SOUTHERN PACIFIC
RESOURCE CORP.

Full Steam Ahead

December 2012

The Southern Pacific Strategy

FOCUSED: We develop and produce bitumen and heavy oil using horizontal wells and steam.

INDEPENDENT: We control and operate 100% of our production and 87% of our lands, allowing us to develop at a pace that fits our objectives.

DEMONSTRATED EXECUTION: We have solid operations and construction expertise combined with proven financing abilities.

FOCUS ON CAPITAL EFFICIENCY: We build scalable projects that can be managed cost effectively, avoiding unproven technologies and improving existing technologies by reducing costs or increasing throughput.

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

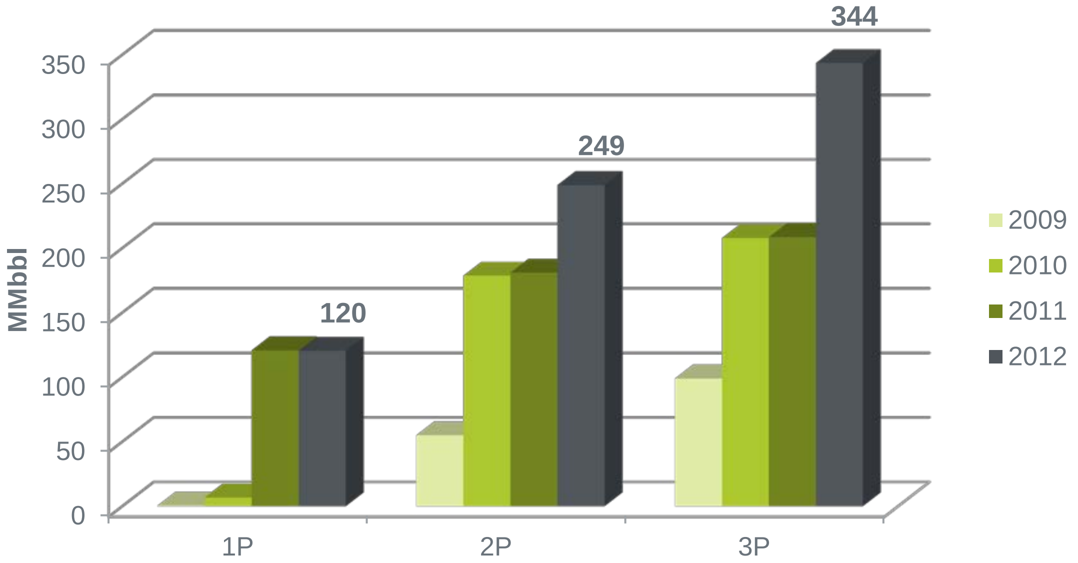
STP Overview

Common Shares **(Nov. 30, 2012)**	
Trading Symbol	TSX: STP
Shares Outstanding - basic	397
Shares Outstanding - fully diluted	425
Insider Ownership - fully diluted	4%
Average Daily Trading Volume (last 6 mo avg.)	1.4 million
Market Capitalization	$516 million
6.00% Convertible Debentures **(Nov. 30, 2012)**	
Trading Symbol	TSX: STP.DB
Principal Outstanding	$172.5 million
Maturity Date	June 30, 2016
Current Price	$104.25
Long Term Debt **(Sept. 30, 2012)**	
Convertible Debentures	$140.4 million
Term Loan	$251.9 million
Total	$392.2 million
Enterprise Value	**$908 million**
Number of Employees	**119 (office & field)**

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

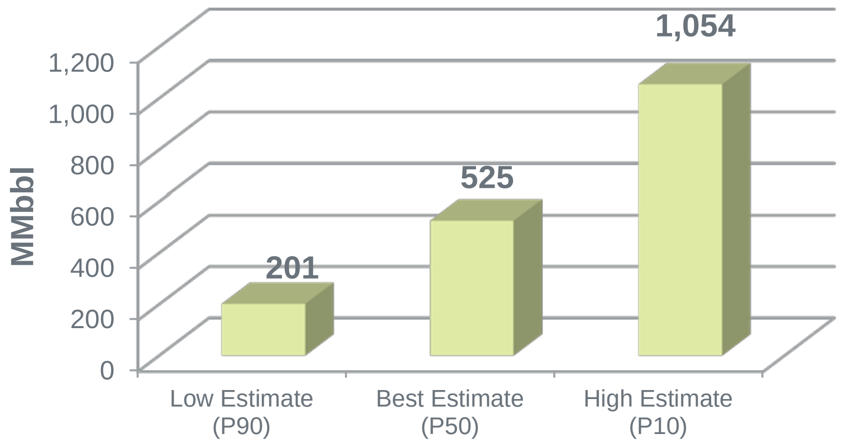
STP Reserves and Resources

(effective June 30, 2012)



- Consistent growth in all reserve categories over the past 3 years
- All reserves are split between STP-Senlac and STP-McKay
- Before tax net present value (discounted @10%):
  - o 1P = $1.0 B
  - o 2P = $1.6 B
  - o 3P = $2.1 B

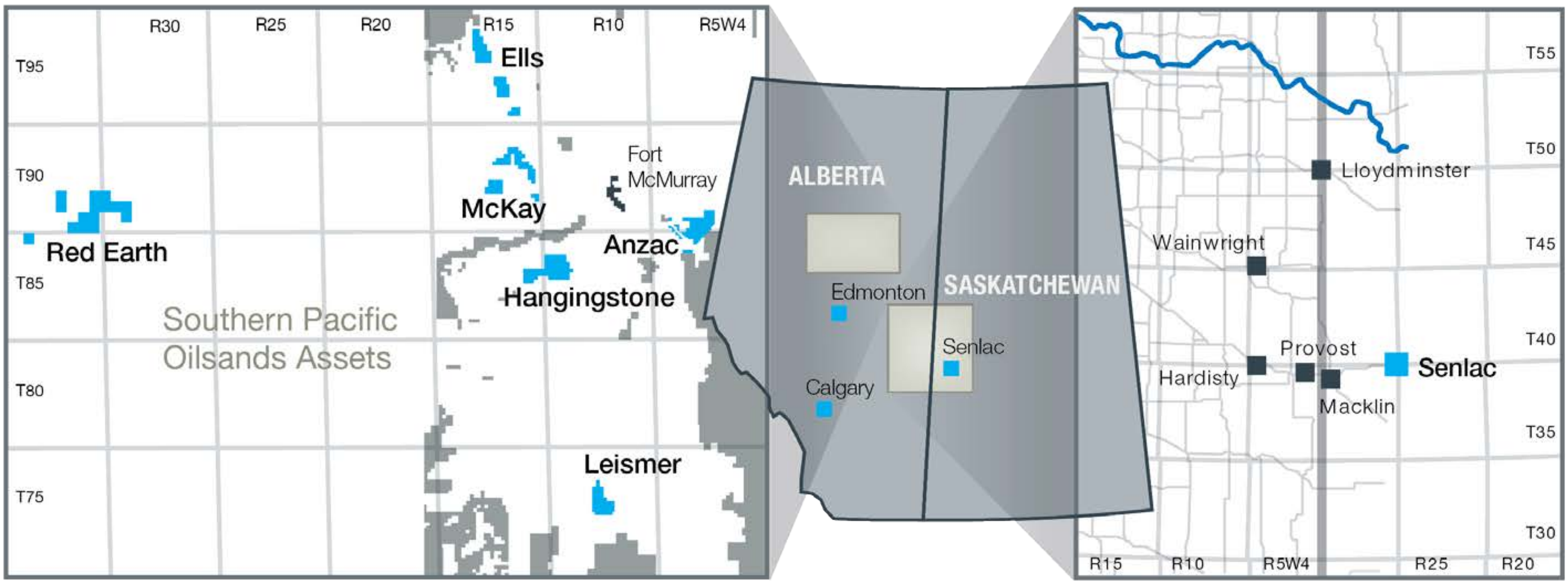
- Contingent Resources are located outside the two project areas on other blocks of STP oil sands leases
- They represent development potential that need further appraisal in order to develop into projects



Refer to slide 26 and 27 for cautionary statements about forward-looking information.

