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NEWS RELEASE

NOVEMBER 23, 2016

**BENGAL ENERGY LTD. ANNOUNCES RIGHTS OFFERING**

**Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) ("Bengal")** is pleased to announce it has filed today a rights offering circular (the "**Rights Offering Circular**") and related notice of rights offering (the "**Notice of Rights Offering**") with the securities regulatory authorities in each of the provinces and territories of Canada in connection an offering (the "**Rights Offering**") of rights ("**Rights**") to acquire common shares of Bengal ("**Common Shares**") for maximum gross proceeds of approximately \$4.09 million.

Pursuant to the Rights Offering, each eligible registered holder of Common Shares as at the close of business on December 2, 2016 (the "**Record Date**") will receive one (1) Right for each Common Share held. Two Rights plus the sum of \$0.12 will entitle the holder to subscribe for one (1) Common Share (the "**Basic Subscription Privilege**"). The Rights issued under the Rights Offering will be evidenced by transferable rights certificates (each, a "**Rights Certificate**"), and will expire at 5:00 p.m. (Toronto time) on December 28, 2016 (the "**Expiry Date**"), after which time unexercised Rights will be void and of no value. The Rights Offering includes an additional subscription privilege under which eligible holders of Rights who fully exercise their Rights will be entitled to subscribe for additional available Common Shares (the "**Additional Subscription Privilege**").

The Common Shares will trade on the Toronto Stock Exchange ("**TSX**") on an "ex-rights" basis on November 30, 2016. The Rights will be listed for trading on the TSX under the symbol "BNG.RT" commencing on November 30, 2016 and will be de-listed from the TSX at 12:00 p.m. (Toronto time) on the Expiry Date.

Texada Capital Management Ltd. ("**Texada**"), Bengal's largest shareholder and a corporation controlled by W.B. (Bill) Wheeler, a director of Bengal, has entered into a standby purchase agreement (the "**Standby Agreement**") with Bengal whereby Texada has agreed, subject to the terms and conditions of the Standby Agreement, to subscribe for such number of Common Shares that are available to be purchased, but not otherwise subscribed for under the Basic Subscription Privilege and the Additional Subscription Privilege, up to a maximum of 25,000,000 Common Shares (\$3,000,000) in connection with the Rights Offering. As a result, Texada's proportionate ownership interest in Bengal may increase if the Rights Offering is not fully subscribed by all holders of Common Shares.

The Notice of Rights Offering and related Rights Certificates will be mailed to all eligible registered shareholders as of the close of business on the Record Date. Eligible registered shareholders wishing to exercise their Rights must

forward a completed Rights Certificate, together with the applicable funds, to Computershare Trust Company of Canada, Bengal's rights agent, on or before the Expiry Date. Shareholders who own their Common Shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary.

Closing of the Rights Offering is expected to occur on or about December 29, 2016. The net proceeds of the Rights Offering will be used to fund Bengal's development program on the Barta Sub-Block of ATP 752 in Australia's onshore Cooper/Eromanga Basin. This development program is expected to include the completion and tie-in of the Cuisinier oil wells drilled earlier in 2016, fracture stimulation of select Cuisinier wells, and the acquisition of Barta West 3D seismic. Completion operations on the 2016 Cuisinier wells are expected to be concluded in January 2017, to be followed by tie-in activities. The Barta West 3D seismic program will allow Bengal to further delineate and define the Shefu-1 oil discovery. Planning for the 3D seismic program is underway, with acquisition activities expected to commence following the wet season in calendar Q2 2017.

Further details concerning the Rights Offering, including the use of proceeds therefrom, are contained in the Notice of Rights Offering and Rights Offering Circular available on Bengal's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### ***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. Bengal offers exposure to lower risk, current production and cash flow, combined with longer-term high, potential impact exploration projects. Bengal'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).

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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*Forward looking information: Certain information set forth in this news release, including: matters relating to the timing and completion of the Rights Offering, the proceeds to be raised pursuant to the Rights Offering, the proceeds to be raised pursuant to the Standby Agreement, the use of proceeds from the Rights Offering, the planned development program, the timing and completion of completion operations on the 2016 Cuisinier wells, the anticipated benefits of the Barta West 3D seismic program and the timing of commencing the 3D seismic acquisition activities, is considered forward-looking information, and necessarily involve risks and uncertainties, certain of which are beyond Bengal's control. Such risks include, but are not limited to, the risks that: the receipt of all necessary regulatory and third party approvals are not obtained; the minimum offering required under the Rights Offering is not completed in the manner and timeframes contemplated herein (or at all); Bengal may reallocate the net proceeds from the Rights Offering; Bengal may change the development program on the Barta Sub-Block of ATP 752 in Australia's onshore Cooper/Eromanga Basin; and the results of the development program. Actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that Bengal will derive therefrom. With respect to forward-looking information contained herein, Bengal has made assumptions regarding: the timely receipt of any required regulatory approvals and with respect to the use of the net proceeds from the Rights Offering. Additional information on these and other factors that could affect Bengal are included in reports on file with Canadian securities regulatory authorities, including under the heading "Risk Factors" in the Rights Offering Circular and in Bengal's most recent annual information form, and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)). Furthermore, the forward-looking information contained in this news release are made as of the date of this document, and Bengal does not undertake any obligation to update publicly or to revise any of the included forward looking*

*information, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities law.*

*This news release does not constitute an offer to sell, or the solicitation of an offer to buy securities in any jurisdiction, including the United States, absent U.S. registration or an applicable exemption therefrom, nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state. The Rights and the Common Shares issuable on exercise of the Rights will not be and have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, a U.S. person, absent registration or an applicable exemption therefrom.*