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Yangarra Announces 2010 Financial and Operating Results

April 19, 2011

Yangarra Resources Ltd. ("Yangarra" or the "Company") (TSXV:YGR) is pleased to announce its financial and operating results for the three and twelve months ended December 31, 2010.

Highlights and accomplishments in 2010 included:

- Market capitalization increase to \$60.6 million from \$7.5 million
 - Current market capitalization is over \$70 million
- Proved plus Probable reserves, net present value discounted at 10% ("NPV 10") at December 31, 2010 was \$80.7 million, an increase of 113% compared from the NPV 10 amount at year-end 2009 of \$37.9 million
- Net Asset Value of \$79.9 million as at December 31, 2010, calculated to be \$1.00 per basic common share.
- Increase of 268% in oil and natural gas liquids for Proved plus Probable reserves to 1,805 mbbl
- Purchased a 15% gross sliding scale over-ride on 11 sections in the Willesden Green area for \$1.3 million
- Completed equity raises in March, May, June and October for total proceeds of \$23 million, with each equity raise priced at a premium to the previous financing.
- Secured a drilling rig for the balance of 2010, through to spring breakup 2011 and exercised an option to retain the drilling rig through spring breakup 2012.
- Completed an asset acquisition in the Ferrier/Willesden Green area of Alberta for \$4.0 million
 - The asset included 31 sections of land (12.3 net), 10 gross producing wells (4.25 net) and 9 gross standing wells (4.8 net) and production of approximately 50 boe/d, 90% weighted to oil.
- Entered into a credit facility agreement with Alberta Treasury Branches in November 2010, current facility has been increased \$14,500,000.

Subsequent to the year ended December 31, 2010 the Company completed the following:

- Established a capital budget for 2011 of \$50 million which includes the drilling of 31 gross (13.7 net wells)
- Significantly increased the Company's future drilling locations to 123 gross (70.2 net) locations in the Glauconite, Cardium and multiple other zones

Year End Disclosure

The Company's financial statements, notes to the financial statements and management's discussion and analysis have been filed on SEDAR (www.sedar.com) and are available on the Company's website (www.yangarra.ca). An Annual Information Form, including the Company's reserves and resource data for the period ended December 31, 2010 as evaluated by AJM Petroleum Consultants and other oil and natural gas information prepared in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities, will be filed on SEDAR prior to the end of the month.

The Company's Annual General Meeting of Shareholders is scheduled for 10:00 AM on Thursday May 26, 2011 in the Plaza Room - Metropolitan Centre, 333-4th Avenue SW, Calgary, AB.

The following tables summarize the Company's financial and operating statistics for the fourth quarter and the year ended December 31, 2010.

Financial Summary

| | Three months ended December 31 | | Years ended December 31 | |
|---|-----------------------------------|---------------------------------|----------------------------|----------------|
| | 2010 | 2009 | 2010 | 2009 |
| Statement of Operations and Deficit | | | | |
| Net (loss) income for the period | \$ (1,195,890) | \$ (1,797,141) | \$ (4,047,125) | \$ (7,268,020) |
| Net (loss) income per share - basic | \$ (0.02) | \$ (0.02) | \$ (0.07) | \$ (0.09) |
| Net (loss) income per share - fully diluted | \$ (0.01) | \$ (0.02) | \$ (0.07) | \$ (0.09) |
| Weighted average number of shares - basic | 73,869,598 | 83,809,055 | 57,581,832 | 78,313,321 |
| Weighted average number of shares - fully diluted | 80,497,022 | 83,809,055 | 57,581,832 | 78,313,321 |
| Statement of Cash Flows | | | | |
| Funds flow from operations | \$ 1,567,756 | \$ (640,581) | \$ 2,959,286 | \$ 106,856 |
| <hr/> | | | | |
| | | | December 31 | December 31 |
| | | | 2010 | 2009 |
| Balance Sheet | | | | |
| Property and equipment | | | \$61,475,178 | \$38,830,516 |
| Total assets | | | \$65,945,647 | \$39,641,449 |
| <hr/> | | | | |
| | | For the Years ended December 31 | | |
| | | 2010 | 2009 | 2008 |
| Statement of Operations and Deficit | | | | |
| Petroleum & natural gas sales | \$ 6,534,377 | \$ 3,579,738 | \$ 8,642,336 | |
| Net (loss) income for the period | \$ (4,047,125) | \$ (7,268,020) | \$ (1,825,080) | |
| Net (loss) income per share - basic | \$ (0.07) | \$ (0.46) | \$ (0.15) | |
| Weighted average number of shares - basic | 57,581,832 | 15,662,664 | 13,499,997 | |
| Statement of Cash Flows | | | | |
| Funds flow from operations | \$ 2,959,286 | \$ 106,856 | \$ 3,820,278 | |
| Balance Sheet | | | | |
| Property and equipment | \$ 61,475,178 | \$ 38,830,516 | \$ 41,922,138 | |
| Total assets | \$ 65,945,647 | \$ 39,641,449 | \$ 44,081,309 | |
| Preferred Shares | \$ 1,000,000 | \$ 1,000,000 | \$ - | |

