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### **For Immediate Release**

## **Yangarra Announces Completion of Borrowing Base Review and 2021 Capital Budget**

**December 10, 2020**

Yangarra Resources Ltd. ("Yangarra" or the "Company") (TSX:YGR) completes its semi-annual borrowing base review and sets 2021 Capital Budget.

#### **Bank Review**

The syndicated senior credit facility has been confirmed at \$210 million. All other terms remain the same.

The Company's banking syndicate is led by Alberta Treasury Branches and includes Canadian Imperial Bank of Commerce and National Bank of Canada.

#### **Capital Budget**

As a result of improving macro conditions, Yangarra's Board of Directors has approved a capital program of \$60 million for 2021. The Company's 2020 cost-cutting program has generated significant structural and sustainable per well savings on drilling and completions. Yangarra's most recent drilling and completions costs have averaged \$3.25 million per two-mile well, down 24% from an average of \$4.25 million over the last two years. As a result, the Company expects to drill & complete 17 wells for 2021.

With improved capital efficiencies, the Company requires \$40 million of capital to hold production flat at 10,000 boe/d. The Company expects to fund the growth wedge of \$20 million in capital spending through cash flow with the remaining free cash flow to be used toward debt repayment. Yangarra's long-term goal of reaching an absolute debt target of \$150 million remains unchanged.

For further information, please contact Jim Evaskovich, President & CEO 403-262-9558.

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

#### ***Forward Looking Information.***

*Certain information regarding Yangarra set forth in this news release, 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. In particular, this release contains forward-looking information relating to its expectations regarding the effect of streamlining drilling and completion operations and the benefits of real time invoicing, as well as expectations*

*about its abilities to generate free cash flow and pay down debt. Accordingly, actual results may differ materially from those anticipated in the forward-looking statements. 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](http://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. Yangarra undertakes no obligation to update or revise any forward-looking statements, except as required by applicable securities laws.*

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