



***GEAR ENERGY***

**MANAGEMENT INFORMATION CIRCULAR DATED MARCH 14, 2024  
FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD MAY 1, 2024**

**GEAR ENERGY LTD.**  
**NOTICE OF ANNUAL MEETING**  
**OF SHAREHOLDERS TO BE HELD**  
**MAY 1, 2024**

**TO THE HOLDERS OF COMMON SHARES**

Notice is hereby given that an annual meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Gear Energy Ltd. ("**Gear**" or the "**Corporation**") will be held at the Bow Valley Square Conference Centre, Angus/Northcote Room, Suite 300, 205 – 5th Avenue SW, Calgary, Alberta on Wednesday, May 1, 2024, at 3:00 p.m. (Calgary time) for the following purposes:

1. to receive the financial statements of the Corporation for the year ended December 31, 2023 and the auditor's report thereon;
2. to fix the number of directors to be elected at the Meeting at seven (7);
3. to consider and, if thought appropriate, to elect directors of the Corporation;
4. to consider and, if thought appropriate, to appoint the auditors of the Corporation, authorizing the directors to fix their remuneration as such; and
5. to transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The nature of the business to be transacted at the Meeting and the specific details of the matters proposed to be put to the Meeting are described in further detail in the accompanying management information circular of the Corporation dated March 14, 2024 ("**Information Circular**").

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is March 14, 2024 (the "**Record Date**"). Shareholders of Gear whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and vote at the Meeting, provided that, to the extent a Shareholder transfers the ownership of any of his or her Common Shares after such date and the transferee of those Common Shares establishes that he or she owns the Common Shares and requests, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the enclosed proxy must be mailed so as to reach or be deposited with Odyssey Trust Company, Trader's Bank Building, Suite 702, 67 Yonge Street, Toronto, Ontario M5E 1J8 Attention: Proxy Department, or by facsimile at 1-800-517-4553, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment thereof. Registered Shareholders may also use the internet site at <https://login.odysseytrust.com/pxlogin> to transmit their voting instructions or vote by email at [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com).

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to attend and to act for such Shareholder and on such Shareholder's behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.

DATED this 14<sup>th</sup> day of March, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) "Don T. Gray"

Don T. Gray  
Chair of the Board of Directors

**GEAR ENERGY LTD.**  
**MANAGEMENT INFORMATION CIRCULAR**  
**FOR THE ANNUAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON WEDNESDAY, MAY 1, 2024**  
**DATED: MARCH 14, 2024**

**Solicitation of Proxies**

This management information circular (this "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Gear Energy Ltd. ("**Gear**" or the "**Corporation**") for use at the annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of the Corporation to be held on Wednesday, May 1, 2024 at 3:00 p.m. (Calgary time) at the Bow Valley Square Conference Centre, Angus/Northcote Room, Suite 300, 205 – 5th Avenue SW, Calgary, Alberta and at any adjournment thereof, for the purposes set forth in the Notice of Annual Meeting.

Forms of proxy must be addressed to and reach Odyssey Trust Company, Trader's Bank Building, Suite 702, 67 Yonge Street, Toronto, Ontario M5E 1J8 Attention: Proxy Department, or by facsimile at 1-800-517-4553, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for the holding of the Meeting or any adjournment thereof. The instrument appointing a proxy is required to be in writing and shall be executed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

The board of directors of the Corporation (the "**Board**") has fixed the record date for the Meeting at the close of business on March 14, 2024 (the "**Record Date**").

Registered Shareholders may also use the internet site at <https://login.odysseytrust.com/pxlogin> to transmit their voting instructions or vote by email at [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com). Shareholders should have the form of proxy in hand when they access the website and will be prompted to enter their control number, which is located on the form of proxy. If Shareholders vote by internet, their vote must be received not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for the holding of the Meeting. The website may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions.

Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares, included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, except to the extent that any such Shareholder transfers their Common Shares after the Record Date and the transferee of such Common Shares, having produced properly endorsed certificates evidencing such Common Shares or having otherwise established that he or she owns such Common Shares, demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

Unless otherwise stated, information provided in this Information Circular is given as at March 14, 2024.

**The persons named in the enclosed form of proxy are directors and officers of the Corporation. Each Shareholder has the right to appoint a proxyholder other than the persons designated above, who need not be a Shareholder, to attend and to act for the Shareholder at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.**

**Beneficial Holders of Common Shares**

The information set forth in this section is provided to beneficial holders of Common Shares who do not hold their Common Shares in their own name ("**Beneficial Shareholders**"). Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account

statement provided to a Beneficial Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Beneficial Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominees for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting Common Shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically provides a scannable voting request form or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting request forms or proxy forms to Broadridge. Often Beneficial Shareholders are alternatively provided with a toll-free telephone number to vote their shares or website address where shares can be voted. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction request or a proxy with a Broadridge sticker on it cannot use that instruction request or proxy to vote Common Shares directly at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed instructions or proxies as directed by Broadridge well in advance of the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

