DELPHI ENERGY CORP.

PRESS RELEASE

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TSX SYMBOL: DEE

DELPHI ENERGY REPORTS SECOND QUARTER 2016 RESULTS

CALGARY, ALBERTA – August 10, 2016 – Delphi Energy Corp. ("Delphi" or the "Company") announces its financial and operational results for the quarter ended June 30, 2016.

Delphi remains excited about and committed to its development plans on its Bigstone liquids-rich Montney property, having commenced its second half drilling program. Recent production performance of new wells has demonstrated continued improvement in field condensate to natural gas ratios as drilling moves to the west and innovations are made to the Company's completion technique. With all wells back on-stream after a temporary curtailment in the second quarter, production averaged 8,500 barrels of oil equivalent per day ("boe/d") in July. In addition, with the successful oversubscribed issuance of ten percent senior secured notes, having a term of five years to maturity, for gross proceeds of $60.0 million, the Company has termed out approximately 50 percent of its total debt, providing greater certainty and flexibility to its credit capacity in a very challenging capital market.

Second Quarter 2016 Highlights

- On a comparative basis, excluding approximately 2,600 boe/d of dispositions completed in the second half of 2015, production capability for the second quarter of 2016 increased five percent to 8,200 boe/d, up from 7,810 boe/d in the second quarter of 2015. Production volumes were affected by the temporary curtailment of approximately 2,400 boe/d as a result of an unscheduled outage for repairs at the SemCAMS K3 gas processing plant for 30 days during the quarter and as a result averaged 5,802 boe/d;

- Increased Bigstone Montney production capability to approximately 7,500 boe/d in the second quarter of 2016, a 15 percent increase from the second quarter of 2015. Field condensate production capability has increased 20 percent over the same comparative periods;

- Increased Montney field condensate and natural gas liquids ("NGL") yield by 20 percent to 113 barrels per million cubic feet ("bbls/mmcf") in the second quarter of 2016 compared to 94 bbls/mmcf in the second quarter of 2015. Field and plant condensate yield was 67 bbls/mmcf or 59 percent of the total 113 bbls/mmcf;

- Incurred minimal capital in the second quarter of 2016 due to spring break-up. Two gross (1.7 net) wells were drilled and two gross (1.5 net) Bigstone Montney wells were completed in the first quarter of the year for total first half net capital of $11.9 million;

- Generated funds from operations of $4.2 million in the second quarter of 2016 and $12.3 million during the first six months of 2016, funding the first half net capital program from internally generated funds from operations;

- Reduced Bigstone Montney operating costs per boe in the second quarter of 2016 by twelve percent to $5.87 per boe, down from $6.69 per boe in the second quarter of 2015;

- Realized gains of $6.1 million from risk management contracts in the second quarter of 2016 and the Company remains well hedged for future years, with hedged natural gas volumes of 63 percent, 32 percent and 23 percent for 2017, 2018 and 2019, respectively, at an average price of Cdn $4.02 per mcf;

- Closed a $60.0 million public offering of ten percent Collateralized Exchange Listed Notes ("Senior Secured Notes") to term out, for a period of five years, approximately 50 percent of the Company's total debt; and

- Redetermined the Company's revolving credit facility with its syndicate of lenders at $85.0 million with approximately $60.8 million outstanding (excluding letters of credit) at the end of the second quarter.

Operational Highlights

Production	Three Months Ended June 30 **2016**	2015	% Change	Six Months Ended June 30 **2016**	2015	% Change
Field condensate (bbls/d)	**1,055**	1,369	(23)	**1,377**	1,480	(7)
Natural gas liquids (bbls/d)	**1,023**	1,582	(35)	**1,180**	1,640	(28)
Crude oil (bbls/d)	**5**	86	(94)	**5**	47	(89)
Total crude oil and natural gas liquids	**2,083**	3,037	(31)	**2,562**	3,167	(19)
Natural gas (mcf/d)	**22,311**	43,035	(48)	**27,219**	44,619	(39)
Total (boe/d)	**5,802**	10,210	(43)	**7,099**	10,604	(33)

