

PAN ORIENT ENERGY CORP.

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

Press Release

PAN ORIENT ANNOUNCES 276% INCREASE IN SAWN LAKE PROBABLE RESERVES

February 6, 2007

Calgary, Alberta –Pan Orient Energy Corp., on behalf of its 67% owned subsidiary Andora Energy Corporation, is pleased to release its December 31, 2006 reserves estimates for its heavy oil project at Sawn Lake Alberta, Canada, as evaluated by DeGolyer and MacNaughton Canada Limited.

Highlights:

- Probable Sawn Lake recoverable reserves of 97.4 million barrels of oil after government royalty, an increase of 276% from 25.9 million barrels in prior year.
- Net present value (discounted 10% before tax – forecast prices) of \$439 million (\$7.34 per Pan Orient share for its net 67% interest in Andora) attributed to Sawn Lake probable reserves, an increase of 246% from \$127 million in prior year.
- Probable + Possible recoverable reserves of 179 million barrels of oil after government royalty, an increase of 85% from 97 million barrels in prior year.
- Net present value (discounted 10% before tax – forecast prices) of \$830 million attributed to Sawn Lake probable + possible reserves.

Pan Orient, through Andora, currently holds an unencumbered (no GORR) 10% working interest in 69.5 sections of Sawn Lake oil sand leases (“North Block”) plus an additional unencumbered (no GORR) 100% working interest in oil sand leases and related assets covering 16 sections of land (“South Block”) located immediately south of, and adjacent to the northern 69.5 sections. Additionally, as outlined in a February 5, 2007, press release, Andora has purchased a gross overriding royalty (“GORR”) of 3% on 36.5 (of the northern 69.5) sections of Sawn Lake oil sands leases.

Andora Reserves – Sawn Lake, Alberta

SUMMARY OF CRUDE RESERVES AS OF JANUARY 1, 2007, AS PROVIDED BY DEGOLYER AND MACNAUGHTON CANADA LIMITED

Marketable Reserves	Andora Net 100% (m bbl)	Pan Orient Net 67% (m bbl)
Proved	-	-
Probable		
South Block (100%)	91,457	61,276
North Block (10%)	4,650	3,116
3% GORR on North Block	1,266	848
Total Proved plus Probable	97,373	65,240
Total Possible	81,975	54,923
Total Proved plus Probable plus Possible	179,348	120,163

SUMMARY OF NET PRESENT VALUES AS OF JANUARY 1, 2007, AS PROVIDED BY DEGOLYER AND MACNAUGHTON CANADA LIMITED (FORECAST PRICES) - ANDORA 100%

Present values - \$thousands	Undisc.	10%	12%
Proved	-	-	-
Probable			
South Block (100%)	1,374,000	391,000	306,000
North Block (10%)	59,000	23,000	18,000
3% GORR on North Block	49,000	25,000	22,000
Total Proved plus Probable (Before Taxes)	1,482,000	439,000	346,000
Total Proved plus Probable (After Taxes)	1,002,000	272,000	207,000

SUMMARY OF NET PRESENT VALUES AS OF JANUARY 1, 2007, AS PROVIDED BY DEGOLYER AND MACNAUGHTON CANADA LIMITED (FORECAST PRICES) - PAN ORIENT 67%

Present values - \$thousands	Undisc.	10%	12%
Proved	-	-	-
Probable			
South Block (100%)	920,600	262,000	205,000
North Block (10%)	39,500	15,400	12,000
3% GORR on North Block	32,900	16,600	15,000
Total Proved plus Probable (Before Taxes)	993,000	294,000	232,000
Total Proved plus Probable (After Taxes)	671,300	182,200	138,700

- (1) Proven and Probable reserves value was assessed at forecast prices.
- (2) The forecast prices for Sawn Lake heavy oil is based off benchmark crude prices. The benchmark prices for which the reserves were calculated are as follows:
 - o 2007: \$65.00 USD/bbl WTI
 - o 2008: \$65.52 USD/bbl WTI
 - o 2009: \$64.27 USD/bbl WTI
 - o 2010: \$61.73 USD/bbl WTI
 - o 2011: \$59.07 USD/bbl WTI
 - After that: +2% per annum

Pan Orient and Andora CEO Jeff Chisholm stated: "Obviously we are pleased with these reserve numbers and particularly the value attributed to the gross overriding royalty on Deep Well Oil and Gas Inc.'s assets we purchased recently for \$2.5 million USD. The net present value (discounted 10%) of the 3% GORR exceeds that of our 10% working interest in the Northern Block. On the basis of this reserve report, Andora is the dominant player in the combined Sawn Lake heavy oil pool holding 70% of the combined probable reserves."

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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