

**DELPHI
ENERGY
CORP.**

2015 EPAC OIL & GAS INVESTOR SHOWCASE

JUNE 10, 2015



➤ FORWARD-LOOKING STATEMENTS

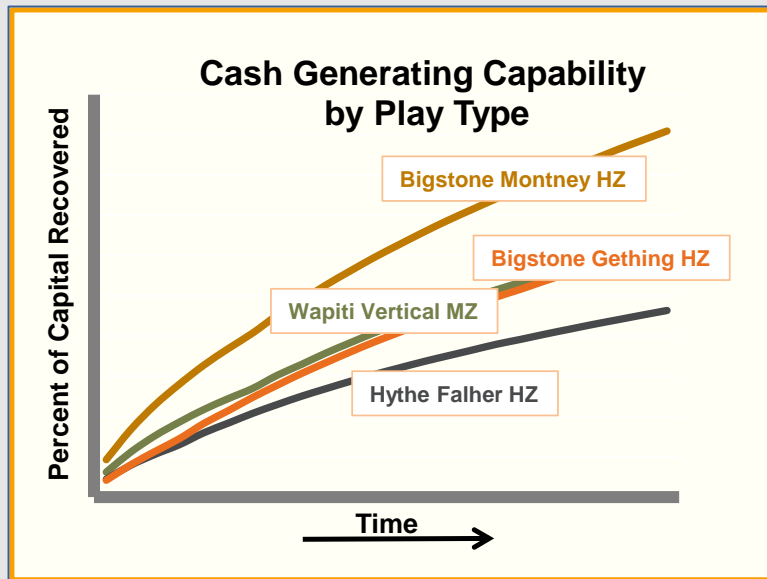
The presentation contains forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws. These statements relate to future events or the Company's future performance and are based upon the Company's internal assumptions and expectations. All statements 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 presentation 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 presentation 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 presentation 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 presentation 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 presentation 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 presentation are made as of the date of this presentation 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 presentation are expressly qualified in their entirety by this cautionary statement.

› DELPHI: A SUSTAINABLE BUSINESS MODEL

- **Cash generating capability remains healthy in current environment**
 - Balanced revenue stream (2014: 49% Gas, 51% Condensate/NGL's)
 - Significant commodity hedge position for 2015 and 2016
 - Efficient cost structure contributing to continued value creation
- **Delphi's Bigstone Montney remains a Top Tier growth asset:**
 - Still has favorable economics in the current commodity price environment:
 - Revenue – Production Costs = Netback – PDP F&D Costs = Free Cash Flow
 - \$28.00/boe – \$13.00/boe = \$15.00/boe - \$13.00/boe = \$2.00/boe
 - Well payouts remain attractive at 1.3 years
 - Free cash generated at payout remains significant
 - Early in OPEX and CAPEX optimization process
- **Slowing the pace of growth for 2015 to a cash flow only CAPEX budget**
 - Montney growth slowing to 10-15% in 2015 from 100% in 2014
 - Significant drilling inventory for continued economic growth at Bigstone

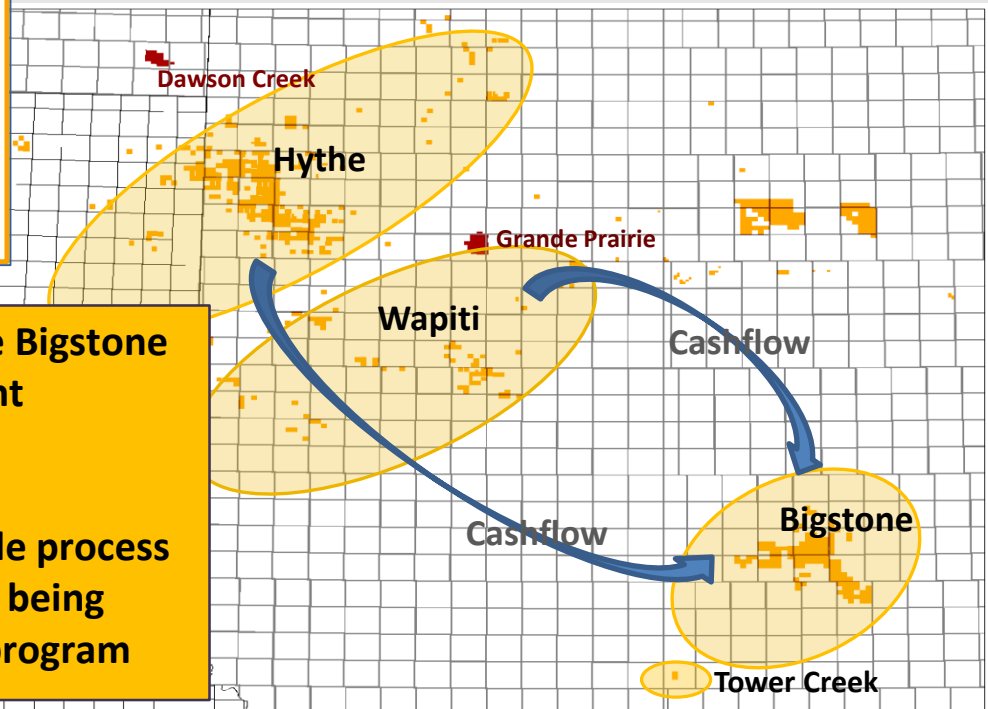
➤ CORPORATE FOCUS:

BIGSTONE MONTNEY



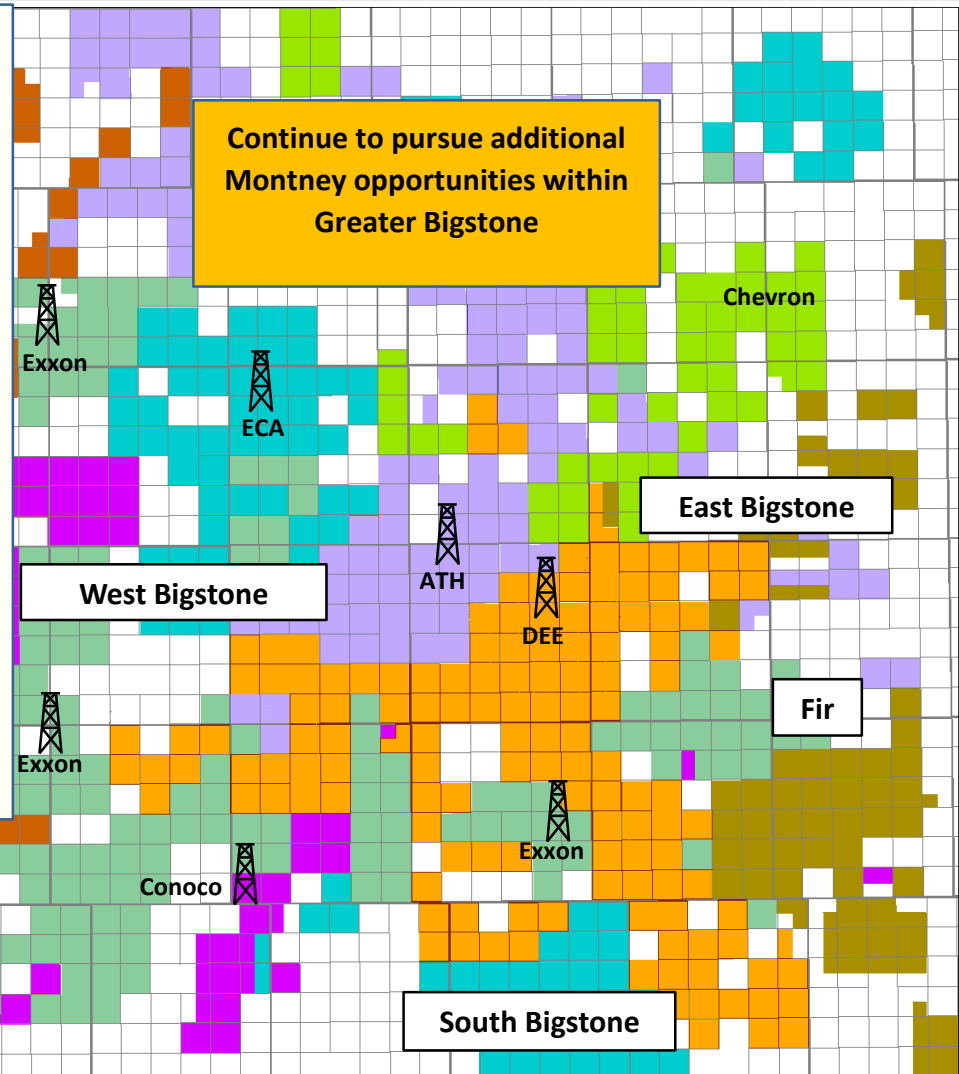
- Concentrated land base of over 300 sections
- Significant HZ drilling inventory on multiple play types

- Capital program focused exclusively on the Bigstone Montney liquids-rich resource development
- Wapiti / Hythe legacy core assets:
 - Both assets are part of an ongoing sale process
 - Cash flow from Hythe and Wapiti are being used to fund the Bigstone Montney program



BIGSTONE MONTNEY: A DOMINANT LAND POSITION

- Montney land position has grown to 138.5 gross (117.1 net) sections since 2010
- Delphi one of the largest Montney landowners on map sheet
- Delphi is a leader in the technical evolution of the liquids-rich play
- Development drilling inventory of +100 two mile HZ wells at East Bigstone
- West Bigstone will require +100 wells to develop
 - Industry is de-risking area
- Continue to consolidate land and infrastructure:
 - 8.0 gross (3.5 net) sections of Montney acquired at East Bigstone
 - 26.3 gross (19.3 net) sections of Cretaceous rights with production; includes plant and P/L infrastructure
 - Cretaceous rights now total 87.5 gross sections



LEGEND

- Delphi Acreage with Farmin
- Exxon
- Chevron
- Athabasca
- Encana
- ConocoPhillips
- Cequence
- Donnybrook
- Apache

➤ BIGSTONE CONDENSATE-RICH MONTNEY

Bigstone Montney the driver of significant growth

Built an 8,000 boe/d asset on net capital of \$80 million	138 gross sections with a drilling inventory of 4 to 6 laterals per section	Payout achieved on 5 wells (6 to 18 months) with production rates at payout of 500 -700 boe/d	Forecast average Montney production growth of 10 - 15% in 2015 over 2014
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Production

Q4 2014 Production (31% Oil/NGLs)	12,035 boe/d
Q4 2013 Production (28% Oil/NGLs)	8,988 boe/d
Growth Rate	34%

Reserves

December 31, 2014 GLJ Proved plus Probable	74.4 mmboe
December 31, 2013 GLJ Proved plus Probable	61.7 mmboe
Growth Rate	21%

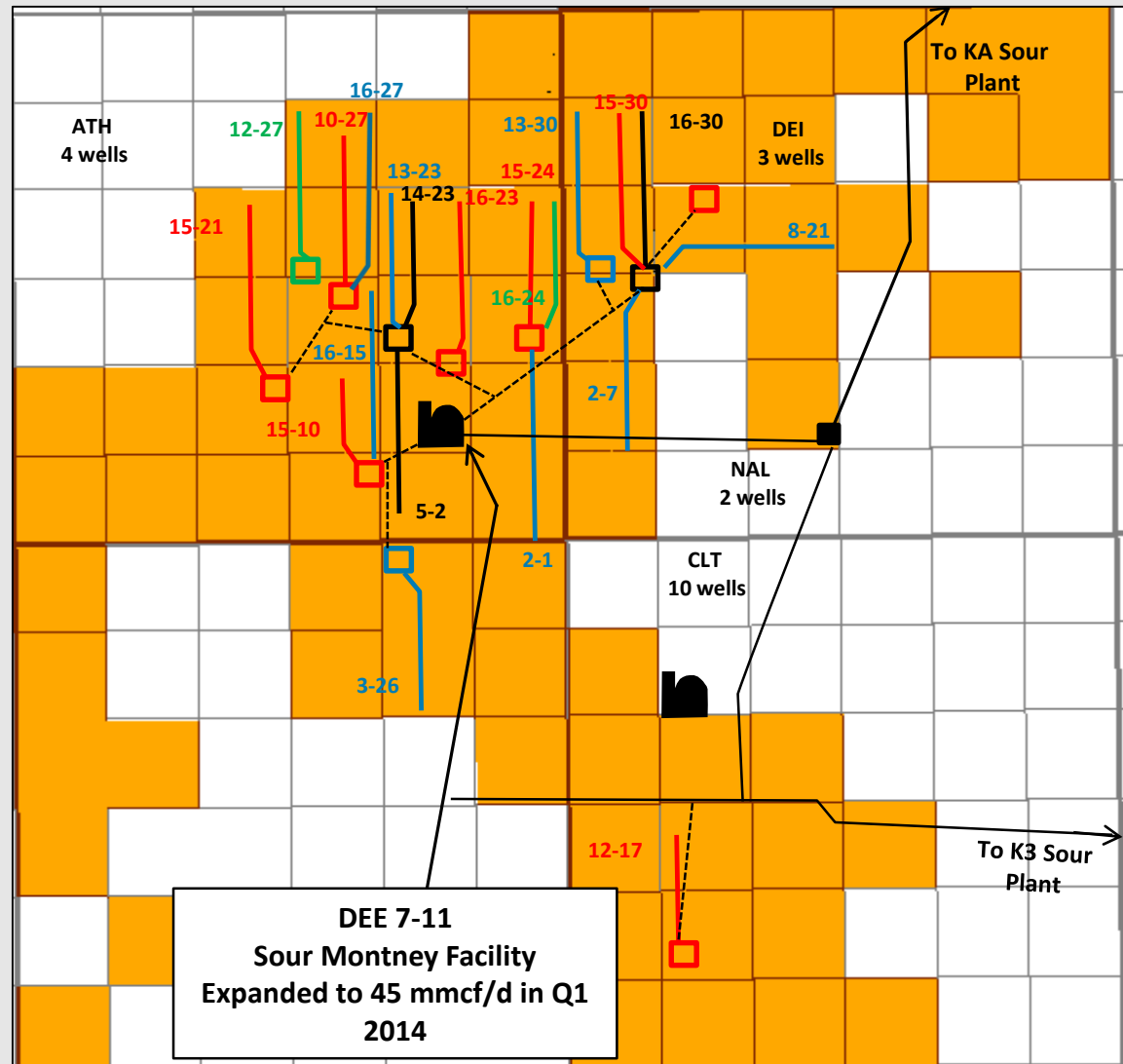
Balance Sheet

Net Debt December 31, 2014	\$173.7 million
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Shares Outstanding	155.5 million
Market Capitalization	\$221 million
Enterprise Value	\$391 million

