PRESS RELEASE
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DELPHI DELIVERS.
300, 500 – 4 Avenue SW, Calgary, Alberta T2P 2V6 | t: (403) 265-6171 | f: (403) 265-6207 | e: info@delphienergy.ca | www.delphienergy.ca | TSX Symbol: DEE

DELPHI ENERGY PROVIDES OPERATIONAL UPDATE

CALGARY, ALBERTA – January 13, 2010 – Delphi Energy Corp. is pleased to provide the following operational update for its ongoing winter capital program.

Delphi currently has four drilling rigs operating and three service rigs active with completion, workover and recompletion projects within its core areas of Bigstone, Hythe, and Wapiti/Gold Creek. Light oil is being pursued in the Cardium and Dunvegan formations at Bigstone in addition to the continued development of the Doe Creek light oil project at Hythe. Natural gas and natural gas liquids focused projects are being pursued in all three core areas.

Delphi was successful during the second half of 2009 capturing three independent strategic acquisitions, building upon its previously existing focused footprint within its core areas concentrated in the deep basin region of North West Alberta. The Company has increased its undeveloped land base by approximately 40 percent, significantly enhancing its future growth opportunities. These acquisitions have also added significant gathering and processing infrastructure which will provide long term operating and capital cost structure advantages to its large inventory of drilling opportunities on its resource-style development projects taking advantage of improving technologies.

With the focus of the capital spending now shifted back to the Company's drilling program, the contemplated winter program (November 2009 through March 2010) includes a total of 21 wells (14.1 net). Drilling activity will include 7 wells (4.6 net) pursuing light oil opportunities and 14 wells (9.5 net) targeting natural gas. Eight wells (6.5 net) will be drilled horizontally utilizing multi-stage fracture technology to enhance productivity, increase reserve recovery and further expand the Company's scalable resource-style play types.

Hythe

At Hythe, the Company has completed drilling two additional horizontal Doe Creek oil wells (1.4 net) where completion operations are currently underway. These two wells offset a previously announced successful horizontal oil well, drilled in 2009, which has achieved a 60 day average production rate of 390 barrels of light oil per day and 300 mcf/d of associated gas for a total of 440 boe/d. A third horizontal well (1.0 net) is planned for the first quarter with plans to drill up to four additional horizontal wells (3.4 net) through the remainder of 2010. Based on a total cost of $2.5 million, prior to deduction of $425,000 Alberta Crown drilling credit, the initial horizontal well resulted in finding and development costs of approximately $14.00 per boe, a recycle ratio in excess of 4.0 and a payout period of approximately 8 months.

The Company has also completed drilling the first of three horizontal wells (3.0 net) planned for the winter program that are targeting resource-style natural gas opportunities in the Bluesky and Falher formations. An additional eleven horizontal Bluesky locations are being licensed and mapping of the Falher trend is ongoing.

At Hythe, the Company is planning to drill up to 8 gross wells (7.4 net) and conduct 14 to 16 recompletion projects during the winter program advancing several of its identified resource-style plays targeting both natural gas and light oil.

Bigstone

At Bigstone, Delphi is advancing its Cardium light oil development with the drilling of two horizontal wells (1.1 net), two vertical wells (1.1 net) and several recompletion projects during the winter program. The first horizontal well is currently drilling and operations have been initiated on two recompletions. The Company has identified 4 follow-up horizontal locations for the second half of 2010 with a current development inventory of up to 17 locations. The winter recompletion program is focusing on evaluating Cardium light oil potential to assist in delineating the areal extent of the Cardium in the Bigstone area where the Company holds various working interests in 28,000 acres of land. The Company is also evaluating light oil potential identified in the Dunvegan formation.

In addition to the light oil plays, Delphi is drilling five vertical natural gas wells (2.4 net) targeting multiple zones during the winter program. The first well has been drilled with completion operations ongoing and the second well is currently drilling.

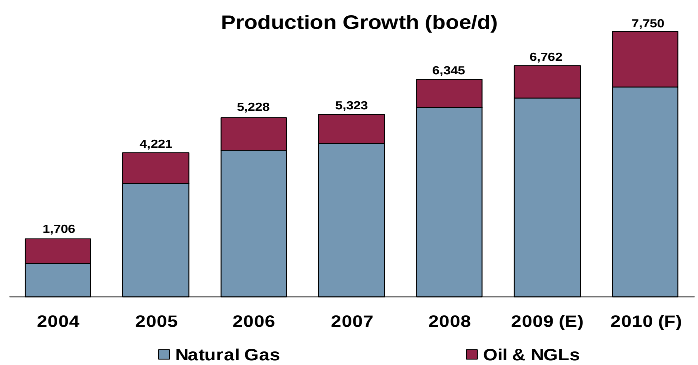
Wapiti/Gold Creek

At Wapiti/Gold Creek, Delphi is currently drilling the first of four vertical wells (2.1 net) targeting liquids rich natural gas in the Nikanassin formation with multiple secondary prospective zones anticipated. The Company has identified seven Nikanassin locations on Company lands based on one well per section. Competitors on offsetting lands in the area have received downspacing approval for three wells per section.

