



## PRESS RELEASE

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### TEXALTA OPERATIONS UPDATES

Texalta Petroleum Ltd. ("Texalta") (**TSX.V-TEX.A**) is pleased to announce that pursuant to a Letter of Intent dated September 14, 2009, Texalta and Rogers Oil and Gas intend to enter into a more definitive Exploration and Development Agreement. The Agreement will outline the drilling program for a combination of up to 20 development and exploration wells in the Wordsworth, West Queensdale and Wildwood project areas in southeast Saskatchewan. The capital input from Rogers (or its affiliates) may range as high as \$22.4 million to be cash called on a well by well basis. Due to the variables involved with each well, individual farmout agreements will be required for each well. Rogers has purchased the interests of several joint venture partners in both the Wordsworth and West Queensdale project areas.

Survey work is underway for the next horizontal well at Wildwood, Saskatchewan which will be a step out well to follow up the Petrex Texalta Wildwood HZ4A16-34/4D4-2-7-2W2 that went on production in July 2007. To date the first well has produced 22,185 barrels of oil. The Company expects this well to spud by May 2010.

The recently completed fourth horizontal well at Wordsworth was tied in to the Texalta 2-23-7-3 W2 processing facility at the end of January 2010. The Company is pleased by the initial results and the confirmation of the productive formation. The well is currently producing approximately 100 barrels of oil per day with significant amounts of associated gas and little to no water. Associated gas volumes have been variable and may indicate that the initial production rate may not yet be stabilized. Adjustments to the pumping equipment during the week of February 8 may change the rates and if so, the company will issue an update.

An outpost well known as the Texalta Rogers Carlyle VR 13-24-7-3 located on the north side of the Wordsworth project area was spudded on January 30, 2010 and was drilled to a target depth of 1212 meters in the Missippian Alida formation and abandoned. The structural interpretation of seismic data has proven incorrect. This result downgrades the northern side of the project area but has no influence on the central pool area. This is the sixth well in a series of wells in which Rogers has been a partner with Texalta and others since 2008.

Texalta's Normal Course Issuer Bid ("NCIB") expired on January 28, 2010 under which the Company repurchased and returned to Treasury a total of 20,000 shares at a price of \$0.15 per share. A new NCIB will be initiated shortly so that the Company is in position to act if deemed by the Board to do so.

A meeting with Georgina Basin Energy Pty. Ltd. (“GBEPL”), the wholly owned subsidiary of Australia Energy Corp., is scheduled for February 10,2010 to determine and agree upon the scope and scale of the Year 3 seismic program. The 2D seismic program will cover between 300 to 500 km on EP 103 and EP 104 in the Georgina Basin, N.T., Australia. As operator, GBEPL will tender the seismic program for bids and be responsible for securing contracts, studies, clearances and services. Expectations are that the program should begin by June 2010 depending upon the timely receipt of all clearances and government approvals.

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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 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.*

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