



May 14, 2014

## **Bengal Energy Announces 100% Success Rate in Cuisinier Phase One Development Drilling Program and Provides Operational Update**

**Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG)** (“Bengal” or the “Company”) is pleased to provide an operational update, including details of the Company’s recent successful Phase One drilling campaign at its Cuisinier ultra-light oil property situated within the Barta Sub Block (ATP 752) in Australia’s Cooper Basin.

### **Cuisinier, Australia**

From late March to early May, 2014, Bengal carried out the first of its two-phase development and appraisal drilling campaign in Cuisinier (Barta Sub Block, ATP 752), an asset in which the Company has a 30.357% working interest.

The four Phase One development wells were drilled with 100% success and each has been cased and suspended awaiting completion as a future oil producer. The wells were targeting the oil-bearing Cretaceous Murta formation, and Bengal’s preliminary petrophysical analysis of the well logs shows results comparable with that encountered in Bengal’s six best Cuisinier wells drilled in previous campaigns. This success rate and corresponding log data further validate Bengal’s 3D seismic interpretation and its team’s unique understanding of the Murta reservoir as it is developed across the broad Cuisinier structure.

Completion of the four wells is anticipated to run from mid-July through early August 2014, with the wells expected to be tied-in through September and early October, 2014. Based on this timing, Bengal anticipates the impact from new production volumes to be realized in the fourth quarter of calendar 2014.

The Phase Two drilling program is expected to commence in mid-Q4, calendar 2014 and will include four development / appraisal wells, and potentially up to two exploration wells. This will enable Bengal and its partners to benefit from data obtained in Phase One and to high-grade locations for Phase Two with a view to enhancing productivity and expanding the boundaries of the pool.

### **Tookoonooka, Australia:**

In Bengal’s Tookoonooka permit (ATP 732), which is located in the emerging East Flank oil fairway of the Cooper Basin, the Company is partnered with Beach Energy Ltd. (“Beach”). In 2013 Beach and Bengal entered into a joint venture agreement (“JV”) whereby Beach agreed to fund up to AUD\$11.5 million to drill two wells and acquire 300 km<sup>2</sup> of new 3D seismic, in exchange for a 50% interest in the permit. Beach completed the acquisition of the seismic in Tookoonooka during January and February 2014. The processing of seismic has commenced and is expected to continue until late 2014. Based on the seismic interpretation, a second well location is expected to be identified for drilling within the first half of 2015.



**Wompi, Australia:**

Bengal's 38% working interest area of Wompi (Barta Sub Block, ATP 752) features multi-zone potential offering moderate risk exploration within a well-established oil producing fairway. The Company plans to drill one exploration well within the second half of calendar 2014, followed by the acquisition of 210 km<sup>2</sup> of new 3D seismic in 2015.

**Onshore India:**

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

**Corporate:**

Corporate production volumes during the quarter ending March 31, 2014 ranged between 480 and 500 boe/d net to Bengal, and continue to support the Company's positive cash flow generation.

**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](http://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 completion and tie-in of the four wells at Cuisinier and the realization of the impact of such new production, the timing to drill one exploration well on the Wompi permit and the acquisition of additional 3D seismic, the timing for the Company to interpret seismic and evaluate a second prospective drilling location in the Tookoonooka area, and the timing for the drilling of up to three exploration wells onshore India. 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:**

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