DELPHI ENERGY CORP.
PRESS RELEASE

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DELPHI ENERGY COMMENCES PRODUCTION AT ITS BIGSTONE EAST MONTNEY PROJECT

CALGARY, ALBERTA – May 22, 2012 – Delphi Energy Corp. ("Delphi" or the "Company") is pleased to provide the following operations update.

At Bigstone East, liquids-rich Montney production began flowing on May 13, 2012 through Delphi's recently completed 30 million cubic feet per day ("mmcf/d") compression and dehydration facility after receiving final EUB permitting. Commissioning and start-up of the $16 million facility and field gathering infrastructure progressed as planned over the first week of operation, with production volumes from the Company's two wells reaching a combined gross target rate of 12 mmcf/d and 660 barrels per day ("bbls/d") of wellhead condensate on May 20, 2012.

Production from the Company's first Montney horizontal well at Bigstone East (100 percent working interest) with a surface location of 1-19-60-22 W5M has been progressively increased since May 13, 2012 to a rate of 6.3 mmcf/d of raw natural gas and 330 bbls/d of wellhead condensate on May 20, 2012. With a shallow-cut gas plant natural gas liquids ("NGL's") yield estimated at 32 bbls/mmcf, the total liquids yield is currently 84 bbls/mmcf with 70 percent being plant and wellhead condensate. Since recovering 100 percent of the frac oil six days ago the well has produced at an average rate of 5.9 mmcf/d and 425 bbls/d of wellhead condensate.

Production from the second Bigstone East Montney well (75 percent working interest), with its surface location at 5-14-60-23 W5M, three miles (five kilometres) south west of the first well, has also been progressively increased since May 16, 2012 to a rate of 5.6 mmcf/d of raw natural gas and 330 bbls/d of wellhead condensate on May 20, 2012. With a shallow-cut gas plant NGL's yield estimated at 32 bbls/mmcf, the total liquids yield is currently 90 bbls/mmcf with 72 percent being plant and wellhead condensate. This well has recovered 84 percent of its frac oil.

The Company plans to produce the wells at variable rates and pressures over the next few months to evaluate and optimize production rates and wellhead condensate yields.

A third horizontal well (100 percent working interest) with its surface location also located at 5-14-60-23 W5M, has been rig released after reaching a planned total depth of 5,119 metres with 2,238 metres of horizontal hole successfully drilled. Completion operations of this third Bigstone East well will commence after spring break-up.

The new facility and infrastructure provides Delphi with the capacity to fully develop the existing Bigstone East land base and generate processing revenue from excess capacity. The facility has been designed to be readily expanded in 15 mmcf/d increments to handle increased Company and third party volumes. Delphi has also commenced a feasibility study to integrate this new facility with its ownership in the existing 80 mmcf/d sweet natural gas processing facility to create the lowest possible cost structure and best NGL's recovery efficiencies for the Company.

The Bigstone East Montney project provides a large inventory of economic projects in the current commodity price environment with current field netbacks of approximately $30.00 per barrels of oil equivalent ("boe"). Dephi's three extended reach horizontal wells and existing vertical well tests have efficiently evaluated eight sections of land and with competitor drilling activity all around the Company's 18 gross (14.75 net) sections, the remaining 30 net Montney horizontal locations identified at Bigstone East have been largely de-risked. The Company had only 1.7 net Montney drilling locations booked at Bigstone East in the GLJ independent engineering report at December 31, 2011 with associated proved and probable reserves of approximately 2.0 million boe.

After giving consideration to the significant scheduled maintenance outage in the quarter at the SemCams K3 facility that will impact both the new Montney production and the Company's Tower Creek production as well as a scheduled maintenance outage currently affecting the Devon Wapiti deep-cut facility, the Company is forecasting second quarter production within a range of 8,900 boe/d to 9,400 boe/d, with greater production growth coming in the third quarter.

Drilling plans for the second half of 2012 will be finalized after well performance is gathered and evaluated over spring break-up.

Delphi Energy is a Calgary-based company that explores, develops and produces oil and natural gas in Western Canada. The Company is managed by a proven technical team. Delphi trades on the Toronto Stock Exchange under the symbol DEE.

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Forward-Looking Statements. *This management discussion and analysis contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", may", "will", "should", believe", "intends", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information.*

More particularly and without limitation, this management discussion and analysis contains forward looking statements and information relating to the Company's risk management program, petroleum and natural gas production, future funds from operations, capital programs, commodity prices, costs and debt levels. The forward-looking statements and information are based on certain key expectations and assumptions made by Delphi, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling new wells, the capital availability to undertake planned activities and the availability and cost of labour and services.

Although the Company believes that the expectations reflected in such forward-looking statements and information are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs and expenses, commodity price and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty and environmental legislation. Additional information on these and other factors that could affect the Company's operations or financial results are included in reports on file with the applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). The forward-looking statements and information contained in this press release are made as of the date hereof for the purpose of providing the readers with the Company's expectations for the coming year. The forward-looking statements and information may not be appropriate for other purposes. Delphi 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 so required by applicable securities laws.

Basis of Presentation. *For the purpose of reporting production information, reserves and calculating unit prices and costs, natural gas volumes have been converted to a barrel of oil equivalent (boe) using six thousand cubic feet equal to one barrel. A boe conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms with the Canadian Securities Administrators' National Instrument 51-101 when boes are disclosed. Boes may be misleading, particularly if used in isolation.*

As per CSA Staff Notice 51-327 initial production rates should be considered preliminary data and such data is not necessarily indicative of long-term performance or of ultimate recovery.

Non-IFRS Measures. *The release contains the terms "funds from operations", "funds from operations per share", "net debt", "cash operating costs" and "netbacks" which are not recognized measures under IFRS. The Company uses these measures to help evaluate its performance. Management considers netbacks an important measure as it demonstrates its profitability relative to current commodity prices. Management uses funds from operations to analyze performance and considers it a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and to repay debt. Funds from operations is a non-IFRS measure and has been defined by the Company as net earnings plus the add back of non-cash items (depletion and depletion, accretion, stock-based compensation, deferred income taxes and unrealized gain/(loss) on financial instruments) and excludes the change in non-cash working capital related to operating activities and expenditures on decommissioning obligations. The Company also presents funds from operations per share whereby amounts per share are calculated using weighted average shares outstanding consistent with the calculation of earnings per share. Delphi's determination of funds from operations may not be comparable to that reported by other companies nor should it be viewed as an alternative to cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with IFRS. The Company has defined net debt as the sum of long term debt plus/minus working capital excluding the current portion of deferred income taxes and fair value of financial instruments. Net debt is used by management to monitor remaining availability under its credit facilities. Cash operating costs have been defined as the sum of operating expenses, transportation expense, general and administrative expenses and cash finance costs*