



PAN ORIENT ENERGY CORP.

Press Release

THAILAND DRILLING UPDATE

December 16, 2009

L53 Concession

L53-A Exploration Well (100% WI and operator)

The L53-A well has been deepened from approximately 1,650 meters to a depth of 1,738 meters in order to evaluate the secondary volcanic reservoir objective. Wire line logging indicated the wellbore penetrated 20 meters of volcanic section prior to crossing a large fault bounding the north east portion of the structural closure, after which an additional 62 meters of siltstone and shale were drilled in a complex highly faulted zone. Subsequent testing of this approximately 82 meter open hole section resulted in flow rates of approximately 18 to 22 bopd of 22 degree API oil and 162 to 158 barrels of formation water.

It is interpreted, as observed on a number of previous wells, that the formation water may be sourced from the highly faulted zone below the volcanic in the bottom portion of the open hole section. Currently, a cement plug is being run from the base of the volcanic reservoir to total depth with open hole testing of the isolated volcanic section to recommence in the next 48 hours.

Upon completion of testing operations on the secondary volcanic objective, the zone will be isolated with a bridge plug and testing will commence on the lowermost main objective sandstone reservoir where over 40 meters of measured thickness net oil pay was interpreted on logs and confirmed by RFT pressure gradients.

L53-D Exploration Well (100% WI and operator)

The L53-D exploration well, located approximately 8.4 kilometers west of the L53-A discovery on a separate structural closure is currently setting intermediate casing at a depth of 560 meters, just above the multiple sandstone reservoir objectives. Free oil was observed at surface on samples from a depth of approximately 550 to 560 meters. The well is anticipated to be completed drilling in approximately seven days, at which time testing operations will commence if justified by wire line logging.

L44 Concession

Bo Rang "B" Field

BR-4D1 Horizontal Appraisal Well (60% WI and operator)

The BR-4D1 horizontal well is currently on 90 day production test at a rate of 880 barrels of 22 degree API oil per day and a water cut of 0.05%.

BR-2ST2 Horizontal Appraisal Well (60% WI and operator)

The BR-2ST2 horizontal appraisal well has just completed the drilling of approximately 350 meters of horizontal section within the main volcanic reservoir objective. This is the third horizontal well to be drilled at Bo Rang "B" field and testing operations are anticipated to commence in the next three days.

Si Thep Field

ST-2 Exploration Well (60% WI and operator)

The ST-2 exploration well was perforated over a deep sandstone reservoir resulting in flow rates of approximately 14 barrels of 27 degree API oil and 6 barrels of formation water per day. An additional three shallower sandstone reservoirs will be perforated and commingled once testing operations on L53-A well are completed.

Na Sanun East Field

NSE-G2 Exploration Well (60% WI and operator)

The NSE-G2 exploration well is located near the northern boundary of the NSE Central fault compartment and will commence drilling immediately after the rig has moved from BR-2ST2. The well will be targeting a 100 meter thick volcanic that sits approximately 400 meters below the main producing volcanic reservoir at NSE. This target zone was penetrated by the NSE-G1 exploration well and encountered oil shows throughout the entire 100 meter section but produced only formation water from a highly fractured zone at the very base of the volcanic. NSE-G2 will be targeting the same 100 meter thick volcanic in a position approximately 120 meters structurally higher than the NSE-G1 well.

Summary

L44 Concession production is currently at approximately 6,950 bopd (4,170 bopd net Pan Orient) with an additional approximately 500 bopd (300 bopd net Pan Orient) shut-in awaiting approval of the Bo Rang North production license application which is anticipated to be granted within the next 14 days. Additional production is also anticipated from the testing of BR-2ST2 within the next three to seven days.

In addition to production from the L44 concession, Pan Orient anticipates to commence production from the L53 concession prior to year end.

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