

Proactive Investors One2One Investor Forum

14 June 2012

TSX: CEK.TO
www.caspianenergyinc.com



Caspian Energy is a TSX-listed O&G E&P company holding 40% of the Northern Block in the Caspian basin of Kazakhstan which contains fields of 500-1000 MmBBL recoverable

A JV with Chinese investor Asia Sixth Energy has ensured funding of \$80m and the Company aims to have 4 producing wells and 4 exploration wells drilled by end 2012, including the 2 wells already in production providing cashflow

With a NAV of \$0.77c on the 20MmBBL East Zhagabulak prospect, the drilling in Q3,2012 of the larger 229MmBBL Baktygaryn prospect and a share price of \$0.15c, Caspian Energy is well positioned to deliver significant shareholder value

Disclaimer



The information contained in this presentation has been prepared by Caspian Energy Inc. (the "Company") and is subject to updating, revision and amendment. While this information has been prepared in good faith, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information and opinions contained in this presentation and no reliance should be placed on such information or opinions. Neither the Company nor any of its affiliates, directors, officers or employees nor any other person accepts any liability whatsoever for any loss, howsoever arising, from any use of such information or opinions.

This presentation is presented for informational purposes only and is not and in no circumstances is to be construed as an advertisement or an offer to sell or an invitation to purchase or subscribe for any securities of the Company and should not be relied upon in connection with any decision to purchase any securities of the Company.

This presentation is only being provided to persons, and may otherwise only be viewed by persons, in the United Kingdom who fall within the exemptions contained in Articles 19 or 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and persons who are otherwise permitted by law to receive it (together, "relevant persons"). Any person who is not a relevant person should not rely on the presentation or its content. If you are not a relevant person, you should not attend the presentation (or otherwise view the presentation), and should immediately return any materials relating to the presentation currently in your possession. No information made available to you in connection with the presentation may be passed on, copied, reproduced or otherwise disseminated to any other person.

Certain statements contained in this presentation constitute "forward-looking statements". Forward-looking statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements in this presentation include, but are not limited to, statements with respect to: the performance characteristics of the Company's oil and natural gas properties; drilling plans and the timing and location thereof; plans for the exploration and development of the North Block, plans for seismic acquisition and surveys; production capacity and levels, and the timing of achieving such capacity and levels; the size of oil and natural gas reserves; projections of market prices and costs; supply and demand for oil and natural gas; expectations regarding the ability of the Company to raise capital and to add to reserves; and capital expenditure programs. Statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in the forward-looking statements contained in this presentation are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking statements contained in this presentation. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking statements contained in this presentation include, but are not limited to: volatility of oil and natural gas prices; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; geological, technical, drilling and processing problems; drilling and testing results, fluctuations in currency and interest rates; product supply and demand; risks inherent in the Company's foreign operations; changes in environmental and other regulations or the interpretation of such regulations; political and economic conditions in the Republic of Kazakhstan; and the other factors discussed in this presentation and in the Company's filings with Canadian securities regulatory authorities which are available to the public at www.sedar.com. You are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this presentation are made as at the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements contained in this presentation or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

The information and opinions presented in this presentation are provided as at the date of this presentation (or such other date indicated) and are subject to change without notice. The Company does not undertake or agree to provide the recipient of this presentation with access to any additional information or to update this presentation or to correct any inaccuracies in, or omissions from, this presentation of which it may become aware.

Reserve estimates contained in this presentation have been prepared by McDaniel & Associates in accordance with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities of the Canadian securities regulatory authorities. Certain natural gas volumes indicated in this presentation have been converted to barrels of oil equivalent ("BOE") in the ratio of six thousand cubic feet of gas to one barrel of oil (6 Mcf: 1 bbl). BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

All information contained in this presentation, including all forward-looking statements, is expressly qualified by this cautionary statement.

Contents



Overview	1
Vast Commercial Region	2
Unlocking Value: Corporate	6
Asia Sixth Energy: A Key Partner	10
Exploration and Production Profile	11
De-risking the Barrels	12
Unlocking Value: The Assets	13
Investment Recap	22
Appendix	24

Overview



- TSX-listed with 1,500km² in the Northern Block of the Caspian Basin of Kazakhstan; immediate neighbours are CNPC and Lukoil producing circa 140,000 BoPD
- Caspian reduced to a 40% interest in exchange for Chinese partner, Asia Sixth Energy funding them for \$80m of expenditure spending by Dec 2012 to target resource potential 299MmBBL recoverable
- 5 prospects- East Zhagabulak (producing), West Zhagabulak (near term production), Baktygaryn/Aransay (exploration), Kozdysay (early stage exploration) and Itisay (early stage exploration)
- 2 wells in production (initial production rate 2650 BOE), 2 being flowtested and 2 being drilled by Q2, 2012
- Baktygaryn/Aransai: potential “game changing” assets estimated at 229MmBBL recoverable
- East Zhagabulak contains 20MmBBL and has a NAV of \$0.77 and Caspian is targeting a further 299Mmbbl recoverable resource by end of 2012; share price \$0.135
- Targeting 4 producing wells and 4 exploration wells drilled by Dec 2012
- After tax cash flow \$19.8m to Caspian in 2014 from East Zhagabulak (based on 10 well field); revenues continue until circa 2032 but decline marginally each year
- Assets under production licence until 2034; exploration licences renewable Dec 2012

Vast Commercial Region

TSX: CEK.TO
www.caspianenergyinc.com



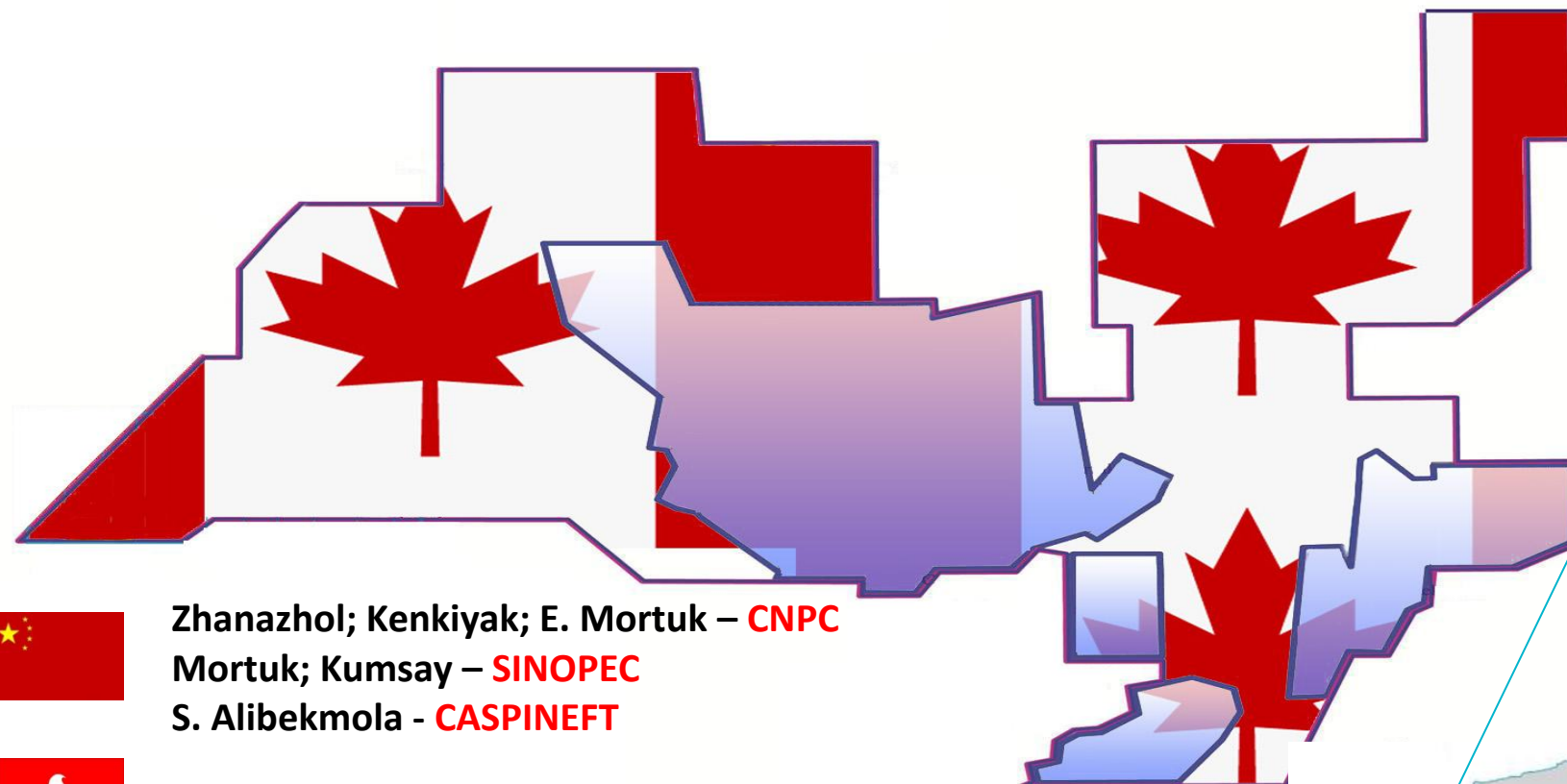
Where we are



- In a country with reserves of 30 billion bbls and daily oil production 2011 of 1.67m bbls
- Exactly on the main pipeline system (going East or West)
- 1500 km² holding in the North Block
- Dominated by majors; few opportunities to invest in juniors