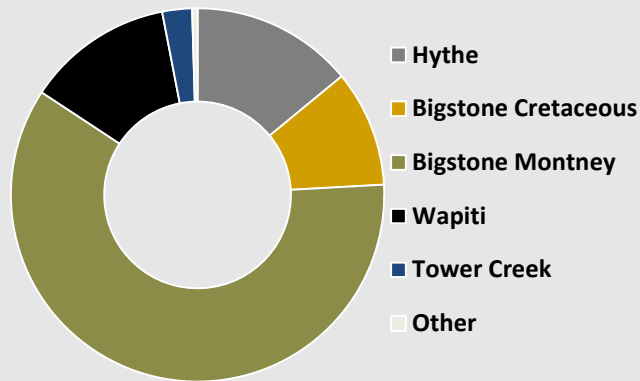
➤ BIGSTONE MONTNEY: 20 WELLS DRILLED

- **Drilled 3 HZ wells in 2012**
 - Two mile HZ's with laterals of 2,200 m to 3,000 m
 - Frac'd using conventional gelled oil frac designs
- **Drilled 7 HZ wells in 2013**
 - HZ's with laterals of 1,400 m to 3,000 m
 - Frac'd using slickwater hybrid design
 - Superior production performance to initial 3 gelled oil frac wells
- **Drilled 8 HZ wells in 2014**
 - Further delineation of the East Bigstone area
 - Further evolution of the slickwater frac design with tweaks to sand concentration, frac water volumes and number of frac stages in the lateral
- **Drilling up to 5 HZ wells in 2015**
 - Focused on low-risk high productivity infill drilling



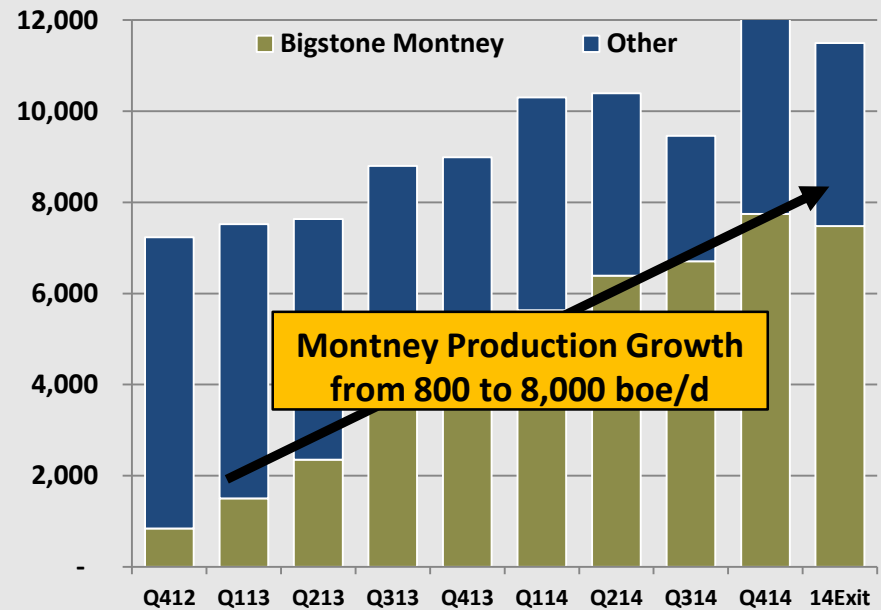
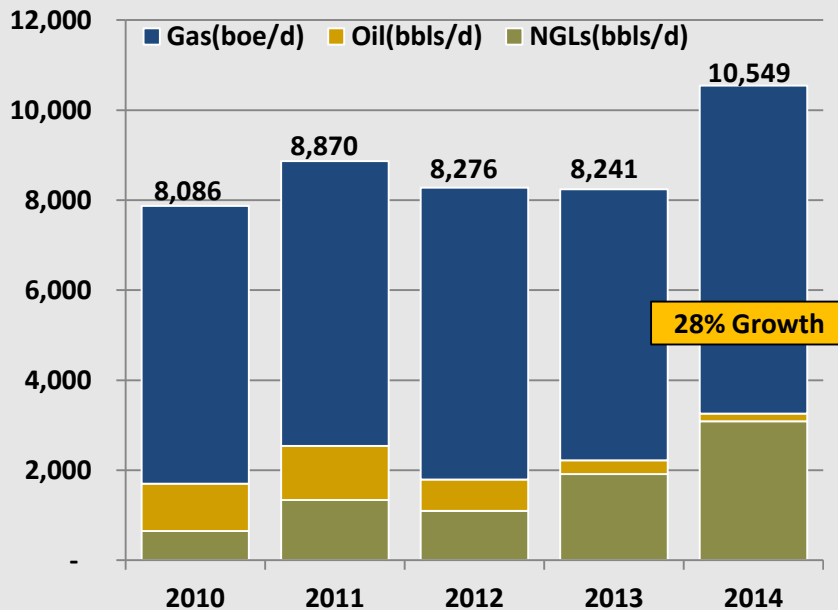
PRODUCTION GROWTH: MONTNEY IMPACT

2014 Production 10,549 boe/d



Montney Production Ramped Up in 2014

- Eleven fold increase in Montney production from 800 boe/d in Feb 2013 to over 8,000 boe/d in Nov 2014
- Montney production represents 67% of corporate production in Dec 2014
- Average Montney production for 2015 forecast to grow by 10 to 15% over 2014



RESERVES GROWTH: MONTNEY IMPACT

Growth in Montney Reserves

	PDP		TP		P+P	
	reserves	btnpv10	reserves	btnpv10	reserves	btnpv10
	mboe	MM\$	mboe	MM\$	mboe	MM\$
Dec. 31, 2013	4,370	62.4	18,706	199.4	33,100	334.4
Dec. 31, 2014	9,781	113.9	27,999	259.1	50,728	448.2
change YOY	124%	82%	50%	30%	53%	34%

Montney Development

- 124% growth in PDP reserves over 2013
- Increase in 2P value to \$448.2 million and 2P Montney reserves to 50.7 mboe

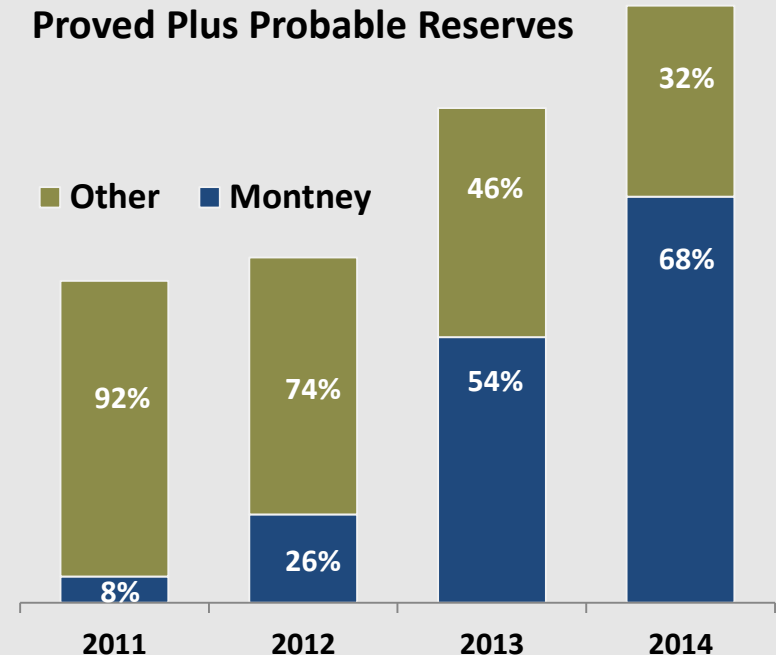
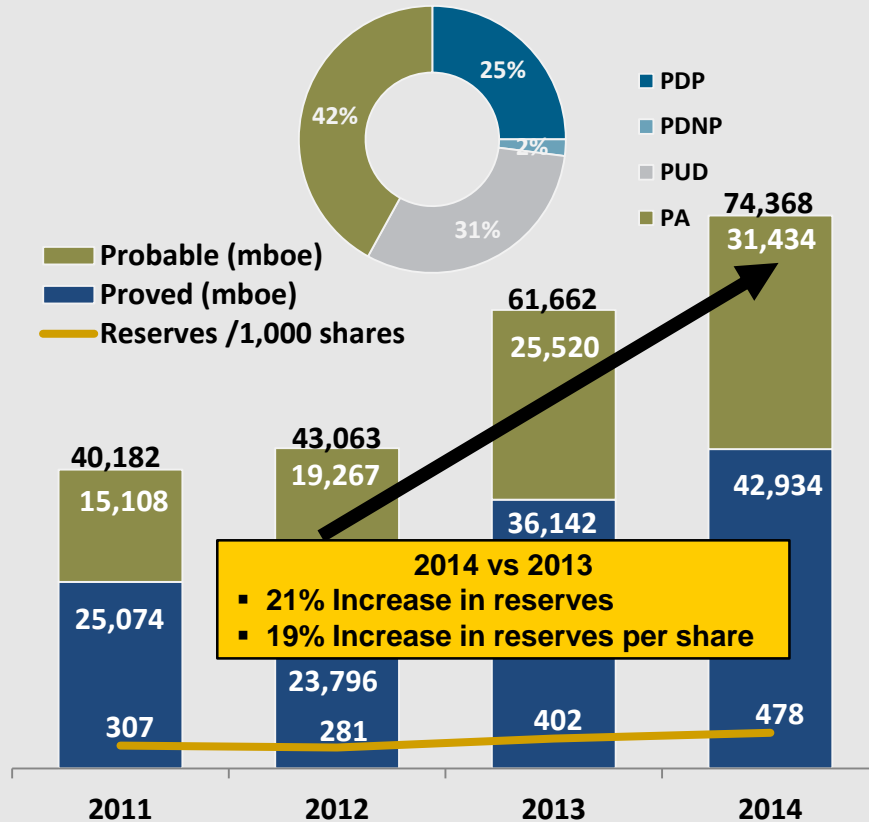
Delphi Capital Efficiencies (proved plus probable)

- 2014 FD&A - \$10.35 per boe, 3 year avg FD&A - \$10.93 per boe
- FDC of \$391 million funded with cash flow

