FORWARD-LOOKING STATEMENTS AND IMPORTANT NOTES

The presentation contains forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws. These statements relate to future events or the Company’s future performance and are based upon the Company’s internal assumptions and expectations. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of any of the words “expect,” “anticipate,” “continue,” “estimate,” “may,” “will,” “should,” “believe,” “intends,” “forecast,” “plans,” “guidance,” “budget” and similar expressions. More particularly and without limitation, this presentation contains forward-looking statements and information relating to petroleum and natural gas production estimates and weighting, projected crude oil and natural gas prices, future exchange rates, expectations as to royalty rates, expectations as to transportation and operating costs, expectations as to general and administrative costs and interest expense, expectations as to capital expenditures and net debt, planned capital spending, future liquidity and Delphi’s ability to fund ongoing capital requirements through operating cash flows and its credit facilities, supply and demand fundamentals for oil and gas commodities, timing and success of development and exploitation activities, cash availability for the financing of capital expenditures, access to third-party infrastructure, treatment under governmental regulatory regimes and tax laws and future environmental regulations. Furthermore, statements relating to “reserves” are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitable in the future. The forward-looking statements and information contained in this presentation are based on certain key expectations and assumptions made by Delphi. The following statement is material assumptions on which the forward-looking statements and information contained in this presentation are based: the stability of the global and national economic environment, the stability of oil and gas price and service expectations, the ability to forecast capital requirements and ongoing capital expenditures, access to third-party infrastructure, treatment under governmental regulatory regimes for transportation, processing and marketing of oil and natural gas volumes, prices and availability of oilfield services and equipment being consistent with management’s expectations, the availability of, and competition for, among other things, pipeline capacity, skilled personnel and drilling and related services and equipment, results of development and exploitation activities that are consistent with management’s expectations, weather affecting Delphi’s ability to develop and produce as expected, contracted parties providing goods and services on the agreed terms and conditions, Delphi’s ability to manage environmental risks and hazards and the cost of complying with environmental regulations, the accuracy of operating cost estimates, the accurate estimation of oil and gas reserves, future exploration, development and production results and Delphi’s ability to market oil and natural gas successfully to current and new customers. Additionally, estimates as to expected average annual production rates assume that no unexpected outages occur in the infrastructure that the Company relies on to produce its oil and natural gas and that the Company will be able to meet its operating expenses and capital expenditures in the coming year meet timing and production expectations. Commonly used or defined terms used in the determination of forecast revenues are based upon general economic conditions, commodity supply and demand forecasts and publicly available price forecasts. The Company continually monitors its forecast assumptions to ensure the stakeholders are informed of material variances from previously communicated expectations. Financial outlook information contained in this presentation about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management’s assessment of the relevant information currently available.

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The following criteria reflects Montney economic modeling assumptions herein the presentation: 1. Strip pricing for 5 years then escalated at 2%/yr thereafter. 2017 prices: Henry Hub $3.18/mmbtu US, $4.20/mmbtu CDN; WTI $55.30/bbl USD; C5 $70.91/bbl CDN. 2018 Prices: Henry Hub $3.00/mmbtu US, $3.94/mmbtu CDN; WTI $56.07/bbl USD; C5 $70.70/bbl CDN. 2. Type Well stabilized field condensate production beyond month one is 116 bbl/mmcf. 3. C3: Propane, C4: Butane, C5: Pentane. Gas plant recovered natural gas liquids estimated at 40 bbl/mmcf sales. 4. Type Well reserves and production performance are internal management estimates and were prepared by a qualified reserves evaluator in accordance with the CCGE Handbook. Delphi’s 18 horizontal toe up Montney wells at East Bigstone with at least 30 stage frac rates were time normalized, averaged and used to determine a proved plus probable reserve estimate. 5. Rich Type Well Shale gas reserve assumptions are based on year end 2015 GLJ proved plus probable ultimate recoverable assignment of 3.9 bcf for the 102/15-21-60-23W5 well which is the western most horizontal montney well brought on production at east bigstone by Delphi as of December 31, 2015. 102/15-21 has a life to date field condensate to gas ratio (CGR) of 90 bbbl/mmcf sales since coming on production in February 2014, an initial recoverable proved plus probable reserve CGR assignment of 85 bbl/mmcf sales (total ultimate recoverable P+P reserves of 1.1 mmbf) and a current CGR (November 2016) of 81 bbl/mmcf sales. Reserve estimates include estimated gas plant recovered natural gas liquids of 40 bbl/mmcf sales. 6. Reserve and production estimates are used for illustrative purposes and internal corporate planning and may not reflect the actual performance of future wells. Economics are half cycle and include target capital to drill, complete, equip and tie-in. No costs for land, central facilities, field gathering infrastructure, corporate costs, etc. are included.
## Key Value Highlights

