CIC Energy confirms negotiations with Jindal Steel & Power (Mauritius) Limited

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ROAD TOWN, Tortola, British Virgin Islands, July 18, 2012 /CNW/ - In response to news articles regarding discussions between CIC Energy Corp. ("CIC Energy" or the "Company") (TSX:ELC, BSE:CIC Energy) and Jindal Steel & Power, CIC Energy confirmed today that it is currently in advanced negotiations with Jindal Steel & Power (Mauritius) Limited ("Jindal"), a wholly owned subsidiary of Jindal Steel and Power Limited ("JSPL"), regarding the possible acquisition of the Company at an indicative price of CDN$2.00 per share.

While negotiations are ongoing, a binding agreement has not yet been signed. Therefore there can be no assurance that any transaction will result from these discussions, or as to the timing, structure or terms of any transaction. Investors should therefore exercise caution in trading in CIC Energy shares.

The Company's policy is to not comment on market rumours or speculation. However, in light of the content of the articles and resulting speculation, the Company determined to announce and confirm its discussions with Jindal at this time. The Company does not intend to comment further until negotiations are complete or the situation warrants.

JSPL is listed on the National Stock Exchange and the Bombay Stock Exchange.

About CIC Energy Corp.

CIC Energy Corp. is engaged in the advancement of the Mmamabula Energy Complex at the Mmamabula Coal Field in Botswana, Africa. This planned Complex consists of an Export Coal Project, one or more Power Projects, and a potential Coal-to-Hydrocarbons Project.

Forward-Looking Information

This news release contains certain "forward-looking information". All statements, other than statements of historical fact, that address activities, events or developments that CIC Energy believes, expects or anticipates will or may occur in the future are forward looking information. Such forward looking information reflects the current expectations or beliefs of CIC Energy based on information currently available to CIC Energy. Such forward-looking information includes, among other things, statements regarding the possible acquisition of the Company by Jindal and the indicative price. Forward-looking information is subject to significant risks and uncertainties and other factors that could cause the actual results to differ materially from those discussed in forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, CIC Energy or its shareholders.

Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to, the failure of the Company to successfully conclude negotiations and agree to terms for a transaction (including with respect to price or value), and other factors.

Forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, CIC Energy disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although CIC Energy believes that the assumptions inherent in forward-looking information are reasonable, forward-looking statements are not guarantees of future performance and accordingly, undue reliance should not be put on such statements due to the inherent uncertainty therein.

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