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DELPHI ENERGY REPORTS SECOND QUARTER RESULTS

CALGARY, ALBERTA – August 14, 2013 – Delphi Energy Corp. ("Delphi" or the "Company") is pleased to announce its financial and operational results for the quarter ended June 30, 2013 and provide an update on its Montney production at East Bigstone.

Second Quarter 2013 Highlights

- Achieved average production of 7,635 barrels of oil equivalent per day ("boe/d") excluding production downtime at third-party facilities to the extent of approximately 1,495 boe/d, primarily affecting the Company's Montney production during the month of May. In the month of June 2013, Montney production at East Bigstone represented 44 percent of June's average corporate production.
- Generated funds from operations of $8.4 million ($0.05 per basic and diluted share) for the quarter ended June 30, 2013 compared to $7.2 million ($0.05 per basic and diluted share) in the comparative quarter of 2012. Operating cash flow* from Delphi's Montney production in the month of June 2013 represented over 65 percent of June's total operating cash flow for the Company.
- Increased the average corporate natural gas liquid ("NGL") and field condensate yield for the three months ended June 30, 2013 by 54 percent from the comparative quarter in 2012 to 54 barrels per million cubic feet ("bbls/mmcf"). Total crude oil, field condensate and natural gas liquids volumes represented 28 percent of total corporate volumes and accounted for 51 percent of the Company's total revenue in the second quarter.
- Successfully completed, utilizing a 30 stage slickwater hybrid frac stimulation, and brought on-stream a third extended lateral Montney well at East Bigstone late in the quarter.
- Renewed the Company's syndicated revolving credit facility with its lenders for an additional year resulting in a $15.0 million increase to the facility to $140.0 million as a result of the growth in proved developed producing reserves attributable to the continued success of the Company's Montney development at East Bigstone.
- Executed a drilling participation agreement whereby a third party funds $2.5 million per well on four Montney wells for a total capital contribution of $10.0 million towards the 2013 capital program in exchange for a gross overriding royalty on the four wells.
- Entered into a commitment letter for subordinated debt of $20 million which was finalized subsequent to the end of the second quarter to ensure the funding capacity to complete the 2013 capital program.

* Operating cash flow is defined as revenue less royalties, operating costs and transportation expense.

Operational Highlights

	Three Months Ended June 30			Six Months Ended June 30		
Production	**2013**	2012	% Change	**2013**	2012	% Change
Crude oil (bbls/d)	**311**	770	(60)	**315**	908	(65)
Field condensate (bbls/d)	**677**	313	116	**548**	215	155
Natural gas liquids (bbls/d)	**1,115**	1,040	7	**1,152**	1,142	1
Total crude oil and natural gas liquids	**2,103**	2,123	(1)	**2,015**	2,265	(11)
Natural gas (mcf/d)	**33,189**	39,080	(15)	**33,380**	39,295	(15)
Total (boe/d)	**7,635**	8,636	(12)	**7,578**	8,814	(14)

Financial Highlights ($ thousands except per unit amounts)

	Three Months Ended June 30			Six Months Ended June 30		
	2013	2012	% Change	**2013**	2012	% Change
Petroleum and natural gas sales	**23,541**	21,875	8	**45,304**	46,018	(2)
Per boe	**33.67**	29.89	13	**32.86**	29.83	10
Funds from operations	**8,408**	7,181	17	**17,791**	18,155	(2)
Per boe	**12.11**	9.13	33	**12.97**	11.31	15
Per share – Basic	**0.05**	0.05	-	**0.11**	0.14	(21)
Per share – Diluted	**0.05**	0.05	-	**0.11**	0.14	(21)
Net earnings (loss)	**3,209**	(3,531)	-	**3,265**	(19,446)	-
Per boe	**4.61**	(4.50)	-	**2.38**	(12.13)	-
Per share – Basic	**0.02**	(0.03)	-	**0.02**	(0.15)	-
Per share – Diluted	**0.02**	(0.03)	-	**0.02**	(0.15)	-
Capital invested	**7,361**	11,391	(35)	**31,317**	64,674	(52)
Disposition of properties	**(105)**	11	(1,055)	**(3,277)**	(11,574)	(72)
Net capital invested	**7,256**	11,402	(36)	**28,040**	53,100	(47)
Acquisition of undeveloped properties	**-**	-	-	**13,664**	-	-
Total capital invested	**7,256**	11,402	(36)	**41,704**	53,100	(21)

	June 30, 2013	December 31, 2012	% Change
Debt plus working capital deficiency [1]	**118,645**	92,815	28
Total assets	**435,018**	401,649	8
Shares outstanding (000's)			
Basic	**153,100**	153,049	-
Diluted	**166,322**	162,104	3

[1] excludes the fair value of financial instruments and includes the long-term portion of the restricted share units.

