



PRESS RELEASE

FOR IMMEDIATE RELEASE:

July 20, 2011

BROWNSTONE ENERGY PROVIDES UPDATE ON OPERATIONS IN COLOMBIA

Toronto, Ontario (July 20, 2011) – Brownstone Energy Inc. (TSXV: BWN) (“Brownstone”) is pleased to provide the following update on operations in Colombia.

Canaguaro Block, Llanos Basin

Brownstone has been advised by the operator of the Canguaro Block the long term production testing of Canaguay #1 is continuing with the well currently producing approximately 500 barrels of oil and 150 barrels of water. The optimal production rate for the Mirador reservoir and facilities will be determined by the results of the long term production test. Brownstone has met its obligations to earn its 25% working interest in the Canaguaro Block.

Block 27, Llanos Basin

Brownstone has been advised that a follow-up 54 square kilometer 3D seismic acquisition program has been completed in the south eastern portion of the block, and is currently being interpreted. The operator has defined drilling locations on three separate Block 27 structures, based on the interpretation of 3D seismic and potential follow-up development drilling locations have been identified on several of these structures. Interpretation of the 3D seismic is continuing and several additional geological features are being studied as potential drilling locations.

Lengthy delays in the issuing of block environmental permits continue to adversely effect the operations of both large and small oil companies in Colombia. The operator and Brownstone have waited approximately 8 months for the Block 27 environmental permit. It is anticipated that permit will be granted during the 3rd quarter of 2011. Construction of drilling locations is scheduled to begin as soon as the required environmental permit is received. A two to three well drilling program is planned to commence approximately one month after location

construction begins. The wells have a planned depth of approximately 10,000 feet and will test prospective oil bearing intervals in the Carbonera, Mirador and Une Formations.

Brownstone has a 50% paying interest (45.275% working interest before pay out, 34.25% working interest after payout) in Block 27.

Block 21

An 83 square kilometer 3D seismic survey has been completed on Block 21 and is currently being interpreted. Several geological features are being studied as potential drilling locations. The Company plans to drill 2 wells by the 1st quarter of 2012. 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

The operator of Block 36, has advised that the acquisition of the 109 km of 3D seismic has been completed and is being processed. Drilling of one, 15,000 foot well is now scheduled for 2012. Brownstone has a 20% paying interest (18.2% working interest before pay out, 14% working interest after payout) in Block 36.

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.

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