**World Class Montney Growth Asset**
- Substantial drilling inventory on 147 sections of land; 8 sections fully developed
- Bigstone Montney economics are attractive in the current commodity price environment
- Significant free cash generated at payout

**Overall Operational Control**
- Growth to 2019 will utilize existing major infrastructure, with minimal capital required
- Significant ownership and operational position in field facilities and pipelines to support profitable growth
- Drilling and completion costs down 33%, operating costs down 30%, since 2014

**Market Access & Exceptional Risk Management**
- Added $113 million in cash as a result of an exceptional hedging program
- Significant hedged position in place through 2019
- Secured firm service with Alliance to access Chicago gas market for better pricing and fewer curtailments
- Reduced debt by 30% from the sale of non-core assets – now 100% focused at Bigstone

**Responsibly Managed Profitable Growth**
- Replacing PDP reserves with higher netback boe’s than depleting – each $1 spent = $2 returns
- Achieving targets within cash flow to accelerate 2017 drilling and production growth with increased liquidity
- Moderating short-term pace of spend while preserving long-term growth inventory

**Executional Excellence**
- Frac innovations and increased condensate yields leading to better margins
- Delivering top quartile PDP F&D costs and recycle ratios
- Top tier well results and capital efficiencies – 2 mile extended reach drilling improving overall well results
- Exceptional management team with a track record of value creation
**CORPORATE SNAPSHOT**

**CORPORATE INFORMATION**

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticker Symbol</td>
<td>TSX:DEE</td>
</tr>
<tr>
<td>Basic Shares Outstanding (mm)</td>
<td>155.5</td>
</tr>
<tr>
<td>Market Capitalization (mm)</td>
<td>$248.0</td>
</tr>
<tr>
<td>Bank Debt (/ Credit Facility (mm)</td>
<td>$50.0 / $80.0</td>
</tr>
<tr>
<td>5 Year Senior Secured Notes (mm)</td>
<td>$60.0</td>
</tr>
</tbody>
</table>

(1) Bank debt at December 31, 2016 includes Letters of Credit of $6.6 million and working capital.

**2017 GUIDANCE**

<table>
<thead>
<tr>
<th>Description</th>
<th>2017 Full Year Guidance</th>
<th>Updated 2016 Full Year Guidance</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Annual Production (boe/d)</td>
<td>9,000 – 9,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4/17 Production Rate (boe/d)</td>
<td>11,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4/16</td>
<td>7,127</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NYMEX Natural Gas Price (US $ per mmbtu)</td>
<td>$3.25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WTI Oil Price (US $ per bbl)</td>
<td>$55.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Liquids Price (Cdn $ per bbl)</td>
<td>$28.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Exchange Rate (US/Cdn)</td>
<td>1.33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Well Count (Net)</td>
<td>13.0 (8.4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Well Count On Production (Net)</td>
<td>14.0 (9.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Capital Program ($ million)</td>
<td>$65.0 - $70.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funds from Operations (“FFO”) ($ million)</td>
<td>$52.0 - $57.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 31, 2017 Net Debt ($ million)</td>
<td>$120.0 - $125.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Debt / Q4 FFO (annualized)</td>
<td>1.4 – 1.6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Field Production Guidance Variance**

- **Natural Gas (mmcf/d)**: 32.0 – 35.0
- **Field Condensate (bbls/d)**: 2,100 – 2,200
- **NGL’s (bbls/d)**: 1,400 – 1,500
- **Percent Liquids (%)**: 40

**Updated 2016 Field Production Guidance Variance**

- **Natural Gas (mmcf/d)**: 28.0 – 29.0
- **Field Condensate (bbls/d)**: 1,350 – 1,450
- **NGL’s (bbls/d)**: 1,100 – 1,200
- **Percent Liquids (%)**: 35

**Variance**

- Natural Gas: 18%
- Field Condensate: 54%
- NGL’s: 26%
- Percent Liquids: 14%

March 2017
2016 Focus on Margin Growth Paid Off

- Condensate yields increasing and **improving the cost structure**
- 2017 condensate production forecast to **more than double**
- Condensate yields in recent wells have **increased up to 4x**
- Unhedged field operating netbacks per boe **increased by 3x**

**Operating Costs vs. Gas Weight**

**2016/2015 Q2 Operating Costs vs. Production Mix Relative Change**

![Graph showing change in operating costs vs. production mix relative change.](Source: AltaCorp Capital)
Positioned to deliver exceptional per share growth

Successfully Managed Prolonged Commodity Price Downturn Since Q4 2014

- Improved corporate position to grow production and funds from operations in 2017;
  - Run rate funds to increase by 20% in 2017, over 2014
  - Total debt at year end 2017 is forecast to be 30% lower over 2014
- Shares outstanding have remained unchanged to date
- Positioned to achieve significant production, cash flow and reserve growth over the near and long-term to the benefit of all stakeholders

