

FROM THE DESK OF INGRAM GILLMORE, PRESIDENT & CEO

We regularly include the following data populated with estimated monthly results:

Capital * (<i>\$k CAD</i>)	Q1 17	Q2 17	Q3 17	17-Dec	Q4 17	2017	18-Jan	18-Feb	Q1 18 TD
Drill & Complete	14,563	3,856	7,610	2,217	7,737	33,766	470	1,747	2,217
Facilities	3,193	2,718	3,065	1,607	5,247	14,223	1,244	1,439	2,683
Land & Seismic	1,147	262	288	243	583	2,280	1,333	1,417	2,750
A&D	-68	128	1,636	-17	14	1,710	61	364	425
Other	-119	-676	-450	-1,260	-1,260	-2,505	0	0	0
TOTAL	18,716	6,288	12,149	2,790	12,321	49,474	3,108	4,967	8,075

Production (boe/d) *	Q1 17	Q2 17	Q3 17	17-Dec	Q4 17	2017	18-Jan	18-Feb	Q1 18 TD
Sales	5,907	6,510	6,525	6,869	7,091	6,511	7,218	6,778	7,009
Field	6,084	6,468	6,646	7,442	7,380	6,648	7,331	6,995	7,172

** Estimates based on field data, actuals will vary from estimates due to accruals and adjustments. Such variances*

If you have not seen it already, Gear issued an operational update and revised budget press release this week. You can find the detailed release at www.sedar.com.

The short version of the release is basically that things in the field are going quite well, however, the ability to ship heavy oil is not going as well as we would like. For the first time ever, Gear is slowing down heavy oil production from wells due to current limitations in shipping the oil. Existing pipelines are restricted and crude-by-rail has not performed yet. I won't re-iterate the details of the press release but I would like to do my part to remind everyone that Canada needs pipelines. The majority of Canadians support this fact, however, the media seems to be dominated by the factually challenged and fear-based objections of a very well-funded and vocal minority.

Instead of trying to destroy the Canadian energy business, people should be rallying behind it. Canadian energy is the most regulated, most transparent, most highly monitored, and most socially responsible of the countries with the top ten oil reserves in the world. The world needs more Canadian energy, not less. Here are a few FACTS:

1. For almost a decade, Canada has been the only top ten oil reserves country with carbon regulations on oil production.
2. Canada is the leader among top ten oil reserves countries for wind power capacity (7th globally) and renewable energy generation. Canada is also the world leader overall in per capita renewable generation!
3. Special interest groups and paid protestors claim to care about social progress and the environment. Why, then, do they support more oil imports from countries with inferior standards in both areas?
4. Global oil demand has never been higher and every barrel that doesn't come from Canada will be replaced by a barrel from elsewhere.



Those facts were brought to you courtesy of one of the few groups willing to stand up for Canadian energy and Canadian prosperity. Feel free to browse their site, pledge your support, buy a t-shirt, donate, or even better consider volunteering for the cause.

www.canadaaction.ca

Certain information in this monthly update is forward-looking within the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. This forward-looking information may include, among other things, estimated production, expected cash flow and profit from certain assets of Gear, expectations of commodity prices and price differentials, demand for oil, capital expenditure budgets and estimates, royalty rates, operating costs, credit/debt requirements, and drilling inventory and locations. Readers should not rely on such forward-looking information to make investment decisions as the results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events as a result of a number of factors including based on the risk factors as set forth in Gear's most recent annual information form (the "AIF"), which is available on this website and at www.sedar.com. Gear has based the forward-looking information on a number of assumptions including the assumptions identified in such monthly updates, which may not be realized. It has also assumed that the risk factors discussed in the AIF will not cause such forward-looking information to differ materially from actual results or events. The forward-looking information in this monthly update describes the expectations of management of Gear as of the respective dates of this monthly update and Gear does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws. Readers should not rely on the views of management of Gear as set out in this monthly update to make investment decisions with respect to Gear or other companies in the oil and gas industry and should instead consult with their own investment advisors.

This monthly update may include certain key performance indicators to analyze financial and operating performance such as cash flow from operations, cash flow from operations per debt adjusted share, production per day per thousand debt adjusted shares, operating netbacks, corporate netbacks and net debt, which do not have any standardized meaning prescribed by Canadian generally accepted accounting principles ("GAAP") and therefore may not be comparable with the calculation of similar measures for other entities. For additional information on these non-GAAP measures, see Gear's most recent management's discussion and analysis which is available on Gear's website at www.gearenergy.com and at www.sedar.com.

Barrel of oil equivalent ("boe") used in the monthly updates have been based on a conversion ratio of 1 barrel of oil to 6 thousand cubic feet of natural gas. A boe may be misleading, particularly if used in isolation, as such conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.