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PRESS RELEASE

DEE – TSX

DELPHI ENERGY CORP. ANNOUNCES “BOUGHT DEAL” FINANCING

CALGARY, ALBERTA – December 8, 2005 – 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 L.P. and Dundee Securities Corporation, (the “Underwriters”) to issue and sell on a "bought deal" basis, 2,500,000 common shares of Delphi at \$5.60 per share, for gross proceeds of \$14,000,000.

Net proceeds of the offering will initially be used to reduce bank debt and subsequently fund the Company’s previously announced capital program and general corporate purposes.

The financing is subject to normal regulatory approvals, including approval of the Toronto Stock Exchange. The common shares will be offered in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario by way of short form prospectus. Closing is expected to occur on or before December 21, 2005.

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 currently producing approximately 5,300 boe/d, weighted 90 percent to natural gas and natural gas liquids. Delphi trades on the Toronto Stock Exchange under the symbol DEE.

FOR FURTHER INFORMATION PLEASE CONTACT:

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