

SEC brings a Civil Action against Greenstone in U.S. Federal Court

JERSEY CITY, NEW JERSEY, MARCH 2, 2010 – Greenstone Holdings, Inc. (OTCPK: GSHN) announced today that the United States Securities & Exchange Commission has instituted a Civil Action in the Federal Court Southern District of New York alleging that the Company, its CEO, Counsel, former Counsel and several other individuals and entities violated various provisions of the federal securities laws. The Company denies the SEC allegations and intends to present a comprehensive defense to the Complaint. The Company's CEO, Mr. Miwa stated that the complaint misstates the facts related to the stock sales and other transactions, all of which occurred over two years ago, prior to the inquiry was initiated, adding that significant positive measures have been taken by the Company since the start of the inquiry in June 2008 including the voluntary return of 150,000,000 shares of the Company's common stock by Mr. Miwa, a reduction of the Company's obligations to third parties of over \$2 million, and the cash contribution of over \$700,000 by Mr. Miwa and his family.

Mr. Miwa also stated that no shares of common stock have been sold by the Company for nearly two years, prior to the start of the SEC inquiry. He concluded by stating that in connection with the transactions, management relied on the advice of experienced financial and legal professionals, and that, the Company only realized minimal cash from the stock sales in question which were over two years ago. The Company continues to strive to establish sales of its unique Green-Dri wood dryer and other chemical products in an effort to continually increase shareholder value.

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