



Trading Symbol: TEX.A : TSX Venture Exchange

November 27, 2006

Australian Permits Granted and Saskatchewan Drilling Operations Complete

Texalta Petroleum Ltd. is very pleased to announce that Exploration Permits No's 103 and 104 covering 5.5 million acres in the Georgina Basin, Northern Territory, Australia, have been granted effective November 21, 2006 to Texalta 50% and its Australian partners 50%. Both permits are for a period of 5 years from date of grant and entail a work program comprising reprocessing of existing seismic, additional seismic and the drilling of structural test wells.

Preliminary seismic reprocessing activity has been commenced in Calgary. The Northern Territory Geological Survey in a presentation entitled "Onshore Hydrocarbon Potential – 2006" has already identified several seismic based leads with potential oil pools in the 70 to 230 million barrel range and Texalta will now focus on following up these leads with detailed seismic reprocessing as required under the year one work program.

Copies of both permits together with a copy of the Northern Territory geological presentation will be made available on our website a www.texalta.com.

At West Queensdale, the drilling operations on the first of two horizontal wells were finished on Saturday November 25, 2006. The HZ 1A9-25 / 4A2-25-6-2 W2 well reached 1845 m. The open hole completed section is in the interval from 1431 m to 1845 m. Texalta and partners are pleased with the results. Completion work on this well is now underway and should be complete in approximately two weeks.

The second nearby horizontal well is being organized for early in the new year.

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 permits 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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