

CENTURY ENERGY LTD.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON THURSDAY, JUNE 24, 2010

NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF CENTURY ENERGY LTD. OF PROXIES TO BE VOTED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF CENTURY ENERGY LTD. TO BE HELD ON THURSDAY, JUNE 24, 2010.

TO BE HELD AT:

**Suite 4615 Canterra Tower, 400 - 3rd Ave. SW
Calgary, Alberta**

At 3:00 pm

Dated: May 7, 2010

CENTURY ENERGY LTD.

**NOTICE OF ANNUAL AND SPECIAL MEETING TO BE HELD ON
THURSDAY, JUNE 24, 2010**

To Holders of Common Shares:

The Annual and Special Meeting (the "**Meeting**") of the shareholders of Century Energy Ltd. (the "**Company**") will be held on Thursday, June 24, 2010 at the offices of Cavendish Investing Ltd. located at Suite 4615 Canterra Tower, 400 - 3rd Ave. SW Calgary, Alberta, at 3:00 pm (Calgary time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended August 31, 2009, the report of the auditors thereon and the unaudited financial statements of the Company for the three and six month interim period ended February 28, 2010;
2. to fix the number of directors to be elected at the Meeting at five members, subject to the power of the directors to appoint additional directors between Annual General Meetings;
3. to elect directors for the ensuing year;
4. to appoint the auditor for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;
5. to approve, with or without modification, the ordinary resolution approving the amended rolling 10 percent stock option plan of the Company for the ensuing year; and
6. to transact any other business that may properly come before the Meeting or any adjournment thereof.

The board of directors has fixed the close of business on Friday, May 7, 2010 as the record date for determining holders of Common Shares who are entitled to vote at the Meeting.

Holders of Common Shares who are unable to be present at the Meeting are requested to date, execute and return the accompanying form of proxy to the Company's registrar and transfer agent, Olympia Trust Company, by mail at 2300, 125 – 9th Avenue SE, Calgary, Alberta, T2G 0P6, or by fax at (403) 265-1455 prior to 3:00 pm, Calgary time, on Wednesday, Tuesday, June 22, 2010, being at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

DATED at Calgary, Alberta, this 7th day of May, 2010.

BY ORDER OF THE BOARD OF DIRECTORS

signed "*Jimmy McCarroll*"

Jimmy McCarroll
President and CEO

**CENTURY ENERGY LTD.
MANAGEMENT INFORMATION CIRCULAR**

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR (“MANAGEMENT INFORMATION CIRCULAR”) IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF CENTURY ENERGY LTD. (THE “COMPANY”) of proxies from the holders of Common Shares (the “**Common Shares**”) for the annual and special meeting of the shareholders of the Company (the “**Meeting**”) to be held on Thursday, June 24, 2010 at 3:00 pm (Calgary time) at the offices of Cavendish Investing Ltd. located at Suite 4615 Canterra Tower, 400 - 3rd Ave. SW, Calgary, Alberta, or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (the “**Notice of Meeting**”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares (as defined below) held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named (the “Management Designees”) in the enclosed instrument of proxy (“Instrument of Proxy”) have been selected by the directors of the Company and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (whom need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Company. Such shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxy and should provide instructions on how the shareholder’s shares are to be voted. The nominee should bring personal identification with him to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting his shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Company’s transfer agent, Olympia Trust Company, Suite 2300, 125 - 9th Avenue SE, Calgary, Alberta T2G 0P6, or by fax at (403) 265-1455 prior to 3:00 p.m., Calgary time, on Tuesday, June 22, 2010, being at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the shareholder or by his authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Company or with Olympia Trust Company, Suite 2300, 125 - 9th Avenue SE, Calgary, Alberta, T2G 0P6, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or any adjournment thereof. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting his shares.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in the Management Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, *not* be registered in the shareholder’s name. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All reference to shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

VOTING OF PROXIES

Each shareholder may instruct his proxy how to vote his Common Shares by completing the blanks on the Instrument of Proxy. If appointed proxy, the Management Designees will vote or withhold from voting the shares (including the voting on any ballot), as specified in the Instrument of Proxy. **In the absence of any such specification the Management Designees, if named as proxy, will vote in favour of the matters set out therein.**

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters that may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Company.

QUORUM

Pursuant to the by-laws of the Company, two (2) persons present and each holding or representing by proxy at least one (1) issued share of the Corporation shall be a quorum at any meeting of shareholders for the election of a chairman of the meeting and for the adjournment of the meeting to a fixed time and place but not for the transaction of any other business, for all other purposes two (2) persons present and holding or representing by proxy one-twentieth of the shares entitled to vote at the meeting shall be a quorum. If a quorum is present at the opening of the meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares. As at the effective date of this Management Information Circular (the "**Effective Date**"), which is May 7, 2010, the Company has 31,837,224 Common Shares issued and outstanding. The Common Shares are the only shares entitled to be voted at the Meeting, and holders of Common Shares are entitled to one vote for each Common Share held.

Holders of Common Shares of record at the close of business on May 7, 2010 (the "**Record Date**") are entitled to vote such Common Shares at the Meeting except to the extent that, (a) the holder has transferred the ownership of any of his Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he owns the Common Shares, and demands not later than (10) days before the day of the Meeting that his name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his Common Shares at the Meeting.

To the knowledge of the directors and the executive officers of the Company, as at the Effective Date, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

EXECUTIVE COMPENSATION

Named Executive Officers

During the most recently completed financial year ended August 31, 2009, the Company had two Named Executive Officers ("**NEO**") being: Jimmy McCarroll, President and Chief Executive Officer ("**CEO**") of the Company, and Jane Costello, the Chief Financial Officer ("**CFO**") of the Company.

Compensation Discussion and Analysis

The Company's executive compensation program is comprised of two primary elements: base salary or consulting fees; and long-term incentive, in the form of participation in the Company's stock option plan. Where NEOs receive other perquisites, they reflect competitive practices, business needs and objectives.

The terms of the compensation arrangements for each NEO (other than the CEO) are reviewed by the CEO with the Company's Board of Directors. The terms of the CEO's compensation arrangements are reviewed by the Board of Directors in the absence of the CEO. All changes to the compensation arrangements of the NEOs are approved by the Company's Board of Directors.

