



DELPHI ENERGY CORP.

**MANAGEMENT INFORMATION CIRCULAR
AND PROXY STATEMENT
FOR THE
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 22, 2018**

Dated April 18, 2018

**These materials are important and require your immediate attention.
If you have questions or require assistance with voting your shares,
you may contact Delphi's proxy solicitation agent:**

**Laurel Hill Advisory Group
North American Toll-Free Number: 1-877-452-7184
Collect Calls Outside North America: 1-416-304-0211
Email: assistance@laurelhill.com**

YOUR VOTE IS IMPORTANT. PLEASE VOTE YOUR PROXY TODAY.



Delphi Energy Corp.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (“**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) in the capital of Delphi Energy Corp. (“**Delphi**”) will be held at 3:00 p.m. (Calgary time) on Tuesday, May 22, 2018 in the Devonian Room at the Calgary Petroleum Club, 319 – 5th Avenue S.W., Calgary, Alberta, Canada, for the following purposes:

1. to receive the financial statements of Delphi for the year ended December 31, 2017 and the auditors’ report thereon;
2. to appoint auditors of Delphi for the ensuing year and authorize the board of directors of Delphi to fix their remuneration;
3. to elect directors for the ensuing year;
4. to consider, and if thought appropriate, to pass an ordinary resolution, the complete text of which is set out in the accompanying management information circular of Delphi dated April 18, 2018 (the “**Information Circular**”) approving all unallocated entitlements under the Stock Option Plan;
5. to consider and, if thought appropriate, to pass an ordinary resolution, the complete text of which is set out in the accompanying Information Circular, approving the Corporation’s advance notice by-law; and
6. to transact such other business as may be properly brought before the Meeting or any adjournments thereof.

The specific details of the matters to be brought before the Meeting are set forth in the accompanying Information Circular and proxy statement.

Shareholders who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed form of proxy and return it to Delphi’s transfer agent, Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or by facsimile at 1-866-249-7775, so that it is received at least 48 hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournments thereof. Registered Shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America), or 1-312-588-4290 (outside North America). Non-registered shareholders who receive these materials through their broker or other intermediary should complete and return the voting instruction form in accordance with the instructions provided by their broker or intermediary. A proxyholder need not be a shareholder of Delphi. If a Shareholder receives more than one proxy form because such Shareholder owns common shares of Delphi registered in different names or addresses, each proxy form should be completed and returned.

The board of directors of Delphi have fixed the close of business on April 17, 2018 as the record date for the determination of shareholders entitled to notice of, and to attend and vote at, the Meeting and at any adjournments thereof.

Only persons registered as holders of Common Shares on the records of the Corporation as of the close of business on April 17, 2018 are entitled to receive notice of and to attend and vote at the Meeting or any adjournment thereof. A holder of Common Shares of Delphi acquired after the record date may vote such Common Shares at the Meeting or any adjournment thereof if it produces properly endorsed share certificates evidencing such share ownership or otherwise establishes to the satisfaction of Delphi that it owns the transferred Common Shares and demands, not later than 10 days before the Meeting that the transferee’s name be included on the list of Shareholders entitled to vote at the Meeting.

DATED at Calgary, Alberta as of April 18, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *David J. Reid*

David J. Reid

President, Chief Executive Officer and Director

Delphi Energy Corp.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

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GENERAL PROXY INFORMATION

This management information circular (“**Information Circular**”) is furnished to the holders (“**Shareholders**”) of common shares (“**Common Shares**”) in the capital of Delphi Energy Corp. (“**Delphi**” or the “**Corporation**”) by the management of the Corporation in connection with the solicitation of proxies to be voted at the annual and special meeting of Shareholders of Delphi (“**Meeting**”) to be held at 3:00 p.m. (Calgary time) on Tuesday, May 22, 2018 in the Devonian Room at the Calgary Petroleum Club, 319 – 5th Avenue S.W., Calgary, Alberta, Canada, and at any adjournments thereof, for the purposes set forth in the accompanying Notice of Annual and Special Meeting of Shareholders (“**Notice of Meeting**”) and in this Information Circular.

Solicitation of Proxies

The enclosed form of proxy is solicited by, and on behalf of, the management of Delphi. The persons named in the enclosed form of proxy are senior officers of Delphi. A Shareholder desiring to appoint some other person (who need not be a Shareholder) to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of proxy or by completing another proper form of proxy.

To be used at the Meeting, the completed form of proxy must be deposited at the offices of Delphi’s transfer agent, Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or by facsimile at 1-866-249-7775, so that it is received at least 48 hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournments thereof. Registered Shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America), or 1-312-588-4290 (outside North America). Non-registered shareholders who receive proxy materials for the Meeting through their broker or other intermediary should complete and return the voting instruction form in accordance with the instructions provided by their broker or intermediary.

Delphi will bear the costs incurred in the preparation and mailing of the form of proxy, notice of meeting and this Information Circular. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by our directors, officers and employees who will not be remunerated therefor.

Delphi has also retained Laurel Hill Advisory Group (“**Laurel Hill**”) to assist it with communicating with shareholders. In connection with these services, Laurel Hill is expected to receive a fee of approximately \$40,000, plus out-of-pocket expenses. Delphi will bear all costs of this solicitation.

The Corporation may, upon request, pay to intermediaries holding Common Shares in their names for others the charges entailed for sending out the Notice of Meeting, this Information Circular and the instruments of proxy to the persons for whom they hold Common Shares.

Information contained in this Information Circular is given as of April 18, 2018 unless otherwise specifically stated.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is very important to you if you do not hold Common Shares in your own name. If you hold Common Shares through a broker, dealer, bank, trust company or other nominee and not in your own name (referred to herein as “**Beneficial Shareholders**”), you should note that only proxies deposited by Shareholders whose names appear on the records of Delphi as registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those Common Shares will not be registered in the Shareholder’s name on the records of Delphi maintained by Computershare Trust Company of Canada, Delphi’s transfer agent. Such shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers, dealers, banks, trust companies or other nominees can only be voted (for or against resolutions) or withheld from voting upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers or other nominees are prohibited

from voting Common Shares for their clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person or that the Common Shares are duly registered in their name.**

Applicable Canadian regulatory policy requires brokers or other nominees to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Brokers or other nominees have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by his, her or its broker (or the agent of the broker) is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. In Canada, the majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions ("**Broadridge**"). Broadridge typically prepares a scanable voting instruction form ("**VIF**") in lieu of the form of proxy provided by Delphi, mails the VIF to the Beneficial Shareholders and asks Beneficial Shareholders to return the VIF to Broadridge or otherwise communicate voting instructions to Broadridge (via the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a VIF from Broadridge cannot use that form to vote Common Shares directly at the Meeting – the VIF must be returned to Broadridge or, alternatively, instructions must be received by Broadridge well in advance of the Meeting in order to have such shares voted.**

A Beneficial Shareholder that receives a VIF from Broadridge may vote in the following ways:

- Internet – www.proxyvote.com (enter your 16-digit control number to vote)
- Telephone – Call the number(s) listed on your voting instruction form (enter your 16-digit control number to vote)
- Fax – Complete, sign and fax both sides of the voting instruction form to the number(s) listed on your voting instruction form
- Mail – Return the completed and signed voting instruction form in the enclosed postage paid envelope

Additionally, Delphi may utilize Broadridge's QuickVote™ service to assist Beneficial Shareholders with voting their Common Shares. Those Beneficial Shareholders who have not objected to Delphi knowing who they are (NOBOs, as defined below) may be contacted by Laurel Hill to conveniently obtain a vote directly over the telephone.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or an agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity.

A Beneficial Shareholder who wishes to attend the Meeting and indirectly vote his or her Common Shares as proxyholder for the registered Shareholder should enter his or her own name in the blank space on the form of proxy provided to him or her and return the same to his or her broker (or broker's agent) in accordance with the instructions provided by such broker (or agent) well in advance of the Meeting.

There are two types of Beneficial Shareholders: (i) those who object to their name being made known to the issuers of the securities that they own ("**OBOs**" or "**Objecting Beneficial Owners**"); and (ii) those who do not object to their name being made known to the issuers of the securities that they own ("**NOBOs**" or "**Non-Objecting Beneficial Owners**"). Issuers, including Delphi, may request and obtain a list of their NOBOs from intermediaries through its transfer agent.

Exercise of Discretion by Proxy Holders

On any ballot taken at the Meeting, the nominees named in the enclosed form of proxy will vote or withhold from voting the Common Shares in respect of which they have been appointed nominee in accordance with the directions of the Shareholders appointing them. In the absence of such direction, the Common Shares represented by valid instruments of proxy executed in favour of the management designees and deposited in the manner described above will be voted “FOR” all matters identified in the Notice of Meeting.

The enclosed proxy form confers discretionary authority upon the persons named therein in respect of amendments or variations to matters identified in the Notice of Meeting and other matters, which may properly come before the Meeting or any adjournment thereof. At the time of printing of this Information Circular, neither the directors nor management of Delphi know of any amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. If any such amendment, variation or other matter properly comes before the Meeting, the Common Shares represented by proxies in favour of management will be voted on such matters in accordance with the best judgment of the person voting the proxy.

Revocability of Proxies

A Shareholder who has given a proxy may revoke it either by: (a) depositing an instrument in writing executed by the Shareholder or by the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized (i) at the registered office of Delphi at any time up to and including the last business day preceding the day of the Meeting, or any adjournments thereof, at which the proxy is to be used, or (ii) with the chairman of the Meeting on the day of the Meeting or any adjournments thereof, or (b) attending the Meeting in person and registering with the scrutineers to vote in person, or (c) in any other manner permitted by law.

Record Date

The board of directors of Delphi (the “**Board**” or “**Board of Directors**”) has fixed the close of business on April 17, 2018 as the record date (“**Record Date**”) for the determination of Shareholders entitled to notice of, and to attend and vote at, the Meeting and at any adjournments thereof. Shareholders of record at the close of business on the Record Date are entitled to notice of, and to attend and vote at, the Meeting.

Persons who are transferees of any Common Shares acquired after the Record Date and who have produced properly endorsed share certificates evidencing such share ownership or who otherwise establish to the satisfaction of Delphi that they own the transferred Common Shares and demand, not later than 10 days before the Meeting, that their names be included on the list of Shareholders, are entitled to vote at the Meeting. In addition, persons who are Beneficial Shareholders as of the Record Date will be entitled to vote at the Meeting in accordance with the procedures established pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators.

Voting Common Shares and Principal Holders Thereof

Delphi is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series. As at April 18, 2018, there were 185,547,351 Common Shares outstanding and no preferred shares outstanding. Each Common Share carries the right to one vote on any matter properly coming before the Meeting.

As of the date hereof, to the knowledge of the directors and senior officers of Delphi, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to all issued and outstanding Common Shares other than the following:

Name	Nature of Ownership	Number of Shares	% of Outstanding Shares
Luminus Management, LLC ⁽¹⁾	Control and Direction	33,980,755	18.31%

- (1) Based on information provided by Luminus Management, LLC under National Instrument 62-103 (Part 4 – Alternative Monthly Reporting system) dated January 8, 2018.

BUSINESS TO BE ACTED UPON AT THE MEETING

Receipt of December 31, 2017 Financial Statements

Delphi's audited annual financial statements for the financial year ended December 31, 2017 and the auditors' report thereon will have been sent to Shareholders prior to the Meeting, and are available on the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") and can be accessed at www.sedar.com. No formal action will be taken at the Meeting to approve the financial statements, which have already been approved by the Board of Directors.

Appointment of Auditors

Shareholders will be asked at the Meeting to pass a resolution reappointing KPMG LLP, Chartered Accountants, as auditors of Delphi to hold office until the next annual meeting of Shareholders or until their successors are appointed, at remuneration to be fixed by the Board of Directors. KPMG LLP, Chartered Accountants, was first appointed as the auditor of Delphi on June 19, 2003. For details concerning fees paid to KPMG LLP by Delphi and the Audit Committee of the Board of Delphi, see "Audit Committee" in the annual information form of Delphi dated and filed March 29, 2018 ("**AIF**") which can also be accessed on SEDAR at www.sedar.com.

Representatives of KPMG LLP will be present at the Meeting and will be given the opportunity to make a statement if they wish to do so. They will also be available to respond to appropriate questions.

The resolution appointing auditors must be passed by a simple majority of the votes cast by Shareholders present in person or by proxy at the Meeting. **In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Common Shares represented thereby in favour of the appointment of KPMG LLP as auditors of Delphi.**

Election of Directors

Delphi's articles of amalgamation ("**Articles**") provide for the Board to consist of a minimum of 3 and a maximum of 10 directors. The Articles permit the Board to appoint additional directors between annual meetings of Shareholders, provided that the total number of directors so appointed does not exceed, at any time, one-third of the number of directors who hold office immediately after the preceding annual meeting of Shareholders.

At the present time, Delphi has nine directors, being Messrs. David J. Reid, Harry S. Campbell, Glenn A. Hamilton, Peter T. Harrison, Robert A. Lehodey, Andrew E. Osis, David J. Sandmeyer, Lamont C. Tolley and Ian G. Wild. The Board considers five to nine directors to be an appropriate size for effective oversight and decision-making in discharging its responsibilities. As Mr. Hamilton will not stand for re-election as a director at the Meeting, the Board has resolved to set the size of the board at eight for the ensuing year.

Messrs. David J. Reid, Harry S. Campbell, Peter T. Harrison, Robert A. Lehodey, Andrew E. Osis, David J. Sandmeyer, Lamont C. Tolley and Ian G. Wild. are proposed to be nominated for re-election at the Meeting.

All proposed nominees have consented to be named in this Information Circular and to stand for election and serve as directors if elected. Each elected director will hold office until the close of the next annual meeting or until his successor is duly elected or appointed.

In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Common Shares represented thereby in favour of the election of each of the nominees named below as directors of Delphi.

