



MULTILATERAL INVESTMENT GUARANTEE AGENCY WORLD BANK GROUP

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Project: Mmamabula Energy Project – Botswana

Sector: Electricity

Project Profile:

The Mmamabula Energy Project (MEP) is an integrated coal mine and power station project close to Botswana's border with South Africa, which is being developed by CIC Energy Corp. (CIC Energy). Latest reports indicate that CIC Energy's Mmamabula Coal Field holds approximately 3 billion tonnes of recoverable coal deposits. This is sufficient to support CIC Energy's three planned projects, including the MEP which could ultimately generate 4,800 megawatts (MW) for about 40 years.

CIC Energy holds the rights to the coal deposits at the Mmamabula Coal Field through its wholly owned subsidiary in Botswana, Meepong Resources. CIC Energy listed on the Toronto Stock Exchange in March 2006 and on the Botswana Stock Exchange in May 2006. Total capital raised to date is approximately CAD\$ 191 million.

The site for the MEP is located 80 kilometers from the South African power grid at Matimba. Commercial operations for a 1200 MW Phase One MEP power station are anticipated for late 2012 or early 2013. CIC Energy plans to announce an engineering, procurement and construction contractor by the end of 2008. Power purchase agreements with the national utilities in South Africa and Botswana (Eskom and Botswana Power Corporation, respectively) as well as finalization of financial documents with project lenders, are expected to be completed in 2009.

In addition to the MEP, CIC Energy is developing two other projects at the Mmamabula Coal Field; a Coal-to-Hydrocarbons (CTH) Project and an Export Coal Project. The planned CTH Project will involve large scale coal gasification to manufacture fuels and/or petrochemicals. CIC Energy has secured an option on coal gasification technology from Shell and commercial operations for this project are expected in 2014. The Export Coal Project anticipates seaborne traded A grade thermal coal from the Mmamabula Coal Field being exported to international markets from the west coast of southern Africa. CIC Energy is currently investigating potential export routes and expects this project to be in commercial operation in 2014.

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Sources of information:

1. News Release: [CIC Energy Announces Increase in Mineral Resource Estimate for the Mmamabula Coal Field](#). August 14, 2008.
2. PwC Survey conducted for [Public Private Infrastructure Advisory Facility](#), June 2005.
3. [CIC ENERGY Corporate Presentation September 2008](#)
4. [Mmegi Online](#), March 24, 2006
5. [Mmegi Online](#), April 6, 2006
6. [Africa Electra](#), February 27, 2006
7. [South African Contractor Wins Mmamabula Work](#), 19 January 2007

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