

Caspian Energy announces shareholder approval of its previously announced agreement to acquire the remainder of Aral Petroleum and election of directors

Calgary, Alberta (Canada) – December 12, 2014 – Caspian Energy Inc. (NEX: CKZ.H) (“**Caspian**” or the “**Company**”) is pleased to announce that it has received approval from its shareholders (the “**Shareholders**”) at its 2014 Annual and Special Meeting held today (the “**Meeting**”) for the transactions (the “**Transactions**”) contemplated by the previously announced share purchase agreement dated August 1, 2014, as amended November 11, 2014 (the “**Share Purchase Agreement**”) between the Company, its wholly-owned subsidiary Caspian Energy Limited, Asia Sixth Energy Resources Limited (“**Asia Sixth**”), Groenzee B.V. (“**Groenzee**”) a wholly-owned subsidiary of Asia Sixth, and four other parties (“**Investors**”). Pursuant to the Transactions, Caspian will acquire all of the remaining interests in Aral Petroleum Capital LLP (“**Aral**”), the operating entity of the exploratory licence for the area referred to as the “North Block” in Kazakhstan, not already owned by the Company. In connection with the Transactions, the Investors will be terminating their respective interests in previously executed agreements to acquire interests in Aral. Under the terms of the Share Purchase Agreement, the Company will acquire, in exchange for the issuance of Caspian common shares to Asia Sixth and the Investors, all of Asia Sixth’s interests in Aral (including through Groenzee) and the debt owed by Groenzee to Asia Sixth (being approximately US\$139 million)(collectively the “**Purchased Assets**”).

The aggregate purchase price for the Purchased Assets is US\$47,114,778. Assuming (i) the full draw down of the US\$3 million convertible loan facility provided by Meridian Capital International Fund (“**Meridian**”) and Firebird Global Master Fund Holdings, Ltd., Firebird Avrova Fund, Ltd., Firebird Republics Fund, Ltd., Firebird New Russia Fund, Ltd. and Firebird Fund L.P. (collectively, “**Firebird**”) pursuant to a loan agreement dated July 7, 2014, as amended on November 4, 2014, and (ii) the conversion of such convertible loan amount into common shares of Caspian, at Closing (as defined below), it is expected that nominees of Asia Sixth will be issued 162,743,814 common shares and the Investors will be issued in the aggregate 115,450,742 common shares (based on an exchange rate of \$1.00 US dollar to \$1.0677 Canadian dollars for the drawdown of the first US\$1.5 million and an exchange rate of \$1.00 US dollar to \$1.1357 Canadian dollars for the second US\$1.5 million). The shares will be issued at an average price of US\$0.17 per share. Immediately upon the completion of the Transactions (“**Closing**”), Sixth Energy Limited (“**Sixth Energy**”) and Excellent Harvest Holdings Ltd. (“**Excellent Harvest**”) (parent companies to Asia Sixth) as the nominees of Asia Sixth, will own directly and indirectly 33.4% and 1.7% of all issued and outstanding shares of Caspian, respectively. Meridian and Firebird will own 26.5% and 8.8% of Caspian, respectively, and the Investors will own, in the aggregate, 24.9%.

The Share Purchase Agreement contains a condition precedent in favour of Caspian that Sixth Energy and Meridian will, on Closing, provide a secured loan facility (the “**Loan Facility**”) of up to US\$61.5 million to Aral. The Loan Facility will be secured by, *inter alia*, share pledges over the entirety of the Company’s direct and indirect interests in Aral in favour of the lenders on a pro-rata basis. Funding of the Loan Facility is subject to a number of conditions.

Sixth Energy, as nominee of Asia Sixth, will also be granted convertible securities of Caspian at the date of Closing. Such convertible securities are only exercisable by Sixth Energy upon the exercise or conversion of convertible securities previously issued by Caspian prior to the execution of the Share Purchase Agreement and will be subject to dilution following subsequent share issuances by the Company and other specified dilutive events post-Closing. If all the convertible securities granted were exercised by Sixth Energy, Sixth Energy would hold a 34.1% interest in the Company.

Caspian has received conditional approval for the Transactions from the TSX Venture Exchange (the “**TSXV**”). Such conditions include the receipt of all required approvals from the Kazakhstan government relating to the Transactions being obtained. If the Transactions are completed and the conditions specified in the TSXV conditional approval letter are satisfied on or prior to February 2, 2015, the Company’s common shares will become listed on the TSXV. Closing is expected to occur in the first quarter of 2015. If Closing does not occur prior to February 2, 2014, the Company will need to apply to the TSXV for an extension of its conditional approval, which may or may not be obtained.

