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

Telephone: +1-604-685-9255
Facsimile: +1-604-685-9676
Web-site: www.hemisphereenergy.ca

TSX Venture Exchange
Trading Symbol: "HME"
News Release #10-06

Hemisphere Energy Announces Private Placement

Vancouver B.C., Wednesday, July 7, 2010. Hemisphere Energy Corporation (TSX: HME) announces a non-brokered private placement of up to 5,000,000 units at a price of $0.20 per unit. Each unit will consist of one (1) common share and one (1) non-transferable share purchase warrant, with each warrant entitling the holder to purchase one common share at a price of $0.30 for a period of one year. The proceeds of up to $1,000,000 being raised in this private placement will be used for development and exploration projects, financing acquisitions and general corporate purposes.

The placement is subject to regulatory acceptance and 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.

Hemisphere Energy also has an inventory of low risk development drilling locations within its Trutch and Sylvan Lake properties. Hemisphere Energy focuses on developing projects with low risk drilling opportunities, multiple zones of potential and long-life reserves that will increase Hemisphere Energy's production, reserves and cash flow.

Hemisphere Energy's management and board view the market conditions as providing an excellent opportunity to aggressively pursue value-added acquisitions and farm-ins. Hemisphere Energy is evaluating other opportunities that complement its producing Trutch and Sylvan Lake properties in western Canada.

HEMISPHERE ENERGY CORPORATION

Don Simmons
President & CEO

For further information on Hemisphere Energy Corporation, visit our website 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.