MESSAGE TO SHAREHOLDERS

The Company continues to focus on its liquids-rich Montney development at Bigstone where the Company holds over 100 sections of land and where new completion techniques have significantly enhanced the economics of the project.

Production volumes for the three months ended June 30, 2013 averaged 7,635 boe/d, a decrease over the comparative period, however, a slight increase from the first quarter of 2013. Production volumes in the second quarter of 2013 were impacted by 1,495 boe/d due to scheduled facility outages in all core and several other areas, but most significantly at East Bigstone where the Company's higher netback revenue stream from the Montney formation was shut-in for 30 days during the quarter. All production was back on-stream early in July.

The Company's production portfolio for the second quarter of 2013 was weighted four percent to crude oil, nine percent to field condensate, 15 percent to natural gas liquids and 72 percent to natural gas. This compares to a production portfolio for the first quarter of 2013 weighted four percent to crude oil, six percent to field condensate, 16 percent to natural gas liquids and 74 percent to natural gas.

Delphi completed, tied-in and brought on production one additional well in the second quarter of 2013. The well was successfully completed utilizing a slickwater hybrid fracture stimulation. The well is outperforming expectations with initial declines significantly less than the original Montney wells in the area. This production performance significantly improves operating netbacks and reduces the expected time to payout the wells.

Capital expenditures during the second quarter were $7.3 million, which primarily included the completion and tie-in operations of the third Montney well of the winter capital program, representing 64 percent of expenditures in the quarter. Net capital expenditures for the six months ended June 30, 2013 were $41.7 million and include the strategic acquisition of undeveloped properties for additional Montney rights in the Bigstone area for $13.7 million.

Funds from operations in the second quarter of 2013 were $8.4 million or $0.05 per basic and diluted share, compared to $7.2 million or $0.05 per basic and diluted share in the comparative quarter of 2012. The increase in funds from operations is primarily due to an increase in field condensate production and natural gas prices and lower royalties, partially offset by a decrease in crude oil production and natural gas liquids prices and higher transportation costs. The liquids-rich nature of new production in the first half of 2013 has resulted in an improvement in both operating netbacks and cash netbacks relative to the fourth quarter of 2012. Operating netbacks improved to $17.10 per boe, a 13 percent increase and cash netbacks increased 28 percent to $12.11 per boe, resulting in a 33 percent improvement in funds from operations to $8.4 million from $6.3 million in the fourth quarter of 2012. In the month of June 2013, the operating netback on the Montney production was $26.89 per boe. The Company's netback for Montney has been negatively impacted by adjustments for the quality of product delivered and transportation costs associated with certain marketing arrangements. Remedial action is being undertaken to reduce the impact of these issues towards improving the netback of this growing portion of Delphi's production.

Delphi has entered into a drilling participation agreement on four Montney wells in East Bigstone. The participant will contribute $2.5 million per well for a total of $10.0 million towards the Company's 2013 Montney capital program. In exchange for the capital contribution, the participant will receive a gross overriding royalty ("GOR") on the Company's working interest revenue on the well. The GOR will reduce over time as certain milestones are achieved. The Company has expressed interest in a similar arrangement with the participant for the Company's 2014 Montney capital program at East Bigstone.

The Company has also entered into a financing agreement for $20.0 million with a Canadian energy and resource lender. The funding will be available in two tranches; $12.0 million which has been drawn and $8.0 million available for draw down until September 16, 2013. The debt will be secured by the Company's assets and be subordinate to the Company's senior credit facility, mature on December 31, 2014 and is extendible at the option of Delphi for an additional six months. The subordinated debt will have an annual coupon rate of 8.5 percent with interest payable monthly.

