



April 5, 2012

## **Bengal Purchases Drilling Rig and Provides Update on Summer Drilling Program in Australia**

(Calgary, Alberta) **Bengal Energy Ltd. (TSX: BNG)** ("**Bengal**" or the "**Company**") is pleased to provide the following updates on the Company's ongoing operational activities in Australia.

To facilitate its drilling plans, the Company has purchased an Ideco H-44 drilling rig (the "**Rig**") and its associated equipment for initial use in its 2012 exploratory drilling program on the Company's 100% owned and operated permit ATP 732P Tookoonooka ("**ATP 732**") in the Cooper/Eromanga Basin of Queensland, Australia. The Rig is a 750 HP carrier-mounted Double with a depth capability of 3,000m utilizing 3-1/2" drill pipe. The Company is excited by the opportunity to deploy the Rig into its ATP 732 exploratory drilling campaign and also to have the Rig available, when not in use by Bengal, for potential future business development opportunities in the Basin. Its possession gives Bengal a vital strategic advantage over its competition in an environment where drilling services are costly and often difficult to procure.

As the Owner and Operator of the Rig, the Company anticipates benefits on a number of fronts:

- **Reduced Drilling Cost Structure**
  - Lower drilling, rig stand-by and moving rates. This translates into a more efficient use of capital in the overall program.
- **Reduced Program Execution Risk**
  - The uncertainty of contractor availability and timing has been removed, and the Company is in control of its upcoming drilling operations.
- **Room to Explore**
  - Guaranteed rig availability and lower drilling costs give Bengal the flexibility to tailor its drilling program and well design as results come in.
- **Program Control**
  - Ownership and operation of the rig provides a level of significant program control in a relatively remote and difficult environment which management believes significantly enhances Bengal's ability to properly evaluate and progress opportunities on the ATP 732 block and possibly elsewhere.

The purchase price of the Rig is US \$1.75 million plus additional costs of approximately US \$1.0 million to buy certain ancillary equipment required for drilling operations and to pay for Rig mobilization from its current location in Dubai, UAE to Brisbane, Queensland. Mobilization operations are currently underway, with the Rig expected to be landed and operational in Queensland in time for the Company's upcoming Q3 2012 drilling program on ATP 732.

The Company is also pleased to announce it has entered into a consulting agreement with The Consultancy for Oil & Gas ("**The Consultancy**") for provision of services in connection with the purchase and operation of this Rig. The Consultancy specializes in the operation and management of drilling rigs and drilling project management. The principal of The Consultancy, Mr. Ron Huddy, has successfully worked in the drilling business in over 40 countries around the world over the past 35 years, including Australia, and is a recognized authority on continuous coring as well as drill string and bit design. The Consultancy team will work closely under Bengal's supervision in the continued preparation for, and the future operation of, the exploratory drilling campaign on ATP 732. As part of the preparatory work, The Consultancy is initiating the procurement, training and certification process for the drilling crews required to carry out the campaign in Queensland.

## **ATP 732**

The Company has recently completed the acquisition, processing and interpretation of approximately 400 line kilometres of 2D and 50 square kilometres of 3D seismic data over ATP 732. In conjunction with this seismic data acquisition, the Company has completed an evaluation of aeromagnetic and gravity data on ATP 732, and has integrated such information with its seismic data evaluation.

Six potential drilling locations have been identified covering four key play types and targeting multiple zones along the established southwest flank of the Cooper Basin. The play types range in depth from 1,000 to 1,800m and include light oil targets in the Jurassic, Cretaceous and fractured basement as well as natural gas in the Permian Toolachee sandstones.

The Company intends to deploy the Rig for its drilling program on ATP 732, with drilling expected to commence on the first of three locations in July 2012. Subject to the results of the first three wells, any additional wells may be drilled immediately thereafter.

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

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### ***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](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 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 impact of general global economic conditions including, without limitations, the economic conditions in North America, Australia and India; 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; royalty rates; stock market volatility and fluctuations in market valuations of companies; 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. 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: Bengal's proposed drilling and exploration strategy, including, without limitation, the number and location of wells to be drilled on ATP 732 and the timing thereof; targeted zones for Bengal's ATP 732 drilling program; the benefits to be derived from the acquisition of the Rig; the additional costs associated with the acquisition of ancillary equipment and the shipping costs associated with the transport of the Rig. 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: the failure to obtain required regulatory approvals; failure to secure required equipment and personnel; changes in general global economic conditions including, without limitations, the economic conditions in North America, Australia and*

*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; a failure to realize the anticipated benefits of the acquisition of the Rig; 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 required pursuant to applicable securities laws.*