Our North Block Neighbours



Zhanazhol; Kenkiyak; E. Mortuk – **CNPC**
Mortuk; Kumsay – **SINOPEC**
S. Alibekmola - **CASPINEFT**



Sakramabas



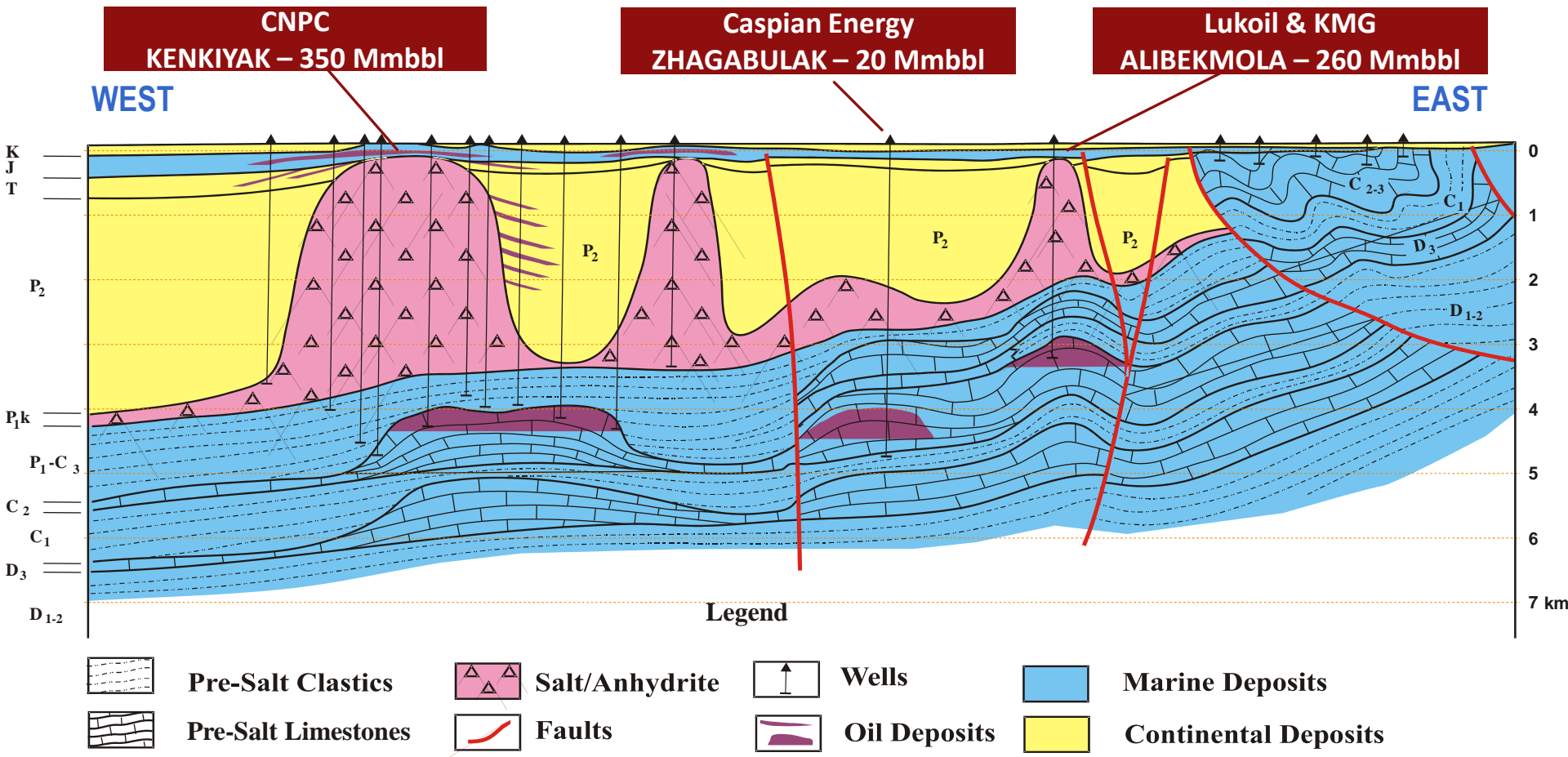
Alibekmola - **LUKOIL**



Bozoba - **MGK**



We All Seek The Same Geological Target



Unlocking Value: Corporate

TSX: CEK.TO
www.caspianenergyinc.com



The Company



NAV East Zhagabulak (independent consultants)	\$0.77
East Zhagabulak forecast cash flow after tax 2014 , 2015 and 2016 years	\$22m; \$33m; \$33m
Field netback/barrel (Net Brent@ \$95.70)	\$54.89
Q2 realised price/ barrel	US\$105.5

Structure

Market Capitalisation (15 May 2012 close)	US\$30 million
Common shares issued and outstanding	225.5 million
Convertible bond total	US\$12.5 million
Convertible bond exercise price	28 cents
Share Price (12 June 2012 Close)	\$0.15 cents

Principal shareholders	% holding	Number of shares
RAB Capital	18.8%	42,031,225
Firebird Funds	10.8%	24,080,412
Meridian*	6.92%	15,491,393

* On conversion of bonds would hold circa 19.5% of the enlarged share capital

Strong Management Team



William Ramsay: Chief Executive Officer

- Based in Almaty, Kazakhstan
- 15 years experience of working in Kazakhstan
- Extensive deal structuring experience – instrumental in the Asia Sixth deal
- Previously engaged in private equity investments, primarily in Kazakhstan, since 1997
- Founder of Golden Eagle, engaged in advising companies on inward investment in the energy sector
- Played key roles in Central Asian Industrial Holdings (CAIH) and Nelson Resources



Brian Korney: Vice-President, Finance, Secretary and Chief Financial Officer

- Calgary based, Chartered Accountant
- Joined Electra Energy Corporation as Treasurer and Chief Financial Officer
- In 2000, he co-founded Innova Exploration Ltd
- 28 years experience in the energy industry



Michael Nobbs: Non-Executive Director

- Former Managing Director Citicorp, for 20 years
- Former Group Finance Director, Tishman International Companies, for 12 years
- Professional 'Independent Company Director' and investment banking consultant for over 10 years
- Advises in the area of corporate finance, business planning and M&A
- Sits on the Remuneration and Audit Committees
- Other experience includes GTL Resources, Ithaca Energy, MART Resources and Plasco Energy



Strong Management Team cont'd



Adil Mukhamedzhanov: Non-Executive Director

- Based in Almaty, Kazakhstan
- Served as Deputy General Director for Aral Petroleum Capital LLP since March 2004
- Ex project manager at JSC KazTransOil; consulting & corporate finance at Deloitte & Touche Central Asia



Gordon Harris: Non-Executive Director

- Reserves Committee Head
- Professional Engineer and ex President and CEO of Choice Resources Corp., a TSX-V listed company
- Over 30 years experience in operations, horizontal drilling finance and business development
- Held managerial positions at Roseland Resources Ltd and Vermilion Resources Ltd
- Established and managed production of 5,000 barrels of oil per day at Occidental Petroleum Ltd



Maurizio Barnaba: Non-Executive Director

- MD of EFAME Export Ltd., providing EMEA consultation for defence and oil and gas products



