



## PRESS RELEASE

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### TEXALTA DRILLING IN SASKATCHEWAN AND SEISMIC PROGRAM IN AUSTRALIA

Texalta Petroleum Ltd. ("Texalta") (TSX.V-TEX.A) is pleased to announce that it has received the drilling licence for a vertical wildcat well on the southern side of the Wordsworth, Saskatchewan project area, and that the site for a horizontal development well has been surveyed on the eastern side of the project area. The vertical well is anticipated to spud on or about May 22, 2009 and the subsequent horizontal well should be completed by mid July of 2009.

In Australia, operations have commenced on the 240 kilometre 2D seismic program on Exploration Permits EP103 and EP104 in the Georgina Basin, Northern Territory. The program should be completed by June 21, 2009. Interpretation and processing of the seismic information gathered will take approximately eight weeks. Depending on those results, Texalta will make plans to acquire additional seismic and or to target the locations of wildcat wells to be drilled during year three of the Permit's five year term.

Texalta Australia Pty Ltd. as operator, will utilize funds received from the Farmee, Georgina Basin Energy Pty., a wholly owned subsidiary of Australia Energy Corp., under the terms of the Farmout and Participation Agreement dated December 21, 2007 (as amended) to carry out this seismic program.

Mr. William Nixon, President and CEO of Texalta Petroleum Ltd., will be in Australia during the seismic shooting process and will return to Canada on or about May 17, 2009 to be on site for geological supervision of the two Wordsworth wells.

Texalta intends to pursue several additional drilling projects on its Saskatchewan project areas through the end of 2009 calendar year and will make further announcements as the details become available. The Company currently has \$1.5MM CAD cash on hand, generates cash flow from approximately 175 boe per day of production (average cost of production is \$12 / bbl) and has no debt.

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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's wholly owned subsidiary, Texalta Australia Pty. Ltd. holds 82 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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