PRESS RELEASE
(Stock Symbol **"KEL"** – TSX)
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Calgary, Alberta

KELT REPORTS FINANCIAL AND OPERATING RESULTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

Kelt Exploration Ltd. ("Kelt" or the "Company") reports its financial and operating results to shareholders for the three and nine months ended September 30, 2024.

The Company's financial results are summarized as follows:

FINANCIAL HIGHLIGHTS	Three months ended September 30			Nine months ended September 30		
(CA$ thousands, except as otherwise indicated)	**2024**	2023	%	**2024**	2023	%
Petroleum and natural gas sales	**107,884**	116,948	-8	**343,368**	366,580	-6
Cash provided by operating activities	**52,166**	52,424	-	**161,078**	220,747	-27
Adjusted funds from operations [(1)]	**48,939**	58,772	-17	**152,572**	209,582	-27
Basic ($/ common share)	**0.25**	0.30	-17	**0.78**	1.09	-28
Diluted ($/ common share)	**0.24**	0.30	-20	**0.77**	1.07	-28
Net income and comprehensive net income	**8,871**	20,060	-56	**31,623**	62,195	-49
Basic ($/ common share)	**0.05**	0.10	-50	**0.16**	0.32	-50
Diluted ($/ common share)	**0.04**	0.10	-60	**0.16**	0.32	-50
Capital expenditures, net of A&D [(1)]	**82,110**	98,287	-16	**236,101**	219,951	7
Total assets	**1,378,621**	1,222,412	13	**1,378,621**	1,222,412	13
Bank debt	**45,428**	-	-	**45,428**	-	-
Net debt [(1)]	**95,889**	15,917	502	**95,889**	15,917	502
Shareholders' equity	**1,046,142**	976,146	7	**1,046,142**	976,146	7
Weighted average shares outstanding (000s)						
Basic	**196,084**	193,477	1	**195,437**	192,697	1
Diluted	**200,015**	198,147	1	**199,257**	196,405	1

(1) Refer to advisories regarding Non-GAAP and Other Financial Measures

FINANCIAL STATEMENTS

Kelt's unaudited consolidated interim financial statements and related notes for the quarter ended September 30, 2024 will be available to the public on SEDAR+ at www.sedarplus.ca and will also be posted on the Company's website at www.keltexploration.com on November 7, 2024.

Kelt's operating results for the third quarter ended September 30, 2024 are summarized as follows:

OPERATIONAL HIGHLIGHTS	Three months ended September 30			Nine months ended September 30		
(CA$ thousands, except as otherwise indicated)	**2024**	2023	%	**2024**	2023	%
Average daily production						
Oil (bbls/d)	**8,827**	7,170	23	**8,396**	7,691	9
NGLs (bbls/d)	**3,075**	3,416	-10	**3,213**	3,873	-17
Gas (Mcf/d)	**122,857**	105,555	16	**122,314**	109,970	11
Combined (BOE/d)	**32,378**	28,179	15	**31,995**	29,892	7
Production per million common shares (BOE/d)	**165**	146	13	**164**	155	6
Net realized prices, before derivative financial instruments [(1)]						
Oil ($/bbl)	**93.88**	104.73	-10	**95.18**	98.78	-4
NGLs ($/bbl)	**49.06**	48.11	2	**52.34**	49.11	7
Gas ($/Mcf)	**1.25**	2.92	-57	**1.95**	3.20	-39
Operating netbacks ($/BOE) [(1)]						
Petroleum and natural gas sales	**36.22**	45.12	-20	**39.17**	44.92	-13
Cost of purchases	**(1.25)**	(1.80)	-31	**(1.49)**	(1.42)	5
Combined net realized price, before derivative financial instruments [(1)]	**34.97**	43.32	-19	**37.68**	43.50	-13
Realized gain (loss) on derivative financial instruments	**0.89**	(0.64)	239	**0.21**	1.81	-88
Combined net realized price, after derivative financial instruments[(1)]	**35.86**	42.68	-16	**37.89**	45.31	-16
Royalties	**(4.33)**	(5.97)	-27	**(5.15)**	(5.05)	2
Production expense	**(10.25)**	(9.57)	7	**(10.51)**	(10.26)	2
Transportation expense	**(3.37)**	(3.78)	-11	**(3.47)**	(3.43)	1
Operating netback [(1)]	**17.91**	23.36	-23	**18.76**	26.57	-29
Land holdings						
Gross acres				**792,198**	803,399	-1
Net acres				**580,343**	587,818	-1

