PRESS RELEASE

Bengal Energy Announces Fourth Quarter and Fiscal 2021 Year End Results

Calgary, Alberta--(Newsfile Corp. - June 21, 2021) - **Bengal Energy Ltd. (TSX: BNG)** ("Bengal" or the "Company") today announces its financial and operating results for the fourth quarter and the fiscal year ended March 31, 2021.

FISCAL YEAR END & FOURTH QUARTER 2021 HIGHLIGHTS:

The following is an overview of the financial and operational results during the three and twelve month periods ended March 31, 2021. All amounts are in Canadian funds, unless otherwise noted:

Financial Summary:

- **Long term debt -** On February 26, 2021, the Company completed its debt settlement transaction between its wholly-owned subsidiary Bengal Australia Ltd. Pty and Westpac Banking Corporation ("Westpac") under its secured credit facility (the "Credit Facility") whereby the total balance outstanding of US$ 12.5 million was settled in exchange for a payment of US $10.0 million resulting in a gain on redemption of $3.5 million. In conjunction with this, the Company entered into a recapitalization transaction with Texada Capital Management Ltd. The transaction included the issuance of 330,720,000 common shares of the Company at a price of $0.05 per share for total proceeds of $16.5 million, of which $12.6 million (being the Canadian dollar equivalent of US $10.0 million based on the daily average CAD$/USD$ foreign exchange rate published by the Bank of Canada as at February 24, 2021) were used as settlement payment to Westpac.

- **Reserves -** Bengal's independently evaluated Proved Plus Probable ("2P") reserves for the fiscal year ended March 31, 2021 are 5,789 thousand barrels of oil ("Mbbls") and Proved reserves are 2,163 Mbbls. The net present value (NPV_{10}, before tax) of Bengal's 2P reserves are $87.6 million, or $0.21 per share. The 2P after tax net asset value is $69.1 million.

- **Sales revenue -** Crude oil sales revenue was $1.6 million in the fourth quarter of fiscal 2021, which is 40% higher than the $1.1 million recorded in Q4 fiscal 2020. Full year fiscal 2021 sales revenue was $5.2 million compared to $8.1 million for the full year fiscal 2020. The decrease in sales revenue during the current fiscal year was due to a combination of naturally declining production volumes and lower realized crude oil prices, which continued to be impacted by demand disruptions associated with the ongoing COVID-19 pandemic.

- **Hedging -** The Company negotiated a waiver of all financial covenants and hedging requirements contemplated in its Credit Facility after December 31, 2020, therefore there were no realized or unrealized gains or losses on financial instruments during the quarter ended March 31, 2021. During the 2021 fiscal year, the Company recorded an unrealized loss of $1.5 million on its derivative contracts due to increasing crude oil prices. Upon settlement of the derivative contracts, the Company realized a $1.0 million gain on financial instruments which represents a 94% increase from the $0.5 million gain realized in the previous fiscal year.

- **Funds from (used in) operations[1] -** Bengal used $0.2 million of funds in operations during Q4 fiscal 2021 compared to $0.0 million of funds used in Q4 fiscal 2020. For the full year fiscal 2021, the Company generated and used $0.3 million of funds from operations compared to $0.4 million of funds from operations generated in the prior fiscal year. The decrease in funds from operations during fiscal 2021 was driven primarily by lower sales revenue as described above.

- **Net income -** Bengal reported a net income of $3.0 million for the current quarter compared to a net loss of $2.2 million in the fourth quarter of fiscal 2020. For the full year fiscal 2021, the Company reported $3.9 million of net income compared to a net loss of $2.9 million in the prior year. Several non-operational items contributed to net income during the year that were absent in the comparative period, including $3.7 million of foreign exchange gains and a $3.5 million gain on the settlement of the Company's Credit Facility.

- **Adjusted net loss[2] -** Bengal reported an adjusted net loss of $0.4 million for the current quarter and $1.9 million for the full year fiscal 2021. Net income is adjusted for unrealized gain (loss) on financial instruments, the unrealized foreign exchange gain (loss) for the period and the non-cash impairment of non-current assets and $3.5 million gain on settlement of the Company's Credit Facility described above.

