



March 22, 2018

## **Bengal Energy Announces Credit Facility Amendment and Principal Deferral**

**Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG)** (“Bengal” or the “Company”) announces that it has successfully negotiated an amendment (the “Amendment”) to its secured credit facility (the “Credit Facility”) with the Australian based Westpac Institutional Bank (“Westpac”), which includes a deferment of principal payments on the Credit Facility. The Credit Facility continues to have an expiry date of December 31, 2019 and provides a borrowing base of US\$12.5 million, of which the full amount is currently drawn.

Under the Amendment, the June 30, 2018 principal payment of US\$2.5MM has been deferred and the December 30, 2018 principal payment has been reduced to US\$1.5MM (from US\$2.5MM). The Amendment requires Bengal to make a principal payment of US\$5MM on June 30, 2019 and a principal payment of US\$6MM on December 31, 2019. In addition, there have been minor revisions to the definitions of Debt Service Coverage Ratio and Cash Available for Debt Service. A new cash sharing arrangement has been included in the Amendment that requires Bengal to prepay an amount that in aggregate equals 50% of free cash received by the Company in the preceding six months. The cash sharing calculation and payment will be done quarterly and will be credited to any outstanding loan amount under the Credit Facility. Between March 2018 and April 2019, any amounts posted to the cash sharing arrangement can be withdrawn by Bengal for any necessary corporate purposes so long as the Company is in compliance with the terms of the Credit Facility, as amended. After April 30, 2019, if the Credit Facility has not been cancelled or repaid in full, Bengal must prepay such amounts as necessary to ensure that 100% of the free cash over the previous six month period ending on April 30, 2019 has been prepaid. These payments will not be available for withdrawal under the Credit Facility.

Concurrently with the signing of the Amendment, Bengal will initiate a program to hedge approximately 15,000 barrels of crude oil from January 2019 to March 2019.

“This extension demonstrates the strong support from our lenders at Westpac and delivers additional value to our shareholders,” said Chayan Chakrabarty, Bengal’s President and CEO. “The financial flexibility afforded by the extension provides additional liquidity to evaluate near term development and exploration opportunities.”

Copies of the Credit Facility, including the Amendment, are available under the Company’s profile on [www.sedar.com](http://www.sedar.com).

### **About Bengal**

Bengal Energy Ltd. is an international junior oil and gas exploration and production company with assets in Australia. The Company is committed to growing shareholder value through international exploration, production and acquisitions. Bengal’s common shares trade on the Toronto Stock Exchange under the symbol “BNG”. Additional information is available 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 forward-looking 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 current commodity price environment; the impact of economic conditions in North America, Australia 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. Bengal believes 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 effect of the Amendments on the Company and the expected reductions to, and payments required under, the Credit Facility; and the Company's plans to initiate a hedging 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, risks associated with: further amendments to, and extensions of, the Credit Facility; Bengal's development and exploration opportunities; fluctuations in commodity prices, foreign exchange or interest rates; 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 and Australia; increased competition; the availability of qualified operating or management personnel; 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 require pursuant to applicable securities laws.*

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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