(1) Refer to advisories regarding Non-GAAP and Other Financial Measures

MESSAGE TO SHAREHOLDERS

Kelt's average production for the three months ended September 30, 2024, was 32,378 BOE per day, up 15% from average production of 28,179 BOE per day during the corresponding period in 2023 and up 5% from average production of 30,693 BOE per day during the second quarter of 2024.

During the third quarter of 2024, Kelt commenced production from its newly drilled 6-well 14-2 pad at Wembley/Pipestone. Initial production from these wells are high in oil content and, as a result, the Company's oil production for the third quarter of 2024 grew by 16% to 8,827 barrels per day from 7,599 barrels per day in the second quarter of 2024. Combined gas and NGLs production grew by 2% quarter-over-quarter: 23,551 BOE per day in the third quarter of 2024 compared to 23,094 BOE per day in the second quarter of 2024.

Kelt's realized average oil price during the third quarter of 2024 was $93.88 per barrel, down 10% from $104.73 per barrel in the third quarter of 2023. The realized average NGLs price during the third quarter of 2024 was $49.06 per barrel, up 2% from $48.11 per barrel in the same quarter of 2023. Kelt's realized average gas price for the third quarter of 2024 was $1.25 per Mcf, down 57% from $2.92 per Mcf in the corresponding quarter of the previous year.

For the three months ended September 30, 2024, petroleum and natural gas sales were $107.9 million and adjusted funds from operations was $48.9 million ($0.24 per share, diluted), compared to $116.9 million and

$58.8 million ($0.30 per share, diluted) respectively, in the third quarter of 2023. On September 30, 2024, net debt was $95.9 million or 0.4 times trailing twelve months adjusted funds from operations.

Net capital expenditures incurred during the three months ended September 30, 2024, were $82.1 million. During the third quarter of 2024, the Company spent $48.5 million on drill and complete operations and $32.6 million on facilities, pipelines, and equipment.

Kelt expects to spend $325.0 million on its capital expenditure program for 2024, unchanged from its previous forecast. Drill and complete costs for the Company's Montney multi-well pads (14 wells) at Wembley/Pipestone have averaged approximately $6.3 million per well, 14% lower than original budgeted costs of $7.2 million per well. As a result, Kelt expects to get a head start on its 2025 drilling program and has added a 3-well pad from its 2025 program to be drilled in November/December 2024. These wells are expected to be completed in the first quarter of 2025. In addition, Kelt now expects to shoot its extensive 3-D seismic program at Oak, British Columbia next year (previously planned for the fourth quarter of 2024). Kelt has added approximately $10.0 million of capital expenditures to the 2024 program for equipment, compression additions and oil battery enlargements that will be completed in 2025.

Kelt has now completed the remaining eight wells at Wembley/Pipestone from its 2024 drilling program. The Company currently has an estimated 9,000 to 12,000 BOE per day of shut-in production and new production ready to be brought on-stream with the start-up of the newly constructed CSV Albright Gas Plant ("Albright"). Kelt expected Albright to commence operations in the fourth quarter of 2024, however, the Company has been informed that construction of the facility is progressing towards substantial completion in the fourth quarter except for an out-of-country logistical challenge that has resulted in a delay associated with the delivery of certain essential and specialized equipment required for start-up of operations. Albright is now expected to commence commissioning operations during the first quarter of 2025. As a result of the delay in start-up, Kelt now expects to exit 2024 with production in the 36,000 to 38,000 BOE per day range. With commencement of Albright operations, Kelt expects to exit the first quarter of 2025 with production in the 45,000 to 50,000 BOE per day range.

Average production for 2024 is forecasted to be in the 32,000 to 33,500 BOE per day range. Production guidance for the year has been reduced from previous guidance of 34,000 to 36,000 BOE per day to account for the delay in start-up of Albright.

