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Bengal Energy Announces Redemption of 10% Non-Convertible Notes

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) is pleased to announce the redemption of the \$1.75 million principal amount of the Company’s 10% outstanding unsecured non-convertible redeemable notes (the “Notes”). Bengal has issued a notice of redemption to holders of the Notes pursuant to which Bengal has redeemed the Notes, effective today (the “Redemption Date”), for a redemption price equal to the outstanding principal amount of the Notes plus all accrued and unpaid interest thereon to but excluding the Redemption Date, for an aggregate redemption price for the Notes of \$1,999,178.

\$774,000 aggregate principal amount of Notes, including all accrued and unpaid interest thereon to but excluding the Redemption Date, have been redeemed by the Company for cash. Certain holders of the remaining \$976,000 aggregate principal amount of Notes have agreed to receive the redemption price for a specified amount of the principal amount of their Notes through the issuance to them of common shares (“Common Shares”) of the Company at a price of \$0.28 per Common Share, in lieu of a cash payment for such aggregate principal amount of Notes owing to each such holder. The remaining principal amount of such Notes, as applicable, and accrued and unpaid interest on such Notes was settled in cash.

Pursuant to the redemption of the Notes, Mr. William (Bill) Wheeler, a director of Bengal, indirectly acquired ownership or control over an additional 2,592,857 Common Shares. Following the Shares for Debt Exchange, Mr. Wheeler beneficially owns or controls, directly and indirectly, 13,633,241 Common Shares, representing approximately 19.997% of the currently outstanding Common Shares. A copy of the early warning report will be filed on SEDAR at www.SEDAR.com with respect to the acquisition of the Common Shares by Mr. Wheeler’s holding company pursuant to the Shares for Debt Exchange and will be available upon request from the offices of the Company at: Suite 1810, 801 – 6th Avenue S.W., Calgary, Alberta T2P 3W2.

This press release does not constitute an offer of the Common Shares for sale in the United States or in any jurisdiction in which such offer or sale would be unlawful. The Common Shares have not been registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold within the United States absent registration or an exemption from registration under that act.

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.

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