Summary of Creative Initiatives

2015
- Disposition of $62.0 million of non-core assets to focus on Bigstone Montney

2016
- Strengthening capital structure through the issuance of $60.0 in senior secured notes
- $50.0 million Partner Transaction to accelerate drilling activity and production growth while strengthening the balance sheet
- Establishment of an $80 million Bank Syndicate to support accelerated growth

March 2017
Montney Growth Accelerating in 2017

Montney Production (boe/d)

- Growth accelerating through 2017

Montney Field Condensate Production (boe/d)

- Montney condensate production accelerating with increasing yields

Q4/16 to Q4/17 Growth Comparison

<table>
<thead>
<tr>
<th>Forecast Year</th>
<th>Q4 2017</th>
<th>Q4 2016</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (boe/d)</td>
<td>11,000 – 11,500</td>
<td>7,127</td>
<td>58%</td>
</tr>
<tr>
<td>Production per share (per million shares)</td>
<td>73</td>
<td>45</td>
<td>61%</td>
</tr>
<tr>
<td>Q4 FFO ($ million)</td>
<td>$18.0 - $20.0</td>
<td>$7.5 - $8.0</td>
<td>145%</td>
</tr>
<tr>
<td>Annualized FFO ($ million)</td>
<td>$72.0 - $80.0</td>
<td>$30.0 - $32.0</td>
<td>145%</td>
</tr>
<tr>
<td>Annualized FFO per share</td>
<td>$0.46 - $0.51</td>
<td>$0.20</td>
<td>143%</td>
</tr>
<tr>
<td>Cash Netback Including Hedges ($/boe)</td>
<td>$18.00</td>
<td>$12.25</td>
<td>47%</td>
</tr>
<tr>
<td>Cash Netback Excluding Hedges ($/boe)</td>
<td>$18.50</td>
<td>$8.75</td>
<td>111%</td>
</tr>
</tbody>
</table>

Delphi Bigstone Montney Wells Drilled

- 2012: 5
- 2013: 6
- 2014: 8
- 2015: 6
- 2016: 6
- 2017F: 12-14

March 2017
Delphi maintains a 100% success rate in Montney wells drilled.

- **Bigstone** – Southern End of Prolific Liquids Rich Montney Trend

  - Top 3 for 6-Month Production Rates
  - Top 10 in # of Montney Wells Drilled

  - **IP180 (mcfd raw)**
    - 418 wells

  - **Producing Wells by Operator**
    - 527 Wells with IP90 or greater
    - Total Wells: 937

  - Delphi produces with 100% success rate.
DOMINANT LAND POSITION IN BIGSTONE MONTNEY

Largest Land Position at Bigstone

- Current Montney land position grown from 4.0 to 147 gross (90 net) sections since 2010;
- Significant land position allows for efficient operations, control over infrastructure and scalable development;
- 8 sections fully developed with substantial room to grow through drilling;
- Drilling program moving west into ultra-rich condensate region.

Bigstone Activity by Region

- East Bigstone – manufacturing / development;
- West Bigstone – industry activity derisking;
- South Bigstone – exploration opportunity;
- Super-major presence and development activity; Exxon, Chevron, & ConocoPhillips operate in the general area.

Delphi continues to identify and pursue additional land consolidation opportunities within the Greater Bigstone area.
STRATEGIC INFRASTRUCTURE AT BIGSTONE

Significant Infrastructure In Place

Minimal infrastructure capital required for growth plans to 25,000 boe/d (net to DEE);

- Legacy sour processing capacity available at SemCAMS K3 and KA;
  - Connected to Alliance, TCPL and Pembina
- DEE 7-11 Montney sour dehydration and compression facility (65% W.I.);
  - Currently 55 mmcf/d capacity
  - Secured 20 mmcf/d amine plant for Q1/18 start-up
- DEE 5-08 Montney sour dehydration and compression facility (65% W.I.);
  - Current 10 mmcf/d capacity
  - Adding 25 mmcf/d capacity by Q1/18
- DEE 11-03 Sweet processing plant (100% W.I.);
  - Available for sweet West Bigstone Montney
  - Current 15 mmcf/d capacity
  - Equipment secured to expand to 30 mmcf/d
- Repsol 14-28 Sweet processing plant;
  - Current 85 mmcf/d capacity (DEE 25% W.I.)
  - Available for amine treated Montney production

Montney Operating Costs

Operating cost decrease by 30% since 2014 to $5.75/boe in Q3/16
MARKET ACCESS ADVANTAGE