The Company has not retained any third party advisors to conduct compensation reviews of its competitors' pay levels and practices. The Company has not used a benchmark tool to assess its executive compensation levels.

Compensation Elements

1. Base Salary/ Consulting Fees

Compensation levels are typically negotiated with the candidate for the position prior to his or her selection as an executive officer. Salaries or consulting fees for the executive officers are reviewed annually to reflect external factors such as inflation as well as overall corporate performance.

2. Long-Term Incentive Plan

The Company has a Stock Option Plan (see "Particulars of Matters to be Acted Upon – Approval of Stock Option Plan" elsewhere in this Information Circular) for the granting of stock options to the directors, officers, employees and consultants of the Company. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating such persons. The allocation of options under the Company's Stock Option Plan is determined by the Company's Board of Directors which, in determining such allocations, considers such factors as previous grants to individuals, overall company performance, share price performance, the business environment and labour market, the role and performance of the individual in question and, in the case of grants to non-executive directors, the amount of time directed to the Company's affairs.

The Company believes that participation by the NEOs in the stock option plan aligns the interests of the NEOs with those of the Company's shareholders, as the NEOs are rewarded for the Company's performance as evidenced by share price appreciation.

Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, in Canadian dollars, to the Company's NEOs during the Company's most recently completed financial year.

Name and Principal Position	Year ended Aug. 31	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation ⁽³⁾ (\$)		Pension Value ⁽⁴⁾ (\$)	All other compensation ⁽⁵⁾ (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Jimmy McCarroll ⁽⁶⁾ President and CEO	2009	30,000 ⁽⁷⁾	N/A	6,831	N/A	N/A	N/A	Nil	36,831

Name and Principal Position	Year ended Aug. 31	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$) ⁽³⁾		Pension Value ⁽⁴⁾ (\$)	All other compensation ⁽⁵⁾ (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Jane Costello CFO	2009	13,812 ⁽⁶⁾	N/A	Nil	N/A	N/A	N/A	Nil	13,812

Notes:

- (1) The Company does not currently have any share-based award plans.
- (2) Option-based awards amounts are fair value estimates of options granted during the year, calculated using the Modified Black-Scholes pricing model, whereby the fair value of stock options is determined on the grant date and recorded as compensation expense over the period that the stock options vest. The Modified Black-Scholes model is an industry accepted valuation method. During the year ended August 31, 2009, the Company granted 403,000 stock options with a weighted average fair value of \$0.08 per option which was estimated using the Black-Scholes option pricing model with a volatility of 101%, risk free rate of 3.11%, expected life of 5 years and a dividend rate of 0%. During fiscal 2009, Mr. McCarroll was granted 90,000 options to acquire Common Shares at an exercise price of \$0.10 per share.
- (3) The Company does not currently have any non-equity incentive plans
- (4) The Company does not currently have any defined benefit or defined contribution pension plans.
- (5) The value of perquisites and other personal benefits received by each NEO did not, in aggregate, exceed the lesser of \$50,000 or 10% of the total annual salary of the NEO for the financial year.
- (6) Mr. McCarroll is a member of the Company's board of directors; however he did not receive any additional compensation for acting as a director during fiscal 2009.
- (7) This compensation relates to fees paid or accrued for management services rendered by Century Natural Gas, a private company fully owned by Mr. McCarroll.
- (8) Ms. Costello is paid on an hourly basis for work on behalf of the Company. Fees are paid to M. Jane Costello, a sole proprietorship.

Incentive Plan Awards for NEOs

Outstanding Share-based Awards and Option-based Awards

The following table sets forth, for each NEO, all option-based and share-based awards outstanding as at August 31, 2009.

Name	Option-based Awards				Share-based Awards ⁽¹⁾	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Jimmy McCarroll	351,204	0.10	Dec. 22, 2009	Nil	N/A	N/A
	485,427	0.20	Jul. 23, 2012	Nil		
	181,000	0.20	Jun. 12, 2013	Nil		
	90,000	0.10	Sept. 30, 2013	Nil		
Jane Costello	50,000	0.20	Jul. 23, 20	Nil	N/A	N/A

Notes:

- (1) The Company does not currently have any share-based award plans for its NEOs.
- (2) As at August 31, 2009, the market value of the Company's Common Shares was \$0.07, based on the closing market price of the Company's Common Shares on the TSX Venture Exchange on August 27, 2009. Accordingly, none of the options granted to the NEOs were "in-the-money" as at August 31, 2009.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each NEO, the value vested or earned on all option-based awards, share-based awards, and non-equity incentive plan compensation during the financial year ended August 31, 2009.

Name	Option-based Awards – Value vested during the year (\$)	Share-based Awards – Value vested during the year⁽¹⁾ (\$)	Non-equity incentive plan compensation – value earned during the year⁽²⁾ (\$)
Jimmy McCarroll	Nil	N/A	N/A
Jane Costello	Nil	N/A	N/A

Notes:

(1) The Company does not currently have any share-based award plans.

(2) The Company does not have any non-equity incentive plans.

Pension and Retirement Plans

The Company does not have in place any pension or retirement plan. The Company has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a NEO of the Company, in connection with or related to the retirement, termination or resignation of such person and the Company has provided no compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates. The Company is not party to any compensation plan or arrangement with NEO's resulting from the resignation, retirement or the termination of employment of such person.

Employment Contracts

The Company does not have written agreements for the provision of services by Mr. McCarroll and Ms. Costello in their capacities as President & Chief Executive Officer and Chief Financial Officer, respectively.

Mr. McCarroll is paid \$2,500 per month for services provided to the Company in his capacity as President and Chief Executive Officer. The amount disclosed in the Summary Compensation Table above reflects the total amount of compensation paid by the Company for services provided by Mr. McCarroll. There is no compensatory plan or arrangement, with respect to Jimmy McCarroll resulting from his resignation, retirement or any other termination of his employment or from a change of his responsibilities following a change in control.

