



Hemisphere ENERGY

TRADING AND DISCLOSURE POLICY (the "Policy")

Hemisphere Energy Corporation ("Hemisphere") is committed to a policy of full, true, and plain public disclosure of all material information in a timely manner, in order to keep stakeholders informed about its operations. Material information is information that significantly affects or may be reasonably expected to affect a significant change in the market price or value of Hemisphere, and is to be disclosed in accordance with applicable securities laws and the policies of the TSX Venture Exchange ("TSX-V").

Disclosure

News releases will be approved by the Chief Executive Officer or a person authorized by the Board of Directors prior to issuance, will be broadly disseminated to the public through an acceptable newswire service, posted to Hemisphere's website, filed on SEDAR+, and may be distributed to parties who have requested to receive such news. News releases disclosing material information will be transmitted to the TSX-V through the Investment Industry Regulatory Organization of Canada. If issued during trading hours, a trading halt must be requested with pre-clearance required from the TSX-V.

In certain limited circumstances, Hemisphere may withhold material information from public disclosure for legitimate business purposes. The material information must be filed with Canadian securities regulators in a Confidential Material Change Report. Hemisphere will only delay disclosure of such information in circumstances outlined in Canadian securities laws and will take appropriate precautions to keep the information confidential. Any person who becomes aware of possible material information must immediately inform Hemisphere's Chief Executive Officer or Chief Financial Officer.

Disclosure documents should be reviewed and approved by the Chief Executive Officer, Chief Financial Officer, or an authorized committee of the Board of Directors.

Disclosure documents include annual audited and interim financial statements, management's discussion and analysis ("MD&A"), material change reports, prospectuses, offering memoranda, reserve reports, annual information forms, information circulars and any other documents as required by Canadian securities law and securities commissions to be filed on SEDAR+.

Annual audited and interim financial statements and related MD&A must be reviewed and approved by Hemisphere's Audit Committee prior to submission to the Board of Directors for approval and distribution.

Requirements under National Instrument 51-101 *Standards of Disclosure for Oil & Gas Activities* must be reviewed and approved by Hemisphere's Reserves Committee prior to submission to the Board of Directors for approval and distribution.

Hemisphere may provide sufficient forward-looking information to the investing public to enable reasoned evaluations of Hemisphere and its future performance prospects provided that it is not undisclosed material information, it does not deal with future earnings or share price, and it has been prepared and/or reviewed by the Chief Executive Officer or a person authorized by the Board of Directors. A forward-looking statement made in Hemisphere's written documents or in oral communications must be identified as such and be accompanied by meaningful cautionary language.

Communications with Stakeholders, Analysts, Market Professionals and Others

Every Hemisphere spokesperson must be authorized by the Board of Directors. Hemisphere will not disclose any selective, confidential, proprietary or material non-public information in communications with stakeholders, analysts, market professionals and others. Information disclosed will be factual and not speculative.

Investor relations personnel will not provide guidance or forward-looking information or comments on matters potentially impacting earnings outlooks unless such information has been previously disclosed.

When participating in stakeholder meetings, industry conferences, and private meetings, spokespersons must only disclose information that is either not material or has been previously disclosed. Subject to the provisions of this Policy, acceptable topics of discussion include Hemisphere's business prospects, the business environment, management's philosophy and long-term strategy.

Information contained on Hemisphere's website will be kept current. Previously disclosed material information, as well as any non-material information given to stakeholders, analysts, and other market professionals (such as investor presentations, fact sheets, materials distributed at analyst and industry conferences) will be posted to the website. Analysts' reports will not be posted on or linked to Hemisphere's website. No links to internet chat rooms, newsgroups or bulletin boards will be posted on the website, and officers, directors, employees, and consultants of Hemisphere will not discuss or post any information relating to Hemisphere on any internet forum.

Rumours

Hemisphere shall not comment, favorably or negatively, on rumours, including rumours on the internet. Hemisphere spokespersons will respond consistently to rumours by stating only "It is our policy not to comment on market rumours or speculation." If the TSX-V or a securities regulatory authority requests Hemisphere to make a statement in response to a market rumour, the Board of Directors will consider the matter and direct the Chief Executive Officer as to the nature and context of any response.

Prohibitions

Officers, directors, employees and consultants of Hemisphere must not purchase, sell or otherwise deal with Hemisphere securities while in possession of undisclosed material information. Tipping, which refers to the disclosure of undisclosed material information to third parties outside the necessary course of business, is strictly prohibited.

Blackout Periods restrict officers, directors, employees and consultants of Hemisphere from buying/selling any Hemisphere securities, exercising stock options, and exercising share purchase warrants. The Chief Executive Officer or his delegate will advise officers, directors, employees and consultants of Hemisphere by way of email when a Blackout Period is in effect and when it has been lifted. Blackout Periods will commonly occur each quarter in connection with the Board of Directors' pending review of the financial statements and in connection with pending events that constitute material information, such as awaiting drilling program production results.

Insider Reports

Directors and officers of Hemisphere ("Insider") are required to file all Hemisphere securities-related transactions (whether held directly or indirectly) on the System for Electronic Dissemination by Insiders ("SEDI") within 10 calendar days for a first-time Insider and five calendar days thereafter. Insiders are responsible for ensuring that they are registered on SEDI and understand how to make the required filings.

I ACKNOWLEDGE that I have read and understand Hemisphere’s Trading & Disclosure Policy.

Signature

Print Name

Date