Exceptional Gas Marketing

- Future growth will utilize existing major infrastructure, with minimal capital required
- Secured firm service agreement to access larger Chicago gas market for better pricing;
  - Pricing has been significantly better than AECO
- Secured firm service minimizing exposure to curtailments on the TCPL pipeline system

[Map of gas pipelines with a highlighted route from Delphi/Alliance to Chicago]
Delphi Transportation Capacity on Alliance / TCPL (mmcf/d)

- 2017 Forecast Annual Natural Gas Production Rate
- Future TCPL Contract Capacity
  - Low cost growth beyond 2018

- Firm service planned out for growth to 25,000 boe/d (net to DEE)
- Holding Staged FFPS Service to secure markets for DEE future growth plans
- Ongoing temporary assignments of FFPS service on a monthly or term basis
- Current temporary and permanent assignments generate premiums over cost
CONSISTENT AND PROVEN RISK MANAGEMENT PROGRAM

Consistent Hedge Performance

- Majority of near term production is hedged
- Event driven natural gas hedging strategy with a long term view of a relatively balanced supply & demand:
  - Strategy is proven and repeatable over 2 - 4 year “peak to trough” event cycles
- Risk management contracts generally put in place over a 12 - 48 month period
- Over an 11 year period risk management program has:
  - Realized $113 million in hedging gains
  - Increased revenues by 9%
  - Increased cash flow by 20%
  - Added $3.65/boe to netback

<table>
<thead>
<tr>
<th>Natural Gas</th>
<th>Q2 - Q4/17</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent Hedged*</td>
<td>65%</td>
<td>46%</td>
<td>21%</td>
</tr>
<tr>
<td>Hedge Price (Cdn $/mmbtu)</td>
<td>$4.20</td>
<td>$3.88</td>
<td>$3.89</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Crude Oil</th>
<th>Q2 - Q4/17</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent Hedged*</td>
<td>42%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Hedge Price (WTI CDN $/bbl)</td>
<td>$66.67</td>
<td>$70.00</td>
<td>$70.00</td>
</tr>
</tbody>
</table>

* Based on average 2017 production of 33.5 mmcf/d of natural gas and 2,150 bbls/d of field condensate.

Hedging Gains/Losses ($millions)

- Polar Vortex lifting natural gas prices in 2014
- Natural gas price spike in 2008
- Steady decline of natural gas prices from 2009 to 2013
- Collapse of natural gas and crude oil prices

March 2017

DELPHE ENERGY CORP.
29 BIGSTONE MONTNEY WELLS DRILLED

Progressive improvements in Drilling Results

- Drilled 5 horizontal wells in 2012;
  - Average IP30: +1,200 boe/d (19% liquids)
  - Conventional gelled oil frac designs
  - Began extended reach laterals of 2,200 m to 3,000 m which improved costs

- Drilled 18 horizontal wells from 2013 – 2015;
  - Average IP30: +1,440 boe/d (30% liquids)
  - First mover in slickwater hybrid frac design - improved production performance
  - Continued innovation of the slickwater frac design
  - Delineation of East Bigstone focused on high productivity infill drilling

- Drilled 6 horizontal wells in 2016;
  - Moving west to target higher condensate yields and increased pay thickness
  - Company evaluating increased well density from 4 laterals per section to 5 or 6

- Significant drilling inventory on 147 sections for 2017 and beyond with high condensate yields;
  - 2017 development plan contemplates the drilling of 13 gross (8.4 net) Bigstone Montney horizontal wells
  - Completion, tie-in and well site equipping of 14 gross (9.0 net) wells
HIGHER CONDENSATE YIELDS BOOSTING ECONOMICS

Continuing Frac Innovation

- Larger fracs
  - Higher pump rates
  - Higher sand concentrations
- Enhanced fracture complexity
- Increased condensate yields
- Successfully re-frac’d first well

IP30 Montney Field Condensate Yields

Field Condensate Yield (bbls/mcf)

- DEE 13-21
  - 2015 Drill
  - IP30 CGR 252 bbl/mmcf
- DEE 16-30 Refrac
  - IP30 CGR 101 bbl/mmcf
- ATH 2015 Wells
  - IP30 CGR 158 to 242 bbl/mmcf
- DEE Type Well
  - IP30 CGR 98 bbl/mmcf
- XTO 2015 Drill
  - CGR 260 bbl/mmcf (based on public data)
- DEE 12-17
  - 2013 Drill
  - IP30 CGR 62 bbl/mmcf

Frac innovation yielding more condensate
Netbacks 1.2 to 1.8 times higher

March 2017
OUTSTANDING WELL PERFORMANCE

13-21 IP 270
Average Production Rate 773 boe/d
Condensate yield of 164 bbl/mmcf sales

IP90 (mcf/d)
527 Wells of 927 Wells Drilled
Top Decile for 3-Month Production Rates