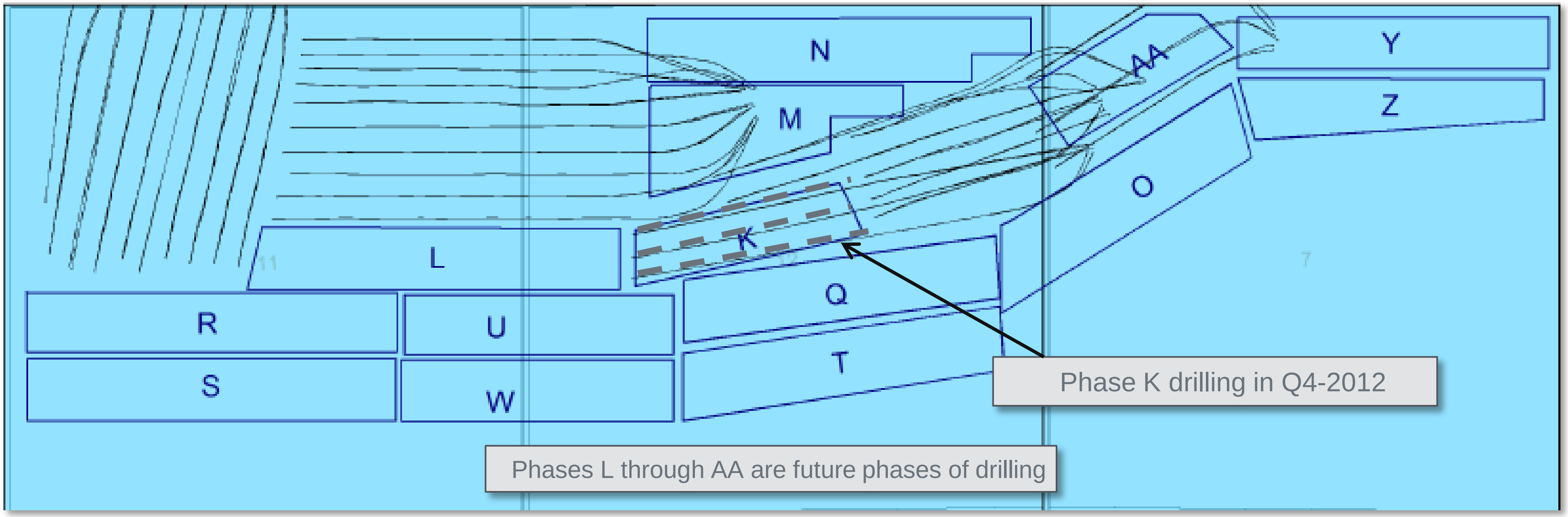
Strategic Assets

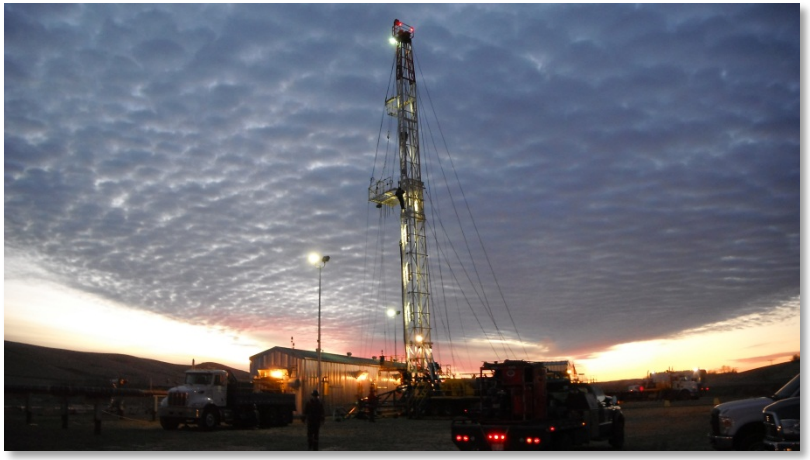
- **Alberta**: 402 sections of oil sands leases with 87% average working interest (224,312 net acres)
- **Saskatchewan**: Average of ~3,500 barrels per day (bbl/d) of 100% working interest heavy oil



Refer to slide 26 and 27 for cautionary statements about forward-looking information.

STP-Senlac Thermal Project

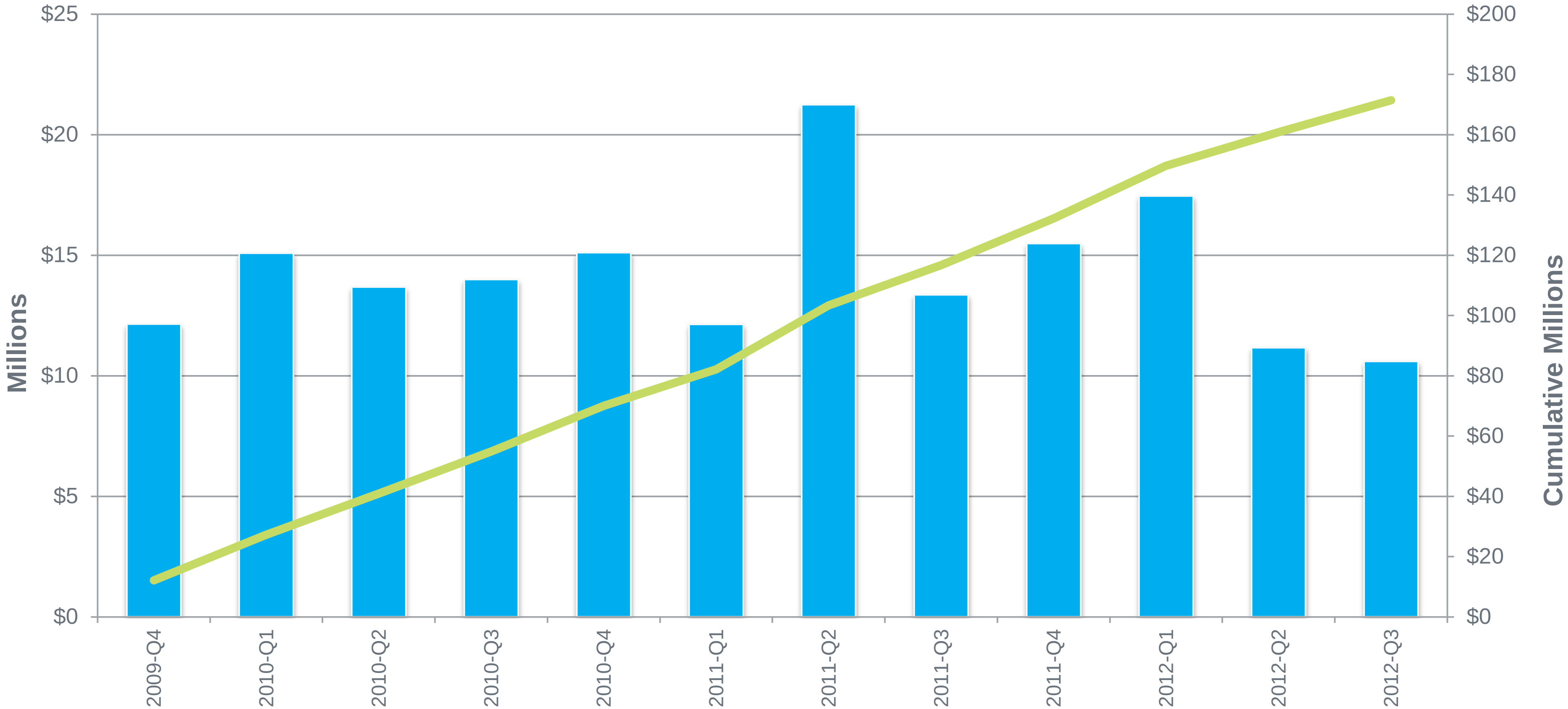




- 100% STP owned and operated for 3 years
  - Average 2012 Production Rate approx. 3,500 bbl/d
  - Average SOR = 2.5
- Experienced operations personnel
- One pad of 2-3 SAGD well pairs drilled per year

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

STP-Senlac: Strong and Steady Cash Flow

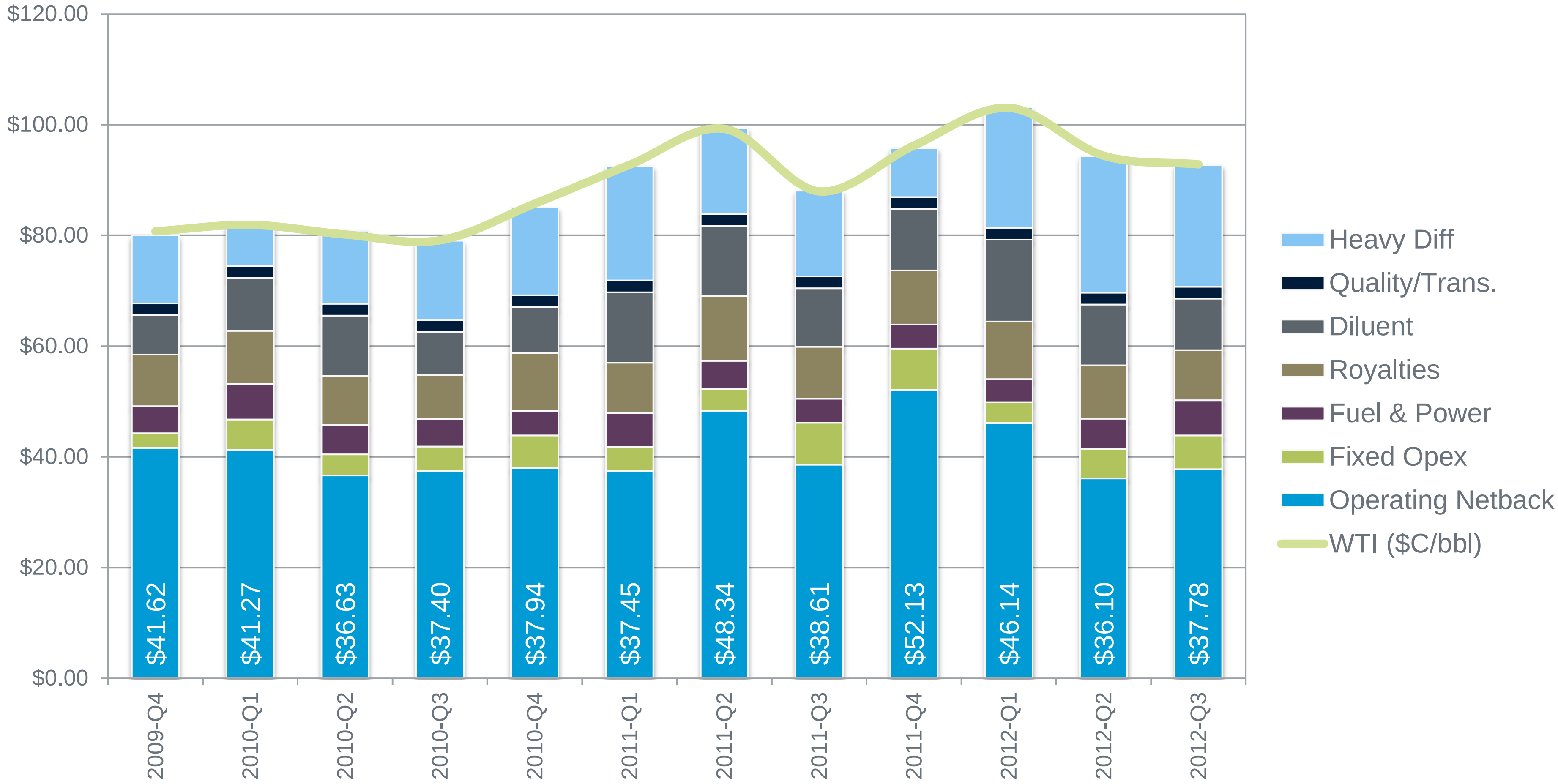


(Reflects period since STP purchased Senlac)

