



# yangarra resources ltd.

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## Yangarra Announces Non-Core Asset Sale

**July 24, 2007**

**Yangarra Resources Ltd.** (“Yangarra” or “the Company”) (TSX Venture: “YAN”) is pleased to announce that they have entered into an agreement to sell certain assets in the Mundare/Inland area of Alberta. The assets are low working interest, non-operated gas properties and are not an area of growth for the Company. The price garnered by the sale is \$3,000,000 with an effective date of June 1, 2007. The price received by Yangarra is accretive, as the property had a year end reserve value of \$2,620,000 (discounted at 10%) including the value of the undeveloped land. The Company’s current net production of the Mundare/Inland properties is approximately 600 mcf/day (100 Boe/d).

Proceeds from the property sale will be used to reduce senior and mezzanine debt of the Company as well as for general corporate purposes. In light of the sale of production, Yangarra unwound 1,000 GJ’s per day of Costless collars to rebalance the hedge portfolio of the Company with a net mark to market gain of \$240,000.

For further information, please contact James Evaskevich, President at (403) 262-9558.

***The TSX Venture Exchange Inc. has not reviewed and does not accept responsibility for the adequacy and accuracy of this release. Not for distribution in the United States of America***

*Financial Reporting – All numbers are reported in Canadian dollars.*

*BOE Presentation – The term barrels of oil equivalent (BOE) may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 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. All BOE conversions in this report are derived by converting gas to oil in the ratio of six mcf of gas to one bbl of oil.*

*Certain information regarding Yangarra set forth in this release, including management's assessment of the Company's future plans, operations and operational results may constitute forward-looking statements under applicable securities law and necessarily involve risks associated with oil and gas exploration, production, marketing, and transportation such as loss of market, volatility of prices, currency fluctuations, imprecision of reserves estimates, environmental risks, competition from other producers and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.*