

## **PAN ORIENT ENERGY CORP.**

(Listed on the TSX Venture Exchange - Symbol "POE" – 41,634,842 common shares issued)

Press Release

### **THAILAND UPDATE**

**July 18, 2007**

**Calgary, Alberta**

#### **EXPLORATION PERMIT L33/43**

##### **L33-D EXPLORATION WELL**

The L33-D exploration well has been drilled to total depth of approximately 1,420 meters and cased. Drilling mud losses of 15 barrels per hour (suggesting reservoir development) were recorded at the top of, and while drilling through, an 11 meter thick volcanic interval at 812 meters. Testing of the volcanic zone is anticipated to commence within eight days. L33-D is the first well drilled by the joint venture in the northern exploration permit L33/43.

#### **EXPLORATION PERMIT L44/43**

##### **NA SANUN EAST APPRAISAL DRILLING**

The Na Sanun East (POE-9) multi-well appraisal drilling program has commenced at location L44-G, approximately 7.3 kilometers north of the POE-9 discovery well. The Aztec #14 rig is currently setting casing at a depth of 264 meters. It is anticipated to take approximately 20 days to reach a projected total depth of 1,600 meters, targeting at least four potential volcanic reservoir zones.

Drilling at location NS-3D1 will commence within the next five days, marking the spud of the first well with the second Aztec rig that Pan Orient has under contract. NS-3D1 will be directionally drilled from the existing Na Sanun-3 well site into the adjacent POE-9 fault block and into the main volcanic reservoir zone at a subsurface location approximately 1.5 kilometers south of the POE-9 discovery well. NS-3D1 is the first of a four to five deviated well program that will appraise the southernmost two fault compartments of the POE-9 oil discovery announced in January, 2007. It is anticipated this initial deviated well program, pending results, will be followed up with a multi horizontal well infill program of the southernmost two POE-9 fault compartments.

Location L44-H, an appraisal well located 1.7 kilometers north of the original POE-9 discovery is currently under construction with completion anticipated in approximately three weeks.

Pan Orient is a Calgary, Alberta based oil and gas exploration and production company with operations currently located onshore Thailand and in Western Canada.

*This news release contains forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording. Forward-looking information in this news release includes, but is not limited to, references to: well drilling programs and drilling plans, estimates of reserves and potentially recoverable resources, and information on future production and project start-ups. By their very nature, the forward-looking statements contained in this news release require Pan Orient and its management to make assumptions that may not materialize or that may not be accurate. The forward-looking information contained in this news release is subject to known and unknown risks and uncertainties and other factors, which could cause actual results, expectations, achievements or performance to differ materially, including without limitation: imprecision of reserve estimates and estimates of recoverable quantities of oil, changes in project schedules, operating and reservoir performance, the effects of weather and climate change, the results of exploration and development drilling and related activities, demand for oil and gas, commercial negotiations, other technical and economic factors or revisions and other factors, many of which are beyond the control of Pan Orient. Although Pan Orient believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct.*

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