Yerbolat Kulumbetov: Vice President and Reserve Engineer

- Based in Kazakhstan
- Extensive O&G experience in the Kazakhstan region
- Former General Director of KazNefteGasProject LLP & Victoria Oil and Gas plc; all operating in Kazakhstan

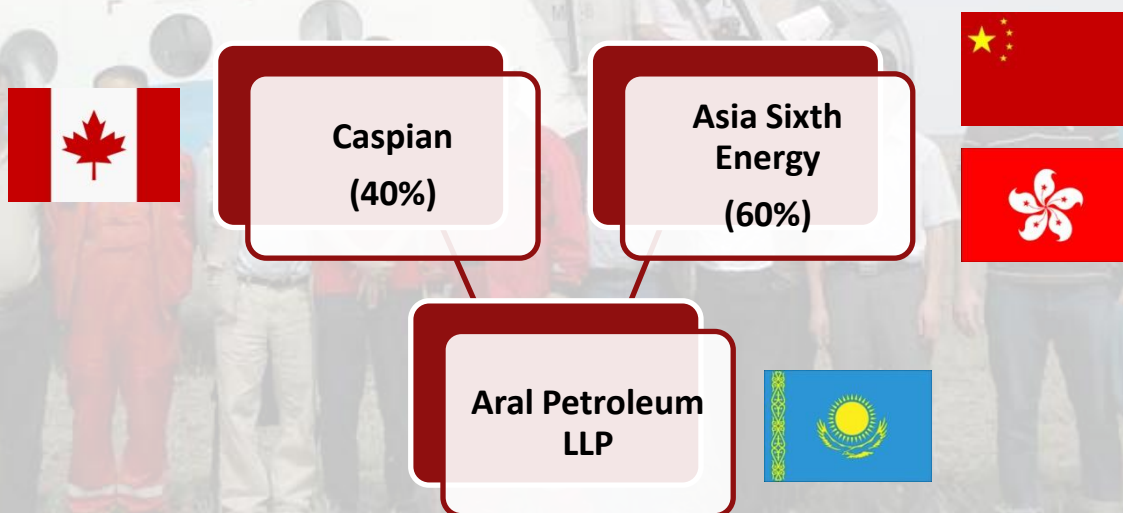


Strategic Chinese Partner






Asia Sixth Energy brings:

- Invested US\$20m to earn 60% shareholding, with up to further US\$30m based on hurdles and additional US\$80m to be invested by end 2012
- Highly experienced operational management in oil exploration and production
- Strong Asian industry connections
- Knowledge of production, marketing and selling oil products
- Immediate access to rigs ensures substantial exploration and drilling programme
- Provides Caspian with well connected deep pocket partner for future strategic expansion

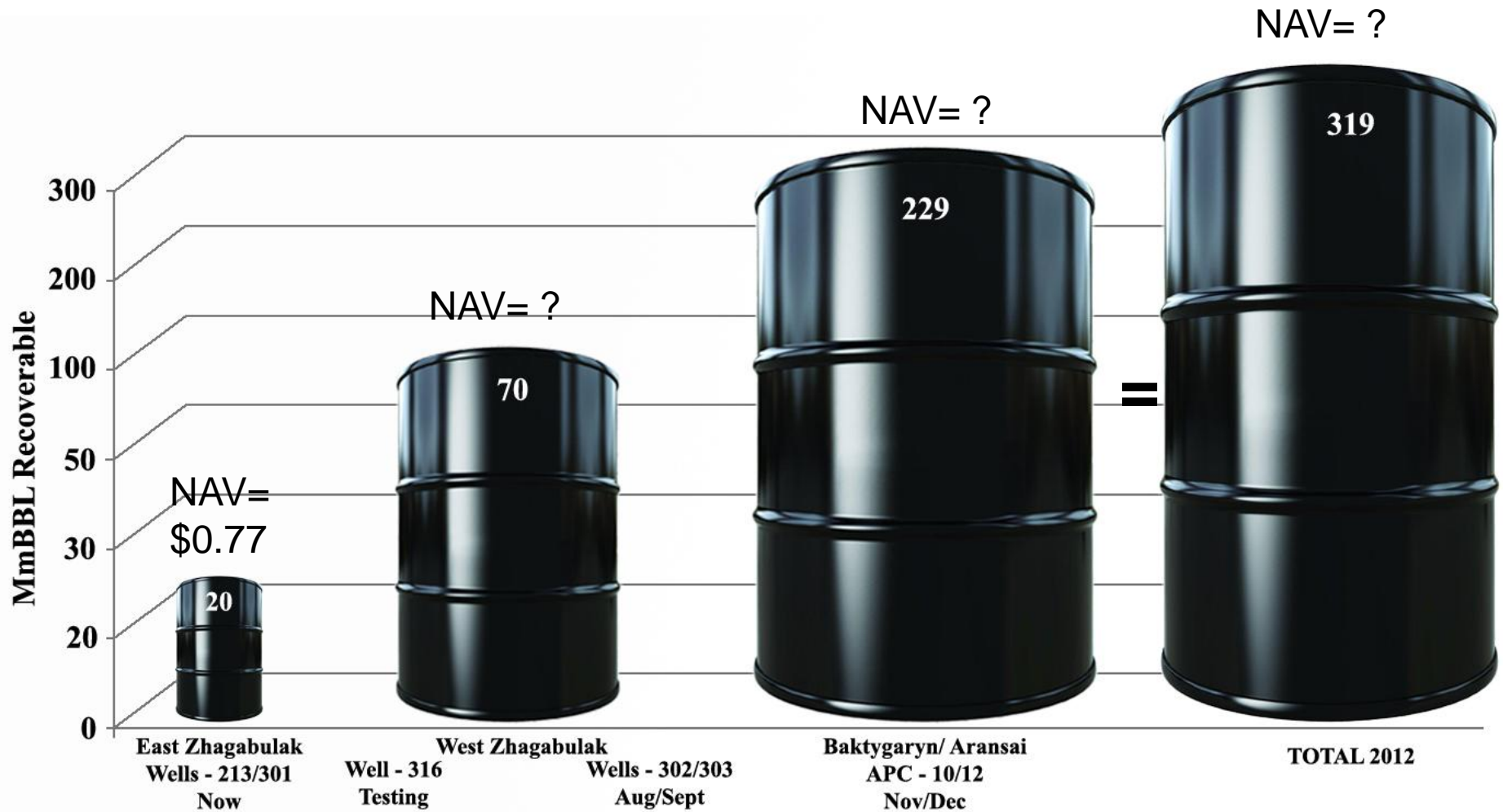


Exploration and Production Profile



Prospect	Profile	Producing wells 	Drilling activities Q1/2, 2012 	Resources and Valuation 	Target
East Zhagabulak	Producing	2 wells (301 and 213) producing 16900 BBL monthly (6760 BBL p.m. attributable)	308 flowtesting April (3 sections at 3 months each) 306 drilling now (4100/4700m drilled) 315 drilling now (1400/4700m)	20MmBBL (8 MmBBL attributable) in P1,P2,P3 \$0.77c NAV after tax/debt attributable (independent consult.)	3 wells in production by Q4, 2012 10 well field by 2014
West Zhagabulak	Near term production	0	316 “new discovery” flowtesting May (3 sections at 3 months each) Drilling approval received for 307 and 309	70MmBBL P3 recoverable (28MmBBL attributable)	1 well in production end 2012 309 or 307 drilled Dec 2012 Applications to re-enter 302 & 303 in Q3, “a second new discovery”
Baktygaryn/ Aransai	Exploration	0	APC 10,11,12 applications lodged	229MmBBL P3 recoverable (91.6 MmBBL attributable)	APC12 drilling in Q3 2012 APC10 drilling in Q4 2012 APC11 drilling in 2013
Kozdysay and Itisay	Early stage exploration	0	0	0	3D seismic carried out in Q4 2012
TOTAL		2 producing wells	2 flowtests wells 2 exploration wells drilled	319 MmBBL recoverable	4 producing wells 4 exploration wells drilled

