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**FOR IMMEDIATE RELEASE
12 SEPTEMBER 2005**

CASPIAN ENERGY INC.

**CASPIAN SIGNS 3D SEISMIC CONTRACT FOR THE BAKTYGARYN
AREA AND SETS INTERMEDIATE CASING ON ITS EXPLORATION
WELL, EAST ZHAGABULAK #301**

**TSX: CEK
AIM: CEK**

Caspian Energy Inc (“Caspian” or the “Company”), an oil and gas exploration company operating in Kazakhstan, today announces that Aral Petroleum Capital LLP (“Aral”), in which the Company holds a 50% indirect interest, has entered into a contract with Azimut Energy Services, Inc., for the acquisition of its second 3D Seismic programme in the northwest corner of the area in Kazakhstan known as the North Block. The coverage in the area, known as Baktygaryn, will be over an area of approximately 235 km². This area was confirmed as an exploration area, based on the reprocessing of vintage seismic and well logs. Seismic crews have already begun mobilization and expect to have completed their work by the end of December 2005. The Baktygaryn Area is anticipated to contain drilling targets in both the below salt Carboniferous section and the above salt Mesozoic section and will provide a second tier of exploration to the Company’s drilling portfolio. Completion of processing and interpretation of this data will take place in early 2006.

The Company also announces that Aral has set 9 5/8” intermediate casing at 2982 meters on its first exploration well, EZ #301, in the Zhagabulak Area, in the South East Corner of the North Block. The well is permitted to 5000 meters. It is estimated that the well will be drilled and electric logging completed in October, 2005. The second Zhagabulak exploration well is scheduled to start at the end of the EZ #301.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction.

For further information, please contact :

William A.G. Ramsay
Telephone: 020 7861 3232

Geoff Callow, Bell Pottinger
Telephone: 020 7861 3232

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