Capital Expenditures

| | Three months ended December 31 | | Years ended December 31 | |
|----------------------------|-----------------------------------|------------|----------------------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| Land and lease rentals | \$ 3,827,343 | \$ 102,562 | \$ 5,449,298 | \$ 237,407 |
| Drilling and completion | 10,593,594 | 262,256 | 16,777,716 | 854,518 |
| Geological and geophysical | 190,640 | 42,801 | 505,583 | 74,615 |
| Equipment | 2,148,426 | 251,496 | 4,272,875 | 448,421 |
| | \$ 16,760,003 | \$ 659,115 | \$27,005,472 | \$ 1,614,961 |

Operating / Production Summary

| | Three months ended December 31 | | Years ended December 31 | |
|---------------------------------------|-----------------------------------|-------------|----------------------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| Daily production volumes | | | | |
| Natural Gas (mcf/d) | 2,564 | 1,362 | 2,151 | 1,583 |
| Oil (bbl/d) | 260 | 11 | 116 | 12 |
| NGL's (bbl/d) | 54 | 12 | 28 | 15 |
| Royalty income (boe/d) | 19 | - | 6 | - |
| Combined (boe/d 6:1) | 761 | 249 | 509 | 291 |
| Product pricing | | | | |
| Oil (\$/bbl) | \$ 80.54 | \$ 69.07 | \$ 74.70 | \$ 65.56 |
| NGL (\$/bbl) | \$ 62.30 | \$ 50.37 | \$ 56.04 | \$ 38.03 |
| Gas (\$/mcf) | \$ 3.93 | \$ 3.69 | \$ 3.92 | \$ 3.88 |
| Combined (\$/boe) | \$ 40.94 | \$ 32.91 | \$ 35.55 | \$ 33.74 |
| Revenue | | | | |
| Petroleum & natural gas sales - Gross | \$ 2,864,802 | \$ 754,728 | \$ 6,534,377 | \$ 3,579,738 |
| Royalty income | \$ 93,882 | \$ - | \$ 123,106 | \$ - |
| Royalty expense | \$ (128,984) | \$ (87,683) | \$ (165,309) | \$ (195,223) |
| Royalty recovery | | \$ 114,092 | | \$ 289,728 |
| Petroleum & natural gas sales - Net | \$ 2,829,700 | \$ 781,137 | \$ 6,492,174 | \$ 3,674,243 |

Netback Summary

| \$/boe | Three months ended December 31 | | Years ended December 31 | |
|----------------------|-----------------------------------|------------|----------------------------|----------|
| | 2010 | 2009 | 2010 | 2009 |
| Revenues | \$ 40.94 | \$ 32.91 | \$ 35.55 | \$ 33.74 |
| Royalty income | 1.34 | - | 0.67 | - |
| Royalty expense | (1.84) | (3.82) | (0.90) | (1.84) |
| Production costs | (10.56) | (41.63) | (9.91) | (18.80) |
| Transportation costs | (1.04) | (2.39) | (1.29) | (1.30) |
| Netback | \$ 28.83 | \$ (14.93) | \$ 24.12 | \$ 11.80 |

Operations Update

Post spring break-up in the Willesden Green/Ferrier area the Company will continue its 2011 capital program. Seven gross (2.2 net) wells that were drilled during the first quarter will be tied-in and be brought on production. The Company estimates that approximately 900 boe/d of flush production volumes from the first quarter drilling program are behind pipe, with production on these wells expected to commence following spring breakup. The Company has 22 gross (10 net) wells planned for the remainder of the year. Therefore, the Company has an additional 29 gross (12 net) wells that should be added to the production base during 2011, which should allow the Company to meet its previously announced exit rate of 2,500 boe/d.

2011 Guidance

In February 2011, Yangarra provided guidance of an exit rate of 2,500 boe/d for 2011, for which additional metrics and assumptions are summarized below:

| | |
|--|-----------------------|
| Production (boe/d) | |
| Annual Average | 1,500 – 2,000 |
| Exit | 2,500 |
| Cash flow from operations (\$millions) | \$20 – \$30 |
| Capital expenditures (\$millions) | \$50 |
| Operating Netback | \$35.00 - \$40.00/boe |
| Pricing Assumptions (annual average) | |
| Crude oil – WTI | \$90.00/bbl |
| Natural Gas Liquids | \$67.92/bbl |
| Natural Gas | \$4.00/mcf |

For further information, please contact James Glessing, Chief Financial Officer, at (403) 262-9558.

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. Operating netbacks are calculated as revenue from all products less operating costs.

Reserve Definitions:

- (a) "Proved" reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
- (b) "Probable" reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
- (c) "Developed" reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.
- (d) "Developed Producing" reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
- (e) "Developed Non-Producing" reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.
- (f) "Undeveloped" reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.
- (g) The Net Present Value (NPV) is based on AJM Forecast Pricing and costs. The estimated NPV does not necessarily represent the fair market value of our reserves. There is no assurance that forecast prices and costs assumed in the AJM evaluations will be attained, and variances could be material.

Forward looking information

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.

All reference to \$ (funds) are in Canadian dollars.

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