



**GEAR ENERGY LTD.
BOARD AND MANAGEMENT DIVERSITY AND BOARD RENEWAL POLICY**

Board and Management Diversity

The Board of Directors (the "**Board**") of Gear Energy Ltd. ("**Gear**") believes that Board nominations and executive officer appointments should be made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the Board and management at the time. Gear is committed to a meritocracy and believes that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve our business objectives is in the best interests of Gear and all of its stakeholders. The Board recognizes the benefits of diversity within the Board and within management of Gear and will encourage the consideration of women and candidates of other underrepresented groups who have the necessary skills, knowledge, experience and character for nomination to the Board or promotion or hiring into an executive officer position within Gear.

To ensure the effectiveness of Diversity and Renewal Policy, our Governance and Compensation Committee (the "**Committee**") will review the number of women and candidates from other underrepresented groups considered or brought forward as potential nominees for board positions when the board is looking to add additional members or replace existing members or candidates for executive positions when such positions become available and the skills, knowledge, experience and character of any such candidates relative to other candidates to ensure that women candidates and candidates of other underrepresented groups are being fairly considered relative to other candidates. The Committee will also review the number of women and candidates of other underrepresented groups actually appointed and serving on our Board and in management to evaluate whether it is desirable to adopt additional requirements or policies with respect to the diversity of the Board and management. In addition to its own search, the Committee may engage an outside executive search firm to assist the Committee in identifying candidates for appointment to the Board or as executive officers to ensure that diverse candidates with the skills, knowledge, experience and character are brought forward for consideration.

Board Renewal Process

As part of the Board's renewal process, the Committee will annually review the skills and experience of the current directors of Gear to assess whether the Board's skills and experience need to be strengthened in any area. In addition to considering the skills and experience of the Board, the Committee will also assess the knowledge and character of all nominees to the Board and other factors such as independence of the directors to ensure that the Board is operating effectively and independently of management.

The Board does not believe that fixed term limits are in the best interest of Gear. While term limits ensure fresh viewpoints on a board of directors, they also cause a company to lose the valuable contributions of those directors who best understand the business of Gear and the challenges it faces.