Below are condensed biographies for each director standing for re-election at the meeting:

David J. Reid (Non-Independent)

Mr. Reid has been a director and President and Chief Executive Officer of Delphi since June, 2003. Mr. Reid is a professional engineer with more than 35 years of experience in oil and gas production, exploitation, marketing, corporate development and acquisition activities. Mr. Reid was President and director of DT Energy Ltd. from 2000 to 2003. From 1996 to 2000, he was President, director and Chief Executive Officer at Renata Resources Ltd. and served as Vice President Operations and Chief Operating Officer at Ballistic Energy Corp. from 1993 to 1996. From 1985 to 1993, Mr. Reid was employed by Dome Petroleum, later acquired by Amoco Canada, where he held engineering positions in production, drilling and completions and exploitation. He began his career with Canadian Fracmaster in 1980. Mr. Reid has a Bachelor of Science degree and a Masters of Science degree from the University of Wyoming.

Harry S. Campbell (Independent)

Mr. Campbell is the Chairman Emeritus of the law firm Burnet, Duckworth & Palmer LLP. Until 2017, he was Chairman of that firm and prior to that practiced law primarily in the areas of energy and mergers & acquisitions with extensive practice in energy matters, both locally and internationally. Mr. Campbell is a current and past director of a number of private and public companies listed on the Toronto Stock Exchange. Mr. Campbell has a Bachelor of Laws degree from the University of Alberta and a Bachelor of Economics degree from the University of Calgary. He is a member of the Law Society of Alberta.

Peter T. Harrison (Independent)

Mr. Harrison is currently the Manager of Oil and Gas Investments at CN's Investment Division. He has over 40 years' experience in the investment industry, has managed multi-billion dollar equity portfolios and is well known in the oil and gas investment sector. Mr. Harrison is a Chartered Financial Analyst and has an MBA from the University of Western Ontario.

Robert A. Lehodey (Independent)

Mr. Lehodey is a partner at Osler, Hoskin and Harcourt LLP. He was called to the bar in the Province of Alberta in 1983 and has practiced continuously since, garnering extensive experience in the areas of corporate, securities, energy and commercial law matters generally. Mr. Lehodey's legal practice is transactional in nature, spanning public company, private company and mega-project transactions, and includes corporate mergers and acquisitions, public offerings and private placements of securities, purchase and sale of assets and shares and corporate restructurings. He has developed significant corporate governance experience having acted for public boards of directors and special and independent committees and having served on a number of public and private boards in positions as chairman, lead director, as well as chairman and a member of governance and compensation committees. In addition to serving as a director of the Corporation, he serves as a director and/or trustee of a number of private entities. Mr. Lehodey received a Bachelor of Science degree in Chemical Engineering from the University of Alberta in 1979 and a Bachelor of Laws degree from Dalhousie University in 1982.

Andrew E. Osis (Independent)

Mr. Osis has extensive experience in financial analysis including employment as an investment banker, assistant portfolio manager, and research analyst. Mr. Osis also has experience as a Chief Financial Officer of two public companies, and has served as a member or chair of audit committees of other public companies. He has a Bachelor of Commerce degree in Finance from the Haskayne School of Business at the University of Calgary.

David J. Sandmeyer (Independent)

Mr. David J. Sandmeyer served as the president and CEO of Rife Resources Ltd. and Freehold Royalty Trust from inception until May 2009. He has extensive experience on corporate oil and gas boards. He is a Professional Engineer and a member of The Association of Professional Engineers and Geoscientists of Alberta (APEGA). He is a graduate of the University of Saskatchewan and holds a B.Sc. Degree in Mechanical Engineering.

Lamont C. Tolley (Independent)

Mr. Tolley has extensive experience in financial analysis and financial management. Mr. Tolley holds and has held directorships and executive positions in numerous public and private oil and gas corporations and royalty trusts. A graduate of the Masters of Business Administration program from Dalhousie University, Mr. Tolley also has a Bachelor of Applied Science degree from the University of British Columbia and Masters of Science in Engineering from the University of Michigan.

Ian G. Wild (Independent)

Mr. Wild has recently retired from his position as Executive Vice President with ATB Corporate Financial Services. He currently chairs the Board of Directors for the Canadian Global Affairs Institute, the Financial Sector Advisory Committee for Calgary Economic Development and is a Strategic Advisor to AltaCorp Capital. He has over 35 years' experience in Corporate Finance, International and Investment Banking. He holds an A.I.C.B. from The Chartered Institute of Bankers (UK) and an I.C.D. designation from the Institute of Directors.

The table below sets out the name of each of the persons proposed to be nominated for election as a director, his jurisdiction of residence, all positions and offices with Delphi presently held by him, his current principal occupation, the period during which he has served as a director of Delphi or its predecessor, DT Energy Ltd. ("DTE"), and the number of Common Shares that he has advised are beneficially owned by him, directly or indirectly, or over which control or direction is exercised by him, as of April 18, 2018.

Name and Jurisdiction of Residence⁽¹⁾	Position Presently Held with Delphi	Principal Occupation⁽¹⁾	Date of Appointment or Election as Director	Common Shares Beneficially Owned, Controlled or Directed⁽¹⁾
David J. Reid ⁽³⁾ Alberta, Canada	President, Chief Executive Officer and Director	President and Chief Executive Officer of Delphi	September 2000	1,544,968
Harry S. Campbell, Q.C. ⁽²⁾⁽⁴⁾⁽⁵⁾⁽¹⁰⁾ Alberta, Canada	Director	Chairman Emeritus of the law firm Burnet, Duckworth & Palmer LLP	December 2000	1,142,075
Peter T. Harrison ⁽⁷⁾⁽¹⁰⁾⁽¹¹⁾ Quebec, Canada	Director	Manager Oil and Gas Investments, CN Investment Division	May 2017	35,000
Robert A. Lehodey, Q.C. ⁽³⁾⁽⁵⁾⁽⁶⁾⁽¹⁰⁾⁽¹²⁾ Alberta, Canada	Director	Partner with the law firm of Osler, Hoskin & Harcourt LLP	September 2000	226,440
Andrew E. Osis ⁽⁵⁾⁽⁷⁾⁽¹⁰⁾⁽¹³⁾ Alberta, Canada	Director	Independent Businessman	May 2005	5,000
David J. Sandmeyer ⁽⁸⁾⁽⁹⁾⁽¹⁰⁾ Alberta, Canada	Director	Independent Businessman	March 2010	60,000
Lamont C. Tolley ⁽²⁾⁽⁸⁾⁽¹⁰⁾ Alberta, Canada	Director	Independent Businessman	December 2000	1,382,600
Ian G. Wild ⁽⁸⁾⁽¹⁰⁾ Alberta, Canada	Director	Independent Businessman	May 2017	10,000

Notes:

- (1) The information as to residence, principal occupation and Common Shares beneficially owned, not being within the knowledge of Delphi, has been furnished by the respective individuals.
- (2) Director of Delphi since June 2003. Prior to that, member of the board of directors of DTE since December 2000.
- (3) Director of Delphi since June 2003. Prior to that, member of the board of directors of DTE since September 2000.

- (4) Mr. Campbell is the Chair of the Board.
- (5) Member of the Corporate Governance & Compensation Committee.
- (6) Mr. Lehodey is the Chair of the Corporate Governance & Compensation Committee.
- (7) Member of the Audit Committee.
- (8) Member of the Reserves Committee.
- (9) Mr. Sandmeyer is the Chair of the Reserves Committee.
- (10) Independent Director.
- (11) Mr. Harrison served as a director of Spyglass Resources Corp. (“Spyglass”) and resigned on November 26, 2015. Spyglass was placed into receivership on November 26, 2015. On May 6, 2016 the Alberta Securities Commission issued a cease trade order in respect of securities of Spyglass for failing to file annual financial statements. The securities regulatory authorities in certain other provinces in which Spyglass was a reporting issuer also issued cease trade orders in respect of the securities of Spyglass.
- (12) Mr. Lehodey served as a director of Laricina Energy Ltd. (“Laricina”), a company that is not a reporting issuer, from December 2005 until February 2016. Laricina secured protection under the *Companies’ Creditors Arrangement Act* (Canada) (“CCAA”) pursuant to an order effective March 26, 2015, from the Court of Queen’s Bench of Alberta, which order stayed Laricina’s creditors and others from enforcing rights against it while it restructured its financial affairs. Laricina ceased being subject to the CCAA on February 1, 2016 having satisfied in full (or set aside sufficient funds to do so) all proven claims and certain ongoing disputed claims under the CCAA.
- (13) Mr. Osis was the Chief Executive Officer and a director of Poynt Corporation (formerly Multiplied Media Corporation) from September 2008 to October 31, 2012. On July 5, 2012, Poynt Corporation filed a notice of intention to make a proposal pursuant to the Bankruptcy and Insolvency Act, and, on October 31, 2012, the Court of Queen’s Bench of Alberta issued an order deeming Poynt Corporation to have made an assignment in bankruptcy.

Approval of Unallocated Entitlements under the Stock Option Plan

The Corporation has a stock option plan (the “**Option Plan**”), which is described under the heading “Compensation Discussion & Analysis – Additional Details Concerning the Option Plan” below.

In accordance with the requirements of the Toronto Stock Exchange (the “**TSX**”), listed issuers that have stock option plans that do not have a fixed maximum number of securities issuable must obtain approval from both a majority of the issuer’s board of directors and a majority of the issuer’s securityholders every three years for all unallocated options available for grant under the Option Plan. The Delphi Option Plan requires such approvals as the number of authorized but unissued Common Shares that may be subject to the Option Plan is ten percent of the issued and outstanding Common Shares at any time. As at April 18, 2018, 8,730,000 options to purchase Common Shares are outstanding in accordance with the Option Plan (representing 4.70% of the outstanding Common Shares) and 9,824,735 options to purchase Common Shares remain issuable thereunder (representing 5.30% of the outstanding Common Shares). The Corporation’s annual burn rate under the Option Plan for the year ended December 31, 2017 was two percent. Included in the issued and outstanding options are 1,780,000 options with an expiry date of April 25, 2018 which have an exercise price of \$1.26.

Delphi has not received Shareholder approval for the Option Plan since May 28, 2015 and approval is being sought at this meeting to approve the grant of unallocated options under the Option Plan. If approval is obtained at the Meeting the Corporation will not be required to seek further approval of the grant of unallocated options under the Option Plan until May 22, 2021. Regardless of whether or not Shareholder approval is obtained, all options granted prior to May 28, 2018 will be unaffected. However, if Shareholder approval is not obtained, all unallocated options available for grant under the Option Plan will be cancelled and no further options will be granted under the Option Plan and Common Shares reserved under options that are outstanding as of May 28, 2018 which are subsequently cancelled, terminated or exercised will not be available for a new grant of options under the Option Plan.

In the event that the proposed resolution to approve the grant of unallocated options under the Option Plan is not passed at the Meeting, the Board, in conjunction with management and the Corporate Governance & Compensation Committee (“**CG&C Committee**”), will consider the implementation of alternative means of long term incentive compensation for directors, officers and employees of Delphi in order to ensure and encourage the continued involvement of these persons with the Corporation.

The Board has unanimously approved, subject to regulatory and Shareholder approval, all of the unallocated options available for grant under the Option Plan, and accordingly, at the Meeting, the following ordinary resolution will be presented:

“BE IT RESOLVED, as an ordinary resolution, that all unallocated options available to be granted pursuant to the Option Plan be approved and are authorized to be granted and issued until May 22, 2021.”

The foregoing resolution must be approved by the majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting in respect to this resolution.

In the absence of contrary instruction, the persons named in the accompanying form of proxy intent to vote the Common Shares represented thereby in favour of the resolution approving the unallocated options.

Approval of Advance Notice By-law

Background

On April 16, 2018, the Board approved the adoption by the Corporation of By-law No. 3, effective the date thereof, regarding advance notice of nominations of directors of the Corporation (the “**Advance Notice By-law**”). The Advance Notice By-law is in effect until it is confirmed, confirmed as amended or rejected by the Shareholders at the Meeting and, if the Advance Notice By-law is confirmed at the Meeting, it will continue to be in effect in the form in which it was so confirmed. A copy of the Advance Notice By-law is attached to this Information Circular as Schedule “A”.

Purpose of the Advance Notice By-law

The Board believes that the Advance Notice By-law will provide a clear and transparent process for all Shareholders to follow if they intend to nominate directors. In that regard, the Advance Notice By-law provides a reasonable time frame for Shareholders to notify the Corporation of their intention to nominate directors. Nominating Shareholders must also disclose information concerning the proposed nominees and the nature of the nominating Shareholder(s)’ interest in the Corporation. The Board will then be able to evaluate the proposed nominees’ qualifications and suitability as directors and respond as appropriate in the best interests of the Corporation. The Advance Notice By-law is also intended to facilitate an orderly and efficient meeting process.

The directors of the Corporation are committed to: (a) facilitating an orderly and efficient annual or, where the need arises, special meeting, process; (b) ensuring that all Shareholders receive: (i) adequate notice of the director nominations; and (ii) sufficient information in advance of the annual or special meeting with respect to all director nominees and the ownership interests, including derivatives, hedged positions and other economic incentives and voting interests, of the nominating Shareholder in order to assess the qualifications of the proposed nominees for election to the Board and the nature of the nominating Shareholder’s interest in the Corporation; and (c) allowing Shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

Summary of Terms of the Advance Notice By-law

The Advance Notice By-law provides that advance notice to the Corporation must be made in circumstances where nominations of individuals for election to the Board are made by Shareholders at any annual meeting of Shareholders, or at any special meeting of Shareholders if one of the purposes for which the special meeting was called was the election of directors: (a) by or at the direction of the Board, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more Shareholders pursuant to a proposal made in accordance with the *Business Corporations Act* (“**ABCA**”) or a requisition of the Shareholders made in accordance with the ABCA; or (c) by a nominating Shareholder: (i) who, at the close of business on the date of the giving of the notice and on the record date for notice of such meeting, is a registered holder of Common Shares carrying the right to vote at such meeting on the election of directors; and (ii) who complies with the notice procedures set forth in the Advance Notice By-law.

