



PRESS RELEASE

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WEST QUEENSDALE HORIZONTAL WELL COMPLETION RESULTS

Texalta is pleased to announce the results of the recent horizontal drilling at West Queensdale, Saskatchewan. The Petrex Texalta Queensdale W. HZ 1A9-25 / 2C1-25-6-2 W2 well recently completed by Texalta and partners lies at the north east corner of the West Queensdale field in south east Saskatchewan.

The well is structurally at a high position in the reservoir and is characterized by a high gas / oil ratio.

After initial swab testing when the well flowed briefly, the well was connected by pipeline to the nearby plant and on its first day of production produced 166 barrels of fluid of which 111 barrels were oil and 50 barrels were water thought to be mainly load fluid used in the drilling process of which there is still 170 barrels left to recover.

An estimated 200 thousand cubic feet per day of gas is associated with liquid production and it is expected that gas volume will decline as production goes on.

This initial result of the HZ 1A9 well is regarded as encouraging and Texalta and partners are proceeding with the drilling of another horizontal well situated to the north west of the HZ 1A9 well. This second horizontal well to be called the Petrex Texalta Queensdale W. HZ 4A9-25 / 2D15-25-6-2 W2 will be drilled in the first quarter of 2007.

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.

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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