

PAN ORIENT ENERGY CORP.

(Listed on the TSX Venture Exchange - Symbol "POE" – 45,391,442 common shares issued)

Press Release

PAN ORIENT ANNOUNCES FURTHER INDONESIAN ACQUISITION

June 12, 2008

Pan Orient is pleased to announce it has purchased, through a series of transactions, an operated 69% working interest in the 4,440 square kilometer Citarum Production Sharing Contract ("PSC"), located onshore West Java, Indonesia. Total consideration in the transaction is \$7MM USD cash and \$4MM USD in Pan Orient common stock with the vendor, Ranhill Berhad and its related group of companies ("Ranhill"), retaining a 11% carried working interest through to first commercial oil or gas production. This transaction follows the acquisition of a 90% working interest in both the Batu Gajah PSC, south Sumatra, and the Pemai Taluk Joint Study Agreement that were announced on May 12, 2008.

Citarum PSC

The Citarum PSC was awarded to Ranhill Berhad by way of their exercise of right of first refusal, of another parties high bid, in the July 2005 Indonesian licensing round. Of note, Pan Orient had bid unsuccessfully in 2005 on this same PSC. Citarum lies approximately 25 kilometers south of the Indonesian capital of Jakarta and directly adjacent to the numerous producing oil and gas fields of the prolific West Java basin. The large Pasarjadi gas field (256 Bcf) and Subang gas field (779 Bcf) are located 7 kilometers north and 6 kilometers east of the concession boundary respectively. Within a 24 kilometer distance north of the concession are over 37 oil and gas fields that include the Jatibarang field with over 102MM bbls of cumulative oil production to date and 58.9MM bbls of recoverable oil remaining. Oil and gas infrastructure in the region of the PSC is extensive and local gas markets are robust and growing.

The Citarum PSC is located along the southern edge of the undeformed portion of the West Java basin and extends south into the entirely unexplored west Java fold belt that contains a large number of surface oil gas seeps. Seismic data coverage is sparse with approximately 500 kms of 2D data covering approximately 10% of the PSC area. Only one well has been drilled to date within the concession boundary, encountering a 590 meter thick Batu Raja limestone reef with cavernous porosity zones that resulted in the loss of over 120,000 bbls of drilling fluid. The well has been cased and suspended with the main Batu Raja objective untested within structural closure, across the cavernous porosity zone.

Remaining commitments over the first exploration period include 3 wells and 750 kilometers of 2D seismic, totalling approximately \$22.75MM USD gross (\$18.2MM USD net).

Indonesian Strategy

Pan Orient's acquisition of the Citarum PSC, Batu Gajah PSC, Pemai Taluk Joint Study Agreement ("JSA") and the very recent, yet announced, signing of the Kubu JSA in Central Sumatra are immediately providing Pan Orient a third, large, highly prospective focus region with a full range of relatively low cost exploration opportunities that will provide the means for future growth and strategic utilization of existing cash and future Thailand cash flow. All the acreage satisfies the Company's stated objectives of acquiring large, operated onshore acreage positions within proven producing basins that possess 1) multiple targets 2) shallow to moderate target depths, and 3) existing infrastructure. Pan Orient continues to believe, as we've demonstrated in onshore Thailand, that the onshore potential of the South Asia and S.E. Asia regions has been largely overlooked since the 1970-1980's when high oil prices drove the activity levels of the major oil companies.

In the past three weeks Pan Orient has hired a highly qualified in-country General Manager, and has made offers to an Exploration Manager and 7 support staff that will be based in the Indonesian capital of Jakarta.

Contracts have already been awarded for a 500 km 2D seismic program over the Batu Gajah PSC in South Sumatra and a 750 to 800 km 2D survey over the Citarum PSC in West Java. Permitting is underway and crew mobilisation for both seismic surveys is anticipated in the September/October 2008 time period. Multi-well drilling programs are anticipated to commence in 2009, the exact timing being subject to partner and Government of Indonesia approval.

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.

The TSX Venture Exchange 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.

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