



PRESS RELEASE

FOR IMMEDIATE RELEASE:

June 30, 2014

BROWNSTONE AND DEJOUR CLOSE \$20MM KOKOPELLI DEVELOPMENT JV

- **Drilling to Commence in Q3 2014**

Toronto, Ontario (June 30, 2014) - Brownstone Energy Inc. (TSXV: BWN; OTCQX: BWSOF) (the "Company" or "Brownstone") announces that it and its joint venture partner, Dejour Energy Inc., have formed a joint venture with a private U.S. based oil and gas company to develop the Kokopelli leasehold in the Piceance Basin region of Colorado on behalf of Brownstone and its partner. The joint venture will initially focus on developing production from the liquids-rich Williams Fork formation on Brownstone's southern leasehold with the expectation of drilling a minimum of 8 wells to at least the base of the Williams Fork gas/liquids bearing zone and obtaining an approved Surface Utility Agreement, currently being developed in consultation with the BLM and CPW, for the 1520-acre north lease.

Brownstone will be carried for 10% of a \$16 million in drilling, completion and permitting expenditures beginning in August 2014. It is anticipated this funding will carry Brownstone through a minimum of eight new wells and extensive facility development on Kokopelli's southern leasehold where four natural gas wells drilled in 2013 are currently in production. The Company retains a 10% working interest in the ongoing Kokopelli joint venture.

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.

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 two off-shore Israel concessions, 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.

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Cautionary Statements

This news release contains forward-looking information and forward-looking statements within the meaning of applicable securities laws (together, "forward-looking information"). The use of any of the words "expect", "anticipate", "continue", "estimate", "believe", "plans", "intends", "confident", "may", "objective", "ongoing", "will", "should", "project", "should" and similar expressions are intended to identify forward-looking information.

The forward-looking information is based on certain key expectations and assumptions made by the Company, including expectations and assumptions concerning the operational results in the U.S.A. Although the Company believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct.

Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the inherent risks involved in the exploration and development of oil and gas properties, the uncertainties involved in interpreting drilling results and other geological data, uncertainties relating to fluctuating oil and gas prices, the possibility of cost overruns or unanticipated costs and expenses and other factors including unforeseen delays. Anticipated exploration and development plans relating to the Company's properties are subject to change.

The foregoing list of assumptions, risks and uncertainties is not exhaustive. The forward-looking information contained in this press release is made as of the date hereof and Brownstone undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.