Financial Highlights ($ thousands except per unit amounts)

	Three Months Ended June 30 **2016**	2015	% Change	Six Months Ended June 30 **2016**	2015	% Change
Crude oil and natural gas sales	**10,942**	22,790	(52)	**28,258**	45,440	(38)
Realized sales price per boe	**32.23**	28.89	12	**31.19**	28.14	11
Funds from operations	**4,152**	8,725	(52)	**12,342**	19,506	(37)
Per boe	**7.86**	9.39	(16)	**9.56**	10.17	(6)
Per share – Basic	**0.03**	0.06	(50)	**0.08**	0.13	(38)
Per share – Diluted	**0.03**	0.06	(50)	**0.08**	0.12	(33)
Net loss	**(18,638)**	(32,106)	(42)	**(13,379)**	(30,111)	(56)
Per boe	**(35.30)**	(34.56)	(2)	**(10.36)**	(15.68)	(34)
Per share – Basic	**(0.12)**	(0.21)	(43)	**(0.09)**	(0.19)	(53)
Per share – Diluted	**(0.12)**	(0.21)	(43)	**(0.09)**	(0.19)	(53)
Capital invested	**(186)**	3,047	(106)	**16,472**	20,316	(19)
Disposition of properties	**-**	(469)	-	**(4,583)**	(469)	(877)
Deposit on assets held for sale	**-**	(10,000)	-	**-**	(10,000)	-
Total net capital invested	**(186)**	(7,422)	(97)	**11,889**	9,847	21

	June 30, 2016	December 31, 2015	% Change
Net debt [(1)]	**117,959**	121,664	(3)
Total assets	**331,777**	360,842	(8)
Shares outstanding (000's)			
Basic	**155,510**	155,510	-
Diluted	**182,497**	169,951	7

[(1)] *Defined as the sum of bank debt, senior secured notes and subordinated debt plus (minus) the working capital deficit (surplus) excluding the current portion of the fair value of the financial instruments. The senior secured notes are included in net debt at their carrying value of $52.2 million from the statement of financial position versus the amount of notes outstanding of $60.0 million.*

MESSAGE TO SHAREHOLDERS

The commodity price environment continued to be very challenging with West Texas Intermediate ("WTI") crude oil prices averaging US $45.65 per barrel during the second quarter of 2016, down 21 percent from the comparative quarter of the previous year. NYMEX natural gas prices averaged US $1.95 per mmbtu in the second quarter, down 29 percent from the comparative quarter of 2015.

The Company continues to successfully navigate this commodity price environment with net capital spending for the first half of the year funded from internally generated funds from operations, improving new well productivity, reducing capital costs and lower operating costs. The Company generated a field operating netback of $15.06 per boe in the second quarter of 2016, up six percent from the comparative quarter of 2015. The improvement in the field operating netback was due to lower operating costs and increased realized gains from risk management contracts which more than offset lower benchmark pricing, negative marketing arrangements during a period of temporary curtailment of production, higher royalty costs due to a non-recurring gross overriding royalty payment and the incurrence of fixed transportation costs due to the Company's Alliance transportation commitment.

Production volumes for the second quarter of 2016 averaged 5,802 boe/d as a result of the unscheduled outage of the SemCAMS K3 natural gas processing plant for 30 days, causing the Bigstone Montney production to be shut-in for that time period, resulting in a loss of production of approximately 2,400 boe/d. The Hythe and Wapiti dispositions undertaken in the second half of 2015 resulted in reduced production of 2,600 boe/d versus the comparative period of 2015. Once the Bigstone Montney was placed back on-stream late in the second quarter, the Company's production averaged approximately 8,500 boe/d for the month of July, up from the 2015 exit production rate of approximately 8,300 boe/d.

Efforts to re-route the Company's Bigstone Montney production to the SemCAMS KA natural gas processing facility during the unscheduled outage of the SemCAMS K3 natural gas processing facility were unsuccessful due to delays in regulatory approval to reactivate an existing suspended pipeline connecting Delphi's Bigstone Montney production to the SemCAMS KA facility. One segment of the pipeline received approval in three days while the second segment of the same pipeline took 30 days to receive approval to reactivate. By that time, Delphi was able to flow its Montney production back to the SemCAMS K3 facility.

