



PRESS RELEASE

FOR IMMEDIATE RELEASE:

February 28, 2013

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

TORONTO, Ontario (February 28, 2013) – Brownstone Energy Inc. (TSXV: “BWN”; OTCQX: “BWSOF”) (“Brownstone” or the “Company”) today announces its unaudited results for the three and six months ended December 31, 2013.

As at December 31, 2012, the Company had cash and cash equivalents of \$10.2 million as compared to \$18.2 million as at June 30, 2012. Investments at fair value totaled \$2.3 million as at December 31, 2012 as compared to \$2.8 million as at June 30, 2012. Also as at December 31, 2012, exploration and evaluation assets totaled \$47.9 million as compared to \$45.1 million as at June 30, 2012.

Financial Highlights for the three and six months ending December 31, 2012 with comparatives:

Operating Results (unaudited)	Three months ended December 31,		Six months ended December 31,	
	2012	2011	2012	2011
Net realized losses on disposal of investments	\$ -	\$ (1,631,880)	\$ -	\$ (1,823,211)
Net change in unrealized gains (losses) on investments	(674,534)	3,786,867	(962,000)	1,414,599
Net investment gains (losses)	(674,534)	2,154,987	(962,000)	(408,612)
Profit (loss) for the period	(6,040,709)	893,858	(7,136,400)	(2,449,468)
Basic earnings (loss) per share	(0.05)	0.01	(0.05)	(0.02)
Diluted earnings (loss) per share	(0.05)	0.01	(0.05)	(0.02)

**Consolidated statements of financial position
Highlights**

	December 31, 2012	June 30, 2012
Cash and cash equivalents	\$ 10,192,783	\$ 18,197,006
Investments, at fair value	2,309,469	2,771,469
Exploration and evaluation assets	47,921,438	45,141,148
Total assets	62,440,531	67,650,272
Total liabilities	3,942,180	1,150,868
Share capital, warrants and broker warrants, contributed surplus	120,775,594	120,550,480
Foreign currency translation reserve	(2,018,506)	(928,739)
Deficit	(60,258,737)	(53,122,337)
Working Capital	9,975,993	20,793,675

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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