Delphi YE 2014 Net Asset Value

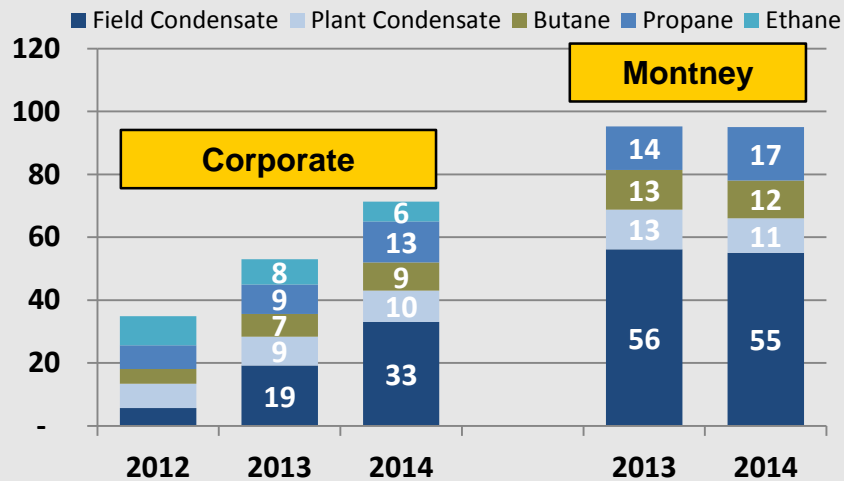
- \$3.41 per share

Proved Plus Probable Reserves



LIQUIDS YIELD AND NETBACKS: MONTNEY IMPACT

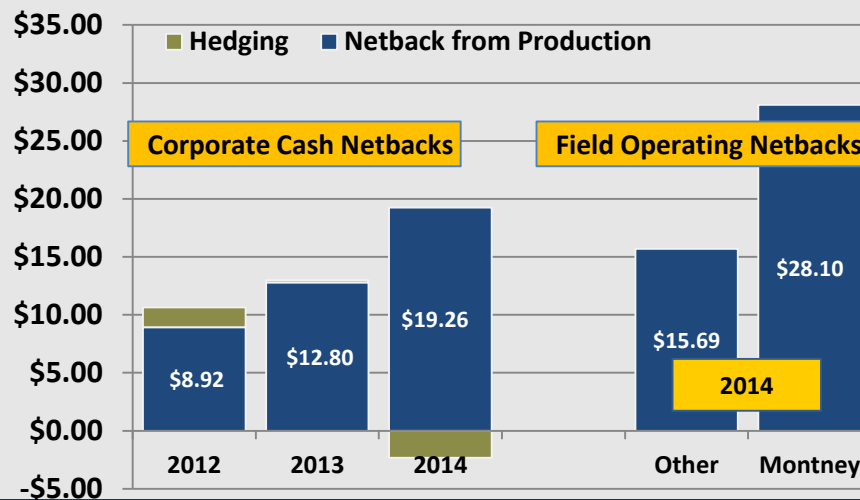
Liquids Yield (bbls/mmcf)



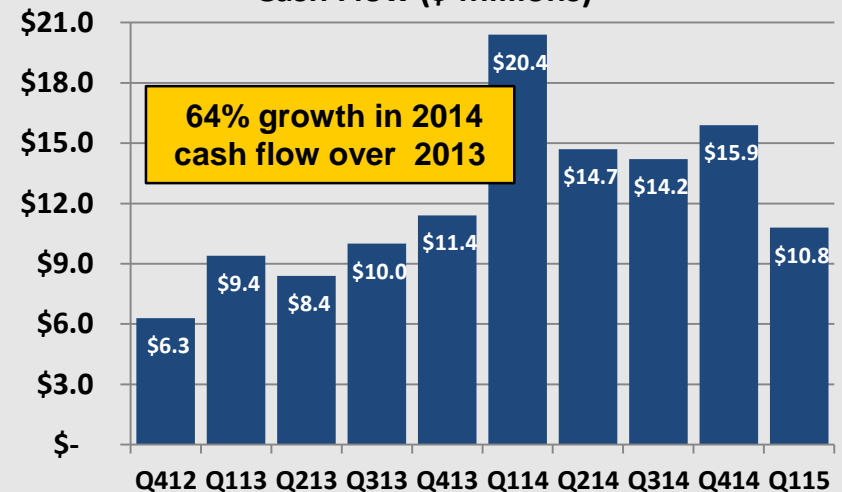
Cash Netbacks Increasing with Montney Growth

- Montney average liquids yield in 2014 of 95 bbls/mmcf (70% field and plant condensate)
- Montney field netback significantly better than corporate average due to much greater high-value liquids content of production

Netbacks (\$/boe)

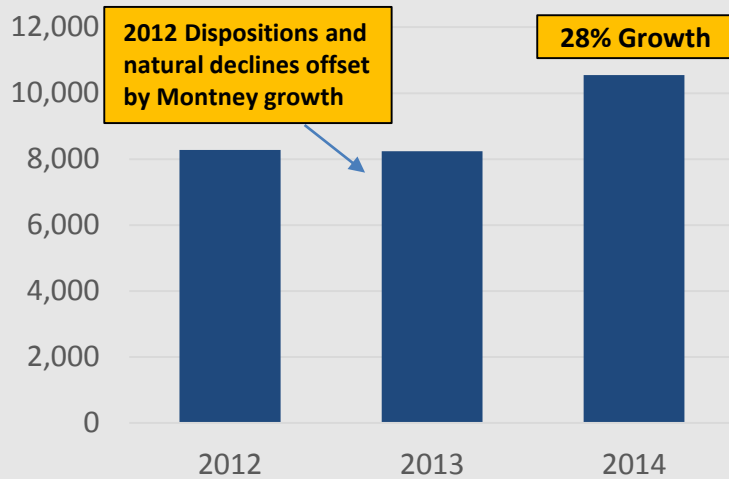


Cash Flow (\$ millions)

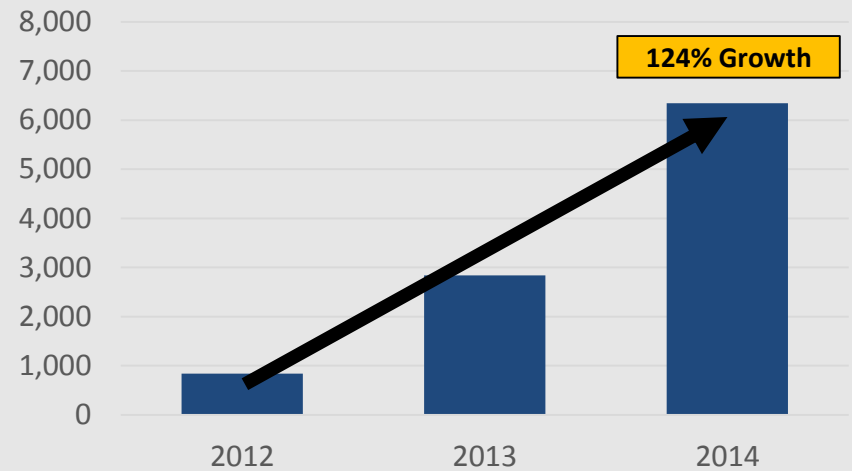


2012 TO 2014 PRODUCTION (BOE/D)

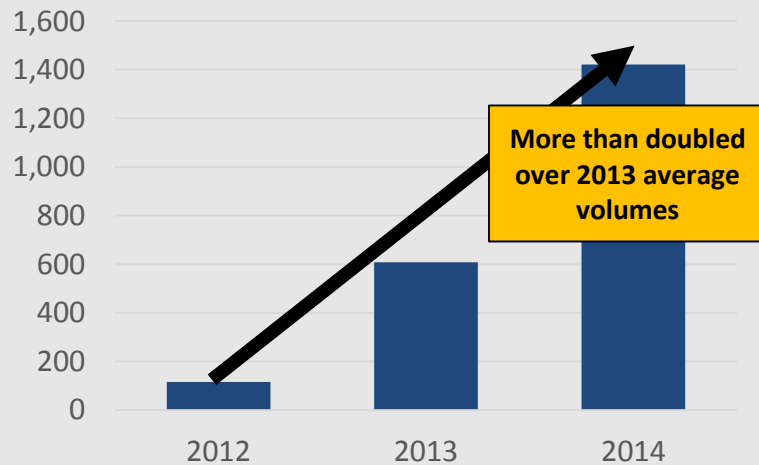
Delphi Production



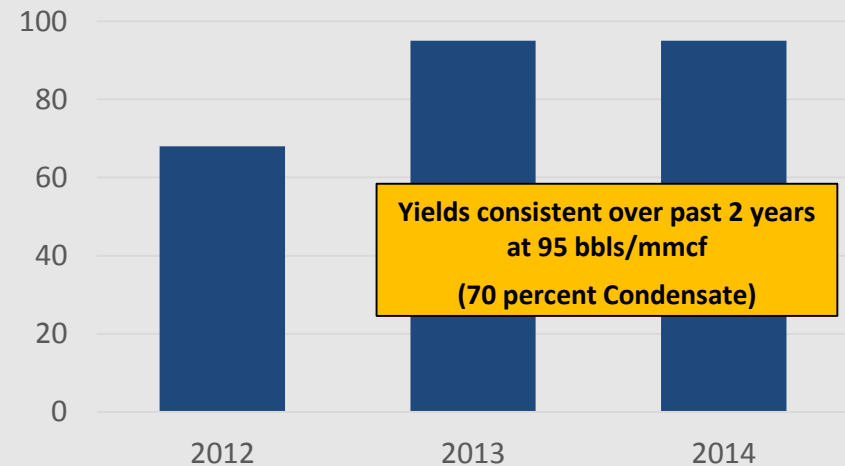
Montney Production



Field Condensate Production

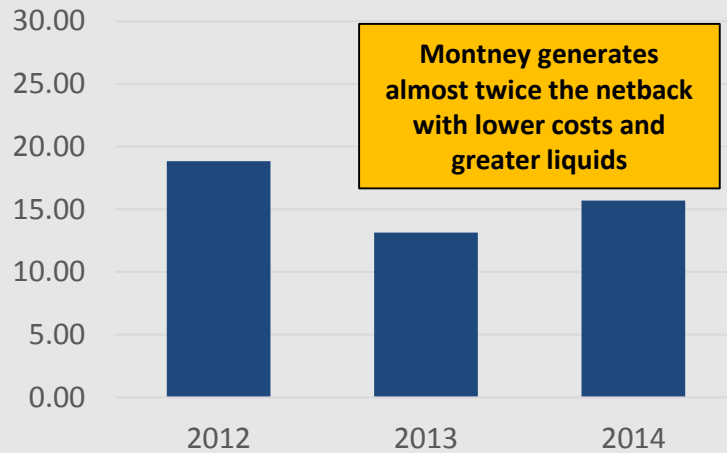


Montney Liquids Yield (bbls/mmcf)

