Hemisphere ENERGY

OCTOBER 2025

www.hemisphereenergy.ca

TSX-V: HME

OTCQX: HMENF

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) (October 9, 2025)	**$2.20**
Basic Shares Outstanding	**94.7 million**
Fully Diluted Shares Outstanding	**99.8 million**
Insider Ownership (Basic / Fully Diluted)	**~17% / ~20%**
Market Capitalization[1] (October 9, 2025)	**$208.3 million**
Working Capital[2] (June 30, 2025)	**$13.9 million**
Enterprise Value (October 9, 2025)	**$194.4 million**

(1) Market capitalization reports the non-diluted issued and outstanding common shares as of October 9 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.

2025 CORPORATE GUIDANCE[1,2,3]

		US$65 WTI	US$75 WTI	US$85 WTI
Average Annual Production	boe/d	3,900	**3,900**	3,900
Adjusted Funds Flow (AFF)	$ million	40	**51**	61
AFF per basic share	*$/share*	*0.41*	***0.52***	*0.63*
Capital Expenditures & ARO	$ million	17	**17**	17
Free Funds Flow (FFF)	$ million	24	**34**	44
FFF per basic share	*$/share*	*0.25*	***0.35***	*0.46*
Dividend per basic share	*$/share*	*0.10*	***0.10***	*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.
(2) Key Assumptions include WCS Differential of US$14.00/bbl; USD/CAD Exchange of 1.43; Quality Adjustment of $7.00/bbl; Opex of $15.25/boe.
(3) See "Advisory Statements - 2025 Corporate Guidance Assumptions" in the Company's most recent Corporate Presentation available on www.hemisphereenergy.ca.

2024 YEAR-END RESERVES[1]

	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[2] - $ / 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

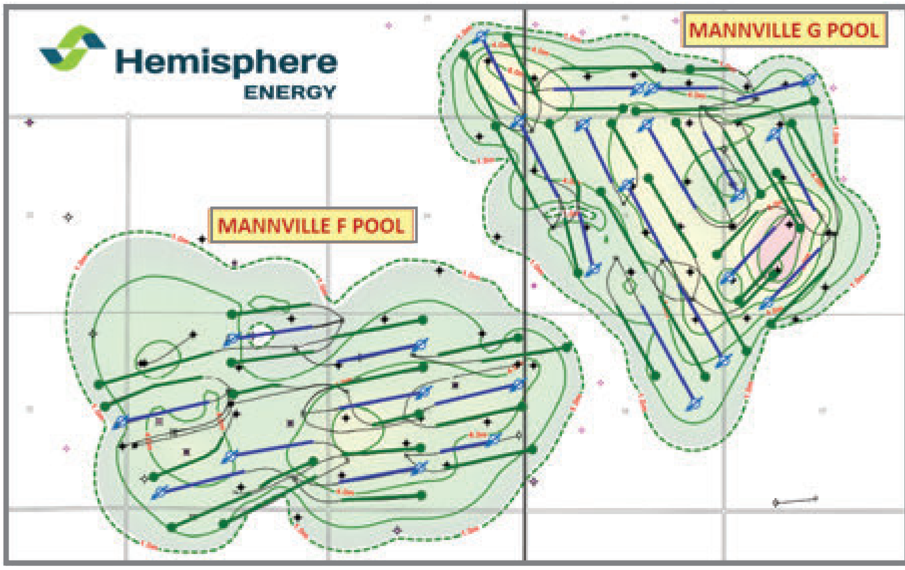
Base Quarterly Dividends

+

Share Buybacks

+

Special Dividends

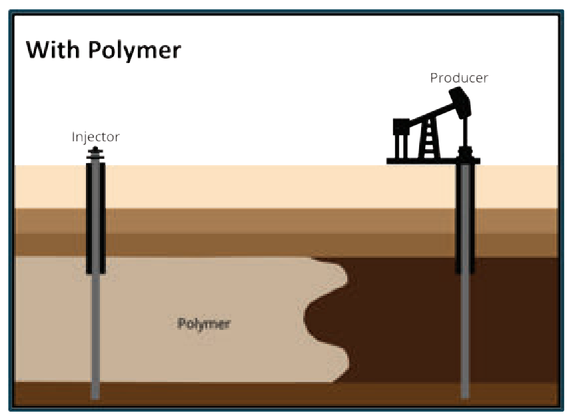


Atlee Buffalo, Alberta

- 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

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 production 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 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***[1]
  - 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.

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