



# Hemisphere ENERGY



[www.hemisphereenergy.ca](http://www.hemisphereenergy.ca)

TSX-V: HME  
OTCQX: HMENF

## FALL 2025

**Hemisphere Energy** is a dividend paying Canadian oil company focused on maximizing value-per-share growth with the sustainable development of its high netback, ultra-low decline conventional heavy oil assets through polymer flood enhanced oil recovery (EOR) methods.

**Q2 2025 Production** **3,826 boe/d** (99% heavy oil)

**Share Price (TSX-V)** (September 22, 2025) **\$2.11**

**Basic Shares Outstanding** **94.9 million**

**Fully Diluted Shares Outstanding** **100.0 million**

**Insider Ownership** (Basic / Fully Diluted) **~17% / ~20%**

**Market Capitalization**<sup>(1)</sup> (September 22, 2025) **\$200.3 million**

**Working Capital**<sup>(2)</sup> (June 30, 2025) **\$13.9 million**

**Enterprise Value** (September 22, 2025) **\$186.4 million**

(1) Market capitalization reports the non-diluted issued and outstanding common shares as of September 22, 2025 multiplied by the closing price of the common shares on that date.

(2) Non-IFRS measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other entities. Refer to "Non-IFRS and Other Financial Measures" section in the Advisory Statements of the Company's most recent Corporate Presentation available on [www.hemisphereenergy.ca](http://www.hemisphereenergy.ca).

### 2025 CORPORATE GUIDANCE<sup>(1,2,3)</sup>

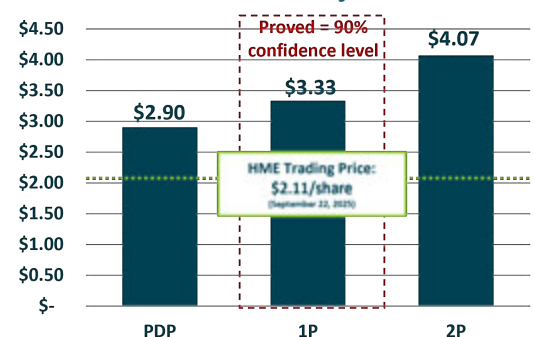
|                            |            | US\$65 WTI | US\$75 WTI   | US\$85 WTI |
|----------------------------|------------|------------|--------------|------------|
| Average Annual Production  | boe/d      | 3,900      | <b>3,900</b> | 3,900      |
| Adjusted Funds Flow (AFF)  | \$ million | 40         | <b>51</b>    | 61         |
| AFF per basic share        | \$/share   | 0.41       | <b>0.52</b>  | 0.63       |
| Capital Expenditures & ARO | \$ million | 17         | <b>17</b>    | 17         |
| Free Funds Flow (FFF)      | \$ million | 24         | <b>34</b>    | 44         |
| FFF per basic share        | \$/share   | 0.25       | <b>0.35</b>  | 0.46       |
| Dividend per basic share   | \$/share   | 0.10       | <b>0.10</b>  | 0.10       |

(1) Operating field netback, AFF, AFF per barrel, capital expenditures, FFF, and working capital are non-IFRS financial measures that are not standardized financial measures under International Financial Standards ("IFRS") and may not be comparable to similar financial measures disclosed by other issuers. Refer to "Non-IFRS and Other Financial Measures" section in the Advisory Statements of the Company's most recent Corporate Presentation available on [www.hemisphereenergy.ca](http://www.hemisphereenergy.ca).

### 2024 YEAR-END RESERVES<sup>(1)</sup>

|                                  | Reserves / NPV10 BT        |
|----------------------------------|----------------------------|
| Proved Developed Producing (PDP) | 9.3 MMboe / \$273 million  |
| Proved (1P)                      | 11.4 MMboe / \$317 million |
| Proved + Probable (2P)           | 14.5 MMboe / \$393 million |

### Net Asset Value<sup>(2)</sup> - \$ / Fully Diluted Share



(1) Reserve volumes and net present values are as attributed by McDaniel & Associates Consultants Ltd. ("McDaniel"), discounted at 10% and before tax (NPV10 BT), in the independent reserve report prepared for Hemisphere in accordance with NI 51-101 effective as of December 31, 2024 and run at the January 1, 2025 3-Consultant Average Price (the "McDaniel Reserve Report"), and including all corporate abandonment, decommissioning, and reclamation estimates. The 3-Consultant Average Price Forecast is an average of the published price forecasts for McDaniel, GLJ Petroleum Consultants Ltd., and Sproule Associates Ltd. at January 1, 2025. It uses a 5-year 2025-2029 WTI price of US\$75.75/bbl and WCS Cdn\$84.78/bbl (+2%/yr thereafter).

(2) Calculated using the respective net present values of PDP, 1P, and 2P reserves, before tax and discounted at 10%, plus internal valuations of \$2.6 million for both undeveloped land at \$75/acre for 26,864 acres and \$0.55 million for seismic, plus \$7.0 million for proceeds from stock options, plus year-end 2024 working capital of \$6.4 million, and divided by 103.4 million fully-diluted outstanding shares at year-end. Net present values are shown at the 3-Consultant Average Price Forecast used in the McDaniel Reserve Report. Working Capital is a non-IFRS measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. See Advisory statements "Non-IFRS and Other Financial Measures" and "Financial Information".



