Kelt Reports Financial and Operating Results for the Nine Months Ended September 30, 2025

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Calgary, November 13, 2025 - Kelt Exploration Ltd. (TSX: KEL) ("Kelt" or the "Company") reports its financial and operating results to shareholders for the third quarter ended September 30, 2025. The Company's financial results are summarized as follows:

FINANCIAL HIGHLIGHTS	Three months ended September 30			Nine months ended Septembe		
(CA$ thousands, except as otherwise indicated)	2025	2024	%	2025	2024	%
Petroleum and natural gas sales	110,377	107,884	2	369,296	343,368	8
Cash provided by operating activities	53,827	52,166	3	201,452	161,078	2
Adjusted funds from operations (1)	44,648	48,939	-9	184,708	152,572	2
Basic ($/ common share) (1)	0.22	0.25	-12	0.93	0.78	1
Diluted ($/ common share) (1)	0.22	0.24	-8	0.92	0.77	1
Net income (loss) and comprehensive income (loss)	(7,446)	8,871	-184	43,994	31,623	3
Basic ($/ common share)	(0.04)	0.05	-180	0.22	0.16	3
Diluted ($/ common share)	(0.04)	0.04	-200	0.22	0.16	3
Capital expenditures, net of A&D (1)	89,801	82,110	9	285,499	236,101	2
Total assets	1,594,538	1,378,621	16	1,594,538	1,378,621	1
Bank debt	186,000	45,428	309	186,000	45,428	3
Net debt (1)	223,684	95,889	133	223,684	95,889	1
Shareholders' equity	1,117,150	1,046,142	7	1,117,150	1,046,142	7
Weighted average shares outstanding (000s)						
Basic	199,274	196,084	2	198,610	195,437	2
Diluted	202,714	200,015	1	201,734	199,257	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, 2025 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 13, 2025.

Kelt's operating results for the third quarter ended September 30, 2025 are summarized as follows:

OPERATIONAL HIGHLIGHTS	Three months ended September 30			Nine months
(CA$ thousands, except as otherwise indicated)	2025	2024	%	2025
Average daily production				
Oil (bbls/d)	8,281	8,827	-6	8,740
NGLs (bbls/d)	5,388	3,075	75	5,463
Gas (mcf/d)	144,243	122,857	17	147,650
Combined (BOE/d)	37,710	32,378	16	38,811
Production per million common shares (BOE/d) (1)	189	165	15	195
Net realized prices, before derivative financial instruments (1)				
Oil ($/bbl)	84.91	93.88	-10	87.13
NGLs ($/bbl)	33.70	49.06	-31	37.18
Gas ($/mcf)	1.71	1.25	37	2.32
Operating netbacks ($/BOE) (1)				
Petroleum and natural gas sales	31.82	36.22	-12	34.85

Cost of purchases	(1.81)	(1.25)	45	(1.17)
Combined net realized price, before derivative financial instruments (1)	30.01	34.97	-14	33.68
Realized gain on financial instruments	2.11	0.89	137	1.92
Combined net realized price, after derivative financial instruments (1)	32.12	35.86	-10	35.60
Royalties	(2.95)	(4.33)	-32	(3.30)
Production expense	(10.70)	(10.25)	4	(9.61)
Transportation expense	(3.78)	(3.37)	12	(3.50)
Operating netback (1)	14.69	17.91	-18	19.19
Land holdings				
Gross acres	801,798	792,198	1	801,798
Net acres	602,296	580,343	4	602,296

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

MESSAGE TO SHAREHOLDERS

Kelt Exploration Ltd. ("Kelt" or the "Company") reports its financial and operating results to shareholders for the third quarter ended September 30, 2025.

Kelt's average production for the three months ended September 30, 2025 was 37,710 BOE per day, up 16% from average production of 32,378 BOE per day during the corresponding period in 2024. Production for the three months ended September 30, 2025 was weighted 36% oil and NGLs and 64% gas.

During the quarter, Kelt shut-in approximately 60 MMcf per day of relatively dry gas production in the Pouce Coupe and Grande Cache areas of Alberta for approximately 15 days due to low to negative AECO prices. In addition, the Company also shut-in oil and gas production in the Wembley area of Alberta for approximately 28 days when the Pipestone Deep-Cut Gas Plant was down for its periodic turnaround maintenance operations. All of the shut-in production has been brought back on-stream.

