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### For Immediate Release

## Yangarra Releases 2<sup>nd</sup> Quarter Results and Announces Operations Update

August 28, 2009

**Yangarra Resources Ltd.** (“Yangarra” or “the Company”) (TSX Venture: “YAN”) announces it has released its second quarter un-audited financial and related management’s discussion and analysis for the second quarter ended June 30, 2009 and provides an operational update. The financial statements can be viewed on SEDAR [www.sedar.com](http://www.sedar.com) or the Company’s website [www.yangarra.ca](http://www.yangarra.ca)

For the six months ended June 30, 2009 revenue was \$909,592 on sales of 306 boe/d with an average price of \$32.69 / boe. Net royalties amounted to 2% of the gross sales, while operating and transportation costs were higher at \$12.96 boe/d primarily due to lower volumes produced during the quarter. The field netback for the quarter was \$19.17 boe/d. The Company has 1.550 mcf/d hedged at \$6.00/mcf to December 31, 2009.

Cash flow from operations for the second quarter was \$180,863 with a net loss of \$757,791 and net working capital deficiency including bank and mezzanine debt of \$13,300,405. There are no outstanding liens against Company assets and the Company is in compliance with its banking covenants.

Yangarra held its annual general special shareholder meeting on August 25, 2009 in which the Board of Directors was re-constituted with four members with Arthur Dumont, Gordon Bowerman, Robert Weir and James Evaskevich elected for a one year term. The Board wishes to thank Douglas Stuve for his efforts as a member of the board of Directors over the past number of years.

The Company announced on July 15, 2009, that it had entered into a non-arms length farm out agreement with Athabaska Energy Ltd. (“Athabaska” or “Farmee”). Subsequent to the quarter end, Athabaska drilled two wells with the first well wet and abandoned, and the second well capable of 750 mcf/d. The second well is scheduled to be tied into Yangarra compression facilities during the upcoming week upon which production will commence. Yangarra holds a

16.4% before payout working interest and a 50% after payout working interest in the well and associated section of mineral rights. Yangarra has been advised by the Farmee that it intends to follow up with another well on the farm-in acreage in Jaslan as soon as acquisition of a surface lease is completed. Yangarra will accumulate approximately \$293,400 of royalty credits from Alberta Energy to be used against future royalties as a result of the drilling of the two wells.

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

#### **ADVISORY REGARDING OIL EQUIVALENT CONVERSIONS**

Natural gas has been converted to a barrel of oil equivalent (Boe) using 6,000 cubic feet (6 Mcf) of natural gas equal to one barrel of oil (6:1), unless otherwise stated. The Boe conversion ratio of 6 Mcf to 1 Bbl is based on an energy equivalency conversion method and does not represent a value equivalency; therefore Boe's may be misleading if used in isolation. References to natural gas liquids ("NGLs") in this news release include condensate, propane, butane and ethane and one barrel of NGLs is considered to be equivalent to one barrel of crude oil equivalent (Boe). One ("BCF") equals one billion cubic feet of natural gas. One ("Mmcf") equals one million cubic feet of natural gas.

#### **ADVISORY REGARDING FORWARD-LOOKING STATEMENTS**

Certain information regarding Yangarra set forth in this news release, including management's assessment of 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.

*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.*