CALGARY, ALBERTA--(Marketwired - Oct 20, 2015) - Pan Orient Energy Corp. (TSX VENTURE:POE)

Batu Gajah PSC, Onshore Sumatra Indonesia (POE 77% & Operator)

The Akeh-1 exploration well has completed the testing of four zones within the primary target Lower Talang Akar sandstone formation utilizing cased hole drill stem test ("DST") procedures.

The average testing rates for DST 4 (5314-5324 ft) over a combined 12 hour and 37 minute flow period utilizing four different choke settings were:

- 6.8MMscfg per day of natural gas (2% CO2)
- 269 barrels per day of API 60.1 degree condensate
- BS&W of 11.6% (emulsion comprised of 97% condensed water (chlorides 3545.3 mg/l), 2% Sediment, and 1% Condensate (API 60.1 degrees)).

A total of 3.7MMscf of natural gas, 142.2 barrels of condensate and 25 barrels of condensed water was produced during the entire test period. There was no appreciable pressure decline observed over the duration of testing. Based on water salinity measurements, it is believed that the water observed during DST 4 is likely derived from water vapor within the gas cap. This will be confirmed through laboratory analysis of down hole gas samples that is currently underway.

The two deepest tests, DST 1 and DST 2, between the gross interval of 5,646 and 5,584 feet, recovered only formation water (chlorides 11,000-12,000 mg/l) while swabbing.

Approximately 5.3 bbls of API 55.2 degree oil, in addition to 109 barrels of formation water (chlorides 11,000 mg/l) and 25 barrels of load fluid was recovered on DST 3 over the interval 5524-5532 ft.

Updated, preliminary seismic mapping utilizing the Akeh-1 well tie and wireline pressure data indicates a maximum area of potential hydrocarbon charge at the top DST-4 sand level of approximately 6.5 km2. 3D seismic mapping also indicates areas within the Batu Gajah PSC Akeh-1 prospect area where the DST-3 sand is approximately 20 meters structurally higher than encountered at the well location.

The next steps will be holding discussions with the Government of Indonesia in relation to having the Akeh structure "Released from Exploration Status". A successful release would allow the commencement of a "Pre-Plan of Development" study to determine the likelihood of the commerciality of the Akeh-1 discovery, which would be followed (if commerciality is deemed likely) by the compilation and submission of a Plan of Development. Pan Orient in its operations and activities in Indonesia is supervised and directed by SKKMigas.

Readers are cautioned that test results are not necessarily indicative of long-term performance or of ultimate recovery.

AKEH-1 DST SUMMARY

DST #1 - Lower Talang Akar Formation. Perforated interval; 5635-5646 ft MDRT

- Total fluid recovery from swabbing operations: 98 bbls, including:
  - 45 bbls diesel cushion (load fluid)
  - 53 bbls of water (chlorides 12,000mg/l pH=7.5)

DST #2 - Lower Talang Akar Formation. Perforated interval; 5584-5591 ft MDRT

- Total fluid recovery from swabbing operations: 94.75 bbls, including:
  - 18 bbls water cushion (load fluid)
  - 76.75 bbls water (chlorides 11,000mg/l pH=7)

DST #3 - Lower Talang Akar Formation. Perforated interval; 5524-5532 ft MDRT

- Total fluid recoveryfrom swabbing operations: 135 bbls, including:
  - 25 bbls water cushion (load fluid)
  - 109 bbls water (Chlorides 11,000mg/l pH = 7).
  - 5.3 bbls of API 55.2 degree oil

DST #4 - Lower Talang Akar Formation. Perforated interval; 5314-5324 ft MDRT

- Average Gas Rate (MMscfd) flow on 24/64 in choke: 4.3 MMscfd with FTP of 1736.8 psig
  - Average Condensed Water: 13.0 % (comprise 97% Water Cl; 3545.3 mg/l, 2% Sediment, 1% Condensate (API 60.1 Degs)
- Average Gas Rate (MMscfd) flow on 32/64 in choke: 7.8 MMscfd with FTP of 1631.7 psig
  - Average Condensed Water: 8.5 % (comprise 97% Water Cl; 3545.3 mg/l, 2% Sediment, 1% Condensate (API 60.1 Degs)
- Average Gas Rate (MMscfd) flow on 40/64 in choke: 10.6 MMscfd with FTP of 1466.3 psig
  - Average Condensed Water: 12.6 % (comprise 97% Water Cl; 3545.3 mg/l, 2% Sediment, 1% Condensate (API 60.1 Degs)
- Average Gas Rate (MMscfd) flow on 48/64 in choke: 12.4 MMscfd with FTP of 1287.6 psig
  - Average Condensed Water: 20.0 % (comprise 97% Water Cl; 3545.3 mg/l, 2% Sediment, 1% Condensate (API 60.1 Degs)
- Average Gas Rate (MMscfd) flow on 24/64 in choke: 4.4 MMscfd with FTP of 1748.9 psig
  - Average Condensed Water: 8.6 % (comprise 97% Water Cl; 3545.3 mg/l, 2% Sediment, 1% Condensate (API 60.1 Degs)

Average Condensate Rate:

- Average Condensate Rate (bcpd) flow on 24/64 in choke: 132.5 bcpd
- Average Condensate Rate (bcpd) flow on 32/64 in choke: 279.0 bcpd
- Average Condensate Rate (bcpd) flow on 40/64 in choke: 363.0 bcpd
- Average Condensate Rate (bcpd) flow on 48/64 in choke: 426.1 bcpd
- Average Condensate Rate (bcpd) flow on 24/64 in choke: 284.7 bcpd

Average Gas/Condensate Ratio:

- Average Condensate Ratio (bbls/MMscf) flow on 24/64 in choke: 31.4 bbls/MMscf
- Average Condensate Ratio (bbls/MMscf) flow on 32/64 in choke: 35.5 bbls/MMscf
- Average Condensate Ratio (bbls/MMscf) flow on 40/64 in choke: 34.4 bbls/MMscf
- Average Condensate Ratio (bbls/MMscf) flow on 48/64 in choke: 34.1 bbls/MMscf
- Average Condensate Ratio (bbls/MMscf) flow on 24/64 in choke: 63.8 bbls/MMscf

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 press 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 press release includes, but is not limited to, references to confirmation of the source of water observed during DST 4, interpretation of seismic data and future plans for determination of commerciality. By its very nature, the forward-looking information contained in this press release requires Pan Orient and its management to make assumptions that may not materialize or that may not be accurate. In addition, the forward-looking information is subject to known and unknown risks and uncertainties and other factors, some of which are beyond the control of Pan Orient, which could cause actual results, expectations, achievements or performance to differ materially. Although Pan Orient believes that the expectations reflected in its forward-looking information are reasonable, it can give no assurances that those expectations will prove to be correct. Pan Orient undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contact

Pan Orient Energy Corp.
Jeff Chisholm
President and CEO (located in Bangkok, Thailand)
jeff@panorient.ca
Pan Orient Energy Corp.
Bill Ostlund
Vice President Finance and CFO
(403) 294-1770