

CALGARY, ALBERTA--(Marketwired - Mar 25, 2015) - [Pan Orient Energy Corp.](#) ("Pan Orient" or the "Company") (TSX VENTURE:POE) announced the results of its December 31, 2014 independent reserves evaluation for Thailand on-shore Concession L53/48 where Pan Orient Energy (Siam) Ltd., a wholly owned subsidiary of Pan Orient at December 31, 2014, is the operator and has a 100% working interest. The evaluation for the Thailand assets as at December 31, 2014 was conducted by Sproule International Limited of Calgary ("Sproule") and was prepared in accordance with Canadian Securities Administrators National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*.

Please note that all amounts are in Canadian dollars unless otherwise stated and BOPD refers to barrels of oil per day. Company gross reserves reported represent the 100% working interest share of production and reserves before deduction of royalties of Pan Orient Energy (Siam) Ltd., which was a wholly owned subsidiary of Pan Orient at December 31, 2014.

Please refer to the Subsequent Event note describing a transaction by Pan Orient which closed on February 2, 2015 for the sale of a 50% equity interest in Pan Orient Energy (Siam) Ltd.

Thailand Reserves Summary at December 31, 2014:

- Thailand Company gross proved plus probable crude oil reserves of 1.2 million barrels at December 31, 2014 from conventional sandstone reservoirs. The change from Company gross proved plus probable oil reserves of 1.5 million barrels at December 31, 2013 reflect the following changes during 2014:
 - oil sales in 2014 of 239,453 (565 BOPD) barrels of oil, with 100,845 (276 BOPD) from the L53G field, 81,467 (223 BOPD) from the L53D field and 57,141 (157 BOPD) from the L53A field
 - a reduction of 104,000 barrels related to downward technical revisions based on production performance and economic factors, net of discoveries
- Net present value (after tax) of Thailand proved plus probable crude oil reserves at December 31, 2014, using forecast prices and costs discounted at 10% per year, of Cdn\$33.1 million. The change in net present value (after tax) of Thailand proved plus probable crude oil reserves from \$56.1 million at December 31, 2013 results primarily from the 23% reduction in proved plus probable crude oil reserves and a \$20.28 decrease in the expected realized oil price per barrel.

Summary of Thailand Crude Oil Reserves as of December 31, 2014, as provided by Sproule

Marketable Reserves - Company Gross (thousands of barrels)	Light and Medium Oil	Heavy Oil	Total
Proved	328	107	435
Probable	615	116	731
Total Proved plus Probable	943	223	1,166

Summary of Thailand Crude Oil Proved plus Probable Reserves as of December 31, 2014, by Major Field as provided by Sproule - Company Gross (thousands of barrels)

Concession	Major Field	Gross Proved	Gross Probable	Gross Proved plus Probable
L53/48	L53A Field	101	255	357
	L53D Field	207	232	439
	L53G Field	127	244	370
		435	731	1,166

Reconciliation of Changes in Thailand Crude Oil Reserves as of December 31, 2014, as provided by Sproule - Company Gross (Light and Medium Oil and Heavy Oil)

(thousands of barrels)	Gross Proved	Gross Probable	Gross Proved plus Probable
December 31, 2013	621	888	1,509
Extensions	-	-	-
Improved Recovery	-	-	-
Technical Revision	22	(225)	(204)
Discoveries	34	69	103
Acquisitions	-	-	-
Dispositions	-	-	-
Economic Factors	(2)	(1)	(3)
Production	(240)	-	(240)
December 31, 2014	435	731	1,166

Summary of Thailand Net Present Values as of December 31, 2014, as provided by Sproule (Before Income Tax)

Present Value - Before Tax (Cdn\$ million)	Undiscounted	5%	10%	15%
Proved	9	9	8	8
Probable	47	43	39	36
Total Proved plus Probable	56	51	47	43

Summary of Thailand Net Present Values as of December 31, 2014, as provided by Sproule (After Income Tax)

Present Value - After Tax (Cdn\$ million)	Undiscounted	5%	10%	15%
Proved	9	9	8	8
Probable	29	27	25	23
Total Proved plus Probable	38	35	33	31
Per Pan Orient share (Note 8)	\$ 0.67	\$ 0.62	\$ 0.58	\$ 0.54

Notes:

- 1) Thailand reserves and values at December 31, 2014 shown represent Pan Orient's 100% ownership of Pan Orient Energy (Siam) Ltd. as at December 31, 2014 (which has a 100% working interest in Concession L53/48). Note that on February 2, 2015 Pan Orient sold a 50% interest in the December 31, 2014 Thailand reserves and values.
- 2) The tables shown have assessed reserves at forecast crude oil reference prices & costs.
- 3) The US\$ reference price for crude oil per barrel (US\$ UK Brent per barrel) is \$68.00 for 2015, \$83.00 for 2016, \$93.00 for 2017, \$94.40 for 2018, \$95.81 for 2019, \$97.25 for 2020 and prices increase at 1.5% per year thereafter.
- 4) Oil revenue for these reserves is based on 87.4% of the forecast crude oil Brent reference price.
- 5) Tables show assessed reserves with a foreign exchange rate of CDN\$1=US\$0.85 for 2015 and CDN\$1=US\$0.87 thereafter.
- 6) The cost inflation rate starting in 2015 is 1.5% per year.
- 7) Estimated future undiscounted development costs, in nominal dollars, at December 31, 2014 were Cdn\$12.8 million for proved reserves and Cdn\$16.7 million for proved plus probable reserves.
- 8) Per share values were calculated based on 56,760,307 Pan Orient shares currently outstanding.
- 9) Net present values before income tax are before deduction of the SRB (Special Remuneratory Benefit tax) in Thailand.
- 10) Net present values after income tax are after deduction of the SRB (Special Remuneratory Benefit tax) and income tax in Thailand.
- 11) Well abandonment and disconnect costs of Cdn\$3.1 million for the proved plus probable case were included in this report. No allowances for reclamation or salvage values were made.
- 12) The net present values disclosed may not represent fair market value.
- 13) Totals may not add exactly due to rounding.

Subsequent Event - February 2, 2015 Sale of 50% Equity Interest in Subsidiary Pan Orient Energy (Siam) Ltd.

- On February 2, 2015 Pan Orient completed a transaction for the sale of a 50% equity interest in Pan Orient Energy (Siam) Ltd. for a cash price of USD \$42.5 million, including a working capital adjustment of USD \$2.4 million. In the transaction, Pan Orient sold its 50% equity interest in the crude oil production, reserves and exploration lands of Concession L53/48.
- Pan Orient Energy (Siam) Ltd. is the operator and 100% working interest owner of Concession L53/48 but effective February 2, 2015 Pan Orient now holds a 50-per-cent equity interest in Pan Orient Energy (Siam) Ltd.
- The December 31, 2014 independent reserves evaluation for Thailand on-shore Concession L53/48 adjusted by 50%, without consideration of the February 2, 2015 transaction date, would result in the following:
 - gross proved plus probable crude oil reserves of 583 thousand barrels (with proved reserves of 218 thousand barrels and probable reserves of 366 thousand barrels)
 - net present value (after tax) of Thailand proved plus probable crude oil reserves at December 31, 2014, using forecast prices and costs discounted at 10% per year of Cdn\$17 million, or \$0.29 per Pan Orient share based on the current 56.8 million Pan Orient shares outstanding

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: estimates of reserves and the net present value of those reserves, anticipated future production performance, estimates of future crude oil reference prices and the percentage of those prices received by Pan Orient, and estimates of development costs, foreign exchange rates, inflation rates, taxes and well abandonment and disconnect costs. 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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