

PAN ORIENT ENERGY CORP.

(Listed on the TSX Venture Exchange - Symbol "POE" – 45,568,366 common shares issued)

Press Release

Pan Orient Reports Third Quarter Income of \$9.1 Million

November 21, 2008

Pan Orient Energy Corp. is pleased to provide highlights of its third quarter results in conjunction with the Company's 2008 3rd quarter financial statements and associated management's discussion and analysis which can be found online at www.sedar.com.

HIGHLIGHTS

- Third quarter of 2008 oil revenues increased to \$43.2 million, up 22% from Q2. Oil revenues have increased over tenfold from 2007 levels.
- Q3 2008 net income of \$9.1 million, representing Pan Orient's highest quarterly income in its history.
- September 30, 2008 positive working capital of \$37.7 million along with zero debt.
- \$17.4 million of funds flow from operations in Q3 2008, representing cash flow from operating activities, up from \$10.9 million in Q2 2008.
- Q3 2008 Thailand oil production averaged 7,152 bbl/d gross (4,291 bbl/d net to Pan Orient), despite downtime relating to producing wells being shut-in during the drilling of adjacent development wells from the same surface pad. October 2008 production averaged greater than 11,000 bbl/d gross (6,600 bbl/d net).
- Pan Orient reaffirms its targeted 2008 exit rate of 15,000 bbl/d gross (9,000 bbl/d net to Pan Orient).

Selected Quarterly Information

	2008				2007			2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(\$000s unless indicated)</i>								
Revenues								
Oil - Thailand	43,241	35,486	32,498	15,435	4,214	2,812	1,573	431
Royalties - Thailand	(2,808)	(2,349)	(2,254)	(931)	(242)	(265)	(119)	(52)
Interest - Canada	209	93	265	234	118	98	125	206
	40,642	33,230	30,509	14,738	4,090	2,645	1,579	585
Expenses								
Stock-based compensation	214	446	296	1,487	235	237	642	518
General & administrative	1,777	1,378	885	1,086	764	764	550	711
Foreign venture expenditures	619	-	-	-	-	-	40	126
DD&A	5,000	2,955	3,086	1,185	1,566	1,164	790	444
Operating & transportation	1,939	2,066	1,686	1,065	411	866	546	535
Non-controlling interest	(104)	(149)	12	457	(23)	4	(128)	(29)
Foreign exchange (gain) loss	(931)	696	(205)	(473)	1,079	807	(88)	(201)
Current income tax	11,041	8,262	6,360	4,646	-	-	-	-
SRB	8,196	9,601	11,335	-	-	-	-	-
Future income tax increase (reduction)	3,833	(483)	3,631	(1,414)	(28)	40	(70)	(1,072)
	31,584	24,772	27,086	8,039	4,004	3,882	2,282	1,032
Net income (loss)	9,058	8,458	3,423	6,699	86	(1,239)	(703)	(447)
Per share basic (\$)	0.20	0.19	0.08	0.15	0.00	(0.03)	(0.02)	(0.01)
Per share diluted (\$)	0.19	0.17	0.07	0.14	0.00	(0.03)	(0.02)	(0.01)
Average production, net (bbl/d)	4,291	3,894	4,604	2,320	722	501	344	118
Capital expenditures ⁽¹⁾	13,627	6,686	3,581	6,524	9,035	5,277	1,390	4,250
Funds flow from operations ⁽²⁾	17,366	10,947	10,612	7,942	2,455	1,014	442	(786)
Shares outstanding (000s)	45,650	45,770	45,247	45,218	41,635	40,135	40,057	40,057
⁽¹⁾	<i>Not including acquisition of Indonesian companies.</i>							
⁽²⁾	<i>Refer to "non-GAAP Measures" for calculation</i>							

Production and Corporate Netback

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2008	2007	2008	2007
Oil revenue (\$000s)	43,241	4,214	111,225	8,598
Average daily production (bbls/d)	4,291	722	4,263	524
Operating netback (\$)				
Realized oil price	109.54	63.44	95.22	60.14
Royalties	(7.11)	(3.64)	(6.34)	(4.38)
Operating expenses	(2.30)	(3.70)	(2.31)	(10.25)
Transportation expenses	(2.61)	(2.49)	(2.56)	(2.50)
Total operating netback	97.52	53.61	84.01	43.28
Interest income	0.53	1.77	0.49	2.38
General & administrative expenses	(4.50)	(11.50)	(3.46)	(14.54)
Foreign new venture expenditures	(1.57)	-	(0.53)	-
Realized foreign exchange	0.75	(6.93)	(0.27)	(3.22)
Special Remuneratory Benefit	(20.76)	-	(24.94)	-
Income tax	(27.97)	-	(21.97)	-
Total corporate netback	44.00	36.95	33.33	27.90

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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