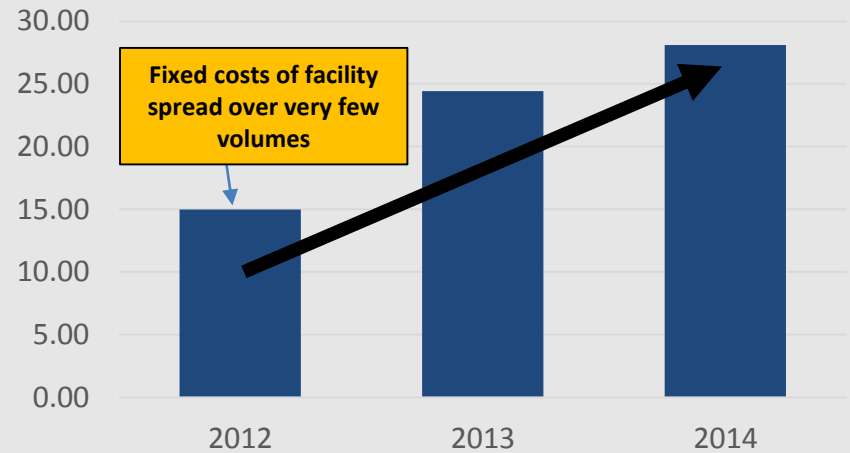


2012 TO 2014 NETBACK AND COSTS (\$/BOE)

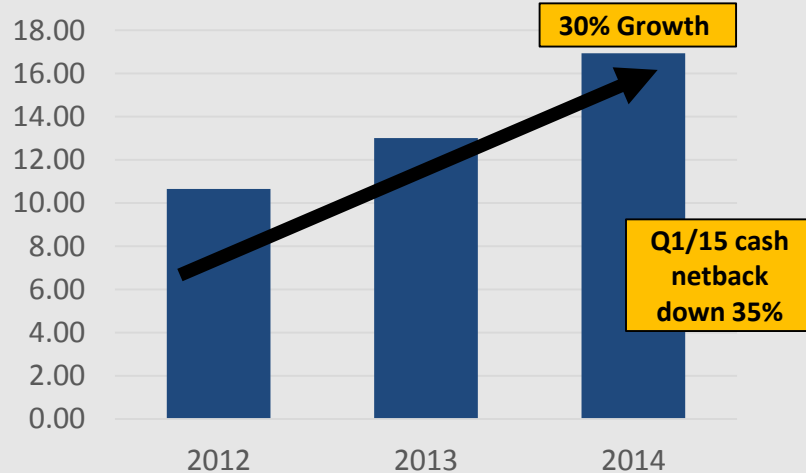
Legacy Asset Netbacks



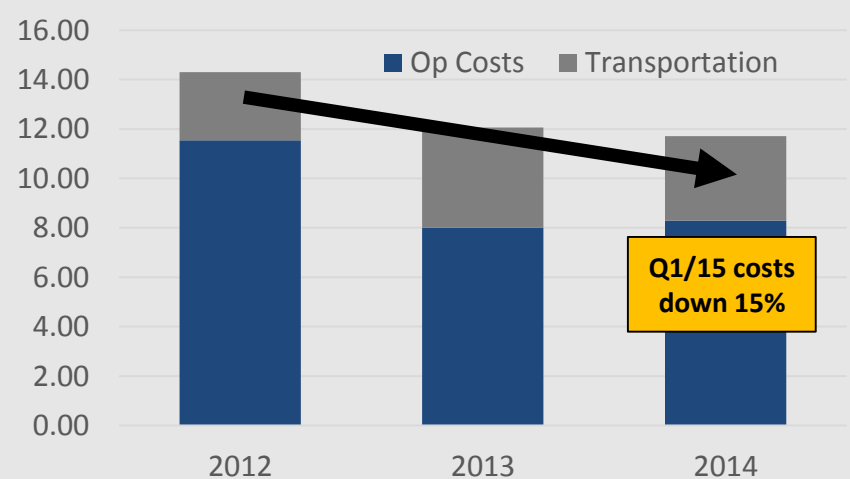
Montney Asset Netbacks



DEE Cash Netback



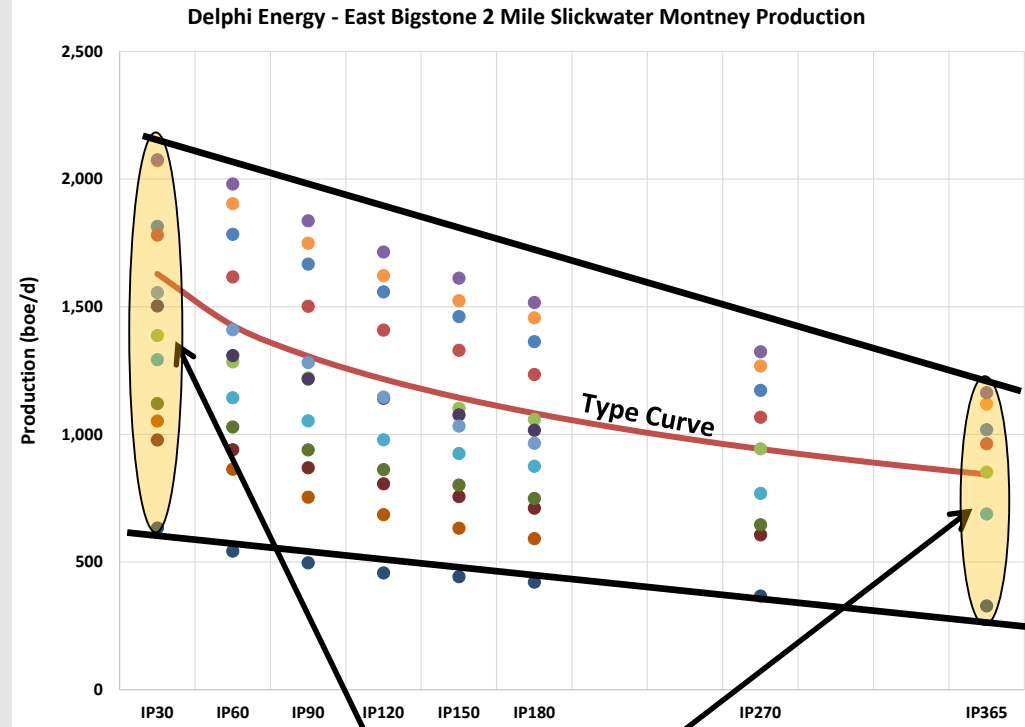
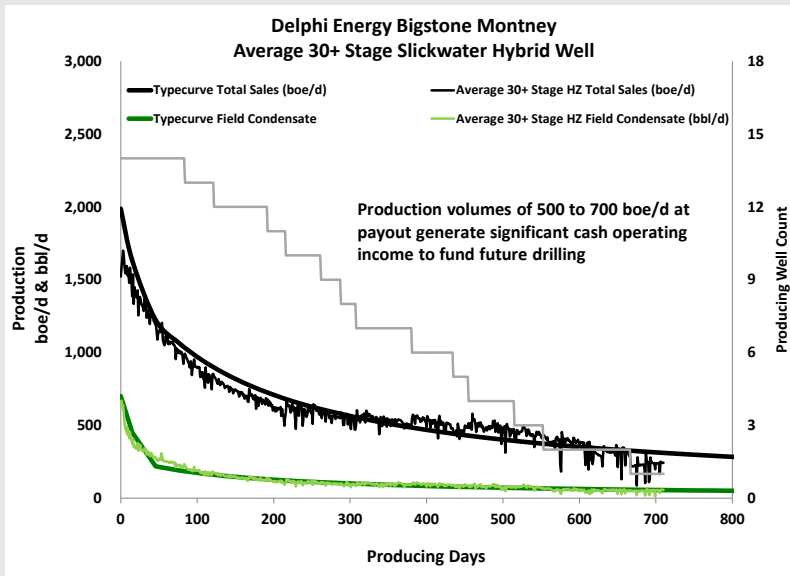
Montney Costs



BIGSTONE MONTNEY: PRODUCTION TRENDS

Value creation remains robust on GLJ January 2015 Price Deck

- Type Well NPV = \$13.9 million
- IRR = 85%
- PI = 2.5
- Payouts = 16 months



Convergence of rates over time

- Lower initial gas rate = lower decline

Condensate Yields

- Lower initial gas rate = higher yield
- Yields stabilize within first 3 months

BIGSTONE MONTNEY: INDIVIDUAL WELL DATA

Initial Production (IP) Rate Well Performance⁽¹⁾

Well ⁽²⁾		HZ Length (metres)	Number of Fracs	IP30 Total Sales (boe/d)	IP30 FCond Rate (bbls/d)	IP30 Total NGL Yield (bbl/mmcft)	IP90 Total Sales (boe/d)	IP180 Total Sales (boe/d)	IP270 Total Sales (boe/d)	IP365 Total Sales (boe/d)
Conventional Fracs (original completion technique)										
16-30	#1	2,760	20	1,099	273	104	798	558	454	395
05-02	#2	3,005	20	969	170	80	683	479	407	352
14-23	#3	2,238	20	1,570	223	70	939	635	532	445
Slickwater Hybrid Fracs (new completion technique)										
15-10	#4	1,424	20	991	194	86	842	660	559	482
12-17	S.BS Expl ⁽³⁾	1,848	26	865	199	102	719	554		
Type Well		2,400 – 3,000	30	1,629	449	119	1,306	1,083	943	843
10-27	#5	2,407	30	1,815	582	133	1,667	1,364	1,173	1,019
16-23	#6	2,809	30	1,781	465	108	1,502	1,235	1,068	964
15-24	#7	2,328	30	1,387	454	136	1,221	1,059	944	853
15-30	#8	3,014	30	2,076	566	113	1,837	1,517	1,324	1,164
15-21	#9	2,886	30	1,293	499	170	1,053	875	769	689
13-30	#10	2,593	30	2,075	655	136	1,750	1,457	1,268	1,119
02-01	#11	2,807	30	634	209	142	498	422	367	329
02-07	#12	2,702	30	1,116	327	126	940	750	647	
08-21	#13	2,692	30	978	280	123	870	712	607	
16-15	#14	2,949	30	1,503	298	91	1,217	1,017		
03-26	#15	2,601	30	1,053	330	134	755	592		
13-23	#16	2,161	30	1,556	400	111	1,282	966		
16-27	#17	2,883	40	1,659	413	108	1,296			
12-27	#18	2,662	30	1,670	593	154				
16-24	#19	2,802	40	waiting on completion						
Average Wells #5 through #18				1,471	434	128	1,222	997	907	877

(1) Average production calculated on operating days, excludes non-producing days. Includes estimated NGL gas plant recoveries.

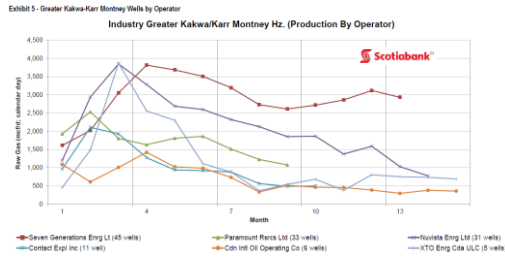
(2) Wells numbered chronologically.

(3) Initial Exploration Well on Delphi's South Bigstone Lands.

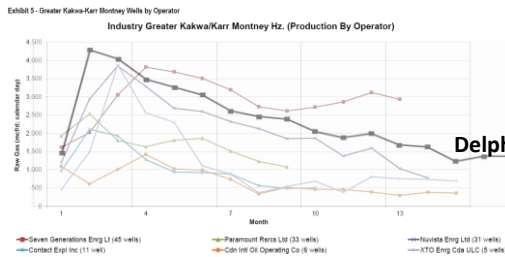
- **New wells 3X better:**
- **At Payout:**
 - 500-700 boe/d
 - Significant free cash flow

BIGSTONE MONTNEY: COMPARATIVES

Natural Gas Rate (Raw)

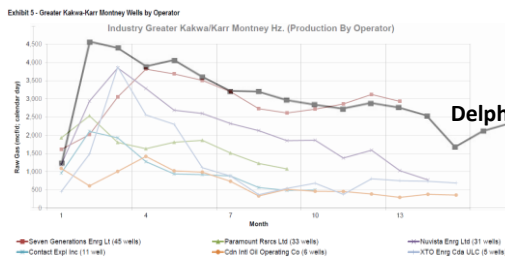


Delphi Energy – East Bigstone Montney (17 wells)



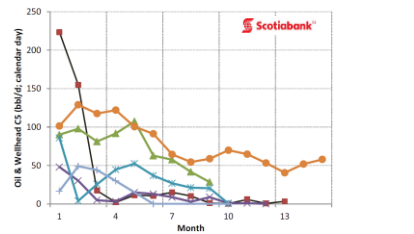
Delphi

Delphi Energy – East Bigstone Montney: 2 Mile, Slickwater Hybrid Fracs only (13 wells)

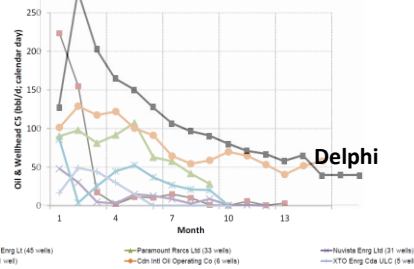


Delphi

Field Condensate Rate

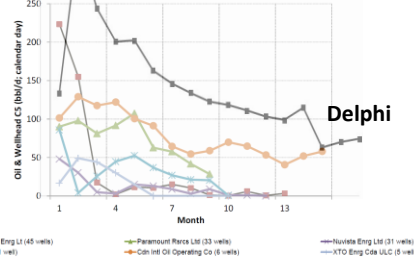


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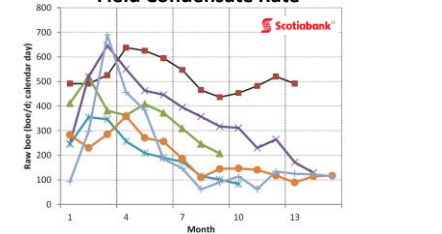
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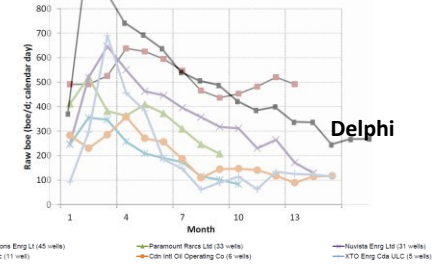


Delphi

Raw Gas Plus Field Condensate Rate

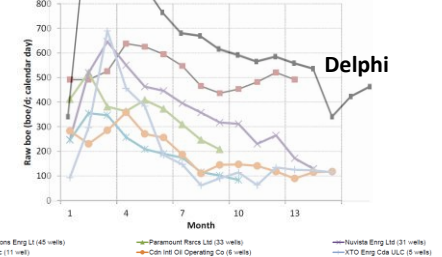


Delphi Energy – East Bigstone Montney (17 wells)



