

PAN ORIENT ENERGY CORP.

(Listed on the TSX Venture Exchange - Symbol "POE" – 27,273,165 common shares issued)

Press Release

PAN ORIENT ENERGY PROVIDES UPDATE ON THE TIGER PETROLEUM ACQUISITION

October 31, 2005

Calgary, Alberta –Further to its news release of October 21, 2005, Pan Orient Energy Corp. ("**Pan Orient**") is pleased to provide an update on the status and impact of the successful take over of Tiger Petroleum Inc. ("Tiger"). Since holders of 92% of Tiger Petroleum Inc. ("Tiger") shares tendered to Pan-Orient's offer, Pan Orient intends to acquire the remaining 8% of Tiger's shares pursuant to compulsory acquisition provisions contained in the *Quebec Companies Act*. The compulsory acquisition process is expected to take approximately 30 days

Pan Orient is pleased to announce that, after giving effect to completion of the Tiger acquisition and based on Tiger's December 31, 2004 reserve report, Pan Orient's net asset value ("NAV") is approximately \$3.52 per share based on the future revenue attributable to 9.06 million barrels of proved plus probable reserves, discounted at 10% after tax, in addition to working capital. Based on the \$1.86 per share closing price of Pan Orient common shares on October 20, 2005, the date on which the Tiger shares were taken up under the offer, Pan Orient paid \$13.80 per net proven barrel acquired, and \$0.93 per net proven and probable barrel acquired.

Commenting on the deal Jeff Chisholm, President and CEO of Pan Orient, said "We are very pleased to have acquired such a substantial operated reserve position within our region of focus. The Tiger acquisition falls directly within Pan Orient's first phase growth objective of pursuing low cost, oil prone, shallow onshore exploration and development opportunities within Asia. We believe that development of our newly acquired Thailand acreage, combined with its significant exploration potential, will provide excellent returns for our shareholders for many years to come. Pan Orient currently has approximately \$8.5 million in available working capital, a strong financial base from which to explore and develop our newly acquired Thailand assets and our existing Canadian assets and to continue new ventures activities in the Asia region, specifically focused on Thailand, China, India and Indonesia.

2005 and 2006 Programs

Thailand

Pan Orient anticipates an aggressive exploration and development program to proceed in the remainder of 2005 and into 2006 on our newly acquired Thailand acreage. The program will include a \$3.5 million USD (gross) 300 square km high resolution 3D

seismic survey and an initial 10-15 well drilling program with an expected gross cost of approximately \$300,000 USD per well. Initial production is anticipated at 150 barrels per day per well. The focus of the proposed initial drilling program will be to substantially increase existing production as well as to move 8.45 million barrels of probable reserves and 32.59 million barrels of possible reserves into proven and probable categories. The completion of this program will lay the foundation for a comprehensive, concession-wide development plan for the remainder of 2006.

Canada

Operations on the Sawn Lake property are currently in progress with the first vertical test well fully cored through the Blue Sky target interval. The drilling of a 650 meter horizontal leg is complete, with pump installation and test production anticipated by the middle of November, 2005.

Reserves

SUMMARY OF CRUDE RESERVES AS OF JANUARY 1, 2005, AS PROVIDED BY GAFFNEY CLINE AND ASSOCIATES

Marketable Reserves L44/43 Thailand	Company Gross (mdbl)	Company Net (mdbl)
Proved Producing	193	183
<u>Proved undeveloped</u>	<u>448</u>	<u>426</u>
Total Proved	641	609
<u>Probable</u>	<u>9,027</u>	<u>8,452</u>
Total Proved plus Probable	9,668	9,061
<u>Possible (1) (2)</u>	<u>34,312</u>	<u>32,596</u>
<u>Total Proved plus Probable plus Possible</u>	<u>43,980</u>	<u>41,657</u>