**Focused**

Long-life, high value Canadian oil assets

Years of sustainable cash flow



**Strong**

Debt free and building cash, minimal liabilities

More cash leftover for shareholder returns



**Unique**

Enhanced Oil Recovery (EOR) - Polymer Flood

Ultra-low decline rate



**Profitable**

High margin oil barrel & low capital requirements

Maximize free cash flow

**Focus on Shareholder  
Value and Return**

**Base Quarterly Dividends**

**+**

**Share Buybacks**

**+**

**Special Dividends**



TSX-V: HME

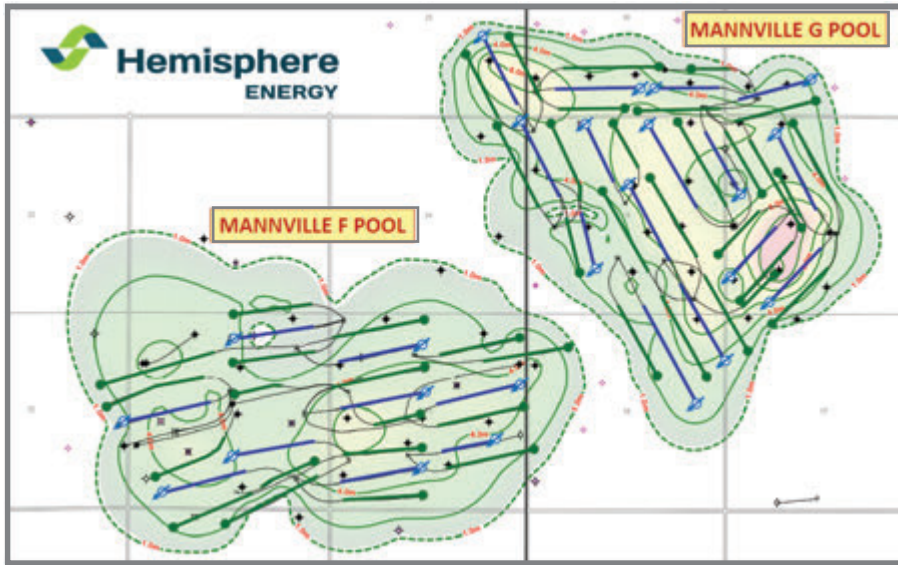
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**Hemisphere**  
ENERGY

## Atlee Buffalo, Alberta



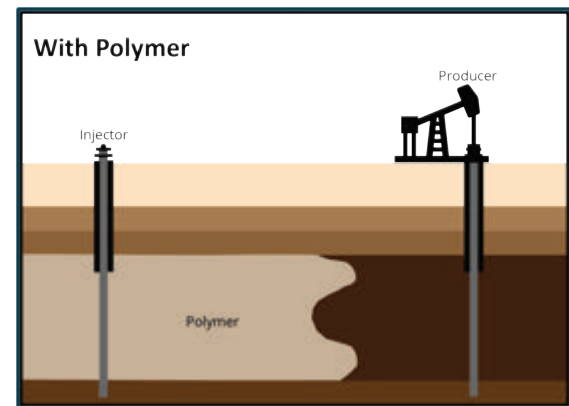
- 97% of corporate production is from Atlee Buffalo
- 100% owned and operated
- High-quality reservoirs (porosity and permeability)
- Both pools are under EOR polymer flood
  - Maximize resource recovery
  - Minimize decline rates
- 'Cash flow harvest' mode
  - Proved reserves in Atlee F/G pools of over 10 million barrels for just \$16 million of remaining booked capital spending



**Polymer flooding has been successfully used by oil companies all around the world since the 1950's**



- Proven method of enhanced oil recovery (EOR)
- Typical reservoir response:
  - Increase in oil production
  - Decrease in decline rate
  - Increase in overall oil recovery
  - Decrease in water production handling costs



## New Area in Marsden, Saskatchewan

- **Large delineated oil-in-place development resource**
  - Where better to find oil than where it has already been found!
  - Historical vertical wellbores help define the oil reservoir
  - Reservoir simulation indicates horizontal wells combined with polymer flood could yield a significantly higher recovery factor from the pool
- **Purchased ~13 sections of land, drilled a 5-well pad, and built an oil battery with polymer injection skid**
  - No legacy production, facilities, or wellbore liabilities
- **Pilot polymer flood project commenced**
  - Estimated DCT well costs of \$1-1.5 million
  - 5 wells drilled in Q1 2024 (2 injectors and 3 producers)
  - Commenced polymer injection in late Q3 2024 - pressure and production response anticipated late 2025
  - Low cost-of-entry and significant development opportunity beyond initial pilot if successful
- **Reserve upside<sup>(1)</sup>**
  - Marsden asset currently represents just 5% of the 2P NPV10 BT valuation of the McDaniel Reserve Report

(1) As disclosed in Hemisphere's new release dated March 19, 2025.

**Disclaimer:** All amounts are expressed in Canadian dollars unless otherwise noted. Any forward-looking information and statements included in this document are not guarantees of future performance and should not be unduly relied upon. The forward-looking information and statements contained in this document speak only as of the date of this document, and Hemisphere does not assume any obligation to publicly update or revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. For a full description of Hemisphere's Advisory Statements, please refer to the most recent Corporate Presentation available for review on Hemisphere's website at [www.hemisphereenergy.ca](http://www.hemisphereenergy.ca) (accessible via QR code provided). For a full description of Hemisphere's Forward-Looking Statements and Risk Factors, please refer to the most recently filed AIF available for review on Hemisphere's website at [www.hemisphereenergy.ca](http://www.hemisphereenergy.ca) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Neither 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 document. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf to 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.

## CONTACT INFORMATION

Don Simmons, President and CEO  
Phone: (604) 685-9255  
Email: [simmons@hemisphereenergy.ca](mailto:simmons@hemisphereenergy.ca)  
Website: [www.hemisphereenergy.ca](http://www.hemisphereenergy.ca)