The Company does not have a written agreement for the provision of services by Jane Costello in her capacity as Chief Financial Officer. For the fiscal year ended August 31, 2009, Ms. Costello was paid an hourly rate of \$125 per hour for management services provided to the Company. The amount disclosed in the Summary Compensation Table above reflects the total amount of compensation paid by the Company for services provided by Ms. Costello. There is no compensatory plan or arrangement, with respect to Jane Costello resulting from her resignation, retirement or any other termination her employment or from a change of her responsibilities following a change in control.

The amounts in the Summary Compensation Table above include the total amount of compensation received from the Company, directly and indirectly, by Jimmy McCarroll and Jane Costello.

Director Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, in Canadian dollars, to the following individuals who were directors of the Company for the most recently completed financial year, excluding Jimmy McCarroll, who is an NEO of the Company and whose respective compensation has been previously disclosed in this Information Circular.

Name	Fees Earned (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation ⁽³⁾ (\$)	Pension value ⁽⁴⁾ (\$)	All other compensation (\$)	Total (\$)
Richard A.N. Bonnycastle ^{(5) (6)}	Nil	N/A	\$1,215	N/A	N/A	Nil	\$1,215
Douglas N. Baker ^{(5) (6)}	Nil	N/A	\$1,215	N/A	N/A	Nil	\$1,215
Cory H. Kent	Nil	N/A	N/A	N/A	N/A	\$24,998 ⁽⁷⁾	\$24,998
Charles B. Wheeler ⁽⁶⁾	Nil	N/A	\$2,353	N/A	N/A	Nil	\$2,353

Notes:

- (1) The Company does not currently have any share-based award plans for its directors.
- (2) Option-based awards amounts are fair value estimates of options granted during the year, calculated using the Modified Black-Scholes pricing model, whereby the fair value of stock options is determined on the grant date and recorded as compensation expense over the period that the stock options vest. The Modified Black-Scholes model is an industry accepted valuation method. During the year ended August 31, 2009, the Company granted 403,000 stock options with a weighted average fair value of \$0.08 per option which was estimated using the Black-Scholes option pricing model with a volatility of 101%, risk free rate of 3.11%, expected life of 5 years and a dividend rate of 0%. During fiscal 2009, Mr. Wheeler was granted 31,000 options to acquire Common Shares at an exercise price of \$0.10 per share, Mr. Baker was granted 16,000 options to acquire Common Shares at an exercise price of \$0.10 per share and Mr. Bonnycastle was granted 16,000 options to acquire Common Shares at an exercise price of \$0.10 per share.
- (3) The Company does not currently have non-equity incentive plan compensation for its directors.
- (4) The Company does not currently have any defined benefit or defined contribution pension plans for its directors.
- (5) Member of the Company's Audit Committee.
- (6) Member of the Company's Compensation Committee.
- (7) This compensation relates to legal fees paid or accrued to a law firm in which Cory Kent, is a partner.

Outstanding Share-based Awards and Option-based Awards to Directors

The following table sets forth for each director, other than a director that is an NEO, all option-based and share-based awards outstanding at August 31, 2009.

Name	Option-based Awards ⁽¹⁾			Share-based Awards ⁽²⁾		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽³⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Richard A.N. Bonnycastle	59,616	0.10	Dec. 22, 2009	Nil	N/A	N/A
	100,000	0.20	Jul. 23, 2012	Nil		
	50,000	0.20	June 12, 2013	Nil		
	16,000	0.10	Sept. 30, 2013	Nil		
Douglas N. Baker	59,616	0.10	Dec. 22, 2009	Nil	N/A	N/A
	100,000	0.20	Jul. 23, 2012	Nil		
	50,000	0.20	June 12, 2013	Nil		
	16,000	0.10	Sept. 30, 2013	Nil		
Cory H. Kent	30,000	0.20	June 12, 2013	Nil	N/A	N/A
Charles B. Wheeler	149,040	0.10	Dec. 22, 2009	Nil	N/A	N/A
	200,000	0.20	Jul. 23, 2012	Nil		
	75,000	0.20	June 12, 2013	Nil		
	31,000	0.10	Sept. 30, 2013	Nil		

Notes:

- (1) All options granted to the directors during fiscal 2009 have been granted pursuant to the Company's Stock Option Plan. See "Particulars of Matters to be Acted Upon – Approval of Stock Option Plan" elsewhere in this Information Circular.

- (2) The Company does not currently have any share-based award plans for its Directors.
(3) As at August 31, 2009, the market value of the Company's Common Shares was \$0.07, based on the closing price of the Company's Common Shares on the TSX Venture Exchange on August 27, 2009. Accordingly, none of the options granted to the directors were "in-the-money".

Incentive Plan Awards to Directors – Value Vested or Earned During the Year

The following table sets forth for each director, other than a director that is an NEO, the value vested or earned on all option-based awards, share-based awards and non-equity incentive plan compensation during the financial year ending August 31, 2009.

Name	Option-based Awards – Value vested during the year (\$)	Share-based Awards – Value vested during the year⁽¹⁾ (\$)	Non-equity incentive plan compensation – value earned during the year⁽²⁾ (\$)
Richard A.N. Bonnycastle	Nil	N/A	N/A
Douglas N. Baker	Nil	N/A	N/A
Cory H. Kent	Nil	N/A	N/A
Charles B. Wheeler	Nil	N/A	N/A

Notes:

- (1) The Company does not currently have any share-based award plans.
(2) The Company does not have any non-equity incentive plans.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Company that are authorized for issuance under equity compensation plans as at the end of the Company's most recently completed financial year.

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for issuance under equity compensation plans (excluding outstanding securities reflected in Column 1)
Equity compensation plans approved by securityholders	2,393,903	\$0.16	170,239 ⁽¹⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	2,393,903	\$0.16	170,239

Note:

- (1) The aggregate number of Common Shares that may be reserved for issuance under the Plan shall not exceed 10% of the issued and outstanding shares of the Company. At the financial year ended August 31, 2009, the number of issued and outstanding Common Shares was 25,641,422.

