



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

Yangarra Amends Terms of Offering and Details of Athabaska Acquisition

December 17, 2009

Yangarra Resources Ltd. (“Yangarra” or the “Company”) (TSX Venture: “YAN”) announces that it intends to amend the terms of the non-brokered private placement and announces further details on its acquisition of Athabaska Energy Ltd. (“Athabaska”), all as previously announced December 4, 2009.

Private Placement

As amended, the non-brokered private placement will consist of 10,000,000 Flow-Through Common Share Units priced at \$0.05 per unit. Each Flow-Through Unit will be comprised of one common share of the Company plus one share purchase warrant, both issued on a “Flow-through” basis under the *Income Tax Act (Canada)*. Each full warrant entitles the holder to purchase a common share of the Company at any time up to December 31, 2014 for \$0.10 per share. The private placement, as amended, remains subject to acceptance by the TSX Venture Exchange.

Yangarra intends to use all the proceeds from the Flow-Through Offering to fund qualifying expenditures on the Company’s natural gas properties.

Certain directors, officers and other insiders of the Company have committed to subscribe for a minimum of 25% of the private placement.

Athabaska Acquisition

As previously announced, Yangarra intends to enter into a share purchase agreement with the shareholders of Athabaska to acquire all of the issued and outstanding shares of Athabaska in exchange for 50,000,044 shares of Yangarra. Relying on an exemption found in section 5.7(1)(e) of Multilateral Instrument 61-101, the *Financial Hardship* exemption, Yangarra will not be required to obtain minority shareholder approval with respect to this acquisition. The Athabaska Acquisition remains subject to approval by the TSX Venture Exchange.

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

ADVISORY REGARDING FORWARD-LOOKING STATEMENTS

Forward-Looking Statements: This news release contains statements about future events that are forward looking in nature and, as a result, are subject to certain risks and uncertainties such as changes in plans or the occurrence of unexpected events. Actual results may differ from the estimates provided by management.

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 or to U.S. persons.