CIC ENERGY ANNOUNCES ALL-CASH OFFER FROM
JINDAL STEEL & POWER FOR CDN$2.00 PER SHARE

Road Town, Tortola, British Virgin Islands (July 23, 2012) – CIC Energy Corp. (“CIC Energy” or the “Company”) (TSX:ELC, BSE:CIC Energy) is pleased to announce that it has entered into a binding merger agreement (the “Merger Agreement”) with Jindal Steel & Power (Mauritius) Limited (“Jindal”), a wholly owned subsidiary of Jindal Steel and Power Limited (“JSPL”), and Jindal (BVI) Ltd. (“Jindal BVI”), a wholly-owned subsidiary of Jindal. JSPL is listed on the National Stock Exchange and the Bombay Stock Exchange.

Under the terms of the Merger Agreement, CIC Energy will merge with Jindal BVI, with Jindal BVI being the surviving entity (the “Merger”). Upon completion of the Merger, the holders of the outstanding shares of CIC Energy will receive CDN$2.00 per share (the “Consideration”). The Consideration represents a premium of 65% to the volume-weighted average trading price for CIC Energy’s shares on the TSX for the 30-trading day period ending on July 17, 2012, the last trading day prior to the announcement of the indicative price. It also represents a premium of 42% to the closing price of CIC Energy’s shares on the TSX on July 17. The Consideration values the total equity of CIC Energy at approximately CDN$116.0 million on 58.0 million shares (including all common shares and excluding all options and all unvested warrants).

The Board recommends acceptance of the Merger by CIC Energy shareholders.

“In the current challenging economic and capital markets environment, we believe that this offer provides fair value for CIC Energy shareholders,” said Mr. Warren Newfield, Chairman and CEO of CIC Energy.

The Board formed a special committee (the “Special Committee”), comprised of E. Adrian Meyer, Deenadayalen (Len) Konar, and Michael Movsas (all of whom are independent directors of the Company), to review the merits of the Merger and, to consider available alternatives to maximize shareholder value and to make recommendations to the Board, and, if appropriate, to the shareholders of the Company. The Special Committee determined that the Merger was in the best interest of the Company and that it would recommend that the Board approve the Merger. The Merger has been approved by the board of directors of Jindal and the Board.

CIC Energy will be holding a special meeting of shareholders (the “Meeting”) to consider and approve the Merger. The Meeting is scheduled to be held on or before August 28, 2012. The record date is July 9, 2012.
The Company has agreed to customary standstill undertakings not to solicit or invite alternative acquisition proposals and right to match covenants in favour of Jindal. Such undertakings, however, would not prevent the Board from discharging its fiduciary duties in the event it receives unsolicited superior acquisition proposals. CIC Energy has agreed to pay Jindal a termination fee of approximately CDN$3.5 million if the Merger is not completed in certain circumstances and to reimburse Jindal’s Merger-related expenses in certain circumstances and Jindal has agreed to pay the Company a termination fee of approximately CDN$3.5 million if the Merger is not completed in certain circumstances.

The Merger Agreement provides for an outside date of October 9, 2012 for the completion of the Merger.

The completion of the Merger remains subject to the satisfaction of certain conditions, including, but not limited to, receipt of all requisite regulatory approvals in Botswana (including the receipt of certain approvals from the Minister of Minerals, Energy and Water Resources and under the Botswana Competition Act) and the absence of any material adverse changes respecting the Company.

The Merger Agreement will be available under CIC Energy’s SEDAR profile shortly at www.sedar.com.

Deutsche Bank Securities Inc. is acting as financial advisor to CIC Energy in connection with the transaction and has provided the Board with an opinion regarding the consideration to be received by CIC Energy shareholders (other than Jindal and its affiliates) in the proposed transaction. Deutsche Bank’s opinion was prepared solely for the exclusive use of the Board of CIC Energy in its consideration of the Merger Agreement and cannot be used or relied upon for any other purpose or by any other person, including any shareholder of CIC Energy. A copy of Deutsche Bank’s written opinion, which contains the assumptions, limitations, qualifications and conditions set forth therein, will be included in the information circular to be sent to CIC Energy shareholders in connection with the Meeting to consider and approve the Merger.

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.

CIC Energy has a treasury of approximately CDN$14.8 million and has 58,012,127 shares outstanding and 76,804,075 shares fully diluted including 13,061,448 warrants which have not vested. CIC Energy is listed on the Toronto Stock Exchange (TSX:ELC) and the Botswana Stock Exchange (BSE:CIC Energy).

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About Jindal Steel & Power Limited (JSPL)

JSPL is one of India's major steel producers with a significant presence in the mining, power generation and infrastructure sectors.

With annual revenue of over US$3.5 billion, JSPL is a part of the US$15 billion diversified D.P. Jindal Group and is consistently tapping new opportunities by increasing production capacity, diversifying investments, and leveraging its core capabilities to venture into new businesses. The company has committed to future investments which exceed US$30 billion.

For more information visit www.jindalsteelpower.com

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 structure and timing of the Merger and the Company's belief that the terms of the Merger will provide fair value for CIC Energy shareholders in the current environment. 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, alternative transactions involving third parties which may result in the termination of the Merger Agreement and/or the terms of the Merger Agreement being changed, the failure to achieve any of the anticipated benefits of the Merger, the failure of the parties to satisfy the conditions precedent to the completion of the Merger (including, but not limited to, the failure to obtain any required governmental or regulatory approvals and the occurrence of a material adverse change respecting the Company), 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 (including, without limitation, that the conditions to Jindal BVI completing the Merger are satisfied within the times required) 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.