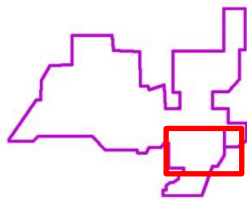
De – Risking the Barrels - 2012



Unlocking Value: The Assets

TSX: CEK.TO
www.caspianenergyinc.com

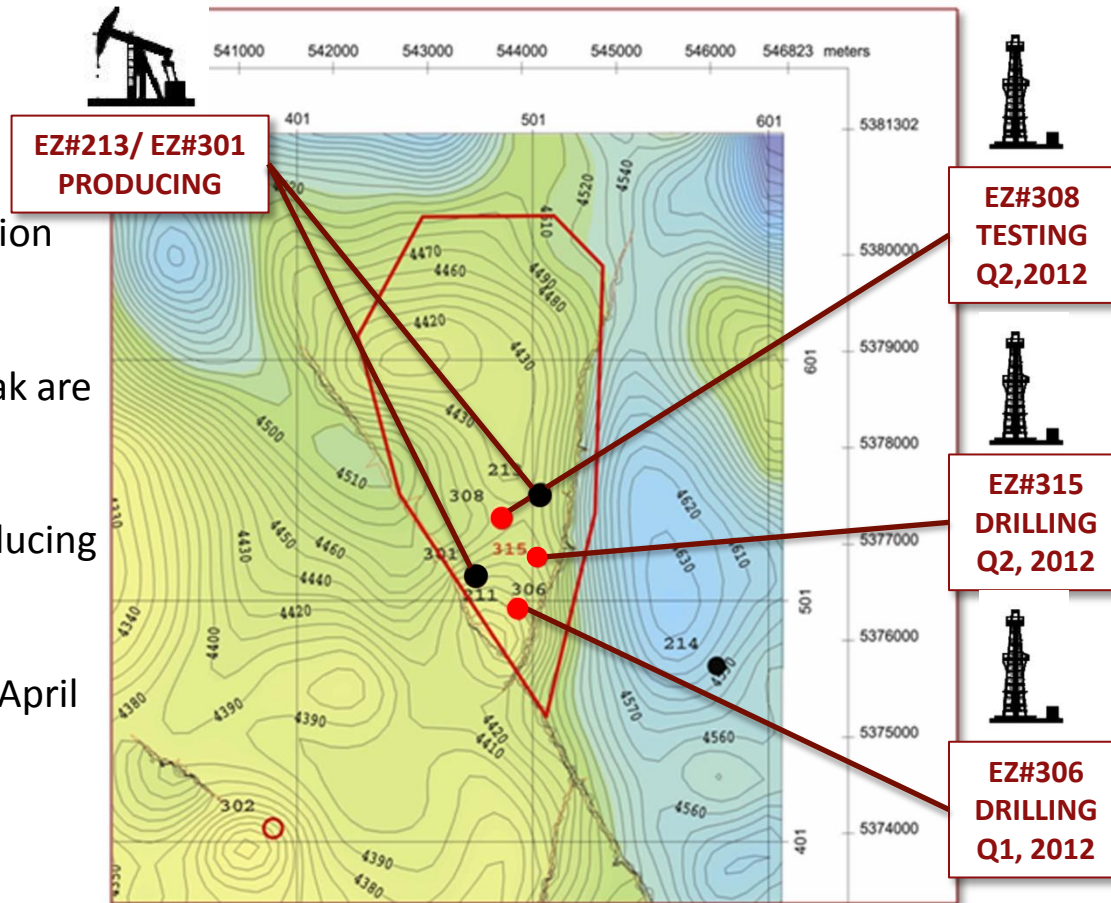




East Zhagabulak



- Production licence until 2034
- Target of 10 producing wells by 2015
- Turning two producing wells into injection wells in 2016-17
- Depth of wells drilled at East Zhagabulak are up to 5200m
- Two wells (EZ 301 and EZ 213) are producing 16900 BBL p.m.
- Well EZ 308 – flowtesting commenced April
- Well EZ 306 – currently being drilled
- Well EZ 315 – currently being drilled

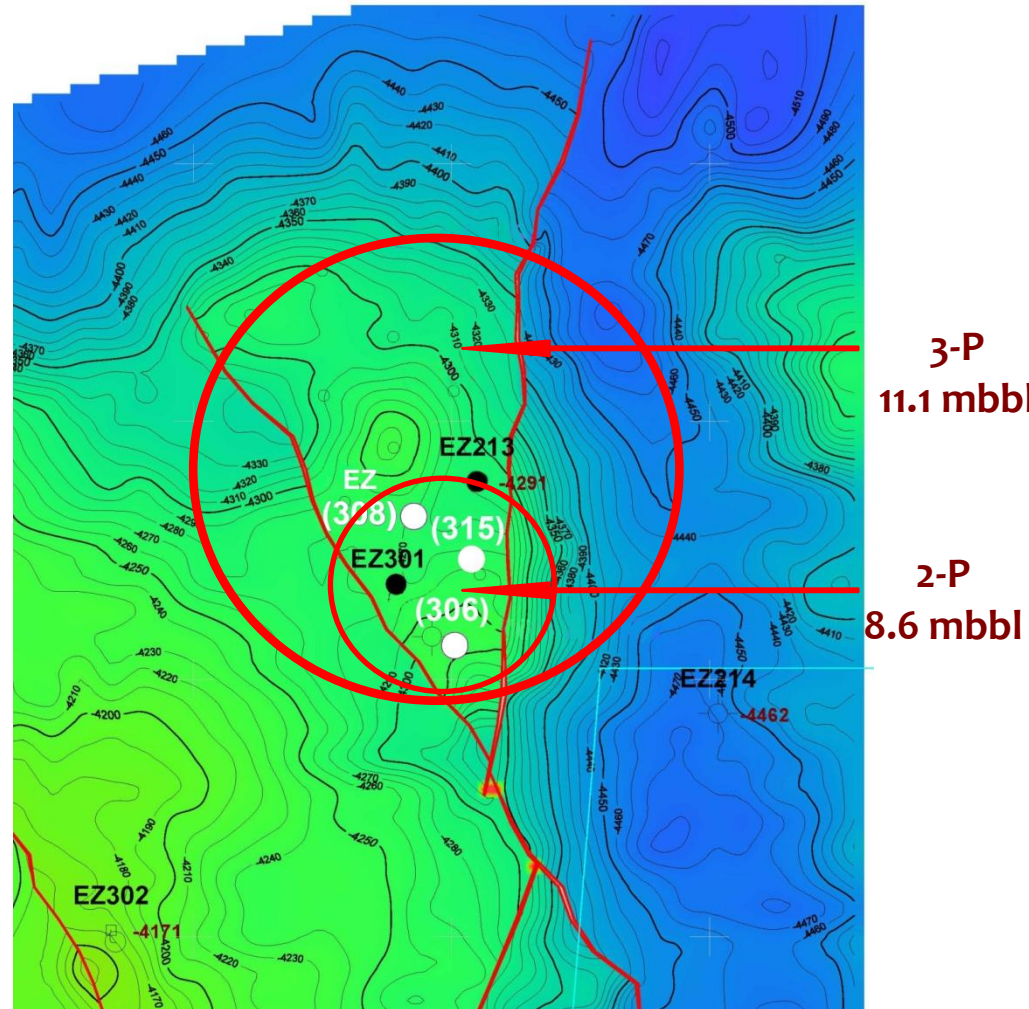


East Zhagabulak - Operational Transformation

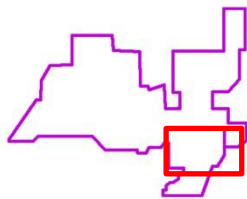


APC 4 th Qtr	Actual	“if”	
Av. Prod BoPD	451	1,000	1,500
Monthly Rev us\$ ml	1.35	3.02	4.67
Field netback/bbl us\$	62.53	72.47	75.04
G&A/bbl us\$	11.29	3.61	2.79
Monthly Free Cash Flow	\$80,000	\$720,000	\$1.24m

➡ ●●● #308, #306, #315 = \$ 15 m F/CF ++



Scale 1 = 50,000

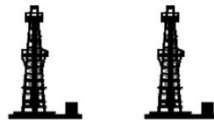


West Zhagabulak



- 402 km² 3D seismic shot
- Twice the size of East Zhagabulak
 - An extra 200m updip
- Well WZ 316 flowtesting since May
- Wells WZ 307 & WZ 309 approved for drilling
- Wells WZ 302 and WZ 303 will be tested concurrently with two rigs mobilised mid July