MANAGEMENT CONTRACTS

No management functions of the Company are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND OTHERS

No present or former director, executive officer, former director, or employee of the Company or any of its subsidiaries, no proposed nominee for election as a director, nor any associate or affiliate of any of the foregoing, is, or within 30 days before the date of this Information Circular has been, indebted to the Company or any of its subsidiaries nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, letter of credit or agreement by the Company or any of its subsidiaries to provide assistance in the maintenance or servicing of the indebtedness or to provide

compensation for the purpose of maintaining or servicing the indebtedness or other similar arrangement or understanding.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Company is not aware of any material interests, direct or indirect, of any director or executive officer, proposed nominee for election as a director, any shareholder holding more than 10% of the voting rights attached to the Common Shares, any director or executive officer of any such shareholder, or any associate or affiliate of any of the foregoing in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has or will materially affect the Company other than as set out herein:

Legal fees of \$24,998 were paid or accrued to a law firm in which Cory Kent, a director and officer of the Company, is a partner for legal services rendered to the Company.

On December 31, 2008 the Company completed a private placement for 787,350 units (the "Units"), each Unit consisting of one common share and one common share purchase warrant (the "Warrants"), at a price of \$0.09 per Unit. Each Warrant is exercisable to purchase one further Common Share on or before December 31, 2010, at \$0.18 per Common Share. Cory Kent and Charles Wheeler, directors of the Company, participated in this transaction for an aggregate of 55,555 Units and 271,111 Units, respectively.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or executive officer of the Company or any proposed nominee of management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day to day management of the Company. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision-making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") which came into effect for financial years ending on or after June 30, 2005, the Company is required to disclose its corporate governance practices, as summarized below.

1. Board of Directors

The Board of Directors' primary responsibility is for the stewardship of the Company and the Board of Directors' fundamental objectives are to enhance and preserve long-term shareholder value and to ensure that the Company meets its obligations on an on-going basis and operates in a reliable and safe manner. In performing its duties, the Board of Directors may also consider the legitimate interests which other stakeholders, such as employees, customers and communities, may have in the Company. In broad terms, the stewardship of the Company involves the Board of Directors in strategic planning, risk management and mitigation, senior management determination, communication planning, and internal control integrity.

The Board of Directors discharges these responsibilities directly and through delegation of specific responsibilities to committees of the Board of Directors, and officers of the Company.

The Board of Directors adopted a Terms of Reference on February 20, 2008.

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment or which is deemed to be a material relationship under NI 52-110.

The independent members of the Board of Directors of the Company are Richard A.N. Bonnycastle, and Charles B. Wheeler. The non-independent directors are Douglas N. Baker (Chief Financial Officer), Jimmy M. McCarroll (President and Chief Executive Officer) and Cory H. Kent (Secretary). Mr. Baker was appointed Chief Financial Officer of the Company on May 4, 2010. Prior thereto, Mr. Baker was considered an independent director.

A majority of the Board of Directors are not independent.

2. Directorships

The following directors of the Company are directors or officers of other reporting issuers:

Director	Other Reporting Issuer
Jimmy M. McCarroll	None
Charles B. Wheeler	None
Richard A.N. Bonnycastle	Pacific Iron Ore Corporation (TSXV)
Douglas N. Baker	Orleans Energy Ltd. (TSXV) Winstar Resources Ltd. (TSX) Bellatrix Exploration Ltd. (TSX)
Cory H. Kent	Starcore International Mines Ltd. (TSX) Tyhee Development Corp. (TSX) Sandpoint Capital Inc. (TSXV) PNI Digital Media Inc. (TSXV)

3. Orientation and Continuing Education

When new directors are appointed, they receive orientation commensurate with their previous experience on the Company’s business, industry and properties and on the responsibilities of directors.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

4. Ethical Business Conduct

The Board of Directors has found that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the Board of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

The Board of Directors has established a Whistle Blower Policy, which details the complaint procedure for concerns about any aspect of the Company’s activities and operations.

5. Nomination of Directors

The Board of Directors considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board of Directors’ duties effectively and to maintain a diversity of views and experience.

The Board of Directors does not have a nominating committee, and these functions are currently performed by the Board of Directors as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

6. Compensation

The members of the Compensation Committee are Charles B. Wheeler and Richard A.N. Bonnycastle. The board of directors determines the compensation for directors, the President and CFO, although a formal process has not been adopted.

7. Other Board Committees

The Company does not have any committees other than the Audit Committee and the Compensation Committee.

8. Assessments

The board of directors monitors but does not formally assess the performance of individual Board members or committee members.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board of Directors of the Company, the only matters to be brought before the meeting are those matters set forth in the accompanying Notice of Meeting.

1. Report and Financial Statements

The Board of Directors of the Company has approved all of the information in the audited financial statements of the Company for the year ended August 31, 2009, the report of the auditor thereon, and the unaudited financial statements of the Company for the interim period ended February 28, 2010. Copies of the audited financial statements were previously mailed to registered shareholders of the Company and to beneficial shareholders that responded to the Company's request card pursuant to National Instrument 51-102. Copies of the unaudited financial statements of the Company for the interim period ending February 28, 2010 were previously mailed to those registered and beneficial shareholders that responded to the Company's request card pursuant to National Instrument 51-102. The financial statements are also available on the Company's SEDAR profile at www.sedar.com and will be tabled at the Meeting.

2. Fix Number of Directors to be Elected at the Meeting

Shareholders of the Company will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution.

At the Meeting, it will be proposed that five (5) directors be elected to hold office until the next annual meeting or until their successors are elected or appointed, subject to the power of the directors to appoint additional directors between Annual General Meetings. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at five (5).**

3. Election of Directors

The Articles of the Company set out that the number of directors for the Company can be a minimum of three and a maximum of eight. The Company currently has five (5) directors and all of these directors are being nominated for re-election. The following table sets forth the name of each of the persons

proposed to be nominated for election as a director, all positions and offices in the Company presently held by such nominee, the nominee's municipality of residence, principal occupation at the present, the period during which the nominee has served as a director, and the number and percentage of Common Shares of the Company that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors.** Each director elected will hold office until the next annual general meeting of shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Company or the provisions of the *Business Corporations Act* to which the Company is subject.

