

FROM THE DESK OF INGRAM GILLMORE, PRESIDENT & CEO

Gear is pleased to provide the following key operational and financial information for investors:

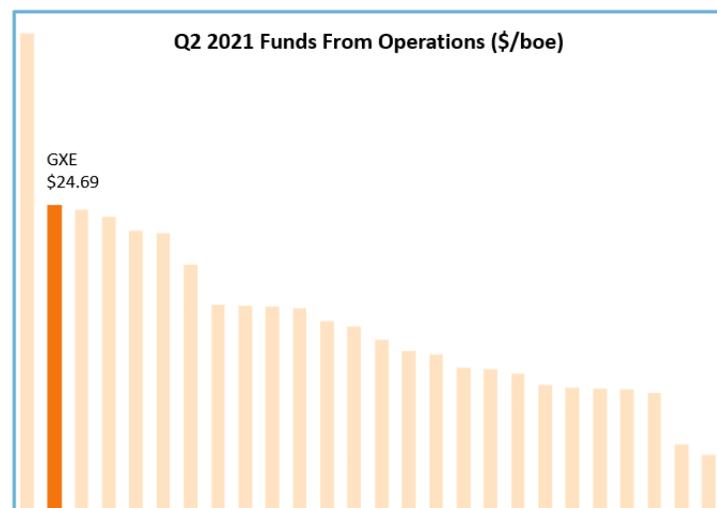
	Q2 20	Q3 20	Q4 20	2020	Q1 21	May-21	Jun-21	Q2 21	Jul-21	2021 TD
WTI Benchmark Price (\$US/bbl)	27.85	40.93	42.66	39.40	57.84	65.16	71.35	66.07	72.43	63.45
WCS Heavy Oil Differential (\$US/bbl)	(11.47)	(9.09)	(9.31)	(12.60)	(12.47)	(10.38)	(12.89)	(11.49)	(13.97)	(12.26)
MSW Light Oil Differential (US\$/bbl)	(6.14)	(3.51)	(4.07)	(5.33)	(5.24)	(3.11)	(3.89)	(3.11)	(4.73)	(4.26)
Funds from Operations (\$MM)	8.1	10.8	8.3	33.4	8.3	4.5	4.1	12.2	5.5	26.0
Capital and Abandonment Expenditures (\$MM)	0.3	0.8	0.5	13.4	8.3	2.4	3.1	6.0	4.7	19.0
Net Debt (\$MM)	70.2	60.5	52.9	52.9	42.9	34.4	33.4	33.4	32.6	32.6
Production (boe/d)	2,749	5,867	5,821	5,298	5,335	5,439	5,348	5,440	5,800	5,448

Note: All items are based on estimates; actuals will vary from estimates due to accruals and adjustments. Such variances may be material.

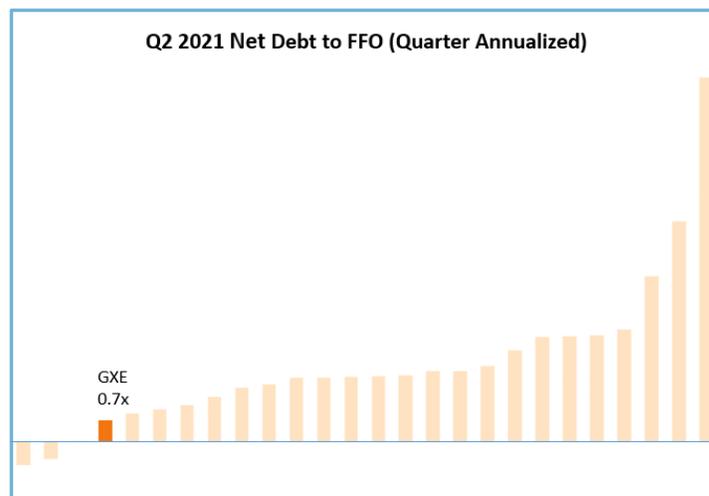
It has been a busy summer at Gear. We just released Q2 financial and operational results and are most of the way through our summer drilling program. All in all, things are looking great.

