



Suite 650-789 West Pender Street, Vancouver BC V6C 1H2

Telephone: +1-604-685-9255 1-800-449-4435

Facsimile: +1-604-685-9676

Web-site: www.hemisphereenergy.ca

TSX Venture Exchange

Trading Symbol: "HME"

News Release #09-05

Hemisphere Energy Closes First Tranche of Private Placement

Vancouver BC, July 30, 2009. Hemisphere Energy Corporation (TSXV: HME) successfully closed the first tranche of its private placement announced May 25, 2009. This tranche consisting of the sale of 765,000 units at \$0.25 per unit, for proceeds of \$191,250. Each unit consists of one common share and one share purchase warrant, with each warrant entitling the holder to purchase one additional common share at a price of \$0.35 until July 29, 2010. The proceeds raised 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. All of the securities issued in connection with the closing of this first tranche are subject to a hold period in Canada until November 30 2009.

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 and will continue to grow its cash flow, production and reserves, while maintaining a low overhead.

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.