Bigstone Montney production in July 2016 averaged approximately 7,500 boe/d, up 13 percent from the second quarter of 2015, on total capital expenditures of approximately $41.9 million ($28.1 million net of GORR disposition proceeds) to bring on-stream 5.0 net horizontal Montney wells.

Delphi's field condensate weighting as a percentage of second quarter of 2016 production volumes increased to 18 percent, up 38 percent, from 13 percent in the comparative quarter of 2015. The Company`s Montney field condensate and natural gas liquids yield was 113 bbls/mmcf in the second quarter of 2016, up from 94 bbls/mmcf in the second quarter of 2015. Field and plant condensate yield averaged 67 bbls/mmcf or 59 percent of the total 113 bbls/mmcf.

Delphi's commodity price risk management program continues to be an integral part of its financial strategy to protect funds from operations during periods of price volatility. Despite the drop in crude oil prices, the Company received $57.26 per barrel for its condensate production in the second quarter of 2016, including a realized risk management gain of $11.00 per barrel for maturing contracts in the period. Delphi's realized natural gas price for the second quarter of 2016 was $4.69 per mcf, an increase of 35 percent from the comparative period of 2015. The Company's realized natural gas price was positively influenced by its risk management program as well and includes a realized gain of $2.47 per mcf for maturing contracts in the period. The benefit of the realized gains from the risk management program, on a per boe basis, was positively influenced by the lower volumes due to the temporary curtailment of production in the second quarter.

Funds from operations in the second quarter of 2016 were $4.2 million or $0.03 per basic and diluted share, compared to $8.7 million or $0.06 per basic and diluted share in the comparative quarter of 2015. Funds from operations in the second quarter of 2016 was significantly affected by the temporary curtailment of Delphi's Bigstone Montney production as a result of the unscheduled SemCAMS K3 natural gas processing plant outage for 30 days in the quarter and by lower benchmark commodity prices for both crude oil and natural gas.

During the second quarter of 2016, Delphi had a net capital expenditures credit of $0.2 million as a result of actual to estimate adjustments during the quarter. During the first six months of 2016, Delphi invested $16.5 million of capital expenditures primarily on drilling and completions. Delphi drilled two gross (1.7 net) wells and performed completion activities on two gross (1.5 net) wells in its Bigstone area. In addition to drilling and completion operations, Delphi installed a compressor at the Company's 7-11 Montney facility and an additional fuel gas pipeline in the Bigstone area. The installation of the compressor at the 7-11 has eliminated the rental cost of two compressors and the fuel gas pipeline is delivering higher quality fuel gas that is consumed at the Company's Montney facilities, which is reducing maintenance on the facilities included in operating costs. In the first half of 2016, Delphi received proceeds of $4.6 million in exchange for a gross overriding royalty on the two gross wells completed during the first quarter of 2016, as part of its latest five well gross overriding royalty arrangement.

During the second quarter of 2016, the Company's lenders completed their annual borrowing base review. Delphi's senior credit facility was redetermined at $85.0 million, consisting of a $10.0 million operating facility and a $75.0 million revolving facility. At June 30, 2016, on its senior credit facility, the Company had $59.7 million outstanding in the form of bankers` acceptances, $1.1 million drawn under Canadian-based prime loans and a working capital deficit of $4.9 million. The Company was in compliance with all covenants of the credit facilities.

In conjunction with the redetermination of the senior credit facility, Delphi issued $60.0 million of ten percent senior secured notes on June 15, 2016 to term out, for a period of five years, approximately 50 percent of the Company's total debt. The proceeds from the senior secured notes, net of transaction costs, were applied against its senior and subordinated credit facilities. The carrying value of the senior secured notes at June 30, 2016 on the statement of financial position was $52.2 million. As a result, the Company had net debt outstanding at June 30, 2016 of $118.0 million. For accounting purposes, over the five year term of the senior secured notes, the carrying value will accrete up to the $60.0 million amount due upon maturity.

