



1 June 2012

The Manager
ASX Market Announcements
ASX Ltd
4th Floor, 20 Bridge Street
SYDNEY, NSW 2000

Well Test at Mailisu III #6 in the Kyrgyz Republic

Perth, Western Australia (ASX: CIG): Caspian Oil & Gas Limited is pleased to announce that following the removal of stuck perforation guns from the Mailisu III #6 well bore in the Kyrgyz Republic and acidisation, it has commenced a production test.

While the well is still cleaning up, a volume of approximately 30bbls of oil was produced over a 14 hour test period. The well is experiencing gas lock and it is expected additional fluid could be produced once this problem is resolved. Based on the currently available information, an initial flow rate of around 50 bopd is anticipated.

The Mailisu III field is held by 70%-owned Caspian Oil subsidiary South Derrick LLC.

Yours faithfully

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Chief Executive Officer

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Background

Caspian, through its subsidiaries JSC Textonic (Caspian equity 100%) and South Derrick LLC (70% equity), holds a number of licences in the Fergana Basin, Kyrgyz Republic and a number of West African focussed minerals assets.

The information in this report that relates to oil and gas exploration results and hydrocarbon reserves is based on information compiled by Mr Graeme Parsons, who is a petroleum geoscientist. Mr Parsons is a Director and full-time employee of the Company. Mr Parsons has more than thirty years' experience in this discipline and he consents to the inclusion in this report of the matters based on his information in the form and context.