



DELPHI ENERGY CORP.

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DELPHI ENERGY ANNOUNCES CLOSING OF PEACE RIVER ARCH ACQUISITION

CALGARY, ALBERTA – July 24, 2008 – Delphi Energy Corp. (TSX:DEE) is pleased to report that it has closed the previously announced acquisition of oil and natural gas properties producing approximately 650 barrels of oil equivalent per day (boe/d), predominantly located in the Peace River Arch of northwest Alberta and northeast British Columbia and directly north of the Company's Hythe area.

The total purchase price, after closing adjustments, is \$37.3 million and includes undeveloped land and seismic with an estimated value of approximately \$5.9 million. All but one minor "right of first refusal" (ROFR) provisions were waived or allowed to expire by the third parties holding such rights. The acquisition has primarily been funded by the Company's \$30.0 million financing, which closed on July 17, 2008, with the remainder being funded from the Company's credit facilities.

The remaining minor ROFR provision must be either exercised or allowed to expire by the third party no later than July 28, 2008. If unexercised or waived, the Company will close on the associated minor property by July 31, 2008 for approximately \$0.8 million.

PROPERTY ACQUISITION

The properties are characterized as stable, low decline, high netback production with an acquisition cost, after closing adjustments, of \$49,500 per producing barrel, primarily weighted towards natural gas (80 percent) on approximately 24,000 net acres of developed land. The Company will acquire approximately 1.2 million boe of proven reserves and 1.6 million of proven plus probable reserves at an average purchase price of \$26.14 per proven boe and \$20.15 per proven plus probable boe, excluding the estimated value of undeveloped land and seismic. The reserve estimates are in accordance with NI 51-101 with 98 percent of the reserves classified in the producing category.

The acquisition includes ownership in key natural gas infrastructure to support future growth from several areas. This infrastructure includes a 100 percent working interest in the Clayhurst Gas Plant with capacity of 10.0 million cubic feet per day (mmcf/d), a 5.8 percent working interest in the Progress Gas Plant with capacity of 142.0 mmcf/d and ownership in additional field compression and gathering systems throughout the properties. The Company believes significant development and exploration potential exists on the 35,000 net acres of undeveloped land (a 39 percent increase to Delphi's undeveloped land position) with 292 kilometres of 2D seismic included in the acquisition.

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.

FOR FURTHER INFORMATION PLEASE CONTACT:

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This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “may”, “will”, “should”, “believe”, “intends”, “forecast”, “plans”, “guidance” and similar expressions are intended to identify forward-looking statements or information.

More particularly and without limitation, this press release contains forward looking statements and information relating to the Company’s risk management program, petroleum and natural gas production, future funds flow from operations, capital programs, natural gas prices and debt levels. The forward-looking statements and information are based on certain key expectations and assumptions made by Delphi, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling new wells, the capital availability to undertake planned activities and the availability and cost of labour and services.

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. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ 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, the ability to access sufficient capital from internal and external sources 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 reports on file with the applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). The forward-looking statements and information contained in this press release are made as of the date hereof 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.

A barrel of oil equivalent (boe), derived by converting gas to oil in the ratio of six thousand cubic feet of gas to one barrel of oil, may be misleading, particularly if used in isolation. A boe conversion is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.