Delphi

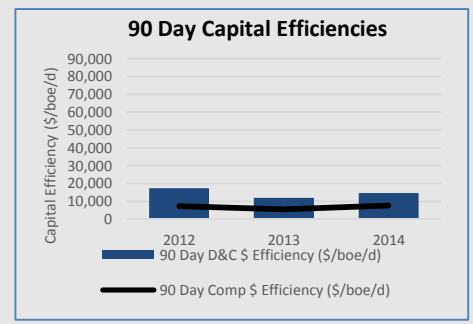
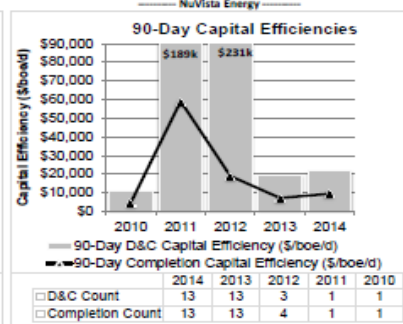
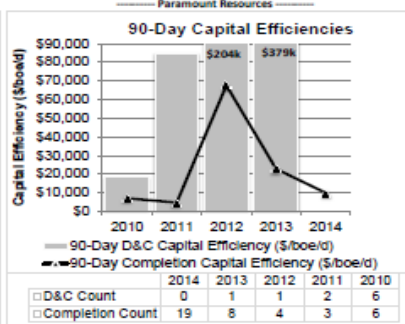
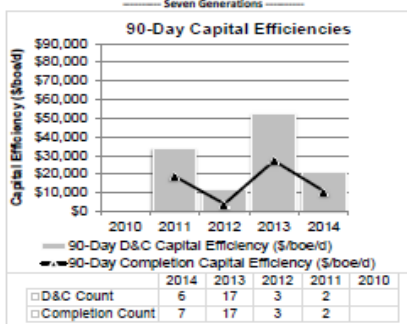
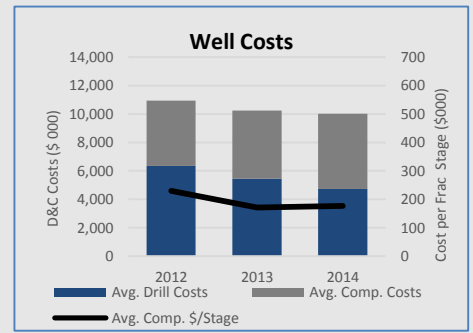
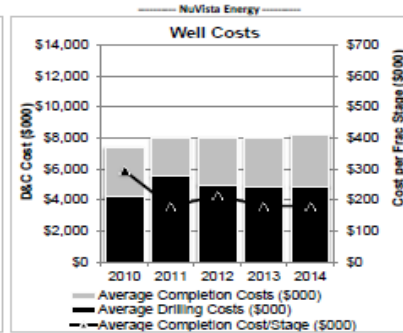
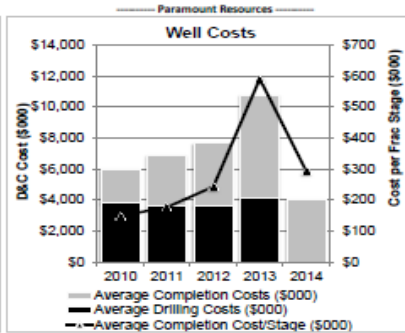
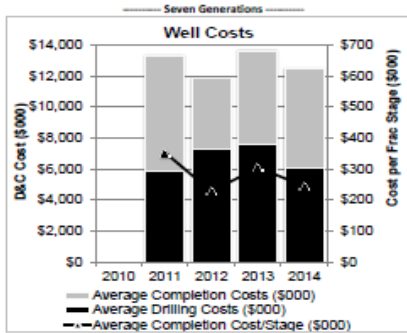
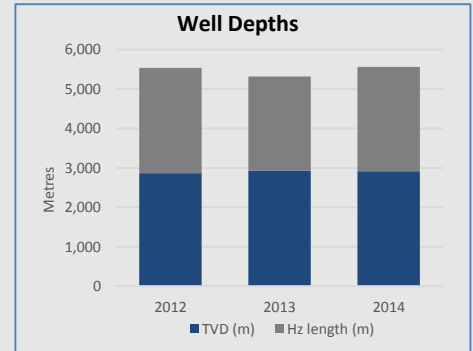
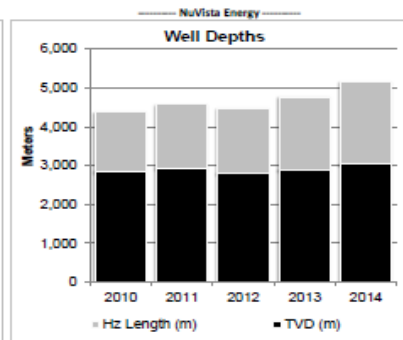
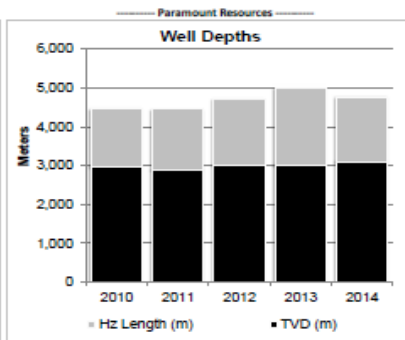
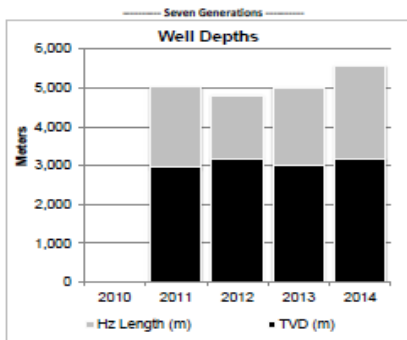
Delphi Energy – East Bigstone Montney: 2 Mile, Slickwater Hybrid Fracs only (13 wells)



Delphi

Public data of Delphi wells overlaid on Scotiabank Report published Jan 26, 2015

BIGSTONE MONTNEY: COMPARATIVES



Source: Canadian Discovery; GeoScout; Scotiabank GBM.

IP 90 production data taken from public sources

BIGSTONE MONTNEY: ECONOMICAL MODEL

Two Section Montney Horizontal w/ 30 - 40 stage Slickwater Hybrid Completion

Type Well ⁽¹⁾

Capital

Total	MM\$	\$9.2
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Initial Production (day 1)

Gas	mmcf/d raw	7.0
Initial Field Condensate	bbl/mmcf sales	79
Plant C3+ NGL Recovery	bbl/mmcf sales	40

Initial Production (IP30 - first 30 day average)

Gas	mmcf/d raw	6.4
Total Liquids (C3+)	bbl/mmcf sales	119
Total Liquids (C3+)	bbl/d	677

Total IP30	boe/d	1,629
Total Liquids IP30 (C3+)	bbl/d	677

Reserves (sales)

Gas	bcf	4.7
Liquids (C3+) ⁽²⁾	mmbbl	0.4
Total	mmboe	1.2

Economics/Metrics

Payout	yrs	1.3
ROR	%	85%
NPV 10	MM\$	\$13.9
F&D	\$/boe	\$7.74

(1) Economics ran using GLJ January 1, 2015 price forecast

(2) Stabilized Field Condensate beyond first month is 45 bbl/mmcf sales

(3) Type Well Reserves and Production performance are internal management estimates and may not reflect the actual performance of the wells. The estimates are used for illustrative purposes and internal corporate planning

(4) C3: Propane, C4: Butane, C5: Pentane



PREVIOUS 2014 ECONOMIC MODEL GLJ Jan 2014 Price Deck

- Payout = 0.9 years
- ROR = 140%
- NPV 10 = \$18.5 million

➤ 2015 MONTNEY DEVELOPMENT OBJECTIVES

▪ 2015 – Operational

- Focus on infill drilling
 - Mitigate operational risks and minimize capital requirements
- Continue to optimize frac design
- Pursuing long term processing arrangements
- Slow down the drilling program
 - 4-5 Wells Required to Maintain Corporate Production Rate and PDP Reserves

▪ 2015 – Financial

- Cash flow in current environment forecast to fund capital program
- Significant hedge position for natural gas and condensate production to protect cash flow and economic returns of the drilling program
- Focus on production optimization and cost reduction opportunities
- Continue with non-Montney disposition process and evaluation of non-dilutive sources of funding
 - Potential to reduce debt levels and increase capex

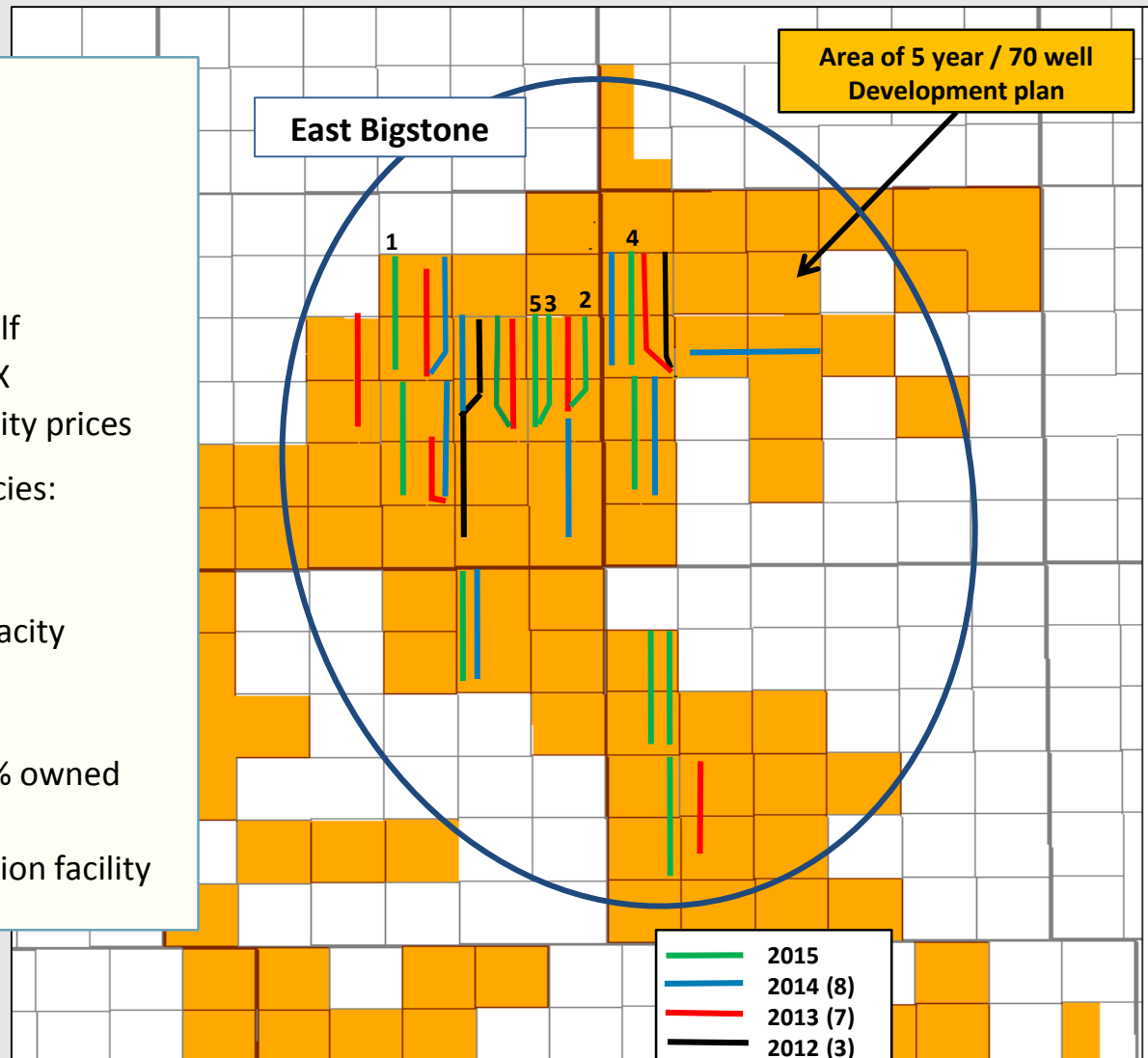
> BIGSTONE MONTNEY: 2015 DRILLING PROGRAM

2015 Drilling Plans Include:

- 4 to 5 HZ wells at East Bigstone
 - 2 wells drilled in first half
 - \$20 million CAPEX
 - <= First half cash flow
 - 2 - 3 wells drilled in second half
 - \$20 - \$30 million CAPEX
 - Contingent on commodity prices
- Primarily focused on capital efficiencies:
 - Pad drilling
 - Utilizing existing pipelines
 - Filling existing facilities to capacity