***If WZ 316 flows, Caspian
can declare a new
commercial discovery***

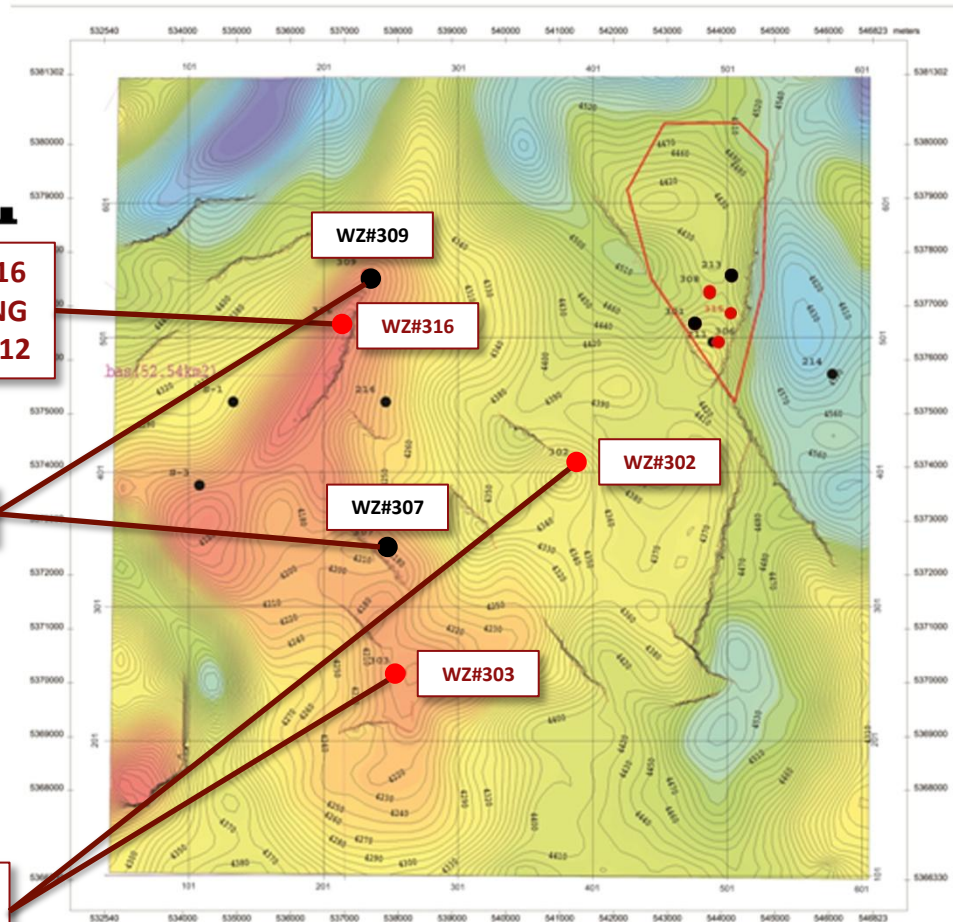


**WZ#302/ WZ#303
TESTING Q2, 2012**



**WZ#316
TESTING
Q1, 2012**

WZ#307/ WZ#309



Baktygaryn/Aransai

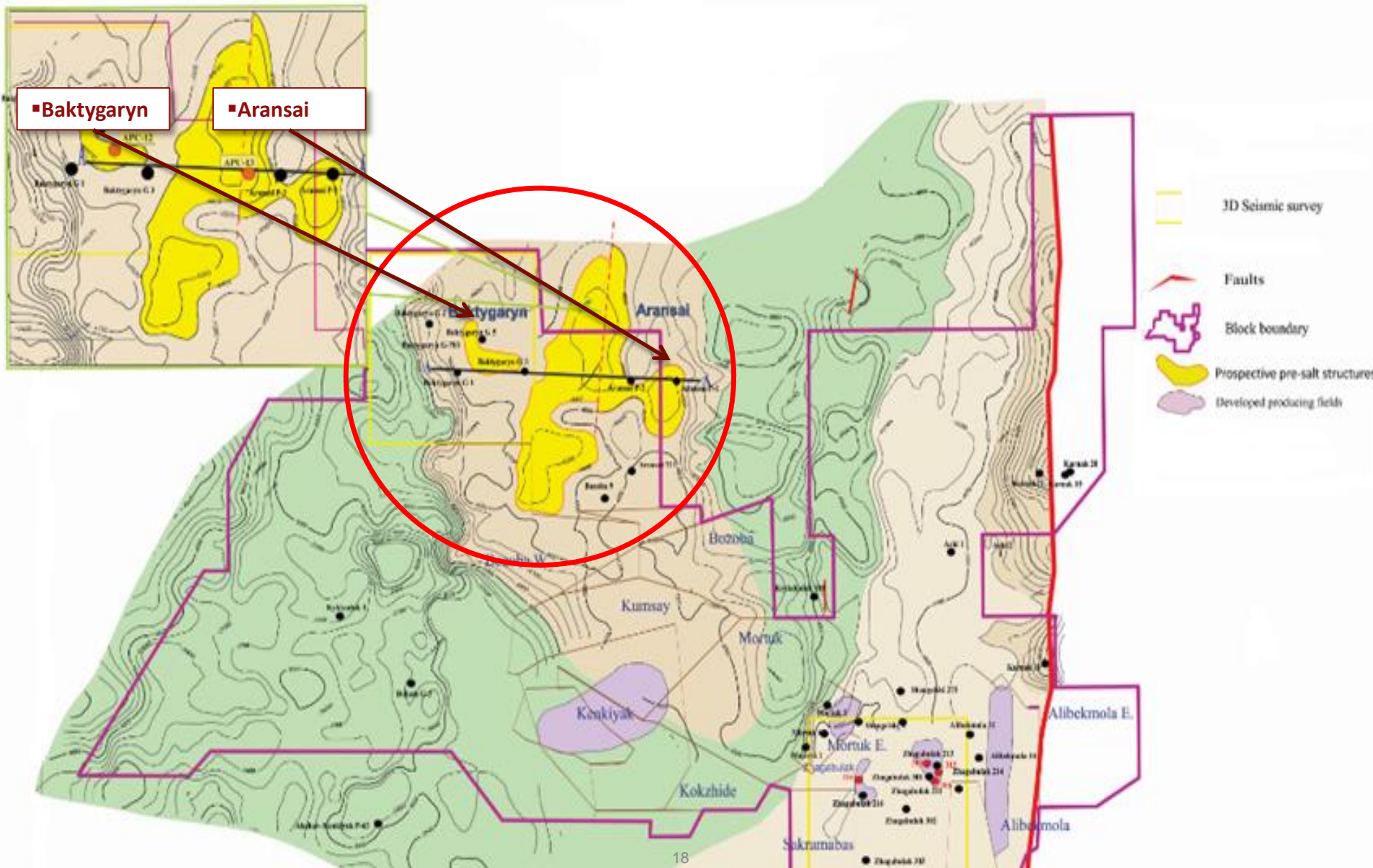


- 110 km² size of structure
- 4 Soviet wells previously drilled of which 2 wells flowed oil
- 225km² of 3D seismic shot and reprocessed 2D seismic
- Project reports underway, drilling applications lodged and rigs mobilised Q3/2012

Company maker- a 229 MmBBL recoverable project- possibly 11 times the size of East Zhagabulak (20MmBBL and NAV \$0.77)

