

June 14, 2012
(TSX: CEK)

CASPIAN FILES APPLICATION TO CONFIRM A DISCOVERY ON THE WEST ZHAGABULAK STRUCTURE

Toronto – Caspian Energy Inc. (“Caspian” or “the Company”) and partners have filed an “Application requesting to confirm a discovery” with the Ministry of Oil and Gas in Kazakhstan for well # 316.

The testing of well #316 on the West Zhagabulak structure recently commenced. Testing will focus on four individual stringers, which are individually isolated and tested separately. The most recent activity has focused on a particularly promising stringer in the upper part of the KT-II formation. Following the acidization of this stringer, the well was able to freely flow, and fluid and associated gas were received at the surface. During this time, sufficient quantities of oil were recovered thereby enabling the Company to file an application requesting the Ministry of Oil and Gas (“MOG”) to confirm a discovery with a decision likely in Q3 2012.

Chief Executive of Caspian, William Ramsay, commented: “Success at WZ #316 is most exciting. West Zhagabulak represents an even bigger opportunity than our field in the East. Whilst establishing meaningful rates are a few weeks away, WZ #316 has, by flowing oil, enabled us to file an application for a discovery and validates the prospectivity of the West Zhagabulak region. This is a dramatic step forward for us and following confirmation from Ministry of Oil and Gas will allow us to proceed with development and undertake reserve estimations.”

Caspian’s wider assets in the Western Zhagabulak areas are assessed to have the following Prospective Resources:

	P90	P50	P10	Risked Mean	\$ NPV 10%
Mbbl	8,680	26,949	85,109	20,551	68,924

The testing of WZ #316 is ongoing. The Company has contracted a coil tubing unit, but due to the scarcity of such units, the mobilization will take place over the next two weeks. Upon confirmation of this discovery, the Company will develop further project reports and undertake reserve estimations. The discovery of oil also entitles the Company to apply for a further extension to its Exploration license. This request also has been filed.

Well #302 and Well #303, which lie in the West Zhagabulak region, located approximately 6km and 10km south of Well ~306 respectively, were drilled approximately five years ago and suspended. Recent analyses indicate that both of these wells should flow oil and therefore justify their being re-tested. The tender for this work will close on 9 July this year. There are various permits which must be obtained, including approval to commence testing which must first be obtained from the MOG and, in turn, a subsequent permit for emissions must then be obtained in Aktobe. This approval process will last for all of July and possibly into early August. Mobilization of testing rigs is projected to occur in the third week of July.

For further information, please contact Caspian Energy Inc.:

Caspian	
William Ramsay	+44 (0)773663-1378
President and Chief Executive Officer	
Brian Korney	+1 403-513-3375
Chief Financial Officer	
Tavistock Communications	
Jos Simson/Lydia Eades	+44 (0)20 7920 3150

CAUTIONARY NOTE

Some of the statements and information contained in this news release may include certain estimates, assumptions and other forward-looking information. The actual performance, developments and/or results of the Company may differ materially from any or all of the forward-looking statements, which include current expectations, estimates and projections, in all or in part attributable to general economic conditions, and other risks, uncertainties and circumstances partly or totally outside the control of the Company, including oil prices, imprecision of reserve estimates, drilling risks, future production of gas and oil, rates of inflation, changes in future costs and expenses related to the activities involving the exploration, development, production and transportation of oil, hedging, financing availability and other risks related to financial activities, and environmental and geopolitical risks. Further information which may cause results to differ materially from those projected in the forward-looking statements is contained in the Company's filings with Canadian securities regulatory authorities. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.