



PAN ORIENT ENERGY CORP.

Press Release

ADOPTION OF SHAREHOLDER RIGHTS PLAN

CALGARY, May 23, 2012

Pan Orient Energy Corp. ("Pan Orient" or the "Corporation") (POE – TSXV) announces that its board of directors has adopted a shareholder rights plan, designed to encourage the equal and fair treatment of shareholders if there were to be an unsolicited take-over bid for the Corporation's common shares. The plan will provide shareholders and the board with additional time to properly evaluate and assess the take-over bid, without facing undue pressure or coercion. The plan also provides the board with additional time to explore alternative transactions in order to maximize shareholder value.

The shareholder rights plan is effective immediately but is subject to regulatory approval and ratification by shareholders. Shareholder ratification will be sought at Pan Orient's June 20, 2012 annual meeting. The plan is described in greater detail in the management information circular for the meeting that is being mailed to shareholders this week and a copy of the shareholder rights plan agreement will be filed in due course on SEDAR.

The shareholder rights plan allows a potential acquirer to make a permitted take-over bid without prior Pan Orient board of director approval if the bid is made to all shareholders and remains open for a minimum of 60 days. At the end of the 60 day period, if more than 50% of the Corporation's common shares have been tendered by independent shareholders, then a further 10 business day extension must be granted to allow any shareholders who have not yet tendered the opportunity to tender their shares. Conversely, if a bidder acquires 20% or more of the Corporation's common shares other than by making a permitted bid, or otherwise without board of director approval, then holders of common shares other than the bidder may purchase additional common shares at a significant discount, resulting in substantial dilution to the bidder.

The shareholder rights plan was not implemented in response to any proposals, enquiries or expressions of interest received from any third party and the Corporation is not aware of any third party which is currently considering or preparing any proposal to acquire control of Pan Orient.

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 press 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 press release includes, but is not limited to, references to anticipated obtaining of regulatory approval and ratification by shareholders. By its very nature, the forward-looking information contained in this press release requires Pan Orient and its management to make assumptions that may not materialize or that may not be accurate. In addition, the forward-looking information contained in this press release is subject to known and unknown risks and uncertainties and other factors, some of which are beyond the control of Pan Orient, which could cause actual results, expectations, achievements or performance to differ materially. Although Pan Orient believes that the expectations reflected in its forward-looking information are reasonable, it can give no assurances that those expectations will prove to be correct. Pan Orient undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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