



June 19, 2015

Bengal Energy Reports Significant Increases in Year End Fiscal 2015 Reserves and Value

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) announces significant increases in the net present value and volume of its reserves following the completion of its 2015 year-end independent reserves report (the “Report”). The Report is issued following an independent evaluation of the Company’s producing oil and gas properties by GLJ Petroleum Consultants Ltd. (“GLJ”) of Calgary, Alberta effective March 31, 2015. The Company’s reserves were evaluated by GLJ in compliance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* (“NI 51-101”) and in accordance with the Canadian Oil and Gas Evaluation (“COGE”) Handbook.

“As a direct result of our fiscal 2015 activities in the Cuisinier oil pool on the Barta block in Australia’s Cooper Basin, both volumes and net present values of Bengal’s corporate 2P reserves have continued to demonstrate significant increase,” said Chayan Chakrabarty, Bengal’s President and CEO. *“This is a clear validation of the inherent value in Bengal’s asset base, and the magnitude of its potential, particularly in light of the dramatic decrease in world oil prices over the past year. Our team’s technical capabilities, consistent execution of strategy and unwavering value-focus have led to the successful growth and delineation of the Cuisinier pool and its related asset value for Bengal.”*

Reserves Highlights Include:

- A 17% increase in the value¹ of Bengal’s working interest (“WI”) proved plus probable (“2P”) reserves at fiscal year-end 2015 to approximately \$118 million, compared to \$101 million at year end 2014;
- Probable reserves “1P” increased 31% to approximately 2.2 MMBOE year-over-year, and Proved plus Probable reserves (“2P”) increased 51% to 5.7 MMBOE of primarily high quality, high netback 52 degree gravity light oil; and
- Based on 1P and 2P reserve additions, respectively, the Company replaced approximately 4.0 times and 12.0 times its annual production for the year ended March 31, 2015.²

Reserves Summary:

The following tables provide a summary of Bengal’s petroleum and natural gas reserves as evaluated by GLJ effective March 31, 2015 in the Report using GLJ’s forecast prices, costs and foreign exchange rates as at March 31, 2015. It is important to note that the recovery and reserves estimates provided herein are estimates only. Actual reserves may be greater or less than the estimates provided herein.

(1) The Company Interest reserve values are based on pre-tax net present value using GLJ’s April 1, 2015 forecast pricing, discounted at 10%.

(2) The reserve replacement ratio is calculated as the ratio of reserve additions to production during the year, excluding acquisitions/sales.



Total Corporate Reserves Summary (Australia + Canada):

Reserves Category	LIGHT AND MEDIUM OIL		NATURAL GAS		NATURAL GAS LIQUIDS		TOTAL	
	Gross (Mbbbl)	Net (Mbbbl)	Gross (MMcf)	Net (MMcf)	Gross (Mbbbl)	Net (Mbbbl)	Gross (MBOE)	Net (MBOE)
Proved Developed								
Producing	499	461	56	45	1	-	509	469
Non-Producing	90	83	-	-	-	-	90	83
Proved Undeveloped	1,595	1,471	-	-	-	-	1,595	1,471
Total Proved	2,183	2,015	56	45	1	-	2,193	2,023
Probable	3,518	3,246	1	1	-	-	3519	3,246
Total Proved Plus Probable	5,702	5,262	57	46	1	-	5,713	5,269

Notes:

- (1) Estimates of reserves of natural gas include associated and non-associated gas.
- (2) "Gross Reserves" are Company's working interest reserves (operating and non-operating) before the deduction of royalties and without including any royalty interest of the Company.
- (3) "Net Reserves" are Company's working interest reserves (operating and non-operating) after deductions of royalty obligations plus the Company's royalty interests.
- (4) The numbers in this table may not add exactly due to rounding.

