



GEAR ENERGY LTD. ANNOUNCES TORONTO STOCK EXCHANGE APPROVAL FOR NORMAL COURSE ISSUER BID

CALGARY, ALBERTA, September 23, 2019 – Gear Energy Ltd. ("**Gear**") (TSX:GXE) is pleased to announce that the Toronto Stock Exchange ("**TSX**") has granted approval for Gear to commence a normal course issuer bid (the "**NCIB**").

Under the NCIB, Gear may purchase for cancellation up to 10,954,673 common shares (the "**Shares**") of Gear, representing approximately 5% of its 219,093,452 issued and outstanding Shares as at September 20, 2019. The total number of Shares that Gear is permitted to purchase is subject to a daily purchase limit of 58,069 Shares, representing 25% of the average daily trading volume of 232,278 Shares on the TSX calculated for the six-month period ended August 31, 2019; however, Gear may make one block purchase per calendar week which exceeds the daily repurchase restrictions. Under the current terms of Gear's credit facilities, Gear can initially purchase Shares with an aggregate value of \$1.5 million without the consent of Gear's lenders. With an existing strong balance sheet, potential cost savings from the 2019 capital budget and the forecast of continued strength in funds from operations, Gear intends to seek consent from its lenders for additional share purchases in the future.

The NCIB is expected to commence on September 25, 2019 and will terminate on the earlier of: (i) the date on which the issuer has acquired all Shares sought pursuant to the NCIB; or (ii) to September 24, 2020 unless earlier terminated at the option of the issuer, upon prior notice being given to the TSX. The Shares will be purchased on behalf of Gear by a registered broker through the facilities of the TSX and through other alternative Canadian trading platforms at the prevailing market price at the time of such transaction.

The actual number of Shares purchased under the NCIB, the timing of purchases, and the price at which the Shares will be purchased, will depend on future market conditions.

Gear believes that, from time to time, the market price of the Shares may not fully reflect the underlying value of the Shares and at such times the purchase of Shares would be in the best interests of Gear. As a result of such purchases, the number of issued Shares will be decreased and, consequently, the proportionate share interest of all remaining Shareholders will be increased on a pro rata basis.

ABOUT GEAR ENERGY LTD.

Gear Energy Ltd. is a Canadian exploration and production company with heavy and light oil production in Central Alberta, West Central Saskatchewan, and Southeast Saskatchewan. Gear trades on the Toronto Stock Exchange under the symbol GXE.

FORWARD-LOOKING INFORMATION AND STATEMENTS

This press release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this press release contains forward-looking information and statements pertaining to the following: Gear's intentions with respect to the NCIB and purchases thereunder and the effects of repurchases under the NCIB; the intention of balancing capital spending against estimated funds from operations throughout the remainder of the year; and the pursuit to implement, and seek consent from its lenders for, additional share purchases in the future.

The forward-looking information and statements contained in this report reflect several material factors and expectations and assumptions of Gear including, without limitation: that Gear will continue to conduct its operations in

a manner consistent with past operations; the general continuance of current industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; the accuracy of the estimates of Gear's reserves and resource volumes; certain commodity price and other cost assumptions; and the continued availability of adequate debt and equity financing and funds from operations to fund its planned expenditures. Gear believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

The forward-looking information and statements contained in this report reflect several material factors and expectations and assumptions of Gear including, without limitation: that Gear will continue to conduct its operations in a manner consistent with past operations; the general continuance of current industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; the accuracy of the estimates of Gear's reserves and resource volumes; certain commodity price and other cost assumptions; and the continued availability of adequate debt and equity financing and funds from operations to fund its planned expenditures. Gear believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

To the extent that any forward-looking information contained herein may be considered future oriented financial information or a financial outlook, such information has been included to provide readers with an understanding of management's assumptions used for budgeting and developing future plans and readers are cautioned that the information may not be appropriate for other purposes. The forward-looking information and statements included in this press release are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of Gear's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Gear or by third party operators of Gear's properties, increased debt levels or debt service requirements; any action taken by Gear's lenders to reduce the borrowing capacity under Gear's credit facilities; inaccurate estimation of Gear's oil and gas reserve and resource volumes; limited, unfavorable 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 Gear's public documents including risk factors set out in Gear's most recent annual information form, which is available on SEDAR at www.sedar.com.

The forward-looking information and statements contained in this press release speak only as of the date of this press release, 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.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Ingram Gillmore
President & CEO
403-538-8463

David Hwang
Vice President Finance & CFO
403-538-8437

Email: info@gearenergy.com
Website: www.gearenergy.com