

PAN ORIENT ENERGY CORP.

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

Press Release

THAILAND OPERATIONS UPDATE

January 6, 2009

THAILAND

NSE-E2 appraisal well (60-per-cent working interest and operator)

The NSE-E2 appraisal well, targeting potential volcanic reservoirs approximately 365 meters south east of the NSE-E1 discovery well, failed to encounter the main volcanic objective, which had been faulted out at this location, but encountered a deeper oil stained volcanic target approximately 25 meters thick. Testing of this deeper potential volcanic reservoir is anticipated to commence shortly.

NSE-D2ST1 appraisal well (60-per-cent working interest and operator)

The original NSE-D2 appraisal well encountered the top of the main volcanic reservoir at a depth of 754 meters true vertical depth (TVD) approximately 330 meters north of the NSE-D1 location. Approximately 34 meters of highly fractured volcanic reservoir was drilled with mud losses of approximately 1,200 barrels. The well was put on test, flowing mainly gas with some oil, suggesting close proximity to an interpreted gas/oil contact. A first side track (NSE-D2ST1) encountered the main volcanic reservoir approximately 30 meters structurally lower than in the original well bore and was believed to be below the gas/oil contact. Severe losses were encountered indicating good fractured reservoir is present. Subsequent testing confirmed that the volcanic reservoir encountered at NSE-D2ST1 is also above the gas/oil contact. A second sidetrack, NSE-D2ST2, is about to commence drilling in the next few days after the rig has been moved on location from the NSE-E2 well pad, once again targeting a deeper oil leg in the reservoir.

L44-V appraisal well (60-per-cent working interest and operator)

The L44-V appraisal well was drilled from a surface location approximately 1.3 kilometers south west of the Bo Rang-1 gas discovery. L44-V targeted a potential down dip oil leg within a volcanic reservoir that tested 5.5MMcfd at the structurally higher Bo Rang-1 well, which was drilled by an earlier operator of the L44 concession area. The main volcanic objective was encountered at a true vertical depth (TVD) of approximately 720 meters and penetrated an approximately 55 meter thick volcanic section that had oil shows and very high mud gas spikes of up to 33%, exhibiting both heavy (C5) and light (C1) hydrocarbons. A shallower secondary volcanic objective was also encountered at a depth of approximately 500 meters TVD with mud losses while drilling of approximately 100 bbls in combination with a minor gas kick. Testing of

the lower and possibly the upper volcanic targets is anticipated to commence shortly. Upon completion, results will be announced.

L44-CD1 appraisal well (60-per-cent working interest and operator)

L44-CD1, located approximately 1.15 kms north of the POE-6 fault compartment sandstone discovery well, will attempt to establish oil production from a volcanic reservoir that underlies the shallower oil producing sandstone reservoirs in the Wichain Buri and POE-6 oilfield areas. These areas are approximately 15 kms northwest of existing volcanic reservoir production at Na Sanun East. The well will be targeting the main volcanic reservoir at a subsurface location 370 meters due west and approximately 200 meters up dip of the previously drilled L44-C vertical well that encountered oil and gas shows in the main volcanic target, but tested water. Drilling is anticipated to commence shortly, once the rig has completed moving from the L44-V location.

Thailand Production

Thailand production exited 2007 at 13,446 bopd gross (8,067 bopd net to Pan Orient). This is below the year end 2008 exit target of 15,000 bopd (gross), 9,000 bopd (net), due mainly to NSE-D2ST1 once again encountering the gas cap, and a year end focus on potential new reserves drilling at NSE-E2 and Bo Rang (L44-V) as opposed to further NSE central development drilling. At year end, two wells awaited testing (NSE-E2 and L44-V), that in the success case would result in incremental production. The year end exit production rate of 8,067 bopd, net to Pan Orient, was an increase of 3,657 bopd, or 83%, over the 2007 exit rate of 4,410 bopd. The Company continues to focus on production growth in combination with establishing new reserves that would enable production to be maintained and grow through 2009.

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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