



SOUTHERN PACIFIC REPORTS SIGNIFICANT INCREASE IN YEAR-END RESERVES AND RESOURCES

CALGARY, Alberta – August 19, 2010

Southern Pacific Resource Corp. (“**Southern Pacific**” or the “**Company**”) (TSX:STP) is pleased to report a significant increase year over year in its reserves and resources in all categories.

In a report prepared by GLJ Petroleum Consultants (“GLJ”) dated June 30, 2010, Southern Pacific’s total Proved (“1P”) reserves increased more than 1,000% year over year to 6.8 million barrels of oil equivalent (“mmboe”). This increase is primarily a result of the acquisition in November 2009 of the STP-Senlac Thermal Project, an operating steam-assisted gravity drainage (“SAGD”) project in Saskatchewan. Total Proved + Probable reserves (“2P”) increased by more than 220% to 178.6 mmboe, primarily based on continued successful delineation of the Company’s STP-McKay Thermal Project in Alberta’s Athabasca oil sands. STP-McKay is a 12,000 bbl/d bitumen production project that is currently in the approval process. Southern Pacific expects to receive formal approval from Alberta’s regulatory authorities in September 2010 with construction to begin shortly thereafter. The Company’s Best Estimate (“P50”) contingent resources also increased to 488.6 mmboe, a gain of more than 180% since the previous evaluations were completed on the Company’s oil sands leases. This increase is primarily due to the Company’s exploration program over the past winter, acquisition of new acreage, and technical revisions.

GLJ’s year-end reserves evaluation includes mechanical updates of property reports completed earlier this year on the Company’s major bitumen and heavy oil assets at McKay (see March 25, 2010 press release) and Senlac (see April 26, 2010 press release). GLJ also completed evaluations of the Company’s minor conventional reserves and of its unconventional bitumen contingent resources located on the Company’s 192,640 gross acres (155,776 net) of oil sands leases in northern Alberta.

The following table summarizes Southern Pacific’s working interest reserves and resources effective June 30, 2010:

	Working Interest Recoverable (MMBOE)	Before Tax Net Present Value (Cdn \$ million)		
		8%	10%	12%
Reserves				
Proved Producing	2.0	\$54	\$53	\$52
Total Proved (1P)	6.8	\$130	\$123	\$117
Proved + Probable Reserves (2P)	178.6	\$839	\$602	\$436
Proved + Probable + Possible (3P)	207.8	\$1,191	\$885	\$671
Contingent Resources				
Low Estimate (P90) Contingent Resource	260.8	\$696	\$364	\$134
Best Estimate (P50) Contingent Resource	488.6	\$1,569	\$929	\$493
High Estimate (P10) Contingent Resource	1,100.2	\$4,509	\$2,905	\$1,810

Reserves and contingent resources involve different risks associated with achieving commerciality. There is no certainty that it will be commercially viable to produce any portion of the contingent resources. Please refer to the attached reserve and resource definitions and safe-harbour discussion of risks. Future net revenues associated with reserves and resources do not necessarily represent fair market value.

The evaluation by GLJ is effective June 30, 2010, which is the Company’s fiscal year end. The Report was prepared in accordance with National Instrument 51-101 using the assumptions and methodology outlined in the Canadian Oil and Gas Evaluation Handbook. The GLJ Report will be incorporated into the Company’s year end financial reports and the National Instrument 51-101 filings relating to the Report will appear on SEDAR with the filing of the Annual Information Form, which is expected to be filed in late September 2010.

For further information, please contact:

Byron Lutes, President & CEO
403-269-1529
blutes@shpacific.com

Jeff Barefoot, Vice President, Resource Development
403-269-1528
jbarefoot@shpacific.com

Or visit our website at: www.shpacific.com.

Readers' Advisory

Barrel of Oil Equivalent: Where amounts are expressed on a barrel of oil equivalent ("boe") basis, natural gas volumes have been converted to boe at a ratio of 6,000 cubic feet of natural gas to one barrel of oil equivalent. This conversion ratio is based upon an energy equivalent conversion method primarily applicable at the burner tip and does not represent value equivalence at the wellhead. Boe figures may be misleading, particularly if used in isolation.

Definitions

"Best (P50)" means the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.

"Contingent Resources" means those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage.

"High (P10)" means an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.

"Low (P90)" means a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.

"Probable reserves" means those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated Proved plus Probable reserves.

"Possible reserves" means those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated Proved plus Probable plus Possible reserves.

"Proved reserves" means those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated Proved reserves.

Safe Harbour

Forward-Looking Information

This news release contains certain "forward-looking information" within the meaning of applicable securities law including, but not limited to, estimates as to: reserves, resources, recoverability, the proposed financing strategy for STP-McKay and timing in connection therewith, the proposed construction of STP-McKay, the timing for receipt of applicable regulatory approvals necessary to proceed with STP-McKay, the timing of construction and steaming of the applicable well pairs in respect of this project, future production, planned drilling activities at STP-Senlac and the Company's future strategy for STP-Senlac.

Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management with respect to results of operations, production, future commodity prices and exchange rates, future capital and other expenditures, business prospects and future economic conditions as at the date the statements are made. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include, but are not limited to the inherent risks involved in the exploration and development of conventional oil and gas properties and of oil sands properties, difficulties or delays in securing required regulatory approvals and in the construction, commissioning and start-up operations, the uncertainties involved in interpreting drilling results and other geological data, fluctuating commodity prices, the possibility of unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed for construction of STP-McKay in the future and risks and uncertainties associated with the impact of general economic conditions and other factors including unforeseen delays. As an oil sands enterprise in the early stage of development with SAGD heavy crude production and conventional production, Southern Pacific faces risks including those associated with exploration, development, start-up, approvals and the continuing ability to access sufficient capital from external sources as required. Actual timelines associated with receipt of regulatory approvals, completion of construction and start up of STP-McKay and the drilling and production at Senlac may vary from those anticipated in this news release and such variations may be material. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans and the timing of capital expenditures, risks associated to the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses.

For a description of the risks and uncertainties facing Southern Pacific and its business and affairs, readers should refer to Southern Pacific’s most recent Annual Information Form. Southern Pacific undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change, unless required by law.

Due to the risks and uncertainties associated with forward-looking information, the reader is cautioned not to place undue reliance on this forward-looking information.