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For Immediate Release

Yangarra Provides Operations Update

June 28, 2018 - Yangarra Resources Ltd. ("Yangarra" or the "Company") (TSX:YGR) provides an operations update.

The Company commissioned its 100% owned Ferrier West facility on June 26th, which has increased current production to more than 10,000 boe/d.

The Ferrier West facility includes 20 mmcf/d of compression and a 5,000 bbl/d oil treating facility. The facility was constructed in 35 days with costs of \$3 million for the compression facility and \$1 million for the oil treating facility.

In addition, 5.0 mmcf/d of compression was added to the 100% owned 02-04 Willesden Green facility (capacity increased to 15.0 mmcf/d) to handle incremental third-party volumes. Yangarra has 51.0 mmcf/d of compression capacity in 4 plants and 3 oil treating facilities capable of handling 12,500 bbl/d in Central Alberta

The Company resumed drilling operations in late May and has drilled 2 two-mile horizontal wells, with two additional wells currently drilling. The five wells that were drilled and not completed in the winter program have now been completed and are flowing into the new Ferrier West facility.

During the second quarter, the Company experienced third party production disruptions, primarily related to the West Ferrier area which will reduce the average quarterly production by approximately 500 boe/d.

For further information, please contact Jim Evaskevich, President and Chief Executive Officer at (403) 262-9558.

Forward looking information

This press release contains forward-looking statements. More particularly, this press release contains statements concerning planned exploration and development activities and anticipated daily production averages.

The forward-looking statements in this press release are based on certain key expectations and assumptions made by Yangarra, including expectations and assumptions concerning the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the successful application of technology, prevailing weather conditions and the availability of capital, labour and services.

Although Yangarra believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Yangarra can give no assurance that they will prove to be correct. Since forward-

looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimates; the uncertainty of estimates and projections relating to production, costs and expenses; and health, safety and environmental risks), uncertainty as to the availability of labour and services, unexpected adverse weather conditions, general business, economic, competitive, political and social uncertainties, capital market conditions and the market prices for securities and changes to existing laws and regulations. Certain of these risks are set out in more detail in Yangarra's current Annual Information Form, which is available on Yangarra's SEDAR profile at www.sedar.com.

Forward-looking statements are based on estimates and opinions of management of Yangarra at the time the statements are presented. Yangarra may, as considered necessary in the circumstances, update or revise such forward-looking statements, whether as a result of new information, future events or otherwise, but Yangarra undertakes no obligation to update or revise any forward-looking statements, except as required by applicable securities laws.

Barrels of Oil Equivalent

The term barrels of oil equivalent ("BOE") may be misleading, particularly if used in isolation. Per boe amounts have been calculated using a conversion ratio of six thousand cubic feet (6 mcf) of natural gas to one barrel (1 Bbl) of crude oil. The boe conversion ratio of 6 mcf to 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

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