



**DELPHI ENERGY REPORTS 10 MILLION BOE IN RESERVE ADDITIONS**

CALGARY, ALBERTA – February 9, 2011 – 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, 2010.

**2010 Highlights**

- Increased total proved reserves by 26 percent to 22.7 million barrels of oil equivalent (“boe”) and total proved plus probable reserves by 26 percent to 34.5 million boe compared to 2009. Total proved plus probable reserves have doubled over the past 3 years.
- Increased total proved plus probable crude oil and natural gas liquids reserves by 89 percent and total proved plus probable natural gas reserves by 17 percent compared to 2009.
- Increased total proved plus probable reserves per share by 13 percent in 2010.
- Added 10.1 million boe of total proved plus probable reserves (net of revisions and dispositions) in 2010, replacing 2010 production by 342 percent.
- Achieved finding, development and acquisition costs (“FD&A”) of \$14.94 per boe for total proved plus probable reserves in 2010 and average FD&A costs over the past three years of \$14.77 per boe for total proved plus probable reserves.
- Achieved record production during the fourth quarter of 8,539 boe/d, representing a 24 percent increase over the comparative quarter in 2009. Average production for 2010 increased 18 percent to 8,086 boe/d, while production per share increased 6 percent.
- Increased proved plus probable reserve life index (“RLI”) to 11.7 years in 2010 compared to 11.0 years in 2009.
- Increased net undeveloped land to 244,475 net acres, a 42 percent increase over 2009.

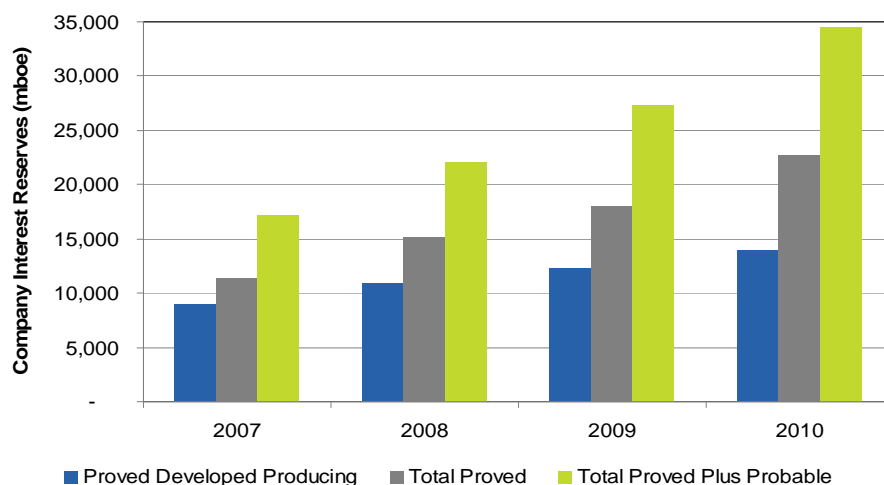
Reserves at December 31	2010	2009	% Change
Proved Producing (mboe)	<b>13,944</b>	12,278	14
Total Proved (mboe)	<b>22,721</b>	18,018	26
Proved plus Probable (mboe)	<b>34,521</b>	27,391	26
Proved plus Probable Reserve Life Index (years)	<b>11.7</b>	11.0	6
Proved plus Probable Reserve Replacement Ratio	<b>3.4</b>	3.2	6
Proved plus Probable Reserves per 1,000 Shares (boe)	<b>306.0</b>	270.8	13
Total Proved FD&A including Future Development Costs (“FDC”) (\$/boe) <sup>(1)</sup>	<b>18.10</b>	12.06	50
Proved plus Probable FD&A including FDC (\$/boe) <sup>(1)</sup>	<b>14.94</b>	9.21	62
Operating Netback (\$/boe) <sup>(1)</sup>	<b>24.36</b>	24.10	1
Proved plus Probable Recycle Ratio	<b>1.6</b>	2.6	(38)
Undeveloped Land (net acres)	<b>244,475</b>	172,209	42
Undeveloped Land Value (\$ 000's)	<b>27,650</b>	16,695	66

Note:

(1) Certain financial and operating information included in this press release for the quarter and year ended December 31, 2010, 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, 2010 and are subject to the same limitations as discussed under forward-looking statements outlined at the end of this release. These estimate amounts may change upon completion of the audited financial statements for the year ended December 31, 2010 and those changes may be material.

## Reserves Summary

GLJ Petroleum Consultants Ltd. ("GLJ"), the Company's independent petroleum engineering firm, has evaluated Delphi's crude oil, natural gas and natural gas liquids reserves as at December 31, 2010 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, 2010 as compared to December 31, 2009.

Reserves <sup>(1)</sup>	December 31, 2010				December 31, 2009	
	Gas (mcf)	Oil & NGLs (mbbls)	Total (mboe) <sup>(2)</sup>	% of P+P	Total (mboe) <sup>(2)</sup>	% Change
<b>Proved</b>						
Producing	68,544	2,520	13,944	40	12,278	14
Non-producing	13,161	663	2,857	8	2,173	31
Undeveloped	26,483	1,507	5,920	17	3,567	66
<b>Total proved</b>	<b>108,188</b>	<b>4,690</b>	<b>22,721</b>	<b>66</b>	<b>18,018</b>	<b>26</b>
Probable	57,579	2,203	11,800	34	9,373	26
<b>Total proved plus probable</b>	<b>165,767</b>	<b>6,893</b>	<b>34,521</b>	<b>100</b>	<b>27,391</b>	<b>26</b>

### 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).
- (3) Table numbers have been rounded.

## Net Present Value of Reserves

In 2010, the reserve additions of 10.1 million boe largely offset the change in GLJ's forecast natural gas prices as of January 1, 2011 as compared to January 1, 2010. The estimated future net revenues associated with Delphi's reserves at December 31, 2010 based on the GLJ January 1, 2011 price forecast are summarized in the following table.

