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DELPHI ENERGY REPORTS FIRST QUARTER 2017 RESULTS

CALGARY, ALBERTA – May 10, 2017 – Delphi Energy Corp. (“Delphi” or the “Company”) is pleased to announce its financial and operational results for the quarter ended March 31, 2017.

First Quarter 2017 Highlights

- Generated adjusted funds from operations of \$8.2 million and realized net earnings of \$8.4 million;
- Produced an average of 8,198 barrels of oil equivalent per day (“boe/d”) weighted 40 percent to field condensate and natural gas liquids;
- Increased production from the Bigstone Montney by 14 percent to 7,050 boe/d compared to 6,196 boe/d in the fourth quarter of 2016, as a result of a 33 percent or 773 barrels per day (“bbls/d”) increase in field condensate and natural gas liquids (“NGL”) production while natural gas volumes remained relatively flat;
- Increased Montney field condensate and NGL yields to 130 barrels per million cubic feet (“bbls/mmcf”) in the first quarter of 2017 compared to 99 bbls/mmcf in the fourth quarter of 2016;
- Montney field and plant condensate yield averaged 91 bbls/mmcf or 70 percent of the total 130 bbls/mmcf of Montney liquids yield;
- Generated operating netback of \$17.07 per boe before risk management contracts, up 150 percent from \$6.82 for the same period in 2016;
- Successfully drilled four gross (2.6 net) wells as part of the Company’s capital program and completed, tied-in and brought on production four gross (2.5 net) Montney wells in Bigstone;
- Continued the two rig drilling program through spring break up that will result in an inventory of five gross (3.2 net) wells drilled and ready for completion operations as ground conditions improve;
- Commenced the expansion of the existing Montney field dehydration and compression capacity at East and South Bigstone.

Operational Highlights

Production	Three Months Ended March 31		
	2017	2016	% Change
Field condensate (bbls/d)	1,933	1,700	14
Natural gas liquids (bbls/d)	1,302	1,335	(2)
Crude oil (bbls/d)	7	5	40
Total crude oil and natural gas liquids (bbls/d)	3,242	3,040	7
Natural gas (mcf/d)	29,737	32,127	(7)
Total (boe/d)	8,198	8,395	(2)

Financial Highlights (\$ thousands except per unit amounts)

	Three Months Ended March 31		
	2017	2016	% Change
Crude oil and natural gas sales	25,671	17,316	48
Realized sales price per boe	34.17	30.47	12
Funds from operations	8,166	8,190	-
Per boe	11.08	10.72	3
Per share – Basic and diluted	0.05	0.05	-
Net earnings	8,352	5,259	59
Per boe	11.32	6.89	64
Per share – Basic and diluted	0.05	0.03	67
Capital invested	(30,297)	16,658	82
Disposition of properties	(46)	(4,583)	(99)
Net capital invested	30,251	12,075	151

	March 31, 2017	December 31, 2016	% Change
Net debt ⁽¹⁾	108,367	85,945	26
Total assets	325,607	303,625	7
Shares outstanding (000's)			
Basic	156,898	155,994	1
Diluted ⁽²⁾	182,915	180,752	1

⁽¹⁾ Defined as the sum of bank debt and Senior Secured Notes plus (minus) the working capital deficit (surplus) excluding the current portion of the fair value of the financial instruments.

⁽²⁾ Represents the full dilution of all outstanding options and warrants.

MESSAGE TO SHAREHOLDERS

Delphi continues to execute the accelerated development plan of its liquids-rich Montney property (“Bigstone Montney”) located at Bigstone in northwest Alberta, with two drilling rigs continuing to operate through spring break up on separate pad locations. The Company was able to execute on its entire planned first quarter capital program, and will be in a position to complete five (3.2 net) additional Montney wells as wet weather and spring break up conditions subside.