### **Notice-And-Access**

Gear has elected to use the "notice-and-access" provisions under National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (the "**Notice-and-Access Provisions**") for the Meeting in respect of mailings to Beneficial Shareholders but not in respect of mailings to registered Shareholders. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

Gear has also elected to use procedures known as 'stratification' in relation to the use of the Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of an information circular and, if applicable, a paper copy of financial statements and related management's discussion and analysis ("**Financial Information**"), to some shareholders together with a notice of a meeting of its shareholders. In relation to the Meeting, registered Shareholders will receive a paper copy of the Notice of Annual Meeting, this Information Circular and a form of proxy whereas Beneficial Shareholders will receive a notice containing information prescribed by the Notice-and-Access Provisions and a voting instruction form. Furthermore, a paper copy of the Financial Information in respect of Gear's most recently completed financial year was mailed to all registered Shareholders and those Beneficial Shareholders who previously requested to receive such information.

### **Revocability of Proxy**

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has

given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or the Shareholder's attorney authorized in writing deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the commencement of the Meeting.

### **Persons Making the Solicitation**

**The solicitation is made on behalf of the management of the Corporation.** The costs incurred in the preparation and mailing of the enclosed form of proxy, Notice of Annual Meeting and this Information Circular will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who will not be specifically remunerated therefore.

### **Exercise of Discretion by Proxy**

The Common Shares represented by proxy in favour of management nominees shall be voted on any ballot at the Meeting and, where the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares shall be voted or withheld from voting on any ballot in accordance with the specification so made.

**In the absence of such specification, the Common Shares will be voted in favour of the matters to be acted upon. The persons appointed under the form of proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the enclosed form of proxy, the Notice of Annual Meeting and this Information Circular. At the time of printing this Information Circular, management of the Corporation knows of no such amendment, variation or other matter.**

## **MATTERS TO BE ACTED UPON AT THE MEETING**

### **1. Financial Statements and Auditor's Report**

Pursuant to the *Business Corporations Act* (Alberta) (the "**ABCA**"), the Board will place before the Shareholders at the Meeting the audited financial statements of the Corporation for the year ended December 31, 2023 and the auditor's report thereon, accompanying this Information Circular. Shareholder approval is not required in relation to the audited financial statements.

### **2. Fixing Number of Directors**

At the Meeting, Shareholders will be asked to fix the number of directors to be elected at the Meeting at seven (7). Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of fixing the number of directors to be elected at the Meeting at seven (7) members.

### **3. Election of Directors**

At the Meeting, Shareholders will be asked to elect seven (7) directors to hold office until the next annual meeting or until their successors are elected or appointed.

There are currently seven (7) directors of the Corporation, being Greg Bay, Harry English, Ingram Gillmore, Don T. Gray, Scott Robinson, Wilson Wang and Bindu Wyma. On March 6, 2024, Gear announced that Ingram Gillmore would be retiring as the President and Chief Executive Officer and as a director of the Corporation effective April 8, 2024 and Kevin Johnson would be appointed as the new President and Chief Executive Officer and as a director also effective April 8, 2024. As such, Ingram Gillmore will not be included as a nominee for election as a director at the Meeting and Kevin Johnson will be included as a nominee for election as a director at the Meeting. In addition, Harry English, a current director of the Corporation does not intend to stand for re-election at the Meeting and accordingly,

he will retire as a director of the Corporation effective as of the Meeting. Kathy Turgeon will be nominated for election as a director of the Corporation at the Meeting to replace Harry English.

Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of the election as directors of the seven (7) nominees hereinafter set forth:

Greg Bay	Don T. Gray	Kevin Johnson	Scott Robinson
Kathy Turgeon	Wilson Wang	Bindu Wyma	

The directors will be elected on an individual basis and the voting for or withhold on one director will be mutually exclusive to the voting for or withhold on any other director.

The names, provinces and countries of residence of the persons nominated for election as directors, the number of voting securities of the Corporation beneficially owned, or directed or controlled, directly or indirectly, the offices held by each in the Corporation, the period served as director and the principal occupation and background of each are set forth below. The information as to Common Shares beneficially owned or directed or controlled, directly or indirectly, is based upon information furnished to the Corporation by the nominees as of March 14, 2024.

