

**PAN ORIENT ENERGY CORP.**

(Listed on the TSX Venture Exchange - Symbol "POE" – 27,362,810 common shares issued)

Press Release

**PAN ORIENT ENERGY: Exercising Right to an Additional 6.5 Sections of Sawn Lake Acreage**

**December 14, 2005**

**Calgary, Alberta** – Pan Orient Energy Corp. is pleased to announce that the company will be exercising its rights to a 10% interest in an additional 6.5 sections of prospective oil sand leases located in the Sawn Lake, Alberta Heavy Oil project region. These additional lands are located south west and contiguous with the 63 sections of oil sands leases in which the company already holds a 10% working interest.

On December 6, 2005 Signet Energy, the operator of the Sawn Lake Heavy Oil project announced that it had successfully drilled the first vertical test well that was plugged back then kicked off horizontally for a distance of approximately 600 meters and cased. Signet stated further: "laboratory analysis determined the core from the vertical well has an average porosity of 32%, permeability in the range of 4 darcys, and over 40 feet of oil pay. The production test phase is expected to be completed by mid January, 2006."

In November 2004 Pan Orient commissioned a third party engineering evaluation of the Sawn Lake project in accordance with the National Instrument 51-101, "Standards of Disclosure for Oil and Gas Activities" (NI 51-101) through AMJ Petroleum Consultants "AMJ"). AMJ estimated a maximum of 1.2 billion barrels of original oil in-place (120 million barrels net to Pan Orient) with an estimated recovery factor of 8% resulting in 9.6 million barrels of potentially recoverable resources net to Pan Orient.

*The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. This news release may contain forward-looking information. Actual future results may differ materially from those contemplated.*

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