



PRESS RELEASE

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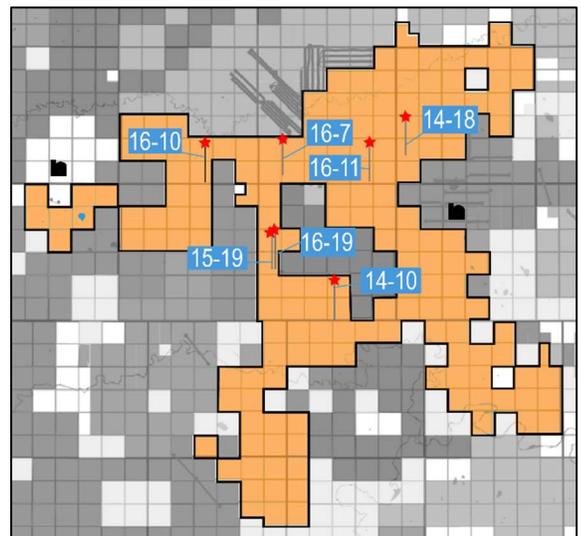
DELPHI ENERGY ANNOUNCES SUCCESSFUL WEST BIGSTONE TEST AND COMMISSIONING OF THE BIGSTONE MONTNEY PHASE I AMINE FACILITY AHEAD OF SCHEDULE

CALGARY, ALBERTA – April 24, 2018 – Delphi Energy Corp. (“Delphi” or the “Company”) is pleased to provide an operations update after completing its planned winter capital program.

OPERATIONS UPDATE

Delphi has completed its 2018 winter capital program including the Company’s Bigstone Montney amine processing facility, the drilling of four (2.6 net) new Montney wells, and the completion of seven (4.6 net) new wells. The extended winter conditions have allowed the Company to get all seven wells pipeline connected to its facilities, with plans to have all the wells on production in the second quarter.

The 16-10-60-24W5 (“16-10”) well is the first horizontal Montney well drilled at West Bigstone in over six years. After completion, the 16-10 well was flowed on clean-up for 3.4 days, recovering approximately 21 percent of the initial load frac water. Over the last 24-hours prior to running production tubing, the well flowed at an average rate of 7.2 million cubic feet of natural gas per day (“mmcf/d”) of raw gas and 1,605 barrels per day (“bbls/d”) of 44 degree API field condensate (255 bbls/mmcf of sales gas). Total sales production rate for 16-10 over this 24-hour period was approximately 2,928 barrels of oil equivalent (“boe/d”) (64 percent liquids), including an estimated plant natural gas yield (“NGL”) yield of 44 bbls/mmcf of sales gas. The well is expected to commence production in May through Delphi’s 100 percent owned Negus sweet gas plant in West Bigstone. Based on this success, the Company is planning to follow up with additional drilling at West Bigstone in the second half of 2018.



The 15-19-59-23W5 well (“15-19”) drilled to evaluate Delphi’s central land block within the Bigstone Montney asset was brought on production in March and has recently achieved an average production rate over the first 30 days on production (“IP30”) of 1,828 boe/d (62 percent liquids), consisting of 950 bbl/d field condensate, 182 bbl/d of NGL’s, and 4.2 mmcf/d of sales gas. The 16-19 offset well has now been drilled and completed.

The Company’s recently commissioned Phase I amine processing facility is capable of sweetening up to 17 mmcf/d gross raw Montney natural gas prior to routing it through the under-utilized 85 mmcf/d Bigstone sweet natural gas plant (Delphi 25 percent working interest) for final processing. The new facility will reduce operating costs on that stream by approximately \$0.80 per thousand cubic feet of natural gas (“mcf”). Corporately, operating cost savings of approximately \$0.70 per barrel of oil equivalent (“boe”) are forecast. The amine facility is part of the Company’s long term strategy to diversify its processing options, which now include SemCAMS K3 (sour), Repsol Edson (sour), Delphi Bigstone (sweet), and Delphi Negus (sweet) processing facilities.

PRODUCTION UPDATE

Delphi achieved production of 9,515 boe/d (91 percent Montney) in the first quarter of 2018, a [49-16](#) percent increase over the comparative quarter in 2017. As forecast, production remained relatively flat to the fourth quarter 2017 due to lower than forecast declines of the wells drilled in 2017, offsetting scheduled production outages relating to offset new well completion operations, and new well on-stream dates beginning in March. Condensate and NGL production in the first quarter of 2018 was five percent higher than fourth quarter 2017 while natural gas production was five percent lower. The emphasis remains

on condensate production growth driving higher revenue and cash flow. An incremental 100 bbl/d of condensate would add approximately \$2.2 million to annualized cash flow. Based on liquids production in the first quarter, an increase of \$5 per barrel in WTI prices would add about \$2.4 million to annualized cash flow.

	April (21 days)	Q1 2018	Q4/17	Q1/17
Condensate (bbl/d)	2,965	2,472	2,374	1,940
NGL's (bbl/d)	1,600	1,418	1,315	1,302
Natural Gas (mcf/d)	37,500	33,746	35,391	29,737
Corporate Production	10,800	9,515	9,588	8,198
Field Condensate (percentage of total)	27	26	25	24
Total Liquids (percentage)	42	41	38	40

With new wells from the winter program tested or on-stream, the Company remains on track to meet its first half 2018 production guidance of 9,800 to 10,200 boe/d (40 percent liquids).

Delphi will be releasing [their](#) Q1 results on May 9, 2018 after market close.

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.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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. "IP" is an abbreviation for "Initial Production" and represents average production rates over the indicated time period in producing days.

Non-GAAP Measures. The release contains the terms "adjusted funds from operations", "adjusted funds from operations per share", "net debt", "net debt to adjusted funds from operations ratio", "operating netbacks" "cash netbacks" and "netbacks" which are not recognized measures under GAAP. 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 adjusted 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, abandonment obligations and to repay debt. Adjusted funds from operations is a non-GAAP 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 adjusted 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 adjusted 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 GAAP. The Company has defined net debt as the sum of bank debt and senior secured notes 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. Operating netbacks have been defined as revenue plus marketing income less royalties, transportation and operating costs. Cash netbacks have been defined as operating netbacks less interest on bank debt and senior secured notes, general and administrative costs and cash costs related to the Company's restricted share units. Netbacks are generally discussed and presented on a per boe basis.