



September 18, 2012

**Bengal Energy now 8 for 8 in the Cooper Basin
Production ramping up with an estimated net minimum 275 bopd expected
Results indicate significantly larger play at Cuisinier
in Australia's Onshore Cooper Basin**

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) is pleased to announce that production testing on the recently drilled Cuisinier wells in Australia’s Cooper Basin has been completed with positive results from all four wells. Combined new oil production from these four wells from the Murta formation is estimated at initial rates of approximately 800 barrels of oil per day (bopd) (net 200 bopd to Bengal). Flow line construction for all wells has commenced with on-stream dates estimated in late October of this year. In addition, the previously drilled Barta North 1 well has been flow line connected and is expected to commence production on September 17, 2012 at approximately 70 bopd (net 18 bopd). Oil from these new wells will be trucked to a sales point under the current production system.

Facilities upgrade and pipeline connection to the Cook Oil Field facility is forecasted to be completed late in the calendar fourth quarter or early first quarter 2013 subject to receipt of the necessary approvals. These steps will enable full field production (8 wells) to commence from Cuisinier. Initial combined daily production rates from these eight wells are estimated at a minimum of 1,100 bopd (net 275).

The existing Cuisinier 1, 2 and 3 wells have been shut in awaiting grant of a Petroleum Lease (PL), which is anticipated late in 2012. Granting of the PL will allow all eight Cuisinier wells to produce.

Bengal has a 25% interest in the 631,000 acre Barta Block of Authority to Prospect (ATP) 752P.

“We’re pleased not only with the success of the Cuisinier completion program, but also with the potential of our acreage in multiple geological zones on this block,” said Chayan Chakrabarty, President & CEO of Bengal. “We are working closely with our Joint Venture partners to commence an additional 200 square kilometre 3D seismic program to further explore the block. The successful wells and completions to date support the pre drill geophysical interpretation and have now extended the oil bearing DC 70 trend to 4,400 metres from south to north and have expanded the DC 70 sand oil window to 25 metres in thickness.”

Bengal has conducted a long-term pressure test at the original discovery well at Cuisinier 1. This test indicates a minor pressure drop from the pre-production period (virgin reservoir pressure) of approximately 4.0%. Bengal believes that this pressure information, when viewed against cumulative production prior to the pressure buildup test of 123,200 barrels, is indicative of the possibility of further extensions of the Cuisinier oil field. For the fiscal year ending March 31, 2012, field netback on this high quality, 52 degree API crude oil produced at Cuisinier was \$68.81 per barrel.

The Cuisinier structure has been interpreted from 3D seismic data by Bengal to be one of several culminations in the area. Additional appraisal drilling will be required to determine the ultimate size of the structure and the extent of the Murta reservoirs.

Bengal believes that the Cuisinier structure has the potential to host oil in additional reservoirs. The adjacent Cook Oil Field produces oil from the prolific Hutton reservoir. Cuisinier wells have also had oil shows in the Birkhead and Triassic targets. Results in the Cuisinier-Cook area show that significant oil accumulations can be found in different reservoirs in this region.

Bengal has interests in four other permit areas in the Cooper Basin.



About Bengal

Bengal Energy Ltd. is an international junior oil and gas exploration and production company with assets in India and Australia. 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 oil production rates, timing of oil production coming on-stream at Cuisinier, timing of completion of transportation and other facilities construction, receipt of regulatory approvals, granting of petroleum exploration leases and licenses, drilling plans, capital expenditure requirements, and the approximate size and nature of seismically defined features. 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. Test results described herein are not necessarily indicative of long-term performance or of ultimate recovery. 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 and execution of capital plans 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, operational risks associated with exploration, development and production operations, delays or changes in plans, delays in obtaining 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, the possible prospectivity of the Company's acreage and the receipt of regulatory approvals and the granting of the required PL at Cuisinier. 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.

FOR FURTHER INFORMATION PLEASE CONTACT:

Bengal Energy Ltd.

Chayan Chakrabarty, President & Chief Executive Officer

Bryan Goudie, Chief Financial Officer

(403) 205-2526

Email: investor.relations@bengalenergy.ca

Website: www.bengalenergy.ca