

PAN ORIENT ENERGY CORP.

(Listed on the TSX Venture Exchange - Symbol "POE" – 41,634,842 common shares issued)

Press Release

THAILAND: NS8-D1 FLOWS AT 1,480 BOPD

October 18, 2007

NS8-D1 Development Well (60% WI & Operator)

Pan Orient Energy Corp.'s recently drilled Na Sanun East ("NSE") oil field development well NS8-D1 is on production at a rate of 1,480 barrels of oil per day ("bopd") of 35 degree API crude. There is an additional average 7% drilling mud content that is decreasing (currently 3.8%) as the well continues to clean up and unload some of the 3,262 barrels of drilling mud lost into the target volcanic reservoir during drilling operations. The well is free flowing on choke settings of 25/64 inch on the annulus and 48/64 inch on the tubing. Flowing casing head pressure is 190 psi and flowing tubing head pressure is 80 psi.

NS8-D1 is a deviated development well, drilled to a true vertical depth ("TVD") of 886 meters, within the southern fault compartment of the NSE oil field between the POE-9 and NS3-D1 wells. The target volcanic reservoir was encountered at a depth of approximately 859 meters TVD penetrating approximately 31 meters (measured thickness) of reservoir section prior to the termination of drilling due to the severity of drilling mud losses into this extremely fractured and permeable volcanic reservoir.

These test results demonstrate high deliverability within the southern fault compartment that is similar to that encountered at L44-H, located in the central fault compartment. These results also validate the current seismic interpretation correlating 3D seismic attributes with volcanic reservoir quality.

NS2-D1 Development Well (60% WI & Operator)

Well NS2-D1 was a deviated development well that was drilled to 865 meters TVD and is 452 meters north of the NS8-D1 well detailed above. The target volcanic reservoir was encountered at an approximate depth of 807 meters TVD at what is mapped on seismic as near the structurally highest point of the southern fault compartment. Severe lost circulation was encountered while drilling through the approximately 78 meters (measured thickness) of target volcanic reservoir with mud losses totaling approximately 7,690 bbls at rates of 120 to 300 bbls/hr.

Testing is anticipated to commence within the next 48 hours with results anticipated within 7 days.

L44G-D1 Appraisal Well (60% WI & Operator)

NSE oil field appraisal well L44G-D1 is on production from perforations between 558 to 621 meters TVD at an average rate of approximately 50 bopd of 37 degree API crude after initial flush production at rates of 100-200 bopd. These early stage results represent the first oil production from the north fault compartment of the NSE field.

L44G-D1 is a deviated appraisal well that encountered multiple potential volcanic reservoirs, two of which have been proven oil bearing and the remainder tight at this location, with low permeability. These test results confirm the hydrocarbon potential of a fairway that is a minimum 7.5 kilometers in length (north-south) and whose maximum extent is still unconstrained by a defined oil/water contact to the north and south as well as to the east. This well was drilled on pre-existing 2D seismic, whereas future follow-up drilling in the northern fault compartment will be targeted on the basis of a recently acquired 3D seismic survey.

NS5-D1 Appraisal Well (60% WI & Operator)

The Aztec #14 is currently rigging up on deviated appraisal well NS5-D1, located within the central fault compartment of the NSE structural closure, 400 meters south of L44-H. Drilling is anticipated to commence in 48 hours and take 14 to 21 days to completion. This will be the second well drilled into NSE's central fault compartment.

NS6-D1 Development Well (60% WI & Operator)

The Aztec #7 rig is currently setting surface casing on deviated development well NS6-D1, located within the south fault compartment of the NSE structural closure approximately 430 meters north of the original POE-9 discovery well. Drilling is anticipated to take 14 to 21 days to completion.

Summary

Thailand production continues to increase at rates beyond management's original expectations. Current concession gross production of approximately 4,000 bopd (2,400 bopd net to Pan Orient) exceeds the Company's original 2007 exit target of 2,000 bopd net. At least 6 more development and appraisal wells will be drilled prior to year end, in addition to the NS2-D1 well which is about to start testing. A review of the requirement for a third drilling rig will be undertaken by the partnership over the next two months.

On Pan Orient's 100% owned, onshore Thailand L53 concession, a large 3D seismic program is now complete over this highly prospective acreage. Management expects a multi-well drilling program to commence in Q2 2008.

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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