SUMMARY OF NET PRESENT VALUES AS OF JANUARY 1, 2005, AS PROVIDED BY GAFFNEY CLINE AND ASSOCIATES

Present values after income taxes-\$thousands (3)	Undisc.	10%	15%
Proved producing	2,211	1,727	1,567
<u>Proved undeveloped</u>	<u>6,081</u>	<u>4,021</u>	<u>3,349</u>
Total Proved	8,292	5,749	4,916
<u>Probable</u>	<u>131,862</u>	<u>89,529</u>	<u>75,853</u>
<u>Total proved plus probable</u>	<u>140,155</u>	<u>95,278</u>	<u>80,769</u>

Notes:

- (1) Based on Gaffney Cline and Associates reserve report dated May, 2004
- (2) Includes 22,553 mdbl gross attributed to concession L44/43 and 11,759 mdbl gross attributed to concession L33/44
- (3) Proven and Probable reserves value was assessed at escalated forecast prices:
 - o 2005: \$26.78 USD/bbl
 - o 2006: \$25.70 USD/bbl
 - o 2007: +3% per annum

Net Asset Value

A net asset value table has been compiled using the following assumptions:

- 27.7 million shares outstanding, following 100% of the Tiger shares being acquired, 30.0 million shares outstanding on a diluted basis
- Total working capital of \$8.5 million
- \$1.8 million to be received for in-the-money options assumed to be exercised
- No value attributed to Sawn Lake interest, Thailand possible reserves or net landholdings

NET ASSET VALUES BEFORE INCOME TAXES

Per diluted share amounts	Undisc	10%	15%
Proved plus probable NAV	\$9.25	\$6.02	\$5.02

NET ASSET VALUES AFTER INCOME TAXES

Per diluted share amounts	Undisc	10%	15%
Proved plus probable NAV	\$5.02	\$3.52	\$3.04

Thailand Onshore Block L44/43 (60% WI & Operator)

The L44/43 concession consists of 1 million onshore acres located approximately 280 kilometers north of Bangkok, Thailand and 184 kilometers southeast of the 372 million recoverable boe (240 million bbls liquids + 795 Bcf gas) Sirikit oilfield discovered by Shell in 1981. Maximum initial test rates on the L44/33 block have varied from 1,375 bopd over a fractured volcanic interval to 450 barrels per day from Miocene sandstones with productive intervals located at depths of 600 to 1,000 meters. Production on the concession is currently 150 barrels per day gross (90 barrels per day net) from 9 wells in two separate accumulations.

Between 1988 and 2004, nine exploration wells were drilled in the concession resulting in a 44% exploration success rate (3 oil and 1 gas). Hydrocarbons were recovered at surface on test from two additional wells. All exploration wells were drilled on the basis of a loose grid of variable quality 2D seismic data in a region of highly complex faulting. Pan Orient believes modern 3D seismic will be key to defining future new discoveries and existing field development success, and as such has initiated the required environmental impact assessment process and begun negotiations with seismic contractors for a proposed 300 square km 3D seismic program.

A Gaffney Cline and Associates reserves report dated May, 2004 included an estimate of prospective resources (over and above the 32.2 million proved+probable+possible reserves) ranging from a low case of 0.9MM bbls to a high case of 11.6MM bbls recoverable. The prospective resource estimate does not assign any estimates to the exploration potential of the numerous fractured volcanic intervals that are present over a large portion of the L44/43 concession. Pan Orient believes the potential of the fractured volcanics to be significant based on the volcanic reservoir intervals that flowed 1,375 bbls per day of oil and 5.5MMcf/d of gas from two wells located on the concession and an analog to the onshore West Java, Indonesia, Jatiberang oil field (161 MMbbls oil recoverable) that produces mainly from a fractured volcanic reservoir.

Strategic Exploration (Asia) Limited ("SEAL"), a subsidiary of Carnarvon Petroleum Limited ("Carnarvon") and the non-operating joint venture partner of the Tiger subsidiary, Pacific Tiger Energy (Thailand) Ltd., takes the position that on August 23, 2004 it notified PTET that it was in default under the Joint Operating Agreement ("JOA") for underfunding joint venture expenses in the amount of \$68,877.03. By letter of November 29, 2004, SEAL purported to exercise an option, pursuant to the JOA to require PTET to completely withdraw from the JOA and farm-in agreement. Tiger and Pan Orient's position is that the letter of August 23, 2004 was an improper default notice and in any event, the amount with respect to the default had been paid by the time a proper default notice had been given by SEAL. Pan Orient's management is confident that this issue will be resolved amicably, on an equitable commercial basis. We expect no impact on planned operations or to Pan Orient's L44/43 reserves.

