



PAN ORIENT ENERGY CORP.

Press Release

THAILAND OPERATIONS UPDATE

October 13, 2009

Pan Orient Energy Corporation is pleased to report that it has confirmed the testing of oil at commercial rates from the second horizontal appraisal of the Bo Rang "A" field and confirmed hydrocarbons in a shallow volcanic above the L44-W field..

Bo Rang "A" Field (lower volcanic zone)

L44-VD2ST2 Appraisal well (60% WI and operator)

L44-VD2ST2 is currently producing on a 90 day production test allowance at a stabilised rate of 548 barrels per day of 35 API gravity oil with minor amounts of gas and a BS&W of approximately 0.01%.

This well was the second horizontal well drilled into the Bo Rang "A" reservoir and confirms the successful application of this and other techniques that were utilised during the drilling of this well. Of particular note, no drilling fluid losses were observed during the drilling of the target interval (an indicator of massive fractures) yet commercial rates were achieved on test. The results of L44-VD2ST2 have initiated a review of the application of these new drilling techniques to all previously drilled wells where the target volcanic interval was indicated to be tight (low permeability).

L44-W Field

L44-W2 Appraisal well (60% WI and operator)

L44-W2 tested sweet gas at rates of approximately 0.5 MMcf/day from a 20 meter thick volcanic zone at a depth 362 meters during a 24 hour test. Good oil shows were observed while drilling through this same zone in the offsetting L44-W well. As experienced at Bo Rang A and the deeper main volcanic zone at L44-W, oil is often encountered down flank below small gas caps. A future appraisal well will be targeting a possible oil leg to this shallow volcanic zone. There are currently no resources attributed to this zone in the August 31, 2009 NI51-101 compliant GCA resource evaluation report

An additional approximately 25 meter thick shallow zone at 260 meters will be tested shortly. While drilling this second shallow zone, massive drilling fluid losses of approximately 6,000 barrels were experienced along with highly elevated mud gas readings. There are currently no resources attributed to this zone in the August 31, 2009 NI51-101 compliant GCA resource evaluation report

L44-W4ST1 Appraisal well (60% WI and operator)

The L44-W4ST1 well was the first horizontal that was drilled into the L44-W structure encountering the main volcanic target reservoir approximately 30 meters structurally higher than the L44-W discovery well. A brief 14 hour test was completed utilising Pan Orient's three phase test separator that resulted in the recovery of drilling fluid, oil and natural gas (approximately 2.2MMcf/d) with pressures and volumes beyond the safe operating capacity of the test separator. A larger capacity three phase separator is expected to be onsite within three days at which time the test will recommence.

L44-W3ST1 Appraisal well (60% WI and operator)

The L44-W3ST1 horizontal appraisal well is currently drilling ahead horizontally with severe drilling fluid losses (extensive fracturing) and live oil observed at surface within the main volcanic objective.

Si Thep Field

Si Thep-2 Exploration Well (60% WI and operator)

The Si Thep-2 (Si Thep Deep) exploration well is currently drilling ahead at a depth of approximately 450 meters on the way down to the main volcanic reservoir objective estimated to be encountered at approximately 1,100 meters true vertical depth. The well is anticipated to be drilled horizontally after the initial pilot section has been completed. Drilling is anticipated to be completed within 21 days.

Si Thep-2 well is located approximately 9 kilometers south of the NSE South oil field and directly adjacent to the Si Thep-1 well that has produced approximately 70,000 barrels of oil from a sandstone reservoir at approximately 600 meters depth. The primary objective of the Si Thep-2 well is a deep volcanic reservoir target within a large structural closure below the shallow producing sands.

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 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.

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