



## PRESS RELEASE

Trading Symbol: TEX.A : TSX Venture Exchange

December 15, 2006

### UPDATE AUSTRALIAN PERMITS

Texalta is pleased to announce that it has received TSX Venture Exchange approval regarding the Agreement to purchase the 50% interest in Exploration Permits 103 and 104 held by its Australian partners. Each of the three partners, as Vendors, will receive 500,000 Class "A" Common Shares of Texalta (total 1,500,000) and 500,000 warrants to purchase Class "A" Common Shares of Texalta (total 1,500,000) at a price of \$1.75 CDN. The warrants are for a term of two years and will terminate on December 15, 2008. The Class "A" Common Shares will be held in an Escrow Account in Adelaide, Australia and will be released to the Vendors on December 15, 2007.

Texalta will make all reasonable efforts to have its Class A Common shares listed on the Australian Stock Exchange ("ASX") upon such listing the restrictions on the sale of Texalta shares shall be lifted and the shares shall be released by the Escrow Agent to each of the Vendors.

Texalta now holds 100 % of Exploration Permits EP103 and EP104 that cover approximately 22,260 sq km of the Georgina Basin in the Northern Territory. The permits have a term of five years each. There is a five year work program in place where the first year requires the reprocessing of existing seismic and is underway. Second year requirements are to obtain new seismic data and will commence once the reprocessing is complete.

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*TEX.A is engaged in the exploration, acquisition and development of prospective oil & gas properties in Saskatchewan and Alberta, Canada. The company holds 100 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.*

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*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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#### Contact Information:

Mr. William H. Nixon, President

Telephone: (403) 255-8380

Fax: (403) 255-8007

Email [texalta@texalta.com](mailto:texalta@texalta.com)

Web: [www.texalta.com](http://www.texalta.com)

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