



HEMISPHERE ENERGY CLOSES ATLEE BUFFALO ACQUISITION AND COMPLETES 5 WELL SUMMER DRILL PROGRAM

TSX-V: HME

Vancouver, British Columbia, July 23, 2014 – Hemisphere Energy Corporation ("Hemisphere" or the "Company") (TSX-V: HME) announces that it has closed the acquisition of certain petroleum and natural gas leases in the Atlee Buffalo area of southeast Alberta. The property includes an 85% working interest in 1.75 sections (1,120 acres) of land adjacent to Hemisphere's existing landbase. Total consideration for the acquisition was \$510,000.

The Company also announces that it has successfully drilled the five development horizontal wells of its summer drilling program in the Atlee Buffalo area of southeast Alberta. All five wells are undergoing completion and tie in operations and production results will be announced as they become available.

About Hemisphere Energy Corporation

Hemisphere is a producing oil and gas 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 as a Tier 1 issuer 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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