

PAN ORIENT ENERGY CORP.

(Listed on the TSX Venture Exchange - Symbol "POE" – 40,056,842 common shares issued)

Press Release

THAILAND ACREAGE AWARD

January 9, 2007

Pan Orient Energy is pleased to announce it has signed a new concession agreement with the Government of Thailand for block L53/48, located onshore Thailand, approximately 60 kilometers west of Bangkok. Block L53/48 is 4,998 square kilometers in area and surrounds the one well Kamphaeng Saen oil field discovered by British Petroleum in the 1987 and put on production by the Thailand national oil company (PTTEP) in 1991 with 340,000 barrels of oil recovered to date from approximately 1,000 meters depth. Another two producing oilfields are located approximately six kilometers north and outside of the L53/48 block boundary.

The concession agreement allows Pan Orient to explore for hydrocarbons over a period of seven years with a minimum 3 year first exploration phase commitment of approximately \$2.1 million USD that includes 3D seismic and the drilling of two exploration wells. In December 2006 Pan Orient signed a letter of intent with CGG of France for the acquisition of 3D seismic on the L53 concession planned for the second or third quarter of 2007. Drilling is anticipated in the fourth quarter of 2007 utilizing one of two drilling rigs currently under contract.

Pan Orient chief executive officer Jeff Chisholm states the L53 concession is typical of Pan Orient's initial exploration objectives: "L53 is a large, onshore, shallow target, 100% owned and operated acreage position in a proven oil prone fairway where operating conditions are benign, infrastructure is abundant and fiscal terms are very attractive with short cycle time to first oil production".

In other Thailand operations, the exploration well POE-9 in concession L44/43 has been perforated with flow lines and the beam pump currently being installed at surface. First flow is expected on or about January 15, 2007. It is anticipated that upon initial flow, the well will take at least 4 to 5 days to clean up given the large volume of drilling mud and lost circulation material that entered into the fracture system while drilling.

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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FOR FURTHER INFORMATION, PLEASE CONTACT:

Pan Orient Energy Corp.

Jeff Chisholm, President and CEO

- or -

Jason Bednar, Vice President Finance and CFO

Telephone: (403) 294-1770