Kelt Provides Update on Start-Up of Third-Party Gas Plant at Wembley

23.08.2025 | Newsfile

Calgary, August 22, 2025 - Kelt Exploration Ltd. (TSX: KEL) ("Kelt" or the "Company") is providing an update on start-up expectations for the newly constructed Albright Gas Plant ("Albright") near the Company's lands at Wembley/Pipestone, Alberta. Albright is owned and operated by a third-party mid-stream company, CSV Midstream Solutions Corp. ("CSV"). CSV is an Alberta based company headquartered in Calgary with assets located in the Grande Prairie and Grande Cache areas of Northern Alberta.

CSV had originally planned to bring Albright on-stream in the fourth quarter of 2024. After certain issues during construction including logistic related delays, CSV commenced commissioning (flaring, testing and safety) operations in June 2025, with expectations of full-scale operations to commence in July 2025. CSV has informed Kelt that the upstream portion of the gas plant is fully commissioned and ready for start-up. However, testing of the sulphur recovery plant required to process sour gas has had several starts and stops. A major piece of equipment (four-way valve) has not performed its intended function during the test, even though it had initially worked. CSV is currently conducting a root cause analysis ("RCA") to identify reasons why the failure occurred. As a result, CSV is no longer able to provide the Company with an estimated start date for Albright.

Kelt has a significant amount of production (oil, NGLs and gas) currently shut-in as it awaits start-up of Albright. The Company has contracted for 50 MMcf per day of the plant's 150 MMcf per day maximum gas processing capacity. For every week that the start-up of the plant is delayed, Kelt's daily average production for 2025 will be reduced by approximately 175 BOE per day. The lower end of the Company's forecasted average daily production for 2025 is currently 42,000 BOE per day. Kelt expects CSV to provide the Company with results from its RCA in early September, at which time Kelt will determine if there is a need to reduce its current 2025 production guidance.

During the seven months ended July 31, 2025, Kelt's average production in its Wembley/Pipestone division was approximately 14,300 BOE per day (55% oil & NGLs and 45% gas). With the start-up of the Albright plant, the Company expects to increase its production at Wembley/Pipestone to approximately 23,000 to 24,000 BOE per day.

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 2025. Readers are cautioned that this financial outlook may not be appropriate for other purposes.

For further information, please contact:

KELT EXPLORATION LTD., Suite 300, 311 - 6th Avenue SW, Calgary, Alberta, Canada T2P 3H2

DAVID J. WILSON, President and Chief Executive Officer (403) 201-5340, or
SADIQ H. LALANI, Vice President and Chief Financial Officer (403) 215-5310.
Or visit our website at www.keltexploration.com.

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: the timing of the commissioning of the Albright gas plant; the expected timing of the communication of the results of the RCA to Kelt; the amount of oil and natural gas production shut-in awaiting the start-up of the Albright gas plant; the estimated weekly reduction in the Company's expected current annual production guidance resulting from the delay in the CSV start-up; and, the expected average production rates at Wembley/Pipestone following the start-up of the CSV plant.

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.

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 price. 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

TSX	the Toronto Stock Exchange
KEL	trading symbol for Kelt Exploration Ltd. on the TSX
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

NGLs natural gas liquids

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