



PAN ORIENT ENERGY CORP.

Press Release

OPERATIONS UPDATE

CALGARY, April 17, 2012

THAILAND OPERATIONS

Concession L53 (Pan Orient 100% working interest and operator)

L53-DST3 (L53-D East Field) Exploration well

Pan Orient is pleased to announce that the L53-DST3 exploration well is now testing at approximately 400 barrels per day (BOPD) of 36 degree API oil from 3.4 meters of perforations at a depth of 1,556 meters measured depth ("MD"), 1,179 meters true vertical depth ("TVD) with a water cut of approximately 25% in a previously untested sandstone zone located below the two earlier perforated sandstone zones which were producing at a rate of approximately 540 BOPD with a water cut of approximately 60% prior to being cemented. At this time it is unknown if the water originated from the lowermost of the two perforated sandstone zones that was 15 meters below the base of the uppermost sandstone zone. This will be determined by testing prior to the expiry of the 90 day test period along with testing of a number of other intervals. The end of the 90 day production test period will occur in approximately 37 days. The L53-DST3 well produced 39,656 barrels of oil during the first quarter of 2012.

L53-D2 (L53-D East Field) Exploration Well

Pan Orient is pleased to announce that oil has been tested oil at commercial rates from five separate sandstones reservoirs as summarized below:

<u>Perforations (meters MD)</u>	<u>Rate at end of test (BOPD)</u>	<u>Oil Quality (API)</u>	<u>Water at end of test (%)</u>
957-965	158	16.3	2.5
1,040.6-1,045.6	340	18.4	38.0
1,075.3-1,087.6+ 1,109.7-1,117.7	512	25.3	16.0
1,109.7-1,117.7+ 1,119.8-1,126.2	543	24.6	10.1
1,109.7-1,117.7+ 1,119.8-1,126.2+ 1,149.4-1,154.8	929	26.6	21.3

Two additional intervals (823.2-817.3/811.4-814.6 meters MD and 861-868 meters MD) recovered only formation water and the two other tested interval (811-814/817.3-823 and 917-934.9 meters MD) recovered heavy 13.8 and 16.3 degree API oil respectively at sub-commercial rates. The deep sandstone productive intervals encountered in the L53-DST3 well were not penetrated in this well as it was not drilled deep enough.

This L53-D2 well contributed 40,917 barrels of oil production in the first quarter of 2012. The well is currently shut-in and the site is being prepared for the drilling of L53-D2ST1 in approximately 14 days.

Summary

Overall, we are encouraged with these initial test results from the L53-D East field. Based on a preliminary analysis, we are seeing a trend of decreasing oil gravity from deep to shallow and in some cases increasing water cuts at an early stage, suggesting strong aquifer support. Preliminary results suggest the greater potential appears to be in the deeper sands which have only been penetrated in the L53-DST3 well. This information is now being incorporated into the field development plan.

It is anticipated that L53-D2ST1 will commence drilling within the next 14 days, sidetracking off of the L53-D2 wellbore and targeting deeper potential sandstone reservoirs in an adjacent unproven fault compartment west of the now proven oil bearing compartment.

A third party contingent resource report incorporating the test data to March 31, 2012 is anticipated to be completed within the next 10 days. Upon receipt of this report, an application for a production license over the L53-D East oil field discovery will be submitted with approval expected within a 90 day period from submission.

A 3D seismic survey is currently underway in Concession L53 to the northeast of the existing 3D seismic coverage and is anticipated to be completed in May, with possible exploration wells drilled on the basis of this 3D seismic by year-end 2012.

Concessions L44, L33 and SW1 (Pan Orient 60% working interest and operator)

L44VD1ST2 Appraisal Well

The L44VD1ST2 appraisal well was drilled into the Bo Rang "A2" volcanic objective and encountered no drilling fluid losses, suggesting a relatively tight reservoir. Oil is being produced at low rates on an intermittent basis.

L44-R2ST2 Exploration well

The L44-R2ST2 exploration well was drilled to test the potential of two volcanic intervals below the proven oil bearing uppermost volcanic zone. Both target zones initially flowed oil on test but quickly went to a 100% water cut.

POE-3A Appraisal Well

The POE-3A appraisal well was to horizontally intersect the main "F" sand reservoir of the Wichian Buri field down flank. The sands encountered appear to be depleted and the well was unsuccessful. The results of this well were incorporated into the year end 2010 reserve report.

NS-4A Exploration Well

The NS-4A exploration was designed to target a volcanic interval below the main volcanic reservoir in the Na Sanun field. Over 3,000 barrels of drilling fluid losses were encountered at the very top of the target interval. Testing is currently underway. In addition, four meters of net oil pay was encountered in a sandstone zone at a depth of 860 meters.

NS-9A Appraisal well

The NS-9A appraisal well is currently drilling ahead at a depth of 150 meters and is targeting the main Na Sanun field volcanic reservoir horizontally. Drilling is anticipated to be completed in the next eight days.

L44-G3 Appraisal Well

The L44-G appraisal well was designed to target one proven volcanic reservoir and one deeper unproven potential volcanic reservoir within the NSE North field. The deeper unproven volcanic proved to be tight upon test and the upper volcanic zone which exhibited good oil and gas shows while drilling will be perforated and tested when the service rig returns from L53 concession in approximately 10 days.

Thailand Production

Thailand production averaged 2,725 BOPD in the month of March, of which 1,702 BOPD was produced from Concession L53 and a combined 1,023 BOPD from Concessions L44, L33 and SW1. Production in the first quarter of 2012 averaged 2,541 BOPD. Production in the second quarter will be heavily impacted by the exact timing of the approval of the L53 -D East field production license and environmental approval for the drilling of additional wells. Attempts will be made to mitigate this impact by sidetracking off of the L53-D2 and L53-DST3 wells when they reach the end of their 90 day test periods. This will allow an additional 90 test period from the new sidetrack well.

INDONESIA OPERATIONS

Citarum PSC (Pan Orient 77% working interest and operator)

Jatayu-1 Exploration Well

The Jatayu-1 exploration well commenced drilling on February 15, 2011. The well is currently drilling ahead at a depth of 1,183 meters TVD towards a limestone reservoir objective estimated at 2,200 meters depth TVD. The upper 800 meters of the well penetrated a very thick volcanic clastic section resulting in very low penetration rates. Drilling is anticipated to be completed within the next 21 days.

Upon the completion of drilling at the Jatayu-1 well, the rig will, dependent on weather conditions, mobilize back to the Cataka prospect and then to the Geulis prospect. Should the heavy rains currently being experienced continue, the rig will mobilize to the Geulis prospect and then to the Cataka prospect.

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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