The Advance Notice By-law fixes a deadline by which holders of record of Common Shares must submit director nominations to the Chair of the Board prior to any annual or special meeting of Shareholders and outlines the specific information that a nominating Shareholder must include in the written notice to the Chair of the Board for an effective nomination to occur. No individual nominated by a Shareholder will be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of the Advance Notice By-law.

In the case of an annual meeting of Shareholders, notice to the Chair of the Board must be made not less than 30 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a

date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the 10th day following such public announcement.

In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Corporation must be made not later than the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Board may, in its sole discretion, waive any requirement of the Advance Notice By-law.

Confirmation and Approval of Advance Notice By-law by Shareholders

If the Advance Notice By-law is approved at the Meeting, the Advance Notice By-law will continue to be in effect after the termination of the Meeting. Following this, the Advance Notice By-law will be subject to an annual review by the Board, and will be updated to the extent needed to reflect changes required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

If the Advance Notice By-law is not approved at the Meeting, the Advance Notice By-law will cease to be effective.

At the Meeting, the following by ordinary resolution will be presented (the “**Advance Notice Resolution**”):

“BE IT RESOLVED, as an ordinary resolution, that:

1. The Advance Notice By-law, in the form attached as Schedule “A” to the management information circular of the Corporation dated April 18, 2018 as approved by the directors of the Corporation, is hereby adopted and confirmed, without variation, as a by-law of the Corporation.
2. Any one or more directors or officers of the Corporation are hereby authorized, for and on behalf of the Corporation, to take, or cause to be taken, any and all such acts and things and to execute and deliver, under the corporate seal of the Corporation or otherwise, all such deeds, instruments, notices, consents, acknowledgments, certificates, assurances and other documents (including any documents required under applicable laws or regulatory policies) as any such director or officer in his or her sole discretion may determine to be necessary or desirable to give effect to the foregoing resolution, such determination to be conclusively evidenced by the taking of any such action or such director’s or officer’s execution and delivery of any such deed, instrument, notice, consent, acknowledgement, certificate, assurance or other document.”

The Board of Directors recommends that the Shareholders vote in favour of the Advance Notice Resolution. For the Advance Notice By-law to remain in effect, the Advance Notice Resolution must be approved by a simple majority of the votes cast by the Shareholders who vote in person or by proxy at the Meeting on the Advance Notice Resolution.

In the absence of contrary instruction, the persons named in the accompanying form of proxy intend to vote the Common Shares represented thereby in favour of the Advance Notice Resolution.

Additional Information Related to Voting Practices

The Board has adopted a majority voting policy requiring that a director tender his or her resignation if more votes are “withheld” from the election of such director than are voted “for” the election of such director at any meeting where shareholders vote on the uncontested election of directors. The Corporate Governance & Compensation (“CG&C”) Committee will consider any such resignation and make a recommendation to the Board. In the absence of exceptional facts or circumstances, the Board will accept the resignation. The director will not participate in any CG&C Committee or Board deliberations on the resignation or otherwise until the Board has determined whether or not to accept the director’s resignation. The Board will make its decision to accept or reject the resignation within 90 days and will issue a news release promptly following such determination. The Board may fill the vacancy in accordance with the Corporation’s by-laws and applicable corporate laws.

COMPENSATION DISCUSSION & ANALYSIS

Corporate Governance & Compensation Committee

The CG&C Committee is a committee of the Board of Directors and reports to the full board on, among other things, executive compensation matters.

The members of the CG&C Committee for the year ended December 31, 2017 consisted of Messrs. Robert A. Lehodey, Q.C. (Chair), Harry S. Campbell, Q.C. and Andrew E. Osis, all of whom have served on the CG&C Committee or on compensation committees for other issuers both currently and in the past and, accordingly, have experience in assessing survey and other compensation data and criteria relevant to discharging the CG&C Committee mandate and their roles on such committee, and each of whom is independent.

The CG&C Committee is charged with, among other things, the responsibility for overall employee and executive officer compensation. The CG&C Committee is responsible for reviewing and approving changes to the Corporation's compensation policies and making recommendations to the Board.

Compensation Philosophy and Objectives

The Corporation's executive compensation program is intended to attract, motivate and retain high performing senior executives, encourage and reward superior performance and align management's interest with those of the Shareholders. This is accomplished by providing the opportunity for total compensation that is competitive with comparable companies, by ensuring that a significant proportion of executive compensation is aligned with performance (both corporate and individual) and by providing executives with medium and long term incentives through the award of restricted share units under the Corporation's restricted share unit plan (the "**RSU Plan**") and the grant of options under the Corporation's Option Plan.

The compensation philosophy of the Corporation incorporates competitive cash compensation and benefits with upside potential that is aligned with shareholder value creation. In general, the Corporation attempts to provide competitive pay for achieving target or expected performance, with discretionary bonus when the Corporation has achieved superior results compared to the corporate business plan.

Risk of Compensation Policies and Practices

The Board and the CG&C Committee have not formally considered the implications of the risks associated with the Corporation's compensation policies and practices. However, the Corporation's compensation practices give greater weight toward long-term incentives with a view to mitigating the risk of encouraging short-term goals at the expense of long-term sustainability and the enhancement of shareholder value. The discretionary nature of the annual bonus awards and of the RSU and option grants are significant elements of the Corporation's compensation plans and provide the Board and the CG&C Committee with the ability to reward individual and corporate performance and individual behaviour that the Board and the CG&C Committee consider to be aligned with the best interest of the Corporation.

Survey Practices

In order to meet the Corporation's objectives of providing market competitive compensation opportunities, the CG&C Committee informally surveys compensation data from organizations of comparable size and other companies that the Corporation competes with for talent. The CG&C Committee further reviews industry surveys and other external market data and reviews compensation data gathered from management information circulars of other publicly traded companies.

Key Elements of Compensation

The compensation program consists of five components: base salary and benefits, annual bonuses, stock options, restricted share units and an employee savings plan. The base salary and benefits represent the fixed portion of the compensation which is tied to market competitiveness and set with a view to attracting and retaining key employees.

The annual bonus is discretionary and supports the achievement of individual and corporate performance. The grant of restricted share units and stock options is designed to align the interests of employees (including senior management) with shareholders over both the medium and longer terms.

Base Salaries and Benefits

To ensure the remuneration of executive officers of Delphi is competitive, the CG&C Committee utilizes informal industry assessments, surveys and other market and competitive data for comparable-sized companies in the oil and gas industry. The CG&C Committee also considers the long-term interests and financial objectives of Delphi. Generally, the CG&C Committee targets the median salary range based on the data that it considers. In light of the economic conditions affecting the Corporation over the past few years, salaries have been frozen for executive officers and most employees.

Delphi's group life, short-term disability, long-term disability, health and dental benefit plans are comparable to industry peers and are available to all full-time employees.

Annual Bonuses

The CG&C Committee has sole discretion in determining whether or not to recommend the award of annual bonuses. In making this determination the CG&C Committee considers both the individual's performance and Delphi's corporate performance in implementing the Corporation's business plan to create value for shareholders, as well as taking into account current market conditions. Each of the Named Executive Officers (as defined below), as well as all employees, are eligible for bonuses. The bonuses to be paid are approved by the Board of Directors on the recommendation of the CG&C Committee.

Restricted Share Units

At this time, there are no outstanding restricted share units ("RSUs") granted pursuant to the RSU Plan. The purpose of the RSU Plan is to provide eligible individuals with the opportunity to participate in the success of the Corporation and to promote a greater alignment of their interests with the interests of the Corporation's Shareholders by the grant of RSUs of the Corporation which are tied to the value of the Corporation's Common Shares. RSUs may be granted to all employees and officers, including Named Executive Officers as determined by the Board based on the recommendation of the CG&C Committee. The CG&C Committee's recommendation for grants to Named Executive Officers is primarily based on its assessment of the value of such long term incentives in keeping Delphi's employees motivated and their interests aligned with shareholder interests. In determining the number of RSUs to recommend to the Board, the CG&C Committee considers the number of RSUs previously granted to each recipient, including the Named Executive Officers.

RSUs are long term incentives as they typically vest over a period of three years. Generally, one-third of the RSUs in a particular grant are restricted until the first anniversary of the grant, one-third until the second anniversary of the grant and one-third until the third anniversary of the grant.

The number of RSUs granted to an eligible employee is determined by dividing the dollar value of the award by the closing Common Share price on the day prior to the award. Under the RSU Plan, when dividends (other than stock dividends) are paid to holders of Common Shares, participants holding RSUs subject to a restricted period are credited with dividend equivalents in the form of additional RSUs. RSUs are settled by cash payment as soon as practicable after each vesting date. The Corporation has not paid dividends on its Common Shares to date.

In the event of termination of employment, disability, resignation or retirement, all unvested RSUs will automatically terminate, unless otherwise determined by the CG&C Committee. In the case of death, all unvested RSUs shall immediately vest. Upon a change of control all outstanding RSUs become conditionally vested immediately prior to the completion of the transaction resulting in a change of control and payment must be made on the date such change of control is completed.

Stock Options

The purpose of the Option Plan is to advance the interests of the Corporation by permitting, through the grant and exercise of options, individuals eligible under the Option Plan to acquire Common Shares, thereby: (i) increasing the proprietary interests of such persons in the Corporation; (ii) aligning the interests of such persons with the interests of the Corporation's Shareholders generally; (iii) encouraging such persons to remain associated with the Corporation; and (iv) furnishing such persons with additional incentives in their efforts on behalf of the Corporation.

Stock option grants are a long term incentive as they typically vest over a period of three to four years. Options may be granted to all employees, officers and directors, including to Named Executive Officers as determined by the Board based on the recommendation of the CG&C Committee. The CG&C Committee's recommendation for grants to Named Executive Officers is primarily based on its assessment of the value of such long term incentives in keeping Delphi's employees motivated and their interests aligned with shareholder interests. In determining the number of options to recommend to the Board, the CG&C Committee considers the number of options previously granted to each recipient, including the Named Executive Officers.

Employee Stock Savings Plan

The Corporation's Employee Stock Savings Plan ("ESSP") provides an opportunity for employees to invest in Common Shares of the Corporation on a monthly basis. The program was implemented to assist in aligning employees' interests with the Corporation's interests by making employees owners of the Corporation. The ESSP is a voluntary plan available to all full time employees, including executive officers. Eligible employees may choose to participate in the ESSP by payroll deduction to purchase Common Shares of Delphi in the public market through a brokerage firm retained by the Corporation. Participants may contribute up to 10% of their monthly base salary to the ESSP with a corresponding matching by the Corporation of 1.5 times the employee contribution.

Common Shares purchased through matching contributions made by the Corporation under the ESSP on or prior to January 1, 2015 became or will become available for distribution to a participating employee as follows: (i) one-third (1/3) on January 1, 2015, (ii) a further one-third (1/3) on January 1, 2016 and (iii) the remaining one-third (1/3) on January 1, 2017. Common Shares purchased through matching contributions made by the Corporation pursuant to the ESSP after January 1, 2015 will become available for distribution to a participating employee as follows: (i) one-third (1/3) on December 31 of the year in which the contribution is made (the "Release Date"), (ii) a further one-third (1/3) on the first anniversary of the Release Date and (iii) the remaining one-third (1/3) on the second anniversary of the Release Date.

Additional Details Concerning the Option Plan

Directors, officers, employees of the Corporation or of its subsidiaries or any person or company engaged to provide ongoing management or consulting services to Delphi or its subsidiaries are eligible to receive options under the Option Plan, which is administered by the Board of Directors. Certain material terms of the Option Plan are summarized below.

Common Shares Subject to the Option Plan

The aggregate number of Common Shares reserved for issuance under the Option Plan shall be equal to 10% of the issued and outstanding Common Shares from time to time (calculated on a non-diluted basis). This prescribed maximum may be subsequently increased to any specified amount, provided the change is authorized by a vote of the Shareholders of the Corporation.

No options shall be granted pursuant to the Option Plan without obtaining the approval of the Shareholders of the Corporation in accordance with the applicable rules of the TSX and any other stock exchange or exchanges on which the Common Shares are listed, if such grant together with grants pursuant to all other share compensation arrangements of Delphi could result, at any time, in: (i) a number of Common Shares reserved for issuance pursuant to options granted to insiders exceeding 10% of the outstanding issue; (ii) the issuance within a one year period, of a number of

Common Shares exceeding 10% of the outstanding issue; or (iii) the issuance to any one insider and such insider's associates, within a one-year period, of a number of Common Shares exceeding 5% of the outstanding issue.

If any options granted under the Option Plan are exercised, the number of Common Shares reserved under such options shall be available for the purposes of the granting of further options under the Option Plan. If any options granted under the Option Plan expire, terminate or are cancelled for any reason without having been exercised in full, the number of Common Shares reserved under such options shall be available for the purposes of the granting of further options under the Option Plan.

The Corporation currently has 185,547,351 Common Shares issued and outstanding. As at April 18, 2018, 8,730,000 options to purchase Common Shares are outstanding under the Option Plan (representing 4.7% of the outstanding Common Shares) and 9,824,735 options to purchase Common Shares remain issuable thereunder (representing approximately 5.3% of the outstanding Common Shares). As at December 31, 2017, 9,561,669 options to purchase Common Shares were outstanding under the Option Plan (representing 5.2% of the then-outstanding Common Shares) and 8,993,066 options to purchase Common Shares remained issuable thereunder (representing 4.8% of the then-outstanding Common Shares).

Exercise Price

Options may be exercised at a price (“**Exercise Price**”), which shall be fixed by the Board at the time that such options are granted. No options shall be granted with an Exercise Price at a discount to the market price (“**Market Price**”). For the purposes of the Option Plan, the Market Price is calculated as the volume weighted average trading price of the Common Shares on the TSX for the five (5) trading days immediately preceding the date of grant of an option. The volume weighted average trading price is calculated by dividing the total value of the Common Shares traded over the five (5) day period by the total volume of Common Shares traded over the same period.

