

KING ENERGY INC.

REPORT OF MANAGEMENT AND DIRECTORS ON RESERVES DATA AND OTHER INFORMATION

Management of the King Energy Inc. (the “Corporation”) is responsible for the preparation and disclosure of information with respect to the Corporation’s oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which consist of the following:

- (a) (i) proved and proved plus probable oil and gas reserves estimated as at March 31, 2004 using forecast prices and costs; and
- (ii) the related estimated future net revenue; and
- (b) (i) proved oil and gas reserves estimated as at March 31, 2004 using constant prices and costs; and
- (ii) the related estimated future net revenue.

Chapman Petroleum Engineering Ltd., an independent qualified reserves evaluator, has evaluated and reviewed the Corporation’s reserves data. The report of the independent qualified reserves evaluator is included herein.

The Board of Directors of the Corporation has:

- (a) reviewed the Corporation’s procedures for providing information to the independent qualified reserves evaluator;
- (b) met with independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation; and
- (c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The Board of Directors has reviewed the Corporation’s procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has approved:

- (d) the content and filing with securities regulatory authorities of the Corporation’s reserves data and other oil and gas information;
- (e) the filing of the report of the independent qualified reserves evaluators on the reserves data; and
- (f) the content and filing of this report.

Because Corporation's reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

Roger Giovanetto
CEO & President

Alfred Friesen
Chief Financial Officer

Harvey Andre
Director

Michael Solomon
Director

Dated: September 8, 2004.