2015 Facility Projects Include:

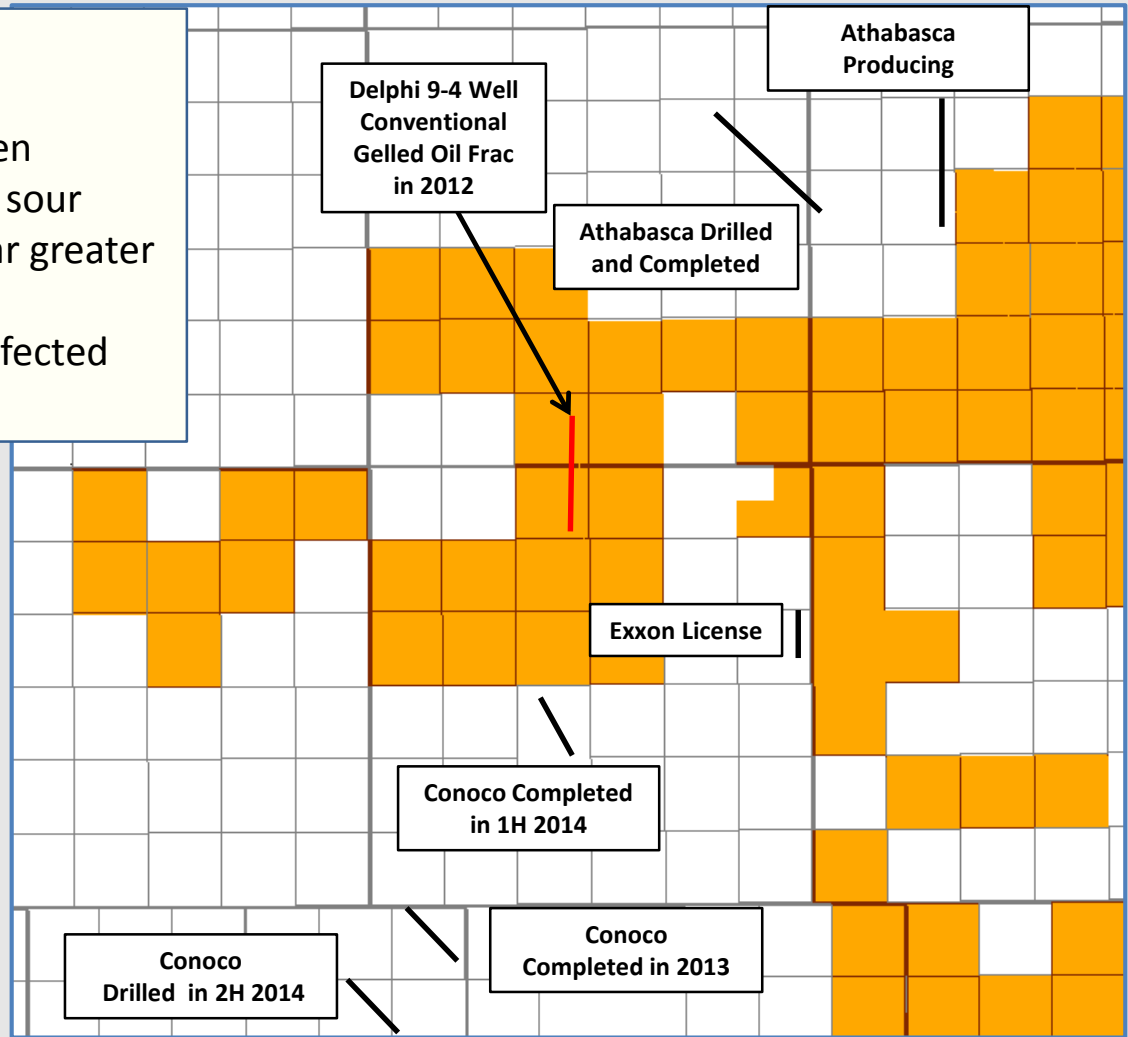
- Equip and commission Delphi's 100% owned water disposal facility
- Expand the 7-11 dehy and compression facility



WEST BIGSTONE MONTNEY: DE-RISKING

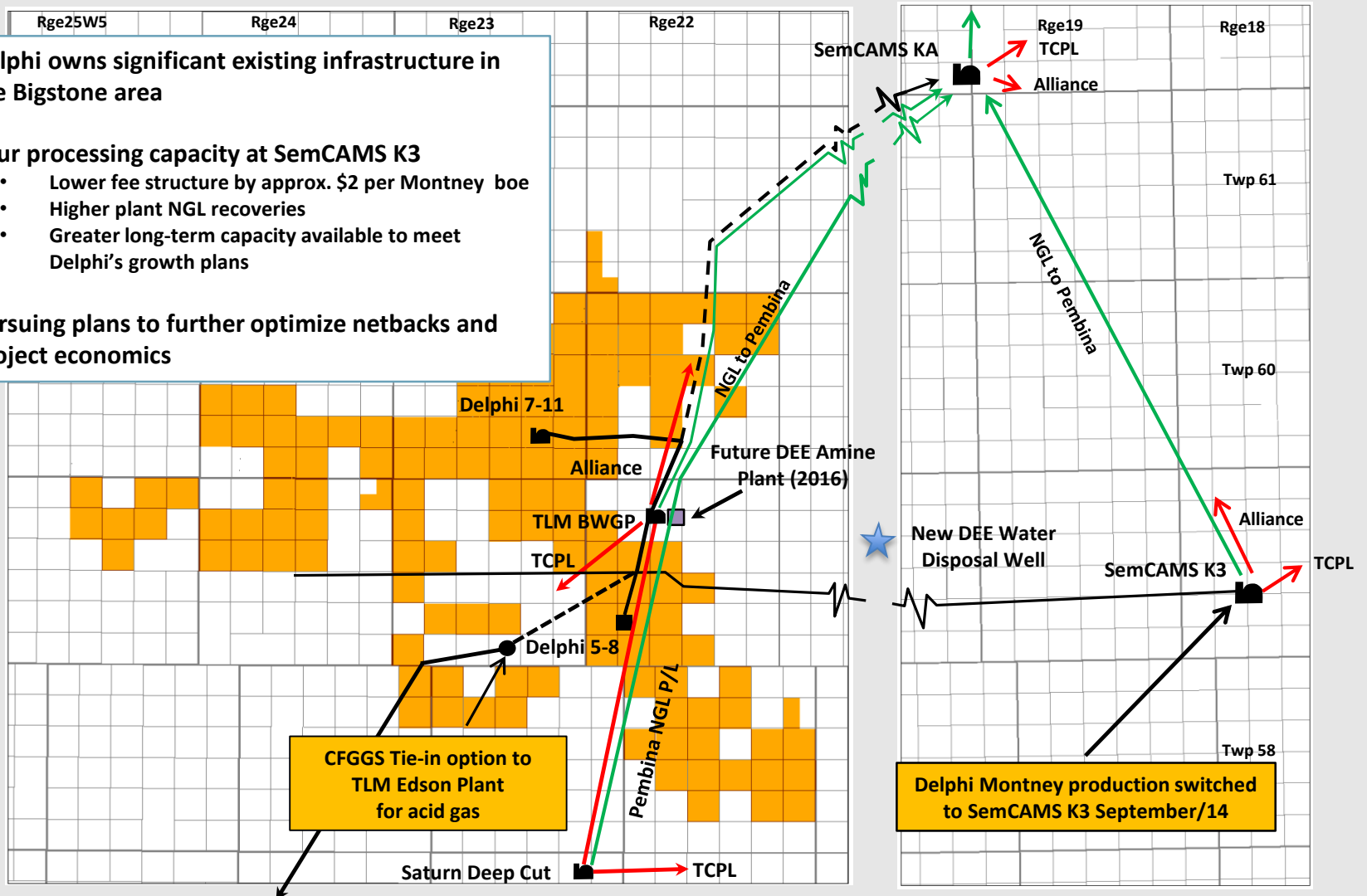
West Bigstone Montney:

- 27 sections (100% WI)
- Upper and middle Montney thicken
- Natural gas is sweet to marginally sour
- Condensate and NGL yields appear greater than East Bigstone
- Slickwater “frac design” being perfected with industry active in the area



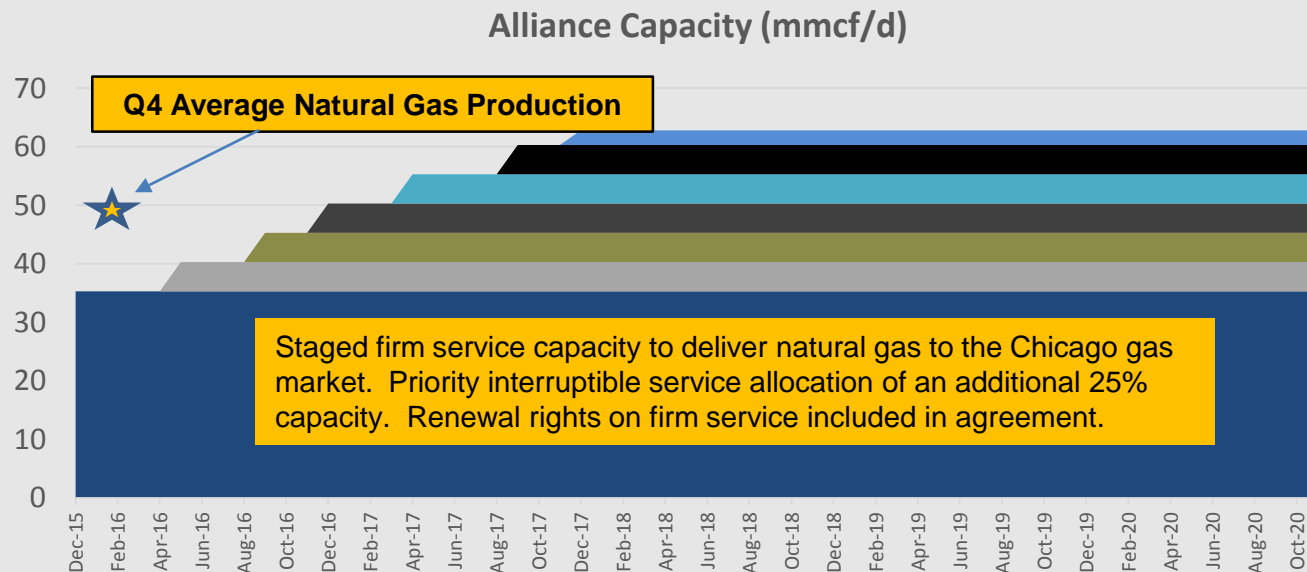
BIGSTONE MONTNEY: STRATEGIC INFRASTRUCTURE

- Delphi owns significant existing infrastructure in the Bigstone area
- Sour processing capacity at SemCAMS K3
 - Lower fee structure by approx. \$2 per Montney boe
 - Higher plant NGL recoveries
 - Greater long-term capacity available to meet Delphi's growth plans
- Pursuing plans to further optimize netbacks and project economics



➤ BIGSTONE MONTNEY: ALLIANCE FIRM SERVICE

- Delphi's operations are located in the most active corridor of the Deep Basin (Montney and Duvernay) and the significant increase in area volume deliverability has constrained market access for companies that do not hold Firm service
- TCPL transportation disruptions due to NEB mandated inspections and Alliance restrictions due to ongoing maintenance have magnified the deliverability constraint in the local area
- Access to Firm transportation is critical for both Natural Gas and NGLs
- Delphi has taken in-house the direct responsibility for its natural gas marketing and as a current direct TCPL and Alliance shipper, was well positioned to respond to the current market conditions
- As a result, Delphi has made the corporate decision to market its gas volumes to an end-user market via Alliance transportation and physical delivery to the Chicago gas market



➤ HEDGING PROGRAM: PROTECTING CASH FLOW

Natural Gas (Cdn)	<u>2015</u>	<u>2016</u>	<u>2017</u>	
Volume (mmcf/d)	35.9	10.9	2.4	
% Hedged ⁽¹⁾	72%	22%	5%	
Fixed Price (Cdn \$/mcf)	\$3.56	\$3.68	\$3.96	
Strip Price (Cdn \$/mcf)	\$2.72	\$2.99	\$3.18	
Natural Gas (US)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Volume (mmcf/d)	7.0	20.0	15.0	10.0
% Hedged ⁽¹⁾	14%	40%	30%	20%
Fixed Price (US \$/mcf)	\$2.96	\$3.61	\$3.66	\$3.56
Strip Price (US \$/mcf)	\$2.83	\$3.13	\$3.29	\$3.36
% US Revenue Hedged	87%	62%	26%	23%
US/Cdn Hedge FX Rate	\$1.233	\$1.242	\$1.254	\$1.257
Crude Oil	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Volume (bbls/d)	1,220	800	800	800
% Hedged ⁽¹⁾	58%	38%	38%	38%
Floor Price (WTI Cdn \$/bbl)	\$80.00	\$78.50	\$78.50	\$78.50
Ceiling Price (WTI Cdn \$/bbl) ⁽²⁾	-	\$85.00	\$85.00	\$85.00
Strip Price (WTI Cdn \$/bbl)	\$73.98	\$76.85	\$79.04	\$80.76

(1) Percent hedged is based on average natural gas production of 50 mmcf/d and 2,100 bbls/d of condensate and C5+.

(2) 400 bbls/d have upside to a ceiling price of \$85.00 per barrel at a deferred cost of \$4.02 per barrel.

