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## **HEMISPHERE ANNOUNCES BOUGHT DEAL EQUITY FINANCING**

Vancouver, British Columbia (November 21, 2013) – Hemisphere Energy Corporation (“Hemisphere” or the “Company” - TSXV: HME) is pleased to announce that it has entered into an agreement with a syndicate of underwriters led by Canaccord Genuity Corp. and including Integral Wealth Securities Limited and MGI Securities Inc. (collectively the “Underwriters”), which have agreed to purchase, on a bought deal basis, 3,637,000 units of Hemisphere, comprised of one common share and one half of one warrant of Hemisphere (together, the “Units”) at a price of \$0.55 per Unit and 3,077,000 common shares to be issued on a “CEE flow-through” basis (the “CEE Flow-Through Shares”) at a price of \$0.65 per CEE Flow-Through Share for aggregate gross proceeds of \$4,000,400 (the “Offering”). Each whole warrant will entitle the holder to acquire one common share of the Corporation at a price of \$0.75 per common share expiring 12 months after the closing of the Offering.

The Company will grant the Underwriters an option to purchase up to 545,550 additional Units (the “Over-Allotment Option”), exercisable for a period of 30 days following the date of closing to cover over-allotments, if any.

Hemisphere will use the net proceeds from the Offering to accelerate its capital program focused on the Company’s Jenner core area and its newly acquired Atlee Buffalo play, as well as for general corporate purposes.

The Units and CEE Flow-Through Shares will be offered by way of a short form prospectus to be filed in Alberta, British Columbia and Ontario and such other provinces and territories (excluding Quebec) as the Company and the Underwriters may agree. Closing of the Offering is expected to occur on or about December 10, 2013 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange.

### **About Hemisphere Energy Corporation**

Hemisphere is an oil and gas 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 as a Tier 1 issuer under the symbol “HME”.

For further information: Don Simmons, President and Chief Executive Officer; Corporate Phone: (604) 685-9255.

**The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration**

**or applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.**

### **Forward-Looking Statements**

This document contains forward-looking statements. More particularly, this document contains statements which include, but are not limited to, the timing of closing of the Offering, the anticipated use of proceeds of the Offering and the receipt of the required regulatory and third party approvals.

The forward-looking statements are based on certain key expectations and assumptions made by Hemisphere. Although Hemisphere believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Hemisphere can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. In addition to other risks that may affect the forward-looking statements in this press release, the closing of the Offering could be delayed if Hemisphere is not able to obtain the necessary regulatory and stock exchange approvals on the timelines it has planned and the Offering will not be completed at all if these approvals are not obtained or some other condition to the closing is not satisfied. Accordingly, there is a risk that the Offering will not be completed within the anticipated time or at all. The intended use of the net proceeds of the Offering by Hemisphere might change if the board of directors of Hemisphere determines that it would be in the best interests of Hemisphere to deploy the proceeds for some other purpose.

The forward-looking statements contained in this press release are made as of the date hereof and Hemisphere undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

**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 release.**