



**HEMISPHERE ENERGY ANNOUNCES CLOSING OF ITS PRIVATE PLACEMENT
OF CDE FLOW-THROUGH COMMON SHARES
FOR TOTAL GROSS PROCEEDS OF OVER \$1.1 MILLION**

TSX-V: HME

Vancouver, British Columbia, April 27, 2017 – Hemisphere Energy Corporation ("Hemisphere" or the "Company") (TSX-V: HME) is pleased to announce the closing of its previously announced non-brokered private placement offering (the "Offering"). Hemisphere issued 4,048,200 flow-through shares ("Flow-Through Shares") at a price of \$0.28 per share, which were issued on a Canadian Development Expense flow-through basis pursuant to the provisions of the *Income Tax Act* (Canada) for gross proceeds to the Company of \$1,133,496. Hemisphere intends to use the proceeds from the Flow-Through Shares to continue development in its Atlee Buffalo Upper Mannville F and G oil pools.

The Flow-Through Shares issued under the Offering will be subject to a statutory four-month and one day hold period. While the Offering was conducted on a non-brokered basis, the Company paid cash finder's fees in the aggregate amount of \$52,974, subject to TSX-V acceptance, in accordance with the rules and policies of the TSX-V, which is equal to 6% of the proceeds sold by such finders. Such finder's included Richardson GMP Ltd., PI Financial Corp., Raymond James Ltd., Haywood Securities Inc. and Canaccord Genuity Corp.

About Hemisphere Energy Corporation

Hemisphere Energy Corporation is a producing oil and gas company focused on developing conventional oil assets with low risk drilling opportunities. Hemisphere plans continual growth in production, reserves, and cash flow by drilling existing lands and executing strategic acquisitions. Hemisphere trades on the TSX Venture Exchange as a Tier 1 issuer under the symbol "HME".

For further information, please visit our website at www.hemisphereenergy.ca to see our corporate presentation dated April 2017 or contact:

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Forward-looking Statements

This news release contains "forward-looking statements" that are based on Hemisphere's current expectations, estimates, forecasts, and projections. These forward-looking statements include statements regarding Hemisphere's use of proceeds of the Offering including Hemisphere's plans to continue development in its Atlee Buffalo Upper Mannville F and G oil pools and other expectations, intentions and plans that are not historical fact. The words "estimates", "projects", "expects", "intends", "believes", "plans", or their negatives or other comparable words and phrases are intended to identify forward-looking statements. Forward-looking statements are based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect. Although Hemisphere believes that the expectations reflected in such forward-looking statements are reasonable, undue reliance should not be placed on forward-looking statements because Hemisphere cannot give assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this press release, assumptions have been made regarding and are implicit in, among other things: the ability of Hemisphere to incur and renounce Canadian Development Expense and that all necessary and regulatory approvals will be obtained for the Offering. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.

The forward-looking statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking statements including, without limitation: changes in commodity prices; changes in the demand for or supply of Hemisphere's products, the early stage of development of some of the evaluated areas and zones; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Hemisphere or by third party operators of Hemisphere's properties, increased debt levels or debt service requirements; inaccurate estimation of Hemisphere's oil and gas reserve volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Hemisphere's public disclosure documents, (including, without limitation, those risks identified in this news release and in Hemisphere's current Annual Information Form which may be accessed under Hemisphere's SEDAR profile at www.sedar.com).

The forward-looking statements contained in this news release speak only as of the date of this news release, and Hemisphere does not assume any obligation to publicly update or revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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 news release.