Operational Summary:

- **Production volumes -** The Company's share of total production in the current quarter was 18,222 bbls of light crude oil, which is a 21% decline from the 23,117 bbls produced in the fourth quarter of fiscal 2020. The current quarter production averaged 202 bbls/day compared to 254 bbls/day produced in the fourth quarter of fiscal 2020. Full year fiscal 2021 saw total production of 80,530 bbls compared to 102,230 bbls for full year fiscal 2020. The full year fiscal 2021 production per day averaged 221 bbls compared to 279 bbls/day for the full year fiscal 2020. During fiscal 2021, capital activity for the Cuisinier field was focused on the water injection pilot program, which is currently being commissioned and has not yet realized its expected incremental increase in production. Production, therefore, experienced natural reservoir decline rates through the year.

- **Capital expenditures -** Bengal completed the construction of its water injection pilot project during the fourth quarter of fiscal 2021. Due to the impacts of the COVID-19 pandemic on both commodity prices and operational capacity, the 2021 drilling campaign has been postponed until fiscal 2022.

Executive Changes:

Effective July 1, 2021 the Company will appoint Kai Eberspaecher, Meng MBA, Ceng, FIChemE, FAPM as Chief Operating Officer of Bengal Energy Australia PTY Ltd. (the Company's wholly owned subsidiary). With over 20 years' experience, Kai is an upstream oil and gas professional with broad experience in developing hydrocarbon resources. He holds a Masters in Chemical Engineering, and an MBA. During his career Kai has held several senior roles across four countries where he was responsible for the development, engineering and delivery of operations and production.

OPERATING SUMMARY

($000s except per share, %, volumes and operating netback amounts)		Three months ended March 31				Twelve months ended March 31		
		2021		2020		2021		2020
Oil revenue	$	1,601	$	1,140	$	5,234	$	8,103
Operating netback[1]	$	670	$	249	$	2,754	$	4,547
Cash from operations	$	70	$	27	$	301	$	1,129
Funds (used in) from operations[2]	$	(158)	$	(849)	$	(305)	$	461
Per share ($) (basic and diluted)	$	0.00	$	(0.01)	$	0.00	$	0.00
Net income (loss)	$	3,040	$	(2,196)	$	3,928	$	(2,896)
Per share ($) (basic and diluted)	$	0.01	$	(0.02)	$	0.03	$	(0.03)
Adjusted net income loss[3]	$	(489)	$	(1,111)	$	(1,876)	$	(1,125)
Per share ($) (basic and diluted)	$	(0.01)	$	(0.01)	$	(0.01)	$	(0.01)
Capital expenditures	$	533	$	(68)	$	1,254	$	2,035
Oil volumes (bbl/d)		202		254		221		279
Operating netback [1]($/bbl)	$	36.77	$	10.77	$	34.20	$	44.47

1. Operating netback is a non-IFRS measure and includes realized gain (loss) on financial instruments. Operating netback per bbl is calculated by dividing revenue (including realized gain (loss) on financial instruments) less royalties and operating costs by the total production of the Company measured in bbls. A reconciliation of the measures can be found on page 7 of this MD&A.

2. Funds from (used in) operations is a non-IFRS measure which is calculated by adding back all non-cash expense deductions to the net loss for the quarter and fiscal year. Funds from (used in) operations per share is a non-IFRS measure calculated as calculated by dividing funds from (used in) operations by weighted average basic and diluted shares outstanding for the periods disclosed. A reconciliation of the measures can be found in the table on page 16 of the referenced MD&A.

3. Adjusted net income (loss) and adjusted net income (loss) per share are non-IFRS measures. The comparable IFRS measure is net income (loss). A reconciliation of the two measures can be found in the table on page 16 of the referenced MD&A.

4. The above non-IFRS measures do not have any standardized meaning under GAAP (as that term is defined in National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards) and therefore may not be comparable to similar measures presented by other issuers.

Bengal has filed its consolidated financial statements and management's discussion and analysis for the fourth fiscal quarter of 2021 and year ended March 31, 2021 with the Canadian securities regulators. The documents are available on SEDAR at www.sedar.com or by visiting Bengal's website at www.bengalenergy.ca.

AUSTRALIA - Cooper Basin, Queensland

PL303 and PL 1028 Cuisinier (controlling permit ATP 752) (30.357% WI)

A pilot reservoir pressure maintenance scheme (water flood pilot) is now underway. This pilot well encountered mechanical disruptions during initial attempts to commence water injection, which have been addressed through additional water filtration at the injection site. The location of this pilot is in the southeast quadrant of the Cuisinier pool, with injection of water to take place at the Cuisinier 24 well. The broad nature of the Cuisinier structure combined with variable flank aquifer pressure support has resulted in pressure depletion within the central portion of the Cuisinier pool. The injection of produced formation water is anticipated to both increase production in up to four offsetting wells and reduce water handling charges. On establishing success of the pilot, the Joint Venture will begin a multi phase water injection scheme, targeted fracture stimulation and more commercially efficient development drilling.