Production in the first quarter of 2017 averaged 8,198 boe/d, weighted 40 percent to field condensate and natural gas liquids, compared to 8,395 boe/d during the first quarter of 2016. The Bigstone Montney production represented 86 percent or 7,050 boe/d of the Company’s corporate production during the first quarter of 2017. As a result of the successful drilling program, four gross (2.5 net) Montney wells were brought on-stream during the quarter, increasing corporate production during April 2017 to average approximately 10,000 boe/d. Current production capability remains at the upper end of our 2017 annual production guidance of 9,000 to 9,500 boe/d.

The 14 percent or 854 boe/d increase in Bigstone Montney production to 7,050 boe/d in the first quarter of 2017 compared to the fourth quarter of 2016 was largely a result of a 33 percent or 773 bbls/d increase in field condensate and natural gas liquids production. Montney field and plant condensate yields averaged 91 bbls/mmcf of the total 130 bbls/mmcf liquids yield. Increased condensate yields are a result of continued frac innovations and delineation of the Bigstone Montney westward with the new wells being drilled.

The Company’s successful operating margin growth is a result of the high quality Bigstone Montney asset base, majority ownership in strategic infrastructure, firm take away capacity and proven expertise in developing this liquids-rich asset. The Company generated an operating netback of \$17.07 per boe before risk management contracts, up 150 percent from \$6.82 per boe during the comparative quarter of 2016.

During the first quarter of 2017, the Company invested gross field capital of \$30.3 million. Net of carry capital costs of \$9.1 million associated with the Partner Transaction already accounted for at December 31, 2016, the program was executed on budget. Delphi spent 78 percent of field capital on drilling, completing and equipping four gross (2.5 net) Montney wells at Bigstone. A pipeline loop was installed to the 7-11 facility to handle increased volumes being produced from the new wells that are extending the Montney development westward. In addition, the Company incurred costs to secure a 20 mmcf/d amine processing package and compressor for its amine project scheduled for commissioning in the first quarter of 2018.

Drilling activity on the Company's Bigstone Montney asset continues with operations largely complete on the 14-09-60-23W5 ("14-09") well (62 percent working interest). The 14-09 horizontal Montney well was drilled from spud to a total depth of 5,908 metres in a Company record 25 days. Innovations to the drilling program have resulted in decreased drilling times, on this most recent well, by 14 percent compared to the average well in 2016. These innovations will allow Delphi to absorb service cost inflation and maintain targeted drilling costs. A 40 stage completion liner was installed in the 2,863 metre horizontal lateral. Drilling operations continue in the horizontal lateral at the 16-18-59-23W5 ("16-18") well (65 percent working interest) and are expected to be finished in the next two weeks. The 14-09 and 16-18 wells are both the second wells drilled from each of their respective wellsite pads. Completion operations on these two pads in addition to the 15-09-60-23W5 well (62 percent working interest) are scheduled to commence after spring break up utilizing the Company's third and fourth generation frac designs.

Adjusted funds from operations in the first quarter of 2017 were \$8.2 million or \$0.05 per basic and diluted share, unchanged from the comparative quarter of 2016. Realized cash netbacks during the first quarter of 2017 were \$11.08 per boe, including a \$(0.62) per boe loss on risk management contracts. This compares to \$10.72 per boe, including a \$7.80 per boe realized gain on risk management contracts during the first quarter of 2016. Cash costs were higher in the first quarter due to a combination of non-recurring crown royalty, operating and general administrative charges, as well as higher crown royalty rates as a result of higher commodity prices, and additional pro-rated operating costs for the scheduled SemCAMS K3 processing plant turnaround in the second quarter of 2017.

At March 31, 2017, the Company had bank debt of \$32.0 million and a working capital deficit of \$23.1 million. Including the Senior Secured Notes, the Company had total net debt of \$108.4 million. As at March 31, 2017, Delphi had \$42.2 million (net of outstanding letters of credit) available to be drawn on its \$80 million senior credit facility.