The Company has reduced its average commodity price forecasts for 2024 reflecting actual prices to date and estimated prices for the remainder of the year. The following table outlines forecasted average commodity price assumptions for 2024 with actual 2023 commodity prices shown for comparative purposes:

Commodity Index	2023 Actual	2024 Previous Forecast	2024 Current Forecast	Change In 2024 Forecast
WTI Oil (USD/bbl)	77.63	81.00	76.75	(5%)
MSW Oil (CAD/bbl)	100.40	104.55	98.71	(6%)
NYMEX Henry Hub Gas (USD/MMBtu)	2.53	2.35	2.30	(2%)
DAWN Gas (USD/MMBtu)	2.34	2.30	2.10	(9%)
AECO NIT Gas (CAD/GJ)	2.52	1.69	1.49	(12%)
STATION 2 Gas (CAD/GJ)	2.14	1.55	1.30	(16%)
Exchange Rate (USD/CAD)	0.7410	0.7310	0.7315	0%
Exchange Rate (CAD/USD)	1.3495	1.3680	1.3670	0%

Adjusted funds from operations ("AFFO") for 2024 is forecasted to be $221.5 million, 18% lower than the Company's previous forecast of $270.0 million. The reduction in forecasted AFFO reflects a 10% reduction in estimated realized commodity prices: $38.50 per BOE compared to the Company's previous forecast of $43.01 per BOE and the delay in starting up a significant production volume at Wembley/Pipestone from the fourth quarter of 2024 to the first quarter of 2025.

On December 31, 2024, the Company expects to have net debt of $117.0 million, or 0.5 times forecasted AFFO for 2024.

Financial and operating highlights forecasted for 2024 compared to 2023 actual results are highlighted in the table below:

Financial and Operating Highlights ($ MM, unless otherwise specified)	2023 Actual	2024 Forecast	Change
Production			
Oil & NGLs (bbls/d)	11,738	11,900 – 12,600	4% *[2]*
Gas (MMcf/d)	112,634	120,600 – 125,400	9% *[2]*
Combined (BOE/d)	30,510	32,000 – 33,500	7% [*[2]*
P&NG Sales [1]	495.6	478.4	(3%)
Adjusted Funds from Operations *[1]*	276.2	221.5	(20%)
AFFO per share, diluted ($/share) *[1]*	1.40	1.11	(21%)
Capital Expenditures, net of A&D *[1]*	282.6	325.0	15%
Net Debt, at year-end *[1]*	13.0	117.0	800%
Net Debt / AFFO ratio *[1]*	0.0 x	0.5 x	
Notes: *[1] Refer to advisories regarding "Non-GAAP and Other Financial Measures".* *[2] Percent change for production is calculated using the mid-point of each production range.*			

In its Oak/Flatrock Division, Kelt has now put on production the remaining three wells from its 8-well drilling program in 2024.

In its Pouce Coupe/Progress/Spirit River Division, Kelt has completed four of the six Charlie Lake wells that were drilled during the year. These four wells, located at Spirit River, were recently equipped and are currently producing. The remaining two wells located at Pouce Coupe North are expected to be completed and brought on production prior to year-end. Three Montney wells at Pouce Coupe West have also now been completed and are expected to commence production at restricted rates prior to year-end. These three Montney wells can be produced at their full capability after the start-up of Albright, as the construction of a pipeline from Albright to the Company's Pouce Coupe infrastructure is also nearing completion.

In its Wembley/Pipestone Division, Kelt shut-in existing producing wells to make room under its current gas processing capacity for six new wells drilled off the 14-2 pad. Four of these wells were drilled in the Montney D3/D4 development horizon and two wells were drilled in the exploratory Montney D1 horizon. Initial production rates (estimated sales volumes) for 720 operating hours (IP30) after the wells were put on production and flowed for clean-up are as follows:

Wembley 103/14-14-73-8W6 (Montney D3) → 1,374 BOE/d (55% oil and NGLs);
Wembley 102/14-14-73-8W6 (Montney D4) → 1,291 BOE/d (54% oil and NGLs);
Wembley 103/15-14-73-8W6 (Montney D3) → 1,290 BOE/d (59% oil and NGLs);
Wembley 102/15-14-73-8W6 (Montney D4) → 1,196 BOE/d (59% oil and NGLs);
Wembley 100/14-14-73-8W6 (Montney D1) → 618 BOE/d (75% oil and NGLs); and
Wembley 100/15-14-73-8W6 (Montney D1) → 453 BOE/d (63% oil and NGLs).

