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 #11-12

Hemisphere Energy Proceeds with Tie-in of Horizontal Well in Jenner Property

Vancouver BC, July 5, 2011. Hemisphere Energy Corporation (TSXV: HME) has finished completion operations on its first horizontal well in the Jenner property of southeast Alberta. After performing a swab test, Hemisphere has confirmed the presence of oil in the Glauconitic formation, and is equipping the well with a pump and proceeding with tie-in to the Company's existing pipeline infrastructure.

Initial production rates will be released after the well has been tied-in and has a production history.

Hemisphere is focused on building and developing core areas that provide low to medium risk drilling opportunities to increase production, reserves and cash flow.

Hemisphere currently has oil production from its Jenner property in southeast Alberta, natural gas production from its Sylvan Lake and Wainwright properties in central Alberta and liquids-rich natural gas production from its Trutch property in northeast British Columbia.

HEMISPHERE ENERGY CORPORATION

Don Simmons – P.Geol
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.

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.