

FORM 51-101F3

REPORT OF MANAGEMENT AND DIRECTORS ON RESERVES DATA AND OTHER INFORMATION

Management of Brownstone Energy Inc. (the “Company”) are responsible for the preparation and disclosure of information with respect to the Company’s oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which are estimates of proved reserves and probable reserves and related future net revenue as at June 30, 2012, estimated using forecast prices and costs.

Independent qualified reserves evaluators (the “Evaluators”) have evaluated the Company’s reserves data. The report of the Evaluators will be filed with securities regulatory authorities concurrently with this report.

The board of directors of the Company has

- (a) reviewed the Company’s procedures for providing information to the Evaluators;
- (b) met with the Evaluators to determine whether any restrictions affected the ability of the Evaluator to report without reservation; and
- (c) reviewed the reserves data with management and the Evaluators.

The board of directors of the Company has reviewed the Company’s procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has approved

- (a) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;
- (b) the filing of Form 51-101F2 which is the report of the Evaluators on the reserves data; and
- (c) the content and filing of this report.

Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material. However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.

Dated: October 26, 2012

“Sheldon Inwentash”

Sheldon Inwentash
Chief Executive Officer

“Jonathan Schroeder”

Jonathan Schroeder
President and Chief Operating Officer

“Michael Sweatman”

Michael Sweatman
Director

“Kevin O’Connor”

Kevin O’Connor
Director