The development locations in the Montney D3/D4 horizons continue to deliver exceptional results with IP30 rates averaging 1,288 BOE/d per well (57% oil and NGLs). The Company is encouraged with the results from the exploratory Montney D1 zone, which were a follow-up to a previous Montney D1 well drilled off the Wembley 12-3 pad that had an IP30 rate of 747 BOE/d (54% oil and NGLs) and an IP365 rate of 454 BOE/d (52% oil and NGLs). Kelt expects to install electronic submersible pumps on the two new Montney D1 wells which are expected to improve productivity. Also, the Company expects to follow-up with an additional Montney D1 well on its next round of pad drilling at Wembley, to further delineate the extent of this new exploratory zone.

Management expects to provide its 2025 capital expenditure budget and operating and financial guidance in early January 2025.

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 calendar years 2024 and 2025. 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 and of the words "will", "expects", "believe", "plans", potential", "forecasts" and similar expressions are intended to identify forward-looking statements. In particular, this press release contains forward-looking statements pertaining to the following: Kelt's expected price realizations and future commodity prices; its expected oil and NGLs weighting; the start-up date of the postponed wells; the cost and timing of future capital expenditures and expected results; the expected timing of wells bring brought on-production; the expected timing of production additions from capital expenditures; the ability to show significant production growth; the expected reductions in drill and complete costs; the expected timing and processing capacity from the start-up of a third party facility; the expected timing of when the Company shoots its 3-D seismic program; the delayed production volumes at Wembley/Pipestone being brought on-stream in the first quarter of 2025; the estimated 9,000 to 12,000 BOE per day of shut-in production and new production ready to be brought on-stream; and the Company's expected future financial position and operating results.

References herein to the IP30 and IP365 production rates are useful in confirming the presence of hydrocarbons, however the production rates are over a short period of time and, therefore, are not necessarily indicative of average daily production, long-term performance or of ultimate recovery from the wells. Readers are cautioned not to place reliance on such rates in calculating aggregate production for the assets for which such rates are provided.

Certain information with respect to Kelt contained herein, including management's assessment of future plans and operations, contains forward-looking statements. These forward-looking statements are based on assumptions and are subject to numerous risks and uncertainties, many of which are beyond Kelt's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency exchange rate fluctuations, imprecision of reserve estimates, environmental risks, competition from other explorers, stock market volatility and ability to access sufficient capital. As a result, Kelt's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur.

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.

Certain information set out herein may be considered as "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 periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

NON-GAAP AND OTHER KEY FINANCIAL MEASURES

This press release contains certain non-GAAP financial measures and other specified financial measures, as described below, which do not have standardized meanings prescribed by GAAP and do not have standardized meanings under the applicable securities legislation. As these non-GAAP, and other specified 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 FINANCIAL MEASURES

Net realized price

Net realized price is a non-GAAP measure and is calculated by dividing the Company's P&NG sales after cost of purchases by the Company's production and reflects Kelt's realized selling prices plus the net benefit of oil blending and third-party natural gas sales. In addition to using its own production, the Company may purchase butane and crude oil from third 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 P&NG sales as reported in the Consolidated Statement of Net Income and Comprehensive Income in accordance with GAAP. Given the Company's per unit operating statistics disclosed throughout this press release are calculated based on Kelt's production volumes, and excludes the sale of third-party marketing volumes, management believes that disclosing its net realized prices based on P&NG 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.

Combined net realized prices referenced throughout this press release are before derivative financial instruments, except as otherwise indicated as being after derivative financial instruments.

Operating income and operating netback

Operating income 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 derivative financial instruments. The Company also presents operating income on a per BOE basis, referred to as "operating netback" or "operating income per BOE", which allows management to better analyze performance against prior periods, on a comparable basis, and is a key industry performance measure of operational efficiency.

