

**Delphi Energy** is a public oil and natural gas company based out of Calgary, operating mainly in the deep basin of North West Alberta. The corporation is well positioned for significant organic growth with a large inventory of drilling opportunities on its resource-style development projects utilizing horizontal drilling with multi-stage fracturing technology.



## OVERVIEW

Toronto Stock Exchange	DEE
Common Shares (including recent financing)	
Basic	131.0 million
Diluted	141.6 million
Volume – 3 Month Average	360,000
Management & Director Ownership	
Basic	4.5 million – 3.8%
Diluted	5.1 million – 7.5%
Valuation	
Market Capitalization	\$283 million
Enterprise Value	\$385 million

## SNAPSHOT

### Internally funded growth from cash generating capability

- High-quality revenue stream
- Low operating cost structure

### Sustainable and consistent production and reserve growth

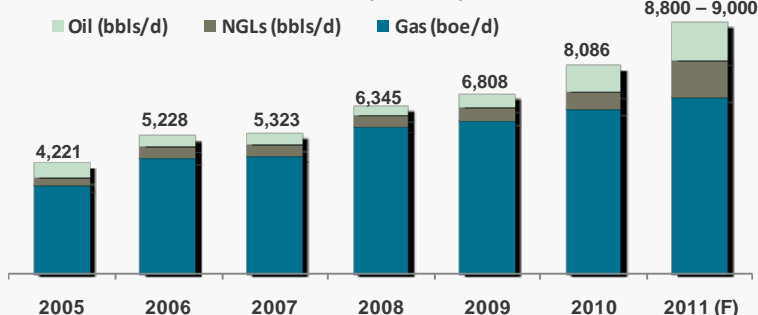
- “Deep Basin” expertise with concentrated assets

### Key operational success defining sustainable future growth

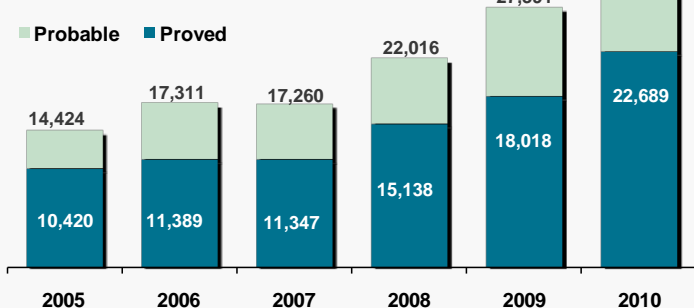
### Solid operating and financial results

- 2011 cash netback forecast up 92 percent since 2009
- 2011 cash flow per share forecast up 92 percent since 2009
- 26 percent reserves and 19 percent production growth in 2010

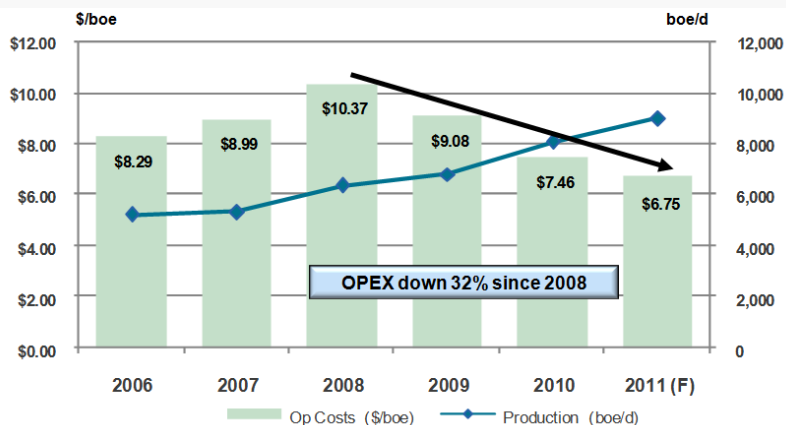
## PRODUCTION GROWTH (BOE/D)



## RESERVE GROWTH (MBOE)



## OPERATING COST EFFICIENCIES



## 2011 Q3 HIGHLIGHTS

- achieved average production of 8,967 barrels of oil equivalent per day (“boe/d”), an increase of 11% compared Q3 2010;
- increased the liquids percentage of production to approximately 28% crude oil and natural gas liquids in Q3 2011, up from 19% in Q3 2010;
- generated funds from operations (“cash flow”) of \$17.2 million, an increase of 15% from Q3 2010;
- achieved a cash netback of \$20.87 per boe, maintaining the Company’s objective of achieving a cash netback of at least \$20.00 per boe;
- reduced operating costs by 8% to \$6.85 per boe in Q3 2011 from \$7.44 per boe in Q3 2010;
- realized \$2.3 million in hedging gains on natural gas physical and financial contracts while incurring \$0.1 million of hedging losses on a financial crude oil call option; and
- drilled 9.0 gross (6.2 net) wells in Q3 2011 as part of the Company’s summer capital program.

