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TSX Venture Exchange

Trading Symbol: "HME"

News Release #10-02

Hemisphere Energy Corporation announces Board approval of a Shareholder Rights Plan and Granting of Incentive Stock Options

Vancouver B.C., Tuesday, March 9, 2010. Hemisphere Energy Corporation (TSXV: HME) ("Hemisphere") announces the following:

1. Board approval of a Shareholder Rights Plan

Hemisphere's Board of Directors has approved the adoption of a shareholder rights plan designed to provide its shareholders with full and fair value in the event of possible takeover bids for Hemisphere's common shares. Adoption of this shareholder rights plan will be submitted for ratification by shareholders at Hemisphere's annual and special meeting expected to be held in August 2010, and is subject to regulatory acceptance.

Hemisphere believes that this shareholder rights plan preserves the fair treatment of shareholders, and is consistent with Canadian corporate practice and institutional investor guidelines. The objective of the shareholder rights plan is to ensure that, in the event of a bid for control through acquisition of Hemisphere's common shares, there are provisions in place to:

- provide for the orderly presentation of permitted bids to shareholders;
- provide adequate time for competing bids to emerge;
- ensure shareholders have an equal opportunity to participate in competing bids;
- give shareholders adequate time to properly assess any competing bids; and
- explore and develop alternatives for maximizing shareholder value.

Under the terms of the shareholder rights plan, Hemisphere will distribute one right of exercise for every common share outstanding as at the time of record. The rights issued under the shareholder rights plan will become exercisable when a person, including any related parties, acquires or announces its intention to acquire 20 per cent or more of Hemisphere's outstanding common shares without complying with the permitted bid provisions or without approval of Hemisphere's Board of Directors. If that occurs, each right would entitle a holder, other than the acquiring person and related parties, to purchase common shares of Hemisphere at a substantial discount to their market value.

A permitted bid must be made through a takeover bid circular prepared in compliance with applicable securities laws, remain open for 60 days and satisfy certain other conditions.

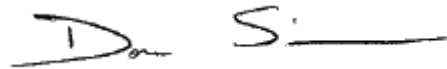
As of the date of this News Release, Hemisphere is not aware of any pending or threatened takeover bid for its common shares.

(By News Release dated June 29, 2007, Hemisphere, which was then known as "Northern Hemisphere Development Corp.", announced the adoption of an earlier shareholder rights plan, which was ratified by its shareholders at its annual and special meeting held on August 2, 2007. Hemisphere elected not to seek shareholder approval to extend said shareholder rights plan at its annual general meeting held on August 20, 2009, and as such that initial shareholder rights plan was allowed to expire on August 20, 2009. In light of current market conditions and the stage of Hemisphere's reorganization, which included a change of name and share consolidation in 2009, its Board of Directors has elected to reintroduce a shareholder rights plan, as disclosed above.)

2. Granting of Incentive Stock Options

Hemisphere also announces the granting of incentive stock options to its directors, officers, employees and consultants, entitling them to purchase up to a total of 545,000 shares at a price of \$0.25 per share for a period of five years.

HEMISPHERE ENERGY CORPORATION



Don Simmons
President & CEO

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.

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.