See the "Adjusted Funds from Operations" section of Kelt's Management's Discussion and Analysis as at and for the three months ended September 30, 2024, which provides a reconciliation of the operating netback from P&NG sales, which is a GAAP measure.

Capital expenditures

"Capital expenditures, before A&D" and "Capital expenditures, net of A&D" are 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 used in investing activities, and is calculated as follows:

	Three months ended September 30		*Nine months ended September 30*	
(CA$ thousands, except as otherwise indicated)	***2024***	*2023*	**2024**	*2023*
Cash used in investing activities	***86,896***	*68,613*	**224,507**	*183,161*
Change in non-cash investing working capital	***(4,786)***	*29,674*	**11,594**	*36,790*
Capital expenditures, net of A&D	***82,110***	*98,287*	**236,101**	*219,951*
Acquisitions	***-***	*-*	**(773)**	*(92)*
Capital expenditures, before A&D	***82,110***	*98,287*	**235,328**	*219,859*

CAPITAL MANAGEMENT MEASURES:

Funds from operations and adjusted funds from operations

Management considers funds from operations and adjusted funds from operations as a key capital management measure as it demonstrates the Company's ability to meet its financial obligations and cash flow available to fund its capital program. Funds from operations and adjusted funds from operations are not standardized measures and therefore may not be comparable with the calculation of similar measures by other entities. The most comparable GAAP measure is "Cash provided by operating activities". Funds from operations and adjusted funds from operations are calculated as follows:

	Three months ended September 30		Nine months ended September 30	
(CA$ thousands, except as otherwise indicated)	***2024***	*2023*	***2024***	*2023*
Cash provided by operating activities	***52,166***	*52,424*	***161,078***	*220,747*
Change in non-cash working capital	***(4,407)***	*5,492*	***(11,674)***	*(13,259)*
Funds from operations	***47,759***	*57,916*	***149,404***	*207,488*
Settlement of decommissioning obligations	***1,180***	*856*	***3,168***	*2,094*
Adjusted funds from operations	***48,939***	*58,772*	***152,572***	*209,582*

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

Management considers net debt (surplus) and a net debt (surplus) to adjusted funds from operations ratio 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 adjusted funds from operations ratio" is also indicative of the "net debt 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 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.

Net debt (surplus) is calculated as follows:

(CA$ thousands, except as otherwise indicated)	***September 30, 2024***	*September 30, 2023*
Bank debt	***45,428***	*-*
Accounts payable and accrued liabilities	***95,253***	*100,413*
Cash and cash equivalents	***(144)***	*(32,746)*
Accounts receivable and accrued sales	***(40,525)***	*(46,740)*
Prepaid expenses and deposits	***(4,123)***	*(5,010)*
Net debt	***95,889***	*15,917*

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.*

P&NG sales, cost of purchases, gain (loss) on derivative financial instruments, royalties, revenue after royalties and derivative financial instruments, production expenses, transportation expenses, financing expenses, gross and net G&A expenses, realized gain (loss) on foreign exchange, other income (expense), share based compensation expense and depletion and depreciation on a $/BOE basis is calculated by dividing the amounts by the Company's total production over the period.

Adjusted funds from operations per share (basic and diluted), and net income and comprehensive income per share (basic and diluted) is calculated by dividing the amounts by the basic weighted average common shares outstanding.

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

A&D	*Acquisitions and Dispositions*
P&NG	*Petroleum and Natural Gas*
MD&A	*Management's Discussion and Analysis*
TSX	*the Toronto Stock Exchange*
KEL	*trading symbol for Kelt Exploration Ltd. on the TSX*
GAAP	*Generally Accepted Accounting Principles*
SEDAR+	*the System for Electronic Document Analysis and Retrieval*
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*
Oil	*includes crude oil and field condensate combined*
BOE	*barrel of oil equivalent*
BOE/d	*barrel of oil equivalent per day*
IP30	*the daily average post cleanup production rate (for each well), measured at the wellhead over 720 producing hours, excluding hours when the well did not produce continuously.*
IP365	*the daily average post cleanup production rate (for each well), measured at the wellhead over 8,760 producing hours, excluding hours when the well did not produce.*
NGLs	*natural gas liquids*

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