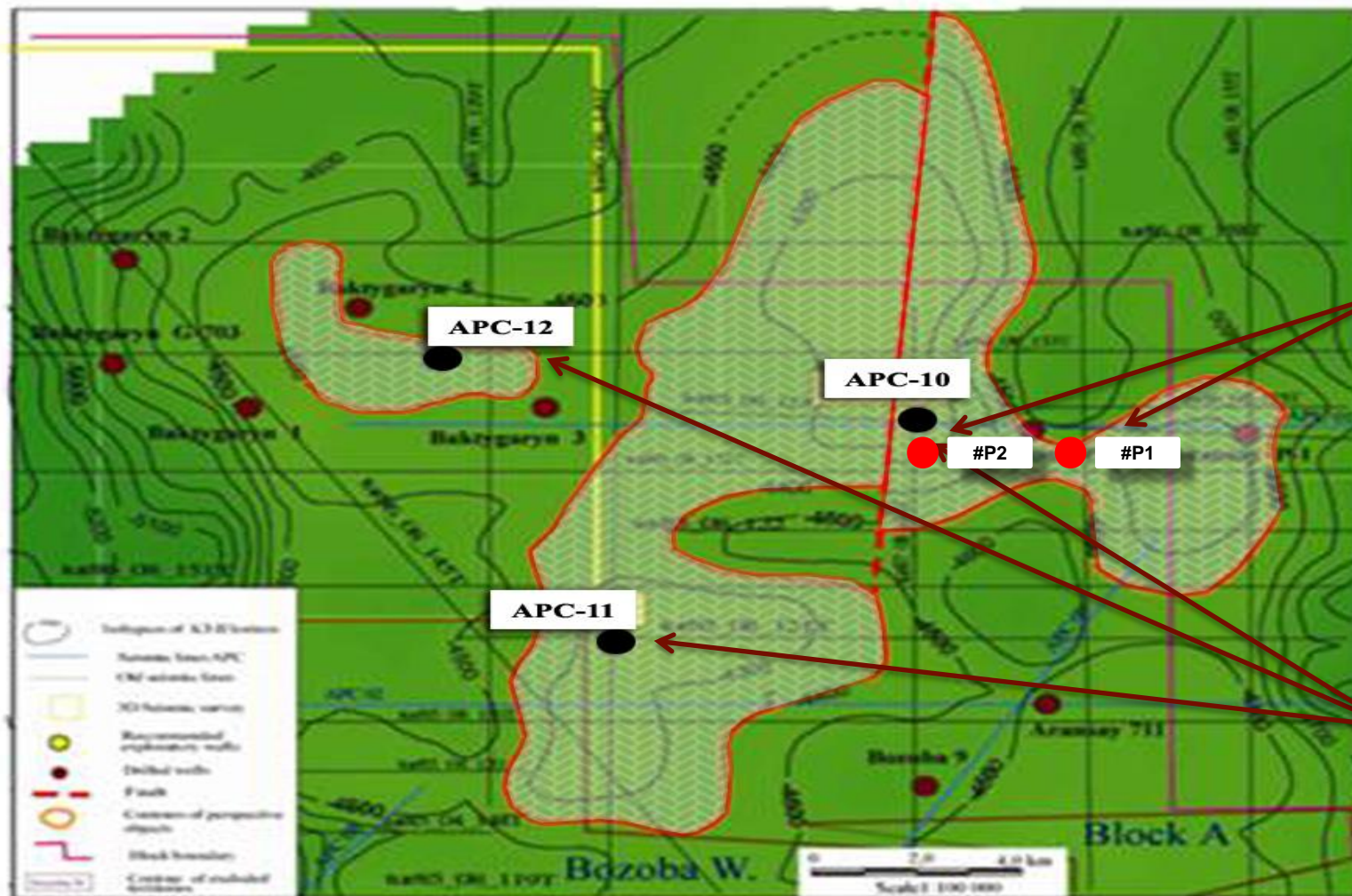
Complex	Area (km ²)	STOIP (million barrels)	Q3 2012 target Recoverable resources million barrels
APC-12	5	14	4
APC-11	7	286	86
APC-10	3.5	351	106
Permian Terrigen	30	165	33
		816	229 (28%)

Baktygaryn/ Aransai Prospect



Baktygaryn/ Aransai Exploration Upside

Structural Map of KT-II horizon



**“Soviet”
period wells
#P1 and P2**



**Drilling
applications
lodged**

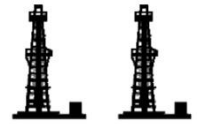
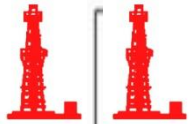
**#APC –
10,11,12**