Name, Municipality of Residence, Office and Date Became a Director	Present Occupation and Position Held During the Last Five Years	Number and Percentage of Common Shares Held or Controlled as at the Effective Date⁽¹⁾⁽²⁾
Jimmy M. McCarroll Houston, Texas, U.S.A. Director since August 10, 2001	President & CEO of the Company.	2,011,528 (6.32%)
Charles B. Wheeler⁽³⁾⁽⁴⁾ Miami, Florida, U.S.A. Director since December 19, 2002	Chairman of the Company. Retired. Former President and CEO of Glenayr Corporation, a private family-owned company	2,495,644 (7.84%)
Richard A.N. Bonnycastle⁽³⁾⁽⁴⁾ Calgary, Alberta Director since June 18, 2002	Chairman and President of Cavendish Investing Ltd., a private investment company.	929,546 ⁽⁵⁾ (2.92%)
Douglas N. Baker⁽³⁾ Calgary, Alberta Director since September 9, 2002	Appointed CFO of the Company on May 4, 2010. Chairman, Canadian Institute of Chartered Accountants	586,067 (1.84%)
Cory H. Kent North Vancouver, British Columbia Director since December 19, 2002	Lawyer with Lang Michener LLP, Barristers & Solicitors. Secretary of the Company.	55,555 (<1%)

Notes:

- (1) Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the Effective Date, based upon the information furnished to the Company by the above individuals.
- (2) Assumes a total of 31,837,224 Common Shares issued and outstanding as at the Effective Date.
- (3) Directors who are currently members of the Company's Audit Committee.
- (4) Directors who are currently members of the Company's Compensation Committee.
- (5) Shares are registered in the name of Cavendish Investing Ltd. ("Cavendish"). Mr. Bonnycastle is a major shareholder of Cavendish.

Cease Trade Orders or Bankruptcies

Other than as set out below, no proposed director is as at the date hereof, or has been within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that: (i) while the proposed director was acting in such capacity, was the subject of a cease trade or similar order, or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; (ii) after the proposed director ceased acting in such capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days and which resulted from an event that occurred while the proposed director was acting in such capacity. Other than as set out below, no proposed director is at the date hereof or has been within 10 years before the date hereof, a director or executive officer of a company (including the Company) that while the proposed director was acting in that capacity or within

a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets. No proposed director has, within ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Mr. Bonnycastle was a director of Hoodoo Hydrocarbons Ltd. (now called "Cruiser Oil & Gas Ltd.") when the Alberta Securities Commission issued a cease trade order against the company for failure to file financial statements. The company was reorganized and the cease trade order was revoked on July 22, 2005.

No proposed director has been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to securities legislation or has entered into a settlement agreement with a securities regulatory authority relating to securities legislation or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for the proposed director.

Audit Committee Charter and Composition

The Company is required to have an Audit Committee. The general function of the Audit Committee is to review the overall audit plan and the Company's system of internal controls, to review the results of the external audit, and to resolve any potential dispute with the Company's auditor.

The Audit Committee Charter is attached as Exhibit "I".

The following are the members of the Committee, effective as of May 7, 2010:

Douglas N. Baker	Non-Independent ⁽¹⁾	Financially literate ⁽²⁾
Charles B. Wheeler	Independent ⁽²⁾	Financially literate ⁽²⁾
Richard A.N. Bonnycastle	Independent ⁽²⁾	Financially literate ⁽²⁾

Notes:

(1) Mr. Baker was appointed Chief Financial Officer of the Company on May 4, 2010. Prior thereto, he was considered Independent.

(2) As defined by National Instrument 52-110 ("NI 52-110").

Relevant Education and Experience

Douglas N. Baker is a Chartered Accountant. He has been the Chief Financial Officer of several public and private oil and gas companies for the past 20 years. He has also been extensively involved with the Chartered Accountants of Canada (currently the Chairman) and the Institute of Chartered Accountants of Alberta with respect to accounting education and professional examinations for several years. He has served as President of the Institute of Chartered Accountants of Alberta. He also serves on the Boards of Directors for numerous private and public companies.

Richard A.N. Bonnycastle graduated from Trinity College, Port Hope, Ontario, and the University of Manitoba with a Bachelor of Commerce in 1956. He is the Chairman and President of Cavendish Investing Ltd. He is a self-employed investor and financial consultant. He also serves on the Boards of Directors for numerous private and public companies.

Charles B. Wheeler is an oil executive with over 50 years experience in the oil industry. He worked for Exxon 1953-1986, and served in managerial & executive capacities in several South American countries. He ended his career with Exxon as Sr. Vice President for US exploration. He served as

Chairman of Trans-Dominion, a company listed on the Toronto Exchange 1996-2000. From 2002 he has been Chairman of Century Energy.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit and other fees are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees	Tax Fees⁽²⁾	All Other Fees⁽³⁾
2009	\$25,000	Nil	\$1,650	Nil
2008	\$23,400	Nil	\$7,195	Nil

Notes:

- (1) Audit related fees include review of interim financial statements and other related documents.
- (2) Tax fees paid to the Company's auditor relate to filing T2 corporate returns and flow-through share tax filings.
- (3) Other fees include all other non-audit services.

Exemption

The Company is a "venture issuer" as defined in NI 52-110 and as such is relying on the exemption in section 6.1 of NI 52-110 from the requirement to comply with the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

4. Appointment of Auditor

The shareholders will be asked to vote for the re-appointment of Davidson & Company LLP, Chartered Accountants as the auditor of the Company to hold office until the next annual meeting of the Shareholders at remuneration to be fixed by the directors. Davidson & Company LLP, Chartered Accountants was first appointed as the auditor of the Company in 1998.

Unless directed otherwise by a proxy holder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favor of a resolution appointing Davidson & Company LLP, Chartered Accountants as auditor of the Company for the next ensuing year, to hold office until the close of the next annual general meeting of shareholders or until the firm of Davidson & Company LLP, Chartered Accountants is removed from office or resigns as provided by the Company's by-laws, and the Management Designees also intend to vote the Common Shares represented by any such proxy in favor of a resolution authorizing the Board of Directors to fix the compensation of the auditor.

