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 FOR USE AT THE EXTRAORDINARY GENERAL MEETING TO BE HELD AT 11:30 A.M. ON FRIDAY, 24 JUNE 2011

I/We[1] ____

of ____

being the registered holder(s) of[2] ____________________ shares ("**Shares**") of HK$0.01 each in the capital of King Stone Energy Group Limited (the "**Company**"), HEREBY APPOINT THE CHAIRMAN OF THE MEETING[3], or ____

of ____,

or failing him/her ____

of ____

as my/our proxy to attend and act for me/us on my/our behalf at the extraordinary general meeting of the Company to be held at Suite 3603, 36th Floor, One Exchange Square, 8 Connaught Place, Central, Hong Kong, at 11;30 a.m. on Friday, 24 June 2011 (and at any adjournment thereof) (the "**Extraordinary General Meeting**") for the purpose of considering and, if thought fit, passing the special resolutions as set out in the notice convening the Extraordinary General Meeting and at the Extraordinary General Meeting to vote for me/us and in my/our name(s) in respect of such resolution as hereunder indicated, and, if no such indication is given, as my/our proxy thinks fit. My/our proxy will also be entitled to vote on any matter properly put to the Extraordinary General Meeting in such manner as he/she thinks fit.

SPECIAL RESOLUTIONS		FOR[4]	AGAINST[4]
1.	To approve the Share Consolidation and the Capital Reduction.		
2.	To approve the Reduction of Share Premium Account.		

Signature[5] ____________________ Date ____________________

Notes:

1. Full name(s) and address(es) must be inserted in **BLOCK CAPITALS**. The names of all joint registered holders should be stated.
2. Please insert the number of Shares registered in your name(s) to which this proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all Shares registered in your name(s).
3. If any proxy other than the Chairman of the Meeting is preferred, please delete the words "THE CHAIRMAN OF THE MEETING" and insert the name and address of the proxy desired in the space provided. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.**
4. IMPORTANT: If you wish to vote for a resolution, please tick in the box marked "For". If you wish to vote against a resolution, please tick in the box marked "Against". If no direction is given, your proxy may vote or abstain as he/she thinks fit. Your proxy will also be entitled to vote at his/her discretion on any resolution properly put to the Extraordinary General Meeting other than those referred to in the notice convening the Extraordinary General Meeting.
5. This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either under its common seal or under the hand of an officer or attorney duly authorised.
6. In order to be valid, this form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed, or a notarially certified copy of such power of authority, must be deposited at the office of the share registrar of the Company, Tricor Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding of the Extraordinary General Meeting or the adjourned Extraordinary General Meeting (as the case may be).
7. In the case of joint registered holders of any Shares, any one of such persons may vote at the Extraordinary General Meeting, either personally or by proxy, in respect of such Shares as if he/she was solely entitled thereto; but if more than one of such joint registered holders be present at the Extraordinary General Meeting, either personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such Shares or his/her proxy shall alone be entitled to vote in respect thereof.
8. The proxy need not be a member of the Company but must attend the Extraordinary General Meeting in person to represent you.
9. Completion and return of this form will not preclude you from attending and voting at the Extraordinary General Meeting if you so wish. If you attend and vote at the Extraordinary General Meeting, the authority of your proxy will be revoked.