



PRESS RELEASE

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BROWNSTONE ENERGY PROVIDES UPDATE ON OPERATIONS IN COLOMBIA AND ISRAEL

Toronto, Ontario (March 18, 2011) – Brownstone Energy Inc. (TSXV: BWN) (“Brownstone”) is pleased to provide the following update on operations in Colombia and Israel.

Colombia Operations Update

Canaguaro Block, Llanos Basin

Brownstone has been advised by the operator of the Canguaro Block that installation of long term production testing equipment at the Canaguay #1 well is scheduled to be finished by the end of March 2011, with production testing expected to begin within several weeks after that date. Brownstone has met its obligations to earn its 25% working interest in the Canaguaro Block.

Block 27, Llanos Basin

Brownstone has been advised by the operator of Block 27, Llanos Basin, that two initial drilling locations have been selected based on the interpretation of the previously completed 3D seismic survey. Construction of the locations and drilling of the wells is planned to begin once the environmental permits are received. Brownstone has been advised by the operator that they expect to receive environmental permits within 45 days. The drilling of two wells is currently planned for the second quarter of calendar 2011 with anticipated total depths of approximately 10,000 feet per well. Prospective targets include the oil bearing intervals in the Carbonera, Mirador and Une Formations.

The operator has also commenced an additional 54 square kilometer 3D seismic program in the south eastern portion of the block in an effort to further define additional drilling locations. Seismic acquisition is expected to be completed within 60 days. An additional 10,000 foot well is currently planned for the third quarter of calendar 2011, depending on the results of the additional 3D seismic. Brownstone has a 50%

paying interest (45.275% working interest before pay out, 34.25% working interest after payout) in Block 27.

Block 21, Llanos Basin

A 95 kilometer 3D seismic program has begun on Block 21, with approximately 15% of the program completed to date. Brownstone expects to have the results of the program sometime during the second quarter of calendar 2011. Drilling on Block 21 is scheduled to begin by the end of 2011, depending on the results of the 3D seismic, with projected well depths of 8,000 feet. Brownstone is the operator of the block and has a 50% paying interest (45.5% working interest before pay out, 35% working interest after payout) in Block 21.

Block 36, Llanos Basin

The operator of Block 36, Llanos Basin, has advised that the acquisition of 109 km of 3D seismic is approximately 50% complete. Drilling of one 15,000 foot well is scheduled for the end of 2011. Brownstone has a 20% paying interest (18.2% working interest before pay out, 14% working interest after payout) in Block 36.

Offshore Israeli Licenses Update

Gabriella and Yitzhak Licenses

Brownstone has been advised by the operator, Adira Energy Ltd., that Western Geco has completed the dual azimuth 511 kilometers and 129 kilometer 3D survey, respectively. (See press release dated December 14, 2010). This detailed survey will help define the anticipated oil targets on both licenses. The Company has also been advised by the operator that it has signed a definitive contract with **CGG Veritas**, a UK based global provider of geophysical services and equipment, for processing the data, the results for which are anticipated to be received in the third quarter of calendar 2011. Brownstone is also pleased to announce the signing of a definitive joint operating agreement (“JOA”) with its Gabriella license participating partners, Modiin Energy Limited Partnership and Adira Energy Ltd. (“Adira”). Adira is the Operator on both licenses. Brownstone has a 15% working interest in Gabriella and Yitzhak.

Samuel License

Brownstone is also pleased to announce that it has signed a definitive JOA with its shallow water “**Samuel**” license participating partners’: **GeoGlobal Resources Inc. (“GGR”)**, Adira and Pinetree Capital Ltd. Adira and GGR are joint operators of the Samuel license. Brownstone has been advised by the operators that they have signed a contract with **ARIS Nefterazvedka LLC.**, a Russian geophysical contractor specializing in OBC or Ocean Bottom Deployed Cables. This system provides very high resolution recording of targets with little impact on and interference with surface traffic. The OBC system provides an excellent quality seismic survey for shallow water transient zones such as exist on our Samuel license. The contractor has been authorized to prepare for mobilization and the issuance of permits is underway. The program is anticipated to begin the third week of April and work continuously for approximately 40 days. Brownstone has a 6.75% working interest in the Samuel License.

Jonathan Schroeder, President and COO of the Company stated: “We are very pleased that the respective operators of our Colombian and Offshore Israeli licenses continue to successfully execute on the strategic plan. The various work plans are being carried out in a timely and cost effective manner, and the high quality results achieved to date are a testament to the administrative and technical competency of the management teams and contractors involved. Brownstone looks forward to steady progress evaluating these core Colombian and Israeli assets.”

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 5 off-shore Israel concessions and in 4 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.

For further information, please contact:

Jonathan Schroeder, P. Geoph., President and COO
(403) 660-2894
schroeder@brownstoneventures.com

or

Richard Patricio, Vice-President, Legal and Corporate Affairs
(416) 941-8900
info@brownstoneventures.com