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DELPHI EXTENDS MONTNEY PLAY WESTWARD WITH THE 15-21 WELL

CALGARY, ALBERTA – January 27, 2014 – Delphi Energy Corp. ("Delphi" or the "Company") provides the following operations update on its Montney capital program.

Delphi is pleased to announce completion and clean-up test results of its delineation well at 15-21-60-23 W5M ("15-21") at East Bigstone. The 15-21 Montney well was drilled to a total depth of 5,875 metres with a horizontal lateral length of 2,886 metres and stimulated with a 30 stage slickwater hybrid completion. The well was produced on clean-up over a seven 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 24 hours at an average rate of 5.5 million cubic feet per day ("mmcf/d") of raw gas, 665 barrels per day ("bbls/d") of wellhead condensate (122 bbls/mmcf of raw gas) and approximately 384 bbls/d of load frac water. With an estimated plant NGL yield of 39 bbls/mmcf of raw gas, total production for the 15-21 well over the final 24 hour period was approximately 1,686 barrels of oil equivalent per day ("boe/d"), (52 percent field and plant NGL's). The well is expected to commence production in February and consistent with the previous slickwater fracture stimulated wells, will continue to recover load frac water over the next few months.

The 15-21 well is the farthest west Montney well drilled to date on the Company's East Bigstone lands and is located approximately seven kilometres west of the previously announced 15-30-60-22W5 ("15-30") well that averaged 2,076 boe/d over its first 30 days of production. The Company owns 124.5 gross sections (109 net) of Montney lands in the Bigstone area.

The 15-21 well is also the Company's fifth extended-reach horizontal Montney well utilizing a 30 stage slickwater hybrid completion. The first four Montney wells at East Bigstone stimulated with the same 30 stage slickwater hybrid fracturing technique continue to exceed the Company's type well expectations.

Field operations continue in East Bigstone with a total of three gross (2.7 net) Montney wells planned to be drilled and completed prior to break-up in 2014. The 13-30-60-22 W5M ("13-30") extended-reach horizontal well is scheduled to be completed in the first two weeks of February. The well set a new Company record for drilling days with drilling costs also setting a new low of approximately $4.75 million. Drilling times for the Company's Montney wells have decreased 35 percent and drilling costs have been reduced by more than 25 percent. The drilling rig has commenced operations on the third well of the winter drilling program at 2-1-60-23 W5M.

To handle the rapidly growing Montney production volumes, the Company is continuing with construction to expand its 7-11 facility to handle 45 mmcf/d of raw gas as well as increased field condensate volumes, with the installation of larger inlet separation, increased condensate storage tank capacity and additional compression. The facility expansion is expected to be completed by the end of February.

Corporate production during the month of December 2013 averaged 9,500 boe/d based on field estimates. Montney production during the month averaged approximately 5,000 boe/d, a 615 percent increase from approximately 700 boe/d recorded in January 2013 from the initial three wells. The Company has achieved a step change in well performance from its extended-reach horizontal lateral sections stimulated with the slickwater hybrid fracturing technique as compared to conventional gelled oil fracs. The wells continue to exceed the Company's initial type curve expectations. Given the exceptional well performance to date, Delphi plans to re-evaluate its base type curve assumptions after the winter drilling program.

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 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.*