



August 23, 2021

Bengal Announces Operational Update for its Expanded Development Program

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) (“Bengal” or the “Company”) announces its plan for the natural gas and oil development program on its 100% working interest in the Wareena, Ghina, Karnak and Ramses Petroleum Leases (“PLs”) in its Cooper Basin operating area.

In readiness for this program, the Company is pleased to announce that it has signed formal service contracts with Ago Vires Pty Ltd as principal contractor operating out of its home base of Thargomindah, Queensland, Fyfe Pty Ltd for surface facilities engineering and pipeline integrity, InGauge Energy Pty Ltd for drilling and well completion planning and execution, Risk Safety Management Associates Pty. Ltd. for all aspects of Bengal's health and safety program, planning and monitoring and T29 Holdings Pty Ltd for all aspects relating to surface access, native title and tenure, estimated rehabilitation cost and tenure, and title regulatory matters. As all such contractors are based in Queensland, entering into these contracts is in keeping with Bengal's ESG practice of hiring locally.

PL 1110 Wareena, PL 1109 Ghina, PL 188 Ramses, PL 411 Karnak, PPL 138 pipeline (100% working interest)

The Company is currently finalizing reinstatement plans for its recently acquired 100% working interest in four PLs near to ATP 934 (the Company's 100% owned natural gas exploration block). While not currently producing, all PLs have existing wells indicating log pay, drill stem test 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 the 26km pipeline, which the Company has 100% working interest in, to tie the 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 which demonstrated both a Permian gas discovery and oil-zone completion in a cased well and recovered 588 bbls/d of light crude oil, based on a 105-minute drill stem test. No transient pressure analysis was carried out. Because of the relatively short duration of the DST, these results should be considered preliminary, until a longer duration well test is carried out to confirm deliverability. Upon completion of such 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
- (d) twin drilling of the existing Karnak well which showed a liquids rich gas pay zone in the Permian formation. Bengal expects that with the application of the advanced underbalanced drilling



techniques, which are now commonplace in the Cooper Basin, a successful new well could be immediately tied into nearby gathering infrastructure for commercial production.

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.

Chayan Chakrabarty, President and Chief Executive Officer of Bengal, commented, "Our team has worked closely with the Queensland Government and engaged with and informed all pastoralists in relation to the execution of the program." Mr. Chakrabarty continued, "The potential of the area covered by the planned work program has already been demonstrated through multiple drilling successes. The potential upside of this area is significant and the Bengal work program is located over highly prospective parts of our acreage. In executing these contracts, Bengal has laid the foundations to work towards bringing our operated development asset portfolio into production. We are also proud of being able to partner with local contractors and support the communities we operate in."

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", "potential", "advance", "continue", "new", "develop" 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 fluctuation; results of exploration and testing activities, and the continued or anticipated performance of assets; 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.



In particular, forward-looking statements contained herein include, but are not limited to, statements regarding: the Company's focus, plans, priorities and strategies; the Company's position in the business environment, particularly in the Australian business environment; the Company's development plans for its four PLs at ATP 934, including, without limitation, the ability of the Company to recommission the 26km pipeline and to tie the Wareena wells into a compression station to access the Eastern Australia local and export market, to work-over the Ramses and Ghina wells and to complete twin drilling of the existing Karnak well and the expected benefit of such to the Company; and the ability of third parties to perform their obligations under contracts and the expected benefit of such contracts and performance to the Company.

The forward-looking statements contained herein are subject to numerous known and unknown risks and uncertainties that may cause Bengal's actual 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 economic conditions in North America and Australia; the impact of the COVID-19 pandemic and the ability of the Company to carry on its operations as currently contemplated in light of the COVID-19 pandemic; the failure to obtain required regulatory approvals or extensions; determinations by OPEC and other countries as to production levels; the failure to satisfy the conditions under farm-in and joint venture agreements, and other third party contracts; the failure of third parties to perform their obligations under contracts with the Company; the failure to secure required equipment and personnel; 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 pipeline infrastructure; the ability to access sufficient capital from internal and external sources; and stock market volatility. The Company cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. Additional information on these and other factors that could affect the Company are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). 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.

Selected Definitions

The following term used in this news release has the meaning set forth below:

bbls/d –barrels per day

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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