



PRESS RELEASE

FOR IMMEDIATE RELEASE:

August 28, 2014

DRILL RIGS MOVE INTO KOKOPELLI PROJECT

Toronto, Ontario (August 28, 2014) - Brownstone Energy Inc. (TSXV: BWN; OTCQX: BWSOF) (the "Company" or "Brownstone") announces that it has been advised by its joint venture partners that development operations for 2014 are underway at the Kokopelli project (see news release dated June 30, 2014).

Drill pad preparations have been completed including gas connections and accommodations for drilling, equipping and utility of a water disposal well, aimed at economizing the existing water disposal arrangements. Furthermore, a Peter Martin 'conductor' rig is engaged to complete the 'rat holes' with 20" casing for eight new production wells and the one water disposal well prior to the Frontier-28 rig moving in for sequential total depth drilling operations in mid-September.

The 2014 drill program will focus on developing new production from the liquids-rich Williams Fork formation (based at approximately 8,400') and testing for production from the Mancos reservoir, in particular, the commerciality of deep Niobrara strata (estimated to base at approximately 12,750').

As previously reported, Brownstone is carried for 10% of the first US\$16 million in expenditures to maintain its 10% working interest in the Kokopelli Project. The final project budget (with authorities for expenditure) are anticipated to be completed shortly.

The drilling will test the high pressure, rich Niobrara strata of the Mancos.

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.