The Company has initiated recompletion operations on two wells targeting the Nikanassin, Falher and Dunvegan formations to assist in the delineation of the resource potential on Company lands where natural gas liquids content can exceed 100 barrels per million cubic feet of natural gas.

Corporate

In December, Delphi completed syndication of its credit facilities with the addition of a third financial institution to the Company's lending group as part of its strategic long-term growth plan. The revolving facility was reconfirmed at $125.0 million with all other terms and pricing remaining largely unchanged from the previous credit arrangements. The Company did not renew an acquisition/development facility. The credit facility is subject to review by the lenders before May 31, 2010 as part of the annual review process.



Bank debt at December 31, 2009 is expected to be approximately $82.0 million with an estimated working capital deficiency of approximately $13.0 million, resulting in net debt 15 percent lower than December 31, 2008 and a net debt to cash flow ratio of approximately 2:1. Delphi's $125.0 million credit facility, in combination with expected cash flow from operations, will provide the funding necessary to execute its winter capital program.

The Company's planned 2010 capital program of approximately $65.0 million is expected to be funded from cash flow and to result in production volumes of 7,500 boe/d to 8,000 boe/d and 15 percent growth over 2009 volumes. A drill ready inventory in excess of $120.0 million was the basis from which Delphi chose its 2010 capital program. The program consists of a broad range of projects including drilling wells, well and infrastructure optimization projects, recompletions and pipeline/facility projects.

The Company's 2010 cash flow forecast of $60.0 million to $65.0 million is based on an average AECO price of $5.70 per mcf and a WTI price of U.S. $75.00 per barrel. Net debt at December 31, 2010 is expected to be approximately $95.0 million to $100.0 million with a resultant net debt to cash flow ratio of 1.6:1. As in prior years, the Company's risk management program provides stability to the Company's cash flow, ensuring a defined level of capital spending. Delphi has recently undertaken additional natural gas hedges for 2010 and 2011. For 2010, the Company has approximately 48 percent of its natural gas production hedged at an average minimum floor price of $6.36 per mcf. The Company has the following hedges in place:

	Jan - Mar 2010	Apr - Oct 2010	Nov 2010 - Mar 2011	Apr – Oct 2011
Volume Hedged (mcf/d)	13,757	19,450	11,195	1,898
Price (Cdn $/mcf)	7.38	6.07	6.23	5.97
Percentage Hedged *	38%	54%	31%	5%

* based on 36,000 mcf/d.

The Company looks forward to reporting specific operational results as the winter drilling program progresses.

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.

FOR FURTHER INFORMATION PLEASE CONTACT:

DELPHI ENERGY CORP.
300, 500 – 4 Avenue S.W.
Calgary, Alberta
T2P 2V6
Telephone: (403) 265-6171 Facsimile: (403) 265-6207
Email: info@delphienergy.ca Website: www.delphienergy.ca

DAVID J. REID
President & CEO

BRIAN P. KOHLHAMMER
V.P. Finance & CFO

***Forward-Looking Statements**. This management discussion and analysis 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 management discussion and analysis contains forward looking statements and information relating to the Company's risk management program, petroleum and natural gas production, future funds from operations, capital programs, commodity prices, costs 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.

***Basis of Presentation**. For the purpose of reporting production information, reserves and calculating unit prices and costs, natural gas volumes have been converted to a barrel of oil equivalent (boe) using six thousand cubic feet equal to one barrel. A boe conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms with the Canadian Securities Administrators' National Instrument 51-101 when boes are disclosed. Boes may be misleading, particularly if used in isolation.*

***Non-GAAP Measures**. The MD&A contains the terms "funds from operations", "funds from operations per share", "net debt" and "netbacks" which are not recognized measures under Canadian generally accepted accounting principles. The Company uses these measures to help evaluate its performance. Management considers netbacks an important measure as it demonstrates its profitability relative to current commodity prices. Management uses funds from operations to analyze performance and considers it a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and to repay debt. Funds from operations is a non-GAAP measure and has been defined by the Company as net earnings plus the addback of non-cash items (depletion, depreciation and accretion, stock-based compensation, future income taxes and unrealized gain/(loss) on risk management activities) and excludes the change in non-cash working capital related to operating activities and expenditures on asset retirement obligations and reclamation. The Company also presents funds from operations per share whereby amounts per share are calculated using weighted average shares outstanding consistent with the calculation of earnings per share. Delphi's determination of funds from operations may not be comparable to that reported by other companies nor should it be viewed as an alternative to cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with Canadian GAAP. The Company has defined net debt as the sum of long term debt plus working capital excluding the current portion of future income taxes and risk management asset/liability. Net debt is used by management to monitor remaining availability under its credit facilities.*