



PRESS RELEASE

BROWNSTONE ENERGY PROVIDES COLOMBIAN OPERATIONS UPDATE

Toronto, Ontario (May 1, 2012) – Brownstone Energy Inc. (TSXV: BWN; OTCQX: BWSOF) (“Brownstone”) is pleased to announce that it has received the following operational update for its Colombian operations.

Canaguay-1 Well, Canaguaro Block, Llanos Basin

Following a workover, cleanout and a pump replacement in late April, the Canaguay-1 well has been put back on production and continues to produce in the 1,200-1,400 BOPD range with a watercut in the range of 35%-40%.

Brownstone has a 25% private participating interest in the Canaguaro Block.

Flami-1 Exploration Well, Block 27, Llanos Basin

Drilling at the Flami-1 exploration well continues and is expected to be completed by the end of May.

Mani-1 Exploration Well, Block 27, Llanos Basin

As part of the extended test following the oil discovery, the operator has observed that total fluid production has continued to increase, with the watercut also continuing to increase and now exceeding 85% of production fluids. As a result, the operator is now investigating whether: a) the cement job from the original completion has failed to hold properly causing water to seep from lower zones; or b) if the water is being produced from the target reservoir. The operator has decided to suspend production of the well until the drilling of the Flami-1 well is completed, at which time the operator will review the option of carrying out another remedial cement job.

Brownstone pays 50% of cost and has a 45.275% revenue interest in this Llanos 27 Block (including both the Flami-1 and Mani-1 exploratory wells) before payout, and a 34.25% private participating interest following payout.

About Brownstone

Brownstone Energy Inc. is a Canadian-based, energy focused company with direct interests in oil and gas exploration projects, including varying interests in three off-shore Israel concessions and in four Colombian blocks in the Llanos basin, as well as other oil and gas interests worldwide. By owning and managing a diversified portfolio of energy-based projects, Brownstone provides shareholders with a unique energy alternative. For additional information, please see Brownstone's website: www.brownstoneenergy.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Cautionary Statements

This news release contains forward-looking information and forward-looking statements within the meaning of applicable securities laws (together, "forward-looking information"). The use of any of the words "expect", "anticipate", "continue", "estimate", "believe", "plans", "intends", "confident", "may", "objective", "ongoing", "will", "should", "project", "should" and similar expressions are intended to identify forward-looking information.

The forward-looking information is based on certain key expectations and assumptions made by the Company, including expectations and assumptions concerning the operational results in Colombia. Although the Company believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct.

Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the inherent risks involved in the exploration and development of oil and gas properties, the uncertainties involved in interpreting drilling results and other geological data, uncertainties relating to fluctuating oil and gas prices, the possibility of cost overruns or unanticipated costs and expenses and other factors including unforeseen delays. Anticipated exploration and development plans relating to the Company's properties are subject to change.

The foregoing list of assumptions, risks and uncertainties is not exhaustive. The forward-looking information contained in this press release is made as of the date hereof and Brownstone undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.