As previously reported, at Wembley, Kelt has commenced delivering gas to the newly constructed Albright Sulphur Recovery Gas Plant during the fourth quarter of 2025. As a result, Kelt expects to show significant production growth in the fourth quarter of 2025 when compared to third quarter 2025 results.

Kelt's realized average oil price during the third quarter of 2025 was $84.91 per barrel, down 10% from $93.88 per barrel in the third quarter of 2024. The realized average NGLs price during the third quarter of 2025 was $33.70 per barrel, down 31% from $49.06 per barrel in the same quarter of 2024. Kelt's realized average gas price for the third quarter of 2025 was $1.71 per Mcf, up 37% from $1.25 per Mcf in the corresponding quarter of the previous year.

For the three months ended September 30, 2025, petroleum and natural gas sales were $110.4 million and adjusted funds from operations was $44.6 million ($0.22 per common share, diluted), compared to $107.9 million and $48.9 million ($0.24 per common share, diluted) respectively, in the third quarter of 2024.

Net capital expenditures incurred during the three months ended September 30, 2025, were $89.8 million. During the quarter, the Company spent $56.6 million on drill and complete operations and $32.0 million on facilities, pipelines and equipment.

On September 30, 2025, the Company had net debt of $223.7 million. Capital expenditures during the fourth quarter of 2025 are expected to be lower than forecasted funds from operations for the quarter. As a result, Kelt expects to reduce its net debt to approximately $170.0 million by year-end or 0.6 times forecasted 2025 adjusted funds from operations.

2025 Outlook

The global economy is currently experiencing a slowdown in growth amid heightened uncertainty, driven primarily by escalating trade tensions, persistent inflationary pressures, and significant geopolitical risks. These factors contribute to an economic environment of uncertainty, which in turn results in volatile fluctuations in commodity prices. As a result, Kelt has been pro-active with commodity price risk management and has entered into certain future contracts to sell its oil and gas production at prices that provide the Company with an opportunity to protect its financial position as it conducts its planned capital expenditure program.

Production during 2025 is forecasted to average between 40,000 and 41,000 BOE per day, an increase of 22% from the mid-point of the range compared to average production of 33,115 BOE per day in 2024. The average production forecast for 2025 was reduced from the Company's previous guidance of 42,000 to 45,000 BOE per day to reflect the delayed start-up of the newly constructed Albright Sulphur Recovery Gas Plant, the shut-in of dry gas production due to low to negative AECO prices, and the longer than planned turnaround maintenance operations at the Pipestone Deep-Cut Gas Plant.

Adjusted funds from operations for 2025 is forecasted to be $280.0 million, down from the Company's previous forecast of $325.0 million. The lower production forecast and lower forecasted realized gas and NGL prices contributed to the majority of the reduction in the estimated adjusted funds from operations for the year. The Company has decreased its forecasted 2025 average WTI oil price from US$66.50 per barrel to US$66.00 per barrel. In addition, Kelt reduced its forecasted 2025 average AECO gas price by 22% from $2.23 per GJ to $1.73 per GJ. On December 31, 2025, the Company expects to have net debt of $170.0 million, representing 0.6 times forecasted 2025 adjusted funds from operations.

Forecasted average commodity price assumptions for the remainder of 2025 are shown in the following table:

Commodity Index	Jan-Sep 2025 Actual	Oct-Dec 2025 Forecast	2025 Forecast
WTI Crude Oil (USD/bbl)	67.38	61.93	66.00
MSW Crude Oil (CAD/bbl)	89.63	81.37	87.54
NYMEX Natural Gas Daily Index (USD/MMBtu)	3.48	3.55	3.50
DAWN Gas Daily Index (USD/MMBtu)	3.18	3.65	3.30
AECO NIT 5A Gas Daily Index (CAD/GJ)	1.41	2.67	1.73
STATION 2 Gas Daily Index (CAD/GJ)	0.68	2.71	1.19
Exchange Rate (USD/CAD)	0.7150	0.7194	0.7161
Exchange Rate (CAD/USD)	1.3987	1.3900	1.3965

Financial and operating highlights for the Company's 2025 forecast compared to its 2024 results are highlighted in the table below:

Financial and Operating Highlights ($ MM, unless otherwise specified)	2025 Forecast	2024	Change
Production [2]			
Oil & NGLs (bbls/d)	14,600 - 15,400	12,298	22%
Gas (MMcf/d)	152,400 - 153,600	124,902	22%
Combined (BOE/d)	40,000 - 41,000	33,115	22%
P&NG Sales [1]	536.1	468.4	14%
Adjusted Funds from Operations [1]	280.0	222.0	26%
AFFO per share, diluted ($/share) [1]	1.38	1.11	24%
Capital Expenditures, net of A&D [1]	325.0	333.1	(2%)
Net Debt, at year-end [1]	170.0	124.9	36%
Net Debt / AFFO ratio	0.6 x	0.6 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.

