

Monthly Return of Equity Issuer on Movements in Securities

For the month ended (dd/mm/yyyy) :31 May 2009

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer	China Ground Source Energy Limited
Date Submitted	3 June 2009

I. Movements in Authorised Share Capital

1. Ordinary Shares			
(1) Stock code : <u>8128</u> Descri	ption : <u>C G SOU</u>	JRCE EGNY	
	No. of ordinary shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month	8,000,000,000	US\$0.01	US\$80,000,000.00
Increase/(decrease)	Nil		Nil
Balance at close of the month	8,000,000,000	US\$0.01	US\$80,000,000.00
(2) Stock code : <u>N/A</u> Descri	ption :		
	No. of ordinary shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month			
Increase/(decrease)			
Balance at close of the month			

2. Preference Shares

Stock code : <u>N/A</u>	Description :		
	No. of preference shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding	g month		
Increase/(decrease)			
Balance at close of the month	n		

3. Other Classes of Shares

Stock code : <u>N/A</u> Descrip	ption :		
	No. of other classes of shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month		·	
Increase/(decrease)			
Balance at close of the month			

Total authorised share capital at the end of the month (*State* US\$80,000,000.00

II. Movements in Issued Share Capital

	No. of orc	linary shares	No of preference	e No. of other classes		
	(1)	(2)	shares	of shares		
Balance at close of preceding month	5,653,112,470	N/A	<u>N/A</u>	<u>N/A</u>		
Increase/ (decrease) during the month	Nil	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>		
Balance at close of the month	5,653,112,470	N/A	<u>N/A</u>	N/A		

III. Details of Movements in Issued Share Capital

Share Options (under 3 Particulars of share option scheme including EGM approval date	k		Movement during the month No. of new share the month purs			No. of new shares of issuer which may be issued pursuant thereto as at close of the month
(dd/mm/yyyy) and class of shares issuable	Granted	Exercised	Cancelled	Lapsed		
1.Exercise Price HK\$0.475						
(22 /11/ 2001) Ordinary shares	Nil	Nil	Nil	500,000	Nil	300,000
(Note 1) 2.Exercire Price HK\$0.465						
(22 /11/ 2001)Ordinary shares(Note 1)3. Exercise PriceHK\$0.078	<u>Nil</u>	Nil	Nil	Nil	Nil	10,000,000
(22 /11/ 2001)Ordinary shares(Note 1)4. Exercise PriceHK\$0.214	Nil	Nil	Nil	1,000,000	Nil	3,000,000
(22 /11/ 2001) Ordinary shares (Note 1)	Nil	Nil	Nil	1,500,000	Nil	11,000,000
		Т		nary shares) ence shares) Other class)	N/A	
Total funds raised duri options (State currency		from exercise of				

Description of warrants (Date of expiry - dd/mm/yyyy) 1. N/A	Currency of Nominal value at nominal close of value preceding month	Exercised during the month	Nominal value at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
(/ /) Stock code (if listed) Class of shares issuable (Note 1) Subscription price					
EGM approval date (if applicable)					
(dd/mm/yyyy) 2. N/A	(/ /)				
(/ /)	· · ·				
Stock code (if listed) Class of shares issuable (<i>Note 1</i>)					
Subscription price EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)				
<u>3. N/A</u>					
	· · ·				
(/ /) Stock code (if listed) Class of shares issuable (<i>Note 1</i>)					
Subscription price EGM approval date (if applicable) (dd/mm/yyyy)					
4. N/A	(/ /)				
(/ /)	· · ·				
Class of shares issuable (<i>Note 1</i>)					
Subscription price EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)				
	Total	(Prefere	nary shares) <u>N/A</u> ence shares) <u>N/A</u> Other class) <u>N/A</u>		

Convertibles (i.e. Convertible into Shares of the Issuer which are to be Listed) No. of new No. of new shares of shares of issuer issued issuer which may be issued during the month pursuant thereto as at pursuant Currency of Amount at close Converted Amount at thereto close of the amount of preceding during the close of the month Class and description outstanding month month month Nil 1. Convertible Notes HK\$ 160,000,000 Nil 160,000,000 400,000,000 Stock code (if listed) N/A Class of shares Ordinary Shares issuable (Note 1) Subscription price HK\$0.40 EGM approval date (if applicable) (dd/mm/yyyy)) (22/10/2007) 204,000,000 2. Convertible Notes HK\$ Nil 204,000,000 Nil 680,000,000 Stock code (if listed) N/A Class of shares **Ordinary Shares** issuable (Note 1) HK\$0.30 Subscription price EGM approval date (if applicable) (dd/mm/yyyy) (17/03/2008) 3. N/A Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (/ /) (dd/mm/yyyy) 4. N/A Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (/ /) (dd/mm/yyyy) Total C. (Ordinary shares) Nil (Preference shares) $\overline{N/A}$ (Other class) N/A

For Main Board and GEM listed issuers

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

Full particulars including EGM approval date (dd/mm/yyyy),	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
if applicable, and class of shares issuable:		
1. <u>N/A</u>		
shares (Note 1)		
2. <u>N/A</u>		
shares (Note 1)		
3. <u>N/A</u>		
shares (Note 1)		
Total D. (Ordinary shares)	N/A	
(Preference shares)	N/A	
(Other class)	N/A	

Oth		Issued Share Capital				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
	Type of Issue		<u> </u>				monti
			Class of shares issuable (<i>Note 1</i>)				
1.	Rights issue	At price : State	_ Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
						<u>N/A</u>	<u>N</u> /A
			Class of shares issuable				
		G +	(Note 1))		
2.	Open offer	At price : State currency	_ Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
			(<u>N/A</u>	N/A
			Class of shares issuable (<i>Note 1</i>)				
3.	Placing	At price : State	Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
			(dd/min/yyyy)			<u>N/A</u>	N/A
			Class of shares issuable				
4.	Bonus issue		(<i>Note 1</i>) Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
						<u>N/A</u>	<u>N/A</u>

	Type of Issue		H	For Main	Boai	d and GEM lis No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of
			Class of shares issuable (Note 1)				
5.	Scrip dividend	At price : State currency		(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)	N/A	<u>N/A</u>
			Class of shares				
			repurchased (Note 1)				
6.	Repurchase of shares		Cancellation date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)	N/A	N/A
						<u>IV/A</u>	<u>IN/A</u>
			Class of shares redeemed (<i>Note 1</i>)				
7.	Redemption of shares		Redemption date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
						<u>N/A</u>	<u>N/A</u>
			Class of shares issuable (Note 1)				
8.	Consideration issue	At price : State currency —	- Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
						N/A	N/A

			I	<u>For Main B</u> oar	rd and GEM lis	
	Type of Issue				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
			Class of shares issuable (Note 1)			
9.	Capital reorganisation		Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
					<u>N/A</u>	<u>N/A</u>
		_	Class of shares issuable (Note 1)			
10.	Other (Please specify)	At price : State	- Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(//)	N/A	N/A
				Ordinary share eference share (Other clas	es) N/A	-

Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E):	(1)	Nil		
	(2)	N/A		
Total increase / (decrease) in preference shares during the month (i.e. Total of A to E):		N/A		
Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E):		N/A		
(These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").)				

Remarks	(if	any)):
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Submitted by: Coniah Wong Title: Secretary
(Director, Secretary or other duly authorised officer)

Notes :

- 1. State the class of shares (e.g. ordinary, preference or other).
- 2. If there is insufficient space, please append the prescribed continuation sheet.