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**PRESS RELEASE**

**FOR IMMEDIATE RELEASE:**

**February 14, 2011**

**BROWNSTONE ENERGY ANNOUNCES FINANCING**

**Toronto, Ontario (February 14, 2011)** – Brownstone Energy Inc. (TSXV: BWN) is pleased to announce that it has entered into an agreement in connection with an overnight-marketed private placement (the "Offering") of units (the "Units") in all the provinces of Canada, other than Quebec. Each Unit shall be comprised of one common share of the Company (a "Common Share") and one-half of one common share purchase warrant (a "Warrant"). Each whole Warrant will be, for a period of 18 months, exercisable at a premium to the Unit price and will entitle the holder thereof to acquire one Common Share. Though the Offering will be priced in the context of the market, with final terms of the Offering to be determined at the time of pricing and entering into an underwriting agreement, the Company expects to issue Units in the aggregate amount of approximately \$25,000,000 million. The Offering will be conducted through a syndicate of underwriters, led by Jennings Capital Inc. and Dundee Securities Ltd. as co-lead underwriters.

The Company will also grant the Underwriters an over-allotment option to purchase additional Units in an amount up to 15% of the number of Units sold pursuant to the Offering, exercisable in whole or in part at any time up to the Closing Date of the Offering.

The Company intends to use the net proceeds of the Offering to fund its exploration and development programs in Colombia and off-shore Israel, for working capital and general corporate purposes.

PowerOne Capital Markets Limited is acting as an advisor to Brownstone.

**About Brownstone**

Brownstone Energy Inc. is a Canadian-based, energy focused investment company with equity interests and direct interests in oil and gas exploration projects, including working interests in almost 300,000 acres

in the Piceance/Uinta Basins of Colorado and Utah; 253,000 acres in Rio Negro, Argentina; interests in several projects in Brazil; a 50% interest in approximately 300,000 hectares in the Québec Lowlands; a 15% participating interest in several off-shore Israel oil and gas blocks; and is earning interests (14-35%) in 4 Colombian blocks in the Llanos basin. For additional information, please see Brownstone's website: [www.brownstoneenergy.com](http://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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