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TSX Venture Exchange

Trading Symbol: "HME"

News Release #09-03

Hemisphere Energy Corporation announces Private Placement

Vancouver BC, May 25, 2009. Hemisphere Energy Corporation (TSXV: HME) announces, subject to regulatory acceptance, a non-brokered private placement, to consist of the sale of up to 4,400,000 units at a price of \$0.25 per unit, each unit to consist of one common share and one share purchase warrant, with each warrant to entitle the holder to purchase one additional common share at a price of \$0.35 for a period of one year from closing. The proceeds of up to \$1,100,000 will be used for financing acquisitions, including the Sylvan Lake property acquisition announced by Hemisphere Energy on May 4, 2009, and general working capital purposes. The Company may pay finders' fees in accordance with the TSX Venture Exchange policy in respect of all or a portion of the funds raised pursuant to this private placement.

The Sylvan Lake acquisition is aligned with Hemisphere Energy's overall strategy of focusing on developing and purchasing areas with multi-zone potential that provide medium to low risk drilling opportunities that will increase the Company's production, reserves and cash flow.

The Company's management and board view the market conditions as providing an excellent opportunity to aggressively pursue value-added acquisitions. Hemisphere Energy continues to evaluate numerous opportunities that complement its producing Trutch property in northeast British Columbia.

Hemisphere Energy is committed to building a strong and successful oil and gas company through its experienced management and directors. Hemisphere Energy will continue to grow its cash flow from existing production, low overhead and its position of no debt.

For further information on Hemisphere Energy Corporation, visit our website at www.hemisphereenergy.ca or call Don Simmons, President and CEO at (604) 685-9255.

HEMISPHERE ENERGY CORPORATION

A handwritten signature in black ink, appearing to read 'Don Simmons', is positioned above the printed name.

Don Simmons
President & CEO

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 outlook for our future operations, plans and timing for the commencement or advancement of exploration and development activities on our properties, and other expectations, intention 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. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Many of these factors are beyond the control of Hemisphere. Consequently, all forward-looking statements made in this news release are qualified by this cautionary statement and there can be no assurance that actual results or developments anticipated by Hemisphere will be realized. For the reasons set forth above, investors should not place undue reliance on such forward-looking statements. Hemisphere disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.

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. This news release may contain forward looking statements based on assumptions and judgments of management regarding future events or results that may prove to be inaccurate as a result of factors beyond its control, and actual results may differ materially from the expected results.