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Bengal Energy Reports Cuisinier 3 Appraisal Well to be Cased as a Potential Oil Well

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) is pleased to report that the second appraisal well on the Cuisinier discovery (“Cuisinier 3”) is being cased as a potential Murta oil well. Cuisinier 3 is located in the onshore Cooper Basin, in Queensland, Australia. The well was drilled to a depth of 2,040 m and is located approximately 750 m south of the initial Cuisinier discovery well (“Cuisinier 1”). Two oil bearing Murta sands were penetrated in Cuisinier 3. Bengal Energy Ltd., through its wholly owned Australian subsidiary, Avery Resources (Australia) Pty Ltd., holds a 25% working interest in both the Cuisinier discovery and the 360,000 acre Barta sub-block (“Barta Block”) portion of exploration permit Authority to Prospect 752P (“ATP 752P”).

At Cuisinier 3, the upper Murta sandstone, being the same zone that is productive in the Cuisinier 1 discovery well, gave good oil shows over an eight meter interval with open hole logs indicating 5 to 6.5 meters of net oil pay with an average 17% porosity – similar in quality to Cuisinier 1. The Cuisinier 3 well has extended the oil/water contact below the base of perforations in the previously drilled Cuisinier 1 well. A wireline test in Cuisinier 3 recovered oil at the base of the upper Murta at a depth of 1,639 m (-1,528 m subsea) suggesting the upper Murta oil bearing zone in the Cuisinier discovery has a minimum 19 meters of structural gross oil column. Pressure data analysis suggests that the Cuisinier oil-water contact may be deeper than originally estimated for the Cuisinier 1 discovery well. Further appraisal and step-out drilling may be warranted.

A second, deeper Murta sand zone at Cuisinier 3 also gave oil shows over a seven meter interval and open hole logs suggest 1 to 3.7 meters of potential net oil pay with an average 17% porosity. Further testing is necessary to confirm this deeper zone. As previously reported, the Cuisinier 2 appraisal well, northwest of the initial discovery, similarly encountered two deeper lower Murta sand zones each giving good oil shows. Completion and testing operations of all wells are expected to commence in late March/early April 2011.

Cuisinier 1 well production is currently being trucked to an alternate processing facility on a temporary basis. Flood waters are reported to be receding on the main Cuisinier access road and when road inspection is complete, increased oil production volumes should be possible from the discovery well. The Cuisinier 1 well (where Bengal holds a 25% working interest) remains capable of oil rates in excess of 400 bopd with no water production to date. Completion efforts on the previously drilled Barta North 1 and Cuisinier 2 wells plus the Cuisinier 3 well (all at 25% working interest) may also increase production capability and enable better planning for further production facilities and oil transport.

Commenting on the results of the latest well, Chayan Chakrabarty, President and Chief Executive Officer of Bengal, said “Results from Cuisinier appraisal drilling have to date exceeded Bengal’s expectations and in addition to the continuing appraisal and development efforts to be conducted, give a renewed impetus to further exploration efforts both offsetting Cuisinier and on the greater 360,000 acre Barta Block.”

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 that Bengal will derive from them. Forward-looking statements contained herein include but are not limited to statement regarding the timing of the testing and completion of Cuisinier 2 and Cuisinier 3; Cuisinier 1 production volumes increasing; further appraisal and development operations and the completion of Barta North 1, Cuisinier 2 and Cuisinier 3, and increasing production capability . 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 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.

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