Operations Update

In its Wembley/Pipestone Division, Kelt continues to use the plug and perf * completion method on its pad development wells, however, the Company recently optimized the completion design on its 5-well Montney 6-9 pad:

1. The Company engaged McDaniel & Associates Consultants Ltd. to create an analogue dataset model using machine learning that included approximately 3,000 wells from across the unconventional Montney horizon. The model focused on selecting plug and perf wells within a relevant range of cumulative CGRs and initial reservoir pressures in the Alberta and British Columbia Montney fairway.
2. Inter-well spacing in the same zone was increased from a previously tested range of 300 to 330 metres up to approximately 390 metres on the 6-9 pad. Four of the wells were drilled with a lateral length of approximately 3,300 metres per well and the fifth well had a lateral length of approximately 3,000 metres.
3. Four of the wells were completed using 51 stages with 8 clusters per stage. The fifth and shorter well had 48 stages.
4. Proppant intensity was increased from 2.25 tonnes/metre to 2.75 tonnes/metre.
5. Water intensity was increased from 3.5 cubic metres/tonne to 4.0 cubic metres/tonne.
6. Cluster spacing was tightened from 10 metres to 8 metres.

Kelt expects this optimized completion design to be better suited for reservoirs with higher liquids such as Kelt's development wells at Wembley. Initial indications from the 6-9 pad wells are oil and NGLs ranging from 62% to 68% of total production, significantly higher than the current field average.

* The plug and perf completion method: the horizontal well is stimulated by repeatedly setting a plug to isolate a section of the well, perforating the casing to access the formation, and then performing a hydraulic fracture treatment on that isolated zone; this process is repeated in stages, moving back up the wellbore towards the heel, and after all zones are treated, a milling operation removes all the plugs.

In its Oak/Flatrock Division, Kelt drilled a four well pad located at 5-32. Two of these wells have now been completed and are expected to be put on production in December 2025. Completion of the remaining two wells has been deferred to 2026. Kelt plans to use this freed up capital for 2025 to commence its 2026 drilling program, leaving estimated capital expenditures for 2025 unchanged at $325 million.

With access to new gas processing capacity, Kelt expects to show significant production and cash flow growth leading into 2026. Management plans to release the Company's planned capital expenditure program for 2026 in early January, at which time the direction of commodity prices for 2026 will be better understood.

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 year 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 cost and timing of future capital expenditures and expected results; the expected timing of wells being brought on-production; the ability to add significant revenue from sulfur sales at a third-party plant; the expected timing of production additions from capital expenditures; the ability to show significant production growth; the expected timing and available processing capacity from the start-up of third-party facilities; and the Company's expected future financial position and operating results.

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, inter-connected challenges which may include slower growth, uncertain trade policies, persistent inflation, high interest rates, and geopolitical instability, 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, 2025, 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)	2025	2024	2025	2024
Cash used in investing activities	87,954	86,896	281,290	224,507
Change in non-cash investing working capital	1,847	(4,786)	4,209	11,594
Capital expenditures, net of A&D	89,801	82,110	285,499	236,101
Property acquisitions	(40)	-	(40)	(773)
Property dispositions	47	-	47	-
Capital expenditures, before A&D	89,808	82,110	285,506	235,328

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)	2025	2024	2025	2024
Cash provided by operating activities	53,827	52,166	201,452	161,078
Change in non-cash working capital	(10,365)	(4,407)	(18,693)	(11,674)
Funds from operations	43,462	47,759	182,759	149,404
Settlement of decommissioning obligations	1,186	1,180	1,949	3,168
Adjusted funds from operations	44,648	48,939	184,708	152,572

Net debt and net debt to adjusted funds from operations ratio

Management considers net debt and net debt 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 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" 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" 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 is calculated as follows:

(CA$ thousands)	September 30, 2025	December 31, 2024
Bank debt	186,000	108,993

Accounts payable and accrued liabilities	89,308	80,463
Cash and cash equivalents	(1,336)	(228)
Accounts receivable and accrued sales	(46,198)	(60,236)
Prepaid expenses and deposits	(4,090)	(4,109)
Net debt	223,684	124,883

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
NGLs	natural gas liquids

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