



PAN ORIENT ENERGY CORP.

Press Release

NSE-I1 NEW FIELD OIL DISCOVERY

June 29, 2009

THAILAND

NSE-I1 New Field Oil Discovery (60-per-cent working interest and operator)

Pan Orient Energy is pleased to announce that testing of the NSE-I1 well has confirmed the discovery of commercial hydrocarbons in a previously untested volcanic reservoir approximately 20 meters in thickness at 637 meters true vertical depth (TVD). The well is currently pumping 34 degree API oil at a stabilized rate of 75 bopd with approximately 200 barrels per day of water.

At year end 2008, there were no reserves of any category attributed to this shallow volcanic zone.

NSE-I1 was a deviated well designed to target a shallow volcanic zone in the downthrown fault closure west of the NSE North fault compartment and a deeper volcanic objective on the high side of the north-south bounding fault. The first volcanic target zone was encountered at a depth of 637 meters TVD and exhibited moderate drilling fluid losses with oil shows observed at surface. A second, deeper volcanic objective was encountered at 750 meters TVD with the upper 85 meters penetrated before drilling was terminated while still in the zone. Minor oil shows were observed at surface along with minor mud losses while drilling through the zone. Subsequent testing of the lowermost objective recovered water and 2 barrels of 32 degree API oil.

Looking ahead, these modest test results have confirmed oil in a shallow volcanic reservoir in the down thrown fault compartment adjacent to NSE north. Plans are currently underway to target this same zone in a structurally much higher position on the high (east) side of the main bounding fault, that in the success case, sets up three to four additional future locations.

Bo Rang-1 RD Exploration well (60-per-cent working interest and operator)

The Bo Rang-1 RD (BR-1RD) well was drilled vertically to a depth of 757 meters approximately 80 meters west of the original Bo Rang-1 (BR-1) gas discovery which was drilled in 1990 by a previous operator of the concession. Two volcanic objectives were encountered, the first 22 meters thick at a depth of 633 meters (tested 5.5MM cubic feet per day in the original well bore) and the second, 49 meters thick at a depth 25 meters below the base of the first zone. There were no drilling fluid losses (which are an indicator of good permeability) observed while drilling either volcanic zone.

The upper gas bearing volcanic was isolated behind casing prior to penetrating the deeper objective in order to open hole test this deeper zone in isolation. Upon the completion of drilling of the deeper volcanic objective, significant quantities of 34 degree API oil were observed at surface and in the drill string while tripping out of the hole. Subsequent testing resulted in the recovery of minor quantities of oil, gas and load fluid, indicating low permeability.

Though commercial oil rates were not achieved in BR-1RD, excellent reservoir is inferred to exist only 80 meters away on the basis of the massive drilling fluid losses observed in the original BR-1 well while drilling through the objective zone. In addition, there is strong evidence that the primary volcanic objective is oil bearing based on the free oil observed at surface while drilling through this zone. On this basis, Bo Rang-2 is currently drilling ahead at a depth of 400 meters to a subsurface target location approximately 500 meters south west of the BR-1RD location. Drilling is anticipated to be completed in 10 days at which time testing will commence, if warranted.

NSE-J1 & J2 Development wells (60-per-cent working interest and operator)

The NSE-J1 and NSE-J2 development wells have been drilled to total depth within the main volcanic objective from the same surface pad location in the east-central portion of the NSE Central fault compartment. Both wells experienced significant drilling fluid losses (an indicator of good permeability) while drilling within the target zones. At this particular drill pad, testing and drilling were not possible due to the limited size of the drill pad. Testing of both wells is to commence shortly, once the drilling rig has moved off location to L44-W2.

L44-W2 Appraisal well (60-per-cent working interest and operator)

L44-W2, the first appraisal well to the L44-W oil discovery (announced in April 2009) is about to commence drilling to a subsurface target 500 meters ne of the original discovery. This will be the first of what is planned to be three back to back appraisal wells on the structure.

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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