DELPHI ENERGY CORP.

PRESS RELEASE STRATEGY. EXECUTION. RESULTS.

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DELPHI ENERGY REPORTS SIGNIFICANT GROWTH IN RESERVES, RECORD PRODUCTION AND PROVIDES 2009 GUIDANCE

CALGARY, ALBERTA – February 11, 2009 – Delphi Energy Corp. ("Delphi" or "the Company") is pleased to report its crude oil and natural gas reserves information for the year ended December 31, 2008 and provide an operational update for the fourth quarter of 2008 and the winter drilling season.

Highlights

- During the year ending December 31, 2008 the Company drilled 23 (16.6 net) wells with an overall success rate of 99 percent based on net wells. During the fourth quarter, Delphi drilled three (2.5 net) gas wells resulting in a 100 percent success rate.
- Achieved record production of 6,708 barrels of oil equivalent per day (boe/d) in the fourth quarter, marking the seventh consecutive quarter of production growth. Production for full year 2008 is 6,345 boe/d, representing a 19 percent increase over 2007 volumes.
- Increased total proved reserves by 33 percent to 15.1 million barrels of oil equivalent and total proved plus probable reserves by 28 percent to 22.0 million barrels of oil equivalent. Total proved plus probable reserves per basic share outstanding increased by 10 percent.
- Estimated net asset value per share increased by 22 percent to $3.16 based on before tax net present value of total proved plus probable reserves discounted at ten percent.
- Accumulated a contiguous land block of 8,000 gross acres (5,250 net acres) targeting a Doig / Montney play in northeast British Columbia.
- Delphi has 50 percent of its current 2009 production hedged at a floor price of $7.42 per mcf, which is 35 percent higher than the current forward AECO strip.

	2008	2007	% Change
Reserves at December 31			
Proved Producing, mboe	**10,914**	9,053	21
Proved Developed Non-producing, mboe	**1,534**	1,400	10
Proved Undeveloped, mboe	**2,689**	894	201
Total Proved, mboe	**15,138**	11,347	33
Probable, mboe	**6,879**	5,913	16
Proved plus Probable, mboe	**22,016**	17,260	28
Proved plus Probable Reserves per 1,000 Shares, boe	**278.4**	253.6	10
Reserve Replacement Ratio (Proved plus Probable)	**3.03**	0.97	212
Production, boe/d	**6,345**	5,323	19
Production per million Shares, boe/d	**80.2**	78.2	3
Reserve Life Index (Proved plus Probable)	**9.5**	8.9	7
Operating Netback, $/boe	**$33.82**	$30.76	10
Recycle Ratio (Proved plus Probable)	**1.63**	1.43	14
Estimated Net Asset Value (10% disc), $ per share	**$3.16**	$2.60	22
P+P Finding and Development Cost excluding FDC, $/boe	**$13.27**	$15.03	(12)
P+P Finding, Development and Net Acquisition Cost including FDC, $/boe	**$20.69**	$21.49	(4)

Certain financial and operating information included in this press release for the quarter and year ended December 31, 2008, such as finding and development costs, production information, operating netbacks, recycle ratios and net asset value calculations, are based on estimated unaudited financial results for the year ended December 31, 2008 and are subject to the same limitations as discussed under forward-looking statements outlined at the end of this release. These estimated amounts may change upon completion of the audited financial statements for the year ended December 31, 2008 and those changes may be material.

OPERATIONS UPDATE

Through the winter program Delphi achieved 100 percent drilling success, record production volumes and has been successful with its ongoing land acquisition strategy.

Drilling

During the fourth quarter, Delphi drilled three (2.5 net) natural gas wells resulting in a 100 percent success rate. During the year ending December 31, 2008 the Company drilled 23 (16.6 net) wells with an overall success rate of 99 percent based on net wells. To date in 2009, Delphi has followed up on previous successes in the Hythe and Bigstone areas by drilling three (2.8 net) natural gas wells with 100 percent success rate.

