



PRESS RELEASE

FOR IMMEDIATE RELEASE:

May 28, 2013

BROWNSTONE ENERGY INC. RELEASES UNAUDITED RESULTS FOR THE THREE AND NINE MONTHS ENDED MARCH 31, 2013

TORONTO, Ontario (May 28, 2013) – 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, 2013.

As at March 31, 2013, the Company had cash and cash equivalents of \$4.4 million as compared to \$18.2 million as at June 30, 2012. Investments at fair value totaled \$1.9 million as at March 31, 2013 as compared to \$2.8 million as at June 30, 2012. Also as at March 31, 2013, exploration and evaluation assets totaled \$51.8 million as compared to \$45.1 million as at June 30, 2012.

Financial Highlights for the three and nine months ending March 31, 2013 with comparatives:

Operating Results (unaudited)	Three months ended March 31,		Nine months ended March 31,	
	2013	2012	2013	2012
Net realized losses on disposal of investments	\$ -	\$ (3,185,515)	\$ -	\$ (5,008,726)
Net change in unrealized gains (losses) on investments	(410,312)	(662,909)	(1,372,312)	751,690
Net investment gains (losses)	(410,312)	(3,848,424)	(1,372,312)	(4,257,036)
Net loss for the period	(1,327,113)	(21,915,937)	(8,463,513)	(24,365,405)
Basic and diluted loss per share	(0.01)	(0.17)	(0.07)	(0.19)

**Consolidated statements of financial position
Highlights**

	March 31, 2013	June 30, 2012
Cash and cash equivalents	\$ 4,365,985	\$ 18,197,006
Investments, at fair value	1,899,157	2,771,469
Exploration and evaluation assets	51,813,808	45,141,148
Total assets	59,788,203	67,650,272
Total liabilities	1,545,230	1,150,868
Share capital, warrants and broker warrants, contributed surplus	120,900,233	120,550,480
Foreign currency translation reserve	(1,071,410)	(928,739)
Deficit	(61,585,850)	(53,122,337)
Working Capital	5,815,743	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. On May 7, 2013, the Company announced the proposed sale of its 25% private participating interest in the Canaguaro Block (Colombia) for gross proceeds of US\$6,000,000. The sale is expected to be completed in June, subject to the satisfaction of certain closing conditions.

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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