

PRESS RELEASE

TEXALTA PETROLEUM LTD.

July 13, 2005

Texalta announces Private Placement

Texalta Petroleum Ltd. is announcing, a non-brokered private placement of units whereby each unit will consist of one flow through class A share and one share purchase warrant. Each warrant will be exercisable at a price of \$0.35 for a period of one year from date of closing. The minimum number of units issued will be 666,666 and the maximum number units will be 6,666,666. Each unit will be issued at \$0.15. Subject to the minimum number of units being issued, Texalta will pay in cash a finder's fee equal to 7½ % of the gross proceeds received by Texalta from subscribers introduced to Texalta by the finder; and in addition, Texalta will issue warrants to the finder in a number equal to 10% of the units sold to subscribers introduced to Texalta by the finder. Each warrant issued to the finder will expire two years from the date of issuance and will be exercisable at a price of \$0.15 per share if exercised within the first year from the date of issuance and at a price of \$0.20 per share if exercised within the second year from the date of issuance.

Texalta will use the funds for drilling on properties in Saskatchewan during 2005 / 2006. The private placement is subject to regulatory approval.

Texalta's Class A shares trade on the TSX Venture Exchange under the symbol TEX.A.

For further information, contact Mr. William H. Nixon, President of Texalta Petroleum Ltd. at telephone (403) 255-8380, fax (403) 255-8007, or email Texalta@texalta.com

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.