



**SOUTHERN PACIFIC REPORTS CASH FLOW OF \$10.7 MILLION
FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

CALGARY, Alberta – November 14, 2011 – Southern Pacific Resource Corp. (“Southern Pacific” or the “Company”) (TSX:STP) is pleased to announce its financial and operational results for the quarter ended September 30, 2011.

2012 FISCAL Q1 HIGHLIGHTS:

- Averaged overall production of 3,784 barrels per day (“bbl/d”) for the quarter, a decrease of 8% over average production of 4,123 bbl/d for the quarter ended September 30, 2010. This reduction was due to a scheduled plant turnaround at the STP-Senlac Thermal Project (“STP-Senlac”) which shut in production for nine days during the quarter;
- Achieved funds from operations of \$10.7 million for the quarter compared to \$12.3 million in the prior period;
- Continued construction of STP-McKay Phase 1 Thermal Project (“STP-McKay Phase 1”). Total project cost estimate was reduced during the quarter to a range of \$415 to \$440 million. The original budget for the project was \$450 million. The Company continues to forecast substantial project completion for the first quarter of calendar 2012, first steam for the second quarter of calendar 2012 and first oil in the third quarter of calendar 2012; and
- Prepared and submitted on November 10, 2011, the application for STP-McKay Phase 2, which is expected to add 24,000 bbl/d of bitumen capacity.

(thousands, except per share and per boe amounts)	Three months ended September 30, 2011	Three months ended September 30, 2010
Petroleum revenue, net of royalties	\$17,154	\$17,345
Funds from operations ⁽¹⁾	\$10,675	\$12,340
Per share basic and fully diluted	\$0.03	\$0.04
Net (loss) income	\$(697)	\$1,795
Per share basic and fully diluted	\$(0.00)	\$0.01
Total assets	\$919,527	\$351,939
Working capital	\$185,485	\$65,237
Net capital expenditures	\$103,340	\$7,302
Total long-term debt	\$400,760	-
Average product prices (\$ per boe)	\$59.65	\$54.58
Operating netback (\$ per boe) ⁽²⁾	\$37.25	\$36.17
Weighted average common shares outstanding		
basic	339,305	200,385
diluted	345,339	202,751
Production		
Heavy oil (bbl/day)	3,769	4,065
Oil and NGLs (bbl/day)	9	17
Natural gas (mcf/day)	38	245
Total (boe/day)	3,784	4,123

(1) Funds from operations are calculated as cash generated from operations before changes in non-cash working capital and asset retirement expenditures. Funds from operations is a term that is not defined by International Financial Reporting Standards (non-IFRS). See Definitions below.

(2) Operating netback is a non-IFRS term defined as petroleum and natural gas sales less royalties and less operating and transportation costs.

Southern Pacific has filed its Condensed Interim Consolidated Financial Statements for the three months ended September 30, 2011 and related Management's Discussion and Analysis on SEDAR at www.sedar.com. Copies are also available on the Company's website at www.shpacific.com.

OUTLOOK

Southern Pacific remains focused on the construction and operation of STP-McKay Phase 1. The 12,000 bbl/d steam-assisted gravity drainage ("SAGD") project was approved in the fall of 2010, and construction has been underway since. The Company continues to expect the project to be completed within its budgeted time frame and expects the total cost to come in below the original \$450 million budget. The revised final project cost estimate is between \$415 and \$440 million, including the addition of \$15 million of scope changes that are expected to enhance the reliability of the plant and reduce operating costs.

The project milestones have most recently been marked by the installation of several significant pieces on the central process facility site. These include the two largest vessels, the evaporator towers, the steam generation boilers, the cogeneration turbines and heat recovery steam generators and several critical modules of the piperack assembly. The Company's decision to build one of the most modularized SAGD process facilities in the industry to date, is paying off as the site construction labour force has been minimized and the components are readily assembled together once they arrive on site. Most of the heat tracing, insulation and instrumentation have been pre-assembled on these modules in the controlled environment of fabrication shops, which has greatly assisted in controlling costs. The components which cannot be shop fabricated, such as the storage tanks and the steel and cement foundations for the components have been substantially completed before the arrival of cold winter temperatures, which again has cut down on additional cost.

As of September 30, 2011, the Company has incurred and fixed approximately \$320 million of the downward revised cost estimate of \$440 million. Remaining uncommitted capital is approximately \$120 million, including a \$30 million contingency.

From a timing perspective, Southern Pacific expects first steam to the SAGD well pairs will occur on schedule in the second quarter of calendar 2012. The Company remains fully funded to complete, start up and add production volumes from Phase 1 of the STP-McKay project.

On November 10, 2011, Southern Pacific submitted an application for the STP-McKay Phase 2 Thermal Project ("STP-McKay Phase 2") to the Alberta Energy Resources Conservation Board and Alberta Environment. The application outlines in detail Southern Pacific's proposal to develop an additional 24,000 bbl/d of bitumen processing capacity on the eastern side of its existing project boundaries, which would bring the total processing capacity to 36,000 bbl/d. The Company has been working on this application for the past nine months and the contents of this document and all appendices are now located on the Company's website. The filing of a complete application for the project marks a significant milestone in Southern Pacific's growth plans. As a result of this filing, Southern Pacific expects a revised reserves report to reflect an increase in the Proven plus Probable ("2P") reserves which can now be classified under the combined process capacity of 36,000 bbl/d within the project area. The Company anticipates regulatory approval to occur in 18 months based on its previous Phase 1 approval which occurred in 15 months.

STP-Senlac located near Unity, Saskatchewan achieved an average production rate of 3,769 bbl/d for the first quarter of fiscal 2012. In September, a two-week scheduled maintenance turnaround was completed in only nine days, coming back online six days ahead of schedule. The bi-annual turnaround identified no major integrity issues.

As part of its development strategy, Southern Pacific is now drilling Phase J, a set of three SAGD well pairs, which is scheduled for first production in January 2012. The on stream date has been delayed about one month from earlier projections due to a delay in the drilling rig arriving on site. Once completed, these three SAGD well pairs will be layered into the facility as capacity becomes available from the declines of existing wells.

The STP-Red Earth Thermal Project also commenced operations in the fourth quarter. This 1,000 bbl/d pilot project was re-activated this past spring. The Company is testing three separate well bores, using cyclic steam stimulation as the technique for recovery. Each well bore has a unique configuration and the Company intends to continue testing the wells through the fall of 2011. Following this initial testing, Southern Pacific will analyze the data and determine the next steps in establishing an overall development plan for this project and future expansion plans.

About Southern Pacific

Southern Pacific Resource Corp. is engaged in the exploration, development and production of in-situ thermal heavy oil and bitumen production in the Athabasca oil sands of Alberta and in Senlac, Saskatchewan. Southern Pacific trades on the TSX under the symbol "STP."

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Advisory

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.

Definitions

"Barrels of oil equivalent" (boe) maybe misleading, particularly if used in isolation. A boe conversion of 6 mcf to 1 barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

"Funds from operations" and funds from operations per share are non-IFRS terms that represent cash generated from operating activities before changes in non-cash working capital and decommissioning expenditures. Southern Pacific considers funds from operations to be a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future growth through capital investment. Funds from operations may not be comparable with the calculation of similar measures for other companies. Funds from operations per share is calculated using the same share basis which is used in the determination of net income (loss) per share.

"Operating netback" is a non-IFRS term defined as petroleum and natural gas sales less royalties and less operating and transportation costs.