5. Approval of Stock Option Plan

In accordance with TSX Venture Exchange policies, the Company is required to approve, adopt and ratify its existing 10% rolling Stock Option Plan (the "Plan"), attached hereto as Exhibit "II". The aggregate number of Common Shares to be delivered upon the exercise of all stock options granted thereunder is limited to 10% of the Company's issued and outstanding Common Shares at the date of grant. In addition, the aggregate number of Common Shares that may be issued pursuant to the exercise of stock options to any one individual in a 12-month period cannot exceed 5% of the issued and outstanding Common Shares of the Company. The shareholders of the Company will be asked to consider and if thought fit, approve an ordinary resolution authorizing the continuance of the Plan. **In the absence of contrary directions, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.** The complete text of the ordinary resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

"BE IT HEREBY RESOLVED as an ordinary resolution of the Company that:

- 1. the stock option plan (the "Plan") of the Company substantially in the form attached as Exhibit "II" to the Information Circular of the Company prepared for the purpose of the Meeting be and is hereby approved, ratified and confirmed;**
- 2. the form of the Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities, or at the discretion of the Board of Directors acting in the best interests of the Company without requiring further approval of the shareholders of the Company;**
- 3. all issued and outstanding stock options previously granted, including stock options previously granted pursuant to previous stock option plans, be and are continued and are hereby ratified, confirmed and approved;**
- 4. the shareholders of the Company hereby expressly authorize the Board of Directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and**
- 5. any one (or more) director(s) or officer(s) of the Company be and is hereby authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this resolution."**

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

GENERAL

Unless otherwise directed, it is management's intention to vote proxies in favor of the resolutions set forth herein. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of Common Shares.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information of the Company's most recently completed financial year is provided in the Company's comparative financial statements and management's discussion and analysis available on SEDAR. A shareholder may contact the Company at Suite 250, 4605 Post Oak Place Drive, Houston, Texas U.S.A., 77027, Attention: President & Chief Executive Officer, telephone no. (713) 658-0161 or fax no. (713) 222-7158, to obtain a copy of the Company's most recent financial statements and management's discussion and analysis.

BOARD APPROVAL

The contents and the sending of this Management Information Circular have been approved by the Board of Directors of the Company.

Dated May 7, 2010

CENTURY ENERGY LTD..
ATTACHMENT TO THE MANAGEMENT INFORMATION CIRCULAR DATED MAY 7, 2010

EXHIBIT "I"

CENTURY ENERGY LTD.
AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company's business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors. A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

3. Meetings

The audit committee shall meet the number of times and at such intervals during each fiscal year as the audit committee considers necessary in order to carry out its duties. The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report of performing other audit, review or attest services for the Company;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors; and

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 *Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

(e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(f) review and approve the interim financial statements prior to their release to the public; and

(g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

(h) where reasonably possible, review and approve all public discourse, including news releases, containing financial information, prior to its release to the public.

4.4 *Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular services;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 *Other Responsibilities*

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 *Reporting Responsibilities*

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

**CENTURY ENERGY LTD.
ATTACHMENT TO THE MANAGEMENT INFORMATION CIRCULAR DATED MAY 7, 2010**

EXHIBIT "II"

CENTURY ENERGY LTD.

STOCK OPTION PLAN

**PART 1
GENERAL PROVISIONS**

Interpretation

1.1. For the purposes of this Plan, the following terms shall have the following meanings:

- a) **"Affiliate"** means any corporation that is an affiliate of the Corporation within the meaning set forth in the policies of the Exchange, as amended from time to time;
- b) **"Board"** means the Board of Directors of the Corporation;
- c) **"Common Shares"** means the common shares of the Corporation;
- d) **"Consultant"** means an individual who:
 - i. is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to an Affiliate of the Corporation, other than services provided in relation to a distribution of securities of the Corporation;
 - ii. provides the services under a written contract between the Corporation or the Affiliate and the individual or Consultant Company;
 - iii. in the opinion of the Corporation, spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or an Affiliate;
 - iv. has a relationship with the Corporation or an Affiliate that enables the Consultant to be knowledgeable about the business and affairs of the Corporation; and
 - v. includes a Consultant Company or a Consultant Partnership.
- e) **"Consultant Company"** means, for an individual Consultant, a company of which the individual consultant is an employee or shareholder;
- f) **"Consultant Partnership"** means, for an individual Consultant, a partnership of which the individual Consultant is an employee or partner;
- g) **"Corporation"** means Century Energy Ltd.;
- h) **"Disinterested Shareholders"** means all of the Shareholders of the Corporation except Insiders of the Corporation who are Eligible Persons, and such Insiders' associates;

- i) **“Director”** means a director of the Corporation or Affiliate, and includes an issuer all of the voting securities of which are owned by one or more Officers, Directors or employees of the Corporation or an Affiliate;
- j) **“Eligible Person”** means, subject to all applicable laws, any employee, Officer, Director, Management Company Employee or Consultant of the Corporation or of any Affiliate;
- k) **“Employee”** means,
 - i. an individual who is considered an employee under the Income Tax Act (i.e. for whom income tax employment insurance and CPP deductions must be made at source);
 - ii. an individual who works full-time for the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or
 - iii. an individual who works for the Corporation on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; and
 - iv. includes an issuer all of the voting securities of which are owned by one or more Officers, Directors or employees of the Corporation or an Affiliate;
- l) **“Exchange”** means the TSX Venture Exchange;
- m) **“Insider”** means an insider as defined under the policies of the Exchange, as amended from time to time;
- n) **“Management Company Employee”** means, an individual employed by a person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in investor relations activities;
- o) **“Market Price”** means the closing price of the Common Shares on the Exchange immediately preceding the day on which the Board grants and provides notice to the Exchange of the Option(s);
- p) **“Officer”** means an officer of the Corporation, or an Affiliate and includes an issuer all of the voting securities of which are owned by one or more Officers, Directors or employees of the Corporation or an Affiliate;
- q) **“Option”** means a non-transferable or non-assignable option to purchase Common Shares granted to an Eligible Person pursuant to the terms of the Plan;
- r) **“Participant”** means Eligible Persons to whom Options have been granted;
- s) **“Plan”** means this Incentive Stock Option Plan - 2003 of the Corporation;
- t) **“Share Compensation Arrangement”** means any stock option, stock option plan, employee stock purchase plan or other compensation or incentive mechanism

involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;

- u) **“Subsidiary”** means any company that is a subsidiary of the Corporation as defined under section 1(1) of the Securities Act (British Columbia); and
- v) **“Termination Date”** means the date on which a Participant ceases to be an Eligible Person.

