



## PRESS RELEASE

Trading Symbol: TEX.A : TSX Venture Exchange

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### SASKATCHEWAN OPERATIONS UPDATE

Texalta Petroleum Ltd. ("Texalta") (TSX.V-TEX.A) is pleased to announce that the Petrex Texalta Wildwood West HZ 4A16-34 / 4D4-2-7-2 W2 horizontal well at West Wildwood, Saskatchewan was placed on production on July 25, 2007 and has produced a total of approximately 2200 barrels of oil to date. As the pipeline daily allowables are now being exceeded at the facility at 8-26-6-2 W2M the surplus is being trucked to Virden, Manitoba. Texalta anticipates that a pipeline from this well to the 8-26 facility will be constructed in September 2007. Texalta has a 50% working interest in this well.

The company is also pleased to report that two additional wildcat exploratory test wells will be drilled before the end of this year. The first well is at South Queensdale, Saskatchewan (Texalta 50% working interest) and the second well is at North Willmar, Saskatchewan (Texalta 50% working interest),

Texalta, as a majority partner and operator, has developed a deep wildcat prospect in the East Carlyle area of Saskatchewan. A test well on this project is currently being promoted. The well will be drilled to a target depth of about 2300 meters to test all prospective zones below the Mississippian Alida formation. Partial participation in this play is in place and it is hoped a well can be organized before calendar year end.

Meanwhile, the preparations for a third horizontal wildcat development well at Wordsworth are ongoing with a view to locating a well in the first quarter 2008.

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