<table>
<thead>
<tr>
<th>Well Count</th>
<th>Gas mmcf/d</th>
<th>Field Condensate bbl/d</th>
<th>Total boe/d</th>
<th>Condensate Yield bbl/mmcf</th>
</tr>
</thead>
<tbody>
<tr>
<td>IP30</td>
<td>24</td>
<td>4.6</td>
<td>461</td>
<td>1,417</td>
</tr>
<tr>
<td>IP90</td>
<td>22</td>
<td>4.2</td>
<td>323</td>
<td>1,182</td>
</tr>
<tr>
<td>IP180</td>
<td>21</td>
<td>3.6</td>
<td>245</td>
<td>978</td>
</tr>
<tr>
<td>IP270</td>
<td>20</td>
<td>3.1</td>
<td>204</td>
<td>850</td>
</tr>
<tr>
<td>IP365</td>
<td>18</td>
<td>2.8</td>
<td>165</td>
<td>746</td>
</tr>
</tbody>
</table>
Montney Capital Efficiencies

- Drilling & Completions:
  - Average drilling & completion costs per well have trended down by 35%;
    - $11 million in 2012 to $7 million in most recent five wells
  - Record low drilling & completions cost of $6.5 million achieved
  - Additional cost savings are being achieved;
    - 3 - 4 wells per pad from 2 well pads

- IP90 Capital Efficiencies:
  - Top decile efficiencies of $6,000 boe/d
  - Achieved through cost reductions and robust IP90 rates of 1,200 boe/d

IP90 Day Capital Efficiencies
Bigstone Montney Toe Up Two Section Horizontal Hypothetical Type Wells
30+ stage Slickwater Completion

Economics/Metrics - January 9, 2017 Strip Pricing\(^{(1)}\)

<table>
<thead>
<tr>
<th>Type Well</th>
<th>Rich Type Well</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payout yrs</td>
<td>1.2</td>
</tr>
<tr>
<td>IRR %</td>
<td>79%</td>
</tr>
<tr>
<td>NPV 10 MM$</td>
<td>$6.9</td>
</tr>
<tr>
<td>PI</td>
<td>2.0</td>
</tr>
<tr>
<td>F&amp;D $/boe</td>
<td>$6.42</td>
</tr>
</tbody>
</table>

Target Capital

| D,C,E&TI MM$ | $7.0 | $7.0 |

Initial Sales Production (IP30 - first 30 day average)

| Gas mmcf/d | 5.1 | 3.6 |
| Field Condensate\(^{(2)}\) bbl/mmcf | 98 | 185 |
| Total Liquids (C3+)(\(^{(2,3)}\)) bbl/mmcf | 137 | 224 |
| Total Liquids (C3+)(\(^{(2,3)}\)) bbl/d | 696 | 804 |
| Total IP30 boe/d | 1,542 | 1,402 |

IP365 (first 365 day average)

| Gas mmcf/d | 2.9 | 2.2 |
| Field Condensate\(^{(2)}\) bbl/mmcf sales | 62 | 125 |
| Total Liquids (C3+)(\(^{(2,3)}\)) bbl/mmcf sales | 101 | 165 |
| Total Liquids (C3+)(\(^{(2,3)}\)) bbl/d | 296 | 360 |
| Total IP365 boe/d | 783 | 724 |

Reserves (sales)

| Gas bcf | 4.3 | 3.9 |
| Liquids (C3+)(\(^{(2,3)}\)) mmbbl | 0.4 | 0.6 |
| Total mmbboe | 1.1 | 1.3 |

Note: See Montney Economic Model Assumptions in the Forward Looking Statement and Important Notes
2017 DRILLING PLANS

Largest drilling program yet
- Two rigs active
- Utilizing existing infrastructure
- Positive frac design evolution
- Significant inventory:
  - 147 sections
  - Multiple layers

Accelerating To The West
- Montney thickness increasing:
  - 6 laterals per section
  - Multiple layers to drill
- Natural gas is sweet:
  - DEE sweet infrastructure
  - 40 mmcf/d capacity
  - Lower operating costs
- Condensate yields increasing
- Reservoir pressure increasing

- 6 – 8 wells to be drilled in 1H 2017
- Approx. 5 to 6 wells funded under a joint program
- Remaining wells will be funded within cash flow
- Production growth weighted to 2H 2017
2017 AND BEYOND – MAINTAINING KEY VALUES

World Class Montney Asset

- Continued new well innovation; significant infrastructure and processing capacity in place
- Substantial drilling inventory on 147 sections of land; 8 sections fully developed, significant free cash generated at payout

Market Access

- Secured firm service with Alliance to access Chicago gas market for stronger pricing

Operational Control

- Growth to 2019 will utilize existing major infrastructure, with minimal capital required
- No significant infrastructure capital required in this environment, low operational costs

