

FORM 13-502F1
CLASS 1 REPORTING ISSUERS – PARTICIPATION FEE

Reporting Issuer Name: Brownstone Energy Inc.

End date of last completed fiscal year: June 30, 2011

Market value of listed or quoted securities:

Total number of securities of a class or series
outstanding as at the end of the issuer's last completed
fiscal year 129,794,289 (i)

Simple average of the closing price of that class or
series as of the last trading day of each month in the last
completed fiscal year (See clauses 2.7(a)(ii)(A) and (B)
of the Rule) \$0.76(ii)

Market value of class or series (i) X (ii) = \$98,643,659.64(A)

(Repeat the above calculation for each other class or
series of securities of the reporting issuer that was listed
or quoted on a marketplace in Canada or the United
States of America at the end of the last completed fiscal
year) _____ (B)

Market value of other securities at end of the last
completed fiscal year:
(See paragraph 2.7(b) of the Rule)
(Provide details of how value was determined) _____ (C)

(Repeat for each other class or series of securities to
which paragraph 2.7(b) of the Rule applies) _____ (D)

Capitalization for the last completed fiscal year (A) + (B) + (C) + (D)
(Add market value of all classes and series of securities) = \$98,643,659.64

Participation Fee

(From Appendix A of the Rule, select the participation
fee beside the capitalization calculated above) \$4,380

Late Fee, if applicable
(As determined under section 2.5 of the Rule) _____