

FROM THE DESK OF INGRAM GILLMORE, PRESIDENT & CEO

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

Capital *

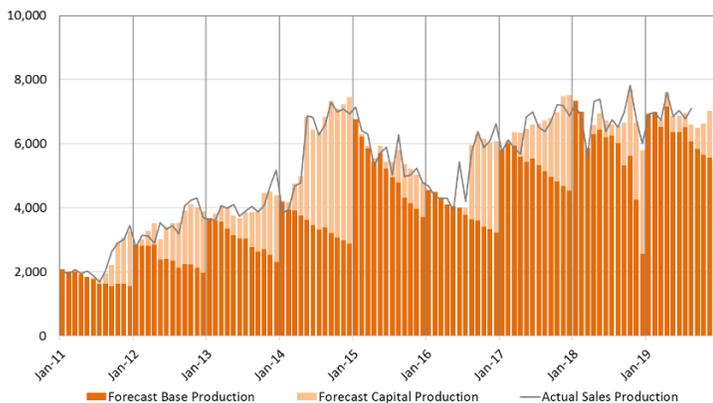
(\$k CAD)	Q1 18	Q2 18	Q3 18	Q4 18	2018 YTD	Q1 19	19-Jun	Q2 19	19-Jul	19-Aug	Q3 TD 19	2019 YTD
Drill & Complete	3,624	3,451	14,936	5,596	27,607	6,112	1,694	1,818	3,540	3,597	7,137	15,067
Facilities	3,742	2,742	3,490	5,137	15,110	2,676	465	1,658	1,330	908	2,238	6,572
Land & Seismic	2,766	282	39	34	3,121	671	11	31	2	12	14	715
A&D	390	10	65,471	301	66,172	-1,038	-158	-163	0	0	0	-1,200
Other	-889	-90	285	-1,285	-1,979	-207	-354	-173	105	50	155	-225
TOTAL	9,633	6,395	84,220	9,783	110,032	8,214	1,658	3,172	4,977	4,567	9,544	20,929

Production (boe/d) *

Sales	6,522	7,025	6,747	6,847	6,786	6,877	7,035	7,161	6,780	7,091	6,936	6,998
Field	6,810	6,532	6,729	7,030	6,776	6,649	6,918	6,979	6,800	7,012	6,906	6,838

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

August sales production came in nicely above expectations at 7,091 boe/d, more than 400 boe/d above the forecasted amount as depicted in the following chart from the Corporate Presentation.



- The first new Wildmere multi-lateral unlined heavy oil well of the planned 11 well 2019 program was drilled in July and came on production in August. The next five wells drilled in Wildmere are multi well pads that are all drilled and completed and expected to come on near the end of the third quarter once the gas is tied in.



- And last but not least, Tableland production was strong through August, assisted by the the two Tableland wells drilled in the first quarter and the third new step-out well at 5-29 drilled and on production in mid August.

There were multiple factors resulting in August sales volumes being above expectations

- Wet weather in late July made it difficult to ship all of the oil production that month, so some of the oil was inventoried and then sold in August.
- Base production in Gear's top heavy oil property at Paradise Hill continues to maintain stable levels despite no new drilling in the area since the summer of 2018.



Fortunately, the summer program to date has gone essentially as expected and if it continues to do so, Gear is well on the way to achieving the budgeted production growth shown in the original chart for the fourth quarter of 2019. This should provide a nice foundation for Gear's 2020 budget, likely to be released in mid December.



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.