As at June 30, 2013, the Company had net debt of $118.6 million on total credit facilities of $140.0 million. On an annualized second quarter funds from operations basis, Delphi's net debt to funds from operations ratio was 3.5:1. Net debt includes bank debt plus working capital deficiency excluding the fair value of financial instruments plus the long term portion of the restricted share units liability.

Operations

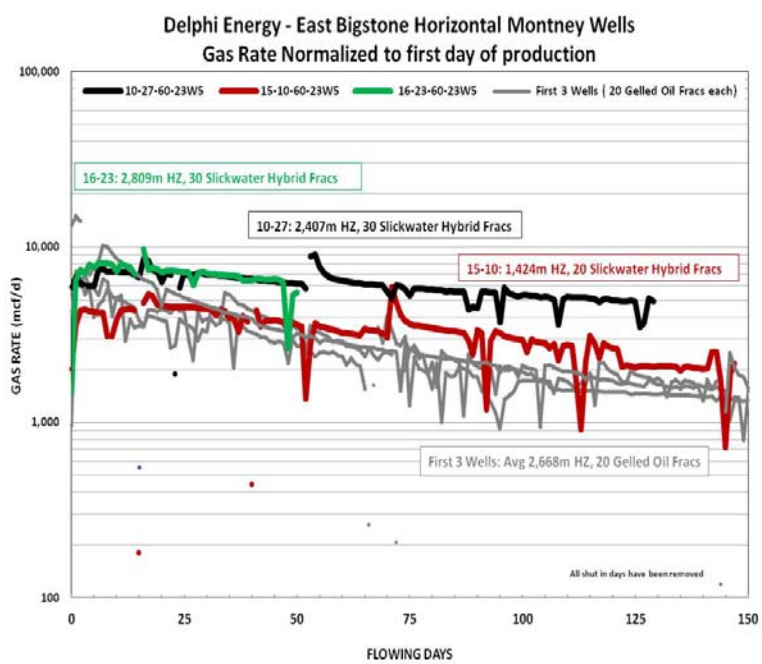
Bigstone Montney Program

Delphi has now successfully drilled, completed and brought on production six Montney horizontal wells at East Bigstone. The last three wells were stimulated utilizing slickwater hybrid frac techniques rather than the smaller conventional gelled oil frac designs used on the first three wells. The first well completed with the new frac technique, 15-10-60-23W5, was drilled across one section and stimulated with 20 stages to limit operational risk. After a successful completion at 15-10, the Company drilled its next well at 10-27-60-23W5 across 1.5 sections and installed a 30 stage liner. After a successful completion on the second well, Delphi drilled the third well of the program at 16-23-60-23W5M across two full sections and has successfully completed it with 30 slickwater hybrid fracs.

The 16-23-60-23W5 well was brought on production on June 18, 2013 through the Company's Montney compression and dehy facility and over the first 47 days of production, the well continues to perform similar to the 10-27 well.

With the new completion techniques accomplishing the Company's goal of significantly reducing declines, the gap between the production rates of these two new wells compared to the first three wells continues to widen. Both wells continue to exceed the current type curve with 10-27 still outperforming the first three wells (after 125 days of production) by approximately 2.5 times. In addition, the new wells continue to produce at higher field condensate to gas ratios compared to the first three wells.

The evolution of Delphi's drilling and completion plan to an extended-reach horizontal wellbore drilled across two sections and stimulated using a 30-stage frac design has also significantly enhanced the economics of the project.



Improved production performance, higher condensate rates, continued operational improvements have all contributed to the step-change increase in the net present value and rate of return generated by these wells. In addition, the time to payout has been significantly reduced, creating faster capital recycle times and increased rates of growth. The application of extended-reach horizontal drilling across two sections reduces overall capital requirements and generates significantly more royalty credits. The number of days to drill to a total depth of almost 6,000 metres across 2 sections has decreased from 48 days to 33 days. On average the cost to drill across the second section has decreased to approximately $750,000, compared to drilling a new well across the second section at an estimated cost of $4.5 million. In addition, incremental royalty credits of approximately $4.5 million are earned by drilling across the second section.

