# HEMISPHERE ENERGY RESPONDS TO INCIDENT AT ATLEE BUFFALO OIL BATTERY

**TSX-V: HME OTCQX: HMENF**

Vancouver, British Columbia, August 26, 2026 – Hemisphere Energy Corporation ("Hemisphere" or the "Company") (TSX-V: HME) (OTCQX: HMENF) reports that a fire incident occurred overnight at the Company's largest oil battery at its Atlee Buffalo property.

Emergency protocols were activated immediately, and the fire has since been extinguished with all damage contained within the Company's lease. There are no injuries reported.

The incident resulted in the loss of all three treaters at the battery and is expected to cause significant downtime at the facility while clean-up, assessment, and rebuild activities are completed. The affected oil battery accounts for up to 2,650 boe/d (99% heavy oil), or approximately 75% of the Company's production. Hemisphere is working with the appropriate authorities, insurers, and service providers to assess damage, determine the cause of the incident, and develop a restoration plan.

The Company will provide further updates as more information becomes available, including expected timing for repairs, production restoration, and any potential impacts to previously announced guidance, which is currently being suspended until such information has been determined.

## About Hemisphere Energy Corporation

Hemisphere is a dividend-paying Canadian oil company focused on maximizing value-per-share growth with the sustainable development of its high netback, low decline conventional heavy oil assets through polymer flood enhanced oil 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 including the anticipated downtime at the Company's Atlee Buffalo oil battery; the timing, scope and cost of clean-up, assessment, repair, replacement and rebuild activities; the timing for recommencement and restoration of production from the affected battery; the potential impact of the incident on the Company's production, operations, financial results, capital expenditures, cash flow, previously disclosed guidance and future plans; the Company's ability to access equipment, materials, contractors, service providers and regulatory approvals* *required to complete remediation and rebuild activities; the results of the Company's investigation into the cause of the incident; and the Company's intention to provide further updates as additional information becomes available.*

*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 assessment of the damage caused by the fire, the ability of the Company to restore operations and the timing and costs associate therewith; that no further damage or disruptions will be identified; and the availability of insurance coverage.*

*The forward-looking statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking statements including, without limitation: changes to damage assessments; unidentified liabilities (including environmental liabilities); the ability of the Company to update it guidance based on known events and estimates; the ability of the Company to continue its dividend policy; changes in commodity prices; changes in the demand for or supply of Hemisphere's products, the early stage of development of some of the evaluated areas and zones; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Hemisphere or by third party operators of Hemisphere's properties, increased debt levels or debt service requirements; inaccurate estimation of Hemisphere's oil and gas reserve volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Hemisphere's public disclosure documents, (including, without limitation, those risks identified in this news release and in Hemisphere's Annual Information Form).*

*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.*

### *Oil and Gas Advisories*

*A barrel of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: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. In addition, given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.*

### *Definitions and Abbreviations*

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| *bbl* | *Barrel* |
| *bbl/d* | *barrels per day* |
| *boe* | *barrel of oil equivalent* |
| *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.***