



DELPHI ENERGY CORP.

PRESS RELEASE



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DELPHI ENERGY REPORTS TESTS RESULTS FROM THIRD MONTNEY WELL AT BIGSTONE EAST

CALGARY, ALBERTA – July 30, 2012 – Delphi Energy Corp. (“Delphi” or the “Company”) is pleased to provide the following operations update.

At Bigstone East, Delphi has successfully completed its third Montney well (1.0 net) with a surface location of 5-14-60-23 W5M involving a 20 stage oil-based fracturing program. This is the second well from this surface location, however, this well’s horizontal lateral was drilled to the north versus the south. The well has been brought on production through the Company’s 100 percent owned compression and dehydration facility and pipeline infrastructure. Subsequent to completion and fracturing operations, the well was flow tested at an average rate of 16.0 million cubic feet per day (“mmcf/d”) at a flowing pressure of 6,170 kPa over the final 24 hours of the initial four day flow period. The well was also producing approximately 800 barrels per day (“bbls/d”) or 50 bbls/mmcf of free condensate at the end of the test, although 100 percent of the load fluid hadn’t been recovered (load oil recovery stands at 72 percent after the four day flow period).

For comparison purposes and as previously reported, the Company’s first Montney horizontal well at Bigstone East (1.0 net) with a surface location of 1-19-60-22 W5M, was successfully completed and flow tested at an average rate of 12.5 mmcf/d at a flowing pressure of 2,000 kPa over the final 24 hours of the four day flow period. The well was also producing approximately 770 bbls/d or 62 bbls/mmcf of free condensate at the end of the test, although 100 percent of the load fluid had not been recovered.

The second Bigstone East Montney 4-2-60-23 W5M well (0.75 net), with its surface located at 5-14-60-23 W5M, three miles (five kilometres) south west of Delphi’s first Montney well, was flow tested at an average restricted rate of 10.3 mmcf/d over the final 24 hours of the four day flow period at a flowing pressure of 6,000 kPa. The well was also producing approximately 515 bbls/d or 50 bbls/mmcf of free condensate at the end of the test, although 100 percent of the load fluid hadn’t been recovered.

Shallow-cut plant recoveries of natural gas liquids (“NGL’s”) at Bigstone East are expected to yield an additional 30 to 35 bbls/mmcf from the Montney gas production.

Delphi’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.

CONFERENCE CALL AND WEBCAST

A conference call and webcast to review Q2, 2012 results is scheduled for 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on Thursday, August 9, 2012. The conference call number is 1-866-226-1792 or 416-340-2216. A brief presentation by Brian Kohlhammer, Senior VP Finance & CFO and Rod Hume, Senior VP Engineering, will be followed by a question and answer period. The conference call will also be broadcast live on the internet and may be accessed through the Delphi Energy website at www.delphienergy.ca

A taped rebroadcast will be available until 6:00 p.m. Mountain Time, Thursday, August 23, 2012. To access the rebroadcast, dial 1-800-408-3053 or 905-694-9451. The passcode is 6254417. It will also be available on Delphi’s website. Delphi’s second quarter 2012 financial statements and management’s discussion and analysis are available on Delphi’s website at www.delphienergy.ca and will be available on SEDAR at www.sedar.com within 24 hours.

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.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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*