



PAN ORIENT ENERGY CORP.

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**Press Release**

**AGREEMENT FOR SALE OF 50% EQUITY INTEREST IN PAN ORIENT SUBSIDIARY  
PAN ORIENT ENERGY (SIAM) LTD.**

**CALGARY, November 5, 2014**

Pan Orient Energy Corp. ("Pan Orient" or the "Company") (POE – TSXV) is pleased to announce that it has entered into an agreement for the sale of a 50% equity interest in subsidiary Pan Orient Energy (Siam) Ltd. to a wholly owned subsidiary of Sea Oil Public Company Limited ("Sea Oil") of Bangkok, Thailand, for a cash price of USD \$42.5 million (CDN \$48.3 million), including a working capital adjustment of USD \$2.4 million (CDN \$2.7 million). Pan Orient Energy (Siam) Ltd. holds Pan Orient's 100% interest in Concession L53/48 in Thailand and will remain as the operator.

The transaction is anticipated to close on or about January 12, 2015. The sale and purchase agreement contains customary representations, warranties, covenants and indemnities in favor of Sea Oil. Closing is subject to Sea Oil shareholder approval (at a meeting scheduled for December 17, 2014), financing, certain regulatory and other third party approvals and waivers, as well as other customary closing conditions. A USD \$4 million break fee is payable by Sea Oil if shareholder approval or financing is not obtained. It is anticipated that net proceeds to Pan Orient, after closing adjustments, a 3% finder's fee, tax and other costs, will be approximately USD \$40.9 million (CDN \$46.5 million). A two appraisal well and one exploration well drilling program in Concession L53/48 is expected to commence shortly after closing in January 2015.

Pan Orient President and Chief Executive Officer Jeff Chisholm said "Pan Orient continues to make significant progress towards the corporate initiative of strengthening the Company's balance sheet and de-risking its portfolio of assets, through partial sale or seeking partners. The final goal is to retain meaningful working interests with significant upside exposure and a strong balance sheet, facilitating growth and flexibility going forward. In addition to the sale of a 50% interest in the Thailand L53/48 asset announced today, the Company has also entered into exclusive negotiations and made significant progress towards the signing of farmout agreements for the East Jabung production sharing contract (PSC) and Batu Gajah PSC in Indonesia and hopes to finalise these negotiations in November. The Company has also been actively engaged with a third party working towards concluding a farm-in agreement on the Citarum PSC in Indonesia."

*About Sea Oil Public Company Limited:*

*Sea Oil is a Stock Exchange of Thailand listed company since 2013 and is involved in the offshore oil and gas service industry. The majority shareholder of Sea Oil is the Nathalin Group, a large, private Thailand based conglomerate recognized as one of the largest independent operators of petroleum and chemical tankers in Thailand. Nathalin also provides oil floating storage and trading services and has invested in wind farms, solar energy and power plants.*

*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 completion of the of the transaction generally; anticipated closing date; obtaining by Sea Oil of shareholder approval and financing; obtaining by Pan Orient and Sea Oil of regulatory and other third party approvals and waivers; general satisfaction of closing conditions; anticipated net proceeds; the nature and timing of the Thailand drilling program; and the achievement and timing of potential farmout of interests in Indonesian PSCs. 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 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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