Term of Options

The period during which options may be exercised (“**Option Period**”) is determined by the Board at the time options are granted, subject to any vesting limitations which may be imposed by the Board in its sole, unfettered discretion at the time such options are granted, provided that: (i) no option shall be exercisable for a period exceeding five (5) years from the date the option is granted unless otherwise specifically provided by the Board, in any event, no option shall be exercisable for a period exceeding ten (10) years from the date the option is granted; (ii) the Option Period shall be automatically reduced in accordance with the terms of the Option Plan upon the occurrence of certain events; and (iii) no option in respect of which Shareholder approval is required under the rules of the TSX or any other stock exchange or exchanges on which the Common Shares are then listed shall be exercisable until such time as the option has been approved by the Shareholders.

Vesting of Options

The period over which any option may be exercised and/or vested will be determined at the time the options are granted by the Board.

Blackout Period

In the event that an option is scheduled to expire or terminate during or within ten business days following the period of time when, pursuant to any policies of the Corporation applicable to a participant, the participant is prohibited from trading the Corporation's securities or exercising options (the “**Blackout Period**”), the expiry date for that option shall be the date that is the tenth business day following the expiry of the date of the Blackout Period (the “**Blackout Expiry Date**”). The Blackout Expiry Date for an option may not be amended by the Board without the approval of Shareholders.

Cessation of Entitlement to Options

Subject to any written agreement between the Corporation and an optionholder providing otherwise, if an optionholder who is a director, officer, employee or consultant of the Corporation or any of its subsidiaries ceases to hold such position for any reason other than death, permanent disability or normal retirement, the options held by such optionholder will terminate immediately as to the then unvested portion thereof and at 5:00 p.m. (Calgary time) on the earlier of: (i) the date of the expiration of the Option Period and (ii) the 90th day after the date such optionholder ceases to be a director, officer, employee or consultant of the Corporation or any of its subsidiaries as to the then vested portion of the option.

The granting of options to any participant under the Option Plan shall not (i) confer upon such participant any right to continue as a director, officer, employee or consultant of Delphi or any of its subsidiaries or (ii) be construed as a guarantee that the participant will continue in such position.

Subject to any written agreement between the Corporation and an optionholder providing otherwise and the Option Period, in the event of death, permanent disability or normal retirement of an optionholder, any options previously granted to such holder shall be exercisable until the end of the Option Period or until the expiration of 12 months after the date of death, permanent disability or normal retirement of such holder, whichever is earlier, and then, only: (i) in the event of death or permanent disability, by the person or persons to whom the optionholder's rights under the options shall pass by the optionholder's will or applicable law; and (ii) to the extent that the holder was entitled to exercise the options as at the date of the holder's death, permanent disability or normal retirement.

Transferability

All benefits, rights and options accruing to any optionholder in accordance with the terms and conditions of the Option Plan shall not be transferable or assignable unless specifically provided in the Option Plan. The Corporation shall not recognize any attempted exercise of any purported assignee of an optionholder. During the lifetime of an optionholder, any options granted under the Option Plan may only be exercised by the holder thereof and in the event of the death or permanent disability of an optionholder, by the person or persons to whom the optionholder's rights under the options pass by the optionholder's will or applicable law.

Amendments

The Board has the authority, without notice or shareholder approval, at any time and from time to time, to amend, suspend or terminate the Option Plan, to establish the rules and regulations relating to the Option Plan and options granted thereunder and to make all determinations necessary or advisable for administration of the Option Plan provided that (i) no such amendment, suspension or termination of the Plan or options granted thereunder shall be made, to the extent that such action would adversely affect the existing rights of any participant, without the consent of the participant; and (ii) any amendment of the Option Plan or options granted thereunder in respect of the matters below shall become effective only upon approval of the holders of a majority of the Common Shares such approval to be obtained in accordance with applicable regulatory requirements:

- (i) an increase in the maximum number of Common Shares which may be issued pursuant to the Option Plan;
- (ii) a reduction in the Exercise Price with respect to any option (other than as may result from general anti-dilution provisions of the Option Plan) or the cancellation of options for the purpose of reissuing them to the participant at a lower Exercise Price;
- (iii) an increase of the limits on the total number of Common Shares reserved for issuance under the Option Plan to any one person or to the insiders of the Corporation;
- (iv) an extension of the expiry date of an outstanding Option or amending the Option Plan beyond the expiry date, except as provided in the blackout period provisions of the Option Plan;
- (v) any expansion of the scope of persons eligible to participate in the Option Plan;
- (vi) any amendment to the transferability or assignability of the rights under an option other than for normal estate settlement purposes;
- (vii) the addition of any form of financial assistance, or amendments thereto, under the Option Plan;

- (viii) any extension of the term of an option beyond ten years after its Option Period (except as provided in the blackout period provisions of the Option Plan; or
- (ix) the addition of awards, other than options to be made under the Option Plan.

Change of Control

In the event of a sale by the Corporation of all or substantially all of its assets or in the event of a “change of control” (as that term is defined in the Option Plan) of the Corporation, then the optionholder shall be entitled to exercise in full or in part any unexercised options previously granted under the Option Plan, whether vested or not, either during the term of the options or within 90 days after the date of termination of the employment of the optionholder with the Corporation or any of its subsidiaries or the cessation or termination of the optionholder as a director, officer or consultant of the Corporation or any of its subsidiaries, whichever first occurs.

Annual Burn Rate

The Corporation’s annual burn rate, as calculated in accordance with Section 613(p) of the TSX Company Manual, under the Option Plan was 1.5 percent for the year ended December 31, 2015, 0.03 percent for the year ended December 31, 2016 and 2.0 percent for the year ended December 31, 2017. The burn rate is subject to change, from time to time, based on the number of options granted and the total number of Common Shares issued and outstanding.

Financial Instruments

As part of the Corporation’s policy of insider trading, Named Executive Officers and directors are prohibited from, directly or indirectly, selling securities of the Corporation if they do not own or have not fully paid for the securities to be sold (short sales). In addition, the Named Executive Officers and directors are prohibited from trading in options on the Corporation’s securities (puts, calls, etc.). The Named Executive Officers and directors are not specifically prohibited from purchasing prepaid variable forward contracts, equity swaps or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities (or options in respect thereof) granted as compensation or held, directly or indirectly.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Summary Compensation Table

The following table sets forth, for the period indicated, the compensation earned by: (i) the President and Chief Executive Officer; (ii) the Chief Financial Officer, (iii) the three other most highly-compensated executive officers serving at December 31, 2017 whose total compensation for the financial year ended December 31, 2017 exceeded \$150,000 and (iv) each individual who would be a Named Executive Officer but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity at December 31, 2017. These individuals are referred to collectively as the “**Named Executive Officers**”.

Name and Principal Position	Year	Salary (\$)	Share based awards (\$) ⁽¹⁾	Option based awards (\$) ⁽²⁾	Non-Equity incentive plan compensation (\$)		Pension value (\$) ⁽⁴⁾	All Other Compensation (\$) ⁽⁵⁾⁽⁷⁾	Total (\$)
					Annual incentive plans ⁽³⁾	Long-term incentive plans ⁽⁴⁾			
David J. Reid									
President and Chief Executive Officer	2017	400,000	-	212,875	-	-	-	77,196	690,071
	2016	400,000	-	-	-	-	-	75,333	475,333
	2015	400,000	-	71,856	-	-	-	77,521	549,377

Name and Principal Position	Year	Salary (\$)	Share based awards (\$) ⁽¹⁾	Option based awards (\$) ⁽²⁾	Non-Equity incentive plan compensation (\$)			All Other Compensation (\$) ⁽⁵⁾⁽⁷⁾	Total (\$)
					Annual incentive plans ⁽³⁾	Long-term incentive plans ⁽⁴⁾	Pension value (\$) ⁽⁴⁾		
Mark Behrman ⁽⁶⁾ <i>Chief Financial Officer</i>	2017	244,800	-	198,702	-	-	-	41,819	485,321
Brian Kohlhammer ⁽⁷⁾ <i>Former Senior Vice President, Finance and Chief Financial Officer</i>	2017	18,785	-	-	-	-	-	570,084	588,869
	2016	340,000	-	-	-	-	-	61,481	401,481
	2015	340,000	-	62,874	-	-	-	60,771	463,645
Rod Hume <i>Senior Vice President, Engineering</i>	2017	320,000	-	141,916	-	-	-	57,735	519,651
	2016	320,000	-	-	-	-	-	60,359	380,359
	2015	320,000	-	63,193	-	-	-	59,855	443,048
Michael Galvin <i>Vice President, Land</i>	2017	288,000	-	177,395	-	-	-	53,527	518,922
	2016	288,000	-	-	-	-	-	51,366	339,366
	2015	288,000	-	54,074	-	-	-	52,856	394,930
Hugo Batteke, <i>Vice President, Operations</i>	2017	275,000	-	141,916	-	-	-	49,310	466,226
	2016	275,000	-	-	-	-	-	51,369	326,369
	2015	275,000	-	54,211	-	-	-	49,202	378,413

Notes:

- (1) No RSUs were granted in 2015, 2016 and 2017. No RSUs were outstanding as at December 31, 2017 for each of the Named Executive Officers.
- (2) The Corporation has calculated the grant date fair value of the options granted to the Named Executive Officers using the Black-Scholes-Merton model. The Corporation chose this methodology because it is recognized as the most common methodology used for valuing options and doing value comparisons. The fair values of the options have been determined in accordance with International Financial Reporting Standards 2 (“IFRS 2”) – Share-based Payment. The assumptions used by the Corporation in the Black-Scholes-Merton Model for options granted on December 24, 2015 were (i) an initial average expected life of 4.2 years, (ii) an average forfeiture rate of 9.3 percent, (iii) an average historical volatility of 56.3 percent and (iv) an average risk free interest rate of 0.7 percent. No options were granted to the Named Executive Officers or directors in 2016. The assumptions used by the Corporation in the Black-Scholes-Merton Model for options granted on February 6, 2017 were (i) an initial average expected life of 4.2 years, (ii) an average forfeiture rate of 9.3 percent, (iii) an average historical volatility of 60.4 percent and (iv) an average risk free interest rate of 1.0 percent. The assumptions used by the Corporation in the Black-Scholes-Merton Model for options granted on April 3, 2017 were (i) an initial average expected life of 4.2 years, (ii) an average forfeiture rate of 9.3 percent, (iii) an average historical volatility of 60.5 percent and (iv) an average risk free interest rate of 1.0 percent. The assumptions used by the Corporation in the Black-Scholes-Merton Model for options granted on May 23, 2017 were (i) an initial average expected life of 4.3 years, (ii) an average forfeiture rate of 9.2 percent, (iii) an average historical volatility of 60.3 percent and (iv) an average risk free interest rate of 0.9 percent. The aggregate number of options held by each of the Named Executive Officers during the financial year ended December 31, 2017 is disclosed in the table “Outstanding Option-based and Share-based Awards”.
- (3) No annual bonuses were awarded to Named Executive Officers for 2015, 2016 and 2017.
- (4) Delphi does not sponsor or maintain any pension or retirement plan.
- (5) Represents the Corporation’s matching contributions under the ESSP in respect of contributions made by the Named Executive Officer, together with parking, health spending account and fitness allowance provided to the Named

Executive Officer. See “Compensation Discussion & Analysis – Corporate Governance & Compensation Committee – Employee Stock Savings Plan” for a description of the ESSP. The value of perquisites received by the Named Executive Officers, including property or other personal benefits provided to Named Executive Officers that are not generally available to all employees were not, in the aggregate, worth \$50,000 or more or 10% or more of the respective Named Executive Officer’s total salary for 2015, 2016 or 2017.

- (6) Mr. Behrman commenced employment as Chief Financial Officer on April 3, 2017.
- (7) Effective January 18, 2017, Brian Kohlhammer ceased to serve as Senior Vice President, Finance and Chief Financial Officer of Delphi. Mr. Kohlhammer’s employment as Senior Vice President, Finance and Chief Financial Officer was subject to an employment contract pursuant to which a payment of \$538,333 (being 19 months of salary) was owed to Mr. Kohlhammer in the event of the termination of his employment with Delphi. Such payment was made in January 2017. In addition to the total severance amount, payment was made for accrued vacation and other miscellaneous expenses. Pursuant to his employment contract, all of Mr. Kohlhammer’s options vested upon him ceasing to serve as an officer.

Outstanding Option-based and Share-based Awards

The following table sets forth for each Named Executive Officer all option-based awards outstanding at the end of the year ended December 31, 2017.

Option-based awards				
Name	Number of securities underlying unexercised options	Option exercise price(\$)⁽¹⁾	Option expiration date	Value of unexercised in-the-money options(\$)⁽²⁾
David J. Reid	325,000	1.26	April 25, 2018	-
	200,000	3.47	May 28, 2019	-
	200,000	0.81	December 24, 2020	64,000
	300,000	1.50	February 6, 2022	-
Mark Behrman	325,000	1.29	April 3, 2022	-
Rod Hume	300,000	1.26	April 25, 2018	-
	175,000	3.47	May 28, 2019	-
	175,000	0.81	December 24, 2020	56,000
	200,000	1.50	February 6, 2022	-
Michael Galvin	225,000	1.26	April 25, 2018	-
	150,000	3.47	May 28, 2019	-
	150,000	0.81	December 24, 2020	48,000
	250,000	1.50	February 6, 2022	-
Hugo Batteke	200,000	1.26	April 25, 2018	-
	150,000	3.47	May 28, 2019	-
	150,000	0.81	December 24, 2020	48,000
	200,000	1.50	February 6, 2022	-

Notes:

- (1) All grants vest 1/3 on each of the first three anniversaries following the date of grant and expire after five years.
- (2) Calculated based on the difference between the market price of the Common Shares underlying the options at December 29, 2017, the last trading day of the Corporation’s financial year, and the exercise price of the options.

