

## **PRESS RELEASE**

### **TEXALTA PETROLEUM LTD.**

**August 15, 2005**

#### **TEXALTA ANNOUNCES PREPARATIONS FOR NEW OUTPOST WELL**

**Texalta Petroleum Ltd.** announces preparations underway for new outpost well at South Wildwood in West Queensdale project, Saskatchewan. Drilling to commence September or early October of 2005. The well is in an area marked by very productive wells some of which have produced in excess of 300,000 barrels.

Prolonged production testing of the 8-25-6-2 W2M new pool wildcat well has proven to have a high gas oil ratio. This well will be tied to the plant in late August, and September will mark the first full month of gas sales from the project area. Gas sales are expected to average around 300 MCF per day.

Texalta's has an average of 40% working interest in the greater Queensdale / Carlyle project area containing 4480 acres of producing and exploratory lands. The Company is proceeding with a Non-Brokered Private Placement of flowthrough shares to finance further developments.

Texalta is also pleased to announce that its ongoing negotiations with the Central Land Council representing Aboriginal Native Title surface claims on EP's 103 and 104 in the Georgina Basin, Northern Territory, Australia have culminated in a government sponsored Mediation hearing beginning in Alice Springs, N.T. on August 12, 2005. If Mediation is successful, then work can commence on the 5.5 million acres in which Texalta has a 50% working interest.

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

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