As a result of the new completion technique employed, the three new wells are exhibiting shallower initial declines than the Company's first three wells drilled in East Bigstone (which were completed with gelled oil fracs). The 10-27 and 16-23 wells stimulated with 30 stages are exhibiting similar early time production performance characteristics, exceeding the Company's type curve assumptions. The 10-27 and 16-23 wells are proving to rank in the top decile of liquids-rich wells drilled in the entire deep basin over the past two years.

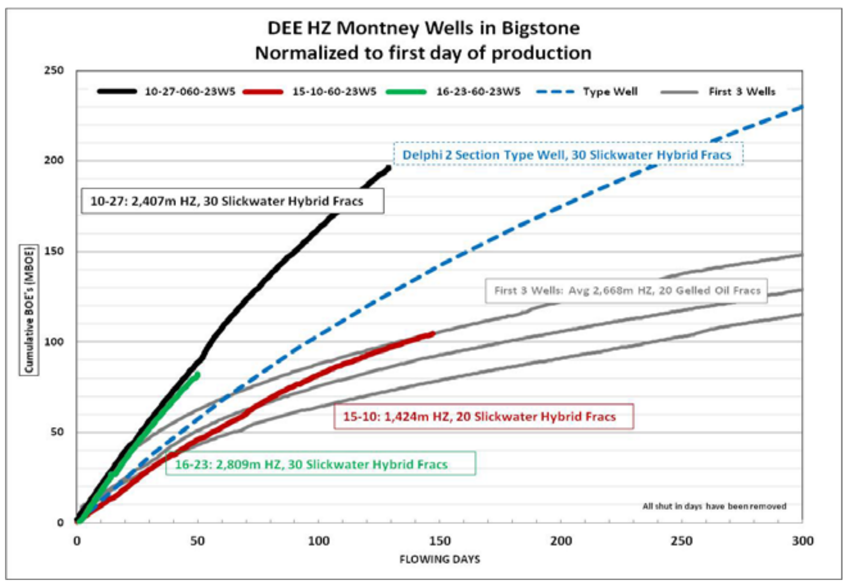
Initial Production Rate Well Performance [1]

Well	HZ Length (m)	Number of Fracs	IP30 Sales (boe/d)	IP120 Sales (boe/d)	Sales at Day 120 (boe/d)
Conventional Oil Fracs					
16-30	2,760	20	1,099	688	361
05-02	3,005	20	969	584	299
14-23	2,238	20	1,570	795	373
Slickwater Fracs					
15-10	1,424	20	991	768	516
10-27	2,407	30	1,815	1,545	1,166
16-23	2,809	30	1,781	n/a	n/a

[1] Calculated on operating days, excluding non-producing days

The adjacent cumulative production plot comparing the new wells to the first three wells continues to demonstrate a significant step change in performance.

The 10-27 well has produced approximately 189,000 boe's in its first 125 days of production, consisting of 0.67 bcf sales gas, 53,000 bbls of condensate and 24,000 bbls of plant NGL's, generating approximately $9.0 million in revenue. With continued strong production rates and total liquids representing over 40 percent of the total production to date, the time to payout of the 10-27 and 16-23 wells is expected to be less than one year.



Delphi plans to drill an additional three wells in East Bigstone prior to the end of 2013, with two of the three wells scheduled to be completed and on production by year-end. Wet weather has delayed the rig move to the first location, but drilling is expected to commence within the next two weeks. The capital program is expected to be a continuous one rig drilling program with up to eight wells planned for 2014, supplemented with the addition of a second rig to the program in the latter part of 2014.

The Company has commenced drilling operations on the South Bigstone strat test and horizontal Montney well as part of the previously announced industry farm-in, whereby Delphi will earn a 75 percent working interest in 32.5 sections of Montney lands. The well with a surface located at 5-8-59-22W5M will be completed, equipped and pipeline connected in 2014 as part of the planned 15 kilometre pipeline expansion from the 7-11 Delphi owned facility to the 5-8 wellsite.

