

Caspian Holdings Plc

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("Caspian" or the "Company")

Drilling Update: High Grade Results from First Hole at La Parrilla Tungsten Project

Caspian (AIM:CSH), is pleased to provide an update on drilling at its La Parrilla tungsten project, located in southwest Spain. Caspian has an option to purchase a 100% interest in La Parrilla, a former producing open pit mine which closed in the 1980s.

Caspian has drilled three out of five holes in a 1,500 metre diamond core drilling campaign to appraise extensions to the La Parrilla orebody which is targeting an open zone to the west of the existing open pit. To date a total of 887.4 meters have been drilled in three vertical holes. The 4th hole is underway.

Assay results have been received for the first hole IP-01 which indicate thick high grade intersections well above the average mine grade of 0.1% WO₃. All holes drilled to date have intersected visible tungsten mineralisation. Significant intersections from the first hole include:

HOLE	FROM	TO	INTERVAL	TRUE THICKNESS	WO ₃	Sn
	m	m	m	m	%	%
IP-01	32.00	48.00	16.00	10.00	0.2755	0.0321
IP-01	108.00	144.00	36.00	22.50	0.3551	0.0104
IP-01	154.00	170.00	16.00	10.00	0.1257	0.0251
IP-01	202.00	226.00	24.00	15.00	0.0624	0.0057

Michael Masterman, Executive Chairman, commented: "We are pleased with the promising results of the drilling programme at La Parrilla, which is testing the western extension of the high grade mineralisation. The results should enable us to commence initial mine development planning and proceed to exercise the acquisition option."

The technical design of the La Parrilla tailings project has now been finalised and approval documents submitted to the mining authorities. All approvals are expected to be granted by the end of Q3 2012. Annual plant feed will be 330,000 tonnes and annual production is anticipated to be 28,000 MTU Tungsten (W) and 26 tonnes Tin (Sn), which will deliver over €7million per annum in revenue at current tungsten and tin prices.

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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 historic mine resource estimated by SRK in 2008 is 36.0m tonnes at 0.09% WO₃ making it one of the largest tungsten deposits in the western world.

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.

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.

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.