- Average net operating income $62 million per year
  - $171 million cumulative net funds from operations since acquired November 2009
  - Purchase price of $89 million
- STP has re-invested ~$18 million per year of sustaining capital to date

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

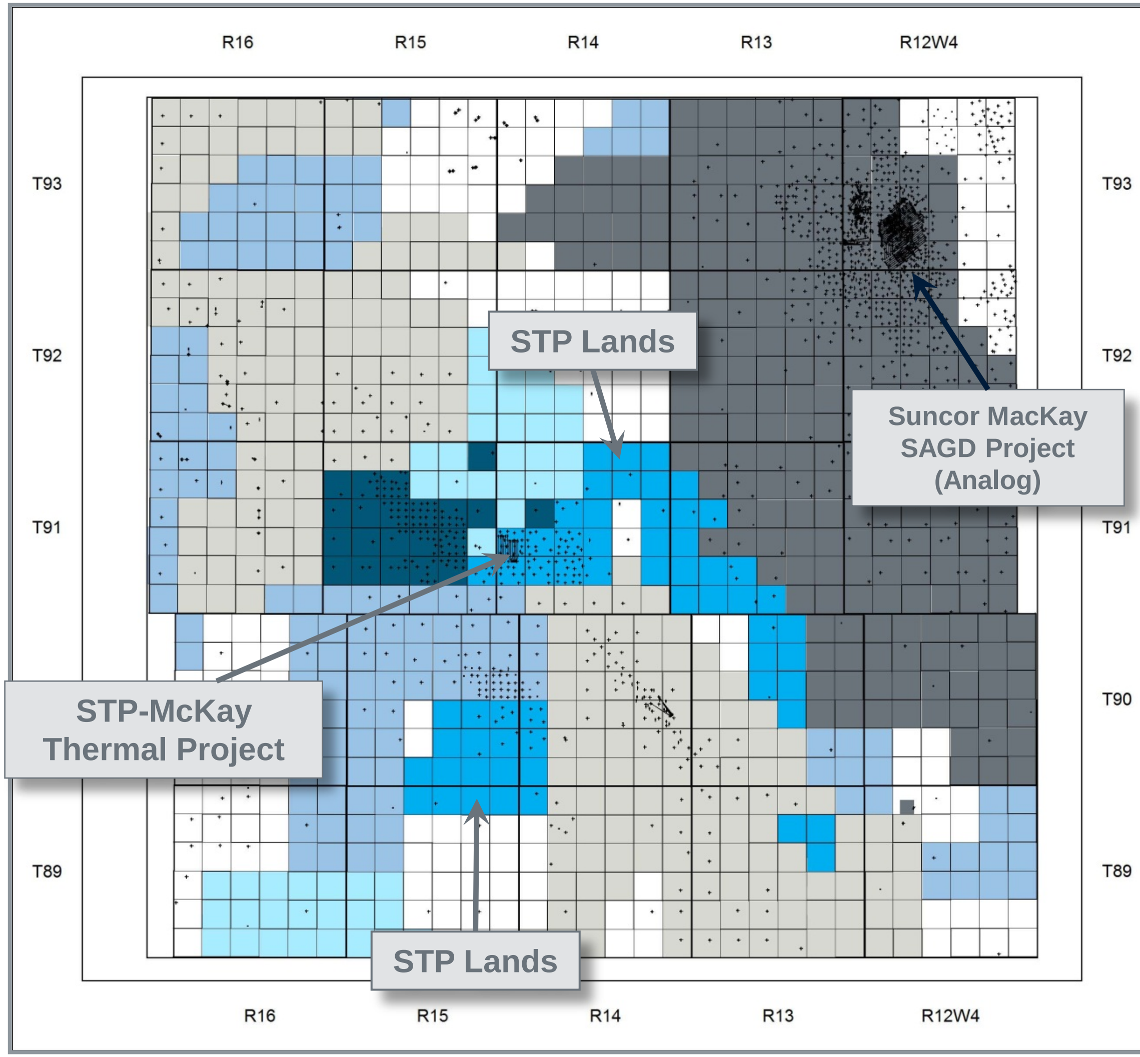
STP-Senlac: Strong Netbacks



- Low total operating costs (~$10.00/bbl), reduced diluent requirements (~22%) and favorable royalties (~16%) allows STP-Senlac to generate consistently strong netbacks

STP-McKay Thermal Project

- 45 km NW Ft. McMurray
- 10.5 section project area
- 100% STP working interest
- Phase 1 Design:
  - 12,000 bbl/d oil
  - +37,400 bbl/d steam
- Phase 1 Expansion (6,000 bbl/d) and Phase 2 (18,000 bbl/d) are in application process



Symbol Legend

- STP
- Marathon
- Grizzly
- CNPC
- Petrochina/AOSC
- Suncor

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

STP-McKay: First Oil Sales Attained

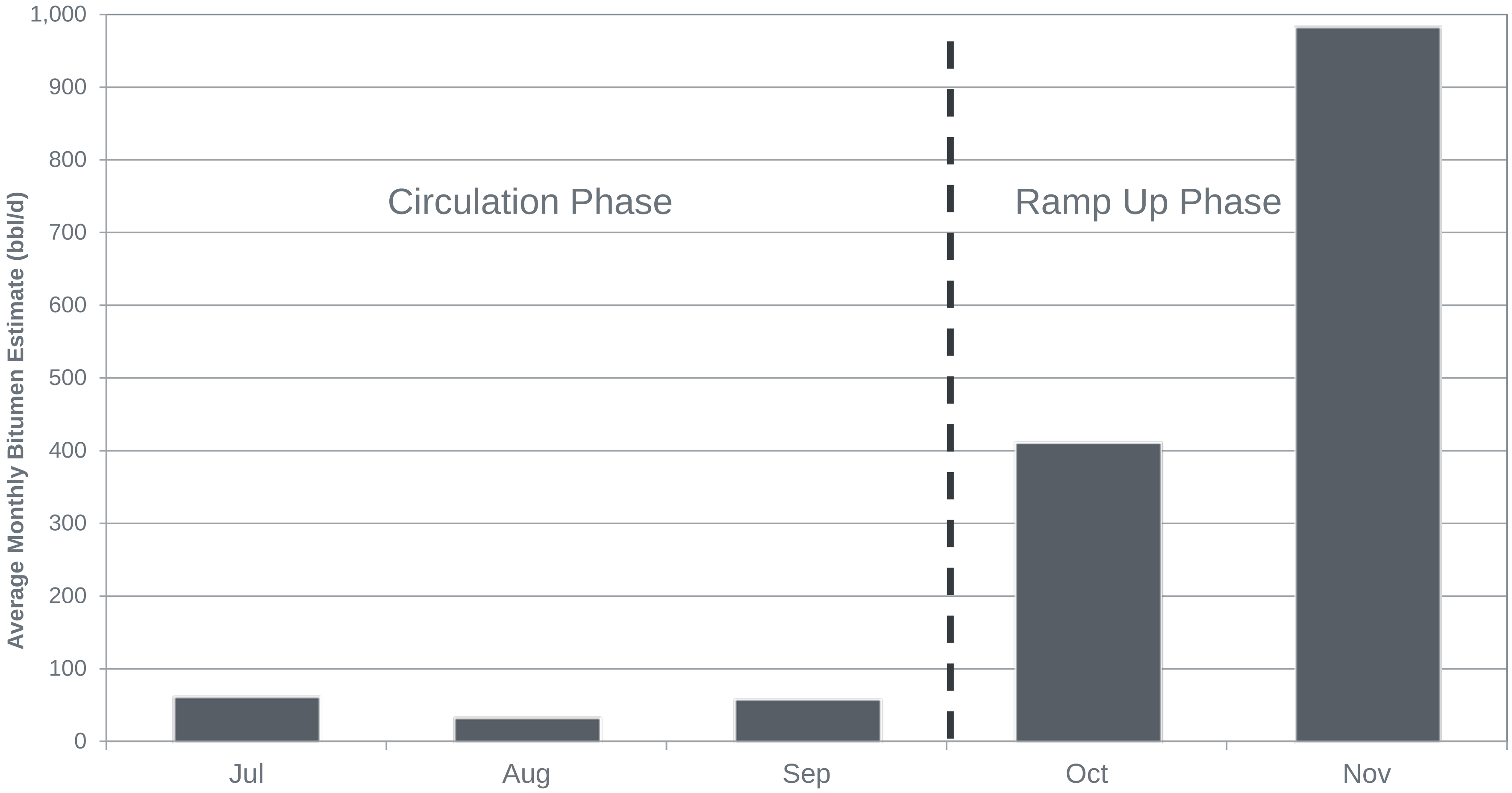
- First steam to well pairs commenced July 1st
- Circulation (Warm Up) Phase ~ 3 ½ to 4 months
- First Oil sales occurred October 24th
- Production ramp up is now underway