Total Corporate Net Present Value of Future Net Revenue:

figures in M\$ except %	Before Tax Net Present Value Discounted at 10%			After Tax Net Present Value Discounted at 10%		
	March 31, 2015	March 31, 2014	% Change	March 31, 2015	March 31, 2014	% Change
Proved Developed						
Producing	17,056	24,067	(29)	17,056	23,781	(28)
Non-Producing	3,731	678	450	3,731	576	548
Proved Undeveloped	22,482	20,784	8	16,412	14,530	13
Total Proved	43,269	45,529	(5)	37,199	38,887	(4)
Probable	75,137	55,586	35	53,292	39,443	35
Total Proved Plus Probable	118,406	101,115	17	90,491	78,330	16



Pricing Assumptions – Forecast Prices and Costs:

The following are select crude oil pricing, exchange rate and inflation rate assumptions used by GLJ as of March 31, 2015 in estimating the reserves data in the Report using forecast prices and costs. For the year-ended March 31, 2015, Bengal’s weighted average realized sales price for crude oil was CND \$89.43/bbl.

Year	Brent Blend FOB North Sea (\$US/Bbl)	WTI Cushing Oklahoma (\$US/Bbl)	Edmonton Oil Price 40° API (\$Cdn/Bbl)	Hardisty Heavy 12° API (\$Cdn/Bbl)	Inflation Rate (%/Yr)	Exchange Rate (\$US/\$Cdn)
FORECAST						
2015 (Q2-Q4)	62.50	55.00	61.25	45.49	2.0	8.0000
2016	75.00	67.50	74.55	56.55	2.00	8.25
2017	80.00	72.50	79.41	61.26	2.0	8.5000
2018	85.00	77.50	85.29	66.98	2.0	8.5000
2019	87.50	82.50	91.18	71.67	2.0	8.5000
2020	92.50	87.50	97.06	76.36	2.0	8.5000
2021	97.50	92.50	102.94	81.04	2.0	8.5000
2022	97.64	94.77	104.74	83.84	2.0	8.5000
2023	99.59	96.66	106.82	85.53	2.0	8.5000
2024	101.58	98.60	108.96	87.26	2.0	8.5000
2025+	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr

Reserves Committee:

The Company’s Board of Directors has a Reserves Committee, comprising entirely of independent board members, which reviews the qualifications and appointment of the independent reserve evaluators and the procedures for providing information to the evaluators. All booked reserves are based upon annual evaluations by the independent qualified reserve evaluators in accordance with the COGE Handbook. The evaluations are conducted from the fundamental geological and engineering data. Both the Reserves Committee, chaired by Mr. Peter Gaffney, as well as the full Board of Directors have reviewed the reserves information and approved the reserves report.

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 size and volumes of the Company's reserves; 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; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisitions, development or exploration; 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. The recovery and reserve estimates of Bengal's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. 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: risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation; capital expenditure costs; 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 require 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.



Internal estimates

Certain information contained herein are based on estimated values the Company believes to be reasonable and are subject to the same limitations as discussed under "Forward-looking Statements" above.

Oil and Gas Advisory

The reserves information contained in this press release has been prepared in accordance with NI 51-101. Complete NI 51-101 reserves disclosure will be included in our Annual Information Form for the year ended March 31, 2015 which is expected to be filed in late June 2015. Listed below are cautionary statements applicable to our reserves information that are specifically required by NI 51-101:

- a) *Individual properties may not reflect the same confidence level as estimates of reserves for all properties due to the effects of aggregation.*
- b) *This news release contains estimates of the net present value of our future net revenue from our reserves. Such amounts do not represent the fair market value of our reserves.*
- c) *Reserves included herein are stated on a Company Interest basis (before royalty burdens and including royalty interests) unless noted otherwise as well as on a gross and net basis as defined in NI 51-101. "Company Interest" is not a term defined by NI 51-101 and as such the estimates of Company Interest reserves herein may not be comparable to estimates of "gross" reserves prepared in accordance with NI 51-101 or to other issuers' estimates of Company Interest reserves.*

Certain Defined Terms

Bbl – barrel	Mcf – thousand cubic feet
Bbl/d – barrels per day	Mcf/d – thousand cubic feet per day
Boe – barrels of oil equivalent	MMbbl – million barrels
Boe/d – barrels of oil equivalent per day	MMBOE – 1 million barrels of oil equivalent
Mbbl – million barrels	MMcf – million cubic feet
MBOE – million barrels of oil equivalent	

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