Incentive Plan Disclosure - Value Vested/Earned During the Year

The following table sets forth for each Named Executive Officer, the value of option-based and share-based awards which vested during the year ended December 31, 2017 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2017.

Name	Option-based awards – Value vested during the year (\$) ^{(1) (4)}	Share-based awards – Value vested during the year (\$) ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year (\$) ⁽³⁾
David J. Reid	18,666	20,167	-
Mark Behrman	-	-	-
Brian Kohlhammer	97,999	-	-
Rod Hume	16,334	16,940	-
Michael Galvin	14,000	12,100	-
Hugo Batteke	14,000	12,100	-

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the options at the vesting date during the year and the exercise price of the options.
- (2) Calculated based on the closing market price of the Common Shares immediately preceding the vesting date during the year.
- (3) No annual bonuses were awarded to Named Executive Officers for 2017.
- (4) Effective January 18, 2017, Brian Kohlhammer ceased to serve as Senior Vice President, Finance and Chief Financial Officer of Delphi. Pursuant to his employment contract, all of Mr. Kohlhammer's options vested upon him ceasing to serve as an officer.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information as at December 31, 2017 relating to Delphi's Option Plan, the only equity compensation plan maintained by Delphi pursuant to which equity securities are authorized for issuance.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options ⁽²⁾⁽³⁾	Weighted-average exercise price of outstanding options	Number of Common Shares remaining available for future issuance under the Option Plan ^{(2) (3)}
Equity compensation plans approved by securityholders	9,561,669	\$1.56	8,993,066
Equity compensation plans not approved by securityholders ⁽¹⁾	-	-	-
Total	9,561,669	\$1.56	8,993,066

Notes:

- (1) The Corporation's RSU Plan is not considered to be a security-based compensation arrangement under the TSX Company Manual as it does not involve the issuance or potential issuance of securities from treasury of the Corporation.
- (2) As at April 18, 2018, 8,730,000 options to purchase Common Shares are outstanding in accordance with the Option Plan (representing 4.70% of the outstanding Common Shares) and 9,824,735 options to purchase Common Shares remain issuable thereunder representing 5.30% of the outstanding Common Shares).
- (3) Included in the issued and outstanding options are 1,780,000 options with an expiry date of April 25, 2018 which have an exercise price of \$1.26.

TERMINATION AND CHANGE IN CONTROL BENEFITS

Delphi has entered into employment agreements with each of the Named Executive Officers. Pursuant to such employment agreements, each individual is entitled to: (i) an annual base salary and benefits; (ii) discretionary bonuses as determined by the Board; (iii) restricted share units; and (iv) stock options. Under each agreement, Delphi agrees to compensate each Named Executive Officer in the event of the termination of employment: (i) for any reason except just cause, normal retirement or permanent incapacity, and (ii) if the executive terminates employment by giving thirty days' notice to Delphi within one year of a change of control. A change in control is defined as an acquisition of more

than 51% of the outstanding Common Shares of Delphi, or the merger with, or sale of substantially all of Delphi's assets to, another company.

Assuming that the triggering event occurred on December 31, 2017 for the scenarios outlined in the paragraph above: (a) Mr. Reid would be entitled to receive \$833,333 (being 25 months of salary), (b) Mr. Behrman would be entitled to receive \$506,666 (being 19 months of salary) (c) Mr. Hume would be entitled to receive \$506,666 (being 19 months of salary), (d) Mr. Galvin would be entitled to receive \$456,000 (being 19 months of salary) and (e) Mr. Batteke would be entitled to receive \$435,417 (being 19 months of salary). In addition, in each of the scenarios set forth above, all of the executive's unvested options issued under the Option Plan would become fully vested. Based on the Delphi share price on December 29, 2017 (the last trading day prior to December 31, 2017), the Named Executive Officers collectively would earn approximately \$72,000 in value on the vesting of these options.

Each of the employment agreements provide that the executive shall not during the term of his employment and thereafter disclose confidential information regarding the Corporation. The executive continues to owe the Corporation a duty of loyalty, good faith and avoidance of conflict of duty following termination of his employment.

DIRECTOR COMPENSATION

Delphi compensates its directors who are not employees of Delphi in respect of their service as directors. The total compensation payable to non-management directors includes an annual retainer, attendance fees and equity-based compensation in the form of options granted under the Option Plan. In 2017, each non-management director received an annual retainer of \$20,000 plus a fee of \$1,000 for each board and committee meeting attended. In addition, directors are reimbursed for their actual out-of-pocket expenses incurred in connection with the performance of their duties as directors. The Chairmen of the Reserves Committee and the CG&C Committee each receive an additional \$7,500 annually for acting in that position and the Chairman of the Audit Committee receives an additional \$10,000 annually for acting in that position. For the fiscal year ended December 31, 2017, the aggregate compensation paid or payable to the directors of Delphi in respect of meetings of the Board of Directors and the committees thereof was \$275,314. Delphi did not grant any other form of compensation, other than the payment of the fees as outlined below.

Name	Fees earned (\$)	Option-based awards(\$)⁽¹⁾	Total (\$)
Harry S. Campbell	31,000	60,314	91,314
Glenn A. Hamilton ⁽²⁾	24,438	79,236	103,674
Peter T. Harrison ⁽²⁾	19,438	79,236	98,674
Robert A. Lehodey	38,500	60,314	98,814
Andrew E. Osis ⁽³⁾	78,000	113,533	191,533
David J. Sandmeyer	35,500	60,314	95,814
Lamont C. Tolley	30,000	60,314	90,314
Ian G. Wild ⁽²⁾	19,438	79,236	98,674

For details regarding attendance by directors at meetings of the Board and its various committees see Schedule "B".

Notes:

- (1) The assumptions used by the Corporation in the Black-Scholes-Merton Model for options granted on February 6, 2017 were (i) an initial average expected life of 4.2 years, (ii) an average forfeiture rate of 9.3 percent, (iii) an average historical volatility of 60.4 percent and (iv) an average risk free interest rate of 1.0 percent. The assumptions used by the Corporation in the Black-Scholes-Merton Model for options granted on May 23, 2017 were (i) an initial average expected life of 4.3 years, (ii) an average forfeiture rate of 9.2 percent, (iii) an average historical volatility of 60.3 percent and (iv) an average risk free interest rate of 0.9 percent.
- (2) Mr. Hamilton, Mr. Harrison and Mr. Wild were elected to the Board on May 18, 2017.
- (3) Mr Osis earned additional fees of \$40,000 relating to his participation on an ad-hoc finance committee of the Board, beginning in March 2016, to support certain financial initiatives undertaken by Delphi.

Outstanding Option-based and Share-based Awards

The following table sets forth for each non-employee director all option-based awards outstanding at the end of the year ended December 31, 2017. Delphi has not granted any share-based awards to its non-employee directors.

Option-based Awards				
Name	Number of securities underlying unexercised options⁽¹⁾	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)⁽²⁾
Harry S. Campbell	150,000	1.26	April 25, 2018	-
	80,000	0.81	December 24, 2020	25,600
	85,000	1.50	February 6, 2022	-
Glenn A. Hamilton	125,000	1.33	May 23, 2022	-
Peter T. Harrison	125,000	1.33	May 23, 2022	-
Robert A. Lehodey	150,000	1.26	April 25, 2018	-
	80,000	0.81	December 24, 2020	25,600
	85,000	1.50	February 6, 2022	-
Andrew E. Osis	110,000	1.26	April 25, 2018	-
	80,000	0.81	December 24, 2020	25,600
	160,000	1.50	February 6, 2022	-
David J. Sandmeyer	150,000	1.26	April 25, 2018	-
	80,000	0.81	December 24, 2020	25,600
	85,000	1.50	February 6, 2022	-
Lamont C. Tolley	150,000	1.26	April 25, 2018	-
	80,000	0.81	December 24, 2020	25,600
	85,000	1.50	February 6, 2022	-
Ian G. Wild	125,000	1.33	May 23, 2022	-

Notes:

- (1) The grants with an exercise price of \$1.26, \$0.81, \$1.50 and \$1.33 were granted on April 25, 2013, December 24, 2015, February 6, 2017, and May 23, 2017, respectively and vest 1/3 on each of the first three anniversaries of the date of grant.
- (2) Calculated based on the difference between the market price of the Common Shares underlying the options at December 29, 2017, the last trading day of the Corporation's financial year, and the exercise price of the options.

Incentive Plan Disclosure - Value Vested/Earned During the Year

The following table sets forth for each non-employee director, the value of option-based and share-based awards which vested during the year ended December 31, 2017 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2017.

Name	Option-based awards – Value vested during the year (\$)⁽¹⁾	Share-based awards – Value vested during the year (\$)⁽²⁾	Non-equity incentive plan compensation – Value earned during the year (\$)
Harry S. Campbell	7,466	-	-
Glenn A. Hamilton	-	-	-
Peter T. Harrison	-	-	-
Robert A. Lehodey	7,466	-	-
Andrew E. Osis	7,466	-	-
David J. Sandmeyer	7,466	-	-

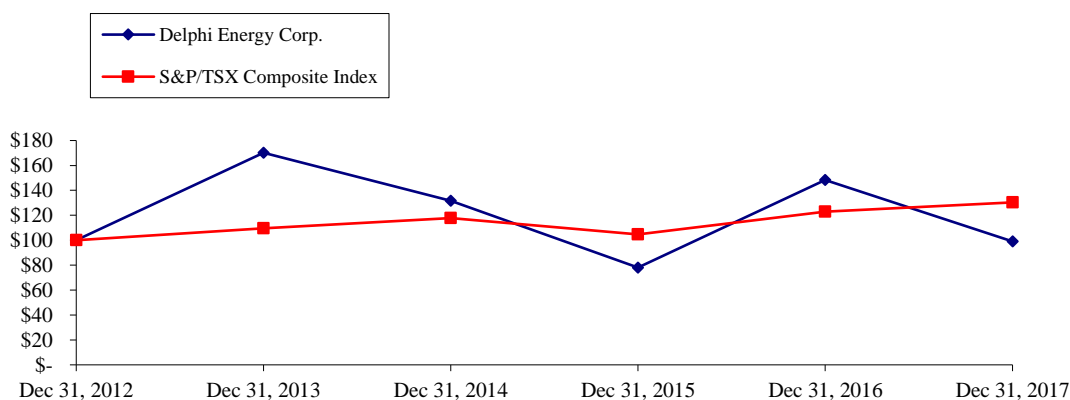
Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$) ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year (\$)
Lamont C. Tolley	7,466	-	-
Ian G. Wild	-	-	-

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the options at the vesting date during the year and the exercise price of the options.
- (2) No share-based awards have been granted to non-employee directors.

PERFORMANCE GRAPH

The following graph and table compare the yearly percentage change (converted into a fixed investment) in the cumulative Shareholder return on the Common Shares (assuming a \$100 investment was made on December 31, 2012, and assuming the reinvestment of dividends) with the cumulative total return of the S&P TSX Composite Index for the period which commenced on December 31, 2012 and ended on December 31, 2017, assuming reinvestment of dividends.



Note:

- (1) The Common Shares of Delphi trade under the symbol “DEE”. The closing price for the Common Shares on December 29, 2017, the last trading price of the Corporation’s financial year was \$1.13.

	Cumulative Total Return				
	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2015	Dec. 31, 2016	Dec. 31, 2017
Delphi Energy Corp.	170	132	78	148	99
S&P TSX Composite Index	110	118	105	123	130

The Corporation’s CG&C Committee, when determining bonuses for the Named Executive Officers, takes into account the current economic conditions and individual and corporate performance along with other factors. Compensation for Named Executive Officers has increased but is not directly linked to the share price of the Common Shares.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at April 18, 2018, no director, executive officer, employee or former director, executive officer or employee of Delphi or its subsidiary or any associate of any such person, is now, or has been in the recently completed financial year, indebted to Delphi.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Management of the Corporation is not aware of any material interest, direct or indirect, of any director or nominee for director, or executive officer of the Corporation or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting except as otherwise disclosed herein.

INTEREST OF INFORMED PERSON IN MATERIAL TRANSACTIONS

To the knowledge of the directors and officers of the Corporation, there are no material interests, direct or indirect, of directors or executive officers of the Corporation or any Shareholder who beneficially owns, directly or indirectly, more than 10% of the outstanding Common Shares or any known associate or affiliate of such persons, in any transaction since the commencement of Delphi's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Delphi, other than, on June 7, 2017, Luminus Energy Partners Master Fund, Ltd. ("**Luminus**"), which together with its investment advisor, Luminus Management, LLC, exercises control over 33,980,755 Common Shares (representing approximately 18.3% of the issued and outstanding Common Shares), was issued pursuant to a private placement: (a) 19,650,055 Common Shares at a price of \$1.27 per share, or approximately \$25.0 million in aggregate, and (b) \$23,750,000 aggregate principal amount of 10 percent senior secured notes of the Corporation due 2021 (the "**Notes**"). In connection with the private placement, Luminus and the Corporation entered into an investor rights agreement dated June 7, 2017 pursuant to which, among other things, the Corporation granted to Luminus a right to subscribe for and to be issued, as part of an offering of equity or voting securities, or securities convertible or exchangeable for equity or voting securities of the Corporation, or any debt with equal ranking to the Notes, a number of securities sufficient to allow Luminus to maintain its existing proportionate ownership interest in such securities.

As at April 18, 2018, the directors and officers of the Corporation and their associates or affiliates, as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of approximately 6,033,879 Common Shares, representing approximately 3.3% of the outstanding Common Shares.

Mr. Robert A. Lehodey, Q.C., a current director of the Corporation, is a partner of Osler, Hoskin & Harcourt LLP, which law firm provides legal services to the Corporation. The Board of Directors does not believe that the legal services undertaken by Mr. Lehodey, or Osler, Hoskin & Harcourt LLP on behalf of Delphi interfere or could be perceived to interfere, in any material manner with Mr. Lehodey's ability to act with a view to the best interests of Delphi or the exercise of his independent judgment.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate governance relates to the activities of the Board of Directors and the structures, traditions and processes of leadership and stewardship that assign power and define roles and responsibilities governing communications with the Shareholders and ensure accountability.

