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## **Caspian Holdings Plc** ("Caspian" or the "Company")

### **Drilling Campaign Commences at La Parrilla Tungsten Project**

Caspian (AIM:CSH), which completed the acquisition of Iberian Resources Spain (IRS) in December 2011, has moved quickly to commence evaluation of the La Parrilla tungsten mine located in south west Spain.

Caspian has commenced a 1,500 metre diamond core drilling campaign to appraise extensions to the La Parrilla mine. During the programme, which will run for the next 4 months, a total of 5 holes will be drilled targeting higher grade intersections in the edge of the orebody, on which drilling results will be reported progressively.

The drilling is targeted in an open zone to the west of the existing mine pit. Hole HR-04, drilled in early 2008, intersected 55.20m, from 150.90m to 206.10m, at 0.73% WO<sub>3</sub> in a section with several greissenised granite fingers.

The historic mine resource estimated by SRK in 2008 is 36.0m tonnes at 0.09% WO<sub>3</sub> making it one of the largest tungsten deposits in the western world.

At the La Parrilla tailings project pilot plan testing is currently being undertaken from which the final results will enable Caspian to define and optimise the industrial process for the treatment of the tailings and confirm the final industrial plant design and layout.

The price of tungsten has increased rapidly over the last 3 years by more than double. The La Parrilla tailings deposit and tungsten mine development offer a low cost, high margin resource development opportunity for Caspian.

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#### **About La Parrilla**

The La Parrilla project site is situated in the Extremadura region of southwest Spain, in the Provinces of Caceres-Badajoz, approximately 310 km southwest of Madrid. The site is accessed directly from the highway along a 3km asphalt road and is serviced by electricity and water. The project comprises a tungsten mine and a tungsten tailings project.

The tailings project is expected to be in production within the next 12-18 months (from December 2011). In 2010 a detailed survey of the coarse tailings dumps showed a total volume of 1.2 million cubic metres equivalent to 2.5 million tons.

*Technical information in this report has been prepared and approved for inclusion by Mr Fernando de la Fuente, who is a "qualified person" in respect of the AIM Rules for Companies with over 37 years experience in the Exploration and Mining Geology industry. Mr de la Fuente holds a B.Sc. in Geology and a MSc in Geology from the University of Granada in Spain. He is also a member of the Spanish College of Geologists (Number 49), the Spanish Society of Mineralogy, founder member of the Spanish Society of Geology, member of the Spanish Association of Applied Geology to Mineral Deposits, member of the Society for Mining, Metallurgy and Exploration, Inc., member of PDAC.*