

FROM THE DESK OF INGRAM GILLMORE, PRESIDENT & CEO

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

	Q2 22	Q3 22	Q4 22	2022	Mar-23	Q1 23	Apr-23	May-23	Q2 23 TD	2023 TD
WTI Benchmark Price (\$US/bbl)	108.41	91.55	82.65	94.23	73.37	76.13	79.44	71.62	75.53	75.89
WCS Heavy Oil Differential (\$US/bbl)	(12.80)	(19.89)	(25.42)	(18.16)	(20.38)	(24.76)	(15.96)	(15.38)	(15.67)	(21.13)
MSW Light Oil Differential (US\$/bbl)	(0.50)	(2.05)	(1.61)	(1.78)	(1.71)	(2.86)	(1.29)	(4.30)	(2.80)	(2.84)
Funds from Operations (\$MM)	33.8	22.5	18.7	93.8	4.7	13.0	6.9	5.1	12.1	25.1
Capital and Abandonment Expenditures (\$MM)	9.2	17.7	20.3	56.8	2.1	18.4	1.4	2.6	4.0	22.4
Net Surplus (Debt) (\$MM)	9.8	7.0	(2.2)	(2.2)	(15.3)	(15.3)	(12.4)	(12.8)	(12.8)	(12.8)
Production (boe/d)	5,777	5,727	5,755	5,739	6,009	5,952	6,011	5,790	5,899	5,931

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

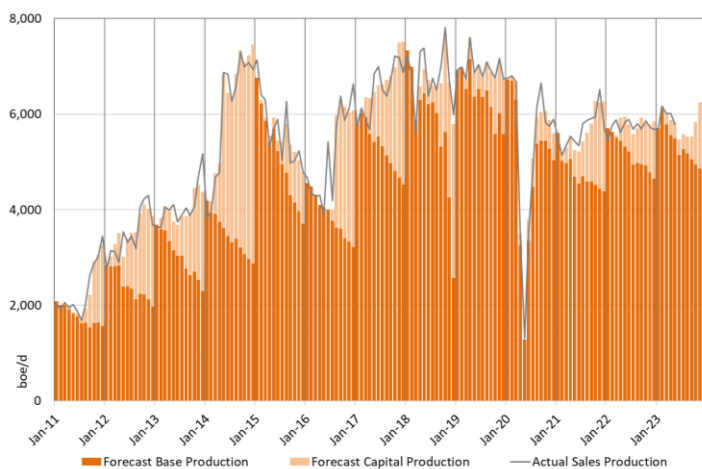
Gear celebrated the one year anniversary of dividends with the recent May distribution. Over the course of that year a total of \$0.12 per share was paid out. That is \$31.2 million returned to shareholders, and a 12.5 per cent yield on the current GXE market capitalization.

Additionally in May, the Gear team invested materially in the future of the company with close to \$2 million dedicated to the acquisition of undeveloped crown land in the heavy oil fairway north of Lloydminster. Gear believes these lands contain reservoirs that are prime unlined horizontal multilateral drilling candidates containing high oil in place over numerous stacked horizons. Look for future updates as we progress these potentially high impact opportunities.

Subsequent to the end of May, the team also remobilized the drilling rig after an extended down time through spring break-up. It is currently in Wildmere, Alberta drilling the second leg of a planned eight leg multi-lateral horizontal heavy oil well. After that, the rig will continue to advance the heavy oil drilling program through Alberta and Saskatchewan. This activity will assist the company in resuming its path towards the production growth forecasted through the rest of the year.

It appears to be a good time to be adding new heavy oil production with WCS heavy oil differentials currently trading at an US\$11 per barrel discount to WTI, a material improvement from the US\$30 per barrel discount experienced last winter.

However, as previously released, there will be a temporary production restriction through June as a third party completes a turnaround on one of the main facilities utilized by Gear's Central Alberta light oil properties. The estimated impact is between 200 and 300 boe per day of Gear production being temporarily curtailed through most of the month. Moving into July that production should come back on as well as starting to see some impact from the summer drilling program.



Operationally, things are going well so far this year. Now if only WTI pricing and some inflationary pressures would improve a little more, we could all look forward to an excellent summer.

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.