In this Plan, words imparting the singular number only shall include the plural and vice versa and words imparting the masculine shall include the feminine.

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

Purpose

1.2. The purpose of this Plan is to advance the interests of the Corporation by:

- a) providing Eligible Persons with additional incentive;
- b) encouraging stock ownership by such Eligible Persons;
- c) increasing the proprietary interest of Eligible Persons in the success of the Corporation;
- d) encouraging Eligible Persons to remain with the Corporation or its Affiliates; and
- e) attracting new directors, employees and officers.

Administration

1.3. a) The Plan shall be administered by the Board or a committee of the Board duly appointed for this purpose by the Board and consisting of not less than 3 directors. If a committee is appointed for this purpose, the committee's authority shall be limited to recommending Option grants, and the terms and conditions of such grants, to the Board. The Board shall retain all authority to approve, reject, or change Option grants recommended by the committee, or to make Option grants without the recommendation of the committee.

- b) Subject to the limitations of the Plan, the Board shall have the authority to:
 - i. grant Options to purchase Common Shares to Eligible Persons;
 - ii. determine the terms, limitations, restrictions and conditions respecting such grants;
 - iii. interpret the Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Plan as it shall from time to time deem advisable; and
 - iv. make all other determinations and take all other actions in connection with the implementation and administration of the Plan including without limitation for the purpose of ensuring compliance with 1.10 hereof as it may deem necessary or advisable.

c) The Board's guidelines, rules, regulations, interpretations and determinations shall be conclusive and binding upon the Corporation and all other persons.

Shares Reserved

1.4. a) The aggregate number of Common Shares to be reserved for exercise of all options granted under the Plan and any other Share Compensation Arrangement shall not exceed 10% of the Common Shares outstanding at the time of the grant (on a non-diluted basis). No fractional shares shall be issued and the Board may determine the manner in which fractional share values shall be treated.

b) The maximum number of Common Shares which may be reserved for issuance to any one person under the Plan shall be 5% of the Common Shares outstanding at the time of the grant (on a non-diluted basis) less the aggregate number of Common Shares reserved for issuance to such person under any other option to purchase Common Shares from treasury granted as a compensation or incentive mechanism.

c) If there is a change in the outstanding Common Shares by reason of any stock dividend or split, recapitalization, amalgamation, consolidation, combination or exchange of shares, or other corporate change, the Board shall make, subject to the prior approval of the relevant stock exchange(s), appropriate substitution or adjustment in:

i. the number or kind of shares or other securities reserved for issuance pursuant to the Plan; and

ii. the number and kind of shares subject to unexercised Options theretofore granted and in the option price of such shares; provided however that no substitution or adjustment shall obligate the Corporation to issue or sell fractional shares. If the Corporation is reorganized, amalgamated with another corporation, or consolidated, the Board shall make such provision for the protection of the rights of Participants as the Board in its discretion deems appropriate.

d) The Corporation shall at all times during the term of the Plan reserve and keep available such number of shares as will be sufficient to satisfy the requirements of the Plan.

Limits with respect to Insiders

1.5. a) The maximum number of Common Shares which may be reserved for issuance to Insiders under the Plan shall be 10% of the Common Shares outstanding at the time of the grant (on a non-diluted basis) less the aggregate number of Common Shares reserved for issuance to Insiders under any other Share Compensation Arrangement.

b) The maximum number of Common Shares which may be issued to Insiders under the Plan within a one year period shall be 10% of the Common Shares outstanding at the time of the issuance (on a non-diluted basis), excluding Common Shares issued under the Plan or any other Share Compensation Arrangement over the preceding one year period. The maximum number of Common Shares which may be issued to any one Insider and such Insider's associates under the Plan within a one year period shall be 5% of the Common Shares outstanding at the time of the issuance (on a non-diluted basis), excluding Common Shares issued to such Insider under the Plan or any other Share Compensation Arrangement over the preceding one year period.

c) Any entitlement to acquire Common Shares granted pursuant to the Plan or any other Share Compensation Arrangement prior to the grantee becoming an Insider shall be excluded for the purposes of the limits set out in (a) and (b) above.

Limits with respect to Consultants

- 1.6. The number of options granted to any one Consultant in a 12 month period under the Plan shall not exceed 2% of the outstanding Common Shares at the time of grant, less the aggregate number of Common Shares reserved for issuance to Consultants pursuant to any other Share Compensation arrangement, unless the consent of the Exchange is first obtained.

Limits with respect to Persons involved in Investor Relations Activities

- 1.7. The aggregate number of options granted under the Plan to persons involved in investor relations activities in any 12-month period shall not exceed 2% of the outstanding Common Shares at the time of grant, less the aggregate number of Common Shares reserved for issuance to such persons under any other Share Compensation Arrangement, unless the consent of Exchange is first obtained.

Non-Exclusivity

- 1.8. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements, subject to any required approvals.

Amendment and Termination

- 1.9. The Board may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable legislation and subject to any required approval. No such amendment, suspension or termination shall alter or impair any Options or any rights pursuant thereto granted previously to any Participant without the consent of such Participant. If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force at the time of the Plan shall continue in effect during such time as an Option or any rights pursuant thereto remain outstanding. Any amendment to the Plan shall be subject to the approval of the Exchange. In addition, any amendment to the Plan which amends the provisions of 1.5 to increase the percentage of Common Shares issuable to or reserved for issue to Insiders shall be subject to the approval of the Disinterested Shareholders.

