

October 26, 2010

Bengal Energy To Drill Two Follow-Up Wells To Recent Oil Discovery in Australia's Onshore Cooper Basin

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) ("Bengal" or the "Company") is pleased to announce that rig mobilization operations have commenced for the drilling of the next well (the "Barta North Well") in the Barta drilling program, as a follow-up well to the successful Cuisinier-1 oil discovery in the Cooper Basin. A four-month extended production test on the 13 meter thick Murta zone in the nearby Cusinier-1 well indicates production capability that exceeds original estimates, with the Murta zone being capable of sustained gross production greater than 400 barrels per day of high quality 52 degree API oil.

The Barta North Well is to be located approximately four kilometers south west of the Cuisinier-1 well and is targeting oil accumulations in both the Cretaceous Murta and Jurassic Hutton formations. The well is expected to spud in early November, will be drilled to a total depth of approximately 2,030 meters and is expected to take approximately 13 days to drill and case.

Bengal, through its wholly-owned subsidiary, Avery Resources (Australia) Pty Ltd., will contribute 55% of the drilling costs of the Barta North Well to complete its earning requirement in the 360,000 acre Barta Block of ATP 752P, earning a 25% interest (current 14.26%) in the block, including the producing Cuisinier-1 well.

The Barta North Well will be followed by a Cuisinier appraisal well (the "Cuisinier-2 Well") which will be drilled approximately 450 meters north east of Cuisinier-1. The Cuisinier-2 Well is forecast to spud in late November, will be drilled to a total depth of approximately 2,010 meters and is expected to take approximately nine days to drill and case. Bengal is fully carried on the Cuisinier-2 Well where the operator will pay 100% of the drilling costs as a continuation of its earning in ATP 752P. With success of the Barta North Well and the Cuisinier-2 Well, further development drilling is planned to fully develop the Cuisinier-1 oil accumulation.

"The production performance of the Cuisinier-1 well continues to exceed expectations, confirming the Cuisinier discovery as a significant find in the Cooper Basin," said Jim Mott, Bengal's Vice President, Exploration. "The large exploration acreage earned from the ATP 752P farm-in is expected to offer additional growth potential for Bengal as follow-up exploration prospects targeting the Murta zone can be fully mapped out and drilled."

The Barta Block has the potential to host oil in additional reservoirs. The adjacent Cook oilfield produces oil from the prolific Hutton reservoir. Cuisinier-1 also had oil shows in the Birkhead and Triassic targets. Results in the Cuisinier-Cook area show that material oil accumulations can be found in different reservoirs in this region.

About Bengal

Bengal Energy Ltd. is an international junior oil and gas exploration and production company with assets in Australia, India and Canada. 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



Disclaimers

This news release contains certain statements which constitute forward-looking statements or information, including in respect of oil production rates, granting of petroleum exploration licenses, drilling plans and timing, capital expenditure requirements, the approximate size and nature of seismically defined features, production capability from the Murta zone in the Barta block, earning of working interests by Bengal under farm-in arrangements and the prospectivity for commercial quantities of hydrocarbons on Bengal's properties. Although the Company believes the expectations reflected in its forward-looking statements are reasonable, the forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. As such, readers are cautioned not to place undue reliance on the forward-looking statements, as no assurance can be provided as to future results, levels of activity or achievements. The Company has provided these forward-looking statements or information in reliance on certain assumptions that it believes are reasonable at this time, including assumptions about the timing, execution and success of drilling of the Barta North Well and Cuisinier-2 Well and other capital expenditures for ATP 752P where Bengal is not the operator. Risks include, but are not limited to: uncertainties and other factors that are beyond the control of the Company, risks associated with the oil and gas industry, commodity prices and exchange rate changes, access to capital, operational risks associated with exploration, development and production operations, delays or changes in plans, delays in obtaining regulatory and third party approvals and ability to meet work commitments. Additional risks include Bengal's ability to meet the capital expenditures, the estimated size of any seismic features, whether additional geosciences work will progress to defining drillable locations and the possible prospectivity of the Company's acreage. The Company assumes no obligation to update any forward-looking statements or to update the reasons why actual results could differ from those reflected in the forward-looking statements except as required by securities laws. Additional information identifying risks and uncertainties is contained in filings of the Company with Canadian securities regulators, which are available under the Company's profile at www.sedar.com.

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