

Phaunos Timber Fund Limited

(the "Company")

Registered in Guernsey No. 45564

FORM OF PROXY

FOR USE BY HOLDERS OF VOTING SHARES AT THE EXTRAORDINARY GENERAL MEETING OF PHAUNOS TIMBER FUND LIMITED (THE "COMPANY") CONVENED FOR 10.00 A.M. ON 10 JANUARY 2008, AND AT ANY ADJOURNMENT THEREOF

I/We..... (Block Letters)

of(Block Letters)

being [a] member[s] of the above named Company, hereby appoint as my/our proxy to vote for me/us on my/our behalf, as directed below on the Resolutions to be proposed at the Extraordinary General Meeting of the Company to be held on 10 January 2008 at Anson Place, Mill Court, La Charroterie, St. Peter Port, Guernsey GY1 1EJ, and at any adjournment thereof the Chairman of the Meeting*

or(See note 2).

I/We direct the proxy to vote as indicated by an "X" below in respect of the Resolutions set out in the notice of the meeting:

Resolutions:	For	Against	Abstain
Ordinary Resolution 1. Approval of increase in authorised share capital.			
Special Resolutions 2. Amendment of the Company's Articles of Association.			
3. Authorisation of the Company's de-listing from AIM conditional upon the UK Listing Authority granting admission of the Shares to the Official List and the London Stock Exchange confirming that the Shares can commence trading on the Main Market of the London Stock Exchange.			

Signature(s) or Common Seal

Date:

Notes:

1. A member entitled to attend and vote is entitled to one or more proxies to attend and vote instead of him. A proxy need not be a member.
2. If it is desired to appoint as proxy any person other than the Chairman of the Meeting, his/her name and address should be inserted in the relevant place and reference to the Chairman of the meeting deleted and the alteration initialled.
3. If the shareholder is a Corporation, this form must be executed under its common seal or under the hand of its duly authorised officer or attorney.
4. In the case of joint members, the vote of the senior who tenders a vote, whether in person, or by proxy, will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the Register of Members in respect of the joint holding.
5. Any alterations to this proxy should be initialled by the person who signs it.
6. Only members or their proxies may attend the meeting. Only members personally present may vote on a show of hands. A proxy may not vote on a show of hands.
7. To be valid the form of proxy must be received, together with any power of attorney or other authority (if any) under which it is signed, by Anson Registrars Limited, P.O. Box 426, Anson Place, Mill Court, La Charroterie, St. Peter Port, Guernsey GY1 3WX not later than 48 hours before the time fixed for the meeting.

Third Fold and Tuck in

Business Reply
Licence Number
GU 170



Anson Registrars Limited
PO Box 426
Anson Place
Mill Court
La Charroterie
St Peter Port
Guernsey
GY1 3WX

First Fold

Second Fold