



## ELKO ENERGY Inc.

130 Adelaide Street West, Suite 1010, Toronto, Ontario, Canada M5H 3P5  
T: 416 363 5995 F: 416 364 5400 E: info@elkoenergy.com

**PROXY SOLICITED BY OR ON BEHALF OF THE BOARD OF DIRECTORS FOR  
AN ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON AUGUST 3, 2011**

The undersigned holder of common shares of **ELKO ENERGY INC.** (the “**Corporation**”) hereby nominates, constitutes and appoints **JEREMY KANE**, Chairman, or failing him, **PETER MOIR**, President and Director, or, instead of either of the foregoing, \_\_\_\_\_ as nominee of the undersigned, with full power of substitution, to attend, vote and otherwise act for and on behalf of the undersigned at the annual and special meeting of shareholders (the “**Meeting**”) of the Corporation to be held on Wednesday, August 3, 2011, at The Toronto Board of Trade, 1 First Canadian Place, 100 King Street West, Toronto, Ontario, Canada at the hour of 10:00 a.m. (Toronto time) and at any adjournment or postponement thereof, to the same extent with the same power as if the undersigned was personally present at the Meeting or such adjournment(s) or postponement(s) thereof and, without limiting the generality of the power hereby conferred, the nominees are specifically directed to vote the common shares of the Corporation represented by this Proxy as follows:

1. **VOTE FOR**  or **WITHHOLD FROM VOTING**  (and if no designation is made, to vote **FOR**) the election of the nominees to the Board of Directors of the Corporation identified in the accompanying management information circular (the “**Circular**”).
2. **VOTE FOR**  or **WITHHOLD FROM VOTING**  (and if no designation is made, to vote **FOR**) the appointment of Deloitte LLP as the auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the remuneration of the auditor.
3. **VOTE FOR**  or **AGAINST**  (and if no designation is made, to vote **FOR**) passing, with or without amendment, the special resolution, the full text of which is set out in Appendix “B” to the accompanying Circular, approving an arrangement under section 182 of the *Business Corporations Act* (Ontario) involving the Corporation, Xtract International Limited, Xtract Energy plc (“**Xtract**”) and the holders of common shares of the Corporation, the purpose of which is to effect the indirect acquisition by Xtract of all of the outstanding common shares of the Corporation not already owned, directly or indirectly, by Xtract or any of its affiliates, all as more particularly described in the Circular.
4. **VOTE** at the discretion of the proxy nominee on such other business or matters as may properly come before the Meeting or any adjournment or postponement thereof.

**Where no choice is specified above, this Proxy will be voted FOR each of the matters outlined above.**

This Proxy confers discretionary authority as to any amendments proposed at the Meeting in respect of matters identified in the Circular and as to any other matters that may properly come before the Meeting or any adjournment or postponement thereof. As of the date hereof, the Board of Directors of the Corporation knows of no such amendment or

other matters. The common shares represented by this Proxy will be voted for or against or withheld from voting, as applicable, in accordance with the specification, if any, of the undersigned in respect of any ballot that may be called for at the Meeting or any adjournment or postponement thereof. **The undersigned hereby revokes all prior proxies given with respect to the common shares of the Corporation held by the undersigned and authorizes the person voting this Proxy to inform holders of any prior proxy of such revocation.**

**DATED** the \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Name of shareholder (please print)

\_\_\_\_\_  
Signature of shareholder

**Proxies to be used at the Meeting can be voted online (following the accompanying instructions provided by the Corporation's registrar and transfer agent, Equity Financial Trust Company) or deposited by mail or personal delivery to the Corporation's registrar and transfer agent, Equity Financial Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario, Canada M5H 4H1 or at the registered office of the Corporation, 130 Adelaide Street West, Suite 1010, Toronto, Ontario, Canada M5H 3P5, no later than 10:00 a.m. (Toronto time) on August 2, 2011, or no later than 10:00 a.m. (Toronto time) on the last business day (excluding Saturdays and holidays) preceding the time fixed for any reconvened meeting in the event of any adjournment or postponement of the Meeting. Please sign your name exactly as it appears on your share certificate in respect of common shares of the Corporation. Unless this proxy is dated in the space above provided for that purpose, it shall be deemed to bear the date on which it was mailed by management of the Corporation. A shareholder may appoint a proxyholder (who need not be a shareholder) other than the persons designated in this form of proxy to attend and act on his or her behalf at the Meeting. To exercise this right, the shareholder should either: (i) insert such person's name in the space provided; or (ii) submit another appropriate proxy. This form of proxy must be signed by the shareholder or his or her attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Reference is made to the accompanying Circular for further information regarding completion and use of this Proxy and other information pertaining to the Meeting.**