Risk Management

The Company has approximately 22 million cubic feet per day ("mmcf/d"), or 65% of its remainder of 2017 forecast natural gas production hedged at an average price of CDN\$4.20 per million British thermal units ("mmbtu") and approximately 900 bbls/d of condensate hedged at an average WTI price of CDN\$66.67 per barrel. Delphi has mitigated the persistent widening of the AECO and Station 2 basis differentials by contracting most of its gas into the Chicago market where pricing has materially outperformed local western Canada pricing, even with the incremental transportation costs.

Natural Gas	Q2 – Q4/17	2018	2019
Percent Hedged *	65%	54%	21%
Hedge Price (CDN \$/mmbtu)	\$4.20	\$3.92	\$3.89

Crude Oil	Q2 – Q4/17	2018	2019
Percent Hedged *	42%	14%	14%
Hedge Price (WTI CDN \$/bbl)	\$66.67	\$70.00	\$70.00

* Based on average 2017 production of 33.5 mmcf/d of natural gas and 2,150 bbls/d of field condensate.

Outlook

The Company continues to forecast absolute and per share growth across all measures during 2017, while maintaining balance sheet strength. The 2017 guidance is highlighted by a significant increase in drilling activity.

Delphi has secured the required firm service transportation for 100 percent of forecasted 2017 natural gas production growth. The contracted Alliance full path service to Chicago with its incremental priority interruptible service handles approximately 95 percent of the Company's natural gas sales, and together with the existing and incremental 2018 contracted firm TCPL service, will provide the Company with firm service to handle accelerated growth plans beyond 2017. Delphi's Bigstone Montney field compression and dehydration facilities are also sufficient for the forecasted growth in 2017.

Delphi will have five (3.2 net) Montney wells ready to complete and bring on production over the next two months as spring break up conditions subside and has plans to drill an additional five (3.3 net) wells during the second half of 2017.

To handle the Company's growing production volumes beyond 2017, Delphi is working to cost effectively expand its existing Montney field dehydration and compression capacity at East and South Bigstone. Delphi is well positioned to achieve increased production, cash flow and reserve growth over the near and long term to the benefit of all our stakeholders.

The existing Board of Directors looks forward to the addition of Mr. Glenn A. Hamilton, Mr. Peter T. Harrison, and Mr. Ian Wild to the Board of Directors. "Glenn, Peter and Ian bring tremendous depth to our Board with their extensive experience in oil and gas accounting, finance, banking and investment," said David J. Reid, President and CEO. "And together with the

Company's new CFO, Mr. Mark Behrman, we have significantly strengthened our team to continue to successfully pursue ambitious growth plans".

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 first quarter 2017 results is scheduled for 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on Thursday, May 11, 2017. The conference call number is 1-844-358-8760. A brief presentation by David J. Reid, President and CEO and Mark D. Behrman, 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 Delphi's website at www.delphienergy.ca or by entering <http://edge.media-server.com/m/p/qmudsd6g> in your web browser. A rebroadcast will also be available on Delphi's website or at <http://edge.media-server.com/m/p/qmudsd6g> on your web browser.

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.

The Company also announces that its Annual General Meeting ("AGM") will be held on Thursday, May 18, 2017 at 3:00pm (MST) in the Devonian Room at the Calgary Petroleum Club (319 – 5 Avenue S.W.). Shareholders are encouraged to attend.

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About Delphi Energy Corp.

Delphi Energy Corp. is an industry-leading producer of liquids-rich natural gas. The Company has achieved top decile results through the development of our high quality Montney property, uniquely positioned in the Deep Basin of Bigstone, in northwest Alberta. Delphi continues to outperform key industry players by improving operational efficiencies and growing our dominant Bigstone land position in this world-class play. Delphi is headquartered in Calgary, Alberta and trades on the Toronto Stock Exchange under the symbol DEE.

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President & CEO

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CFO

Forward-Looking Statements. *This news 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 to 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.

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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.