



HEMISPHERE ENERGY PROVIDES OPERATIONS UPDATE WITH FOUR NEW WELLS ON PRODUCTION

TSX-V: HME OTCQX: HMENF

Vancouver, British Columbia, February 8, 2022 – Hemisphere Energy Corporation ("Hemisphere" or the "Company") is pleased to announce an update on its operations.

During the first half of January, Hemisphere brought four new Atlee F pool wells online that had been drilled at the end of the fourth quarter. Corporate production including these new wells has averaged approximately 2,635 boe/d over the past two weeks (99% heavy crude oil; based on field estimates between Jan 23rd - Feb 5th). This represents record production for the Company, and is a direct result of Hemisphere's successful enhanced oil recovery projects in Atlee Buffalo.

Despite the challenges of an extreme cold snap that caused significant downtime and freeze-offs during the first two weeks of the year, Hemisphere's corporate production for the full month of January still averaged approximately 2,390 boe/d (99% heavy crude oil; based on field estimates between Jan 1st - 31st), which is consistent with Hemisphere's December production numbers. At this level, the Company is producing approximately 33% more than its estimated annual 2021 production average of 1,800 boe/d.

Hemisphere is pleased with the early performance of its new Atlee F pool wells, as well as the overall performance of its G pool polymer flood project. While most of the Company's capital expenditures over the past few years have been used for development of the Atlee G pool, capital allocation towards the Atlee F pool is expected to increase moving forward once the pool is converted to polymer flood. With a positive response to polymer flooding in the Atlee G pool thus far, management is excited to apply this enhanced oil recovery technique to the Atlee F pool.

About Hemisphere Energy Corporation

Hemisphere is a Canadian oil company focused on sustainable growth of its high netback, low decline conventional heavy oil assets through water and polymer flood enhanced recovery methods. Hemisphere trades on the TSX Venture Exchange as a Tier 1 issuer under the symbol "HME" and on the OTCQX Venture Marketplace under the symbol "HMENF".

For further information, please visit the Company's website at www.hemisphereenergy.ca to view its corporate presentation or contact:

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Forward-looking Statements

Certain statements included in this news release constitute forward-looking statements or forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities legislation. Forward-looking statements are typically identified by words such as anticipate, continue, estimate, expect, forecast, may, will, project, could, plan, intend, should, believe, outlook, potential, target and similar words suggesting future events or future performance. In particular, but without limiting the generality of the foregoing, this news release includes forward-looking statements regarding the Company's expectation that capital allocation towards the Atlee F pool will increase moving forward once the pool is converted to polymer flood; and that with a positive response to polymer flooding in the Atlee G pool thus far, management is excited to apply this enhanced oil recovery technique to the Atlee F pool.

Forward-looking statements are based on a number of material factors, expectations or assumptions of Hemisphere which have been used to develop such statements and information, but which may prove to be incorrect. Although Hemisphere believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Hemisphere can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the continued performance of the Company; polymer flooding programs, that results from drilling and development activities are consistent with past operations; the quality of the reservoirs in which Hemisphere operates and continued performance from existing wells; the continued and timely development of infrastructure in areas of new production; continued availability of debt and equity financing and cash flow to fund Hemisphere's current and future plans and expenditures; the general stability of the economic and political environment in which Hemisphere operates; the general continuance of current industry conditions; the timely receipt of any required regulatory approvals; the ability of Hemisphere to obtain qualified staff, equipment and services in a timely and cost efficient manner; future commodity prices; currency, exchange and interest rates; and the ability of Hemisphere to successfully market its oil and natural gas products.

The forward-looking statements contained in this news release speak only as of the date of this news release, and Hemisphere does not assume any obligation to publicly update or revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Any references in this news release to initial production rates (including as a result of recent enhanced oil recovery activities) are useful in confirming the presence of hydrocarbons; however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter and are not necessarily indicative of long-term performance or ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Such rates are based on field estimates and may be based on limited data available at this time.

Definitions and Abbreviations

boe/d barrel of oil equivalent per day

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.