(\$ thousands) <sup>(1)</sup>	Future net revenues before income taxes discounted at a rate of:		
	0%	10%	15%
<b>Proved</b>			
Producing	324,704	207,834	177,038
Non-producing	68,852	32,957	25,942
Undeveloped	121,867	48,808	32,861
<b>Total proved</b>	<b>515,423</b>	<b>289,599</b>	<b>235,841</b>
Probable	318,641	109,855	75,933
<b>Total proved plus probable</b>	<b>834,064</b>	<b>399,454</b>	<b>311,774</b>

- 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 at December 31, 2009 to the reserves at December 31, 2010, each evaluated in accordance with National Instrument 51-101 definitions.

	Proved (mboe)	Probable (mboe)	Proved plus probable (mboe)
Reserves at December 31, 2009	18,018	9,373	27,391
Extensions and improved recovery	8,311	2,048	10,359
Technical revisions	(183)	632	449
Dispositions	(281)	(210)	(491)
Economic factors	(192)	(43)	(235)
Production	(2,952)	-	(2,952)
<b>Reserves at December 31, 2010</b>	<b>22,721</b>	<b>11,800</b>	<b>34,521</b>

## Finding and Development Costs

Finding and development costs in 2010 and over the past three years were as follows:

Capital (\$ thousands)	2010		2008 - 2010	
	Total Proved	Proved plus Probable	Total Proved	Proved plus Probable
Exploration and development ("E&D") expenditures	106,057	106,057	216,782	216,782
Change in FDC related to E&D additions	32,878	46,046	60,307	90,552
Change in FDC related to acquisitions and dispositions ("A&D")	(177)	(1,257)	7,965	6,536
Total on-stream costs	138,758	150,846	285,054	313,870
Acquisitions	19	19	85,026	85,026
Dispositions	(248)	(248)	(29,416)	(29,416)
<b>Total capital invested</b>	<b>138,529</b>	<b>150,617</b>	<b>340,664</b>	<b>369,480</b>

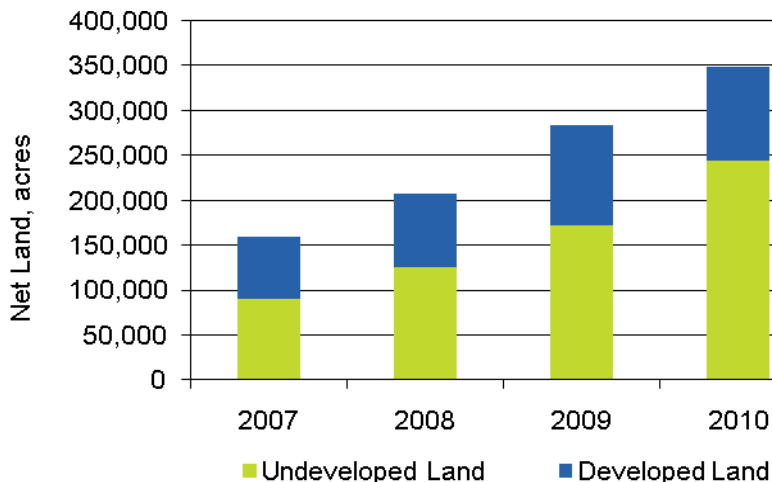
## Finding and Development Costs (\$/boe)

E&D, excluding FDC	13.36	10.03	14.14	11.05
E&D, including change in FDC related to E&D additions	17.51	14.39	18.08	15.67
Exploration, development, acquisitions and dispositions, including total change in FDC	<b>18.10</b>	<b>14.94</b>	<b>17.81</b>	<b>14.77</b>

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.

## Acreage Summary

The Company significantly increased its land holdings over the past year primarily through Crown land sales. Undeveloped land holdings increased to 244,475 net acres in 2010, a 42 percent increase over 2009. Total net land increased 26 percent to 349,177 net acres. Delphi has regulatory approval to drill up to four natural gas wells per pool per section on the Company's developed and undeveloped lands at its three core properties of Bigstone, Hythe and Wapiti/Gold Creek.



## Net Asset Value

The estimated net asset value of the Company at December 31, 2010 has been calculated using before tax, net present value of reserves discounted at ten percent as follows:

(\$ thousands except per share data)	2010	2009	% Change
Discounted value of proved plus probable reserves <sup>(1)</sup>	399,454	392,265	2
Undeveloped land <sup>(2)</sup>	27,650	16,695	66
Mark-to-market value of hedging contracts	650	3,943	(84)
In-the-money option proceeds <sup>(3)</sup>	9,248	4,149	123
Total asset value	437,002	417,052	5
Bank debt plus working capital deficiency (unaudited)	(108,054)	(92,467)	17
Net asset value	328,948	324,585	1
Basic shares outstanding and in-the-money options	119,632,109	105,174,132	14
Net asset value per share	2.75	3.09	(11)

### Notes:

- (1) Before tax and reclamation costs. The Company estimates it has approximately \$270 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, 2010 share price of \$2.17.

Delphi anticipates releasing its audited financial statements for the year ended December 31, 2010 on or about March 16, 2011 and its Annual Information Form by March 31, 2011, which will include all required National Instrument 51-101 reserves disclosure.

Delphi Energy Corp. is a Calgary-based company that explores, develops and produces oil and natural gas in Western Canada. The Company is led by an experienced management team with proven technical expertise in the Company's core areas in the Deep Basin. 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](http://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, operating costs 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.*