300, 500 – 4th Avenue S.W. Calgary, Alberta T2P 2V6 | T:(403)265-6171 | F:(403)265-6207 | E:info@delphienergy.ca | www.delphienergy.ca | TSX Symbol:DEE

DELPHI REPORTS CONTINUED DRILLING SUCCESS

CALGARY, ALBERTA – October 23, 2013 – Delphi Energy Corp. ("Delphi" or the "Company") is pleased to provide the following operations update on its Montney capital program.

The Company's recently completed 15-24-60-23W5M Montney well was drilled during the third quarter of 2013 to a total depth of 5,211 metres with a horizontal lateral length of 2,328 metres and stimulated with a 30 stage slickwater hybrid completion. The well was produced on clean-up over a six day period, recovering approximately 25 percent of the initial load frac water and is now shut-in to equip and pipeline connect the well for production. After running production tubing, the well produced over the final 2.7 days at an average rate of approximately 5.2 million cubic feet per day ("mmcf/d") of raw gas, 635 barrels per day ("bbls/d") of wellhead condensate (122 bbls/mmcf of raw gas) and approximately 660 bbls/d of load frac water. With an expected plant NGL yield of 33 bbls/mmcf of raw gas, total production over the flow period was approximately 1,585 barrels of oil equivalent per day ("boe/d"), (51 percent field and plant NGL's). The well is expected to commence production before the end of October and consistent with the three previous slickwater fracture stimulated wells will continue to recover load frac water over the next few months.

The follow-up location to the successful 15-24 well at 15-30-60-22W5M has been drilled to a total depth of 5,834 metres with a horizontal length of 3,014 metres, making it the longest horizontal Montney lateral Delphi has drilled to date. Completion operations at 15-30 are scheduled to begin in early November after the drilling rig has moved to its next location at 15-21-60-23W5M.

The Company continues to improve its drilling time and costs on its extended reach horizontal wells with the most recent 15-30 well reaching its total depth in 30 days, a 36 percent reduction in drilling time and a 20 percent decrease in cost, from the Company's initial Montney wells.

The first three Montney wells at East Bigstone in 2013, stimulated with the new slickwater hybrid fracturing technique, continue to exceed the Company's expectations. The 10-27 well has produced approximately 245,000 boe, (40 percent NGL's) at an average rate of 1,364 boe/d over the first 180 days of production. The 16-23 well has produced approximately 168,000 boe (35 percent NGL's) at an average rate of 1,395 boe/d over the first 120 days of production. At payout, the 16-23 and 10-27 wells are forecast to still be producing approximately 500 to 700 boe/d each, contributing significant free cash flow for the continued development of the Bigstone Montney project.

Delphi's second drilling rig has been rig released after completing drilling operations at 14-17-59-22W5M (surface location at 5-8-59-22W5M) where a Duvernay vertical strat test well with a subsequent Montney horizontal whipstock was successfully drilled. The Company has now earned a working interest in 21 sections and will earn a 75 percent interest in all 32.5 sections of the farm-in, for the Montney and Nordegg rights, upon the Montney horizontal well being completed, equipped and pipeline connected in 2014.

Risk Management

The Company continues to manage its commodity price risk through an active risk management program to protect its revenue and cash flow. For the remainder of 2013, Delphi has approximately 54 percent of its natural gas production hedged at an average price of $3.61 per mcf. Currently, the Company has the following natural gas hedges over the next several years.

	H2 2013	2014	2015	2016
Volume (mcf/d)	21.2	19.5	12.3	8.5
Percent Hedged (%) *	54	50	32	22
Hedge Price (Cdn $/mcf)	3.61	3.60	3.59	3.66

* Based on natural gas production of 39,000 mcf/d

With the increased growth in natural gas liquids production from the Montney formation at East Bigstone, the Company has also entered commodity price contracts for its light oil, condensate and C5+ production volumes. The Company currently has the following liquids hedges over the next year.

		Jul-Dec 2013	Jul–Dec 2013	Jan-Jul 2014
Volume (bbls/d)		150	383	357
Percent Hedged (%) **		10	25	24
Fixed Price (Cdn $/bbl @ Edmonton)		89.65		
Floor Price (WTI Cdn $/bbl)			95.75	96.25
Ceiling Price (WTI Cdn $/bbl)			99.44	99.75

** Based on liquids (oil, condensate and C5+) production of 1,500 bbls/d

Market Guidance

In the third quarter of 2013, Delphi's average production increased 15 percent over the second quarter to 8,797 boe/d, of which 26 percent was light oil, field condensate and natural gas liquids and 74 percent was natural gas production.

The Company continues to expect net capital spending for 2013 of $78.0 to $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.

For 2014, Delphi continues to estimate production to average 9,500 to 10,000 boe/d on a gross 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.

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

FOR FURTHER INFORMATION PLEASE CONTACT:

DELPHI ENERGY CORP.
300, 500 – 4 Avenue S.W.
Calgary, Alberta
T2P 2V6
Telephone: (403) 265-6171   Facsimile: (403) 265-6207
Email: info@delphienergy.ca   Website: www.delphienergy.ca

DAVID J. REID
President & CEO

BRIAN P. KOHLHAMMER
Senior VP Finance & CFO

***Forward-Looking Statements**. This release 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 test results and initial production performance 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.*