



SOUTHERN PACIFIC PLANS TO SUSPEND OPERATIONS AT STP-McKAY

CALGARY, Alberta – May 14, 2015 – Southern Pacific Resource Corp. (the “Company” or “Southern Pacific”) is making plans to hibernate the STP-McKay facility by the end of July, 2015. The hibernation plans are thorough and are intended to enable preservation of the assets for an extended period, if required. With the current low priced crude market the property continues to generate negative cash flow and thus this measure was deemed necessary in order to preserve capital.

On January 21, 2015 the Company and its subsidiaries and partnerships obtained an initial order (the “Initial Order”) under the Companies’ Creditors Arrangement Act (“CCAA”) from the Alberta Court of Queen’s Bench (the “Court”). As part of the Initial Order, RBC Capital Markets (“RBC”) engagement as financial advisor to the Company was affirmed.

PwC Canada has been appointed by the Court as monitor under the CCAA proceedings (the “Monitor”). All of the materials filed with the Court, including the Initial and subsequent Orders are available on the Monitor’s website (www.pwc.com/car-stp).

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Advisory

This news release contains certain statements that constitute forward-looking statements under applicable securities legislation including estimates as to: the potential results of the strategic alternative review process and enhancement of shareholder value, disclosure intentions with respect to the strategic alternative review process, the SISP and general economic outlook. All statements other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue”, or the negative of these terms or other comparable terminology. These statements are only as of the date of this document and the Company does not undertake to publicly update these forward-looking statements except in accordance with applicable securities laws. Forward-looking statements are based on current expectations, estimates, projections and assumptions, which the Company believes are reasonable but which may prove to be incorrect and therefore such forward-looking statements should not be unduly relied upon. These forward-looking statements involve known and unknown risks and uncertainties which may cause actual results or performance to be materially different from any future results or performance expressed or implied herein.

Actual timelines may vary from those anticipated in this news release and such variations may be material. 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.

The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as the factors are interdependent, and the Board’s and management’s future course of action would depend on its assessment of all information at the time.

The reader is cautioned not to place undue reliance on this forward-looking information.