Monthly Update

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FROM THE DESK OF INGRAM GILLMORE, PRESIDENT & CEO

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

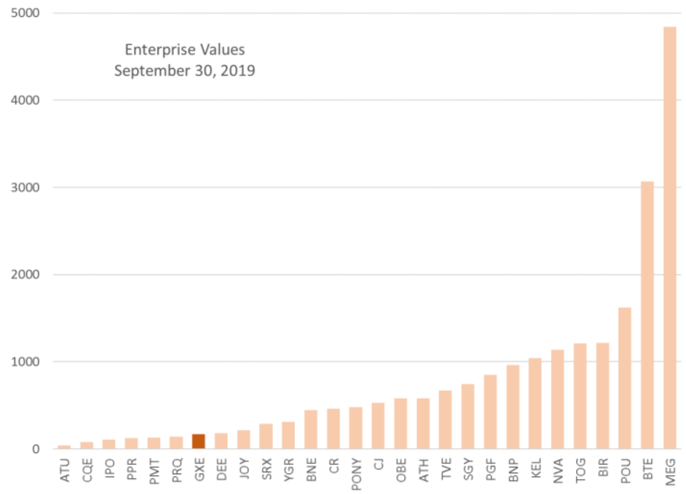
Capital * *($k CAD)*	Q4 18	**2018**	Q1 19	Q2 19	19-Sep	Q3 19	19-Oct	19-Nov	Q4 TD 19	**2019 YTD**
Drill & Complete	5,596	**27,607**	6,112	1,818	2,116	9,253	2,121	4,343	6,464	**23,647**
Facilities	5,137	**15,110**	2,676	1,658	1,267	3,505	1,628	1,775	3,403	**11,242**
Land & Seismic	34	**3,121**	671	31	5	19	8	59	67	**787**
A&D	301	**66,172**	-1,038	-163	115	115	82	15	97	**-988**
Other	-1,285	**-1,979**	-207	-173	-1,132	-977	-445	-138	-583	**-1,940**
TOTAL	**9,783**	**110,032**	**8,214**	**3,172**	**2,370**	**11,914**	**3,393**	**6,055**	**9,448**	**32,748**

Production (boe/d) *	Q4 18	2018	Q1 19	Q2 19	19-Sep	Q3 19	19-Oct	19-Nov	Q4 TD 19	2019 YTD
Sales	**6,847**	**6,786**	**6,877**	**7,161**	**6,893**	**6,922**	**6,765**	**7,170**	**6,964**	**6,982**
Field	7,030	6,776	6,649	6,979	6,776	6,864	7,064	6,949	7,007	6,864

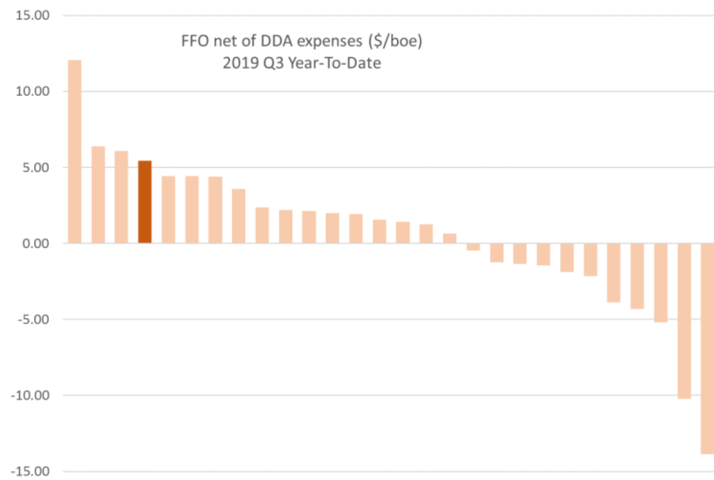
** Estimates based on field data, actuals will vary from estimates due to accruals and adjustments. Such variances may be material.*

In last months update, the core of the discussion centered on benchmarking of funds from operations ("FFO") per boe and associated market valuations. Some inbound feeback requested that we take the analysis even further to include some calibration for the costs of ongoing sustainability.

It was a good suggestion, so we decided to expand the benchmarking to include Depletion, Depreciation and Amortization Expenses ("DD&A") as reported in 2019 third quarter financial statements. Although not a perfect measure of future sustainability, DD&A is a good proxy for historical costs to maintain the business and is consistently reported by all peers. To smooth out the results, the analysis presents FFO per boe net of DD&A per boe for the nine months ending September 30, 2019. Additionally, it was requested that we expand the peer group from our traditional grouping based on enterprise values to include some peers with more similar production profiles to Gear. In this case, we added MEG and BTE to the mix, despite them both being substantially larger than our traditional peer group.



The new benchmarking chart is as follows:



Despite the additional criteria, Gear again benchmarks very strongly, posting top quartile results in a large and expanded peer group. Perhaps with further consistent demonstration of these kind of results, eventually the market valuation benchmarking will improve.

This is the last update of 2019. It has been an interesting year that started slowly after the dramatic oil price contraction during the fourth quarter of 2018 and now looks to be finishing quite strong. Here is hoping that the trend of strength continues into the new decade.

On behalf of the entire Gear team, I would like to wish all our stakeholders a safe and happy holiday season and hopefully a very happy new year.

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.