Operations Update

In July, Delphi completed the second well of the 2016 capital program at 15-23-60-23W5 (“15-23”) (100 percent working interest). 15-23 was drilled in the first quarter of 2016 to a total depth of 5,867 metres in 28 days with a horizontal lateral in the Montney of 2,865 metres. The completion consisted of a 37 stage slickwater frac design. After fracturing operations, 15-23 was flowed on clean-up for five days recovering approximately ten percent of the initial load frac water. Over the last 24 hours prior to running production tubing, the well flowed on clean-up at an average rate of 6.2 mmcf/d of raw gas and 1,008 barrels per day (“bbls/d”) of field condensate (188 bbls/mmcf of sales gas). Total sales production for the 15-23 well over this 24 hour period was approximately 2,117 boe/d, including an estimated plant natural gas liquids (“NGL”) yield of 40 bbls/mmcf of sales gas. 15-23 was brought on production at the end of July. Initial average production rates over the first 30 days will be reported once the data is available. Capital costs continue to improve with drilling and completion capital for the 15-23 well estimated at $7.0 million. This compares to average drilling and completion costs of $10.4 million in 2014 and $8.3 million in 2015.

The Company recently reached total drilling depth on its third well of the 2016 capital program at 14-11-60-23W5 (“14-11”) (75 percent working interest). The well was drilled to a total depth of 5,927 metres in 30 days with a horizontal lateral in the Montney of 2,846 metres. A 42 stage completion is planned with sand concentrations being 14 percent higher than any other Delphi Montney well to date.

The fourth well of the 2016 program is planned for 16-9-60-23W5 (“16-9”) (82.5 percent working interest) and is expected to spud by the end of August. 16-9 follows recent success at the western edge of the Company’s current Montney development at Bigstone. The 13-21-60-23W5 (“13-21”) well was drilled and completed in the first quarter of 2016 and was brought on production in early March. The wells initial average production over the first 90 producing days (“IP90”) was 1,077 boe/d with a field condensate ratio of 194 bbls/mmcf of sales gas. The closest Delphi horizontal Montney well to the 13-21 is approximately 800 metres to the east at 15-21-60-23W5 (“15-21”). Over the first 90 days on production, the 15-21 well averaged 1,053 boe/d with a field condensate to gas yield of 110 bbls/mmcf of sales gas. The 13-21 field condensate yield is 75 percent higher than the 15-21 well. 13-21 is the fourth well to utilize Delphi’s third generation frac design and the Company continues to learn and evolve its completion techniques to access the rich, high quality hydrocarbon content of the Montney at Bigstone.

The combination of moving the Bigstone Montney development to the west along with Delphi’s third generation frac design has seen a marked improvement on field condensate to gas rate yields. The four wells utilizing the Company’s third generation frac techniques, with production history of at least 90 days, have seen an average increase in field condensate yields, compared to the offset wells, of 36 percent on IP30 and 22 percent on IP90.

Delphi recently received Class 1B regulatory approval for its water disposal well at 16-34-59-21W5. Recent maintenance on the well has improved injectivity and the Company plans on using the well for disposal of completion fluids on its next operation. Due to the increased capacity, Delphi is also considering the economic potential of accepting third party volumes for disposal.

In addition to the Company’s 100 percent owned compression and dehydration capacity of 65 mmcf/d at the two East Bigstone facilities, the Company is finalizing its evaluation to utilize its approximate 35 mmcf/d of owned sweet gas processing capacity in the greater Bigstone area. Coincident with the Company’s plans to pursue richer Montney production to the west, the production also becomes less sour and even turns sweet into the West Bigstone area. Sweetening of marginally sour Montney production would allow for processing at both the Bigstone West gas plant located at 14-28-59-22W5 where the Company owns a 25 percent working interest and at Delphi’s 100 percent owned and operated Negus gas plant at 11-3-60-25W5.