**Spud End 3rd
Qtr, 2012**

Baktygaryn/ Aransai Exploration Upside

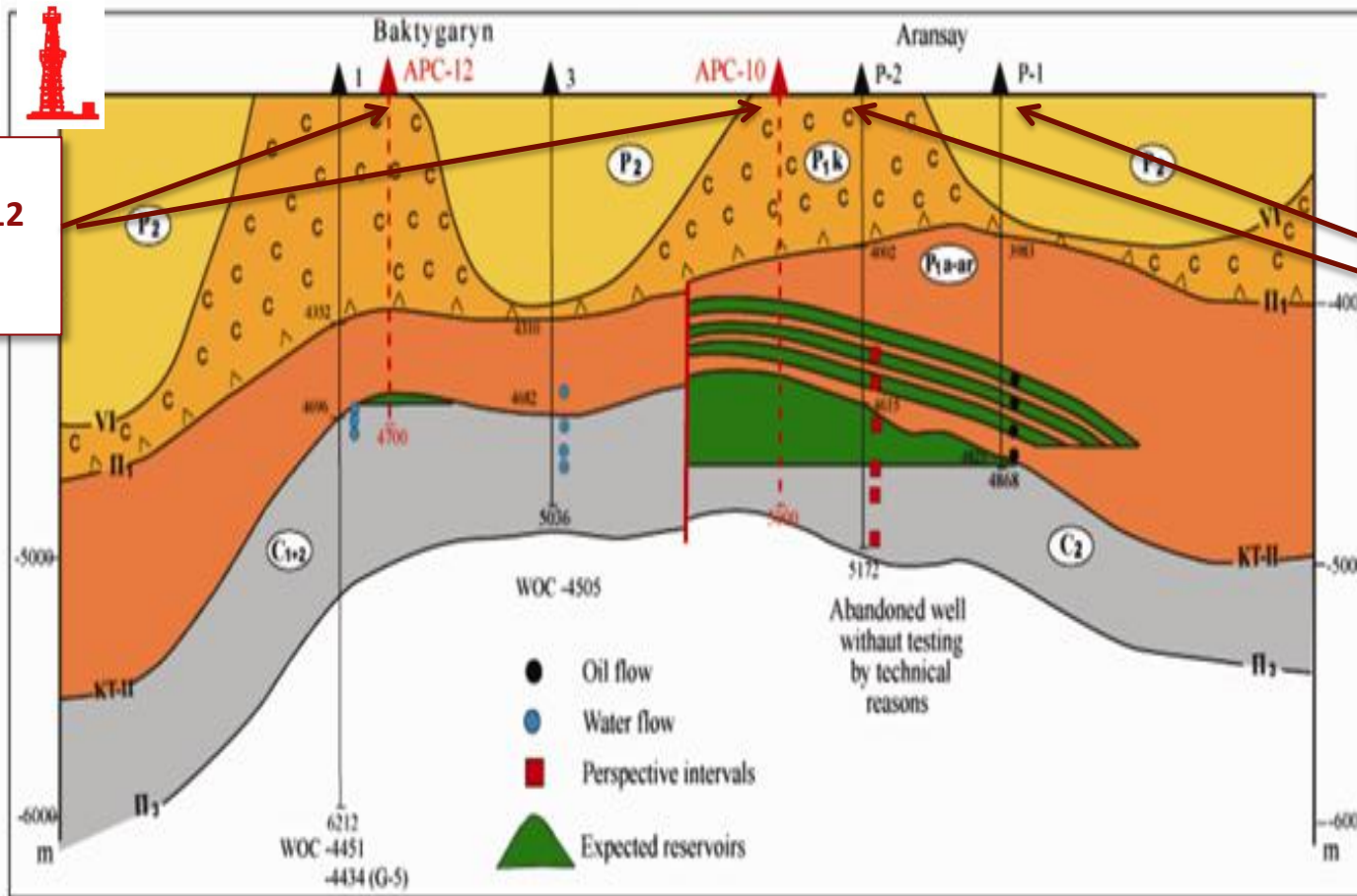


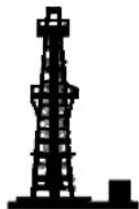
Geological section



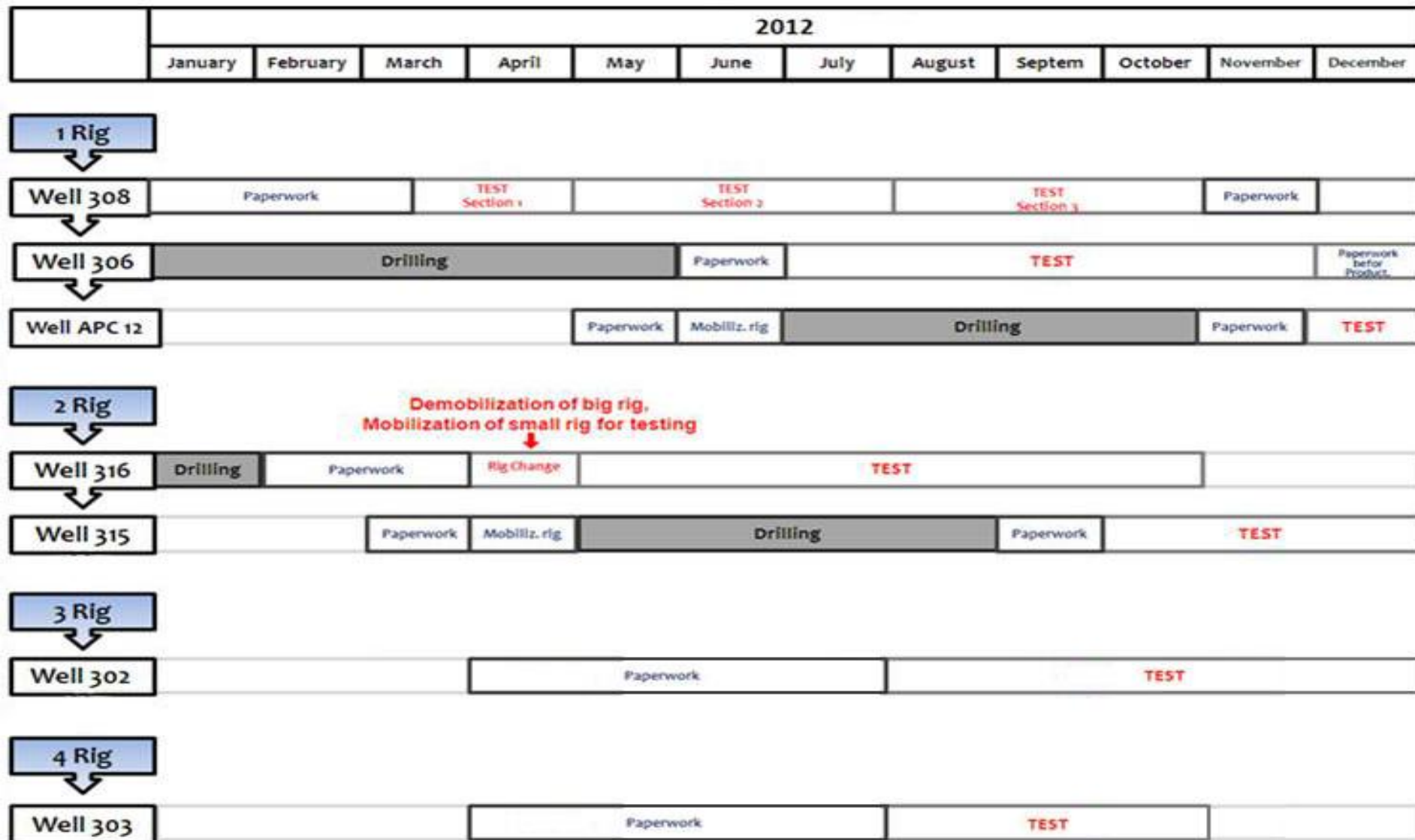
New wells
3rd Qtr 2012
#APC – 10
#APC – 12

“Soviet” period
wells drilled
#P1
#P2





Drill Programme



Investment Recap

TSX: CEK.TO
www.caspianenergyinc.com



Final Thoughts



Kazakhstan

Excellent address
Access to pipeline
Low costs, royalties & tax

Management

Strong management team
Partnerships on the ground in Kazakhstan and China

Partner

Chinese JV with Asia Sixth Energy US\$80m of Capex funds 6/7 wells programme

NAV = \$0.77 per share on 20MmBBL with a further 299 MmBBL recoverable potential



Share Price = \$0.15

Baktygaryn/Aransai

Vast 229MmBBL recoverable target
A "big company" maker

Production

2 wells in production with 2 flowtesting- results from August
Cash flows of \$19.8m expected in 2014 from 10 well field East Zhagabulak rising to \$33m p.a.

Exploration

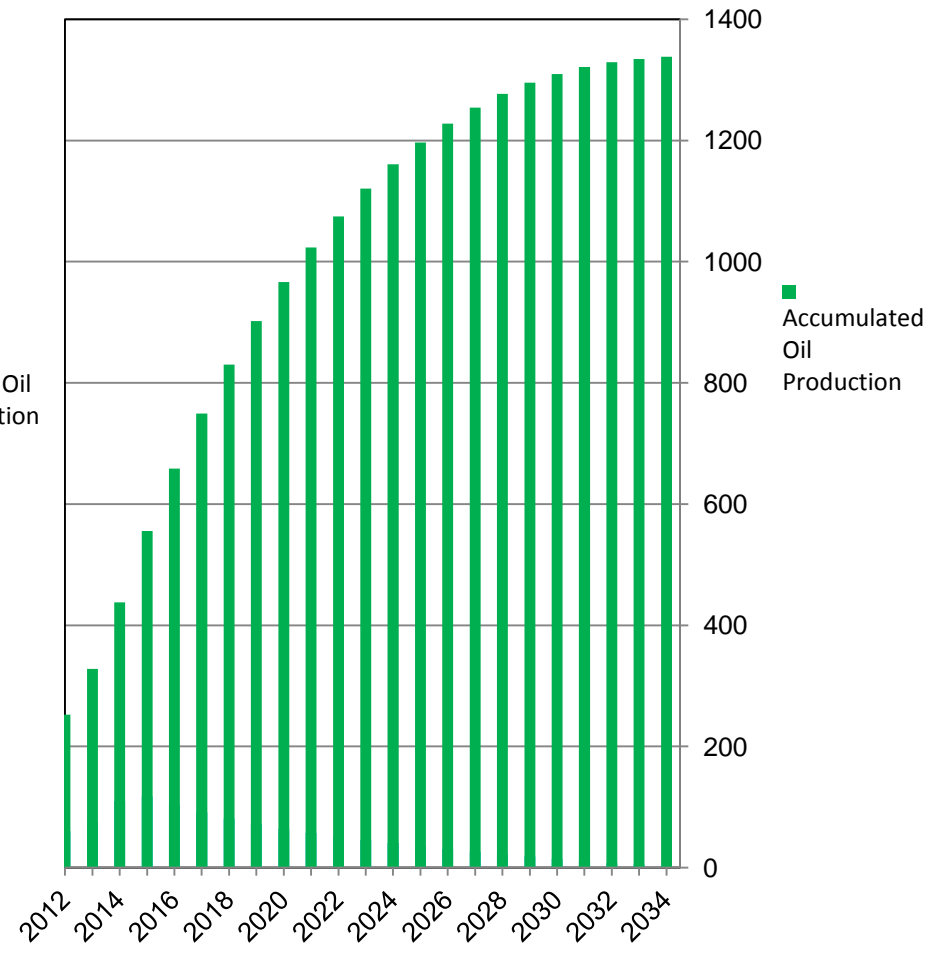
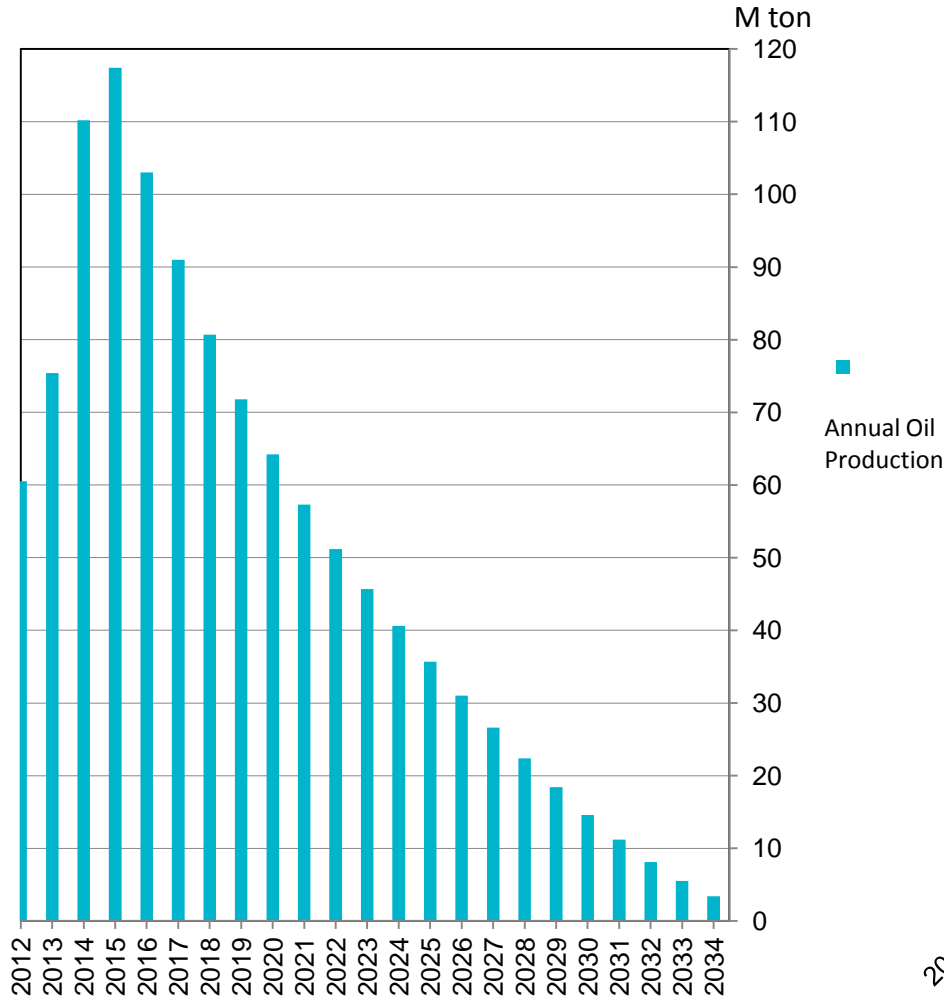
2 wells currently being drilled
4 wells drilled by end of 2012
4 wells applications in by end of 2012

