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For Immediate Release

Calgary, Alberta, July 27, 2016

**GEAR ENERGY LTD. AND STRIKER EXPLORATION CORP. ANNOUNCE
CLOSING OF ARRANGEMENT**

Gear Energy Ltd. ("**Gear**") (TSX: GXE) and Striker Exploration Corp. ("**Striker**") (TSXV: SKX) are pleased to announce the successful completion of the combination of the two companies pursuant to the previously announced plan of arrangement (the "**Arrangement**"). Pursuant to the Arrangement, shareholders of Striker received 2.325 Gear common shares ("**Gear Shares**") for each Striker common share ("**Striker Share**"). As a result, Gear has approximately 190.5 million Gear Shares outstanding with existing Gear shareholders holding approximately 60% of such Gear Shares and former Striker shareholders holding approximately 40% of such Gear Shares. Pursuant to the Arrangement, Gear also assumed Striker's net debt of approximately \$9 million, after taking into account expected Striker transaction costs.

Concurrent with the closing of the Arrangement, Gear entered into a credit agreement for new \$50 million senior secured revolving credit facilities with a syndicate of lenders with approximately \$33 million drawn on such facilities, net of cash on hand, as at the date hereof. Striker's credit facility and Gear's former credit facility have been re-paid in full and terminated in connection with the closing of the Arrangement.

Upon completion of the Arrangement, three existing members of Striker's board of directors, Neil Roszell, President and Chief Executive Officer of Raging River Exploration Inc., John O'Connell, Chairman and Chief Executive Officer of Davis-Rea Ltd. and Kevin Olson, President of Kyklopes Capital Management Ltd., have been appointed to the board of directors of Gear (the "**Gear Board**"). Additionally, in connection with the completion of the Arrangement, Mr. Greg Bay, President of Cypress Capital Management Ltd. has retired from the Gear Board. Mr. Bay has served on the Gear Board since 2013. The Gear Board and management would like to thank Mr. Bay for his valuable contributions to the Gear Board and for his continued support of Gear.

As part of the Arrangement, Gear and Striker were amalgamated and continued under the name "Gear Energy Ltd." and the Striker Shares will be delisted from the TSX Venture Exchange on or about July 29, 2016.

Peters & Co. Limited acted as financial advisor to Gear and FirstEnergy Capital Corp. acted as financial advisor to Striker with respect to the Arrangement.

Shareholders whose Striker Shares are held by a broker, agent or other intermediary should contact their broker or agent in respect of the exchange of their Striker Shares pursuant to the Arrangement. Registered holders of Striker Shares must deposit their certificates with a duly completed letter of transmittal in order to receive their Gear Shares, as set forth in the joint management information circular (the "**Circular**") of Gear and Striker dated June 27, 2016. Certificates formerly representing Striker Shares now represent only the right to receive Gear Shares to which the holders thereof are entitled pursuant to the Arrangement.

For further information, please contact:**Gear Energy Ltd.**

Ingram B. Gillmore
President and Chief Executive Officer
(403) 538-8463

Advisories

Forward-Looking Statements: This press release contains forward-looking statements and information ("forward-looking statements") within the meaning of applicable securities laws and is based on the expectations, estimates and projections of management of Contact as of the date of this news release, unless otherwise stated. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this press release contains forward-looking statements concerning: the anticipated timing for delisting of the Striker Shares on the TSX Venture Exchange. Such forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Investors are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Accordingly, readers should not place undue reliance on the forward-looking statements contained in this news release.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information regarding some of these risks, expectations or assumptions and other factors may be found in Gear's annual information form prepared for the year ended December 31, 2015, the Circular and other documents found on Gear's profile on www.sedar.com. The reader is cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this press release are made as of the date hereof and Gear undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.