

Caspian Holdings Plc

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("Caspian" or the "Company")

Option Extension at La Parrilla Tungsten Mine

Caspian Holdings (AIM:CSH), has negotiated an 18 month extension on its exclusive option to complete the acquisition of the La Parrilla tungsten mine in Southern Spain. This will enable Caspian to focus on bringing the La Parrilla tailings processing facility on stream and complete the step out drilling in the extension of the mine area.

Caspian now has the option to acquire the La Parrilla mine prior to 25 August 2013. The 18 month extension has been agreed in exchange for a payment of EUR100,000 in February and a payment of EUR100,000 in October 2012, maintaining Caspian's exclusivity on the project and enabling the Company to start production at the tailings facility, generating cash ahead of completion of the acquisition.

The mine remains a highly valuable tungsten asset and this extension provides Caspian with the time to add significant value to the assets through extension drilling and completion of the development study prior to final acquisition.

In the meantime drilling on the extension area continues with the first hole at 211m in the mineralized section and continuing to target depth of 250m. Approximately 90m of the sections drilled to date are mineralized.

Design of the tailings production facility is also progressing and technical design is approaching finalisation.

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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.