

FROM THE DESK OF INGRAM GILLMORE, PRESIDENT & CEO

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

	2021	Q1 22	Q2 22	Q3 22	Q4 22	2022	Jan-23	2023 TD
WTI Benchmark Price (\$US/bbl)	67.57	94.29	108.41	91.55	82.65	94.23	78.16	78.16
WCS Heavy Oil Differential (\$US/bbl)	(12.45)	(14.53)	(12.80)	(19.89)	(25.42)	(18.16)	(28.21)	(28.21)
MSW Light Oil Differential (US\$/bbl)	(3.88)	(2.96)	(0.50)	(2.05)	(1.61)	(1.78)	(3.07)	(3.07)
Funds from Operations (\$MM)	54.4	18.8	33.8	22.5	18.7	93.8	3.8	3.8
Capital and Abandonment Expenditures (\$MM)	30.5	9.6	9.2	17.7	20.3	56.8	10.0	10.0
Net Surplus (Debt) (\$MM)	(15.8)	(6.7)	9.8	7.0	(2.2)	(2.2)	(11.0)	(11.0)
Production (boe/d)	5,676	5,701	5,777	5,727	5,755	5,739	5,705	5,705

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

After a challenging month for field activity in December, the operations team at Gear was able to get back to business in a big way in January. As recently released with Gear's fourth quarter 2022 results, approximately \$5 million of development capital projects were carried over from December 2022 into the first quarter of 2023. The majority of that carry over was invested in the month of January.

<https://gearenergy.com/wp-content/uploads/2023/02/Q4-2022-Press-Release-1.pdf>

January activity highlights include: the fracture stimulation and pipeline tie-in of the two Tableland wells drilled in Q4 2022, the installation of the new waterflood pipeline in Tableland, the installation of a new waterflood pipeline in Wilson Creek, the expansion of the waterflood in Maidstone, the drill and completion of a new multi-lateral medium oil well in Provost, and a new horizontal drill and a horizontal re-entry targeting heavy oil in Hoosier.

In aggregate these activities, amongst others, will support production growth through the remainder of the first quarter and production stability through the second quarter.

We look forward to providing further details on results as they become available.

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.