



PAN ORIENT ENERGY CORP.

Press Release

Thailand Estimate of Contingent & Prospective Resources and Operations Update

CALGARY, November 2, 2010

Pan Orient Energy Corp. ("Pan Orient") (POE – TSXV) is pleased to provide the results of an NI 51-101 compliant estimate of contingent and prospective resources related to the applications for two production licenses encompassing recent crude oil discoveries at the Wichian Buri Extension Field ("WBEXT") in Concession L44/43 and the L33-1 / L33-2 fields in Concession L33/43, and to provide an update on the operations in Thailand. Please note that BOPD refers to barrels of oil per day net to Pan Orient.

Highlights

Contingent resources assigned to the WBV1 and WBV2 volcanic reservoirs and the F sandstone reservoir in Concessions L44 and L33 net to Pan Orient's 60% operated working interest:

- Low estimate "1C" of contingent resources at 2.9 million barrels recoverable
- Best estimate "2C" of contingent resources at 15.4 million barrels recoverable
- High estimate "3C" of contingent resources at 34.6 million barrels recoverable

Prospective resources assigned to the WBV1 and WBV2 volcanic reservoirs in Concessions L44 and L33 net to Pan Orient's 60% operated working interest:

- Low estimate of prospective resources at 0.7 million barrels recoverable
- Best estimate of prospective resources at 6.7 million barrels recoverable
- High estimate of prospective resources at 18.8 million barrels recoverable

The estimates of contingent and prospective resources have been conducted by Gaffney Cline & Associates-Singapore ("GCA") and have been prepared as part of two production license area applications submitted to the Thailand Department of Mineral Fuels ("DMF") incorporating drilling results and production data to October 28, 2010.

Contingent resource volumes estimated in these GCA reports are contingent on Pan Orient receiving approval for the two production license area applications as submitted to the DMF. Pan Orient has no reason to believe these two production license applications will not be approved by the DMF and anticipates each production license application to be approved within approximately 90 days from the date of submission.

The extent of the crude oil accumulations in the reservoirs set out in these estimates of contingent and prospective resources, and associated production levels, will not be known until after additional appraisal drilling, production testing, defining the oil / water contacts and the oil / gas contacts.

The full extent of the conversion of GCA's estimates of contingent and prospective resources provided here, into reserves will be dependent mainly upon: 1) the approval of the two proposed production licenses by the DMF, and 2) the results of further drilling and production performance at the WBEXT, L33-1, and L33-2 crude oil accumulations between now and year-end 2010.

In the GCA contingent and prospective resource evaluation for the WBEXT field, no resources of any classification were assigned to what are interpreted to be material portions of the WBEXT fault compartments at the WBV1 and WBV2 volcanic reservoir levels that extend into Concession L33 as these were beyond the scope of the current production license area applications. No well has been drilled to date on WBEXT field fault compartments extensions into Concession L33, and under DMF regulations the application for a production license over these areas in Concession L33 is not permitted until such a well has been drilled. Drilling pad WBEXT-4 is currently under construction approximately 300 meters south of the boundary between Concession L44 and Concession L33 from which a number of wells are proposed for late 2010 or early 2011 to test the WBV1 and WBV2 volcanic reservoirs at a subsurface target location within Concession L33.

The Company is expecting that for the 2010 year-end reserve evaluation, reserve additions from the recent field discoveries at WBEXT, L33-1, and L33-2, plus the addition of reserve volumes in Concession L53, will more than offset the expected negative reserve reclassifications or revisions of proved and probable crude oil reserves at the NSE-F1 and NSE Central fields.

Contingent & Prospective Resource Estimates for WBEXT Field in Concession L44 (POE 60% Working Interest and Operator)

Oil production may be sold from wells in Concession L44 under a 90 day production test approval before a new production license is granted since there has been previous commercial production to date from this concession, and a point of sale within Concession L44 has been established previously by a production license. At the end of this 90 day test period, the well must be shut in until a production license is granted by the Government of Thailand.