Land Inventory

- 147 sections of Montney opportunity to continue developing
- Partner has contributed $30 million in cash for working interest equalization

Performance

- Operating efficiency gains lifting “unhedged” netbacks through 2019
- 2017 drilling program to double with a second rig
- $20 million Partner carried drilling cost to accelerate growth
BIGSTONE MONTNEY OVERVIEW

Scalable and Repeatable

- Southeast corner of the unconventional Montney trend
- Developed with extended reach horizontal wells and slickwater-fracing
  - **Material capital cost advantage**
- Continuous hydrocarbon system top to bottom

Large Resource in Place

- Nearby deltaic sediment supply
- Relatively high permeability with a fine sand/silt reservoir
- Relatively high porosity ranging from 4% to 12%
- Thickness of 100 metres - increasing to the west
- Multiple layers to develop

Liquids Rich

- Field condensate yields at over 55 bbl/mmcf
  - **Recent yields materially higher**
- Significant additional liquids extracted through gas processing
- Top decile gas rate wells with > 5 mmcf/d IP30’s

March 2017
$20 Million Joint Drilling Program

- Delphi will contribute 15% of the drilling and completion costs ($6 million) while retaining a 65% working interest in the wells;
  - Partner will carry the remaining 50% of Delphi’s share of the drilling and completion costs, to a maximum of $20 million
  - The program contemplates 5 – 6 wells drilled before July 15, 2017

$30 Million Cash Consideration

- Delphi received $30 million in cash at closing as equalization consideration

Transaction Assets

The Partner increased working interests, to varying degrees, in partially developed and undeveloped lands, production and infrastructure;

- 450 barrels of oil equivalent (“boe”) per day (approx. 5% of its productive capability)
- Partner received a 35% working interest in Delphi’s 100% owned sour processing infrastructure
- Delphi assigned various working interests in its land base at Bigstone Montney to the Partner;
  - Delphi holds 65% and the Partner holds 35% of the combined interests;
  - Delphi’s total developed, partially developed and undeveloped land position have changed from approx. 117 net sections (138 gross) to 87 net sections (143 gross);
    - Delphi assigned a total of 25.4 net undeveloped sections to the Partner
    - Delphi received a total of 2.25 net undeveloped sections from the Partner

March 2017

Delphi retains operatorship of the Bigstone Montney capital program, production and facilities.
## INDIVIDUAL MONTNEY WELL DATA

### Initial Production (IP) Rate Well Performance

<table>
<thead>
<tr>
<th>Well[2]</th>
<th>H2 Length (metres)</th>
<th>Number of Fracs</th>
<th>IP30 Total Sales (boe/d)</th>
<th>IP30 FCond Rate (bbls/d)</th>
<th>IP30 Total NGL Yield (bbl/mcfd)</th>
<th>IP90 Total Sales (boe/d)</th>
<th>IP180 Total Sales (boe/d)</th>
<th>IP270 Total Sales (boe/d)</th>
<th>IP365 Total Sales (boe/d)</th>
<th>IP 2yr Total Sales (boe/d)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
<tr>
<td>16-30</td>
<td>#1</td>
<td>2,760</td>
<td>20</td>
<td>1,099</td>
<td>273</td>
<td>104</td>
<td>798</td>
<td>558</td>
<td>454</td>
<td>395</td>
</tr>
<tr>
<td>05-02</td>
<td>#2</td>
<td>3,005</td>
<td>20</td>
<td>969</td>
<td>170</td>
<td>80</td>
<td>683</td>
<td>479</td>
<td>407</td>
<td>352</td>
</tr>
<tr>
<td>14-29</td>
<td>#3</td>
<td>2,238</td>
<td>20</td>
<td>1,570</td>
<td>223</td>
<td>70</td>
<td>939</td>
<td>624</td>
<td>532</td>
<td>446</td>
</tr>
</tbody>
</table>

**Conventional Fracs (original completion technique)**

| 15-10   | #4                 | 1,424           | 20                       | 991                      | 194                             | 86                        | 842                      | 660                      | 559                      | 482                        |
|         |                    |                 |                          |                          |                                 |                          |                          |                          |                          |                            |
| 12-17   | S.BS Expl[3]      | 1,848           | 26                       | 865                      | 199                             | 102                       | 719                      | 554                      | 470                      | 415                        |
|         |                    |                 |                          |                          |                                 |                          |                          |                          |                          |                            |
| Type Well | 2,400 – 3,000     | 30              | 1,542                    | 496                      | 137                             | 1,258                     | 1,028                    | 882                      | 783                      | 563                        |