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

STP-McKay: Central Process Facility

- Facility is running very well
- On Time Load Factor since July 1, 2012 is greater than 99%
    - Generating all electrical power through 2 cogens, a 3rd on standby
    - Entire water system (treatment, recycle, steam generation) is up and running
    - Emulsion treating and storage systems fully operational

STP-McKay:
Production Ramp-Up



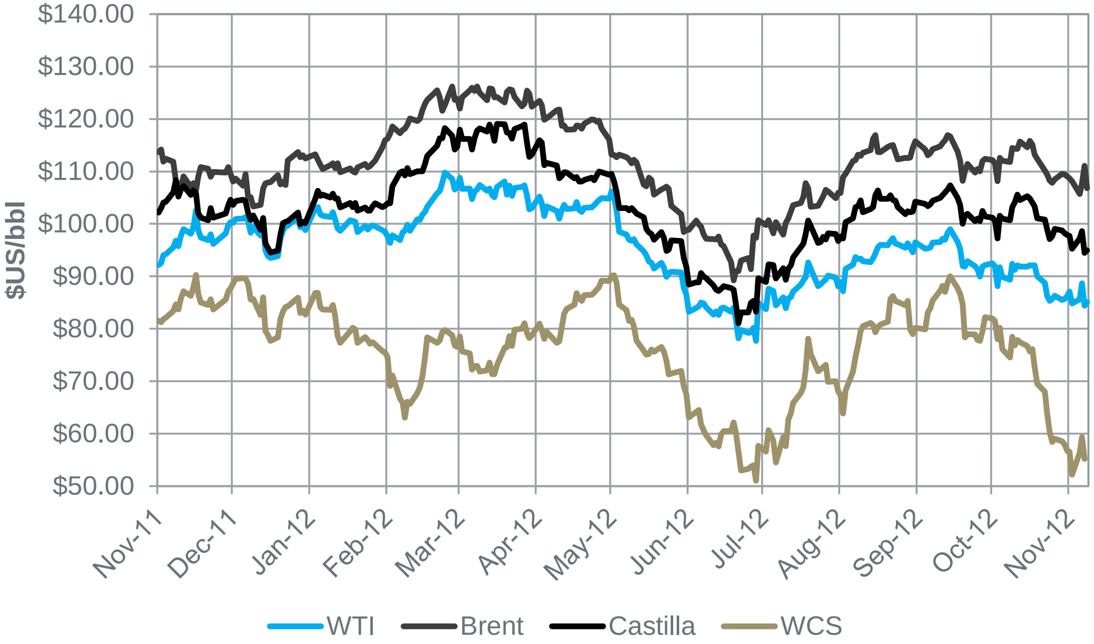
Rates should grow to permitted capacity (12,000 bbl/d) in 12-18 months from October 2012

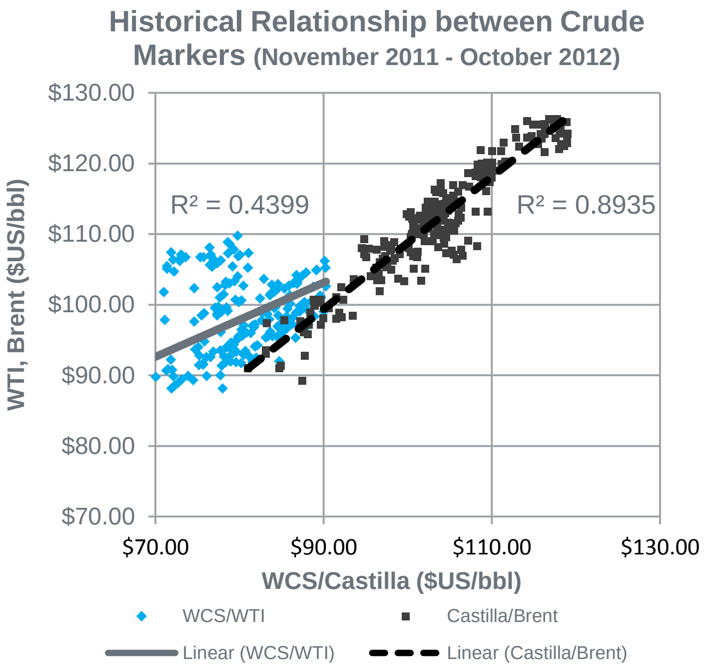
STP-McKay:
U.S. Gulf Coast by Rail Market Strategy

- 5 year deal starting Jan. 1, 2013
- 4,500 km by rail
- Terminals in Lynton, AB, and Natchez, MS
- Reduces diluent requirements
- Improved netbacks
- Secure access to market

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

Dilbit Marketing Update

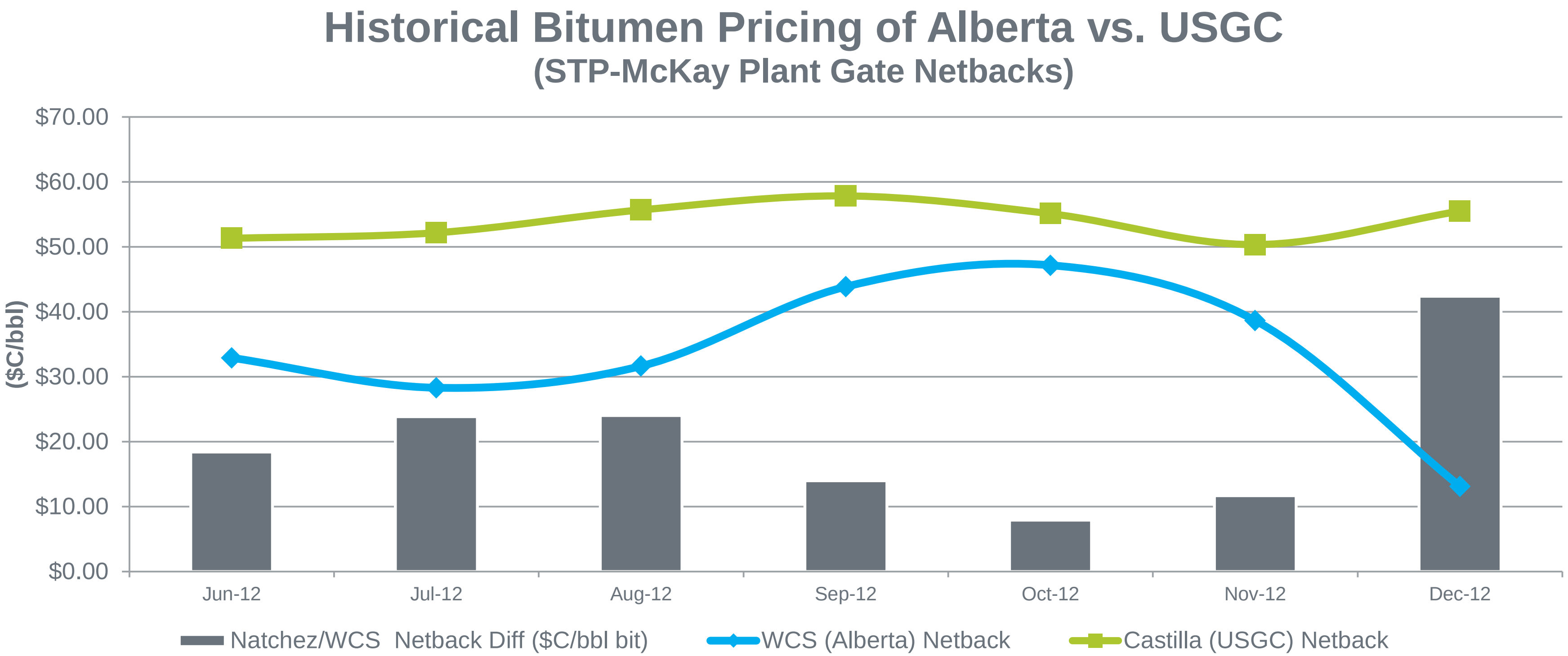




- STP's dilbit will be able to be sold on a Brent based pricing formula, analogous to the current Castilla dilbit blend sourced from Colombia
- Brent based pricing reduces the volatility experienced by Canadian sourced oil being sold into the midwest United States as Western Canadian Select ("WCS")
- Reducing the volatility provides STP and its shareholders with more certainty of pricing
- Diluent supply is also available in USGC, and will be compared with Alberta options. STP will likely purchase diluent on a spot/monthly basis initially wherever lowest landed cost is determined