March 31, 2015 Mark-to-Market value of \$23.8 million

➤ 2015 GUIDANCE

	2014 Actuals	2015 Guidance	% Change
Average Annual Production (boe/d)	10,549	10,500 – 11,500	+ 4%
Exit Production Rate (boe/d)	11,500	11,000 – 11,500	- 2%
AECO Natural Gas Price (Cdn \$ per mcf)	\$4.48	\$2.50	- 44%
WTI Oil Price (US \$ per bbl)	\$93.50	\$55.00	- 41%
Foreign Exchange Rate (Cdn/US)	1.10	1.25	+ 14%
Wells Drilled	8 gross	4 gross	- 50%
Net Capital Program (\$ million)	\$101.9	\$45.0 – \$50.0	- 53%
Funds from Operations (\$ million)	\$65.2	\$45.0 – \$50.0	- 27%
Net Debt at December 31 (\$ million)	\$173.7	\$170.0 – \$175.0	- 1%
Net Debt / Q4 FFO (annualized)	2.7	3.3 – 3.5	+ 26%

> DELPHI SUMMARY

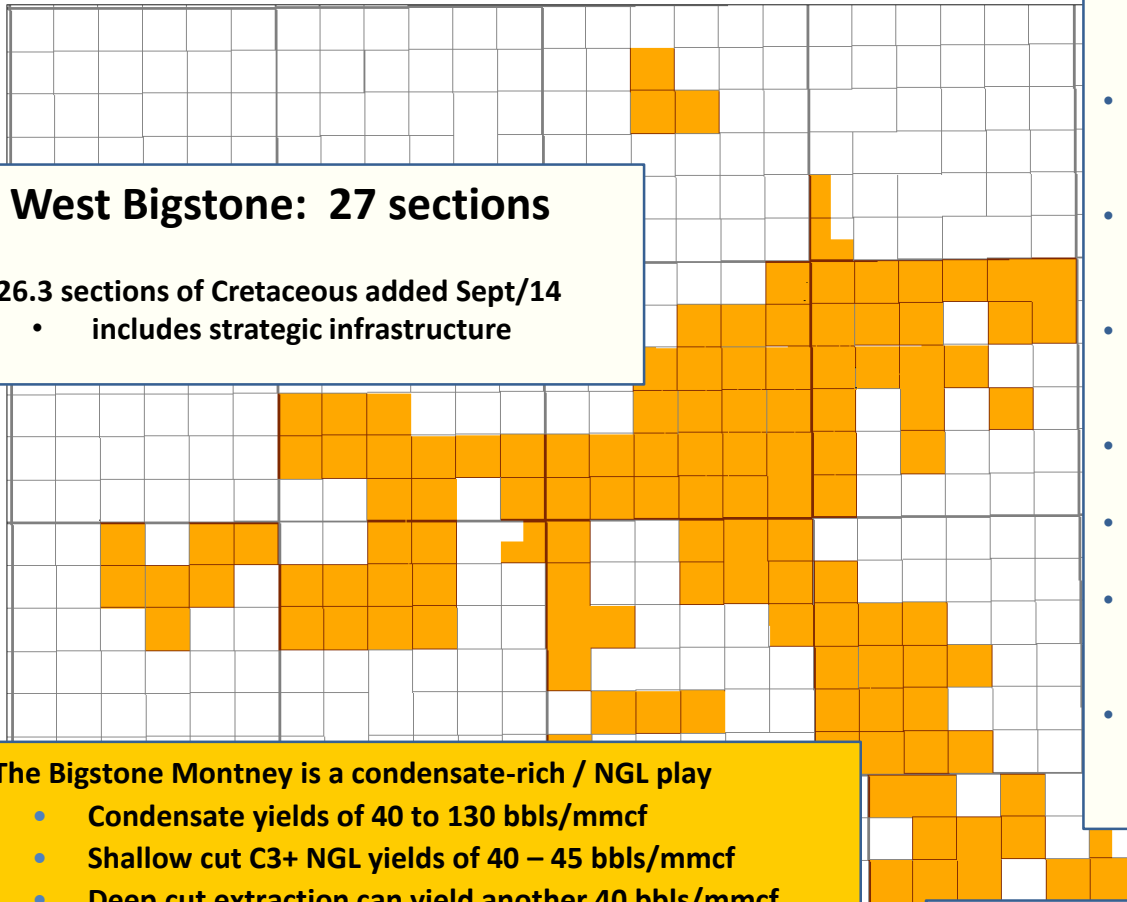
- **Bigstone Montney is a Top Tier growth asset:**
 - Large Montney land base of 138 sections
 - Favorable economics and attractive capital efficiencies
 - Remains economic in the trough of the commodity price cycle
- **Cash generating capability supported by Montney growth**
 - Montney field netbacks top tier with NGL cocktail mix
 - NGL Yields (C3+) of approx. 95 bbls/mmcft
 - average 70% Condensate
 - Continue to drive down costs (OPEX and CAPEX)
- **Bigstone Montney development will continue through 2015:**
 - Forecasting 10 to 15% growth in Montney production
 - Moderating capital spending to within cash flow generated given the current commodity price environment



APPENDIX



➤ BIGSTONE MONTNEY: ASSEMBLED 138 SECTIONS



West Bigstone: 27 sections

- 26.3 sections of Cretaceous added Sept/14
 - includes strategic infrastructure

East Bigstone: 78 sections

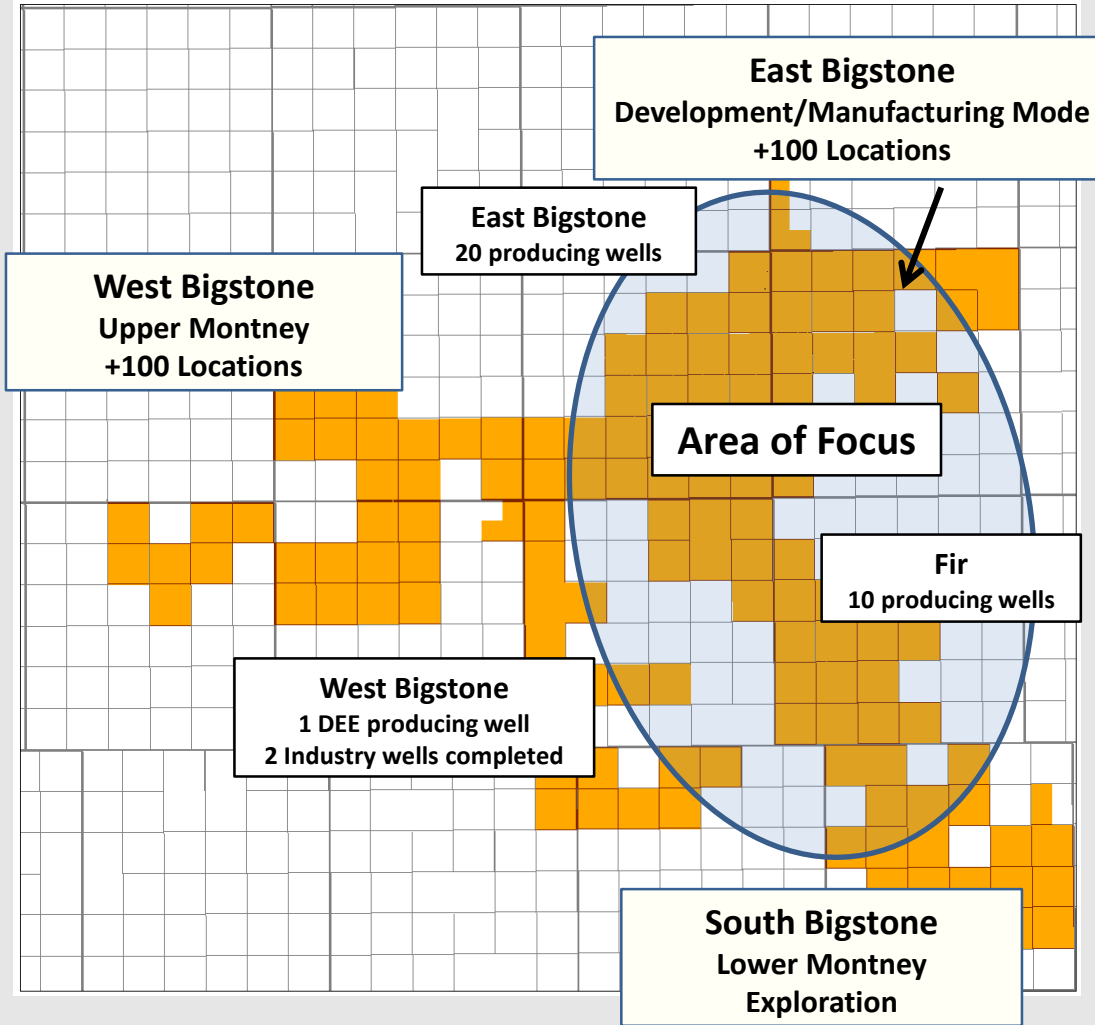
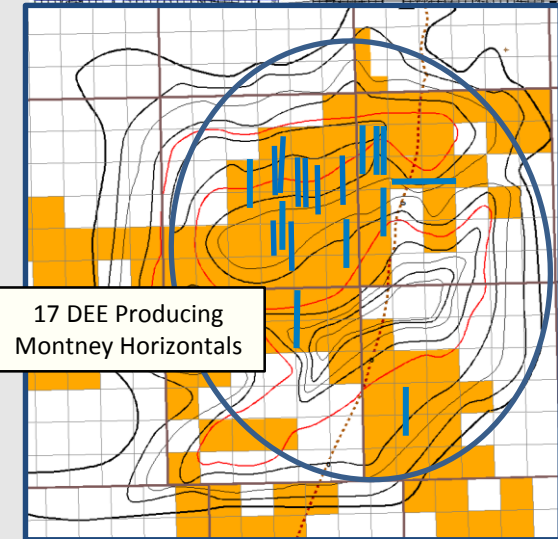
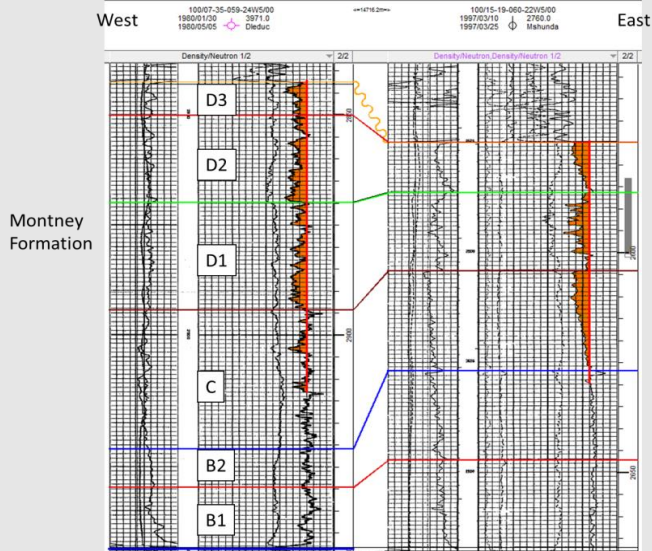
- Held 4 sections of legacy Montney rights below existing DEE production
- Added 12 sections of Montney rights through acquisition and farm-in in 2011/12
- Farm-in added an additional 2.5 sections (75% WI)
- Acquisition added 30 gross (89% WI)
- Farm-in adds 10 sections (100% WI)
- Recent Crown sales and acquisitions add 11 sections
- Recent acquisition of 8.0 sections (3.5 net) added Sept/14

- The Bigstone Montney is a condensate-rich / NGL play
 - Condensate yields of 40 to 130 bbls/mmcf
 - Shallow cut C3+ NGL yields of 40 – 45 bbls/mmcf
 - Deep cut extraction can yield another 40 bbls/mmcf
- More than **200** two mile HZ locations for full development
- Average land cost of \$350,000 per net section

