FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 - Name and Address of Company

SOUTHERN PACIFIC RESOURCE CORP. (the "Corporation")
500, 816 - 7th Avenue SW
Calgary, AB T2P 1A1

Item 2 – Date of Material Change

The material change occurred on July 26, 2007.

Item 3 – News Release

News release was issued on July 26, 2007 by CCN Matthews.

Item 4 – Summary of Material Change

The Corporation announced that it has received the results of the contingent resource report from Degolyer & MacNaughton Canada Ltd. ("D&M") in regard to its recently acquired land positions in two new distinct core areas. The Corporation is also pleased to report that they have acquired an 80% interest in an additional 3 sections of land at the July 25, 2007 Crown land sale.

Item 5 – Full Description of Material Change

The Corporation announced that it has received the results of the contingent resource report from Degolyer & MacNaughton Canada Ltd. ("D&M") in regard to its recently acquired land positions in two new distinct core areas. When acquired in June, these areas consisted of 76 sections of 80% owned lands. The acquisition was previously announced on June 1, 2007. Since that announcement the Corporation has acquired an additional 13 sections in these two areas at a recent Crown land sale bringing the total to 89 sections. The Corporation's bitumen resource base increase reflects evaluation of the well control and seismic information that was available in the areas. The Corporation has planned an extensive seismic and delineation drilling program for the upcoming fall and winter. The aggressive land acquisition and exploration program of the Corporation will continue through the summer and into the next winter's exploration program.

Resource Report

The contingent resource report was prepared by D&M, effective June 30, 2007, estimating the extent and value of the contingent reserves on the 89 sections of land. The report was prepared using assumptions and methodology guidelines outlined in the Canadian Oil and Gas Evaluation Handbook and in accordance with National Instrument 51-101.

Southern Pacific's 80% interests of the 89 sections of land were assigned contingent and prospective resources at a best estimate basis of 408.2 million barrels. Low estimate contingent resources totaled 322.9 million barrels and high estimate resources totaled 499.7 million barrels.

On July 17, 2007 the Corporation also reported probable and possible recoverable reserves on the lands at Leismer South estimated at 198.0 million barrels, 115.8 million barrels of probable recoverable reserves, with possible recoverable reserves estimated to be 82.2 million barrels.

Contingent Resources

The Corporation had recently reported the results of the evaluation on its Leismer property and now is pleased to show that it has grown significantly over the last year to now include an 80% interest in 125 sections of lands (net 64,000 acres), all in the very prospective Athabasca oilsands fairway. The reports for total land holdings are reported below.

Property	Low Estimate	Best Estimate (Millions of Barrels)	High Estimate
Leismer (36 Sections)	83.1	119.8	158.1
57 Section Parcel	271.9	358.4	445.0
32 Section Parcel	93.1	151.9	220.0
Total Contingent		**630.1**	

As the volumes reported are the result of statistical estimation, only the best estimate can be summed arithmetically. The total Low Estimate and total High Estimate would be the result of a statistical aggregation which has not been performed at this point in time.

Probable reserves are those additional reserves that are less certain to be recovered than proven reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the proven plus probable reserves.

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is only a 10-per-cent probability that the quantities actually recovered will equal or exceed the sum of the proven plus probable plus possible reserves.

Contingent resources are those quantities of oil and gas, estimated on a given date, to be potentially recoverable from known accumulations but are not currently economic. The D&M report has categorized these resources as contingent as additional delineation drilling, development planning, project design and further regulatory applications are required.

Low-estimate contingent is considered to be a conservative estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term reflects P90 confidence level.

Best-estimate contingent is considered to be the best estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term is a measure of central tendency of the uncertainty distribution (P50).

High-estimate contingent is considered to be an optimistic estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used the term reflects a P10 confidence level.

Land Purchase

Southern Pacific is also pleased to report that they have acquired an 80% interest in an additional 3 sections of land at the July 25, 2007 Crown land sale. This increased acreage is all in the same areas that were part of the contingent resources reported above, but this additional acreage was not included in the resource figures above. As part of the acquisition announced June 1, 2007, the Corporation paid 100% of the land costs for the 80% interest.

The Corporation now holds an 80% interest in a total of 128 sections of land (65,536 net acres) in three core areas. It plans to continue with its aggressive acquisition strategy in the future.

Item 6 – Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 – Omitted Information

Not applicable.

Item 8 - Executive Officer

The name of a Executive Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is:

Dave Antony, CFO
Telephone: (403) 531-1710
Facsimile: (403) 265-3565

Item 9 - Date of Report

This report is dated this 26th day of July, 2007.

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