PRESS RELEASE

January 27, 2016

Bengal Energy Announces Successful Cuisinier Well Stimulation Program and Provides Operations Update

Calgary, Alberta – Bengal Energy Ltd. (TSX: BNG) ("Bengal" or the "Company") announces that the Company and its joint venture parties have successfully completed the previously announced hydraulic stimulation program on ATP 752 Barta Block (Bengal's working interest is 30.357%).

The hydraulic stimulation campaign has exceeded Bengal's technical and commercial expectations. Four of the five wells have now been placed back into production demonstrating an aggregate incremental rate of over 200 gross barrels of oil per day ("bopd") or 61 bopd net to Bengal. Average gross production from the Cuisinier field in October 2015, prior to the shut-in of the five programmed wells, was approximately 1,569 bopd (476 bopd net to Bengal).

Cuisinier 14, the fifth well stimulated as a part of the program, is expected to undergo post stimulation production testing in January 2016.

"We are very pleased with the results of our 2015 hydraulic stimulation program which has demonstrated the potential to significantly increase the performance of producing wells within the Cuisinier field. Prior to this program none of the 23 wells Bengal has drilled to date had been stimulated," said Chayan Chakrabarty, Bengal's President and CEO. "We have added to our production base, while providing an excellent foundation for future production additions, as other low cost, low risk stimulation opportunities are identified."

Bengal's strong net-backs continue to provide cash flow of approximately CDN $4.75 per bbl at the current Brent price of US $28 per bbl, before hedging and corporate overhead. Including the contribution from Bengal's hedge, field operating netback increases to CDN $39 per bbl, giving the Company confidence that it can continue to grow in these difficult times.

ATP 732 Tookoonooka

Bengal's previously announced farm-in partner on ATP 732 has informed Bengal of their decision to withdraw from the farm-in and re-assign their 50% equity back to Bengal. The farm-in partner drilled one well (Tangalooma-1) and completed the acquisition of 300 km^2 of 3D seismic (Nassarius 3D). In the current oil price environment, the size and perceived risk of the prospects identified did not meet necessary thresholds for the farm-in partner to continue with the work program.

Bengal will now retain a 100% working interest in this 2,648 km^2 permit on the eastern flank of the Cooper Basin. There are no remaining commitments on this permit until the expiry of the Tookoonooka Phase 1 work program in March of 2017, at which time the Phase 2 work program will be considered.

About Bengal

Bengal Energy Ltd. (TSX: BNG) is an international oil and gas exploration and production company with producing and prospective light oil-weighted assets in Australia and India. Bengal offers exposure to lower risk, current production and cash flow, combined with longer-term high, potential impact exploration projects. The Company's strategy is to achieve per share growth in cash flow, production and reserves while establishing an attractive portfolio of future drilling and exploration opportunities. Additional information is available on our website at www.bengalenergy.ca.

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 forward-looking 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", "prospective", "project", "intend", "believe", "should", "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 current commodity price environment; the impact of economic conditions in North America, Australia, India 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 timing of the post stimulation production testing of the Cuisinier 14 well; identifying new low cost, low risk opportunities; potential growth opportunity as a result of the Company's strong net-backs; and the consideration of the Tookoonooka Phase 2 work program in March 2017. 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: fluctuations in commodity prices, foreign exchange or interest rates; the failure to obtain required regulatory approvals or extensions; failure to satisfy the conditions under farm-in and joint venture agreements; failure to secure required equipment and personnel; changes in general global economic conditions including, without limitations, the economic conditions in North America, Australia, India; increased competition; the availability of qualified operating or management personnel; 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 under the heading "Risk Factors" and in Bengal's annual MD&A 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.

Netbacks

Netback is a term that is not defined under International Financial Reporting Standards and is used by Bengal as a supplemental measure in evaluating Bengal's financial position and performance. Bengal calculates netbacks as revenues minus royalties and transportation and operation costs divided by the total production of the Company measured in boe or bbls.

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