Marketing and Risk Management

On December 1, 2015, Delphi began delivering approximately 90 percent of its natural gas production on its Alliance full path firm service capacity into the Chicago market. Well in advance of commencement of these deliveries, the Company continued execution of its successful risk management strategy to protect its revenue stream into the Chicago market through NYMEX, Chicago basis and Cdn/US foreign exchange rate contracts. As a result, the Company is protected through the remainder of 2016 with approximately 81 percent of its natural gas production hedged at an average price of Cdn. $4.43 per mcf (excluding transportation costs). For 2017, the Company has approximately 63 percent of its natural gas production contracted at an average price of Cdn $4.20 per mcf (excluding transportation costs). Delphi also has approximately 43 percent of its condensate volumes contracted at a floor price of $76.49 per barrel. The table below summarizes the Company’s current commodity price risk management contracts for 2016 and future years.

Natural Gas (Cdn)	Jul – Dec 2016	2017
Volume (mmcf/d)	2.4	2.4
% Hedged (1)	8%	8%
Hedge Price (Cdn $/mcf) (2)	$3.89	$3.96
Strip Price (Cdn $/mcf)	$2.56	$2.84

Natural Gas (US)	Jul – Dec 2016	2017	2018	2019
Volume (mmbtu/d)	22.6	17.1	10.0	7.0
% Hedged (1)	73%	55%	32%	23%
Hedge Price (US $/mmbtu)	$3.50	$3.19	$2.87	$2.92
Strip Price (US $/mmbtu)	$2.81	$3.07	$2.98	$2.99
% Hedged in Cdn $ (3)	100%	100%	100%	100%
Hedge Price (Cdn $/mmbtu) (4)	$4.49	$4.24	$3.77	$3.89

Crude Oil	Jul – Dec 2016	2017
Volume (bbls/d)	800	300
% Hedged (1)	43%	16%
Floor Price (WTI Cdn $/bbl)	$78.50	$60.00
Ceiling Price (WTI Cdn $/bbl) (5)	$85.00	$60.00
Strip Price (WTI Cdn $/bbl)	$58.45	$62.66

(1) Percent hedged is based on expected 2016 average natural gas production of approximately 31 mmcf/d and 1,850 bbls/d of condensate and C5+.
(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) 400 bbls/d have upside to a ceiling price of $85.00 per barrel at a deferred cost of $4.02 per barrel

2016 Guidance

Delphi has provided guidance for the second half of 2016 and updated its full year guidance for 2016.

The Company will have a more active second half of 2016 with net capital expenditures of $21.0 to $26.0 million compared to $11.9 million in the first half of 2016 and the ability to increase the drilling program in the fourth quarter and expectations of a larger drilling program in 2017. Production performance of the 26 producing Montney wells continues to meet or exceed expectations, with the most recent wells outperforming condensate yield and field netback expectations. Average and exit rate production volumes as well as cash flow expectations have been revised upward for the second half of 2016. The mid-point of exit production of 9,500 boe/d reflects growth of 14 percent compared to exit production of 2015 on net capital funded from internally generated cash flow.

Full year guidance has been updated to incorporate lower benchmark prices in the first half of the year, the temporary curtailment of its Bigstone Montney production in the second quarter and the $3.7 of million transaction costs incurred as part of the issuance of the ten percent five year senior secured notes The table below summarizes the Company's current guidance for 2016.

	2H 2016 Guidance	2016 Full Year Guidance
Average Production (boe/d)	8,500 - 9,000	7,700 – 8,000
Exit Production Rate (boe/d)	9,000 – 10,000	9,000 – 10,000
NYMEX Natural Gas Price (US $ per mmbtu)	$2.75 - $3.00	$2.35 - $2.55
WTI Oil Price (US $ per bbl)	$40.00 - $45.00	$40.00 - $43.00
Natural Gas Liquids Price (Cdn $ per bbl)	$18.00 - $20.00	$17.00 - $19.00
Foreign Exchange Rate (US/Cdn)	1.30 – 1.35	1.30 – 1.35
Well Count	2.0 – 3.0	4.0 – 5.0
Net Capital Program ($ million)	$21.0 - $26.0	$33.0 – $38.0
Funds from Operations ("FFO") ($ million)	$19.0 - $22.0	$31.0 – $34.0
Total Debt at December 31 ($ million) (1)	$126.0 - $131.0	$126.0 - $131.0
Total Debt / Q4 FFO (annualized)	3.1 – 3.4	3.1 – 3.4
Bank Debt / Q4 FFO (annualized)	1.7 – 1.9	1.7 – 1.9

(1) Net debt includes the 5 year senior secured notes at $60 million, not the carrying value per the statement of financial position.

