

BROWNSTONE ENERGY INC.

Suite 2500
130 King Street West
Toronto, ON M5X 2A2

NOTICE OF ANNUAL AND SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the 2012 annual and special meeting of shareholders (the “**Meeting**”) of Brownstone Energy Inc. (the “**Company**”) will be held at Suite 2500, 130 King Street West, Toronto, Ontario, M5X 2A2, on Friday, November 23, 2012 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive the audited financial statements of the Company for its fiscal year ended June 30, 2012 and the report of the auditors thereon;
2. to elect directors;
3. to appoint Ernst & Young LLP, Chartered Accountants, as auditors of the Company, and to authorize the directors to fix their remuneration;
4. to consider and, if thought fit, pass an ordinary resolution (the “**Plan Resolution**”) re-approving the Company’s stock option plan, as more fully described in the management information circular of the Company dated October 9, 2012 in respect of the Meeting, which accompanies this notice of meeting (the “**Circular**”);
5. to consider and, if thought fit, pass an ordinary resolution (the “**By-Law Resolution**”) confirming a by-law of the Company, as more fully described in the Circular; and
6. to transact such other business as may properly come before the Meeting.

The Circular (which includes the full text of the Plan Resolution and the By-Law Resolution, the audited financial statements of the Company for the year ended June 30, 2012, together with the auditors’ report thereon and management’s discussion and analysis of the Company in respect thereof, and a form of proxy accompany this notice of meeting.

Shareholders who are entitled to vote at the Meeting, but who do not expect to be present at the Meeting, are encouraged to complete, sign and return the enclosed form of proxy, to Computershare Trust Company of Canada, our transfer agent, no later than 10:00 a.m. (Toronto Time) on Wednesday, November 21, 2012, either by using the envelope provided or by faxing it to them at 1-866-249-7775.

DATED this 19th day of October, 2012

BY ORDER OF THE BOARD OF DIRECTORS

"Sheldon Inwentash"
Chief Executive Officer