The Board recognizes that effective corporate governance is critical to the continued and long-term success of Delphi. Delphi continues to update and modify its governance practices from time to time and is of the view that Delphi's general approach to corporate governance is appropriate and entirely consistent with the objectives required by applicable law, in particular, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and National Policy 58-201 – *Corporate Governance Guidelines* ("**NI 58-201**"). Information in respect of Delphi's corporate governance practices is set out in Schedule "B" to this Information Circular.

The governance policies and practices of Delphi have been developed under the guidance of the CG&C Committee of the Board. The CG&C Committee periodically reviews the governance policies and practices of Delphi to ensure that Delphi complies with all applicable legal requirements.

Board of Directors

Structure and Composition

Delphi has proposed a board composed of eight directors, a size that Delphi believes is commensurate with the complexity of Delphi's business. NI 58-201 suggests that the board of directors should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director that has no material relationship, direct or indirect, with the issuer, which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment.

Seven of the eight directors nominated for election at the Meeting, being Messrs. Harry S. Campbell, Q.C., Peter T. Harrison, Robert A. Lehodey, Q.C., Andrew E. Osis, David J. Sandmeyer, Lamont C. Tolley, and Ian Wild are considered to be "independent" within the meaning of NI 58-101. Mr. David J. Reid is not considered to be "independent" by virtue of his position as President and Chief Executive Officer of Delphi.

To ensure the independence of the Board in the discharge of its responsibilities, all of the committees of the Board are comprised of independent directors.

Board Committees

The standing committees of the Board are an integral part of the governance structure of Delphi as they help to facilitate effective board decision-making by providing recommendations on matters within their respective responsibilities. The Board has three committees: the Audit Committee, the Reserves Committee and the CG&C Committee.

Members of Delphi management are regularly invited to participate in meetings of the Board committees in order to provide management insight and information for committee deliberations. As a matter of practice, the committees conduct a portion of their meetings without management representation to facilitate their functioning independently of management.

Committee Composition

The CG&C Committee, the Audit Committee and the Reserves Committee consist of a minimum of three directors. There is a requirement that all committee members be independent. The Board of Directors designates one member of each committee as its chair.

Each member of the Audit Committee is required to be "financially literate" as that term is defined in National Instrument 52-110 – *Audit Committees*. An individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

Committee Meetings Membership

Meetings of each committee are held throughout the year as required, and the Audit Committee meets in conjunction with the review and approval of news releases, annual and quarterly financial statements, management discussion and analysis and reports to Shareholders, and audit arrangements.

A summary of the activities and responsibilities of each of the committees is set out below.

Audit Committee

The Audit Committee has been established to assist the Board in carrying out its oversight responsibility for Delphi's internal controls, financial reporting and risk management processes. The Audit Committee is provided with the resources necessary to carry out its responsibilities. The Audit Committee and the external auditors meet at least quarterly without the presence of Delphi management to review areas of material disagreement, if any, between Delphi management and the external auditors or other issues of concern, including assessing annually the cooperation received by the auditors in the conduct of their audit and their access to all requested records, data and information. As necessary or desirable, any member of the Audit Committee may also request that the external auditors be present at any other meetings of the Audit Committee. The following are some of the responsibilities of the Audit Committee:

- Considering the integrity of Delphi's accounting and financial reporting process and internal controls.
- Considering the qualifications, independence and performance of Delphi's external auditors.
- Considering the external audit process and results.
- Discussing with management and the external auditors any proposed changes in major accounting policies or principles, the presentation and effect of significant risks and uncertainties and key estimates and judgments of management that may be material to financial reporting.
- Reviewing with management and with the external auditors significant financial reporting issues, if any, arising during the most recent fiscal and interim period and the resolution or proposed resolution of such issues.
- Before release, reviewing and if appropriate, recommending for approval by the Board of Directors, all public disclosure documents containing audited or unaudited financial information.
- Pre-approving all non-audit services to be provided to Delphi or its subsidiary entities by its external auditors, or the external auditors of Delphi's subsidiary entities.

The Audit Committee is currently comprised of Messrs. Glenn A. Hamilton (Chairman), Peter T. Harrison and Andrew E. Osis. Each of the members of the Audit Committee is independent and financially literate.

A description of certain matters relating to the Audit Committee is set forth under the heading "Audit Committee" in Delphi's AIF, a copy of which is available on the SEDAR website at www.sedar.com.

Reserves Committee

The Reserves Committee has been established to assist the Board in carrying out its oversight responsibility for Delphi's reporting of its crude oil, natural gas and natural gas liquids reserves. The Reserves Committee is provided with the resources necessary to carry out its responsibilities. The Reserves Committee meets at least two times per year. As necessary or desirable, any member of the Reserves Committee may request that the independent reserves evaluator be present at any meetings of the Reserves Committee. The Reserves Committee is currently comprised of Messrs. David J. Sandmeyer (Chairman), Lamont C. Tolley and Ian G. Wild. Each of the members of the Reserves Committee is independent. The following are some of the responsibilities of the Reserves Committee:

- Reviewing the procedures for providing information to the qualified reserves evaluators to enable them to provide a report that will comply with applicable securities legislation and considering the adequacy of such procedures.
- After consultation with Delphi's senior reserves personnel, recommending the appointment of independent and qualified reserves evaluators, as may be applicable, to report to the Board of Directors in respect of the evaluation and review of Delphi's oil and gas reserves, reserves data and related information and their related compensation.

- In consultation with Delphi's senior reserves personnel, determining the scope of the annual evaluation of the reserves by qualified reserves evaluators having regard to applicable securities legislation and industry practice.
- In consultation with Delphi's senior reserves personnel and the qualified reserves evaluators, determining whether any restrictions affect the ability of the qualified reserves evaluators to report on reserves data and review the reserves data without reservation.
- Reporting to the Board on Delphi's oil and gas reserves and reviewing and making recommendations for the approval by the Board of the content and filing of the report from the qualified reserves evaluators on Delphi's oil and gas reserves data required to be filed under applicable securities legislation.

Corporate Governance & Compensation Committee

The primary duties and responsibilities of the CG&C Committee are to review and make recommendations to the Board in respect of:

- All matters relating to corporate governance, including the stewardship role of the Board in respect of the management of the Corporation.
- Board size and composition, including the candidate selection process and the orientation of new members.
- Such procedures as may be necessary to allow the Board to function independently of management.
- Appointing and compensating officers and approving succession plans for officers.
- Approving and reporting to the Board respecting the Corporation's human resources policies for officers.
- Considering the administration of the Corporation's compensation and benefits plans.

In carrying out its duties and responsibilities, the CG&C Committee:

- Assists in the development, monitoring and assessment of Delphi's overall approach to corporate governance issues, and, subject to the approval of the Board, oversees, in conjunction with and assistance from management, the implementation and administration of a system of corporate governance in accordance with applicable securities legislation and stock exchange rules.
- Periodically reviews and assists in the establishment of corporate goals and objectives relevant to the compensation package of the Chief Executive Officer.
- Considers periodically the terms of the Option Plan, the RSU Plan, the ESSP and all other benefit, incentive and other compensation plans of Delphi, including any amendments to such plans, and in consultation with management, recommends to the Board the establishment, review and approval of amendments from time to time, to such plans.
- Periodically reviews and makes a recommendation to the Board regarding the adequacy and form of the compensation of its members.

The CG&C Committee is currently comprised of Messrs. Robert A. Lehodey (Chairman), Harry S. Campbell and Andrew E. Osis, each of whom is independent.

Meetings of the Board and the Committees

The Board of Directors meet in person at least 4 times annually. The Board holds additional unscheduled meetings from time-to-time as business needs require. The Board held 6 meetings in Delphi's last financial year.

Regular meetings of the committees are held throughout the year as required and the Audit Committee meets at least quarterly per year in conjunction with the review and approval of annual and quarterly financial statements, management discussion and analysis and reports to Shareholders.

Each committee can hold unscheduled additional meetings from time to time as business needs require or as may be requested by a member of the Board. The Audit Committee held four meetings in Delphi's last financial year. The Reserves Committee held two meetings in Delphi's last financial year. The CG&C Committee held three meetings in Delphi's last financial year.

For a summary of the attendance of each of the directors for the year ended December 31, 2017 for meetings of the Board and committees of which each was a member refer to Schedule "B" to this Information Circular.

Code of Business Conduct

Delphi has adopted a Code of Business Conduct (the "Code"), which applies to all employees, contractors, consultants and agents. The Code deals with the business conduct of the Corporation, particularly with respect to transactions in securities of the Corporation, potential conflicts of interest, the taking of corporate opportunities for personal benefit and competing with the Corporation. A copy of the Code may be obtained from the Secretary of Delphi at Suite 2300, 333 – 7th Avenue S.W., Calgary, Alberta T2P 2Z1 or by facsimile at (403) 265-6207.

ADDITIONAL INFORMATION

Additional information relating to Delphi is available on the SEDAR website, which can be accessed at www.sedar.com. Financial information of Delphi is provided in the comparative financial statements and management discussion and analysis of Delphi for the most recently completed financial year. Copies of the financial statements and management discussion and analysis of Delphi may be obtained from the Secretary of Delphi at Suite 2300, 333 – 7th Avenue S.W., Calgary, Alberta T2P 2Z1 or by facsimile at (403) 265-6207.

BY-LAW NO. 3

A by-law relating to the advance notice of nomination of directors of

DELPHI ENERGY CORP.

(hereinafter referred to as the "**Corporation**")

IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

1. Subject only to the provisions of the *Business Corporations Act* (Alberta) (the "**Act**") and the articles of the Corporation, only individuals who are nominated in accordance with the procedures set out in this by-law shall be eligible for election as directors of the Corporation at any meeting of shareholders of the Corporation. Nominations of individuals for election to the board of directors of the Corporation (the "**Board**") may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
 - (a) by or at the direction of the board, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the Act or a requisition of the shareholders made in accordance with the Act; or
 - (c) by any person (a "**Nominating Shareholder**"):
 - (i) who, at the close of business on the date of the giving of the notice provided for below in this by-law and on the record date for notice of such meeting, is a registered holder of shares carrying the right to vote at such meeting on the election of directors; and
 - (ii) who complies with the notice procedures set forth in this by-law.
2. In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof and in proper written form to the Chair of the Board at the principal executive offices of the Corporation as set forth below.
3. To be timely, a Nominating Shareholder's notice to the Chair of the Board must be made:
 - (a) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that if the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the 10th day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made.
4. To be in proper written form, a Nominating Shareholder's notice to the Chair of the Board must set forth:
 - (a) if the Nominating Shareholder is not the beneficial owner of the shares, the identity of the beneficial owner and the number of shares held by that beneficial owner;
 - (b) as to each individual whom the Nominating Shareholder proposes to nominate for election as a director:

- (i) the name, age, business address and residential address of the individual;
 - (ii) the principal occupation or employment of the individual for the past five years;
 - (iii) the individual's status as a "resident Canadian" (as such term is defined in the Act);
 - (iv) the class or series and number of securities in the capital of the Corporation which are beneficially owned, or over which control or direction is exercised, directly or indirectly, by such individual as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (v) a description of any compensatory, payment or other financial agreement, arrangement or understanding with any person in connection with the individual's nomination or service as a director (if elected); and
 - (vi) any other information relating to the individual that would be required to be disclosed in a dissident's proxy circular or other filings to be made in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws; and
- (c) as to the Nominating Shareholder and any beneficial owner respecting which the notice was given, the names of such person(s) and:
- (i) the class or series and number of securities in the capital of the Corporation which are controlled, or over which control or direction is exercised, directly or indirectly, by such person(s), each of its respective affiliates and associates and each person acting jointly or in concert with any of them (and for each such person any options or other rights to acquire shares in the capital of the Corporation, derivatives or other securities, instruments or arrangements for which the price or value or delivery, payment or settlement obligations are derived from, referenced to, or based on any such shares, hedging transactions, short positions and borrowing or lending arrangements relating to such shares) as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (ii) any proxy, contract, agreement, arrangement, understanding or relationship pursuant to which such Nominating Shareholder or beneficial owner has a right to vote any shares in the capital of the Corporation on the election of directors;
 - (iii) in the case of a special meeting of shareholders called for the purpose of electing directors, a statement as to whether the Nominating Shareholder intends to send an information circular and form of proxy to any shareholders of the Corporation in connection with the individual's nomination; and
 - (iv) any other information relating to such Nominating Shareholder or beneficial owner that would be required to be made in a dissident's proxy circular or other filings to be made in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws.
5. The Corporation may require that any proposed nominee furnish such other information as may be required to be contained in a dissident proxy circular or by applicable law or regulation to determine the independence of the proposed nominee or his or her eligibility to serve as a director of the Corporation or a member of any committee of the Board.
6. Except as otherwise provided by the special rights or restrictions attached to the shares of any class or series of the Corporation, no individual shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this by-law; provided, however, that nothing in this by-law shall preclude discussion by a shareholder or proxy holder (as distinct from the nomination of directors) at a

meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

7. A duly appointed proxy holder of a Nominating Shareholder shall be entitled to nominate at a meeting of shareholders the directors nominated by the Nominating Shareholder, provided that all of the requirements of this by-law have been satisfied.
8. In addition to the provisions of this by-law, a Nominating Shareholder and any individual nominated by the Nominating Shareholder shall also comply with all of the applicable requirements of the Act, applicable securities legislation and applicable stock exchange rules regarding the matters set forth herein.
9. For purposes of this by-law, “public announcement” shall mean disclosure in a news release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its issuer profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.
10. Notwithstanding any other provision of the Corporation’s by-laws, notice given to the Chair of the Board pursuant to this by-law may only be given by personal delivery (at the principal executive offices of the Corporation) or by e-mail (at the e-mail address set out in the Corporation’s issuer profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com), and shall be deemed to have been given and made only at the time it is so served by personal delivery to the Chair of the Board or sent by e-mail to such e-mail address (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Calgary time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.
11. Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this by-law.

