



March 10, 2011

Bengal Energy Awarded Final Grant of ATP 732P in Australia's Cooper Basin

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) is pleased to provide this operational update:

Final Grant of Authority to Prospect 732P (Tookoonooka Block)

Bengal is pleased to announce the Ministerial Grant from the Department of Natural Resources and Mines of Authority to Prospect 732P (“ATP 732P”), located in the Cooper/Eromanga Basin, Queensland, Australia has been officially received with an effective starting date of April 1, 2011. Subject to the terms of the previously reported purchase and sale agreement, Bengal will acquire a 100 percent working interest and operatorship of ATP 732P upon the sale agreement’s closing, expected on or about March 13, 2011.

ATP 732P is a large, lightly explored permit measuring 654,321 acres. Only eight exploration wells have been drilled on the permit, three of which had hydrocarbon shows. The permit is adjacent to blocks with several producing oil and gas fields from numerous depth horizons, including gas from the deeper Permian horizons and light oil from Jurassic and Cretaceous sandstone reservoirs. ATP 732P is dominated by a large circular structure believed to be an ancient meteorite impact zone (the Tookoonooka structure). Permian sands and coals may exist and possibly pinch out against a Paleozoic highland within the permit. This consequently may create stratigraphic traps for gas and gas liquids. Structural features ringing the impact structure are potentially prospective for shallower light oil reservoirs. Additional stratigraphic channel plays have also been identified and are being investigated. Drill target depths are expected to range from 1,000-1,800 metres depth.

The Company’s existing leads and plays in ATP 732P were reviewed with independent technical consultants who subsequently prepared a resource study. A summary of the results of an independent Resource Evaluation Report (the “Report”) prepared by Ryder Scott-Canada (“Ryder Scott”), and having an effective date of February 1, 2011 were recently provided by the Company in a press release dated March 1, 2011 and are also included herein. The prospect opportunities identified thus far on ATP 732P, are in the opinion of the Company, worthy of an accelerated exploration program.

It should be clearly understood that the resource prospects evaluated in the Report are high risk exploration plays. No commercial hydrocarbons have been discovered to date on ATP 732P. **The undiscovered petroleum initially-in-place (“Undiscovered PIIP”) discussed herein includes unrecoverable volumes and is not an estimate of the volume of the substances that will ultimately be recovered. In addition, there is no certainty that any portion of the resources discussed herein will be discovered. If discovered, there is no certainty that it will be commercially viable or technically feasible to produce any portion of such resources.**

The Report attributes resources to ATP 732P in both the Cretaceous Wyandra and Permian Toolachee sandstones as follows.

Unrisked Estimates of Undiscovered Petroleum Initially-In-Place and Prospective Resources on ATP732P in the Cooper/Eromanga Basin, Queensland, Australia^{1 2}			
	Low	Best	High
Wyandra Sandstone (Cretaceous)			
Undiscovered Oil Initially-in-Place (MMbbls)	60	111	187
Prospective Oil Resources (MMbbls)	13	24	41
Toolachee Sandstones (Permian)			
Undiscovered Gas Initially-in-Place (BCF)	663	1,224	1,879
Prospective Gas Resources (BCF)	496	916	1,415
Undiscovered Condensate Initially-in-Place (MMbbls)	25	80	201
Prospective Condensate Resources (MMbbls)	19	61	151
Toolachee Coals (Permian CBM)			
Undiscovered Gas Initially-in-Place (BCF)	491	923	1,454

The resource estimates presented in the Report are classified as undiscovered PIIP and prospective resources. The Canadian Oil & Gas Evaluators Handbook (“COGEH”) defines “Undiscovered PIIP” as that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. For greater clarity, the Report subdivides Undiscovered PIIP into undiscovered oil initially-in-place and undiscovered gas initially-in-place. COGEH defines “prospective resources” as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. The Report subdivides prospective resources into prospective oil resources, prospective gas resources and prospective condensate resources. The undiscovered hydrocarbon resource volumes and prospective resource volumes presented in the table above

¹. Undiscovered unrecoverable volumes are as follows i) Wyandra sandstones undiscovered unrecoverable oil 47, 87, 146 MMbbls for low, best, high respectively. ii) Toolachee sandstones undiscovered unrecoverable gas 167, 308, 464 BCF, for low, best, high respectively. iii) Toolachee sandstones undiscovered unrecoverable condensate 6, 20, 50 MMbbls, for low, best, high respectively.