At Hythe, two horizontal wells targeting Cretaceous gas have been successfully drilled and stimulated utilizing multistage fracturing techniques, one in the fourth quarter of 2008 and the other in the first quarter of 2009. One well is currently producing 400 mcf/d with significant quantities of completion fluid remaining to be recovered. During short term testing, the other well produced at initial rates in excess of 2,500 mcf/d and is anticipated to produce at stabilized rates of 1,000 to 2,000 mcf/d which is consistent with pre-drill expectations. The well is currently being tied in to existing infrastructure and will be producing to sales by mid February. The Company views the technical success of drilling and multistage fracture stimulation of the horizontal wells as the initial stage in exploiting the resources identified by a contingent resource study that is being finalized by GLJ Petroleum Ltd. (“GLJ”), an independent petroleum engineering firm.

Production

Delphi has achieved record production levels of 6,708 boe/d in the fourth quarter, the seventh consecutive quarter of production growth. Fourth quarter production levels represent a 14 percent increase over fourth quarter 2007 volumes of 5,868 boe/d and a five percent increase over third quarter 2008 volumes of 6,409 boe/d. Estimated production for full year 2008 is 6,345 boe/d representing a 19 percent increase over 2007 volumes of 5,323 boe/d. Fourth quarter and full year production is 88 and 87 percent natural gas respectively.

The Bigstone and Hythe areas continue to lead the way in production and production growth contributing 4,800 boe/d or 72 percent of Delphi’s fourth quarter volumes. A significant undeveloped land base, multi-zone potential and the successful application of emerging technologies continue to provide material production growth opportunities in existing and new play concepts.

Land

The current uncertainty in commodity pricing has created an opportunity to acquire land at a fraction of the prices observed in early 2008. Delphi has capitalized on this opportunity and over the past seven months has been successful in acquiring approximately 10,600 net acres of undeveloped land at an average price of $84/acre. The acquired lands are comprised of 7,000 net acres with defined development prospects in the Hythe area and 3,600 net acres on trend with an emerging Doig / Montney play in northeast British Columbia. Combined with a previously established land position, the recent land acquisition targeting the Doig / Montney play has resulted in a contiguous land block of 8,000 gross acres (5,250 net acres). Delphi will continue to pursue a land acquisition strategy that is complementary to our existing conventional development as well as resource type plays. As part of its business strategy of delivering sustainable long term growth, the Company views the current business environment as an opportunity to accumulate strategic undeveloped land.

Operational Highlights

	Three Months Ended December 31			Year Ended December 31		
Production (unaudited)	**2008**	2007	% Change	**2008**	2007	% Change
Natural gas (mcf/d)	**35,545**	30,610	16	**33,236**	26,886	24
Crude oil (bbls/d)	**431**	346	25	**390**	429	(9)
Natural gas liquids (bbls/d)	**353**	420	(16)	**416**	413	1
Total (boe/d)	**6,708**	5,868	14	**6,345**	5,323	19

RESERVES SUMMARY

GLJ, an independent petroleum engineering firm, has evaluated Delphi's crude oil, natural gas and natural gas liquids reserves as at December 31, 2008 and prepared a reserves report in accordance with National Instrument 51-101 "Standards of Disclosure for Oil and Gas Activities" and the "Canadian Oil and Gas Evaluation Handbook."

Following is summary information detailed in the GLJ reserves report at December 31, 2008 as compared to December 31, 2007.

	December 31, 2008				December 31, 2007	
Reserves [1]	Gas (mcf)	Oil & NGLs (mbbls)	Total (mboe) [2]	% of Proved	Total (mboe) [2]	% Change
Proved						
Producing	**57,952**	**1,256**	**10,914**	**72**	9,053	21
Non-producing	**7,827**	**230**	**1,534**	**10**	1,400	10
Undeveloped	**15,075**	**177**	**2,689**	**18**	894	201
Total proved	**80,853**	**1,663**	**15,138**	**100**	11,347	33
Probable	**35,957**	**886**	**6,879**		5,913	16
Total proved plus probable	**116,809**	**2,549**	**22,016**		17,260	28

Notes:

(1) Delphi's reserves represent the operated and non-operated working interest share of reserves before deduction of royalties and include any royalty interests of the Company.