The governance practices of Delphi in relation to the disclosure requirements of NI 58-101, taking into account the particular structure of Delphi, are set out below:

Governance Disclosure Guideline under NI 58-101	Governance Procedures at Delphi																				
<u>Board of Directors</u>																					
Disclose the identity of directors who are independent.	<p>The Board has determined that the following directors are "independent" within the meaning of NI 58-101:</p> <p>Harry S. Campbell, Glenn A. Hamilton, Peter T. Harrison, Robert A. Lehodey, Andrew E. Osis, David J. Sandmeyer, Lamont C. Tolley, and Ian G. Wild.</p>																				
Disclose the identity of directors who are not independent, and describe the basis for that determination.	<p>Mr. David J. Reid is the President and Chief Executive Officer of Delphi. As such, the Board of Directors has determined that he is not "independent" for the purposes of NI 58-101 due to his position as an officer of the Corporation.</p>																				
Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors does to facilitate its exercise of independent judgment in carrying out its responsibilities.	<p>The Board has determined that eight of nine of the current Directors are "independent" within the meaning of NI 58-101.</p>																				
If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	<p>The following directors currently serving on the board of other issuers that are reporting issuers (or equivalent) are set out below:</p> <table border="1" data-bbox="651 1094 1122 1451"> <thead> <tr> <th>Director</th> <th>Directorships</th> </tr> </thead> <tbody> <tr> <td>David J. Reid</td> <td>N/A</td> </tr> <tr> <td>Harry S. Campbell</td> <td>N/A</td> </tr> <tr> <td>Glenn A. Hamilton</td> <td>Journey Energy</td> </tr> <tr> <td>Peter T. Harrison</td> <td>Freehold Royalties</td> </tr> <tr> <td>Robert A. Lehodey</td> <td>N/A</td> </tr> <tr> <td>Andrew E. Osis</td> <td>N/A</td> </tr> <tr> <td>David J. Sandmeyer</td> <td>N/A</td> </tr> <tr> <td>Lamont C. Tolley</td> <td>N/A</td> </tr> <tr> <td>Ian G. Wild</td> <td>N/A</td> </tr> </tbody> </table>	Director	Directorships	David J. Reid	N/A	Harry S. Campbell	N/A	Glenn A. Hamilton	Journey Energy	Peter T. Harrison	Freehold Royalties	Robert A. Lehodey	N/A	Andrew E. Osis	N/A	David J. Sandmeyer	N/A	Lamont C. Tolley	N/A	Ian G. Wild	N/A
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Disclose whether or not the independent directors hold regularly scheduled meetings at which members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.	<p><i>In camera</i> sessions of the directors are held in conjunction with every regular meeting of the Board. The independent members of the Board have an opportunity to meet, in conjunction with every regular meeting of the Board, without the members of the Board who are not independent. All of the members of the committees of the Board are independent directors and management is not present for a portion of such meetings.</p> <p>The independent members of the Board are authorized to retain independent financial, legal and other experts as required whenever, in their opinion, matters come before the Board which require an independent analysis by the independent members of the Board.</p>																				

Governance Disclosure Guideline under NI 58-101	Governance Procedures at Delphi																																																						
<p>Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is independent, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.</p>	<p>Mr. Harry S. Campbell serves as the Chair of the Board and is “independent” within the meaning of NI 58-101. The primary responsibilities of the Chair of the Board are to manage the Board, develop and maintain an effective Board, work with management to ensure the Board is appropriately informed, monitor and influence the Corporation’s strategic direction and, in coordination with management, engage with the Corporation’s key stakeholders.</p>																																																						
<p>Disclose the attendance record of each director for all board meetings held since the beginning of the issuer’s most recently completed financial year.</p>	<p>Summary of Attendance of Directors for the Year Ended December 31, 2017</p> <table border="1" data-bbox="656 648 1481 1199"> <thead> <tr> <th data-bbox="656 648 906 814">Director</th> <th data-bbox="906 648 1057 814">Board of Directors (6 Meetings)</th> <th data-bbox="1057 648 1208 814">Audit Committee (4 Meetings)</th> <th data-bbox="1208 648 1338 814">Reserves Committee (2 Meetings)</th> <th data-bbox="1338 648 1481 814">Corporate Governance and Compensation Committee (3 Meetings)</th> </tr> </thead> <tbody> <tr> <td data-bbox="656 814 906 848">David J. Reid</td> <td data-bbox="906 814 1057 848">6/6</td> <td data-bbox="1057 814 1208 848">-</td> <td data-bbox="1208 814 1338 848">-</td> <td data-bbox="1338 814 1481 848">-</td> </tr> <tr> <td data-bbox="656 848 906 882">Harry S. Campbell</td> <td data-bbox="906 848 1057 882">6/6</td> <td data-bbox="1057 848 1208 882">2/2</td> <td data-bbox="1208 848 1338 882">-</td> <td data-bbox="1338 848 1481 882">3/3</td> </tr> <tr> <td data-bbox="656 882 906 915">Glenn A. Hamilton</td> <td data-bbox="906 882 1057 915">4/4</td> <td data-bbox="1057 882 1208 915">2/2</td> <td data-bbox="1208 882 1338 915">-</td> <td data-bbox="1338 882 1481 915">-</td> </tr> <tr> <td data-bbox="656 915 906 949">Peter T. Harrison</td> <td data-bbox="906 915 1057 949">4/4</td> <td data-bbox="1057 915 1208 949">2/2</td> <td data-bbox="1208 915 1338 949">-</td> <td data-bbox="1338 915 1481 949">-</td> </tr> <tr> <td data-bbox="656 949 906 982">Robert A. Lehodey</td> <td data-bbox="906 949 1057 982">6/6</td> <td data-bbox="1057 949 1208 982">-</td> <td data-bbox="1208 949 1338 982">1/1</td> <td data-bbox="1338 949 1481 982">3/3</td> </tr> <tr> <td data-bbox="656 982 906 1016">Andrew E. Osis</td> <td data-bbox="906 982 1057 1016">6/6</td> <td data-bbox="1057 982 1208 1016">4/4</td> <td data-bbox="1208 982 1338 1016">-</td> <td data-bbox="1338 982 1481 1016">3/3</td> </tr> <tr> <td data-bbox="656 1016 906 1050">Lamont C. Tolley</td> <td data-bbox="906 1016 1057 1050">6/6</td> <td data-bbox="1057 1016 1208 1050">2/2</td> <td data-bbox="1208 1016 1338 1050">2/2</td> <td data-bbox="1338 1016 1481 1050">-</td> </tr> <tr> <td data-bbox="656 1050 906 1083">David J. Sandmeyer</td> <td data-bbox="906 1050 1057 1083">6/6</td> <td data-bbox="1057 1050 1208 1083">-</td> <td data-bbox="1208 1050 1338 1083">2/2</td> <td data-bbox="1338 1050 1481 1083">-</td> </tr> <tr> <td data-bbox="656 1083 906 1117">Ian G. Wild</td> <td data-bbox="906 1083 1057 1117">4/4</td> <td data-bbox="1057 1083 1208 1117">-</td> <td data-bbox="1208 1083 1338 1117">1/1</td> <td data-bbox="1338 1083 1481 1117">-</td> </tr> </tbody> </table>					Director	Board of Directors (6 Meetings)	Audit Committee (4 Meetings)	Reserves Committee (2 Meetings)	Corporate Governance and Compensation Committee (3 Meetings)	David J. Reid	6/6	-	-	-	Harry S. Campbell	6/6	2/2	-	3/3	Glenn A. Hamilton	4/4	2/2	-	-	Peter T. Harrison	4/4	2/2	-	-	Robert A. Lehodey	6/6	-	1/1	3/3	Andrew E. Osis	6/6	4/4	-	3/3	Lamont C. Tolley	6/6	2/2	2/2	-	David J. Sandmeyer	6/6	-	2/2	-	Ian G. Wild	4/4	-	1/1	-
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<p><u>Mandate of the Board of Directors</u></p>																																																							
<p>Disclose the text of the board’s written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.</p>	<p>The Board is responsible for the stewardship and oversight of the business and affairs of the Corporation.</p> <p>The responsibilities and obligations of the Board are set forth in a written mandate of the Board, a copy of which is attached hereto as Schedule “C”. The Board annually reviews its mandate and considers and effects changes as appropriate.</p>																																																						

Governance Disclosure Guideline under NI 58-101	Governance Procedures at Delphi
<i>Position Descriptions</i>	
<p>Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.</p>	<p>The Board does not have written position descriptions for the Chair of each of the Audit Committee, Reserves Committee and the CG&C Committee. The primary role of the chair of each committee is managing the affairs of the committee, including ensuring that the committee is organized properly, functions effectively and meets its obligations and responsibilities.</p> <p>The Chair of the Audit Committee also maintains on-going communications with the Corporation's external auditors in order to lead the committee in performing its oversight and other audit-related functions.</p> <p>For further information regarding the Corporation's Audit Committee, including the relevant education and experience of the committee members, see the Corporation's AIF for the financial year ended December 31, 2017 which can be accessed on the SEDAR website at www.sedar.com.</p>
<p>Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.</p>	<p>The Board has not developed a written position description for the CEO of the Corporation. The primary responsibilities of the CEO are to lead the general direction, development and management of the business and affairs of the Corporation in accordance with the corporate strategy and objectives approved by the Board, including to develop and recommend to the Board a strategic direction for the Corporation, and when approved, implement this direction, identify and communicate the primary risks of the Corporation's business to the Board, foster a culture that promotes ethical practices and individual integrity and, together with the Corporation's CFO, design and oversee the effectiveness of the integrity of the disclosure controls and procedures, internal controls over financial reporting and management systems of the Corporation.</p>
<i>Orientation and Continuing Education</i>	
<p>Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.</p>	<p>New members of the Board are provided with material necessary for them to be properly informed as to the business and operations of the Corporation. New members of the Board are also provided with the opportunity to have meetings and discussions with senior management and other members of the Board. The details of the orientation of each new member are tailored to that member's individual needs, requests and areas of interest.</p>
<p>Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.</p>	<p>The Corporation undertakes informal ongoing education efforts that include meetings with management of the Corporation and regular industry updates with the Board to discuss developments in the industry and market conditions. Continuing education opportunities are directed at enabling individual directors to maintain or enhance their skills and abilities as directors and that their knowledge and understanding of the Corporation's affairs remains current.</p>

Governance Disclosure Guideline under NI 58-101	Governance Procedures at Delphi
<i>Ethical Business Conduct</i>	
<p>Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code: (i) disclose how a person or company may obtain a copy of the code; (ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and (iii) provide a cross-reference to any material change report filed since the beginning of the issuer’s most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.</p>	<p>The Corporation has formalized a Code of Business Conduct (“Code”). The Code reflects the ethical manner in which directors and employees currently operate the business and affairs of the Corporation.</p> <p>The Corporation has also adopted a Whistleblower Policy whereby employees and consultants of the Corporation and other persons are provided with a mechanism by which they can raise complaints or concerns regarding financial statement disclosure, accounting, internal accounting controls or auditing matters and complaints related to similar concerns on a confidential and, if deemed necessary, anonymous basis. The Board monitors compliance with the Code through the Whistleblower Policy.</p> <p>A copy of the Code may be obtained from the Secretary of Delphi at Suite 2300, 333 – 7th Avenue S.W., Calgary, Alberta T2P 2Z1 or by facsimile at (403) 265-6207.</p>
<p>Describe any steps the board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p>	<p>Directors should not enter into any transaction or engage in any practice directly or indirectly, which would tend to influence them to act in any manner other than in the best interests of the Corporation.</p> <p>Each director must disclose all actual or potential conflicts of interest and refrain from voting on matters in which such director has a conflict of interest. In addition, the director must excuse himself or herself from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest.</p>
<p>Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board promotes a culture consistent with ethical business practices and conducts itself with a view to setting the appropriate tone from the top for all employees.</p>
<i>Nomination of Directors</i>	
<p>Describe the process by which the board identifies new candidates for board nomination.</p>	<p>The CG&C Committee serves as the nominating committee of the Board. It identifies potential candidates and reviews the qualifications of potential candidates for the Board. In particular, it assesses, among other factors, industry experience, functional expertise, financial literacy and expertise, board experience and diversity of background. It also considers potential conflicts arising in connection with candidates for the Board. Upon such review, and after conducting appropriate due diligence, the CG&C Committee makes recommendations on candidates to the Board.</p>
<p>Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.</p>	<p>The CG&C Committee of the Board of Directors serves as the nominating committee of the Board and is composed of three independent directors.</p>
<p>If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>The CG&C Committee has been established to assist the Board in reviewing and making recommendations to the Board in respect of, among other things, the nomination of candidates for election to the Board. The CG&C Committee is composed of three independent directors.</p> <p>For further information concerning the responsibilities, powers and operation of the CG&C Committee, see “Statement of Corporate Governance Practices – Board Committees – Corporate Governance & Compensation Committee” in this Information Circular.</p>