| 10-27   | #5                 | 2,407           | 30                       | 1,815                    | 582                             | 133                       | 1,667                    | 1,364                    | 1,173                    | 1,019                      |
| 16-23   | #6                 | 2,809           | 30                       | 1,781                    | 465                             | 106                       | 1,502                    | 1,235                    | 1,068                    | 964                        |
| 15-24   | #7                 | 2,388           | 30                       | 1,387                    | 454                             | 136                       | 1,221                    | 1,059                    | 944                      | 853                        |
| 15-20   | #8                 | 3,014           | 30                       | 2,078                    | 565                             | 113                       | 1,837                    | 1,517                    | 1,324                    | 1,164                      |
| 15-21   | #9                 | 2,886           | 30                       | 1,293                    | 499                             | 170                       | 1,053                    | 875                      | 769                      | 689                        |
| 13-30   | #10                | 2,593           | 30                       | 2,075                    | 655                             | 136                       | 1,750                    | 1,457                    | 1,268                    | 1,119                      |
| 02-01   | #11                | 2,807           | 30                       | 634                      | 209                             | 142                       | 498                      | 422                      | 367                      | 329                        |
| 02-07   | #12                | 2,702           | 30                       | 1,116                    | 327                             | 126                       | 940                      | 750                      | 647                      | 570                        |
| 08-21   | #13                | 2,692           | 30                       | 978                      | 280                             | 123                       | 870                      | 712                      | 607                      | 529                        |
| 16-15   | #14                | 2,949           | 30                       | 1,503                    | 298                             | 91                        | 1,217                    | 1,017                    | 861                      | 749                        |
| 03-26   | #15                | 2,601           | 30                       | 1,053                    | 330                             | 134                       | 755                      | 592                      | 506                      | 447                        |
| 12-23   | #16                | 2,161           | 30                       | 1,556                    | 400                             | 111                       | 1,282                    | 966                      | 820                      | 717                        |
| 16-27   | #17                | 2,883           | 40                       | 1,659                    | 413                             | 108                       | 1,296                    | 1,045                    | 890                      | 761                        |
| 12-27   | #18                | 2,662           | 30                       | 1,670                    | 593                             | 154                       | 1,337                    | 1,102                    | 935                      | 818                        |
| 16-24   | #19                | 2,802           | 30                       | 1,182                    | 410                             | 150                       | 929                      | 757                      | 655                      | 586                        |
| 13-24   | #20                | 2,716           | 40                       | 1,526                    | 469                             | 132                       | 1,172                    | 948                      | 821                      | 728                        |
| 14-30   | #21                | 2,729           | 37                       | 1,840                    | 505                             | 118                       | 1,407                    | 1,112                    | 950                      | 805                        |
| 14-24[4] | #22               | 2,602           | 37                       | 1,119                    | 435                             | 172                       | 976                      | 792                      | 677                      | 565                        |
| 14-22[4] | #23               | 2,887           | 37                       | 1,414                    | 572                             | 180                       | 1,290                    | 1,082                    | 939                      | 839                        |
| 13-21[4] | #24               | 2,781           | 37                       | 1,204                    | 662                             | 291                       | 1,077                    | 962                      | 773                      |                            |
| 15-23   | #25                | 2,865           | 37                       | 1,153                    | 359                             | 133                       | 909                      | 779                      |                          |                            |
| 14-11   | #26                | 2,846           | 42                       | 1,212                    | 412                             | 146                       | 1,028                    |                          |                          |                            |
| 16-09   | #27                | 2,855           | 40                       | 1,161                    | 421                             | 167                       |                          |                          |                          |                            |
| 14-21   | #28                | 2,788           | 40                       | 1,606                    | 737                             | 226                       |                          |                          |                          |                            |
| 16-21   | #29                | 2,858           | 40                       | 1,968                    | 763                             | 180                       |                          |                          |                          |                            |
| 15-8    | #30                | 2,740           | 30                       | 1,570                    | 223                             | 70                        | 939                      | 878                      | 746                      | 546                        |
| 15-11   | #31                | 2,866           | 30                       | completed and waiting on IP30 |                          |                          |                          |                          |                          |                            |
| 13-15   | #32                | 2,891           | 30                       | completed and waiting on IP30 |                          |                          |                          |                          |                          |                            |
| 15-09   | #33                | 2,864           | 30                       | waiting on completion      |                          |                          |                          |                          |                          |                            |

**Average Wells #5 through #28**

| 1,439 | 473 | 147 | 1,182 | 978 | 850 | 746 | 546 |

(1) Average production calculated on operating days, excludes non-producing days. Includes estimated NGL gas plant recoveries. All production numbers represent sales volumes.

(2) Wells numbered chronologically.

(3) Initial exploration well on Delphi’s South Bigstone lands.

(4) Initial production restricted to tubing flow only.