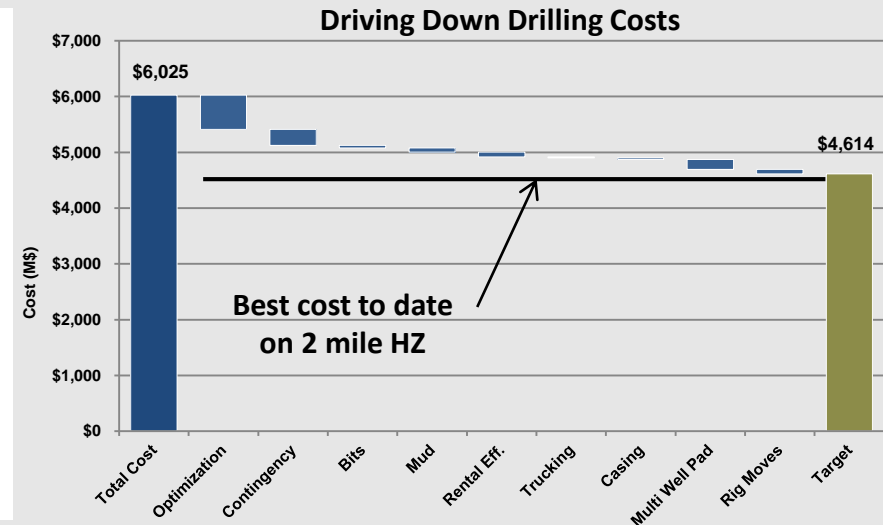
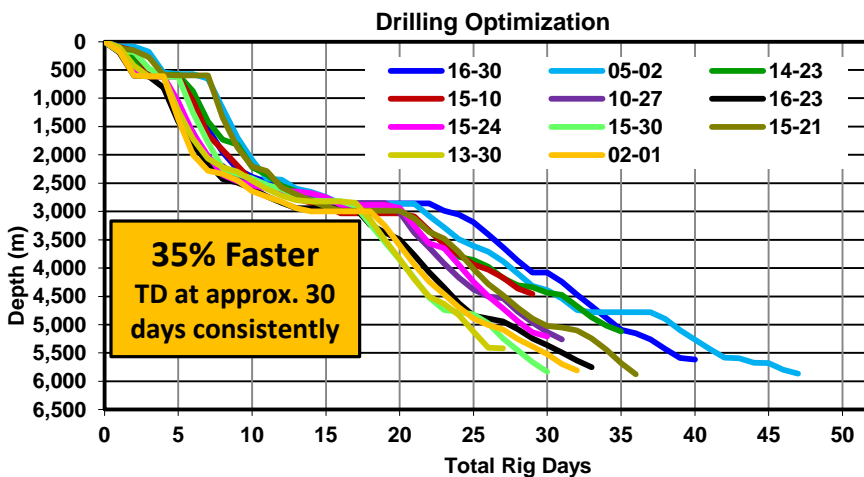
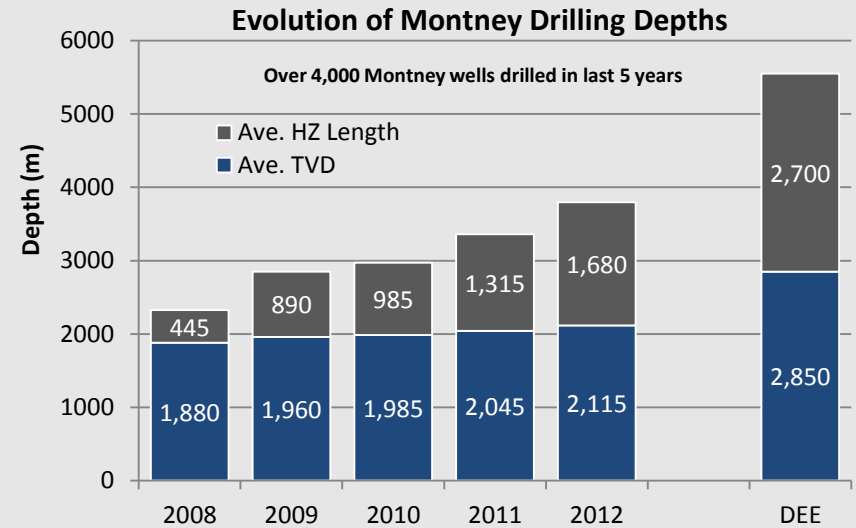
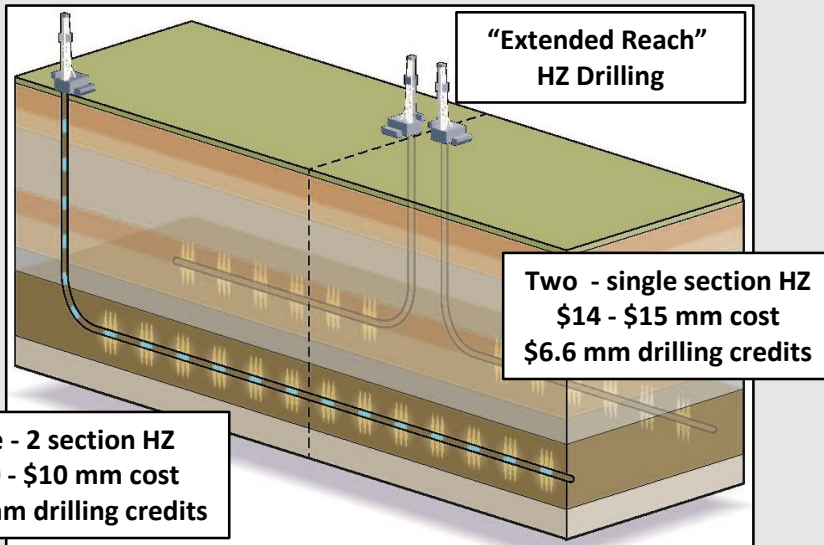
South Bigstone: 33 sections

Farm-in added an additional 32.5 sections (75% WI)
Includes Nordegg/Montney rights

BIGSTONE MONTNEY: PLAY EVOLUTION

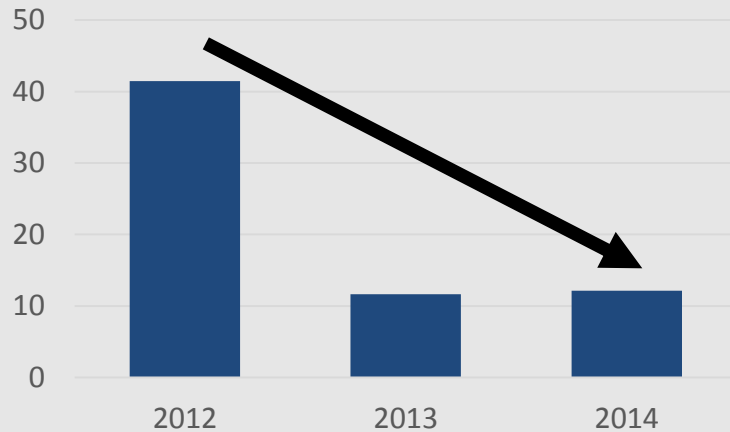


BIGSTONE MONTNEY: WELL DESIGN

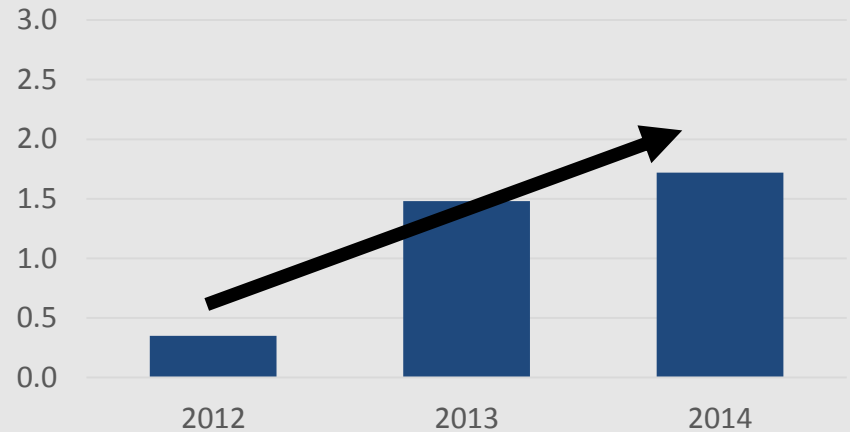


2012 TO 2014 RESERVES METRICS

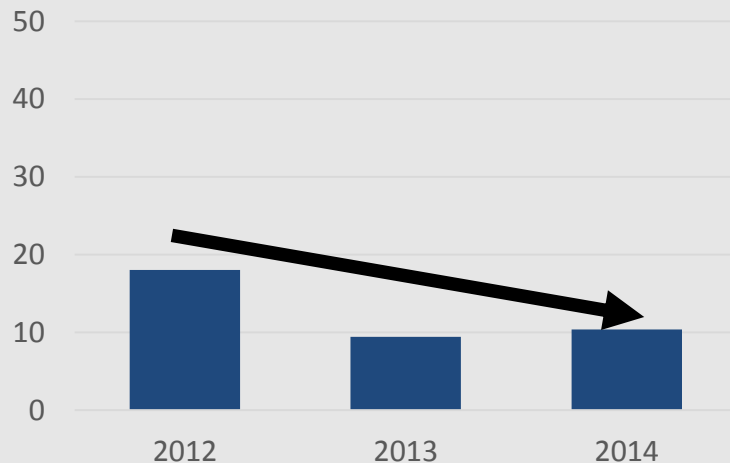
F,D&A-Proven (\$/boe)



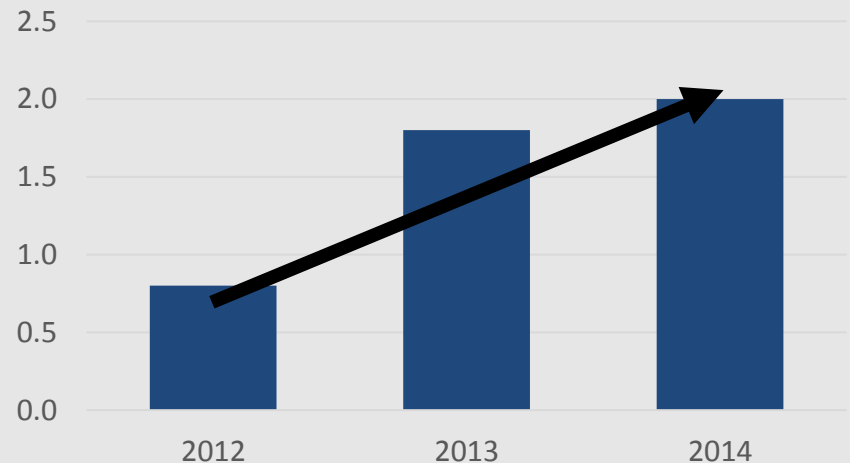
Recycle Ratio-Proven



F,D&A-2P (\$/boe)

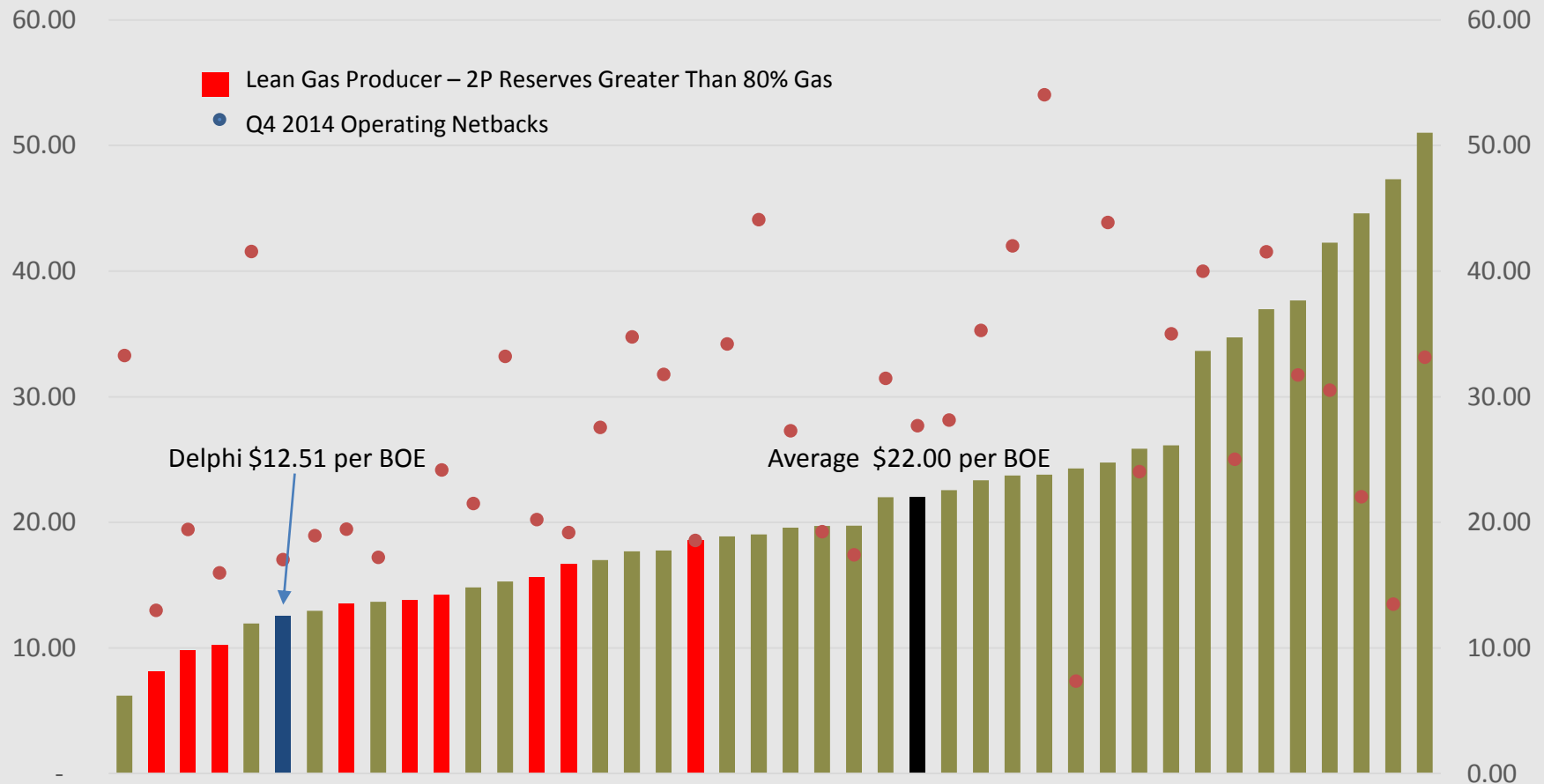


Recycle Ratio-2P



2014 F&D AND Q4 2014 NETBACKS: COMPARATIVES

F&D Costs (Proven) and Q4 2014 Netbacks per BOE



Company reported F&D and lean gas stat as compiled by Scotiabank as of April 6, 2015.
 Q4 2014 Netbacks compiled internally from public information.



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