



Suite 1530, 715 – 5 Avenue S.W. Calgary, Alberta T2P 2X6
Phone: (403) 262-9558 Fax: (403) 262-8281
Webpage: www.yangarra.ca Email: info@yangarra.ca

For Immediate Release

Yangarra Provides Operations Update

September 12, 2016 - Yangarra Resources Ltd. ("Yangarra" or the "Company") (TSX:YGR) provides an operations update.

Duvernay Update

Yangarra flow tested the 15-19 Duvernay well over the past weekend after its initial 45 day soak period. Gas rates ranged from 3.2 mmcf/d to 3.5 mmcf/d with a final rate of 3.4 mmcf/d and a free condensate (~60° API) rate of 50 – 100 bbl/mmcf with an average of 77 bbl/mmcf. Water flow-back rate was 75 bbl/h at the start of flow test declining to 21.5 bbl/h at the end of the test.

The well was shut-in after the test and will remain shut in for another rest period of 30-45 days which will allow more water to soak into the desiccated rock in the reservoir. A pipeline connecting the well to Yangarra's 2-4 facility will be constructed and the well is expected to be placed on-stream at the end of October.

Yangarra recently acquired four additional sections of Duvernay land at crown sales and now has a contiguous nine square section block with one additional section, one mile offsetting, for future development. If the play can compete for capital, the current pad-site is designed to accommodate five additional Duvernay wells.

Cardium Update

Yangarra re-commenced its Cardium drilling program in August. The first well has been drilled (100% YGR w.i.) with a 1.6 mile horizontal ("HZ") leg. The well will be completed next week with a planned 70 stage 1,050 tonne coil slick water frac into a cemented liner/sliding sleeve HZ section. The rig has been moved to a 2 mile HZ (100% YGR w.i.) location nearby. Both wells are located on new farm-in lands.

Plans include the drilling of six Cardium extended reach wells in 2016; however, the Company will closely monitor commodity prices and will adjust the drilling program accordingly.

For further information, please contact James Evaskevich, President & CEO 403-262-9558.

Forward looking information

The forward-looking statements in this press release are based on certain key expectations and assumptions made by Yangarra, including expectations and assumptions concerning the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the successful application of technology, prevailing weather conditions, commodity prices, royalty regimes and exchange rates and the availability of capital, labour and services.

Although Yangarra believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Yangarra can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimates; the uncertainty of estimates and projections relating to production, costs and expenses; and health, safety and environmental risks), uncertainty as to the availability of labour and services, commodity price and exchange rate fluctuations, unexpected adverse weather conditions, general business, economic, competitive, political and social uncertainties, capital market conditions and market prices for securities and changes to existing laws and regulations. Certain of these risks are set out in more detail in Yangarra's current Annual Information Form, which is available on Yangarra's SEDAR profile at www.sedar.com.

Forward-looking statements are based on estimates and opinions of management of Yangarra at the time the statements are presented. Yangarra may, as considered necessary in the circumstances, update or revise such forward-looking statements, whether as a result of new information, future events or otherwise, but Yangarra undertakes no obligation to update or revise any forward-looking statements, except as required by applicable securities laws.

Any references in this press release to initial and/or final raw test or production rates and/or "flush" production rates are useful in confirming the presence of hydrocarbons, however, such rates are not necessarily determinative of the rates at which such wells will commence production and decline thereafter. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Corporation. The initial production rate may be estimated based on other third party estimates or limited data available at this time. In all cases in this press release, initial production or test are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

Barrels of Oil Equivalent

The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. Per boe amounts have been calculated using a conversion ratio of six thousand cubic feet (6 mcf) of natural gas to one barrel (1 Bbl) of crude oil. The boe conversion ratio of 6 mcf to 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.