



PRESS RELEASE

Trading Symbol: TEX.A : TSX Venture Exchange

August 9, 2006

TEXALTA APPOINTS NEW DIRECTOR TO THE BOARD

Texalta Petroleum Ltd. (“**TEX.A**”) is pleased to announce the appointment of Mr. Hugh Klaassen to the Board of Directors effective July 24, 2006.

From 2000 until 2004, Mr. Klaassen was the Corporate Operating Officer of Paramount Resources Ltd. in Calgary. His 18 year tenure at Paramount involved projects in Northern Alberta, Northeastern British Columbia and Liard / Colville, North West Territories where he managed negotiations with Territorial Governments, Federal and Provincial Regulators and Native communities.

Mr. Klaassen is a graduate in Engineering from the University of Alberta (1965) and has worked in the oil industry with several companies as a Drilling Engineer, Project Engineer, Senior Design Engineer and Manager of Operations and was President of OFC Engineering and Construction Ltd. from 1974 to 1982.

The wealth of experience and knowledge that Mr. Klaassen brings to the board will be a great benefit to Texalta. His extensive experience in all aspects of the production phase of the industry will make a valuable contribution to Texalta’s rapidly expanding projects in Saskatchewan and anticipated future operations in the Georgina Basin, N.T., Australia.

By Director’s Resolution dated August 4th, 2006 Mr. Klaassen was also appointed to serve as a member of the Audit Committee.

As part of the company’s plans to increase marketplace awareness, Texalta would also like to inform investors that it has entered into a six-month contract with Stockgroup Media Inc. for services including heavy news release dissemination, lead generation, and targeted investor awareness. Management has reviewed several proposals from outside investor relations and marketing firms that are being evaluated by the Board of Directors. These programs can be quite costly, both monetarily and in some cases require a large grant of options to the firm. No agreement with any outside firm will be made unless and until the Board determines that its value to the company outweighs the potential cost.

TEX.A is engaged in the exploration, acquisition and development of prospective oil & gas properties in Saskatchewan and Alberta, Canada. The company holds a 50 percent working interest in two exploration permit applications covering in excess of 5.5 million acres of prospective land in the Georgina Basin, Northern Territory, Australia.

This press release may include certain forward-looking statements. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated.

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