



SOUTHERN PACIFIC
RESOURCE CORP.

SOUTHERN PACIFIC CLOSES ACQUISITION OF REMAINING 20% INTEREST AT MCKAY AND GRADUATES TO THE TSX EXCHANGE

CALGARY, Alberta – June 1, 2010

Southern Pacific Resource Corp. (“**Southern Pacific**” or the “**Company**”) (TSX-V:STP) is pleased to announce that it has closed the acquisition of Bounty Developments Ltd.’s 20% working interest in 59 sections of land in McKay, Alberta. The acquisition gives Southern Pacific an undivided 100% working interest in all of its McKay lands, including the 10.5-section STP-McKay Steam-Assisted Gravity Drainage (“**SAGD**”) project 45 km northwest of Fort McMurray. As part of the agreement, first announced on March 19, 2010, Southern Pacific has also purchased a 20% working interest in 32 sections of land at Ells River adjacent to and near Southern Pacific’s MacKenzie block (the “**Acquisition**”).

The entire package of reserves, resources and undeveloped land was closed on June 1, 2010 for a total of \$33.0 million, consisting of 20% equity (\$6.6 million) and 80% cash (\$26.4 million). The 20% equity will be issued as common shares of the Company at a price equivalent to the applicable 10-day volume weighted average trading price of the shares, which equals approximately 6.47 million shares at a price of \$1.02 per share. All of the shares issued in connection with the Acquisition are subject to a four-month hold period in accordance with applicable securities laws. Following the completion of the Acquisition, the Company has 316.2 million common shares issued and outstanding.

Southern Pacific’s STP-McKay SAGD project is a 12,000 bbl/d in-situ thermal project that is in the application approval process. Southern Pacific submitted the application to Alberta Environment and the Alberta Energy Resources Conservation Board in May 2009 with approval expected by the end of August 2010. Construction of the project is expected to commence this fall immediately after regulatory approval is obtained.

As noted above, within the Acquisition Southern Pacific also acquired a 20% working interest in 32 sections of land at Ells River formerly operated by Patch International Ltd. Twelve sections of these lands are adjacent to Southern Pacific’s 18-section MacKenzie block (100% working interest). These 12 sections have had coreholes drilled and contingent resources have been assigned by an independent reserves auditor. The acquired lands will allow additional proprietary technical data to be incorporated into the Company’s records and facilitate lower cost exploration around its 100% working interest MacKenzie block, which has not yet been explored.

Southern Pacific is also pleased to announce that the Toronto Stock Exchange has approved the Company’s application to graduate from the TSX Venture Exchange to the TSX. The Company’s shares are expected to cease trading on the TSX Venture Exchange and begin trading on the TSX on June 3, 2010. The shares will continue to trade under the symbol STP.

“The TSX listing represents another milestone in our development as a Company,” said Byron Lutes, President and CEO of Southern Pacific. “We expect the visibility and prestige of Canada’s largest stock exchange to provide current and future shareholders with increased liquidity and to provide the Company with enhanced access to capital to facilitate our continued growth.”

About Southern Pacific

Southern Pacific Resource Corp. is engaged in the exploration and development of oil sands in the Athabasca region of Alberta and the thermal production of approximately 4,500 barrels per day of heavy oil in Senlac, Saskatchewan.

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Neither the 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.

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

"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.

Safe Harbour

This news release contains certain "forward-looking information" within the meaning of such statements under applicable securities law including estimates as to: future production, operations, operating costs, commodity prices, administrative costs, commodity price risk management activity, acquisitions and dispositions, capital spending, access to credit facilities, income and oil taxes, regulatory changes, and other components of cash flow and earnings anticipated discovery of commercial volumes of bitumen, the timeline for the achievement of anticipated exploration, anticipated results from the current drilling program and, subject to regulatory approval and commercial factors, the commencement or approval of any SAGD project.

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 at the date the statements are made, and are 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 start-up operations, the uncertainties involved in interpreting drilling results and other geological data, fluctuating oil prices, the possibility of unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors including unforeseen delays. As an oil sands enterprise in the development stage, with some 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 if required. Actual timelines associated 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, 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.

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