Outlook

The Company continues to manage its production growth in the context of its cash generating capability. Economic returns on the new capital deployed remain very attractive as a result of the improving cash generating efficiencies from superior Chicago-based natural gas pricing, increased condensate yields, lower cost structures and a successful long term risk management program. Through this commodity price environment the Company's cash netbacks have remained relatively stable, providing a predictable cash flow source for re-investment without increasing debt levels. Favorable recycle ratios in excess of 1.4 times continue to be generated as a result of the strong realized netbacks combined with efficient 2015 Montney proved producing finding and development costs of $10.12 per boe. Drilling and completion costs in the first half of 2016 were down a further 18 percent from the 2015 averages.

Continued innovation of our well design, driving costs lower, while maintaining full ownership and control of our infrastructure are both paramount in our continued effort towards top decile capital and cash generating efficiencies. Generating margin growth continues to trump production growth in the current environment. The Company's significant risk management position through 2016 to 2018 protects both the equity account and the balance sheet, while contributing to a meaningful capital program and growth in 2016. Delphi's significant drilling inventory is immediately accessible to deliver production growth into a less volatile commodity price environment.

Delphi continues to navigate this commodity price environment with a focus of protecting the equity value of its significant Bigstone Montney asset. The Company has invested approximately $300 million capturing 140 gross Montney sections, constructing 65 mmcf/d of 100 percent owned infrastructure and drilling 26 gross wells over the past four years. The Company has also managed its capital structure over the past four years without dilution to its equity holders and reduced its total debt by 30 percent over the past twelve months. Through this early stage of innovation and economic optimization of the project, in this part of the commodity price cycle, it is important to note the Company has consumed only a small fraction of the significant drilling inventory identified on the 140 gross sections.

This focused effort in protecting shareholder value will be more fully recognized as the rate of capitalization and production growth accelerates through 2017 and 2018. The Company continues to pursue its strategic relationships and opportunities to further accelerate these future drilling and infrastructure plans within its Bigstone Montney core asset.

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 2016 Q2 results is scheduled for 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on Thursday, August 11, 2016. The conference call number is 1-877-291-4570. 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 or by entering http://www.gowebcasting.com/7739 in your web browser.

A taped rebroadcast will be available until 6:00 p.m. Mountain Time, Thursday, August 18, 2016. To access the rebroadcast, dial 1-800-585-8367 or 416-621-4642. The passcode is 47235071. It will also be available on Delphi's website. Delphi's second quarter 2016 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*. 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 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 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. 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 wells, that existing wells continue to meet production expectations and any future wells scheduled to come on in the coming year meet timing and production expectations.

Commodity prices 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 release 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. Readers are cautioned that such financial outlook information contained in this release should not be used for purposes other than for which it is disclosed.

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.*

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", "net debt to funds from operations ratio", "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 and costs of production. 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 and subordinated debt, decommissioning expenditures and changes in non-cash working capital from operating activities. 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 and subordinated debt plus/minus working capital excluding the current portion of the fair value of financial instruments. Net debt is used by management to monitor remaining availability under its credit facilities. Net debt to funds from operations ratio is defined as net debt to annualized quarterly funds from operations, based on the most recently completed quarter. This ratio is used to calculate the Company's compliance with its net debt to funds from operations ratio covenant. 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.*

For the calculation of finding, development and acquisition costs, recycle ratio and net asset value per share, refer to the Company's press release of crude oil and natural gas reserves information dated February 29, 2016.

Delphi Energy's crude oil, natural gas and natural gas liquid reserves information for the year ended December 31, 2015 was press released on February 29, 2016. Information relating to reserves and reserve metrics can be found in this press release.