

CASPIAN ENERGY INC.

East Zhagabulak #308 - Running-in Casing – Electronic Logs Reveal Pay Sections Superior to Successful EZ #301 Which Flowed on Test 2,650 Bopd

TORONTO, November 30, 2011 -- Caspian Energy Inc. (the “Company” or “CEK”) (TSX: CEK), an oil and gas exploration company operating in Kazakhstan, today announces that Aral Petroleum Capital LLP (“Aral”), in which the Company presently holds a 50% indirect interest, has set production casing to 4,675 metres on its exploration well, EZ #308, in the Zhagabulak Area, in the South East Corner of the North Block.

“Strategically, this is a big well for us”, said Caspian Chairman and CEO William Ramsay. “Success at EZ #308 causes significant upward re-evaluation of total reserves estimates in the East Zhagabulak Area and the results of these logs could not be better news. The outcome of EZ #308 unlocks the value in East Zhagabulak and underpins the future of Caspian in the ROK”, added Ramsay.

Aral holds a three-year exploration licence on the North Block, an area of some 1,500 square km in West Central Kazakhstan, including a 25-year production licence on the East Zhagabulak field.

Electronic logging operations at the location have reported multiple intervals of pay in the Carboniferous KT-I and KT-II sections.

The KT-I section, logged over the interval 3,518 – 3,850 metres, identified 142 metres of net pay. A pay section, totalling 30 metres exhibited oil saturation of between 50% - 76%. EZ# 301 had 36 metres of net pay in this interval.

The KT-II section, logged over the interval 4,505 – 4,690 metres, identified 88 metres of net pay. Seventy-seven (77) metres of net pay exhibit oil saturation of between 65% - 78%. EZ# 301 had 65 metres of net pay in this interval.

East Zhagabulak #301, the Company’s first exploration well which spud during July 2005 and was flow-tested during February 2006, reached a total depth of 4,846 metres and encountered approximately 101 metres of net oil pay. Both Carboniferous sections were tested. The lower interval (KT-II), the primary target in the well, tested at rates of 2,532 barrels of oil per day (b/d) of 39° API gravity oil. The upper zone (KT-I), a secondary target, was acidized and comingled with the lower zone.

Aral is in the process of submitting to the Ministry of Oil and Gas (ROK) an application for flow-testing, which is anticipated to take one month for review and approval. Concurrently, Aral is laying an oil pipeline to the central gathering facility, situated contiguous to EZ #301 and EZ #213.

Flow-testing will be conducted upon two sub-groups in each of the KT-I and KT-II, each test taking approximately one month. Testing will be completed early in the second quarter of calendar 2012.

The drilling rig is moving to the next sequential location of the drilling program, East Zhagabulak #306, a location approximately 1 km due south of EZ #308. The subsequent Zhagabulak well is scheduled to spud near the end of calendar 2011 or early in calendar 2012.

“The potential cash flow to be realized from EZ #308 will dramatically transform the financial picture and operational regime of Aral as the cash flow from the presently producing wells serves to discharge fixed obligations and any additional revenues from this new well can be applied strategically to further corporate objectives”, said William Ramsay. Ramsay added “EZ #308 is the first of six drilling targets approved on July 8, 2011 by the Central Development Committee (CDC) of the Republic of Kazakhstan”.

With respect to Sakramabas #316, Ramsay commented “The well is drilling ahead at 4,043 metres and is expected to reach target dept of 4,700 metres near calendar year-end. Seismic analysis indicates the potential for a high-porosity carbonate reef. Neighbours have drilled successful wells on surrounding leases and 3-D seismic indicates our well is on the same trend line, but with more advantageous geological conditions for oil and gas accumulation.”

Though this information is a positive indication of the presence of hydrocarbon-bearing formations it does not imply that oil is necessarily present in economical or producible quantities from these intervals in EZ #308 and a definitive determination of the same cannot be made until further testing is conducted. The producing potential of these intervals will be confirmed after perforation and flow-testing has been completed.

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