

NOT FOR DISTRIBUTION TO U.S. NEWS SERVICES OR DISSEMINATION IN THE UNITED STATES**DELPHI ENERGY ANNOUNCES CLOSING OF \$60 MILLION OFFERING**

CALGARY, ALBERTA – June 15, 2016 – Delphi Energy Corp. (“Delphi” or the “Company”) is pleased to report that it has closed its previously announced upsized public offering of 60,000 units, each consisting of \$1,000 principal amount 10% Collateralized Exchange Listed Notes™ (the “CEL Notes”™) and 245 common share purchase warrants, for aggregate gross proceeds of \$60.0 million (the “Offering”). The Offering was underwritten by Raymond James Ltd. and Peters & Co. Limited, as joint lead bookrunners, AltaCorp Capital Inc., GMP Securities L.P. and Industrial Alliance Securities Inc. (collectively, the “Underwriters”).

The Company used a portion of the net proceeds of the Offering to permanently repay the full amount of indebtedness under its subordinated third party credit facility of approximately \$14.2 million and used the balance of the net proceeds to repay a portion of indebtedness under its senior credit facility.

As part of the Company’s overall financial strategy to target a more reliable and predictable debt capital structure, term debt will form a core piece of the Company’s capital structure going forward. Total debt capacity of \$145.0 million, consisting of the \$60.0 million five year CEL Notes and an \$85.0 million senior credit facility with a syndicate of Canadian banks is supported in the current pricing environment by the Company’s liquids-rich Montney asset base, consistent operational and financial results and a proven hedging strategy.

Consistent with its 2016 guidance, Delphi plans on maintaining the liquidity it has created through the Offering and forecasts that approximately 20 to 25 percent of the senior credit facility will remain undrawn through 2016. Delphi’s capital spending plans through the remainder of 2016 are expected to remain within funds from operations, supported by a significant hedge position and increasing cash netbacks. Netbacks, before hedges, are expected to continue to increase as a result of higher revenues from increased condensate yields and improving commodity prices, declining operating and transportation costs, and lower royalties on new wells as a result of the discontinuation of the Company’s GORR funding program. Incremental interest costs associated with this more balanced debt structure impact the cash netback by approximately \$0.70 per boe annually. The Company will continue to pursue non-core dispositions and other strategic joint venture opportunities to further enhance its growth efforts within its large Bigstone Montney core asset, while providing further financial flexibility.

The Company has managed its capital structure over the past four years without the issuance of equity and has reduced its total debt by 30 percent over the past 12 months through a successful disposition program of non-core assets. Based on the first quarter of 2016 funds from operations of \$8.2 million or \$10.72 per barrels of oil equivalent (“boe”), the senior debt to annualized funds from operations ratio improves to 2:1, while the total debt to annualized funds from operations ratio remains unchanged.

This news release does not constitute an offer to sell or a solicitation of any offer to buy the securities in the United States. The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended and will not be offered or sold in the United States absent an exemption from the registration requirements thereof.

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. *The release 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 release contains forward-looking statements concerning the Company's general strategic plans, the amount undrawn on the senior credit facility through 2016, expectations in respect of netbacks and plans to pursue non-core dispositions and other strategic joint venture opportunities.

The forward-looking statements and information contained in this release are based on certain key expectations and assumptions made by Delphi. The following are certain material assumptions on which the forward-looking statements and information contained in this release are based: the stability of the global and national economic environment, the stability of and commercial acceptability of tax, royalty and regulatory regimes applicable to Delphi, exploitation and development activities being consistent with management's expectations, production levels of Delphi being consistent with management's expectations, the absence of significant project delays, the stability of oil and gas prices, the absence of significant fluctuations in foreign exchange rates and interest rates, the stability of costs of oil and gas development and production in Western Canada, including operating costs, the timing and size of development plans and capital expenditures, availability of third party infrastructure for transportation, processing or 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 timeframes, 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 exploitation, development and production results and Delphi's ability to market oil and natural gas successfully to current and new customers. 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 and such forward-looking statements should not be unduly relied upon. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent known and unknown risks and uncertainties. Delphi's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits Delphi will derive therefrom. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary 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 from others for scarce resources, the ability to access sufficient capital from internal and external sources, changes in governmental regulation of the oil and gas industry 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 the Company's most recent Annual Information Form and other reports on file with the applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

Readers are cautioned that the foregoing list of factors is not exhaustive. Furthermore, the forward-looking statements contained in this release are made as of the date of this release 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. The forward-looking statements contained in this release are expressly qualified in their entirety by this cautionary statement.

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.*

The trademark "Collateralized Exchange Listed Note™" and "CEL Notes™" are the trademarks of Raymond James Ltd.

Non-IFRS Measures. *This release includes reference to "funds from operations", which is not a recognized measure under International financial Reporting Standards ("IFRS"). Management uses funds from operations to analyze performance and considers it a key measure as it demonstrates Delphi'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 Delphi as cash flow from operating activities before accretion on long-term and subordinated debt, decommissioning expenditures and changes in non-cash working capital from operating activities. 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. For more information, including a reconciliation of funds from operations to cash flow from operating activities, see Delphi's management's discussion and analysis for the three months ended March 31, 2016 and 2015 which may be accessed through the SEDAR website (www.sedar.com).*