Governance Disclosure Guideline under NI 58-101	Governance Procedures at Delphi
<u>Compensation</u>	
<p>Describe the process by which the board determines the compensation for the issuer’s directors and officers.</p>	<p>The Board has established the CG&C Committee and delegated to it the responsibility of annually reviewing and approving the compensation paid by the Corporation to directors, officers and employees of the Corporation. The CG&C Committee’s review of compensation to directors, officers and employees includes a consideration of all forms of compensation paid, both with regards to the expertise and experience of each individual and in relation to industry peers.</p>
<p>Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.</p>	<p>The Board has established the CG&C Committee, which is composed of three independent directors.</p>
<p>If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The primary duties and responsibilities of the CG&C Committee are to review and make recommendations to the Board in respect of: (i) human resources policies, practices and structure; (ii) compensation policies and guidelines; (iii) management incentive and perquisite plans; (iv) senior management, executive and officer compensation; (v) management succession plans, management training and development plans, termination policies and termination arrangements; (vi) Board compensation; and (vii) matters of corporate governance.</p> <p>The committee is composed of at least three independent directors and meets as it determines appropriate but at least one time annually. Members of management and other parties may attend meetings at the request of the committee; however, the committee holds an <i>in camera</i> session at each meeting.</p> <p>For further information concerning the responsibilities, powers and operation of the Corporate Governance and Compensation Committee, see “Statement of Corporate Governance Practices – Board Committees – Corporate Governance & Compensation Committee” in this Information Circular.</p>
<u>Other Board Committees</u>	
<p>If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The Board also has a Reserves Committee. The function of the Reserves Committee is to assist the Board in carrying out its oversight responsibility with respect to public reporting related to Delphi’s oil and gas reporting and risk management.</p>
<u>Assessments</u>	
<p>Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.</p>	<p>The CG&C Committee conducts annual assessments of the overall performance, effectiveness and contribution of the Board, each committee, and each director and reports on such assessments to the Board.</p> <p>The objective of the assessments is to ensure the continued effectiveness of the Board in the execution of its responsibilities and to contribute to a process of continuing improvement. In addition to any other matters the CG&C Committee deems relevant, the assessments will consider in the case of the Board or a committee, the applicable mandate or charter, and in the case of individual directors, the applicable position descriptions, as well as the competencies and skills each individual director is expected to bring to the Board.</p>

Governance Disclosure Guideline under NI 58-101	Governance Procedures at Delphi
<u>Director Term Limits and Other Mechanisms of Board Renewal</u>	
<p>Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.</p>	<p>The Corporation has not implemented term limits for its directors. The Corporation values the comprehensive knowledge of the Corporation and its operations that long serving directors possess and the contribution that this makes to the Board as a whole. The CG&C Committee, in proposing nominees to the Board, will take into consideration whether any Board renewal is necessary.</p>
<u>Policies Regarding the Representation of Women on the Board</u>	
<p>Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so. If an issuer has adopted such a policy, disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions, (ii) the measures taken to ensure that the policy has been effectively implemented, (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and (iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.</p>	<p>The Corporation adopted a written Board Diversity Policy in March 2018 to reflect the Corporation’s belief in the importance of diversity at the Board level. Under this policy, Board diversity includes, but is not limited to, gender, ethnicity, age, business experience and functional experience. Pursuant to this policy, the Corporation will seek to establish and maintain a Board comprised of directors with a diverse mix of skills, experience, knowledge and backgrounds.</p> <p>The Corporation is committed to a merit based system for Board composition within a diverse and inclusive culture which solicits multiple perspectives and views and is free from conscious or unconscious bias and discrimination. When identifying suitable candidates for appointment to the Board, the Corporation will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board.</p> <p>In accordance with the Board Diversity Policy and the CG&C Committee’s mandate, the CG&C Committee will periodically assess the skills, experience, knowledge and backgrounds of the Corporation’s directors in light of the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of skills, experience, knowledge and backgrounds. The CG&C Committee’s mandate also requires it to review annually whether it is desirable to adopt additional requirements or policies with respect to the diversity of the Board, including representation of women on the Board.</p> <p>There have been no opportunities to measure the progress by the Corporation in achieving the objectives of the Board Diversity Policy as the Corporation has not increased the size of the Board or filled any vacancies on the Board since its implementation.</p>
<u>Consideration of the Representation of Women in the Director Identification and Selection Process</u>	
<p>Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.</p>	<p>The Board recognizes the benefits of having a diverse Board to enhance the quality of its performance. As described above, gender is one of the elements of diversity the CG&C Committee considers when reviewing and assessing Board composition and recommending appointments of new directors. To assist in identifying qualified candidates for election to the Board, the CG&C Committee is authorized under its mandate to engage, as deemed appropriate, advisors to assist it in searches for such qualified candidates.</p> <p>Pursuant to the Board Diversity Policy, any search firm engaged to assist the Board or the CG&C Committee in identifying candidates for appointment to the Board will be directed to consider diversity candidates (including women) and such candidates will be included in any evergreen list of potential Board nominees maintained by the Board.</p>

Governance Disclosure Guideline under NI 58-101	Governance Procedures at Delphi
<u>Consideration Given to the Representation of Women in Executive Officer Appointments</u>	
<p>Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.</p>	<p>The Board also recognizes the benefits of having diversity amongst executive officers to enhance the quality of the Corporation's performance.</p> <p>When identifying suitable candidates for executive officer positions, the Corporation considers candidates on merit against objective criteria having due regard to the benefits of diversity, the current composition of the management team and the needs of the Corporation.</p> <p>As with appointments to the Board, gender is one of the elements of diversity that the Board, the CG&C Committee and management consider in making or recommending, as applicable, the appointment of executive officers.</p>
<u>Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions</u>	
<p>Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.</p>	<p>The Corporation believes promotion of diversity is best served through careful consideration of all of the knowledge, experience, skills and backgrounds of each individual candidate for director in light of the needs of the Board without focussing on a single diversity characteristic and, accordingly, has not adopted specific targets regarding gender diversity on the Board.</p>
<p>Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.</p>	<p>The Corporation has not adopted a target regarding women in executive officer positions. The focus is on attracting the competencies that best meet the needs of the Corporation at any point in time, while considering and honouring the guiding principle of fair representation of and opportunity for women at all levels of the organization. The Corporation takes the approach of continually striving to improve through the fostering of a culture that is encouraging and accepting of diversity, rather than setting targets.</p>
<p>If the issuer has adopted a target referred to above, disclose: (i) the target, and (ii) the annual and cumulative progress of the issuer in achieving the target.</p>	<p>N/A</p>
<u>Number of Women on the Board and in Executive Officer Positions</u>	
<p>Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.</p>	<p>There are no (0%) members of the Board who are women.</p>
<p>Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.</p>	<p>There are no (0%) executive officers who are women.</p>

**Board of Directors Mandate
(Effective March 6, 2018)**

Policy Statement

Delphi Energy Corp. (the "**Corporation**") has established this mandate for the Board of Directors (the "**Board**") of the Corporation to assist it in fulfilling its responsibility to oversee the business and affairs of the Corporation and the activities of management who are responsible for the day to day conduct thereof.

Composition

A majority of the directors shall be resident Canadian and shall be "independent" as such term is defined in Section 1.4 of National Instrument 52-110 – *Audit Committees* and any other applicable securities legislation.

Meetings

1. The Board will meet at least four times annually and at such other times as it considers necessary for the purpose of governing the business and affairs of the Corporation. In addition the Board will meet separately at least once each year or as part of one or more of its other meetings to review the longer term strategies and prospects of the Corporation.
2. Information and data that is important to the Board's understanding of the business and affairs of the Corporation should be distributed by management to the Board on a timely basis in advance of the meetings. Care should be taken to ensure that the Board is not called upon too late in the decision making process.
3. As a general rule, presentations on specific subjects should be sent by management to the Board members in advance so that Board meeting time may be conserved and discussion time focused on questions that the Board has about the material.
4. The President and Chief Executive Officer (the "**CEO**") will be responsible for the extent and quality of the information sent to members of the Board.
5. Senior management should be invited to attend the Board meetings as appropriate to expose the directors to key members of management and to provide additional insight into the items being considered by the Board.
6. The Board will hold in camera sessions, without management or any other individuals present, at every Board meeting.

General Responsibilities

The Board has the responsibility to oversee management of the Corporation with a view to ensuring corporate conduct in an ethical and legal manner through an appropriate system of corporate governance and internal control processes and procedures. In that regard the Board will strive to ensure that the Corporation meets its obligations on an ongoing basis and that it operates in a reliable and safe manner.

1. The Board will review and approve the interim and annual financial statements of the Corporation and the communication of such results and operations to the shareholders.
2. The Board will approve material disclosure by the Corporation, including the Corporation's annual information form, annual report (if any) and annual proxy disclosure.

3. The Board will oversee the overall development of the business of the Corporation by reviewing, discussing and approving the Corporation's strategic planning and organizational structure for the purposes of growth and preservation of the business of the Corporation and its underlying value.
4. The Board will be responsible for the appointment of the Chief Executive Officer and all other senior management and approving their compensation.
5. The Board will oversee that succession planning programs are in place, including programs to train and develop management.
6. The Board will consider management's procedures for risk management and mitigation, communication, safety and environment and internal control of the Corporation.
7. The Board may discharge its responsibility for overseeing the management of the Corporation's business and affairs, by delegating to management the day to day responsibility for the same and by reserving certain powers to itself. The Board will retain the responsibility of managing its own affairs and procedures, including selecting a Chair or the lead director of the Board, if any, nominating candidates for election to the Board, constituting committees of the Board and determining director compensation. Notwithstanding the foregoing general responsibilities, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board, subject to the articles and by-laws of the Corporation, applicable securities legislation and the *Business Corporations Act* (Alberta).
8. The Board will approve a Code of Business Conduct and Ethics ("**Code**") applicable to the Corporation's directors, officers, employees and consultants, monitor compliance with the Code and approve any waivers from the Code for directors and officers.

Specific Duties

To carry out its general responsibilities, the Board will, as it determines appropriate from time to time:

1. *Legal Requirements*
 - (a) endeavour to ensure the Corporation meets its legal requirements and properly prepares, approves and maintains its documents and records;
 - (b) oversee the management of the business and affairs of the Corporation;
 - (c) act honestly and in good faith with a view to the best interest of the Corporation;
 - (d) exercise the care, diligence and skill that reasonably prudent people would exercise in comparable circumstances;
 - (e) act in accordance with its obligations contained in the Business Corporation Act (Alberta) and the regulations thereto, the Corporation's articles and by-laws, and other relevant legislation and regulations;
 - (f) comply with applicable statutory duties and obligations set out in applicable legislation;
 - (g) consider the following matters as a full Board which in law may not be delegated to management or to the committee of the Board:
 - i. any submission to the shareholders of a question or matter requiring the approval of the shareholders;
 - ii. filling of a vacancy among the Board;
 - iii. appointing additional directors to the Board;
 - iv. issuance of securities;
 - v. declaration of dividends;

- vi. purchase, redemption or any other form of acquisition by the Corporation of securities issued by the Corporation;
 - vii. payment of a commission to any person in consideration of his/her purchasing or agreeing to purchase securities of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchases for any such securities;
 - viii. approval of management proxy circulars;
 - ix. approval of any take-over bid circular or directors' circular;
 - x. approval of public financial statements of the Corporation; and
 - xi. adoption, amendment or repeal of any by-laws of the Corporation; and
- (h) upon recommendation of the Reserves Committee, review and approve the content and filing of the annual disclosure of the Corporation's oil and gas activities, including reports and statements required under National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities.

2. *Governance*

- (a) oversee the implementation of appropriate structures and procedures to permit the Board to function independently of management; and
- (b) in consultation with management, be aware of and consider whether the Corporation complies with applicable securities legislation or polices of any stock exchange on which the Corporation's securities are listed for trading regarding corporate governance.

3. *Strategic and Budgetary Oversight*

- (a) review and approve any strategic plan prepared by management with the input and oversight of the Board, which takes into account, among other things, the opportunities and risks of the Corporation's business;
- (b) review and approve the Corporation's annual capital budget and any variations or supplements thereto;
- (c) approve any material divestitures and acquisitions, the determination of materiality to be established by the Board and revised from time to time; and
- (d) approve all other significant transactions involving the Corporation, including all banking relationships and key borrowing and financing decisions.

4. *Managing Risk*

- (a) in consultation with management, understand the principal risks of the Corporation's business, oversee the achievement of a proper balance between risks incurred by the Corporation and the potential return of shareholders, and review the systems in place to effectively monitor and manage those risks with a view to the long-term viability of the Corporation, it having recognized that it is the responsibility of management to ensure that the Board and the appropriate committees are kept well informed of new and changing risks on a timely basis.

5. *Appointment, Training and Monitoring of Senior Management*

- (a) appoint the CEO, monitor and assess CEO performance, determine CEO compensation, and provide advice and counsel in the execution of the CEO's duties;
- (b) approve the appointment and remuneration of all officers of the Corporation;
- (c) consider whether adequate provision has been made for training and developing management and for the orderly succession of management; and

- (d) consider the integrity of the CEO and other officers and whether the CEO and other officers create a culture of integrity throughout the Corporation.

6. *Reporting and Communication*

- (a) satisfy itself that the Corporation has in place policies and programs to enable the Corporation to make accurate, timely and effective communication of all material information to its shareholders, other stakeholders and the public generally, and to receive feedback from stakeholders;
- (b) review the resources and procedures in place such that the financial performance of the Corporation is reported to shareholders, other securityholders and regulators on a timely and regular basis;
- (c) review and, if applicable, obtain assurance from management and the auditors that the financial results are reported in accordance with applicable legislation; and
- (d) report annually to shareholders on the Board's stewardship of the affairs of the Corporation for the preceding year.

7. *Monitoring and Acting*

- (a) make reasonable efforts to consider whether the Corporation operates within applicable legislation and to proper ethical standards;
- (b) approve environmental policies and periodically consider the application of appropriate environmental standards and legislation on the operations of the Corporation;
- (c) approve health and safety policies and periodically consider the application of appropriate programs for the health and safety of its employees in the workplace;
- (d) consider the Corporation's progress towards its goals and objectives and, if necessary, revise and alter its direction through management in response to changing circumstances;
- (e) take appropriate action when performance falls materially short of the Corporation's goals and objectives or when other special circumstances warrant; and
- (f) take reasonable steps, in conjunction with management, to direct the implementation and integrity of the Corporation's internal control, disclosure control and management information systems.

Other

1. The Board may perform any other activities consistent with this mandate, the Corporation's by-laws or any other governing laws as the Board determines necessary or appropriate.
2. The Board shall have the right to engage, where necessary, external advisors and experts to assist the Board in fulfilling its duties and responsibilities.

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