Statement of Crude Oil Contingent Resource Volumes
 Wichian Buri Extension (WBEXT) Discoveries, Onshore Thailand L44/43 Concession Area
 Attributable to the Proposed 18.5 km² Production License
 As of September 30, 2010 provided by Gaffney, Cline & Associates
 Pan Orient 60% (MMSTB)

	Low Estimate "1C"	Best Estimate "2C"	High Estimate "3C"
F Sand Reservoir	0.68	2.21	5.42
WBV1 Volcanic Reservoir	1.88	9.51	14.41
WBV2 Volcanic Reservoir	0.14	1.33	3.06
Proposed 18.5 km ² Production License	2.71	13.06	22.88
1 Volumes reflect 60% working interest of Pan Orient Energy Corp. in the L44/43 Concession. 2 Contingent Resources are sub-classified under the "Development Pending" category of project maturity. 3 Resources are contingent on Pan Orient receiving the proposed 18.5 km ² production license. 4 Volumes are for the proposed production license only and exclude potential Contingent Resources in L33/43. 5 Volumes include royalties due to other parties. 6 Totals may not sum precisely due to rounding.			

Summary of After Tax NPV - Contingent Resources
 Wichian Buri Extension (WBEXT) Discoveries, Onshore Thailand L44/43 Concession Area
 Attributable to the Proposed 18.5 km² Production License as of September 30, 2010
 Pan Orient 60% (US\$ million)

	0%	5%	10%	15%	20%
Contingent - Low Estimate "1C"	81	71	62	56	51
Contingent - Best Estimate "2C"	338	265	215	179	152
Contingent - High Estimate "3C"	508	388	308	252	211
1 Resources assessed at forecast crude oil reference prices and costs. 2 The reference price for crude oil per barrel (US\$ WTI per barrel) is \$80.00 for 2010, \$83.60 for 2011, \$87.40 for 2012, \$91.30 for 2013, \$95.30 for 2014, \$99.40 for 2015, and prices increase at 2% per year thereafter. 3 Oil revenue for these resources is equal to 89.3% of the forecast crude oil reference price. 4 Future development costs of the proposed production license area for Contingent Resources which have been deducted in calculating the after tax NPV: ▪ Low Estimate - US\$15.4 million with the drilling of 16 gross wells ▪ Best Estimate - US\$19.7 million with the drilling of gross 34 wells ▪ High Estimate - US\$32.3 million with the drilling of gross 43 wells 5 Results are contingent on Pan Orient receiving the proposed 18.5 km ² production license. 6 The engineered values disclosed may not represent fair market value.					

Statement of Crude Oil Prospective Resource Volumes
Wichian Buri Extension (WBEXT) Discoveries, Onshore Thailand L44/43 Concession Area
Attributable to the Proposed 18.5 km² Production License as of September 30, 2010
Pan Orient 60% (MMSTB)

	Low Estimate	Best Estimate	High Estimate
WBV1 Volcanic Reservoir	0.58	5.35	11.59
WBV2 Volcanic Reservoir	0.07	0.30	0.77
Proposed 18.5 km ² Production License	0.64	5.65	12.36
1 Volumes reflect 60% working interest of Pan Orient Energy Corp. in the L44/43 Concession. 2 Prospective Resources are sub-classified under the "Prospect" category of project maturity. 3 The geological chance of success is estimated to be 50%. 4 Volumes are for the proposed production license only and exclude potential Prospective Resources in L33/43. 5 Volumes include royalties due to other parties. 6 Totals may not sum precisely due to rounding. 7 Economics were not prepared for Prospective Resources			

Contingent & Prospective Resource Estimates for the L33-1 / L33-2 Fields in Concession L33 (POE 60% Working Interest and Operator)

Until a production license is approved by the DMF no production may be sold from wells in the L33-1 / L33-2 fields of Concession L33 since there has been no commercial production to date from this concession, and a point of sale within the concession has not been established by a production license. After receipt of a production license, the L33-1 and L33-2 wells will be placed on production, crude produced during the testing period will be sold, and it is anticipated that further appraisal wells will be drilled. The L33-1 and L33-2 production license application was submitted to the DMF in the first week of September 2010.

Statement of Crude Oil Contingent Resource Volumes
L33-1 & L33-2 Discoveries, Onshore Thailand L33/43 Concession Area
As of August 31, 2010 provided by Gaffney, Cline & Associates
Pan Orient 60% (MMSTB)

	Low Estimate "1C"	Best Estimate "2C"	High Estimate "3C"
L33-1 Volcanic Reservoir	0.037	0.170	1.117
L33-2 Volcanic Reservoir	0.107	2.167	10.580
Proposed 12.02 km ² Production License	0.144	2.337	11.698
1 Volumes reflect 60% working interest of Pan Orient Energy Corp. in the L33/43 Concession. 2 Volumes include royalties due to other parties. 3 Contingent Resources are sub-classified under the "Development Pending" category of project maturity. 4 Resources are contingent on Pan Orient receiving the proposed 12.02 km ² production license.			