March 2017
Commodity price volatility creates 2 to 4 year hedging cycles.
## HEDGES PROTECTING CASH FLOW

### Natural Gas (Cdn)
- **Volume (mmcf/d)**: 2.4
- **% Hedged**: 7%
- **Hedge Price (Cdn $/mcf)**: $3.96
- **Strip Price (Cdn $/mcf)**: $2.78

### Natural Gas (US)
- **Volume (mmbtu/d)**
  - Apr – Dec 2017: 19.5
  - 2018: 15.5
  - 2019: 7.0
- **% Hedged**:
  - Apr – Dec 2017: 58%
  - 2018: 46%
  - 2019: 21%
- **Hedge Price (US $/mmbtu)**
  - Apr – Dec 2017: $3.18
  - 2018: $2.94
  - 2019: $2.92
- **Strip Price (US $/mmbtu)**
  - Apr – Dec 2017: $3.21
  - 2018: $3.06
  - 2019: $2.88
- **% Hedged in Cdn $**
  - Apr – Dec 2017: 100%
  - 2018: 100%
  - 2019: 100%
- **Hedge Price (Cdn $/mmbtu)**
  - Apr – Dec 2017: $4.23
  - 2018: $3.88
  - 2019: $3.89

### Crude Oil
- **Volume (bbls/d)**
  - Apr – Dec 2017: 900
  - 2018: 300
  - 2019: 300
- **% Hedged**:
  - Apr – Dec 2017: 42%
  - 2018: 14%
  - 2019: 14%
- **Hedge Price (WTI Cdn $/bbl)**
  - Apr – Dec 2017: $66.67
  - 2018: $70.00
  - 2019: $70.00
- **Strip Price (WTI Cdn $/bbl)**
  - Apr – Dec 2017: $67.21
  - 2018: $67.33
  - 2019: $66.63

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1. Based on average 2017 production of approximately 33.5 mmcf/d of natural gas and 2,150 bbls/d of field condensate
2. Before deduction of transportation costs to ship production to AECO on the TCPL pipeline
3. Percent of US $ hedge value locked in with Cdn/US FX hedges
4. Before deduction of transportation costs to ship production to Chicago on the Alliance pipeline
5. Strip pricing as of March 10, 2017
LIQUIDS-RICH MONTNEY STUDY
ELMWORTH TO BIGSTONE

Large Data Set
527 Montney wells with IP90 of 937 wells drilled to YE2016

Source of Data: geoSCOUT

Company 6
Company 7
Delphi
Company 3
Company 4
Company 1
Company 2
Company 8
Company 5
Other

Elmworth
Wapiti
Kakwa
Delphi
Bigstone
LIQUIDS-RICH MONTNEY STUDY
ELMWORTH TO BIGSTONE

Producing Wells by Rig Release Date
Total Wells (with IP90): 527

Producing Wells by Operator

*produced for at least 90 days
LIQUIDS-RICH MONTNEY STUDY
PRODUCTION BY OPERATOR (GAS IP’S ONLY)

IP90 (mcfd raw)
527 wells

IP180 (mcfd raw)
418 wells

IP365 (mcfd raw)
288 wells
LIQUIDS-RICH MONTNEY STUDY
EVOLUTION OF DEPTH & HORIZONTAL LENGTH

Average Measured Depth (m)

Average Horizontal Length (m)

Delphi Avg

Average Measured Depth (m)

Average Horizontal Length (m)

Delphi Avg

March 2017

DELPHI ENERGY CORP.
LIQUIDS-RICH MONTNEY STUDY
EVOLUTION OF FRAC DENSITY

Average Number of Stages per Well

Average Frac Spacing (m)

Delphi Avg (29 stages)

Delphi Avg (97m)

March 2017
LIQUIDS-RICH MONTNEY STUDY
EVOLUTION OF FRAC DENSITY

Number of Wells

IP90 (mcfd raw)
465 wells

IP180 (mcfd raw)
411 wells

IP365 (mcfd raw)
285 wells

March 2017
LIQUIDS-RICH MONTNEY STUDY
EVOLUTION OF PROPPANT PLACED

Proppant Placed

Delphi Avg (0.76 t/m)

IP-90 (mcfd raw)

IP-180 (mcfd raw)
LIQUIDS-RICH MONTNEY STUDY
EVOLUTION OF FLUID PUMPED

Fluid Pumped

Delphi Avg (3.65 m³/m)

IP-90 (mcfd raw)

IP-180 (mcfd raw)

March 2017
LIQUIDS-RICH MONTNEY STUDY
FRAC TYPES

Frac by Fluid Type

Frac by Fluid Type (mcfd raw)

March 2017
Over a 6 year period, industry improved overall drilling penetration rates by almost 50%. The faster a well can be drilled, the less it costs.

Average Penetration Rate (m/d)

Only 2 wells in 2008 dataset (both with horizontal lateral lengths less than 800m)

March 2017