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Yangarra Releases 2009 Financial Statements and Consolidates Stock

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Yangarra Resources Ltd. ("Yangarra" or "the Company") (TSX Venture: "YAN") is pleased to announce the release of its audited financial statements and related management's discussion and analysis for the fiscal year ended December 31, 2009. The Company has filed its NI 51-101, Statement of Reserves Data and Other Oil and Gas Information for the year ended December 31, 2009. Copies of these documents can be viewed on SEDAR www.sedar.com or on the Company's website at www.yangarra.ca.

Petroleum and natural gas sales for the fourth quarter of 2009 and for the 2009 year were $754,728 and $3,579,738 respectively, as compared with $1,806,264 and $8,642,336 for the same corresponding periods of 2008. Production on a boe basis for the comparative periods were 249 boe/d for the 4th quarter of 2009, 291 boe/d for calendar 2009 compared with 449 boe/d for the 4th quarter of 2008 and 463/boe/d for the calendar year 2008. The reduction in sales revenue was related to commodity price reductions in 2009 as compared with 2008 and the reduced volumes reflected the Company's lack of capital during the year to replace natural declines. The Company volumes for 2009 do not reflect the production volumes associated with Athabaska Energy Ltd. for 2009 as the acquisition occurred on December 31, 2009.

Royalty costs for 2009 were 5% of sales compared with 15% for 2008 reflecting the lower price for commodities during 2009 as well as reduced royalties due to changes in the royalty framework by the Alberta government. In addition, Yangarra recovered approximately $289,728 of previously paid overstated royalty income to various private third party royalty holders in 2009 for prior periods.

Production costs increased to $20.10 per boe for production and transportation expenses in 2009 compared with $10.80 per boe in 2008. The increased cost related to lower volumes over the same fixed costs and additional charges related to restructure costs in the 4th quarter of 2009.

Yangarra posted a loss of $7,268,020 for 2009 as compared with a loss of $1,825,080 for 2008. A significant portion of the loss related to the $4,300,000 ceiling test impairment from the third quarter of 2009. The December 31, 2009 year end ceiling test determined there was no additional impairment.

On December 31, 2009 Yangarra completed the formal restructuring Proposal to its creditors in which all of its unsecured and second secured debt holder amounts were converted to common stock or preferred stock of the Company, a merger was completed with Athabaska Energy Ltd. and a $500,000 financing was secured as required by the Proposal. As a result of the restructure Proposal, the working capital deficit at December 31, 2009 was $8,056,644 compared with $13,599,207 at December 31, 2008. As of December 31, 2009 there were 186,940,030 common shares outstanding compared with 75,561,912 at December 31, 2008. Yangarra realized gains of $920,429 during 2009 as a result of its hedging program and carried an unrealized loss of $113,361 at December 31, 2009 for outstanding commodity hedges. Subsequent to year end, Yangarra wound up all of its hedged positions and realized a gain of $73,500 from the unwinding of these contracts.

Reserves

The petroleum reserves of the Company were evaluated by AJM Petroleum Consultants at December 31, 2009 and according to the report:

- Proved, net present value at December 31, 2009 discounted at 10% (NPV 10%) was $16,192,000 for 1,373,000 boe of reserves compared with $22,512,500 for 1,307,000 boe at December 31, 2008.
- Proved plus probable NPV 10% was $37,897,100 for 2,841,000 boe of reserves at December 31, 2009 compared with $45,994,200 for 2,491,000 boe of reserves at December 31, 2008.

The undeveloped land value was evaluated by Seaton Jordon at December 31, 2009 and was ascribed a value of $2,430,577. Net Asset Value at 10% (NAV) at year end is calculated to be $0.17 per share (on a pre-consolidation basis).

Operations Update

Since year end Yangarra has identified 23 (10 net) horizontal Cardium locations and 18 (7.6 net) horizontal Glauconite locations on its Willesden Green land base. In addition, the Company acquired a 15% royalty override that was owned by a senior oil company covering most of the prospective lands in March of 2010. The acquisition of the override results in significantly lower capital outlay for the Company for drilling, completing and tie in and significantly reduced royalty burdens on production from the new wells. Yangarra successfully drilled the deepest horizontal Glauconite well to date on the Hoadley Glauconite trend, with a horizontal section of 701 meters and total drilled length of 3,267 meters, for an approximate drill and case cost of $1,500,000. Yangarra intends to complete and tie in the well to company owned facilities as soon as the drilling rig is moved from this location to Yangarra's first horizontal Cardium location.

In March of 2010 the Company raised $6,000,000 with the issuance of 80,000,000 common share units to fund the Cardium and Glauconite opportunities in the Willesden Green area of Alberta.

Corporate Update

Current working capital deficit (including bank debt) is approximately $4,500,000 with current production of approximately 400 boe/d (90% natural gas).

On March 4, 2010 Yangarra held a special meeting of the Shareholders which voted in the affirmative on a resolution to consolidate the common shares of the Company on a five old for one new (5:1) basis. Yangarra has received TSX-V Exchange approval for the consolidation and a new symbol has been given to the Company. Effective April 30, 2010 the Company's stock will trade under the new symbol **"YGR"** and will trade on a consolidated basis. As a result of the consolidation Yangarra will have 53,668,006 shares outstanding (basic) and 63,388,006 shares fully diluted.

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

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.

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.