## MANAGEMENT

**David Reid**

President & CEO, Director

**Tony Angelidis**

Senior Vice President Exploration, Director

**Hugo Batteke**

Vice President Operations

**Rod Hume**

Senior Vice President Engineering

**Brian Kohlhammer**

Senior Vice President Finance & CFO

**Michael Galvin**

Vice President Land

## BOARD OF DIRECTORS

**David Reid**

President & CEO, Delphi Energy Corp.

**Tony Angelidis**

Senior Vice President Exploration,  
Delphi Energy Corp.

**Harry Campbell**

Partner, Burnet, Duckworth & Palmer LLP

**Robert Lehodey**

Partner, Osler, Hoskin & Harcourt LLP

**Andrew Osis**

CEO & Director, Poynt Corporation

**Lamont Tolley**

Independent businessman

**David Sandmeyer**

Independent businessman

**Stephen Mulherin**

Partner, Polar Capital Corp.

## CONTACT INFORMATION

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**DELPHI ENERGY CORP.**  
CORPORATE PROFILE

January 2012

TSX: DEE

## 2011 FORECAST

Production (BOE/d) – average

Natural gas price (AECO Cdn /mcf)

Forecast realized natural gas price (\$/mcf)

Crude oil price (WTI US \$/bbl)

Net CAPEX incl. A&D (millions)

Funds flow (millions)

Funds flow per share

Net debt (millions)

Debt to cash flow

*Additional capital required for acquisitions funded by equity financing and cash flow primarily from higher oil prices and hedging gains.*

## 2011 Forecast

**8,800 – 9,000**

**\$3.62**

**\$4.56**

**\$95.10**

**\$100 – 105**

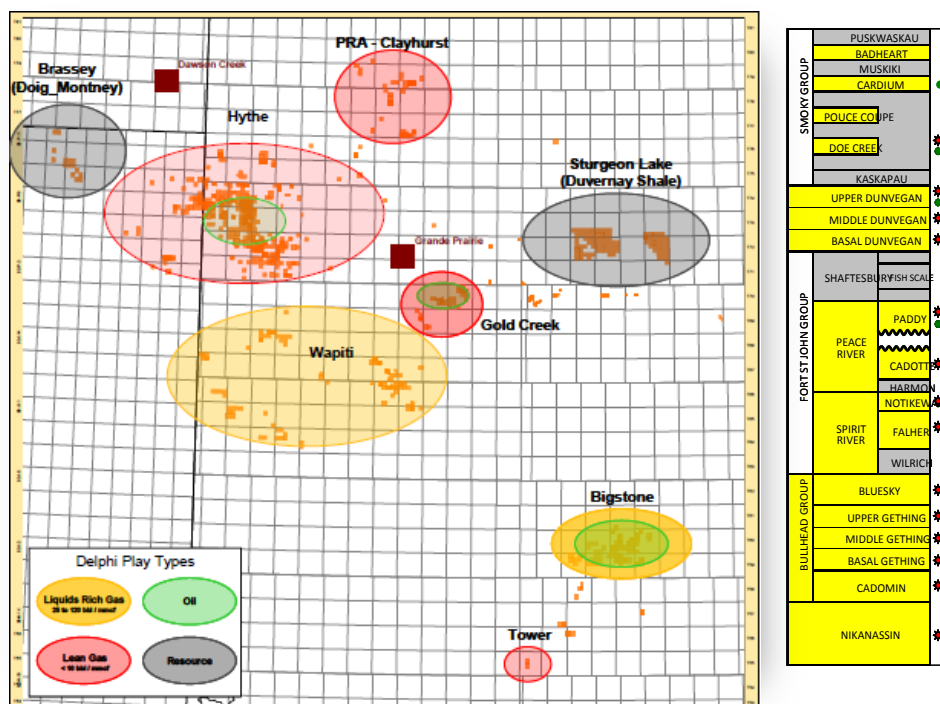
**\$67 - \$69**

**\$0.56 - \$0.58**

**\$100 - \$105**

**1.5X**

## DEEP BASIN GROWTH STRATEGIES



## Exploration

- Multiple targets
- Synergistic deep basin play-types
- Land base of over 400 net sections
- Regulatory approvals in place

## Operations

- Operatorship of production and CAPEX programs
- WI in 8 gas plants with combined gross throughput of 1 bcf/d
- Significant gathering systems
- Moderate depths, risks, costs

## Revenue / Commodity Price

- Increasing OIL/NGL mix
- High netback GAS/OIL/NGL mix

## Nikanassin Resource Play

Unlocking the Nikanassin

- Vertical wells have robust economics
- Commingling zones enhance economics
- Industry as drilled 5 HZ wells
- Successfully working on the science of frac techniques/fluids

Growth Potential

- 318 gross sections (228 net)
- Continuing to add undeveloped acreage
- Ownership in critical infrastructure
- Large OGIP 20 bcf – 100 bcf per section
- NGL's up to 120 bbl/mmcf

Vertical Well Performance

- Many vertical analogs type wells
- 2 to 4 mmcg/d IP
- EUR 0.75 bcf to 5 bcf per well
- May require > 4 wells per section