Summary of After Tax NPV - Contingent Resources
L33-1 & L33-2 Discoveries, Onshore Thailand L33/43 Concession Area
Attributable to the Proposed 12.02 km² Production License as of August 31, 2010
Pan Orient 60% (US\$ million)

	0%	5%	10%	15%	20%
Contingent - Low Estimate "1C"	5	5	5	5	4
Contingent - Best Estimate "2C"	71	65	59	55	52
Contingent - High Estimate "3C"	331	251	200	164	139

- 1 Resources assessed at forecast crude oil reference prices and costs.
- 2 The reference price for crude oil per barrel (US\$ WTI per barrel) is \$80.00 for 2011, \$83.60 for 2012, \$87.40 for 2013, \$91.30 for 2014, \$95.30 for 2015, \$99.40 for 2016, and prices increase at 2% per year thereafter.
- 3 Oil revenue for these resources is equal to 89.3% of the forecast crude oil reference price.
- 4 Future development costs of the proposed production license area for Contingent Resources which have been deducted in calculating the after tax NPV:
 - Low Estimate - US\$0.6 million for facilities in 2011
 - Best Estimate - three gross wells in the L33-2 structure with a development cost of US\$2.2 million plus facilities of US\$1.2 million in 2011
 - High Estimate - 12 gross wells with a development cost of US\$9.4 million plus facilities of US\$8.4 million during the period 2011 to 2015
- 5 Results are contingent on Pan Orient receiving the proposed 12.02 km² production license.
- 6 The engineered values disclosed may not represent fair market value.

Statement of Crude Oil Prospective Resource Volumes
L33-1 & L33-2 Discoveries, Onshore Thailand L33/43 Concession Area
Attributable to the Proposed 12.02 km² Production License as of August 31, 2010
Pan Orient 60% (MMSTB)

	Low Estimate	Best Estimate	High Estimate
L33-2 Volcanic Reservoir - Undrilled volcanic structure east of L33-2	0.097	1.057	6.472

- 1 Volumes reflect 60% working interest of Pan Orient Energy Corp. in the L33/43 Concession.
- 2 Volumes include royalties due to other parties.
- 3 Prospective Resources are sub-classified under the "Prospect" category of project maturity.
- 4 Resources are contingent on Pan Orient receiving the proposed 12.02 km² Production License.
- 5 Economics were not prepared for prospective resources

Thailand Operations Update

Concession L44 Wichian Buri Extension Field (Pan Orient 60% Working Interest and Operator)

WBEXT-2/ST1/ST2 Sidetrack Exploration / Appraisal Well (Wichian Buri Extension Field)

The WBEXT-2 well, drilled from the WBEXT-2 pad approximately 1.4 kilometers northwest of the WBEXT-1 pad, encountered the top of the WBV2 target volcanic zone at a true vertical depth of 971 meters, approximately 52 meters high to the top of the WBV2 volcanic zone encountered at the WBEXT-1A well (which flowed at 3,180 BOPD from the WBV2 volcanic reservoir). The WBEXT-2 well is located approximately 1.8 kilometers to the east of the WBEXT-2 well at the top WBV2 volcanic reservoir level. The WBEXT-2 well flowed natural gas at a rate of approximately 1.6 million cubic feet per day through a 1/4" choke and with a flowing bottom hole pressure of 1,331 psia with no water on test as press released on September 28, 2010.

As there is no immediate local market for natural gas, the well was deepened to a depth of 1062 meters true vertical depth ("TVD") in an attempt to drill a potential oil leg below the natural gas and also to determine the thickness of the volcanic zone at this location. In total, approximately 52 meters true vertical thickness of volcanic section was drilled with oil shows from 1008 to 1024 meters TVD (to the base of the volcanic). As no mud losses (an indicator of permeability) were observed while drilling the deepened section, the well was immediately side tracked with no further testing of the original hole.

The first sidetrack encountered the target volcanic zone low and resulted in the immediate drilling of a second sidetrack that encountered the top of the WBV2 at a depth of 1,007 meters TVD (approximately 36 meters low to WBEXT-2 and 16 meters high to WBEXT-1A) and penetrated approximately 15 meters true vertical thickness of potential volcanic reservoir with oil shows and drilling fluid losses of approximately 90 barrels per hour. The well also encountered 50 meters of good oil shows and highly elevated mud gas readings while drilling a shale interval directly overlying the WBV2 volcanic. The bottom 16 meters of this interval has been completed open hole to commingle with the underlying WBV2 volcanic during testing.