(2) Oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil (6:1).

Net Present Value of Reserves

The estimated future net revenues before tax associated with Delphi's reserves at December 31, 2008 based on the GLJ January 1, 2009 price forecast are summarized in the following table.

	Future net revenues before income taxes discounted at a rate of:		
($ thousands)[1]	0%	10%	15%
Proved			
Producing	**298,580**	**202,017**	**175,055**
Non-producing	**45,775**	**28,535**	**23,831**
Undeveloped	**58,732**	**22,640**	**14,016**
Total proved	**403,087**	**253,192**	**212,902**
Probable	**209,435**	**84,553**	**60,596**
Total proved plus probable	**612,522**	**337,746**	**273,498**

Note:

(1) The estimated future net revenues are before the deduction of estimated future site restoration costs but are reduced for estimated future abandonment costs for reserve wells and estimated capital for future development associated with the reserves.

Reserves Reconciliation

The following reconciliation of Delphi's reserves compares changes in the Company's reserves as at December 31, 2007 to the reserves as at December 31, 2008, each evaluated in accordance with National Instrument 51-101 definitions.

	Proved (mboe)	Probable (mboe)	Proved plus probable (mboe)
Reserves at December 31, 2007	11,347	5,913	17,260
Exploration and development additions	4,251	1,193	5,444
Revisions	798	(445)	353
Acquisitions	1,109	235	1,344
Dispositions	(46)	(18)	(64)
Production	(2,322)	-	(2,322)
Reserves at December 31, 2008	**15,138**	**6,879**	**22,016**

Finding and Development Costs

Finding and development costs in 2008 and over the past four years were as follows:

	2008		2005-2008	
	Total Proved	Proved plus probable	Total Proved	Proved plus probable
Capital ($/thousands)				
Exploration and development expenditures (unaudited)	**76,953**	**76,953**	**354,236**	**354,236**
Acquisitions and dispositions – net (unaudited)	**29,497**	**29,497**	**36,547**	**36,547**
Change in future development costs (FDC)	**30,949**	**40,015**	**38,973**	**57,268**
Finding and development costs ($/boe)				
Exploration and development, without FDC	**15.24**	**13.27**	**25.60**	**19.38**
Exploration and development, with FDC	**21.37**	**20.18**	**28.42**	**22.51**
Exploration, development, acquisitions and dispositions, with FDC	**22.48**	**20.69**	**26.71**	**22.66**

Note: Total exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect the total cost of reserve additions in that year.

Net Asset Value

The estimated net asset value of the Company at December 31, 2008 using various discount rates has been calculated as follows:

($ thousands except per share data)	10%	15%	20%
Discounted value of proved plus probable reserves(1)	**337,746**	**273,498**	**228,938**
Undeveloped land(2)	**14,190**	**14,190**	**14,190**
Mark-to-market value of hedging contracts	**7,109**	**7,109**	**7,109**
In-the-money option proceeds(3)	**-**	**-**	**-**
Total asset value	**359,045**	**294,797**	**250,237**
Bank debt plus working capital deficiency	**(109,237)**	**(109,237)**	**(109,237)**
Net asset value	**249,808**	**185,560**	**141,000**
Basic shares outstanding and in-the-money options	**79,067,158**	**79,067,158**	**79,067,158**
Net asset value per share	**3.16**	**2.35**	**1.78**

Notes:

(1) Before tax and before reclamation costs. The Company estimates it has approximately $200 million of tax deductions available to offset future taxable income.
(2) Undeveloped land is based on the estimated land value in Seaton-Jordan & Associates Ltd. land valuation report.
(3) In-the-money option proceeds are based on the closing December 31, 2008 share price of $0.99.

