

CASPIAN ENERGY INC.
ANNOUNCES FIRST QUARTER 2009 FINANCIAL RESULTS AND
EXTENSION OF EXPLORATION LICENCE

TORONTO, May 11, 2009 -- Caspian Energy Inc. (the "Company" or "CEK") (TSX: CEK) announced today its financial results for the three months ending March 31, 2009. Its interim unaudited financial statements for the period and related management's discussion and analysis have been filed with Canadian securities regulatory authorities and are available for viewing at www.sedar.com.

For the three months ending March 31, 2009, CEK's net income and comprehensive income was \$197,319 and for the three months ending March 31, 2008, CEK's net income and comprehensive income was \$1,570,043. \$1,700 (prior period - \$34,542) relating to stock-based compensation charges and \$2,443,354 (prior period - \$1,342,080) pertaining to foreign exchange gains were components of these results. Caspian recorded charges of \$629,309 (1Q 2008 - \$487,374) pertaining to interest and \$105,613 (1Q 2008 - \$75,908) pertaining to accretion of the discount on its convertible debentures. Depletion, depreciation and accretion expenses were \$1,193,357 and \$408,504, respectively.

CEK's operations used \$421,405 in cash during the three month period and provided \$1,365,477 for the comparative quarter of 2008. At the close of 1Q 2009, Caspian had working capital of \$1.79 million.

Oil revenues before transportation costs during 1Q 2009 were \$901,913 and for 1Q 2008 were \$3,436,781. The Company sold an average 325 Bopd (1Q 2008 – 505 Bopd) at a price of \$30.83 (1Q 2008 - \$74.81), per barrel, net of ROK takes, during the quarter ended March 31, 2009.

For the period ended March 31, 2009 operating costs were \$567,078 and for the 2008 comparative period, operating costs were \$1,243,631 while transportation expenses were \$412,384 and \$233,047, respectively. Administrative expenses for the same periods were \$546,935 and \$772,816, respectively.

The Company's existing sources of financing and expected cash flow from operating activities are not sufficient to meet: (i) the repayment of the Loan payable of \$3,711,346, which has no specified repayment terms; and (ii) the Convertible Debentures plus accrued interest, totalling \$24,912,993 on March 31, 2009, which mature on March 2, 2011.

Aral Petroleum Capital LLP, of which Caspian is a 50% stakeholder, has a contractual commitment to expend USD 38.9 million during calendar 2009 to discharge its exploration obligations pursuant to its exploration license with the ROK. To fund its proportionate obligation, the Company is pursuing a farmout or sale of the North Block, which will result in an up-front cash payment plus an undertaking of the exploration and development obligations to earn a portion of the Company's interest. Several parties have indicated

interest and discussions are taking place, but the outcome of these discussions cannot be determined with certainty. Updates to this circumstance will be press released as they are solidified.

The Company's ability to continue as a going concern is in substantial doubt and is dependent upon a successful outcome to the negotiations taking place with the debentures holders and a positive conclusion to its farmout activities.

During the first quarter of 2009, Aral's request for a three year extension (through December 2012) to the exploration period for the North Block contract was approved by the Kazakh Ministry of Energy and Mineral Resources. Concurrent with the extension, the 2009 minimum work commitment was increased from US\$10.5 million to US\$38.9 million, with Caspian's share equating to 50% of the aforementioned figures.

CEK today filed on SEDAR interim unaudited financial statements and MD&A with respect to its March 31, 2009 first fiscal quarter.

The Company is an oil exploration and development corporation operating in the Republic of Kazakhstan.

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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.

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