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

STP's Rail Marketing: Estimated Netback Analysis

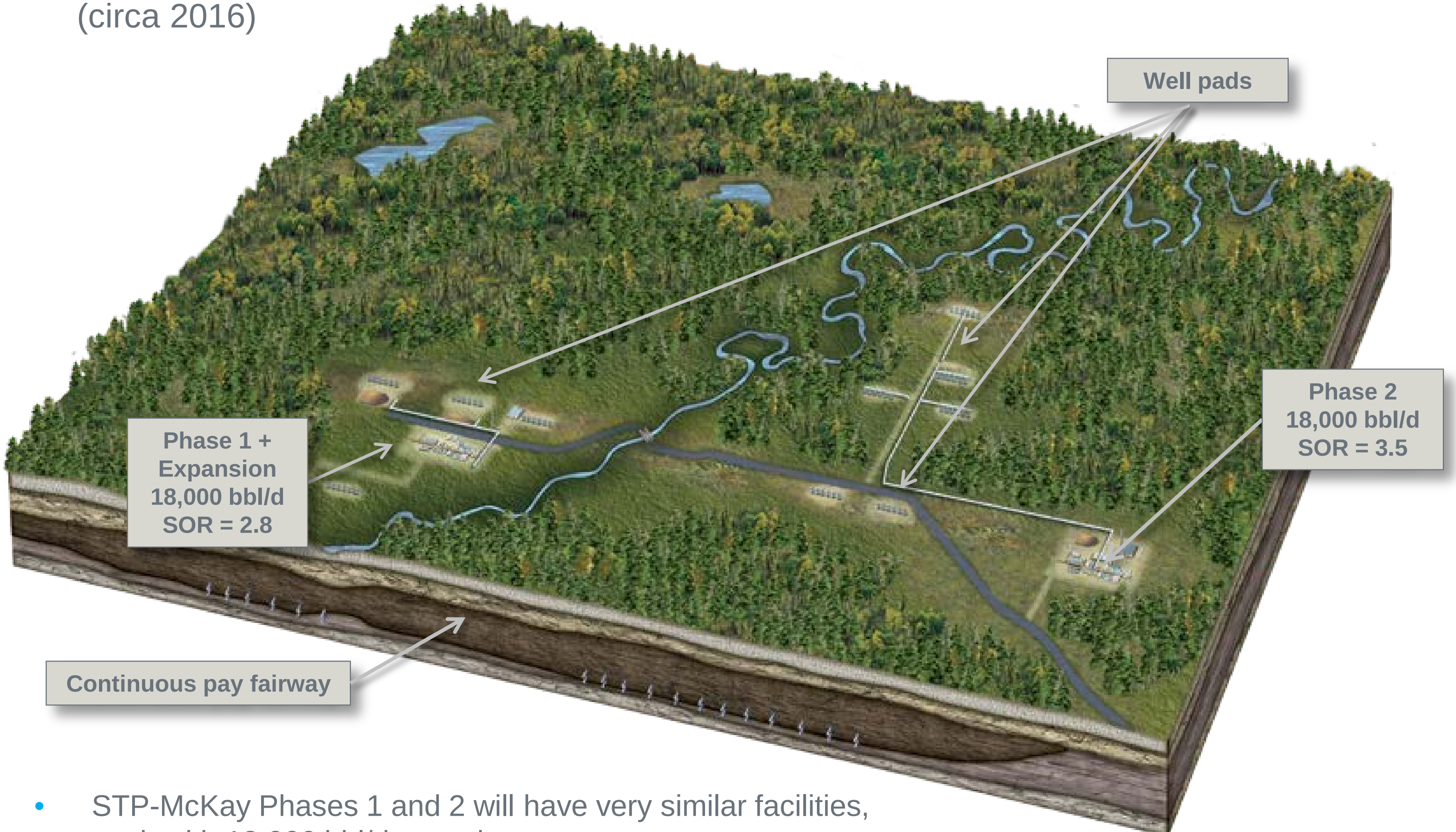


- Using historical pricing since June 2012, the netback determined from a USGC market has outperformed the Alberta based netback.

Refer to slide 26 and 27 for cautionary statements about forward-looking information.
Analysis uses prompt month posting averages for each given week and STP's best estimate of know variables, such as transportation charges, TAN and quality adjustments.

STP-McKay Growth: Phases 1 and 2 Layout

(circa 2016)

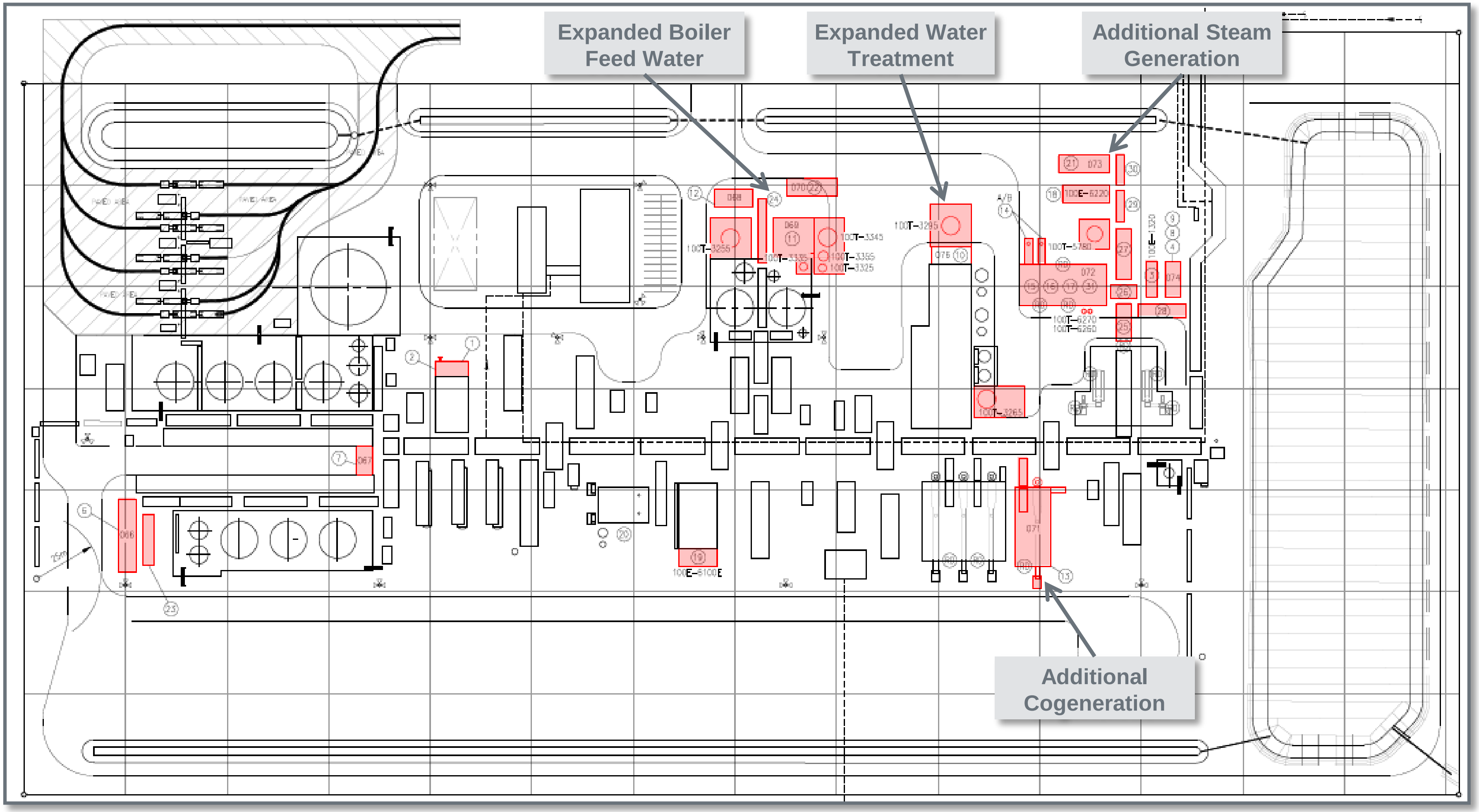


- STP-McKay Phases 1 and 2 will have very similar facilities, each with 18,000 bbl/d capacity
- Lower SOR on west side because of very high quality resource

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

STP-McKay Phase 1 Expansion: Plot Plan

Additional equipment can all be situated on original plant site, minimizing overall footprint



Refer to slide 26 and 27 for cautionary statements about forward-looking information.

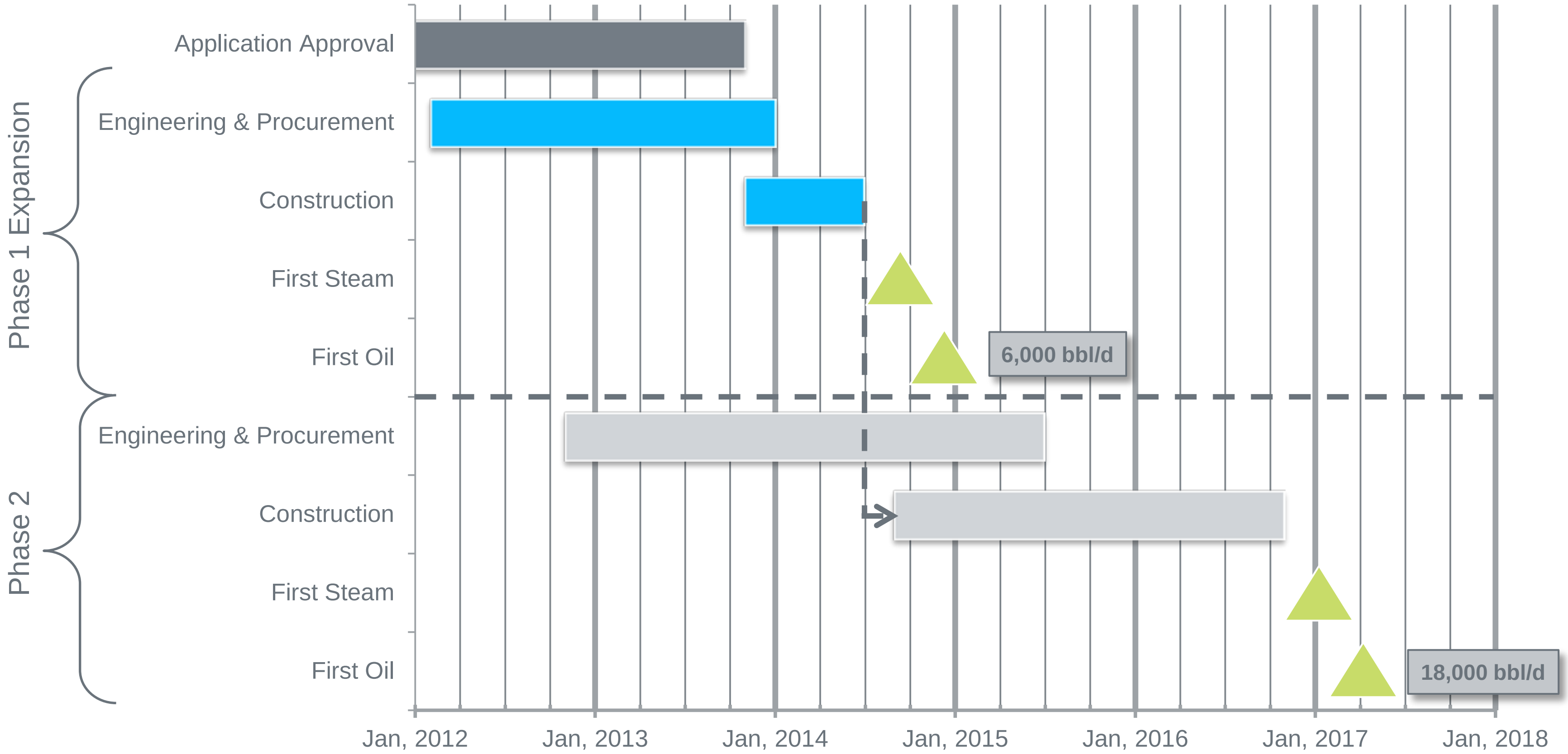
STP-McKay Phase 1 Expansion: Capital Cost