Thailand Onshore Block L33/43 (100% WI & Operator)

Concession L33/43 is located immediately adjacent and north of the L44/43 concession described above and also comprises an area of 1 million acres (4,999 square km) of low relief, mainly agricultural land. In 1990 one exploration well was drilled on the basis of poor quality 2D seismic data encountering oil shows while drilling.

Commitments on L33/43 include seismic data reprocessing currently underway in Calgary, Canada, and the drilling of two wells, anticipated to spud in mid to late 2006.

The May 2004 Gaffney Cline reserves report estimates possible recoverable reserves of 11.8 MMbbls in the L33/43 concession.

In legal proceedings related to those discussed above, SEAL is seeking to be recognized as the holder of a 40% interest in exploration Block L33/43. Tiger and Pan Orient's position on this issue is that in the absence of any document granting SEAL this right, SEAL is not entitled to a 40% interest in L33/43. Pan Orient's management is confident that this issue can be resolved amicably, on an equitable commercial basis. We expect no impact on planned operations.

Thailand Onshore Block L53/48 (100% WI - New Application)

On September 15, 2005 Pan Orient submitted an application to the Thailand Department of Mineral Fuels (DMF) for the 1 million acre L53/48 onshore concession on a 100% working interest basis. L53/48 is located approximately 60 kilometers west of Bangkok and surrounds the 2 kilometer exclusion area of the 1 well Kamphaeng Saen oilfield that has produced a cumulative 0.3MM bbls to date. Management anticipates notification of the results of an initial application review by the DMF within the next 3 weeks.

Canada Sawn Lake Heavy Oil Project (10% WI & Non Operator)

Pan Orient holds a 10% working interest in 63 sections of heavy oil sands leases in the Sawn Lake area of Northern Alberta (Sawn Lake). A recent geological evaluation of the property, completed by AJM Petroleum Consultants ("AJM"), credits the Sawn Lake property with up to 1.2 Billion barrels of 10 API oil-in-place with an estimated recoverable resource of 9.6MM bbls net to Pan Orient, assuming an 8% recovery factor. Recovery

factors in an analog field to south are estimated to be higher, approximately 14% on primary and 30% with steam. The primary risk factor is whether the oil is of low enough viscosity to flow through conventional "cold flow" pumping methods.

SUMMARY OF NET PRESENT VALUE PER BARREL OF POTENTIAL RESOURCE BEFORE TAX DISCOUNTED AT 10% PER YEAR

<u>Initial rate per well (bbls/day)</u>	<u>100</u>	<u>300</u>
Net Present Value (10%) \$ per recoverable barrel	\$4.92	\$11.55

(Note: Assumes a phase I & II combined 74 well program exploiting approx. 25% of the potentially recoverable resource)

Product prices for the project were based on the AJM 2004 Hardisty Heavy oil price forecast with a price differential of \$5.00/bbl (approximately \$30 CDN net per barrel on average). Current equivalent prices are approximately \$45 CDN net per barrel, approximately 50% greater than AJM forecast prices.

Excerpts from the reserves reports from Gaffney Cline and Associates dated December 31, 2004 and May 2004 with respect to the Tiger Petroleum Thailand assets and the geological report from AMJ Petroleum Consultants with respect to the Sawn Lake heavy oil project in north central Alberta, Canada, can be found online at www.sedar.com.

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. This news release may contain forward-looking information. Actual future results may differ materially from those contemplated.

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FOR FURTHER INFORMATION, PLEASE CONTACT:

Pan Orient Energy Corp.
Jeff Chisholm, President and CEO
- or -
Jason Bednar, Vice President Finance and CFO
Telephone: (403) 294-1770