



PRESS RELEASE

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DEE

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DELPHI ENERGY CORP. ANNOUNCES COMPLETION OF \$46.5 MILLION SUBSCRIPTION RECEIPT OFFERING

CALGARY, ALBERTA – October 23, 2019 – **Delphi Energy Corp.** (“**Delphi**” or the “**Company**”) is pleased to announce that it has completed the second closing in respect of its previously announced private placement offerings of subscription receipts (the “**Offerings**”) for aggregate gross proceeds of \$44.4 million today. Together with proceeds raised in the first closing of the Offerings on October 15, 2019, Delphi has raised the maximum total gross proceeds of \$46.5 million pursuant to the Offerings.

Pursuant to the Offerings, Delphi issued 17,384,306 equity subscription receipts (“**ESRs**”) today at a price of \$1.65 per ESR (the “**ESR Price**”) for gross proceeds of approximately \$28.7 million and 20,933 note subscription receipts (“**NSRs**”) today at a price of \$750 per NSR (the “**NSR Price**”), plus accrued and unpaid interest from October 15, 2019, for gross proceeds of approximately \$15.7 million. Affiliates of a pooled investment vehicle of Luminus Management, LLC subscribed for 16,778,306 ESRs for gross proceeds of approximately \$27.7 million and 16,933 NSRs for gross proceeds of approximately \$12.7 million under the Offerings.

In total, Delphi has issued 18,181,818 ESRs at the ESR Price (for total proceeds of approximately \$30 million) and 22,000 NSRs (for total proceeds of approximately \$16.5 million) under the Offerings. The proceeds of the Offerings will be held in escrow pending the satisfaction of certain escrow release conditions, including the implementation of a plan of arrangement pursuant to section 192 of the *Canada Business Corporations Act* as part of Delphi’s previously announced recapitalization transaction (the “**Recapitalization Transaction**”). Upon their release, Delphi will use the proceeds of the Offerings to further develop its reserves and fund capital expenditures.

Raymond James Ltd. and AltaCorp Capital Inc. acted as agents in connection with the Offerings.

DELPHI SECURITYHOLDER MEETINGS

Delphi reminds its shareholders and noteholders that the management information circular in respect of the securityholder meetings to be held on November 15, 2019 is available on Delphi’s website at www.delphienergy.ca and on Delphi’s SEDAR profile at www.sedar.com. The board of directors and management of Delphi believe that it is important that the Recapitalization Transaction be approved and implemented to address Delphi’s capital structure and liquidity needs, thereby placing the Company in a stronger position to continue to pursue its business strategy in the near future.

The board of directors of the Company recommends securityholders vote in favour of the Recapitalization Transaction in person or by proxy at the appropriate meeting on November 15, 2019. Securityholders should refer to the management information circular for additional details with respect to the Recapitalization Transaction and instructions on how to vote at the securityholder meetings.

The Recapitalization Transaction is expected to become effective on or around November 26, 2019 if all of the conditions precedent to such effectiveness are satisfied or waived on or before that date.

Shareholder Questions and Voting Assistance:

Laurel Hill Advisory Group
North American Toll-Free: 1-877-452-7148
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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.

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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DAVID J. REID

President & CEO

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 the use of proceeds from the Offerings; the completion of the Recapitalization Transaction and the timing thereof; the Company's future drilling and development plans; the Company's future business plans and strategy; the Company's future liquidity and financial capacity; and anticipated results from the Recapitalization Transaction. 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: satisfaction of all conditions to completion of the Offerings and the Recapitalization Transaction; the timely receipt of required regulatory, shareholder, noteholder, lender and other approvals; that no event will occur that would trigger termination rights in respect of the Recapitalization Transaction; 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.

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.