	Capital Budget ($ million)	Cost per design barrel ($/bbl)
Phase 1 Expansion (6,000 bbl/d) • costs include inflation escalation & 6 additional SAGD well pairs	$150*	$25,000 (~ 36% less than original construction)
Phase 1 Existing (12,000 bbl/d) • costs include civil work, road, gas pipeline & staffing infrastructure	$468	$39,000

- The Phase 1 Expansion takes advantage of existing infrastructure and excess capacity of certain functional units in the existing plant to reduce its overall cost
- Phase 1 Detailed engineering is underway and expected to be completed in June 2013
- Anticipated regulatory approval timing is late 2013

* -Phase 1 Expansion capital costs have been prepared by AMED-BDR Engineering and STP staff and are considered to be a Class IV cost estimate (+30%/-15%). Refer to slide 26 and 27 for cautionary statements about forward-looking information.

STP-McKay Phase 1 Expansion and Phase 2 Schedule

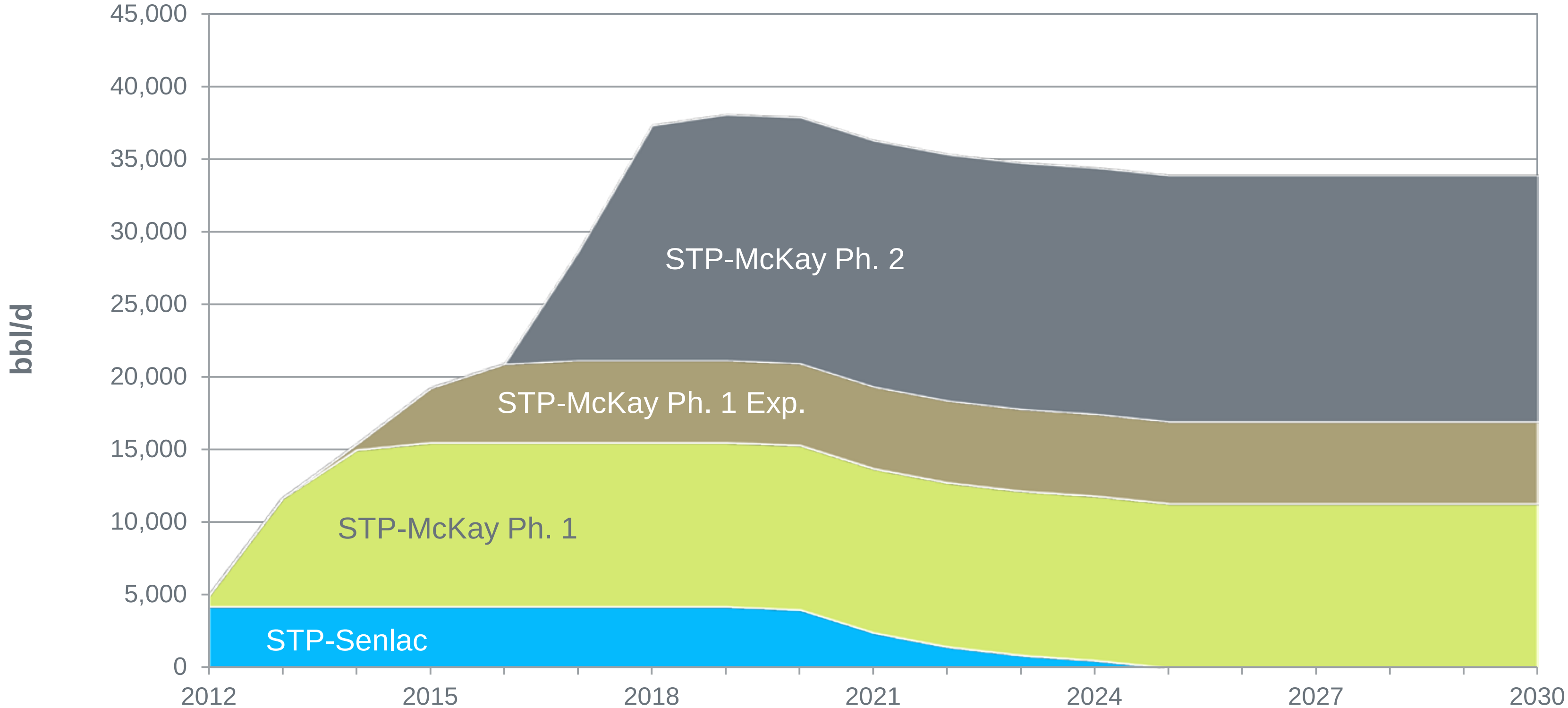


- Timing for Phase 2 is based on utilizing one SAGD drilling rig working year round

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

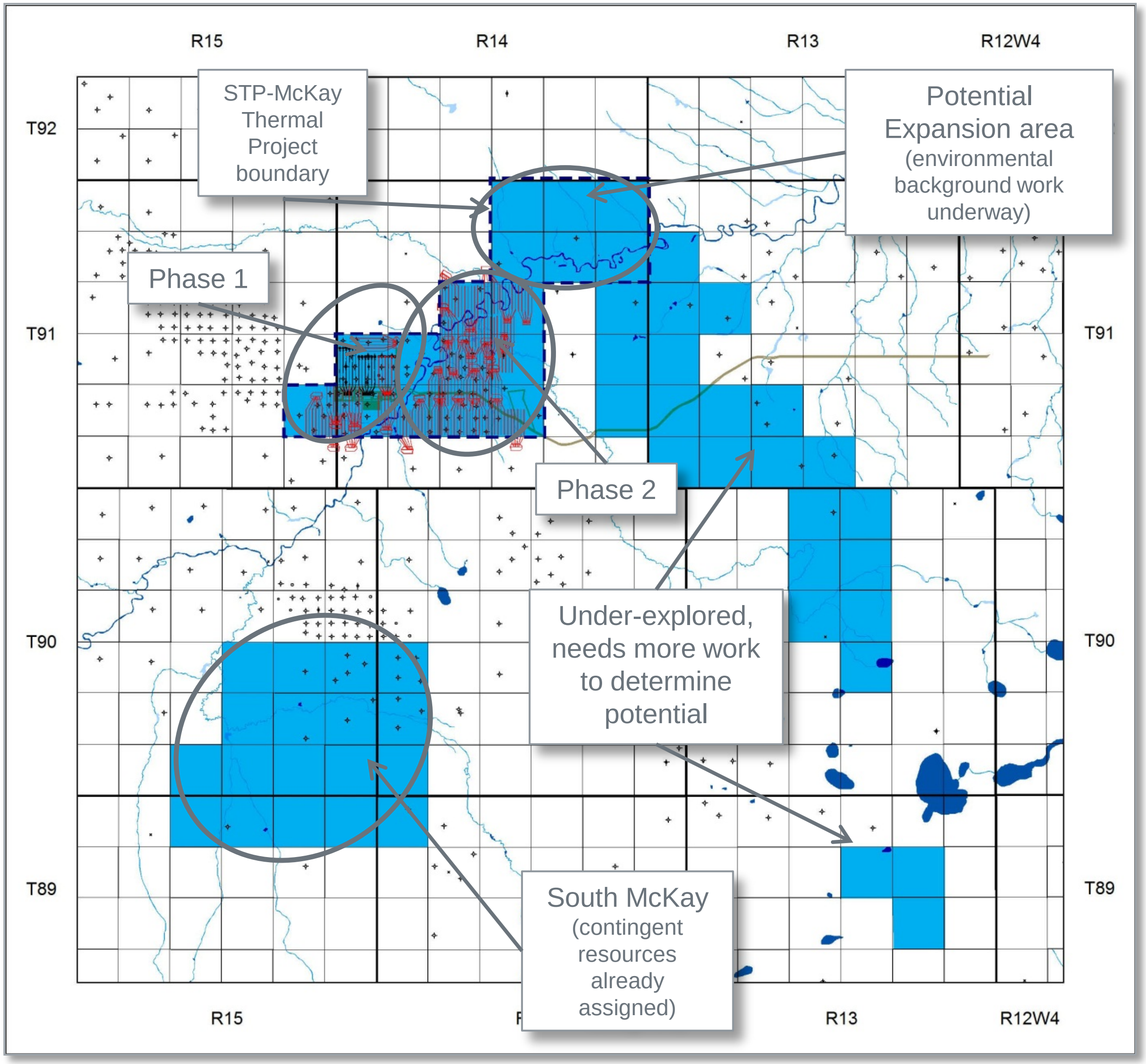
Existing Projects = Defined Growth

- Forecast represents real projects that are on production, being constructed or in the application process
- First oil forecasts:
  - STP-McKay Phase 1: Q4 2012 (12-18 months to full capacity)
  - STP-McKay Phase 1 Expansion: Q4 2014
  - STP-McKay Phase 2: Q2 2017



Refer to slide 26 and 27 for cautionary statements about forward-looking information.

