



1500, 444 – 5 Avenue S.W.
Calgary, Alberta T2P 2T8

Telephone: (403) 265-6171
Facsimile: (403) 265-6207
Website: www.delphienergy.ca
Email: info@delphienergy.ca

press release

DEE – TSX

**DELPHI ENERGY CORP. ANNOUNCES COMMON SHARE AND DEBT FINANCING
AND MAILING OF ITS TAKE-OVER BID CIRCULAR FOR ITS PREVIOUSLY
ANNOUNCED CORPORATE ACQUISITION**

CALGARY, ALBERTA – November 3, 2004 – Delphi Energy Corp. ("Delphi") is pleased to announce that it has entered into a financing agreement with a syndicate of underwriters, led by GMP Securities Ltd., and including Dundee Securities Corporation, Acumen Capital Finance Partners Ltd. and First Associates Investments Inc. (collectively the "Underwriters"), pursuant to which it has agreed to issue and sell and the Underwriters have agreed to purchase on a "bought deal" basis 7,272,727 subscription receipts, each subscription receipt being exchangeable without further payment into one common share of Delphi upon the completion of the previously announced (Delphi press release dated October 26, 2004) acquisition of a private Alberta oil and gas company ("PrivateCo"). The subscription receipts will be issued at a price of \$2.20 each, resulting in gross proceeds of \$16,000,000. In addition Delphi has granted to the Underwriters an option to increase the size of the offering of subscription receipts by \$4,000,000 at the same price. This financing is subject to normal regulatory approvals, including the approval of the Toronto Stock Exchange. The subscription receipts will be offered in certain of the provinces of Canada by way of private placement pursuant to applicable prospectus exemptions. Closing is expected to occur on or about November 16, 2004 and the gross proceeds will be held in trust pending use for the acquisition of the issued and outstanding shares of PrivateCo.

Delphi is also pleased to announce that it has entered into a letter agreement with a Canadian chartered bank to secure sufficient debt financing to, in addition to the proceeds from the subscription receipt financing, satisfy the cash requirements for the acquisition of PrivateCo.

Delphi will mail its all cash offer and take-over bid circular to securityholders of PrivateCo today, which offer will be open for acceptance until 12:01 a.m. (Calgary time) on December 9, 2004. Delphi is pleased to advise that as of close of business on November 2, 2004, holders of securities of PrivateCo owning in excess of 90% of the issued and outstanding securities of PrivateCo have entered into lock-up agreements pursuant to which they have agreed to tender their securities to Delphi's offer.

Delphi Energy is a Calgary-based company engaged in the exploration, development and production of oil and natural gas in Western Canada.

David J. Reid
President and Chief Executive Officer

DELPHI ENERGY CORP.
1500, 444 – 5th Avenue S.W.
Calgary, Alberta T2P 2T8
Telephone: (403) 265-6171
Facsimile: (403) 265-6207
Website: www.delphienergy.ca
Email: info@delphienergy.ca

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAW.

Certain information regarding the Company contained herein may constitute forward-looking statements under applicable securities laws. Such statements are subject to known or unknown risks and uncertainties that may cause actual results to differ materially from those anticipated or implied in the forward-looking statements.