



March 31, 2014

Bengal Energy Announces Largest Drilling Campaign in Company History and Operational Update

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) is pleased to announce the commencement of the largest drilling campaign in the Company’s history, with 15 wells planned to be drilled over the next 12 months. Bengal also provides details about this drilling program and an update on its ongoing operations in both Australia and India.

OPERATIONAL UPDATE

A summary of the drilling program and upcoming milestones in both Australia and India follows.

Cuisinier Drilling– Calendar 2014

Bengal is very pleased to announce its calendar 2014 Cuisinier drilling program (within Authority to Prospect “ATP” 752 – Barta Permit, 30.357% working interest (“WI”)) commenced the week of March 25, 2014 with the spud of the Cuisinier-14 development well. Under the 2014 program, Bengal and its joint venture partners (the “JV”) plan to drill up to 10 vertical wells in two distinct phases, including 8 development / appraisal wells and 2 exploration wells.

Phase One – Expected to run from late March 2014 to June 2014, with 5 wells expected to be drilled (4 development and 1 exploration) through that period. Each of these wells will be targeting 52° API, ultra-light crude oil, with the locations having been selected based on an improved understanding of the regional geology and enhanced interpretation of 3D seismic. The Phase One drilling locations were selected based on criteria observed in the 6 best performing wells of a total of 14 drilled at Cuisinier by the JV to date. These 6 better performing wells have demonstrated an average gross initial production rate over 90 days (“IP90”) of 360 barrels of oil per day (BOPD).

The Company plans to drill one exploration well in the Company’s Barta/Cuisinier area targeting both the Cuisinier-type productive Murta zone as well as the deeper Birkhead – Hutton zones. The Birkhead-Hutton zones are very prolific producers in other analog pools within the Cooper basin. There are a number of locations for this exploration well currently under final review. All of these prospects have targeted independent structural closures within the Cuisinier North 3D area immediately adjacent to the Cook and Cuisinier oil fields.

Phase Two - Expected to commence in calendar mid-Q4, 2014, during which the JV will drill 4 development/appraisal wells and 1 exploration well at Cuisinier. The JV will benefit from results obtained in Phase One and will be able to use that information to high-grade locations for Phase Two with a view to enhancing productivity and expanding the boundaries of the pool. The exploration well is planned for the end of Phase Two, (calendar Q1 2015) and will test another Cuisinier North prospect which has been identified on 3D seismic just north of the producing Cook and Cuisinier fields. Due to the phased drilling approach, production impacts at Cuisinier will be staggered through the balance of calendar 2014. With success, Phase One wells are expected to be



ted in during calendar Q3 2014 and Phase Two wells are expected to come on-stream at the end of the fourth calendar quarter of 2014.

Bengal plans to announce the overall results of Phase One upon completion of that part of the drilling campaign.

Wompi

In the Wompi Permit (ATP 752 – WI 38%), the JV is planning to drill one exploration well in calendar Q3 2014 targeting Birkhead, Westbourne and Adori formations known to produce in the offsetting Bowen Field located immediately north of the proposed location. Wompi offers Bengal moderate risk exploration in a well-established, oil producing fairway featuring multi-zone potential.

Tookoonooka

In Bengal's Tookoonooka area (ATP 732), partner Beach Energy concluded the acquisition of 300 km² of new 3D seismic across the block in February, which was fully funded by Beach under the terms of the Joint Venture Agreement ("JVA") with Bengal. The JVA terms provide for Beach to expend AUD\$11.5 million to acquire the 3D seismic and drill up to two wells to earn a 50% interest in the Tookoonooka block. The first exploration well was drilled in late 2013 but was not commercial. The seismic data will now undergo processing with interpretation to follow. The new 3D seismic will be utilized to aid Beach and Bengal in selecting the location for the next exploration well to be funded by Beach under the terms of the JVA. This seismic will also be used in evaluating a number of future prospects for a potential series of exploration wells that are expected to be drilled at Tookoonooka under the JVA.

Onshore India

In Bengal's onshore India block situated within the Cauvery Basin (CY-ONN-2005/1 – 30% WI), the Company continues to coordinate with its partners, Gas Authority of India Ltd. ("GAIL") and Gujarat State Petroleum Corporation ("GSPC") for the drilling of three exploration wells. The wells are expected to be drilled by GAIL, the operator, and the first is expected to commence by mid Q3 calendar 2014. The delays that the Company has experienced with respect to this project have stemmed from regulatory and permitting issues, which are aggressively being addressed by the operator. Bengal continues to work with its partners and the relevant government bodies to advance drilling.

FUNDING OF CAPITAL PROGRAM

Bengal expects to fund its share of the costs under Phase One of its Cuisinier drilling campaign and the exploration programs at Tookoonooka and onshore India through sources such as current cash on hand, ongoing cash flow and its ability to expand on existing financing arrangements if necessary. Bengal is evaluating a number of lending options with a variety of Canadian-based and international lenders to finance the remainder of its capital programs and provide flexibility respecting future development across all of its permits, at the lowest possible cost of capital.

"The Bengal team has worked extremely hard with its partners to develop a 2014 drilling program that could potentially have the largest impact on the Company in its history. We are very pleased to commence this program which anticipates the drilling of 15 new wells across 4 different onshore



permits,” said Chayan Chakrabarty, President and CEO of Bengal. “Bengal is very well positioned to provide our shareholders with an exciting, catalyst-rich period over the next 10 -12 months.”

Bengal also advises that an updated presentation will be posted on the Company’s website no later than April 4th, which contains additional information pertaining to the calendar 2014 drilling program.

About Bengal

Bengal Energy Ltd. (TSX: BNG) is an international oil and gas exploration and production company with producing and prospective light oil-weighted assets in Australia and India. Bengal offers exposure to lower risk, current production and cash flow, combined with longer-term high, potential impact exploration projects. The Company’s strategy is to achieve per share growth in cash flow, production and reserves while establishing an attractive portfolio of future drilling and exploration opportunities. Additional information is available on our website at www.bengalenergy.ca.

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; results of exploration and testing activities; 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: the carrying out of a 10 well drilling program by the Company at Cuisinier in 2014 in two phases, including the timing to drill, tie-in and put on production the up to 10 wells to be drilled and the timing to announce results of such drilling, the timing to drill one exploration well on the Wompi permit, the timing for the Company to interpret seismic and evaluate prospective drilling locations in the Tookoonooka area, the timing for the drilling of up to three exploration wells onshore India, the funding by the Company of its share of the costs of the first phase of drilling at Cuisinier out of ongoing cash flow and the timing for the Company to enter into a credit facility. 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 regulatory approvals or extensions; failure to satisfy the conditions under farm-in and joint venture



agreements; 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 ability to access sufficient capital from internal and external sources; 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 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. 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.

FOR FURTHER INFORMATION PLEASE CONTACT:

Bengal Energy Ltd.

Chayan Chakrabarty, President & Chief Executive Officer

Jerrad Blanchard, Chief Financial Officer

(403) 205-2526

Email: investor.relations@bengalenergy.ca

Website: www.bengalenergy.ca