equivalents, accounts receivables and accrued sales and prepaid expenses and deposits. The Company previously disclosed a "Net bank debt (surplus)" for its non-GAAP measure which was used to understand the Company's liquidity risk. In the third quarter of 2021, the Company replaced its "Net bank debt (surplus)" non-GAAP measure with a "Net debt (surplus)" non-GAAP measure. "Net bank debt (surplus)" was equal to bank debt, plus current liabilities, less current assets. The Company believes that using a "Net debt (surplus)" non-GAAP measure, which excludes non-cash derivative financial instruments, non-cash lease liabilities, and non-cash decommissioning obligations, provides investors with more useful information to understand the Company's cash liquidity risk.

Disclaimer

Supplementary Financial Measures

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.

NPV10% BT: the anticipated net present value of the future net cash flow before taxes and after capital expenditures, discounted at a rate of 10%.

IRR: Internal rate of return. IRR is the discount rate required to arrive at a NPV equal to zero. Rates of return set forth in this Presentation are for illustrative purposes. There is no guarantee that such rates of return will be achieved in the future.

Reserves Replacement: the estimated amount of reserves added to the reserves base during the year relative to the amount of oil and gas produced.

IP30: the initial production from a well for the first 720 hours (30 days) based on operating/producing hours.

Finding, development and acquisition ("FD&A") cost: is the sum of capital expenditures incurred in the period and the change in future development capital ("FDC") required to develop reserves. FD&A cost per BOE is determined by dividing current period net reserve additions into the corresponding period's FD&A cost. Readers are cautioned that the aggregate of capital expenditures incurred in the year, comprised of exploration and development costs and acquisition costs, and the change in estimated FDC generally will not reflect total FD&A costs related to reserves additions in the year. For calculations relating to FD&A costs and recycle ratios, see the management's discussion and analysis of the financial condition and results of operations of the Company for the year ended December 31, 2020.

Recycle ratio: is a measure for evaluating the effectiveness of a company's re-investment program. The ratio measures the efficiency of capital investment by comparing the operating netback per BOE to FD&A cost per BOE.

Net asset value per common share: is calculated by adding the present value of petroleum and natural gas reserves, undeveloped land value and proceeds from exercise of stock options, less the present value of decommissioning obligations and bank debt, net of working capital, and dividing by the diluted number of common shares outstanding. The calculation of proceeds from exercise of stock options and the diluted number of common shares outstanding only include stock options that are "in-the-money" based on the closing price of KEL common shares as at the calculation date. The diluted number of common shares outstanding includes common shares issuable upon conversion of the convertible debentures that are "in-the-money" based on the closing price of KEL common shares as at the calculation date.

Corporate Presentation

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