Bengal will participate in the 3D seismic controlled Chef exploration drilling project, which has been proposed by the Joint Venture operator (Santos) and is expected to commence in calendar Q4 2021. This target is located in the north east portion of the block which is immediately adjacent to the Cook and Cocinero fields also operated by Santos. This will be the Company's first well drilled into the Jurassic age reservoirs of the Birkhead-Hutton formations which have proven to be prolific producers in the neighboring Cook and Cocinero fields.

ATP 934 Barrolka (100% WI)

ATP 934 is the Company's 100% owned natural gas exploration block. Bengal conducted extensive state-of-the-art geophysical work over and above common practice in analogous fields in the Cooper Basin. The outcome of the additional analysis provides the Company with a higher degree of confidence in the block's identified features and has focused exploration on the most likely prospects.

Bengal entered into an agreement with Santos in July of 2020 to farm-in on a portion of the ATP 934 block. This farm-out finances and de-risks the initial field exploration by the basin leading gas explorer, with whom Bengal has an existing and successful partnership at the Cuisinier field. Additionally, and of equal importance, the partnership offers extensive operating experience backed by Santos' recent exploration success in neighboring fields analogous to the joint venture's exploration targets. Santos will carry the drilling costs of one well to earn a 60% operated interest in the ATP 934 southern farm-out block, which represents 57.8% of the total block post April 2020 relinquishment. This well is currently scheduled for drilling in calendar Q4 2021 and if successful, Bengal would pay its 40% share of any well tie in costs to nearby gathering infrastructure.

PL 114 Wareena, PL 157 Ghina, PL 188 Ramses, PL 411 Karnak, PPL 138 pipeline (100% WI)

The Company is currently finalizing a schedule of development plans for its recently acquired 100% working interest in four PLs near to ATP 934. While not currently producing, all PLs have existing wells indicating log pay, drill stem test ("DST") results and or gas production from the Permian formation. Bengal has identified four wells to be tested and re-completed for production in its first phase of development.

Specifically, this program is expected to include the following development activities; (a) recommissioning of a 26km pipeline to tie a previously producing Wareena liquids rich gas wells into a nearby compression station accessing the Eastern Australia local and export market; (b) work-over of the Ramses well that demonstrated both a Permian gas discovery and oil-zone completion in a cased well, which recovered 588 bbls/d of light crude oil, based on a 105-minute drill stem test. Upon completion of a successful test, this well is expected to be immediately equipped for production and the oil sold into the regional market; (c) work-over of the Ghina well to evaluate the previous Permian liquids rich gas discovery and assess the economics of tie-in and field recovery; and finally (d) twin drilling of the existing Karnak well that showed a liquids rich gas pay zone in the Permian formation. Bengal expects that with the application of advanced underbalanced drilling techniques now commonplace in the Cooper Basin, a successful new well could be immediately tied into nearby gathering infrastructure.

The 100% ownership of these assets presents an appraisal and development opportunity that will be operated by the Company and is seen not only to be complementary to our proven producing, non-operated Cuisinier asset, but also as a key stepping stone for Bengal's natural gas platform with immediate market access to an existing pipeline upon which future exploration growth through ATP 934 can be undertaken.

ATP 732 Tookoonooka (100% WI)

In June 2019, the Company applied for an amendment to the Later Work Program (LWP) for the third term of ATP 732 permit, On October 22, 2019, the Company received approval from the Queensland regulatory authority for an amended LWP for the third, four-year term commencing April 1, 2019 to March 31, 2023. The approved LWP was revised to minimum activities of reprocessing seismic and inversion work with an estimated cost of $50K and geological and geophysical investigation at an estimated cost of $50K during the four-year term.

Using the extensive 2D and 3D seismic data the Company has acquired combined with the oil shows and oil recovery from the Caracal exploration well which was drilled and cased, the Company will be applying for a Potential Commercial Area ("PCA") over a part of the remaining ATP 732 land block. If successful, the PCA area will be exempt from further relinquishment.