Compliance with Legislation

- 1.10. The Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell and deliver Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, rules and regulations, the rules and regulations of any stock exchange(s) on which the Common Shares are listed for trading and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by any provision of the Plan or the grant of any Option hereunder to issue or sell Common Shares in violation of such laws, rules and regulations or any condition of such approvals. No Option shall be granted and no Common Shares issued or sold hereunder where such grant, issue or sale would require legislation of the Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any Option or issue or sale of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to issue any Common Shares pursuant to the Plan unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading. Common Shares issued and sold to Participants pursuant to the exercise of Options may be subject to limitations on sale or resale under applicable securities laws.

Representation

- 1.11. The Corporation represents that any Employee, Consultant or Management Company Employee who is granted an Option or Options is a bona fide Employee, Consultant or Management Company Employee, as the case may be, of the Corporation or an Affiliate.

Effective Date

- 1.12. The Plan shall be subject to the approval of any relevant regulatory authority whose approval is required. Any Options granted under the Plan prior to such approvals and acceptances shall be conditional upon such approvals and acceptances being given and no such Options may be exercised unless such approvals and acceptance is given.

PART 2 OPTIONS

Grants

- 2.1 Subject to the provisions of the Plan, the Board shall have the authority to determine the limitations, restrictions and conditions, if any, in addition to those set forth in Section 2.3 hereof, applicable to the exercise of an Option, including without limitation, the nature and duration of the restrictions, if any, to be imposed upon the sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events, if any, and the duration of the period in which any Participant's rights in respect of Common Shares acquired upon exercise of an Option may be forfeited. An Eligible Person may receive Options on more than one occasion under the Plan and may receive separate Options on any one occasion.

Option Price

- 2.2 a) Subject to a minimum price of \$0.10 per share, the option price shall not be less than the Market Price less the discount to the Market Price permitted by the Exchange.
- b) If the options are granted within ninety days of a public distribution, then the option price shall not be less than the greater of the price calculated in 2.2(a) or the price per share paid by the public investors pursuant to the public distribution. The ninety day period will commence on the day a receipt is issued for the (final) prospectus.
- c) The option price shall be subject to adjustment in accordance with the provisions of 1.4 hereof.

Exercise of Options

- 2.3 a) Options granted must be exercised no later than 10 years after the date of grant or such lesser period as the regulations made pursuant to the Plan may require.
- b) Options shall not be transferable by the Participants otherwise than by will or the laws of descent and distribution, and shall be exercisable during the lifetime of a Participant only by the Participant and after death only by the Participant's legal representative (subject to the limitation that Options may not be exercised later than 10 years from their date of grant).
- c) Except as otherwise determined by the Board and subject to the limitation that Options may not be exercised later than 10 years from their date of grant:
- i. if a Participant ceases to be an Eligible Person for any reason whatsoever other than death, each Option held by the Participant other than a Participant who is involved in investor relations activities will cease to be exercisable 90

days after the Termination Date. For Participants involved in investor relations activities, Options shall cease to be exercisable 30 days after the Termination Date. If any portion of an Option is not vested by the Termination Date, that portion of the Option may not under any circumstances be exercised by the Participant. Without limitation, and for greater certainty only, this provision will apply regardless of whether the Participant was dismissed with or without cause and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of the Option to vest with the Participant;

- ii. if a Participant dies the legal representative of the Participant may exercise the Participant's Options within one year after the date of the Participant's death, but only to the extent the Options were by their term exercisable on the date of death.

d) Subject to the provisions of this 2.3(d), the Board shall determine the manner in which Options shall vest and become exercisable. Options granted to Consultants providing investor relations services shall vest at a minimum over a period of 12 months with no more than 1/4 of such Options vesting in any 3 month period. All other Options shall vest at a minimum over an 18 month period, with no more than 1/6 of the Options vesting in any 3 month period. The Board may impose such other restrictions or limitations or requirements upon the exercise of Option as the Board, in its absolute discretion, may determine on the date of grant.

e) Each Option shall be confirmed by an option agreement executed by the Corporation and by the Participant.

f) The option agreement referred to in 2.3(e) in respect of an Option which has an exercise price which is less than the Market Price at the date of the grant, shall bear the following legend:

"Without the prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and any securities issued upon the exercise hereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [the date which is the date following the fourth month after the grant of the Option]."

g) The exercise price of each Common Share purchased under an Option shall be paid in full in cash or by bank draft or certified cheque at the time of such exercise, and upon receipt of payment in full, but subject to the terms of the Plan, the number of Common Shares in respect of which the Option is exercised shall be duly issued as fully paid and non-assessable.

h) Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its registered office of a written notice of exercise addressed to the Secretary of the Corporation specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment in full of the Option Price of the Common Shares to be purchased. Certificates for such Common Shares shall be issued and delivered to the Optionee within a reasonable period of time following the receipt of such notice and payment.

i) Notwithstanding any of the provisions contained in the Plan or in any Option, the Corporation's obligation to issue Common Shares to a Participant pursuant to the exercise of an Option shall be subject to:

- i. completion of such registration or other qualification of such Common Shares or obtaining approval of such governmental or regulatory authority as counsel

to the Corporation shall reasonably determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;

- ii. admission of such Common Shares to listing on any stock exchange on which the Common Shares may then be listed; and
- iii. the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to safeguard against the violation of the laws of any jurisdiction.

j) In this connection the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for issuance of such Common Shares in compliance with applicable laws and for the admission to listing of such Shares on any stock exchange on which the Common Shares are then listed.

Amendments to Option Grants

- 2.4 Subject to the policies of Exchange, the Board may amend any Option with the consent of the affected Participant. If an amendment reducing the exercise price of the Option is made to an Option held by an Insider, the amendment shall only be made effective after the approval of the Disinterested Shareholders at a general meeting of the Shareholders of the Corporation is received.

PART 3 MISCELLANEOUS PROVISIONS

- 3.1 The holder of an Option shall not have any rights as a shareholder of the Corporation with respect to any of the Common Shares covered by such Option until such holder shall have exercised such Option in accordance with the terms of the Plan (including tendering payment in full of the Option Price of the Common Shares in respect of which the Option is being exercised).
- 3.2 Nothing in the Plan or any Option shall confer upon a Participant any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate his employment at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Participant beyond the time which he would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.
- 3.3 This Plan shall be presented at each annual general meeting of the shareholders of the Corporation for approval.