² Ryder Scott is an independent qualified reserves evaluator and the Report was prepared in accordance with COGEH and National Instrument 51-101.

are unrisks. The term "unrisks" means that no geologic risk (chance of discovery) and no commercial risk (chance of development) have been incorporated in the hydrocarbon volume estimates.

Low, best and high estimates are measures of the probability that the disclosed volumes could be exceeded. The low volume estimate is a measure whereby there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate of resources should hydrocarbons be discovered. The best volume estimate is a measure whereby there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate of resources should hydrocarbons be discovered. The high volume estimate is a measure whereby there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate of resources should hydrocarbons be discovered. The total Toolachee reservoir low volume estimate is an arithmetic sum of multiple estimates of low volumes and the Toolachee reservoir high volume estimate is an arithmetic sum of multiple estimates of high volumes, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of resources and appreciate the differing probabilities of recovery associated with each class as set forth herein.

It should also be noted that the Toolachee coal beds occur at depths of 1,500-1,800 m, which is believed to be near the limit of known currently producing commercial coal bed methane gas ("CBM") projects. Therefore prospective CBM resources have not been assigned by Ryder Scott in the Permian Toolachee Formation.

The initial term of ATP 732P is four years. Subject to partial area relinquishment, the permit is then renewable for a further eight years until 2023. The work obligations specified for ATP 732P during the first four year term include seismic reprocessing and acquisition followed by drilling.

Chayan Chakrabarty, President and Chief Executive Officer of Bengal said "Bengal is very pleased with the award of ATP 732P as it forms an important part of our intended growth strategy. In anticipation of the award, the Company has been proactively planning for and will now conduct an extensive 2D seismic program, ideally in mid 2011, with the intent to being able to mature drilling prospects in late 2011. The Company will continue to evaluate accretive production acquisition, exploration and corporate transaction opportunities, as and where they arise, both in Australia and India."

Updated Corporate Presentation

Bengal would also like to advise that an updated corporate presentation has been posted on its website at www.bengalenergy.ca.

The presentation describes Bengal's attractive portfolio of low-risk and high-impact drilling opportunities on 2.2 million net acres of undeveloped land in Australia and India.

About Bengal

Bengal Energy Ltd. is an international junior oil and gas exploration and production company with assets in Australia and India. The Company is committed to growing shareholder value through international exploration, production and acquisitions. Bengal trades on the TSX under the symbol BNG. Additional information is available at www.bengalenergy.ca.

Analogous Information

In this news release, Bengal has provided certain production information for lands surrounding ATP 732P which is "analogous information" as defined by applicable securities laws. This analogous information is derived from publicly available information sources which the Company believes are predominantly independent in nature. Some of this data may not have been prepared by qualified reserves evaluators or auditors and the preparation of any estimates may not be in strict accordance with COGEH. Regardless, estimates by engineering and geo-technical practitioners may vary and the differences may be significant. Bengal believes that the provision of this analogous information is relevant to Bengal's activities, given its acreage position and operations (either ongoing or planned) in the area in question, however, readers are cautioned that there is no certainty that any of the development on Bengal's properties will be successful to the extent in which operations on the lands in which the analogous historical production information is derived from were successful, or at all.

Forward-Looking Statements

This news release contains certain forward-looking statements that involve substantial known and unknown risks and uncertainties, many of which are beyond Bengal's control. These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. The projections, estimates and beliefs contained in such forward-looking statements are based on management's estimates, opinions, and assumptions at the time the statements were made, including assumptions relating to: the impact of general global economic conditions in Canada, Australia, India and in the United States, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified operating or management personnel, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and fluctuations in market valuations of companies with respect to announced transactions and the final valuations thereof, and the ability to obtain required approvals from regulatory authorities. We believe the expectations reflected in those forward-looking statements are reasonable but, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Bengal will derive from them. Forward-looking statements contained herein include, but are not limited to, statements regarding the timing of the closing of the purchase and sale agreement of ATP 732P, drill target depths, estimates of the volumes of undiscovered PIIP, prospective resources and undiscovered unrecoverable resources on ATP 732P and timing of the extensive 2D seismic program. The forward-looking statements contained herein are subject to numerous known and unknown risks and uncertainties that may cause Bengal's actual financial results, performance or achievement in future periods to differ materially from those expressed in, or implied by, these forward-looking statements, including, but not limited to, those material risks discussed in Bengal's Annual Information Form under the heading "Risk Factors" and in Bengal's annual MD&A under the heading "Risk Factors". The forward-looking statements contained in this news release speak only as of the date hereof and Bengal does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.

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