An updated corporate presentation is now on our website and includes our regular benchmarking analysis versus our public energy peer group*. I am pleased to report that Gear continues to punch above our weight class, delivering top tier results in a peer group containing many much larger enterprise value companies.

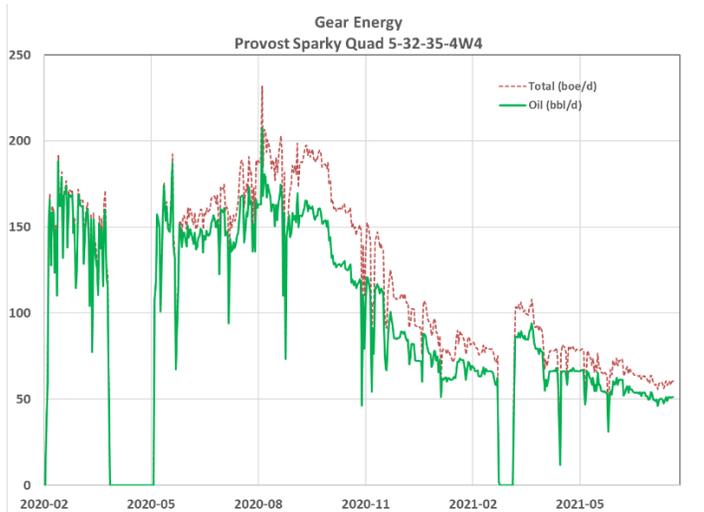
Funds from operations at Gear have consistently been at or near the top of all of our peers and we will continue to strive to keep it that way. Also, it is worth noting that the Q2 numbers presented are net of \$5.55/boe hedging costs during the quarter. If all things were to stay the same, then going into 2022, Gear should theoretically be capable of FFO per boe numbers over 20% higher than these and would be duking it out for that coveted top position on the chart.



Gear also delivered extremely competitive results when you look at the strength of the balance sheet. This remains a key strategic focus for Gear, and we are pleased to see it continuously improve quarter over quarter.



Back to the busy summer. As was highlighted in the second quarter release, Gear had successfully drilled a two-mile light oil well in Tableland, Sk. That well has been completed and is now on production, look for detailed results soon. Additionally, all three of the new Wildmere multi-lateral unlined wells are now coming on production. The rig is currently in Provost, Alberta drilling the third Sparky well of a planned four well dual lateral horizontal program. As you may recall, Provost was a brand new area to Gear, successfully discovered by the team in early 2020. The original quad leg unfractured well has been exceptional to date, producing almost 51,000 barrels of oil (58,000 boes) since it came on in March of 2020.



The four new dual leg follow up wells in Provost should help Gear to achieve its fourth quarter production target of 5,900 boe per day and will also help provide valuable reservoir information that will assist the Gear team in designing the future water flood recovery implementation in the area.

Despite ongoing noise in the oil markets, things in the field and in the finances at Gear are all working in the right direction. We are all very excited to see where the rest of the year takes us.

Gear Energy is pleased to be participating in the ATB Capital Markets Canadian Energy Excellence Virtual Conference on September 7 & 8, 2021 as well as the Peters&Co. 25th Annual Energy Conference from September 14th to 16th, 2021 in Toronto.

https://www.meetmax.com/sched/event_74857/investor_reg_new.html?attendee_role_id=INVESTOR&grp_name=No

<https://peters-co-25th-annual-energy.events.issuerdirect.com/>

* All peer data calculated internally from published 2021 Q2 financial reports. Peer group includes 25 publicly listed Canadian energy companies; AAV, ATH, BIR, BNE, BTE, CJ, CR, HWX, IPO, JOY, KEL, NVA, OBE, PEY, PIPE, PMT, PNE, POU, PPR, PRQ, SDE, SGY, SRX, TVE, YGR

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 funds from operations 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 funds from operations, funds 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.