

PAN ORIENT ENERGY CORP.

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

Press Release

POE-9 OIL DISCOVERY

January 15, 2007

Pan Orient Energy has tested a potentially significant oil discovery located onshore Thailand, within concession L44/43. The POE-9 exploration well (Pan Orient 60% W.I.) was drilled and cased to a depth of 1,275 meters on December 31, 2006 encountering four potential fractured volcanic reservoir zones. Volcanic zone #2, approximately 50 meters in gross thickness and at 853 meters in depth was perforated in the top 17 meters with flow testing initiated on January 10, 2007. After briefly pumping KCl brine load fluid, POE-9 immediately began to free flow oil to surface with rates climbing to 560 bbl/d at an initial, pre-clean up, water cut of 15% before being choked back. POE-9 is currently flowing oil at rates restricted to 260 bbl/d, with small amounts of gas, on a 13/64 inch choke at a flowing well head pressure of 180 psi, while the well continues to clean up. The current water cut is 1%.

The POE-9 well was drilled in the southern fault block of what is interpreted on seismic to be a large, approximately 12 square kilometre structural closure that is segmented into four separate fault blocks. 17 meters of a single 20 meter thick interpreted pay zone at the top of volcanic #2 has an average calculated log porosity of from 6% to 9%, now proven hydrocarbon bearing. Additional prospective zones in this well will not be tested at this time in order to maintain borehole integrity and allow the well to be put on production immediately. Pan Orient will shortly make an application to the Thailand Department of Mineral Fuels for a production license that will cover this large structural closure and utilise at least one of two rigs currently under contract to develop the field through the remainder of 2007, the exact timing of which will be subject to government approval.

Pan Orient chief executive officer Jeff Chisholm states: "We are pleased with the initial test results of POE-9. The well came on strong, free flowing oil and cleaning up quickly with a very low water cut and good pressures. The implications of these results on the exploration potential of our combined 12,000 square kilometre onshore Thailand acreage position are positive. With sustained future production performance, our 2007 POE-9 discovery area activities will focus on fast track field development utilising two rigs currently under contract. Pan Orient will work towards full field development by year end 2007 while executing, in parallel, a high impact exploration program of 17 to 22 wells within the three company operated concessions."

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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