Pursuant to a shareholders’ agreement to be entered into as a condition of Closing, Sixth Energy and

Meridian will each be entitled to nominate two nominees to Caspian's board of directors and will be entitled to agree on three nominees in consultation with management, at least two of whom are to be independent. The shareholders' agreement will also provide that the approval of each of Sixth Energy and Meridian will be required for certain fundamental matters affecting the governance of the Company and its subsidiaries.

A copy of the Share Purchase Agreement is available on Caspian's SEDAR profile at www.SEDAR.com.

Michael Nobbs, the Chairman of the Board, stated "On behalf of the Board, I would like to thank our Shareholders for their support for the Transactions.

In a relatively short period of time, we have come a long way, and we believe it is fair to now say that the Board, management and the Shareholders can look forward with a sense of accomplishment and excitement about the future for the "new" Caspian Energy Inc.

Subject to fulfilling the conditions of Closing contained in the Share Purchase Agreement, including obtaining the Kazakh government's consent, Caspian will own 100% of Aral. We also have a core of new institutional investors. We have cleaned up much of the balance sheets for both Caspian and Aral. Our licenses are current. We are in production and following Closing, we will have access to a Loan Facility that is designed to both allow Aral to repay its significant trade payables and enable the Company and Aral to become more active in the business of exploring, developing and producing in the exciting prospective area of the North Block. We are pleased that also following Closing, the Company will move up from the NEX, and begin trading on the TSXV.

It is our intention to keep our Shareholders fully apprised as we move to closing of the Transactions, and to inform all stakeholders of our strategic and operational plans as the new Board turns its energies to the future."

Caspian is also pleased to announce that the nominees listed in the its management information circular dated November 12, 2014 relating to the Meeting (the "**Circular**") were elected as directors of Caspian. Detailed results of the vote for the election of directors held at the Meeting are set out below:

Nominee	Votes For	% For	Votes Withheld	% Withheld
Ivan Andreev	87,857,715	99.99%	7,200	0.01%
Gordon Harris	87,857,915	99.99%	7,000	0.01%
Brian Korney	87,814,407	99.94%	50,508	0.06%
Baltabek Kuandykov	87,857,715	99.99%	7,200	0.01%
Paul Marchand	87,844,695	99.98%	20,220	0.02%
Michael Nobbs	87,857,915	99.99%	7,000	0.01%
Nodir Normatov	87,844,545	99.98%	20,370	0.02%

As previously announced, following Closing, it is expected that Frank Ingriselli, Baltabek Kuandykov, Chunming Ma, Michael Nobbs, Nodir Normatov, Shun Yu and Wei Zhao will be the directors of the Company.

In addition, the resolutions with respect to (i) the appointment of MNP LLP as the auditors of Caspian, (ii) the approval of the amendments to the Company's existing stock option plan, and (iii) the approval of the Company's continuance under the *Business Corporations Act* (British Columbia) and setting of the number of directors at seven, each as further described the Circular, were passed at the Meeting. For additional details on the voting results with respect to these matters please refer to Caspian's Report of Voting Results which is filed on SEDAR at www.sedar.com.

For further information, please contact:

Caspian Energy Inc.:

Brian Korney, Acting Chief Executive Officer and Chief Financial Officer, at 403-513-3375.

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved" and include statements relating to the completion of the Transactions and the listing of the Common Shares on the TSXV. Caspian's actual performance, developments and/or results may differ materially from any or all of the forward-looking statements. Further information which may cause results to differ materially from those projected in the forward-looking statements is contained in Caspian's filings with Canadian securities regulatory authorities. All material assumptions used in making forward-looking information including statements relating to receipt of regulatory approvals and the satisfaction of all other conditions to the Share Purchase Agreement are based on management's knowledge of current business conditions and expectations of future business conditions and trends. Although Caspian believes the assumptions used to make such statements are reasonable at this time and has attempted to identify in its continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The timing and completion of the Transactions are subject to certain conditions, termination rights and other risks and uncertainties. Accordingly, there can be no assurance that the transaction will occur, or that it will occur on the timetable or on the terms and conditions contemplated. Accordingly, readers should not place undue reliance on forward-looking information. Caspian does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.