NEWS RELEASE

CIC ENERGY DEFERS CERTAIN ACTIVITIES ON THE MMAMABULA ENERGY PROJECT

Road Town, Tortola, British Virgin Islands (December 14, 2009) – CIC Energy Corp. (“CIC Energy” or the “Company”) (TSX:ELC, BSE:CIC Energy) today provided the following update regarding regulatory developments in South Africa resulting in the Company’s decision to defer certain financial, legal and engineering activities related to the Mmamabula Energy Project.

On December 3, 2009, the Minister of Energy of South Africa (the “Minister”) provided information to the public regarding the integrated resource plan, which is to be approved and gazetted by the Minister pursuant to the Electricity Regulations on New Generation Capacity that were published by the Department of Energy of South Africa on August 5, 2009 (the “Regulations”).

According to the information provided by the Minister, the first integrated resource plan (referred to as “IRP1”) will only cover requirements for new generation capacity for the three year period from April 2010 to March 2013. Requirements for new generation capacity for later periods (i.e. 2013/2014 and beyond), being the period the Company considers to be the relevant period for the Mmamabula Energy Project, will be addressed in a second integrated resource plan (referred to as “IRP2”), which will be prepared following an extensive public consultation process that will commence in the first quarter of 2010 and is targeted for completion in mid-2010.

Based on the Company’s understanding of the Regulations, an approval of the Mmamabula Energy Project by the Department of Energy will only be possible following the completion and gazetting of the IRP2, and then only for commencement of commercial operations no earlier than 2014 (or such later period as may be indicated in the IRP2, once completed).

As a result of these developments, the Company has reassessed its current program of project development activities for the Mmamabula Energy Project, which program was designed to facilitate a rapid achievement of financial close and commencement of construction once a regulatory approval had been received. Given the anticipated content of the IRP1 and the current timetable for completion of the IRP2, the Company has determined that it would be prudent to defer those project development activities unrelated to the regulatory approval process in South Africa until such time as the IRP2 has been completed. This will be implemented by the deferral of activities that are being performed by the financial consultants, legal consultants and engineering consultants who are assisting the Company in the development of the Mmamabula Energy Project.
“While the slow pace of the regulatory process in South Africa is frustrating, these spending deferrals and our C$41 million treasury give us the flexibility to weather this delay,” said Mr. Greg Kinross, President of CIC Energy.

This determination does not affect CIC Energy’s program of project development activities for the Export Coal Project and the Coal-to-Hydrocarbons Project, which the Company intends to continue as previously planned.

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 the Mmamabula Energy Project, the Export Coal Project and a potential Coal-to-Hydrocarbons Project.

CIC Energy has a treasury of approximately C$41 million and has 52,573,969 million shares outstanding and 55,701,469 shares fully diluted. CIC Energy is listed on the Toronto Stock Exchange (TSX:ELC) and the Botswana Stock Exchange (BSE:CIC Energy).

For additional information on CIC Energy and its projects visit the Company’s website at www.cicenergy.com or contact:

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Forward-Looking Statements

This news release contains certain “forward-looking statements”. 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 statements. These forward-looking statements reflect the current expectations or beliefs of CIC Energy based on information currently available to CIC Energy. Such forward-looking statements include, among other things, statements relating to: the approval and implementation of IRP1 and IRP2; the impact of such plans on the evaluation, approval and development of the Mmamabula Energy Project; and the deferral of certain project development activities relating to the Mmamabula Energy Project (the “Deferral”). Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause the actual results to differ materially from those discussed in the forward-looking statements, 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, the Company.

Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: delays in the initiation and completion of IRP2 and subsequent delays or failure in obtaining the governmental approvals necessary for the implementation of the Mmamabula Energy Project on favourable terms.
or at all; the ability to raise the required debt or equity financing for the implementation of the Mmamabula Energy Project on favourable terms or at all; failure to retain key personnel during the Deferral; continued delays or failure in entering into other requisite agreements for the development, operation and financing of the Mmamabula Energy Project, on favourable terms or at all; the failure of the counterparties to such requisite agreements to comply in all material respects with the terms and conditions of such agreements; the termination by any such counterparty of its involvement in the Mmamabula Energy Project as a result of the Deferral; political risks arising from operating in Africa; or other factors (including the additional factors described under the heading “Cautionary Statement Regarding Forward-Looking Statements” in the Company’s Management’s Discussion and Analysis (“MD&A”) dated October 14, 2009, which is available under the Company’s profile on SEDAR at www.sedar.com).

Any forward-looking statement 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 the forward-looking statements 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.