



June 7, 2013

## **Bengal Energy announces commissioning of the Cuisinier to Cook pipeline and production update from Cuisinier oil wells in Cooper Basin, Australia**

**Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG)** (“Bengal” or the “Company”) today announces that the Cuisinier to Cook liquids pipeline located on the Barta sub-block (“Barta Block”) of Authority to Prospect (“ATP”) 752P in the Cooper-Eromanga Basin in Queensland, has now been commissioned and production from all eight Cuisinier oil wells has commenced. Bengal has a 25% net interest in the 360,000 acre Barta Block. This is an important development for Bengal, because it enables production from the previously drilled 8 Cuisinier wells to be delivered to sales points through a pipeline, rather than trucking. As a result of this pipeline connectivity, volatility in production volumes can be reduced, with opportunities to potentially enhance netbacks. For the last fiscal year ending March 31, 2013, Bengal’s field netback on this high quality Cuisinier production was approximately CAD\$70 per barrel.

Upon confirming the pipeline commissioning, the Operator also provided updated production guidance to its JV Partners of a combined oil production from the eight wells during the startup phase of 1400-1500 barrels of oil per day (“bopd”) gross (350 to 375 bopd net to Bengal). Although this represents an increase of approximately 250 bopd prior to commissioning, this updated production guidance will result in Bengal realizing calendar Q2 exit production volumes in the 350-375 bopd range compared to the 500+ bopd previously forecast. The Operator also indicated that further optimization of the system may be available which could potentially add incremental barrels. For reference, the gross field production was approximately 1150 bopd in the month of May, 2013.

Completion and tie in work for the oil wells drilled during the 2013 Cuisinier appraisal drilling campaign is expected to commence in July 2013 and should result in further production volume additions by the end of the third quarter of this calendar year. Bengal will continue to work closely with the Operator to understand the performance of all wells drilled in Cuisinier, to ensure forecast production numbers are as accurate as possible, and will provide further guidance regarding year end exit production as information becomes available.

Produced oil is being processed through the Cook oilfield production and de-watering infrastructure with approximately 1,400 barrels of oil per day then being delivered to the sales point at this time through the Cook to Merrimelia Oil Pipeline (“CMOP”).

“Having pipeline connectivity is an important development for the Cuisinier program, which will result in optimized delivery of Bengal’s oil to sales points now and in the future, compared with trucking. Bengal will continue to work with the Operator to ensure maximized production volumes are delivered. We will update shareholders with details on production as the Operator provides data, and as the 5 wells drilled in the 2013 drilling campaign are also tied-in. Bengal continues to strongly believe in the potential of our acreage across multiple geological horizons on this block,” commented Chayan Chakrabarty, President & CEO of Bengal.

### ***About Bengal***

Bengal Energy Ltd. is an international junior oil and gas exploration and production company with assets in India and Australia. 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](http://www.bengalenergy.ca)



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***Forward-Looking Statements***

*This news release contains certain forward-looking statements or information ("forward-looking statements") as defined by applicable securities laws 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 use of any of the words "plan", "expect", "prospective", "project", "intend", "believe", "should", "anticipate", "estimate", or other similar words or statements that certain events "may" or "will" occur are intended to identify 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 economic conditions in North America, Australia, India and globally; industry conditions; changes in laws and regulations including, without limitation, the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; increased competition; the 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 and extensions 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. As such, undue reliance should not be placed on forward-looking statements. Forward-looking statements contained herein include, but are not limited to, statements regarding: Bengal's estimated calendar Q2 exit oil production volumes; Bengal's ability to further optimize production at Cuisinier; Bengal's ability to reduce production volatility and netbacks at Cuisinier; the timing to commence completion and tie in work for oil wells recently drilled at Cuisinier and expected production volume additions resulting therefrom; the timing of Bengal providing further guidance regarding year end exit production; and pipeline connectivity resulting in optimized delivery of Bengal's oil to sales points. 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, risks associated with: the failure to obtain required safety assessments and rig acceptance; failure to secure required equipment and personnel; changes in general global economic conditions including, without limitations, the economic conditions in North America, Australia, India; increased competition; the availability of qualified operating or management personnel; fluctuations in commodity prices, foreign exchange or interest rates; changes in laws and regulations including, without limitation, the adoption of new environmental and tax laws and regulations and changes in how they are interpreted and enforced; the results of exploration and development drilling and related activities; the results of seismic activities and related operations; changes in anticipated operating and transportation costs; changes in pipeline accessibility; the ability to access sufficient capital from internal and external sources; failure to obtain or delays in obtaining regulatory approvals; and stock market volatility. Readers are encouraged to review the 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 Company cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. 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 require pursuant to applicable securities laws.*



***Netbacks***

*Netback is a non-IFRS measure. Netback per bbl is calculated by dividing the revenue less royalties, operating and transportation costs in total for the Company by the total production of the Company measured in boe.*