Market Guidance

The Company expects net capital spending for 2013 to be between $78.0 and $82.0 million with production for the year to average approximately 8,000 to 8,400 boe/d. Total debt at year end is expected to be between $130.0 and $135.0 million. Delphi expects AECO natural gas prices to average approximately Cdn. $3.00 per mcf and Edmonton light oil prices to average approximately Cdn. $94.00 per barrel resulting in cash flow for 2013 of approximately $38.0 to $41.0 million. For the remainder of 2013, the Company has approximately 59 percent of its natural gas production hedged at an average price of $3.59 per mcf and approximately 36 percent of its crude oil and condensate hedged at a floor price of Cdn $94.00 per barrel.

For 2014, Delphi is estimating production to average 9,500 to 10,000 boe/d on a capital program of $80.0 to $90.0 million. More detailed guidance will be provided later in 2013 upon completion of the Company's detailed budget process to incorporate the results of the remaining capital program of 2013.

Outlook

Delphi has successfully grown the Bigstone Montney land base from four sections to 108 sections in a relatively short period of time. The Company continues to pursue additional consolidation opportunities in the Bigstone/Fir area leveraging off of its control of critical infrastructure and advanced understanding of the Montney play in the area.

The refined drilling and completion techniques utilized on our recent wells have delivered a step change in the economics of the Montney play in the area which is positioning the Company for long term self-funded growth. The Company now has a current project inventory that will provide economic growth beyond a 10-year horizon.

As previously communicated, Delphi's 5-year growth plan contemplates production growth to 20,000 boe/d by 2017, with targeted annual production per share growth of 25 percent and annual cash flow per share growth of 45 percent. Capital spending over the next five years to achieve that result under the plan is projected to be $560 million funded 90 percent from cash flow to drill 50 Montney horizontal wells and fund the expansion of Delphi's 100 percent owned facility.

The production profile of the new wells, with lower initial declines and greater condensate yields resulting in materially greater present value of the reserves and significantly reduced payout times, is expected to have a favourable impact to the Company's cash generating capability and underlying asset value.

Delphi continues to explore additional options to further accelerate its Montney drilling program, through additional non-core asset dispositions and joint venture relationships and alternate non-dilutive financing structures.

On behalf of the Board of Directors and all the employees of Delphi, we would like to thank our shareholders for their continued support.

CONFERENCE CALL AND WEBCAST

A conference call and webcast to review Q2, 2013 results is scheduled for 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on Thursday, August 15, 2013. The conference call number is 1-877-240-9772 or 416-340-8530. A brief presentation by David Reid, President and CEO and Brian Kohlhammer, Senior VP Finance & CFO, will be followed by a question and answer period. The conference call will also be broadcast live on the internet and may be accessed through the Delphi Energy website at www.delphienergy.ca

A taped rebroadcast will be available until 6:00 p.m. Mountain Time, Thursday, August 22, 2013. To access the rebroadcast, dial 1-800-408-3053 or 905-694-9451. The passcode is 5249625. It will also be available on Delphi's website. Delphi's second quarter 2013 financial statements and management's discussion and analysis are available on Delphi's website at www.delphienergy.ca and SEDAR at www.sedar.com.

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

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

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

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

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

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

***Non-IFRS Measures**. The release contains the terms "funds from operations", "funds from operations per share", "net debt", "operating netbacks" "cash netbacks" and "netbacks" which are not recognized measures under IFRS. The Company uses these measures to help evaluate its performance. Management considers netbacks an important measure as it demonstrates its profitability relative to current commodity prices. Management uses funds from operations to analyze performance and considers it a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and to repay debt. Funds from operations is a non-IFRS measure and has been defined by the Company as cash flow from operating activities before accretion on long-term debt, decommissioning expenditures and changes in non-cash working capital. The Company also presents funds from operations per share whereby amounts per share are calculated using weighted average shares outstanding consistent with the calculation of earnings per share. Delphi's determination of funds from operations may not be comparable to that reported by other companies nor should it be viewed as an alternative to cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with IFRS. The Company has defined net debt as the sum of long term debt plus/minus working capital excluding the current portion of the fair value of financial instruments plus the long term portion of the restricted share units ("RSU"). Net debt is used by management to monitor remaining availability under its credit facilities. Operating netbacks have been defined as revenue less royalties, transportation and operating costs. Cash netbacks have been defined as operating netbacks less interest and general and administrative costs. Netbacks are generally discussed and presented on a per boe basis.*