RISK MANAGEMENT

The objective of the Company's risk management program is to ensure adequate cash flow to fund the planned capital program. For Delphi, with 87 percent of its production being natural gas, this is primarily accomplished by mitigating the downside risk associated with natural gas prices. Over the past several years, the Company's risk management program has been very successful in achieving this objective. Delphi has realized hedging gains on natural gas contracts in excess of $10 million in both 2006 and 2007 during a period of weak natural gas prices. In 2005 and 2008 where AECO reference natural gas prices were much higher, the Company's strategy resulted in modest realized pricing advantages. The following table outlines the premium Delphi realized on natural gas compared to the average yearly AECO price due to the effective risk management program, quality of production and gas marketing arrangements.

	2008	2007	2006	2005
Natural gas price ($/mcf)				
Delphi realized (unaudited)	**8.81**	8.05	8.03	9.20
AECO average	**8.16**	6.45	6.54	8.77
Premium to AECO	**8%**	25%	23%	5%

Delphi's strategy involves executing numerous contracts over a period of time to take advantage of the volatility in the natural gas market. The transactions are generally undertaken for contract terms 12 to 24 months in advance with financially strong counterparties, predominantly executed on a physical basis with the Company's natural gas marketer. The contracts are a combination of fixed price swaps, costless collars, participating swaps, puts and calls. For 2009, Delphi has approximately 17.9 million cubic feet per day, approximately 50 percent of its natural gas production, hedged at $7.42 per mcf. This compares to the current forward 2009 strip commodity price for AECO of $5.51 per mcf at February 11, 2009. The following natural gas hedges are in place to support the Company's cash flow.

	Jan-Mar 2009	Apr-Oct 2009	Nov-Mar 2009/2010	Apr-Dec 2010	2009	2010
Production hedged (mmcf/d)	15.8	19.0	13.1	6.6	17.9	7.6
Percentage of production *	44%	53%	36%	18%	50%	21%
Price floor (Cdn $/mcf)	$7.66	$7.38	$7.51	$6.39	$7.42	$6.88

* based on 36 mmcf/d

The in-the-money value of the outstanding hedges is estimated to be approximately $10.6 million at February 5, 2009.

2009 CAPITAL PROGRAM GUIDANCE

With the current economic uncertainty, Delphi will fund its capital program from internally generated cash flow from operations. Delphi's Board of Directors have approved a capital program ranging between $17.0 to $22.0 million for the first half of 2009, with the objective of preserving the Company's financial flexibility in these uncertain economic times and maintaining the flexibility to pursue and capture strategic growth opportunities attractively priced in this environment. The planned capital program is expected to result in production volumes of approximately 6,500 to 7,000 barrels of oil equivalent per day for the first six months of the year, which takes into account scheduled facility maintenance outages during the second quarter affecting approximately 330 barrels of oil equivalent per day in the Hythe, Bigstone, and Tower Creek areas. A larger capital program for the second half of the year is expected, however, that will be dependent upon commodity price expectations at that time.

The capital program for the first six months of the year includes the drilling of four wells (3.75 net) with the majority of the capital allocated to the Company's two main areas, Bigstone and Hythe.

The Company is well positioned to endure the current weak economic environment with high quality producing assets, a large inventory of economic projects and a 2009 cash flow stream protected with 50 percent of the Company's current natural gas production hedged at an average floor price 35 percent greater than the current 2009 strip price. Net debt at the end of 2008 is expected to be approximately $109.2 million on total credit facilities of $140.0 million, providing excess financial capacity of approximately $30.0 million. Maintaining operational and financial flexibility, combined with expanding the Company's long-term growth inventory in a low-cost environment, will be key drivers in the capital spending decision process throughout 2009.

Delphi anticipates releasing its audited financial statements for the year ended December 31, 2008 on or about March 19, 2009.

Delphi Energy Corp. 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.

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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.

Reserve replacement ratio is calculated as the ratio of reserve additions from exploration, development, acquisition and disposition plus reserve revisions to total yearly production on a barrel of oil equivalent basis.

Operating netback is calculated as revenue less royalties and operating and transportation costs on a barrel of oil equivalent basis.

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.

Values in tables may not add due to rounding.