



FOR IMMEDIATE RELEASE

PETROFRONTIER CORP. AND TEXALTA PETROLEUM LTD. ANNOUNCE PROPOSED BUSINESS COMBINATION

CALGARY, ALBERTA – March 21, 2011 – PetroFrontier Corp. ("**PetroFrontier**") (TSX Venture: PFC) and Texalta Petroleum Ltd. ("**Texalta**") (TSX Venture:TEX.A) are pleased to announce that they have entered into an Arrangement Agreement (the "**Arrangement Agreement**") dated March 21, 2011 to complete a business combination (the "**Transaction**") pursuant to which PetroFrontier will acquire all of the outstanding shares of Texalta.

Pursuant to the terms of the Arrangement Agreement, each Texalta shareholder shall be entitled to receive, at their election: (i) C\$1.58 cash for each Class A common share of Texalta ("**Texalta Share**") ; (ii) 0.45 of a common share of PetroFrontier for each Texalta Share; or (iii) any combination of (i) or (ii) in respect of the Texalta Shares held thereby, subject to no more than an aggregate of C\$10,000,000 in cash being paid to Texalta shareholders. The share component of the consideration represents a 21.4% premium using the five day volume weighted average share prices of PetroFrontier and Texalta and a 10.8% premium based on the closing prices on March 21, 2011. The Transaction requires approval by the Texalta shareholders at a special shareholders meeting expected to be held in May 2011. All directors and officers of Texalta, as well as certain shareholders, will enter into lock-up agreements to vote in favour of the Transaction. Subject to receipt of shareholder, court and regulatory approval, the Transaction is expected to close in late May 2011. Pursuant to the terms of the Arrangement Agreement, each of PetroFrontier and Texalta have agreed to pay to the other party a termination fee of \$2,000,000 under certain circumstances.

Complete details of the Transaction will be included in an information circular expected to be mailed to all Texalta shareholders before May 2, 2011.

STRATEGIC RATIONALE

The Transaction consolidates the ownership of exploration permits EP 103 and EP 104 in Australia's Southern Georgina Basin, which represents one of the last remaining virtually unexplored, hydrocarbon prospective, onshore sedimentary basins in the world. To date, only eighteen wells have been drilled within the entire Southern Georgina Basin, an area covering over 24 million acres. Only seven wells have been drilled to date on EP 103 and 104. Post closing of the Transaction, PetroFrontier will own a 100% working interest in EP 103 and EP 104 (5.7 million net/gross acres) as well as a 75% working interest in EP 127 and EP 128 (5.9 million net acres / 7.9 million gross acres), for a total ownership interest of 11.6 million net acres (85.5% of 13.6 million gross acres) in the Southern Georgina Basin.

In addition to conventional carbonate targets, Ryder Scott Company has prepared a report evaluating PetroFrontier's oil and natural gas resources, effective November 1, 2010, (the "**Ryder Scott Report**"), which estimated that the Lower Arthur Creek "Hot Shale" found in EP 103 and EP 104 contains best estimate un-risked, undiscovered original oil in place of 192 billion barrels and best estimate, un-risked, prospective recoverable oil resources of 18.8 billion barrels. In total, the Ryder Scott Report estimates

that EP 103, EP 104, EP 127 and EP 128 contain 27.5 billion barrels of best estimate, un-risked prospective recoverable oil resources.

In addition, PetroFrontier will acquire approximately 115 BOE/d of high netback, light oil production at Wordsworth and Queensdale in southeast Saskatchewan, as well as exploration properties at Carlyle, Saskatchewan and Joarcam, Alberta. Texalta recently drilled one well at Wordsworth which is currently producing at approximately 80 Bbl/d (gross) of light crude oil, as well as one well at Queensdale which is producing at approximately 40 Bbl/d (gross) of light crude oil. All of Texalta's current production comes from the Mississippian-Alida formation. However, Texalta also holds prospective Bakken rights in addition to the conventional targets that have been drilled to date.

The Transaction will allow PetroFrontier to accelerate its high impact, light oil exploration program in Australia. PetroFrontier believes that the Southern Georgina Basin petroleum system is geologically analogous to proven unconventional Bakken Shale and conventional carbonate ramp plays in southeast Saskatchewan and North Dakota. PetroFrontier has raised significant funds to date and is well capitalized to execute on its planned 20 well horizontal drilling program. PetroFrontier is preparing to mobilize a drilling rig to the location of its first exploration well, Baldwin-2, on EP 103 and a spud date is expected in the second quarter of 2011. Drilling has been delayed as a result of road bans throughout Queensland caused by significant flooding earlier in the year.

FINANCIAL ADVISORS

Macquarie Capital Markets Canada Ltd. acted as exclusive financial advisor to PetroFrontier with respect to the Transaction.

FirstEnergy Capital Corp. acted as exclusive financial advisor to Texalta with respect to the Transaction and has advised the Board of Directors of Texalta that it is of the opinion that the consideration to be received by Texalta shareholders pursuant to the Arrangement is fair from a financial point of view, subject to review of final documentation. A copy of the fairness opinion will be included in the Texalta information circular to be sent to securityholders for the special meeting to be called to consider the Arrangement.

For more information on PetroFrontier, please visit www.petrofrontier.com, and for more information on Texalta, please visit www.texalta.com.

About PetroFrontier

PetroFrontier is an international oil and gas company engaged in the exploration, acquisition and development of both conventional and unconventional onshore petroleum assets in Australia's Southern Georgina Basin. Founded in 2009, PetroFrontier is one of the first companies to undertake onshore exploration in the Southern Georgina Basin in Australia's Northern Territory. PetroFrontier's head office is based in Calgary, Alberta and operations office is in Adelaide, South Australia.

About Texalta

Texalta is a Calgary based company engaged in the exploration, acquisition and development of prospective oil & gas properties in Saskatchewan and Alberta, Canada. Texalta's wholly owned subsidiary, Texalta Australia Pty. Ltd. holds a 50 percent working interest in EP 103 and EP 104, covering 5.7 million gross acres of prospective land in the Southern Georgina Basin, Northern Territory, Australia.

Forward-Looking Statements

This press release contains forward-looking information that involves substantial known and unknown risks and uncertainties, most of which are beyond the control of PetroFrontier and Texalta, including, without limitation, statements pertaining to the closing of the Transaction. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking information. Accordingly, prospective investors should not place undue reliance on these forward-looking statements. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in PetroFrontier's and Texalta's disclosure documents on the SEDAR website at www.sedar.com. Any forward-looking statements are made as of the date of this release and, other than as required by applicable securities laws, neither PetroFrontier nor Texalta assume any obligation to update or revise them to reflect new events or circumstances.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.

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