



Suite 1530, 715 – 5 Avenue S.W. Calgary, Alberta T2P 2X6
Phone: (403) 262-9558 Fax: (403) 262-8281
Webpage: www.yangarra.ca Email: info@yangarra.ca

For Immediate Release

Yangarra Provides Operations Update

April 1, 2020 - Yangarra Resources Ltd. ("Yangarra" or the "Company") (TSX:YGR) provides an operations update.

As a result of the COVID-19 pandemic, Yangarra has implemented a number of actions to reduce the risk of spread amongst our valuable employee team. The Company's Calgary office has been reduced to two people with the remainder of the team working remotely to ensure the business continues to function and our people stay safe. In the field, Yangarra has implemented social distancing and maintains safe work practices, with minimal impact on operations.

Operations Update

Due to the rapid reduction in oil prices, all capital expenditures were halted in February. Currently Yangarra has four drilled but uncompleted wells ("DUC's") in the Chedder area that can be completed and put on stream in a very short period of time.

Yangarra has applied extensive additional cost cutting measures to ongoing production operations and other areas throughout the Company. As a result, the Company expects all in cash-costs (operating, transportation, G&A, interest and royalties) to be less than \$10 per boe which allows the Company to generate a positive cash flow margin even in the current commodity price environment.

Yangarra has approximately 100,000 bbls of existing available oil storage which will be utilized in the event differentials widen or deliveries to pipeline are halted or curtailed. Current production is approximately 12,000 boe/d.

Guidance

Formal guidance from the Company is suspended given the volatility of the market. Capital expenditures were approximately \$25 million in the first quarter and spending will re-commence once commodity prices improve. Yangarra remains committed to a cash flow neutral budget and maximizing full-cycle rates of return and will modulate capital expenditures accordingly.

Normal-Course Issuer Bid ("NCIB")

No share purchases have been made under the Company NCIB program and in the interests of preserving balance sheet strength, the Company does not expect to make any purchases in the near term.

Annual General and Special Meeting

The Company's Annual General Meeting of Shareholders is scheduled for 10:00 AM on Thursday April 30, 2020.

As a precaution due to the COVID-19 pandemic, the Company will ensure social distancing will be in effect at the annual meeting and Yangarra does not plan to have a formal presentation at the conclusion of the meeting. Please ensure your vote is represented at the meeting by submitting your Proxy as per the instructions in the Notice of Meeting of Shareholders. A conference call number will be provided for shareholders to listen to the formal portion of the meeting. We strongly encourage all shareholders to register their votes by proxy and participate in the meeting via the conference call.

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, the anticipated profitability of the Company if commodity prices were to further decline from the current levels, the planned corporate strategy during the current commodity environment, the Company's ability to utilize its available oil storage, the Company's guidance in the current environment, expectations regarding G&A and cash flow margins and the Company's expectations regarding the use of its NCIB.

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 impact of COVID-19 on Company operations, the length and severity of the commodity price downturn expectations regarding G&A spend, the performance of existing wells, the performance of new wells, the successful application of technology, prevailing weather conditions, commodity prices, royalty regimes and exchange rates 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, extreme commodity price and exchange rate fluctuations, unexpected adverse weather conditions, the impact of COVID-19 on Company operations, general business, economic, competitive, political and social uncertainties, capital market conditions and 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.

Any references in this press release to initial and/or final raw test or production rates and/or "flush" production rates are useful in confirming the presence of hydrocarbons, however, such rates are not necessarily determinative of the rates at which such wells will commence production and decline thereafter. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Corporation. The initial production rate may be estimated based on other third-party estimates or limited data available at this time. In all cases in this press release, initial production or test are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

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.