Appendix

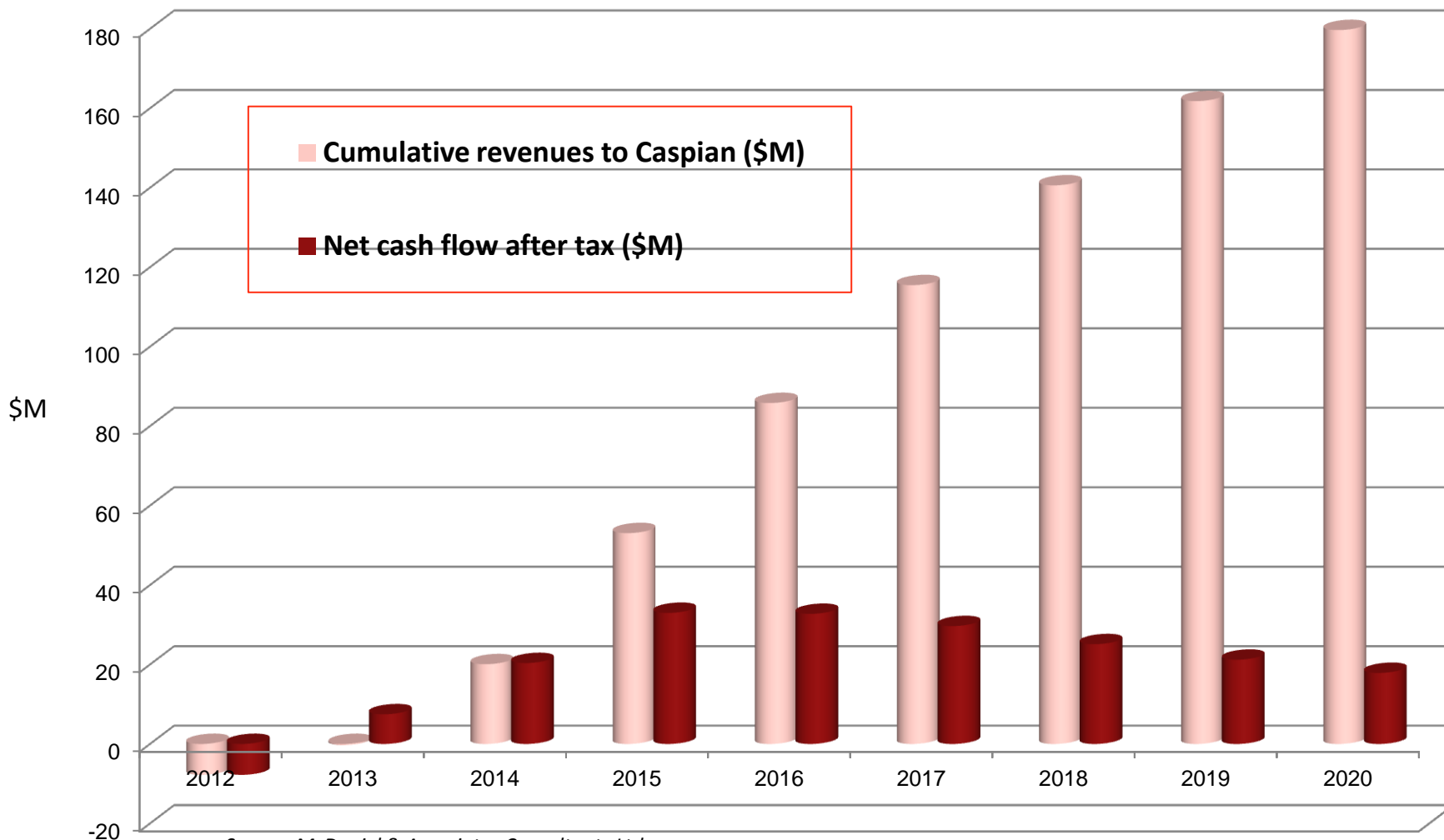
TSX: CEK.TO
www.caspianenergyinc.com



East Zhagabulak: Forecast Oil Production to 2034



East Zhagabulak Forecast Cash Flows



Source: McDaniel & Associates Consultants Ltd.

East Zhagabulak Field



“Value Sensitivity to Brent Price”

NPV – After Tax (US\$m) – 10% discount Rate

Various Brent Scenarios

	\$100 Brent	Caspian's 40% Share	\$120 Brent	Caspian's 40% Share
Proved + Probable Reserves	167.8	67.1	196.8	76.7
Possible Reserves	165.8	66.3	193.2	73.3
Proved + Probable + Possible Reserves	333.6	133.4	380.0	152.0

Source: McDaniel & Associates Consultants Ltd.

Regional Infrastructure



Key players in the region:

Mangistau Munai Gas

- Recently acquired for \$2bn by CNPC (China National Petroleum Company) and KazMunaiGas (Kazakhstan state owned producer) on 50/50 basis
- Operated by CNPC
- Owner of Zhetybai oil field (1BBO) and the small field adjoining Block 31 (Akkar North – 23Mmbbl approved reserves)

BMB Munai

- Recently purchased by Hong Kong listed MIE

KazMunaiGas

- State owned. Total reserves for the basin estimated to be in excess of oil & gas company fields
- Owner of the Uzen field (oldest field in Kazakhstan)

Foreign Company Involvement:

Chevron, Total, CNPC, BG Group, Lukoil, ExxonMobil, Shell, ENI, Tethys, Jupiter

Major Oil/Gas Ports:

Aktau, Atyrau, Kuryk

Major Oil and Gas Fields:

Tengiz, Karachaganak, Aktobe, Mangistau, Kumkol, Uzen, Kashagan

Major Refineries:

**Pavlodar (~160k bbl/d)
Shymkent (~75k bbl/d)
Atyrau (~100k bbl/d)**



Contacts



Calgary office

Caspian Energy Inc.
410, 396 11th Avenue S.W.,
Calgary, AB T2R 0C5
Tel: +1(403) 252 2462
www.caspianenergyinc.com

Almaty office

Aral Petroleum Capital LLP
77 Dzhambul Street, 5th Floor
050000, Almaty
Republic of Kazakhstan
Tel: +7 3272 44 28 11

Technical Consultants

McDaniel & Associates Consultants Ltd
2200, 255 – 5th Avenue S.W.
Calgary, T2P 3G6

Auditors and Reporting Accountants

MNP
900-700 6th Ave SW
Calgary, AB,
Canada
T2P 0M6

Legal Advisers

Cassels Brock & Blackwell LLP
Scotia Plaza
2100-40 King Street West
Toronto, ON
M5H 3C2

Financial Public Relations

Tavistock Communications
131 Finsbury Pavement
London
EC2A 1NT
Tel: +44 (0)207 920 3150