



September 25, 2009

Bengal Energy Announces Operational Developments

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) today announced a number of key developments on its operations in Canada, Australia and India.

Bengal is pleased to report that it has raised \$2.2 million through the disposition of relatively small, non-operated production assets in the Kaybob region of Alberta. The Kaybob assets contributed approximately \$117,000 to Bengal’s net operating income and 54 boe/d production over the last six months. The Kaybob assets comprise less than a net section of land which makes them non-strategic to the Company. Funds from the disposition will enable Bengal to more quickly advance a number of higher impact prospects in Australia and India.

Bengal is also pleased to announce that its joint venture partner executed a Native Title Agreement with the Boonthamurra People at ATP 732P in Australia on September 4, 2009. The Native Title Agreement is significant because it is required before the state government can authorize exploration activities to commence. ATP 732P is 654,321 gross acres in size and is located in the Cooper Basin in close proximity to producing oil and gas fields. Under the terms of the farm-in agreement, Bengal will spend AU\$3 million (approximately C\$2.8) on exploration to earn a 35 percent interest in the block. Planned expenditures are AU\$1 million over the next year.

The next catalyst for Bengal in Australia is expected to be initial production from its Cuisinier oil discovery on ATP 752P (the Barta block) in the Cooper Basin. Production facilities have been installed and a production license has been applied for. Production will commence when marketing and transportation contracts have been executed. Processing of the 103 square kilometer Cuisinier appraisal 3D seismic survey is underway and results are expected in November 2009 which will enable a development plan to be undertaken in 2010.

Also in Australia, Bengal’s joint-venture partner reported that it has now received approval from Primary Industries and Resources SA (PIRSA), an agency of the Government of South Australia, to commence a coal seam test-coring program to evaluate coal seam methane potential on PEL 103A on the Innamincka Dome in the Cooper Basin. Wellsite construction commenced this week and mobilization of the drilling contractor is expected in the next three weeks. Drilling of the initial well will commence within six weeks and is expected to take approximately 10 days. Bengal has a 25 percent interest in two of the initial test-holes to be drilled. The extent of the pilot program will be determined on the basis of the test-hole results.

As previously announced, Bengal is evaluating a number of exploration blocks in India with a view to making bid decisions. The exploration blocks are available as part of the eighth round of New Exploration Licensing Policy (NELP-VIII) with bids due on October 12, 2009.

Bengal has assembled a balanced portfolio of assets with production, near term development and exploration lands with significant prospective resources. Bengal has over 1.5 million acres of exploration lands in onshore India and Australia and offshore Timor Sea.

About Bengal

Bengal Energy Ltd. is an international junior oil and gas exploration and production company based in Calgary, Alberta. 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 and India, 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, including the amount of proceeds, that Bengal will derive therefrom. Forward-looking statements include whether an interest will be earned under the ATP 732P Farm-in, expectations related to commencement of the Aspen 103A coal seam test-coring program, start-up of production of the Cuisinier well, whether the Barta block seismic will lead to a development plan and whether Bengal will bid in the upcoming NELP VIII bid round. Bengal's actual financial results, performance or achievement in future periods could differ materially from those expressed in, or implied by, these forward-looking statements, including those material risks discussed in Bengal's Annual Information Form under "Risk Factors and in Bengal's annual MD&A under "Risk Factors". The forward-looking statements contained in the documents incorporated by reference herein are expressly qualified by this cautionary statement: The forward-looking statements contained in this release speak only as of the date of this release 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, boe's 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.

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