Testing of the WBEXT-2ST2 well is expected to commence within the next 12 hours and results will be press released at the conclusion of the test.

WBEXT-2A Exploration Well (Wichian Buri Extension Field)

The WBEXT-2A exploration well, drilling from the same surface pad as the WBEXT-2 well, was drilled to a true vertical depth of 1,121 meters encountering the primary WBV3 objective at 1,072 meters TVD and reached 1,121 meters TVD after drilling 49 meters TVD of WBV3 volcanic. No drilling fluid losses were observed while drilling the WBV3 objective and subsequent testing confirmed the WBV3 at this location to be tight with recovery of no fluid.

The well is currently suspended and will be sidetracked prior to year end in order to evaluate the WBV3 reservoir at a subsurface location interpreted to be highly fractured.

WBEXT-1C Appraisal Well (Wichian Buri Extension Field)

The WBEXT-1C well is the fourth well to be drilled from the WBEXT-1 drill pad and will target the WBV1 volcanic approximately 200 meters north and approximately 40 meters up dip from the WBEXT-1 discovery well. Drilling is anticipated to commence in the next 24 hours and will be completed in approximately 10 days.

The adjacent WBEXT-1 well will be shut-in on November 2, 2010 as required at the completion of its 90 day production test and as outlined in a prior press release. In the event that WBEXT-1C is successfully tested over the WBV1 volcanic zone, the WBV1 volcanic zone of WBEXT-1 will be abandoned and the WBV1 reservoir will be produced from the more ideal location 40 meters up dip at WBEXT-1C. A new 90 day production test application will be made for WBEXT-1 to test two shallow sands that exhibited strong indication of hydrocarbons while drilling.

Thailand Oil Production

Oil production for the third quarter of 2010 averaged 4,211 BOPD. Oil sales in October 2010 averaged 5,200 BOPD and current production is approximately 4,260 BOPD with an additional 2,100 BOPD currently shut in at the L33-1 and L33-2 wells in Concession L33 which are awaiting the award of a production license. The decline in production from approximately 7,700 BOPD to 4,260 BOPD is due almost entirely to early water incursion (coning) observed at the WBEXT-1A well resulting in the well being choked back to approximately 600 BOPD from 3,180 BOPD. While disappointing in the short term, the positive economic impact of the WBEXT-1A well to Pan Orient during the first 32 days of production has been considerable with approximately 103,000 barrels of net oil production resulting in \$6.7 million of revenue net to Pan Orient at a well cost of approximately \$1.6 million (including the sidetrack well). Management remains confident in the overall potential of the WBV2 reservoir within the WBEXT structure.

The impact of the water coning at WBEXT-1A was fully incorporated into the contingent and prospective resource estimates by GCA provided in this press release. To mitigate the possibility of future wells seeing early water breakthrough, or "coning", production from any individual well will be limited to 2,100 BOPD (net to Pan Orient) or less.

Performance of the WBEXT-1 well continues to be exceptional and currently producing at 2,100 BOPD with a water cut of less than 0.5%. The well has cumulative production of over 174,000 barrels (net to Pan Orient) of oil to date.

Considerable uncertainty with regard to the average production level for 2010 remains, related mainly to: 1) appraisal drilling results from the WBEXT field volcanic reservoirs and overlying sandstone reservoirs, and 2) the timing of DMF approval of the production licenses for L33-1 and L33-2 in Concession L33 and the WBEXT field in Concession L44.

The forecast for 2010 production remains unchanged with an expected average 2010 rate for the year of between 4,200 BOPD and 4,500 BOPD and an exit rate of between 6,500 BOPD and 7,500 BOPD with the assumptions that 1) the L33-1 and L33-2 wells currently shut-in will be on production in December 2010, 2) current production remains generally stable with the WBEXT-1C well (twin of the WBEXT-1 well) successfully completed as an oil well in the WBV1 reservoir at rates comparable to WBEXT-1 well, and 3) that there is additional net production gains from the WBEXT-2ST2 well which is about to test and the six additional wells anticipated to be drilled between now and year end.

Between now and year end, the six remaining wells that are anticipated to be drilled include: a) two appraisal wells at the L33-2 field, b) the WBEXT-1C development well, c) an exploration sidetrack to WBEXT-2A targeting the same WBV3 deep volcanic, and d) two step out appraisal wells at WBEXT-3 targeting multiple undrilled sandstone and volcanic reservoir targets between the Kao Leng-1 well drilled by PetroCorp in the late 1980's that encountered 50 meters of oil stained volcanic but was never tested, and WBEXT-1.

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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