

**CASPIAN ENERGY INC.**  
**(“Caspian” or the “Company”)**

**TSX: CEK**

**CASPIAN ENERGY INC. PROVIDES UPDATE ON AMENDMENTS TO SECURED  
CONVERTIBLE DEBENTURES**

Calgary, December 9, 2009 -- Caspian Energy Inc. (“Caspian” or the “Company”) announced today that the previously disclosed amendments (the “Amendments”) to the terms of the Company’s US\$16,000,000 aggregate principal amount Secured Convertible Debentures due March 2, 2011 (the “Debentures”) were approved at a special meeting of the Company’s shareholders on December 1, 2009 (the “Meeting”).

The Company has received correspondence from counsel to Mr. Maurizio Barnaba, a director of the Company, and certain other shareholders (collectively, the “Dissident Shareholders”) challenging the validity of the vote taken at the Meeting and advising that the Dissident Shareholders intend to commence an application in the Ontario Superior Court seeking, among other things, an order declaring that the vote was invalid or otherwise setting aside the vote.

The Company believes that the Dissident Shareholders’ allegations are wholly without merit and has established a special committee of directors consisting of all of the directors of the Company other than Mr. Barnaba to respond to them. The Company will vigorously defend the validity of the vote in any proceedings.

The Company also announced that Mr. John McBride has resigned from the board of directors effective December 3, 2009.

Caspian is an oil and gas exploration and development company, operating in Kazakhstan where it has a number of targets in the highly prospective Aktobe Oblast of Western Kazakhstan. The Company holds an exclusive licence which entitles it to explore and develop certain oil and gas properties known as the "North Block", an area of 3,458 square km, through a 50% stake in Aral Petroleum Capital LLP.

*Forward Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Caspian. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.*

For further information, please contact:

**Brian Korney**  
**Vice President, Finance**  
**Caspian Energy Inc.**  
**410, 396<sup>th</sup> Avenue S. W.**  
**Calgary, AB T2R 0C5**  
**Facsimile +1 (403) 216-5828**  
**Cell +1 (403) 510-0119**  
**e-mail [bkorney@caspienergyinc.com](mailto:bkorney@caspienergyinc.com)**