



HEMISPHERE ENERGY CORPORATION ANNOUNCES RESULTS OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TSX-V: HME

August 20, 2012 - Hemisphere Energy Corporation ("Hemisphere" or the "Company") (TSX-V: HME) is pleased to announce that its shareholders approved all matters put before them at the Company's Annual General and Special Meeting held on August 17, 2012, as follows:

1. Approved the consolidated financial statements of the Company for the fiscal year ended February 29, 2012 and the auditor's report thereon;
2. Fixed the number of directors of the Company at six (6);
3. Elected the following directors of the Company for the ensuing year: Charles O'Sullivan, Don Simmons, Frank Borowicz, Bruce McIntyre, Greg Sadler and Gregg Vernon;
4. Appointed Smythe Ratcliffe LLP as auditors of the Company for the ensuing year at a remuneration to be fixed by the Board of Directors;
5. Changed the Company's fiscal year-end from February 28 to December 31;
6. Passed an ordinary resolution approving the renewal of the Company's Stock Option Plan; and
7. Passed an ordinary resolution approving the extension of the Company's Shareholder Rights Plan.

The meeting concluded with a presentation by Don Simmons, President and Chief Executive Officer, on the Company's current activities. This presentation can be found on the Hemisphere's newly designed website at www.hemisphereenergy.ca.

About Hemisphere Energy Corporation

Hemisphere Energy Corporation is a junior exploration and production company focused on developing core areas that provide low to medium risk drilling opportunities to increase production, reserves and cash flow. Hemisphere's continued growth plan is through drilling existing prospects and executing strategic acquisitions and farm-ins. Hemisphere trades on the TSX Venture Exchange under the symbol "HME".

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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.

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