



HEMISPHERE ENERGY DRILLS TWO SUCCESSFUL OIL WELLS ADDING 197 BOPD

TSX-V: HME

Vancouver, British Columbia, September 5, 2012 - Hemisphere Energy Corporation ("Hemisphere" or the "Company") (TSX-V: HME) is pleased to announce it has successfully drilled and placed on production two additional horizontal oil wells in Jenner, southeast Alberta.

Hemisphere commenced its summer drilling program in July 2012 resulting in two horizontal wells that targeted the oil-bearing sandstones of the Glauconitic formation. The most recently drilled well has been producing since August 11, 2012 averaging approximately 172 barrels of oil per day ("bopd") with a 6% water cut. The first well commenced production on August 1, 2012 averaging approximately 25 bopd with a 5% water cut.

With the addition of these two new wells and based on field estimates, Hemisphere achieved record production rates during the last week of August averaging 536 barrels of oil equivalent per day with a 94% oil and natural gas liquids weighting.

Hemisphere continues to expand its landholdings, infrastructure and seismic database in its Jenner core area in southeast Alberta by recently acquiring 800 additional acres of prospective land through crown land sales, upgrading its main production facility to handle additional fluid, and acquiring two separate 3D seismic programs.

Hemisphere's next drilling and seismic programs are expected to commence in mid-September 2012. The Company anticipates drilling up to six wells targeting oil in the Glauconitic formation in the Jenner area by the end of 2012.

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 funds 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", "anticipates", 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.

Barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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