



PRESS RELEASE

FOR IMMEDIATE RELEASE:

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BROWNSTONE ENERGY INC. RELEASES UNAUDITED RESULTS FOR THE THREE AND NINE MONTHS ENDED MARCH 31, 2012

TORONTO, Ontario (May 30, 2012) – Brownstone Energy Inc. (TSXV: “BWN”; OTCQX: “BWSOF”) (“Brownstone” or the “Company”) today announces its unaudited results for the three and nine months ended March 31, 2012.

As at March 31, 2012, the Company had cash and cash equivalents of \$20.6 million as compared to \$29.9 million as at June 30, 2011. Investments at fair value totaled \$4.1 million as at March 31, 2012 as compared to \$12.4 million as at June 30, 2011. Also as at March 31, 2012, exploration and evaluation assets totaled \$40.8 million as compared to \$42.1 million as at June 30, 2011.

Financial Highlights for the three and nine months ending March 31, 2012 with comparatives:

Operating Results (unaudited)	Three months ended March 31,		Nine months ended March 31,	
	2012	2011	2012	2011
Net realized (losses) gains on disposal of investments	\$ (3,185,515)	\$ 111,277	\$ (5,008,726)	\$ (612,899)
Net change in unrealized gains (losses) on investments	(662,909)	(256,829)	751,690	4,984,979
Net investment gains (losses)	(3,848,424)	(145,552)	(4,257,036)	4,372,080
Profit (loss) for the period	(21,915,937)	(1,268,671)	(24,365,405)	1,183,711
Basic and diluted earnings (loss) per share	(0.17)	(0.01)	(0.19)	0.01

**Consolidated statements of financial position
Highlights**

	March 31, 2012	June 30, 2011
Cash and cash equivalents	\$ 20,603,312	\$ 29,833,806
Investments, at fair value	4,133,257	12,350,483
Exploration and evaluation assets	40,833,532	42,053,011
Total assets	68,957,672	90,591,353
Total liabilities	776,021	1,497,064
Share capital, warrants and broker warrants, contributed surplus	120,331,205	118,327,742
Foreign currency translation reserve	(1,715,710)	(3,165,014)
Deficit	(50,433,844)	(26,068,439)
Working Capital	24,946,283	46,507,056

During the nine months ended March 31, 2012, the Company spent net cash of \$13,443,910 on exploration and evaluation assets as compared to \$9,581,481 during the nine months ended March 31, 2011. During the nine months ended March 31, 2012, the Company wrote-down \$16,112,785 of its exploration and evaluation assets.

Brownstone is currently participating in several oil and gas exploration projects based in Colombia, Israel, United States (Colorado/Utah and Oregon), and Argentina.

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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