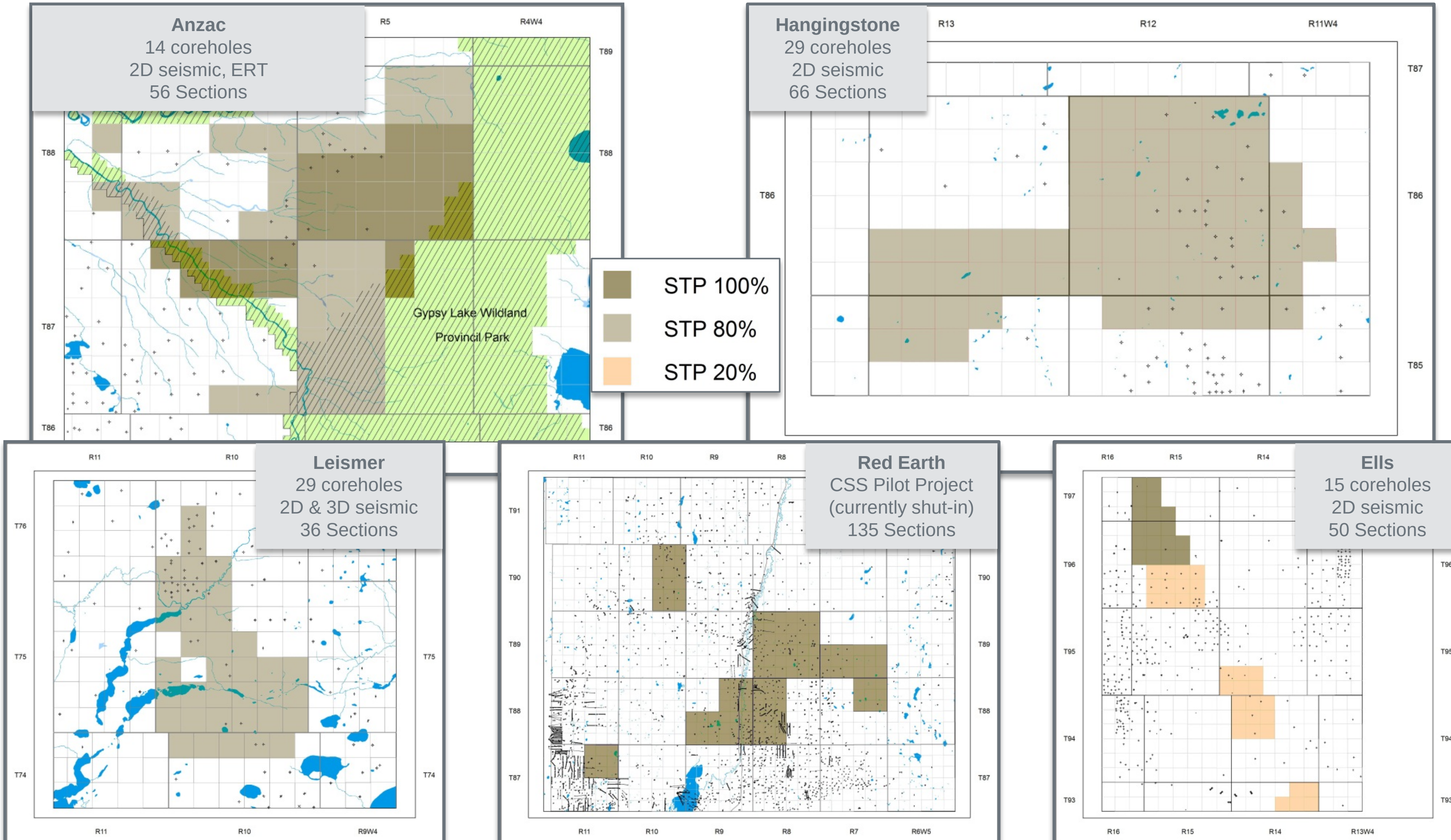
STP-McKay: Future Upside



- 100% working interest in 59 sections
- STP has full-time operations in this area
- Other operators in area currently in application preparation or waiting for project approval
- Phase 2 expansion application will add 6.5 sections to existing project area in preparation for a possible Phase 3

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

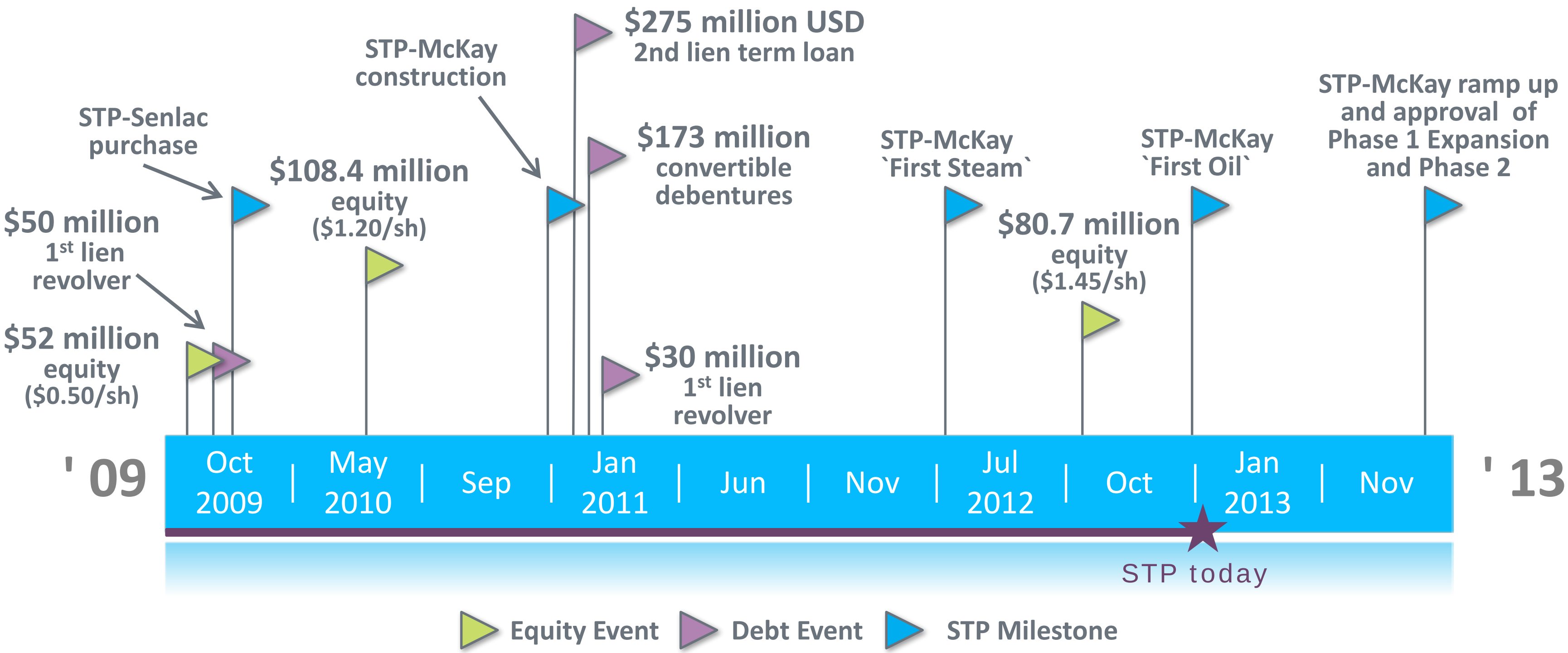
STP's Upside:
Additional Oil Sands Leases



These leases represent significant upside for future in-situ oil sands projects.

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

Summary of STP's Recent Financing Activities



Demonstrated financing ability

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

Net Asset Value Estimate

($ million)	NPV @ 10%	NPV @ 8%	
NPV of Proved Plus Probable Reserves, BT discounted (249 mmboe)	$ 1,593	$ 2,009	(1)
NPV of Best Estimate Contingent Resources, BT discounted (525 mmboe)	$ 959	$ 1,696	(1)
September 30, 2012 bank debt, net of cash and working capital	($ 225)	($ 225)	
	$ 2,327	**$ 3,480**	
Basic Common Shares Outstanding - September 30, 2012	397	397	
Convertible debentures	80	80	(2)
	478	478	
Net Asset Value per Share	**$4.87**	**$7.29**	

(1) Values as at June 30, 2012 as per GLJ Petroleum Consultants independent reserves and resources assessment and evaluation report.

