



✦ PRESS RELEASE

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DELPHI DELIVERS.

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DELPHI INCREASES OWNERSHIP OF FAIRMOUNT ENERGY INC. TO 79.0% AND CLOSSES TAKE-OVER BID

CALGARY, ALBERTA – October 20, 2009 – Delphi Energy Corp. (“Delphi” or “the Company”) is pleased to announce that an additional 544,730 common shares of Fairmount Energy Inc. (“Fairmount”) were validly deposited at the expiry time of Delphi’s previously announced offer to acquire all of the issued and outstanding common shares of Fairmount (“Offer”). Delphi has taken up all of the deposited common shares and intends to pay for such shares as soon as possible, but in any event no later than Thursday October 22, 2009. The Offer has now expired and accordingly, after giving effect to the take-up and payment of the Fairmount common shares, Delphi will hold 12,915,916 Fairmount common shares representing approximately 79.0 percent of the issued and outstanding common shares of Fairmount. Fairmount shareholders who tendered to the Offer will receive 0.3571 of a Delphi common share for each Fairmount common share tendered.

Delphi intends to complete a subsequent acquisition transaction prior to the end of November 2009. Under such transaction, the consideration payable per Fairmount common share will be the same as the consideration paid by Delphi per Fairmount common share under the Offer. Fairmount has advised Delphi that it intends to mail an information circular to its shareholders in the coming weeks.

Delphi has also been advised by Fairmount that it intends to cause the Fairmount common shares to be de-listed from the TSX-V as soon as practicable and to apply to the securities regulatory authorities for Fairmount to cease to be a reporting issuer.

Holders of Fairmount common shares are cautioned that the de-listing of the Fairmount common shares and/or the subsequent acquisition transaction may result in Canadian income tax consequences that are materially different from those that arise on the disposition of shares under the Offer. (See “Certain Canadian Federal Income Tax Considerations” under the take-over bid circular.) **Holders should consult their own tax advisors with respect to the potential income tax consequences to them of not disposing of their Fairmount common shares pursuant to the Offer.**

Delphi made its Offer on August 28, 2009 when it mailed a take-over bid circular to Fairmount shareholders. The deposit period under the Offer expired at 5:00 p.m. (Calgary time) on October 19, 2009.

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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Forward-Looking Statements. *This 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.*

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Delphi as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The forward-looking statements and information contained in this press release, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in Delphi’s take-over bid circular prepared and filed in accordance with applicable securities laws as well as the ability of Delphi to effect a subsequent acquisition transaction and to de-list the Fairmount common shares from the TSX-V.

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. Certain of these risks, factors, estimates and assumptions are described in more detail in Delphi’s most recently filed Annual Information Form and the take-over bid circular to which readers are referred to. 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. These risks, factors, estimates and assumptions are not exhaustive. Additional information on these and other factors that could affect the Company’s operations or financial results are included in Delphi’s continuous disclosure documents 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 in respect of the acquisition of Fairmount. The forward-looking statements and information may not be appropriate for other purposes. In addition, all forward-looking statements made in this news release are qualified by the full “Forward-Looking Statements” in Delphi’s Annual Information Form. 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.