About Bengal

Bengal Energy Ltd. is an international junior oil and gas exploration and production company with assets in Australia. The Company is committed to growing shareholder value through international exploration, production and acquisitions. Bengal's common shares trade on the TSX under the symbol "BNG". Additional information is available at www.bengalenergy.ca

CAUTIONARY STATEMENTS:

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", "future", "prospective", "project", "intend", "believe", "should", "would," "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 economic conditions in North America and Australia and globally; 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; stock market volatility and fluctuations in market valuations of companies with respect to announced transactions and the final valuations thereof; results of exploration and testing activities; and the ability to obtain required approvals and extensions 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:

- *The anticipated results of injection of produced formation water at ATP 752;*
- *The expected 3D seismic controlled Chef exploration drilling project and the timing thereof;*
- *Bengal's multi-phase water injection scheme, targeted fracture stimulation and the results thereof at ATP 752;*
- *The expected timing of drilling a well at ATP 934 and Bengal's payment of the tie in costs associated therewith; and*
- *Bengal's development plans for its four PLs at ATP 934.*

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 or extensions; the failure to satisfy the conditions under farm-in and joint venture agreements; the failure to secure required equipment and personnel; changes in general global economic conditions including, without limitations, the economic conditions in North America and Australia; 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; 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 for the year ended March 31, 2019 under the heading "Risk Factors" and in Bengal's management's discussion and analysis for the Q4 and fiscal year ended March 31,2020 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 require pursuant to applicable securities laws.

In this press release, all references to reserves are to gross Company reserves, meaning Bengal's working interest reserves before deductions of royalties and before consideration of Bengal's royalty interests. The reserves were evaluated by GLJ Petroleum Consultants Ltd ("GLJ") in accordance with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101") effective March 31, 2021. Bengal's annual information form for the year ended March 31, 2021 (the "AIF") will contain Bengal's reserves data and other oil and natural gas information as mandated by NI 51-101. Bengal expects to file the AIF on SEDAR by June 30, 2021. The above references to 2P and NPV10 before tax are based on Bengal's petroleum and natural gas reserves, as evaluated by GLJ, effective March 31, 2031, using GLJ's March 31, 2021 forecast prices and costs. There is no assurance that the forecast prices and cost assumptions will be attained and variances could be material. The recovery and reserve estimates of our crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. It is important to note that the recovery and reserves estimates provided herein are estimates only. Actual reserves may be greater or less than the estimates provided herein. Reserves information may not add due to rounding.

Selected Definitions

The following terms used in this news release have the meanings set forth below:

bbl - *barrel*
bbls - *barrels*
bbls/d -*barrels per day*
$/bbl - *dollars per barrel*
Q4 *- three months ended March 31*

Non-IFRS Measurements

Within this news release references are made to terms commonly used in the oil and gas industry. Funds from (used in) operations, funds from (used in) operations per share, operating netback, netback per bbl, adjusted net income (loss) and adjusted net income (loss) per share do not have any standardized meaning under IFRS and previous GAAP and are referred to as non-IFRS measures. Funds from (used in) operations per share is calculated based on the weighted average number of common shares outstanding consistent with the calculation of net income (loss) per share. Operating netback includes realized losses on financial instruments. Netback per bbl is calculated by dividing revenue (including realized loss on financial instruments) less royalties, operating expenses by the total production of the Company measured in bbl. Adjusted net income (loss) and adjusted net income (loss) per share are calculated based on Net income (loss) plus unrealized loss (gain) on financial instruments less unrealized foreign exchange loss (gain) and non-cash impairment of non-current assets. The Company's calculation of the non-IFRS measures included herein may differ from the calculation of similar measures by other issuers. Therefore, the Company's non-IFRS measures may not be comparable to other similar measures used by other issuers. Funds from operations is not intended to represent operating profit for the period nor should it be viewed as an alternative to operating profit, net income, cash flow from operations or other measures of financial performance calculated in accordance with IFRS. Non-IFRS measures should only be used in conjunction with the Company's annual audited and interim financial statements. A reconciliation of these measures can be found in the tables on pages 7 and 16 of Bengal's management's discussion and analysis for the Q4 and fiscal year ended March 31, 2021.

Disclosure of Oil and Gas Information

This document discloses test results which are not necessarily indicative of long-term performance or of ultimate recovery.

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[1] See "Non-IFRS Measurements" on page 16 of the Company's March 31, 2021 MD&A

[2] See "Non-IFRS Measurements" on page 16 of the Company's March 31, 2021 MD&A