(2) Assuming convertible debentures are all converted to shares at $2.15 per share as NAV > $2.15.

Fiscal 2013:
An Exciting Year Ahead

STP-McKay Thermal Project

- Only new SAGD Project starting up in Alberta for 2012
- Continued ramp up of wells throughout the year
- Continue to streamline plant efficiency
- Start up operations and logistics for rail marketing arrangement

STP-Senlac

- Continue to deliver strong production and cash flow
- Phase K ready for steam in early 2013
- Maximize netbacks, partial rail option has been implemented out of Senlac

STP-McKay Phase 1 Expansion

- Complete detailed engineering – June 2013
- Receive regulatory approval in late 2013
- Finalize execution plans for construction

STP-McKay Phase 2

- Receive regulatory approval in late 2013
- Begin detailed engineering – July 2013
- Construction to commence following completion of Phase 1 Expansion

Other Projects

- Future exploration opportunities at McKay, Red Earth, Leismer, Hangingstone, Ells and Anzac
- Leverage existing assets/team into new projects through acquisitions and partnerships

Refer to slide 26 and 27 for cautionary statements about forward-looking information.

Reader's Advisory

Forward-looking Statements:

All statements other than statements of historical fact may be forward-looking statements. These statements relate to future events or Southern Pacific Resource Corp.'s (the "Company") future performance. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this presentation should not be unduly relied upon by investors. These statements speak only as of the date of this presentation and are expressly qualified, in their entirety, by this cautionary statement.

- Specific forward looking information contained in this Presentation includes, among others, statements regarding:
- the operation of the Corporation's facilities, including STP-Senlac and STP-McKay;
- the Corporation's estimated future bitumen production and the timing associated therewith;
- estimates of the Corporation's reserves and resources and estimates of the present value of the future net revenue as evaluated by GLJ;
- capital projects including future development and exploration activities in 2012 and beyond;
- the Corporation's expansion plans for its properties, including the timing thereof and the expected increases in production and revenues attributable to such expansion plans;
- the expected timing of regulatory approvals in respect of the Corporation's expansion plans at Phase 2 and the Phase 1 Expansion;
- the sources of funding and timing of funding of future development costs;
- the Corporation's anticipated future maintenance and sustaining capital costs;
- the Corporation's expectations regarding future activity levels in the Canadian oil sands and the possible impact thereof on the price of equipment and services and availability of labour;
- the Corporation's plans for the transportation of the bitumen it produces and availability of additional rail cars, trucks, barges and pipeline options to transport dilbit;
- estimated earnings coverage ratios;
- plans to develop the STP-McKay reservoir in multiple phases;
- timing for commencement and completion of construction of Phase 2 and the Phase 1 Expansion;
- expected project life;
- estimated production levels;
- anticipated timing of bitumen production at Phase 1;
- anticipated timing of steam circulation and bitumen production;
- anticipated steam-oil ratios;
- planned design enhancements to reduce operating costs and increase plant reliability;
- anticipated increases in production of heavy crude oil at STP-Senlac;
- planned expansion of STP-Senlac;
- projections of market prices and costs;
- supply and demand for oil and natural gas; and
- expectations regarding the Corporation's ability to raise capital;
- With respect to forward looking information contained in this Presentation, the Corporation has made assumptions regarding, among other things:
- production rates and production decline rates;
- the Corporation's ability to recover reserves and resources;
- the Corporation's ability to optimize operating costs;
- the capacity of the Corporation's trucking, rail, shipping and pipeline arrangements to meet future transportation requirements;
- the capability of the Corporation's cogeneration plant to meet a portion of future power needs for its oil sands operations at STP-McKay;
- future bitumen, natural gas and crude oil prices, heavy oil differentials, interest rates and foreign exchange rates;
- future operating costs;
- future royalty and taxation rates;
- well abandonment costs and salvage values;
- the Corporation's ability to obtain qualified staffing and equipment in a timely and cost efficient manner to meet its demand;
- the timing for receipt of required regulatory approvals to proceed with future projects;
- capital costs associated with the construction of Phase 2 and the Phase 1 Expansion;
- the legislative and regulatory environment;
- the impact of increasing competition; and
- the Corporation's ability to obtain financing on acceptable terms.
- Many of the foregoing assumptions are subject to change and are beyond the Corporation's control.
- Some of the risks that could affect the Corporation's future results and could cause results to differ materially from those expressed in the forward looking information include:
- the decline of bitumen, crude oil and natural gas prices or the increase of diluent and natural gas prices
- changes in the differential pricing between bitumen, heavy and light crude oil prices;
- general economic conditions;
- currency fluctuations;
- difficulties encountered in delivering diluent to the Corporation's oil sands project at STP-Senlac and STP-McKay and dilbit to commercial markets;
- changes in, or the introduction of new, government regulations relating to the business of the Corporation;
- difficulties or interruptions encountered and additional costs incurred during the production of bitumen, crude oil and natural gas;
- inefficiencies, curtailments or shutdown of the STP-Senlac and STP-McKay production facilities, including the impact on SORs of its SAGD operations;
- the Corporation's ability to hire and retain skilled staff and contractors;
- difficulties and delays encountered during the construction of Phase 2 and the Phase 1 Expansion and the potential for cost overruns in connection therewith;
- uncertainties associated with estimating reserves and resources;
- geological, technical, drilling and processing problems;
- liabilities and risks, including environmental liabilities and risks, inherent in oil and natural gas operations;
- the need to obtain and maintain regulatory approvals and permits for construction and future expansions;
- changes in the royalty regime in respect of the production of crude oil, bitumen and natural gas;
- the impact of amendments to the income tax laws or government incentive programs;
- performance and availability or curtailment of facilities owned by third parties;
- costs associated with producing bitumen;
- the impact of competition;
- the need to obtain required approvals and permits from regulatory authorities;
- liabilities stemming from damage to the environment, or to third persons;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- weather conditions.

In addition, nominal capacity is not necessarily indicative of the stabilized production levels that may be achieved at the Corporation's SAGD facilities. Moreover, reported average or instantaneous production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this Presentation due to, among other factors, difficulties or interruptions encountered during the production of bitumen. Actual capital costs may differ from estimates of capital costs prepared by Management in connection with construction at Phase 1, the Phase 1 Expansion and Phase 2 and such differences may be material. Costs for and access to required labour, services and equipment, operational efficiencies or difficulties in construction and drilling, changes in scope of design and weather conditions may individually or collectively materially impact on the actual capital costs incurred in the construction at Phase 1, the Phase 1 Expansion and Phase 2.

Statements relating to "reserves" and "resources" are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated, and can be profitably produced in the future. The assumptions relating to the reserves and resources of the Corporation are discussed under "Statement of Reserves Data and Other Oil and Gas Information" in the Corporation's Annual Information Form filed on www.sedar.com.

Reader's Advisory (continued)

Forward-looking Statements:

NON-GAAP MEASURE

This Presentation includes references to certain financial measures, as described below, which do not have standardized meanings prescribed by IFRS. Because this measure is commonly used in the oil and gas industry, the Corporation believes that their inclusion is useful to investors. The Corporation uses this measure to evaluate its performance. Investors are cautioned that this non-GAAP measure should not be construed as an alternative to the measure calculated in accordance with IFRS as, given its non-standardized meaning, it is unlikely to be comparable to similar measures presented by other issuers. This non-GAAP measure should not be considered an alternative to, or more meaningful than net income as determined in accordance with IFRS as an indicator of the Corporation's performance. The term "operating netback" is defined as petroleum and natural gas sales less royalties and less operating expenses.

ADDITIONAL GAAP MEASURE

This Presentation includes references to a certain additional GAAP measure, as described below, which is additional to the minimal prescribed disclosure by IFRS. Because this measure is commonly used in the oil and gas industry, the Corporation believes that their inclusion is useful to investors. The Corporation uses this measure to evaluate its performance and therefore defines it as an additional GAAP measure. The term "Cash from operating activities before changes in non-cash working capital" is disclosed in the cash flow as the cash flow from operating activities before the change in non-cash working capital and decommissioning expenditures and should not be considered an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with IFRS as an indicator of performance. The Corporation's determination of cash from operating activities before changes in non-cash working capital may not be comparable to that reported by other companies.

The forward-looking statements or information contained in this presentation are made as of the date hereof and the Corporation undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. Certain of the forward-looking statements regarding the Corporation's financial outlook, anticipated revenue, future expenditures and cash flow forecasts may constitute future-orientated financial information ("FOFI"). Management of the Corporation approved the inclusion of the FOFI in the presentation based on the assumptions listed above on Sept. 1, 2012. The FOFI included in this presentation has been provided only for the periods listed and for the sole purpose of providing an estimated guideline for the Corporation's possible future financial position and the FOFI may not be appropriate for other purposes.

RESERVES DEFINITIONS

References to "contingent resources" or "resources" in this presentation do not constitute, and should be distinguished from, references to "reserves". "Reserves" are those remaining quantities of oil and gas anticipated to be economically recoverable from these known accumulations from a given date forward. "Resources" are oil and gas volumes that are estimated to have originally existed in the earth's crust as natural accumulations but are not capable of being classified as "reserves", and "contingent resources" are a sub-category of resources that means those quantities of oil and gas estimated to be potentially recoverable from known accumulations but which cannot be classified as "reserves" for a variety of reasons, including that they may not be currently economic. There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

"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.

"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.

"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.

"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.

"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.

Future net revenues associated with reserves and resources do not necessarily represent fair market value.

The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

"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.

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