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press release

DEE – TSX

DELPHI ENERGY CORP. ANNOUNCES “BOUGHT DEAL” FINANCING

CALGARY, ALBERTA – December 14, 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, First Associates Investments Inc. and Acumen Capital Finance Partners Ltd. (collectively the “Underwriters”), to issue and sell on a “bought deal” basis, flow-through common shares for gross proceeds of \$5,000,002.40 and common share subscription receipts for gross proceeds of \$20,000,002.90.

Delphi will issue 1,351,352 flow-through common shares at an issue price of \$3.70 per share. Proceeds of the offering will be used to incur Canadian exploration expenses associated with the joint venture exploration drilling program announced in Delphi’s December 6, 2004 press release and will renounce such expenditures to subscribers effective on or before December 31, 2004.

Delphi will also issue 6,779,662 subscription receipts at an issue price of \$2.95 per subscription receipt, each subscription receipt being exchangeable, without action on the part of the holder or further payment, into one common share of Delphi upon closing of the property acquisition announced in Delphi’s December 6, 2004 press release. In addition, Delphi has granted to the Underwriters an option to increase the size of the offering of subscription receipts by \$5,000,002.20 at the same price. Proceeds of the subscription receipt offering will be used to fund the subject property acquisition.

This financing is subject to normal regulatory approvals, including the approval of the Toronto Stock Exchange. The flow-through common shares and 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 December 30, 2004.

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

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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.