



November 14, 2011

Bengal Energy Announces Fiscal Q2 2012 Results – Production increases year over year after Australia drilling success

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) today announced its financial and operating results for the quarter ended September 30, 2011.

The Company entered the third quarter of fiscal 2012 with approximately \$35.2 million in cash, no debt and a balanced portfolio of exploration and development drilling opportunities in Australia and India.

Australia

In Australia, Bengal’s Cuisinier light oil discovery, which commenced production in May 2010, and two successful follow-up development wells on Authority to Prospect (ATP) 752P in the Cooper Basin contributed to growth in production, revenue and net operating income year over year. For the three months ended September 30, 2011, Bengal’s total oil, natural gas and natural gas liquids (NGLs) production increased 27% to 130 barrels of oil equivalent per day (boe/d) from the 102 boe/d produced in the same quarter of the prior year. The Cuisinier 2 well initiated production in early August 2011 and the Cuisinier 3 well was commissioned three weeks later. After initial optimization and stabilization periods, both wells are now producing with good run times.

Australian field level operating netbacks at Cuisinier increased by \$17.13 over year end to \$67.63 per barrel, due primarily to production from the Cuisinier 2 and 3 wells. Bengal’s netbacks are strong in part because the price the Company receives for all of its oil sales in Australia is based on the Dated Brent reference price, which is currently trading at a premium of approximately US\$24 to West Texas Intermediate (WTI). Netback is a non-GAAP measure, calculated by dividing the revenue and costs by the total production measured in boe.

Elsewhere in Australia, exploration efforts are underway on Bengal’s operated and 100% working interest ATP 732P block, with 400 kilometres of 2D seismic data and 50 square kilometres of 3D seismic data scheduled to be shot during October and November. Bengal has also begun to procure drilling resources for its anticipated multi-target exploration program. Drilling is expected to begin in the second quarter of calendar 2012.

India

In India, evaluation work continues on Bengal’s 340,000-acre 100% owned and operated Production Sharing Agreement CY-OSN-2009/1 in the offshore Cauvery basin. Data retrieval from government sources is ongoing with completion expected late in 2011. A recent gas condensate discovery in the area has prompted Bengal to accelerate plans for 3D seismic acquisition. Depending on vessel availability, this acquisition could commence early in 2012.

On Bengal’s 233,000-acre 30% working interest Production Sharing Agreement CY-ONN-2005/1, the second year work program is underway. Reprocessing of existing seismic data has been completed and a contractor has been engaged for the acquisition of 700 square kilometres of 3D seismic data. The acquisition program commenced in September and was recently suspended for some late season monsoon rains. The program is expected to recommence in December or early in 2012. Increased 3D seismic data is intended to accelerate the drilling of exploration wells on the permit. Three exploration wells are planned for the minimum work program, which could be drilled in 2013 depending on the seismic interpretation.

Financial and Operating Summary

\$000s except per share, volumes and netback amounts	Three Months Ended			Six Months Ended	
	09/30/11	09/30/10	06/30/11	09/30/11	09/30/10
Revenue					
Natural gas	\$ 67	\$ 127	\$ 92	\$ 159	\$ 252
Natural gas liquids	13	16	16	29	37
Oil	937	240	1,211	2,148	443
Total	1,017	383	1,319	2,336	732
Royalties	95	40	121	216	68
% of revenue	9.3	10.4	9.2	9.2	9.3
Operating & transportation	316	220	522	838	399
Netback ⁽¹⁾	606	123	676	1,282	265
Cash flow from (used in) operations:					
Per share (\$) (basic & diluted)	0.00	(0.02)	(0.03)	(0.02)	(0.05)
Funds from (used in) operations: ⁽²⁾	(430)	(472)	7	(423)	(1,018)
Per share (\$) (basic & diluted)	(0.01)	(0.02)	0.03	(0.01)	(0.05)
Net (loss):	(4,247)	(634)	(1,061)	(5,308)	(1,356)
Per share (\$) (basic & diluted)	(0.08)	(0.04)	(0.02)	(0.10)	(0.08)
Capital expenditures	\$ 2,407	\$ 174	\$ 1,933	\$ 4,340	\$ 267
Volumes					
Natural gas (mcf/d)	196	366	249	221	371
Natural gas liquids (boe/d)	3	5	2	3	4
Oil (bbl/d)	94	36	108	100	31
Total (boe/d @ 6:1)	130	102	152	140	97
Netback ⁽¹⁾ (\$/boe)					
Revenue	\$ 86.21	\$ 41.59	\$ 95.46	\$ 91.20	\$ 41.13
Royalties	8.01	4.38	8.77	8.42	3.85
Operating & transportation	26.78	23.88	37.77	32.70	22.40
Total	\$ 51.42	\$ 13.33	\$ 48.92	\$ 50.08	\$ 14.88

(1) Netback is a non-GAAP measure. Netback per boe is calculated by dividing the revenue and costs in total for the Company by the total production of the Company measured in boe.

(2) Funds from operations is a non-GAAP measure. The comparable GAAP measure is cash flow from operations. A reconciliation of the two measures can be found in the table on page 5 of Bengal's management's discussion and analysis for the quarter ended September 30, 2011.

Bengal offers a portfolio of relatively low-risk and high-impact drilling opportunities. Production from the Company's continued drilling success at Cuisinier is expected to drive increasingly positive operating income and set the stage for future development. Additional exploration drilling on permit ATP 732P is anticipated in the second quarter of 2012. Bengal will continue to evaluate opportunities for accretive acquisitions near the Company's core operating areas.

Bengal has filed its consolidated interim financial statements and management's discussion and analysis for the three months ended September 30, 2011 with Canadian securities regulators. The documents are available on SEDAR at www.sedar.com or by visiting Bengal's website at www.bengalenergy.ca.

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.

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, including the amount of proceeds, that Bengal will derive therefrom. Forward-looking statements contained in this news release, include without limitation, expectations related to sustained production and drilling success at Cuisinier; the procurement of drilling resources and the timing of expected drilling on ATP 732P; data retrieval and 3D seismic data acquisition for CY-OSN-2009/1; and the timing of both the seismic acquisition and airborne magnetometry programs and subsequent drilling on CY-ONN-2005/1. 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 herein are expressly qualified by this cautionary statement: The forward-looking statements contained in this release speak only as of the date of this release 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.

Barrels of Oil Equivalent

When converting natural gas to equivalent barrels of oil, Bengal uses the widely recognized standard of 6 thousand cubic feet (Mcf) to one barrel of oil (boe). However, a boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 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.

Non-GAAP Measurements

Within this release references are made to terms commonly used in the oil and gas industry. Funds from operations, funds from operations per share and netbacks do not have any standardized meaning under International Financial Reporting Standards (IFRS) and previous generally accepted accounting principles (GAAP) and are referred to as non-GAAP measures. Funds from operations per share is calculated based on the weighted average number of common shares outstanding consistent with the calculation of net income (loss) per share. Netbacks equal total revenue less royalties and operating and transportation expenses calculated on a boe basis. Management utilizes these measures to analyze operating performance. Funds from operations is not intended to represent operating profit for the period nor should it be viewed as an alternative to operating profit, net income, cash flow from operations or other measures of financial performance calculated in accordance with IFRS.

FOR FURTHER INFORMATION PLEASE CONTACT:

Bengal Energy Ltd.

Chayan Chakrabarty, President and CEO

Bryan Goudie, Chief Financial Officer

(403) 205-2526

Email: investor.relations@bengalenergy.ca

Website: www.bengalenergy.ca