KING STONE ENERGY GROUP LIMITED

金山能源集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00663)

FORM OF PROXY

Form of proxy for use by shareholder(s) (the "Shareholder(s)") of King Stone Energy Group Limited (the "Company") at the extraordinary general meeting (the "Meeting") to be held at Suite 3603, 36th Floor, One Exchange Square, 8 Connaught Place, Central, Hong Kong at 12:00 p.m. on Friday, 31 December 2010 or any adjournment thereof.

I/We[*note a*] ______________________________

of ______________________________

being the holder(s) of ____________________[*note b*] shares of HK$0.01 each in the Company hereby appoint the chairman (the "**Chairman**") of the Meeting or ______________________________

of ______________________________

to act as my/our proxy[*note c*] at the Meeting to be held at Suite 3603, 36th Floor, One Exchange Square, 8 Connaught Place, Central, Hong Kong at 12:00 p.m. on Friday, 31 December 2010 and at any adjournment thereof and to vote on my/our behalf as directed below.

Please make a mark in the appropriate box to indicate how you wish your vote[*note d*].

ORDINARY RESOLUTIONS		FOR	AGAINST
1.	To approve the Supplemental Deed dated 3 December 2010 for amendments of terms of Convertible Notes issued to Mr. Zhao Ming		
2.	To grant a general mandate to directors to allot, issue and otherwise deal with the Company's shares		
3.	To add the nominal amount of shares repurchased by the Company to the mandate granted to the directors under resolution no. 2		

Dated the ______________ day of ______________ 2010

Shareholder's signature ______________________________[*notes e, f, g and h*]

Notes:

a. Please insert full name(s) and address(es) in BLOCK CAPITALS.

b. Please insert the number of shares registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s).

c. A proxy need not be a member of the Company. If you wish to appoint some person other than the Chairman of the Meeting as your proxy, please delete the words "the Chairman of the Meeting or" and insert the name and address of the person appointed proxy in the space provided.

d. If you wish to vote for the resolution set out above, please tick ("✓") the box marked "For". If you wish to vote against the resolution, please tick ("✓") the box marked "Against". If this form returned is duly signed but without specific direction on the proposed resolution, the proxy will vote or abstain at his/her discretion in respect of the resolution. A proxy will also be entitled to vote at his/her discretion on the resolution properly put to the Meeting other than those set out in the notice convening the Meeting.

e. In the case of a joint holding, this form of proxy may be signed by any joint holder, but if more than one joint holder is present at the Meeting, whether in person or by proxy, that one of the joint holder whose name stands first on the register of members in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.

f. The form of proxy must be signed by a Shareholder, or his/her attorney duly authorised in writing, or if the Shareholder is a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

g. To be valid, this form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited with Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time of the Meeting or any adjourned meeting.

h. Any alteration made to this form should be initialled by the person who signs the form.