



PAN ORIENT ENERGY CORP.

Press Release

L53-D2 (L53-D EAST) ON PRODUCTION AT 1,015 BOPD

CALGARY, January 23, 2012

THAILAND OPERATIONS

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

L53-D2 (L53-D EAST) Exploration well

Pan Orient is pleased to announce that the L53-D2 exploration well is currently on 90 day production test flowing 27 API degree oil at a rate of 1,015 barrels per day through 17.8 meters of perforations between 1110.8 meters to 1154.7 meters measured depth (860 to 890 meters true vertical depth), within one of six conventional sandstone reservoir intervals interpreted as oil bearing based on oil shows while drilling and open hole log and pressure data analysis.

This rate is constrained by the mechanical limitations of the down hole electrical submersible pump ("ESP") as indicated by a fluid level at approximately 240 meters (pump depth 1,044 meters). The water cut is negligible at approximately one tenth of one percent. This test result marks the highest oil flow rate ever achieved by POE from a conventional sandstone reservoir in Thailand.

As announced on January 9, 2012, the L53-D2 exploration well encountered approximately 65 meters of interpreted net oil pay averaging 20% porosity within six sandstone reservoir intervals between the true vertical depths of 550 to 940 meters. The test results disclosed today represent production from only one of the six conventional sandstones reservoirs that were encountered in the well. Three shallower sandstone intervals (than the currently producing zone) are interpreted as being of comparable thickness and reservoir quality and will be tested in the follow up appraisal well. The drilling of the first appraisal well to this oil discovery will commence drilling immediately on the completion of drilling of the L53-G exploration well, anticipated within the next five days, and take approximately ten to twelve days to reach total depth. Upon completion of the second well, an environmental application will be made for up to 12 additional well locations and a production license. It is anticipated this application process will take approximately 120 days to approval.

L53-G Exploration well

The L53-G exploration well, located approximately 2.7 kilometers southeast and on trend with the L53-A oil field, is currently drilling ahead at a depth of 1,266 meters measured depth (1,125 meters true vertical depth) after open hole logging and setting of casing down to a depth of 1,245 meters (1,104 meters true vertical depth). Within the previously logged section there is a nine meter zone of interest at approximately 876 meters true vertical depth that will be tested immediately on the completion of drilling.

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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