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For Immediate Release

Yangarra Announces Private Placement

May 20, 2010

Yangarra Resources Ltd. (“Yangarra” or “the Company”) (TSX Venture: “YGR”) is pleased to announce that it intends to complete a private placement financing (the “Private Placement”) of up to 4,200,000 common shares in the capital of the Company priced at \$0.55 per share, for gross proceeds of up to \$2,310,000. Each share will be issued on a “flow through” basis under the *Income Tax Act (Canada)*, and subject to a four month hold period. A 8% cash commission will be paid on the sale of the associated funds raised. The Private Placement is expected to close on or before May 21, 2010 and is subject to approval by the TSX Venture Exchange. The Company intends to use the funds raised to fund qualifying expenditures in the Willesden Green Area of Alberta.

The Company is currently conducting fracturing operations on its previously announced horizontal 100% working interest (w.i.) Glauconite well (see press release dated March 29, 2010) and is participating in a horizontal Cardium well (31.875% w.i.) which is currently drilling. Yangarra plans to drill another horizontal Cardium location (31.875% w.i.) upon evaluation of the first Cardium well. The Company also holds a 15% overriding royalty interest (ORR) on 100% interest of both Cardium wells.

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.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the Policies of the TSX Venture Exchange) accepts responsibility for the adequacy and accuracy of this release.