

FROM THE DESK OF INGRAM GILLMORE, PRESIDENT & CEO

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

	Q4 21	2021	Q1 22	Q2 22	Aug-22	Sep-22	Q3 22	Oct-22	2022 TD
WTI Benchmark Price (\$US/bbl)	77.19	67.57	94.29	108.41	91.48	83.80	91.55	87.03	96.98
WCS Heavy Oil Differential (\$US/bbl)	(14.63)	(12.45)	(14.53)	(12.80)	(21.03)	(19.69)	(19.89)	(20.65)	(16.23)
MSW Light Oil Differential (US\$/bbl)	(3.10)	(3.88)	(2.96)	(0.50)	(2.54)	(1.58)	(2.05)	(1.21)	(1.77)
Funds from Operations (\$MM)	17.9	54.4	18.8	33.8	7.2	6.8	22.5	7.9	83.0
Capital and Abandonment Expenditures (\$MM)	5.9	30.5	9.6	9.2	6.1	5.2	17.7	4.8	41.3
Net Surplus (Debt) (\$MM)	(15.8)	(15.8)	(6.7)	9.8	7.9	7.0	7.0	7.5	7.5
Production (boe/d)	6,059	5,676	5,701	5,777	5,802	5,686	5,727	5,857	5,747

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

As we work our way through the beginning of the fourth quarter the dominant theme has been all about drilling.

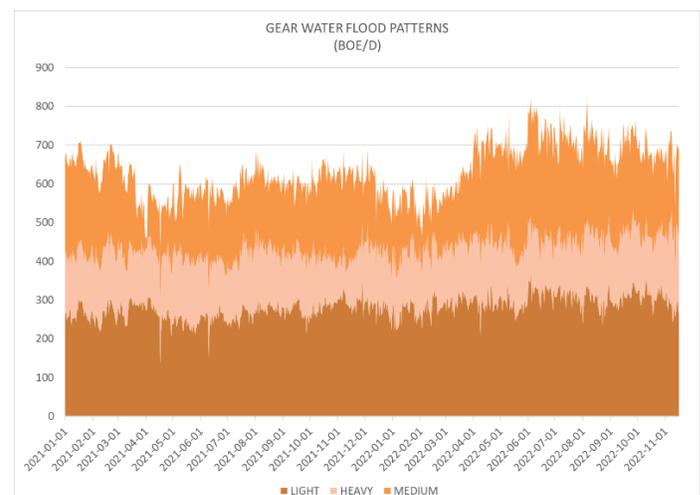
Early in the quarter we successfully finished drilling the last well of a multi-well pad in Wildmere. The three drills (two GP and one Sparky) off this pad consisted of a total 16 horizontal legs and achieved a combined total horizontal length of approximately 21,000 meters. The rig then moved to drill an 11 leg Sparky well in an adjacent section in Wildmere. This location was significant in that the cumulative reservoir drilled was over 15,000m, a new record for a single well and interestingly equal to the approximate distance from our downtown office to the Calgary airport. These four drills will start to see sales production beginning in late November to early December.

After completing our 2022 heavy oil drilling program we have now moved to our remaining medium and light oil locations. There are currently two rigs running, one drilling the third of four medium oil wells into our water flooded Killam Lloyd pool, and the other rig drilling the first of two Torquay light oil wells in Tableland. Look for production from these wells through the end of the year and into early 2023 depending on the schedule for frac crews.

While the beginning of this quarter is all about drilling, the end of the quarter will be all about water flooding. Current plans are to work towards water flood expansions or initiations in multiple areas across Gear's diversified asset base. Activity through 2022 and into early 2023 include a Killam expansion, a Provost initiation, a Maidstone expansion and a Tableland initiation. That is a lot of new investment into secondary recovery opportunities. There will be even more incremental activity budgeted through the remainder of 2023 in Wilson Creek, Tableland, Wildmere and Killam.



The core areas that are currently (or planned to be) under flood through the next couple months are highlighted in the above map. Interestingly, the combined total production from all the planned water flood patterns is about 675 boes per day or approximately 11 per cent of Gear's total current production. With future investment we will continue to expand that percentage and work toward our goals of an extending Gear's reserves life, and continuing to shallow the corporate base decline.



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.