<b>Name, Province/State and Country of Residence and Position with the Corporation</b>	<b>Principal Occupation and Background</b>	<b>Director Since</b>	<b>Number of Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly</b>
Greg Bay <sup>(1)(3)</sup> British Columbia, Canada Director	Founding Partner of Cypress Capital Management Ltd., an investment management firm, since 1998.	2019 <sup>(4)</sup>	200,738
Don T. Gray <sup>(1)(2)(3)</sup> Arizona, United States of America Director (Chairman)	Private investor; a director of the Corporation since February 2009 and Chairman of the Corporation since January 2010; Chairman of the Board of Petrus Resources Ltd., a public oil and gas company since 2010; from August 2006 to January 2007, Mr. Gray was the Chief Executive Officer of Peyto Exploration & Development Corp. (formerly Peyto Energy Trust) (" <b>Peyto</b> "); from October 1998 to August 2006, Mr. Gray was the President and Chief Executive Officer of Peyto.	2009	7,595,480
Kevin Johnson Alberta, Canada President and Chief Executive Officer and a Director	Effective April 8, 2024, President and Chief Executive Officer of the Corporation. Prior thereto, from May 2021 to present, Vice-President Engineering of Artis Exploration Ltd. (" <b>Artis</b> ") and, from December 2018 to May 2021, Manager Engineering of Artis. From 2005 through 2018, served in progressively more senior positions with a variety of companies including Vermilion Energy Inc., Kereco Energy Ltd. and Ketch Resources Ltd.	N/A <sup>(5)</sup>	Nil <sup>(6)</sup>
Scott Robinson <sup>(2)(3)</sup> Alberta, Canada Director	Independent businessman; Vice President, Business Development of Peyto from November 2019 through 2023; prior thereto, from February 2019 to November 2019, an independent businessman; from 2006 to February 2019, Executive Vice	2019	285,792

President, Operations and Chief Operating Officer of Peyto; from February 2018 to February 2019 Executive Vice President, New Ventures.

Kathy Turgeon Alberta, Canada Director	Independent businesswoman; Vice President and Chief Financial Officer of Peyto Exploration & Development Corp. (" <b>Peyto</b> ") from July 2022 to March 2024; prior thereto, Vice President, Finance and Chief Financial Officer of Peyto since November 30, 2007; prior thereto Vice President, Finance of Peyto from January 2006 to November 2007; prior thereto, Ms. Turgeon was the Controller of Peyto from April 2004 to January 2006.	N/A	2,500
Wilson Wang <sup>(1)(3)</sup> Hawaii, United States of America Director	Managing Partner and founder of Twin Peaks Capital LLC, an investment management firm, since 2014, and founder of HFI Research, a value-oriented research firm focused in the energy sector, since 2015.	2019	8,166,197 <sup>(7)</sup>
Bindu Wyma <sup>(2)(3)</sup> Alberta, Canada Director	An independent businesswoman; Vice President of Business Development for North America of Talisman Energy Inc. from 2011 to 2015. Prior thereto, Ms. Wyma held various positions at Talisman since 1997.	2018	59,955

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Reserves Committee.
- (3) Member of the Corporate Governance, Compensation and Sustainability Committee.
- (4) Mr. Bay was also a director of Gear from 2013 through 2016.
- (5) The Board intends to appoint Mr. Johnson as a director on April 8, 2024 upon his commencement of employment with Gear as the President and Chief Executive Officer.
- (6) Upon his appointment as President and CEO, the Corporation will issue Mr. Johnson 78,758 Common Shares as a signing bonus.
- (7) Includes: (i) 6,713,242 Common Shares held by Twin Peaks Capital LLC; (ii) 394,350 Common Shares controlled or directed by Mr. Wang, on behalf of certain individuals who beneficially hold such Common Shares who have granted Mr. Wang discretionary trading authority; and (iii) 1,058,605 held directly by Mr. Wang.

*Majority Voting for Directors*

The Board has adopted a policy (the "**Majority Voting Policy**") stipulating that if the number of Common Shares voted in favour of the election of a particular director nominee at a Shareholders' meeting is less than the number of Common Shares withheld from voting for that nominee, the nominee will immediately submit his or her resignation to the Board, with the resignation to take effect when and if such resignation is accepted by the Board. The CGC&S Committee (as defined herein) will consider the director nominee's offer to resign and will make a recommendation to the Board as to whether or not to accept the resignation. The CGC&S Committee will be expected to recommend acceptance of the resignation except in exceptional circumstances.

The Board will consider the CGC&S Committee's recommendation and make a decision as to whether to accept the director's offer to resign within 90 days of the date of the meeting. The decision of the Board will be announced by way of a press release, which, if the Board has decided to reject such resignation, will include the reasons for rejecting the resignation. No director who is required to tender his or her resignation shall participate in the deliberations or

recommendations of the CGC&S Committee or the Board. The Board shall accept the resignation absent any exceptional circumstances.

If a director's offer of resignation is accepted, at the Board's discretion, it may fill the vacancy through the appointment of a new director whom the Board considers appropriate in accordance with the Corporation's by-laws and articles and applicable laws. The Majority Voting Policy does not apply in circumstances involving contested director elections.

A copy of the Majority Voting Policy is available on Gear's website at [www.gearenergy.com](http://www.gearenergy.com).

#### *Advance Notice By-law*

The Corporation has adopted an advance notice by-law regarding advance notice of nominations of directors of the Corporation (the "**Advance Notice By-law**"). The Advance Notice By-law provides that advance notice to the Corporation must be made in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to: (a) a "proposal" made in accordance with the ABCA; or (b) a requisition of a meeting made pursuant to the ABCA.

The Advance Notice By-law fixes a deadline by which Shareholders must submit director nominations to the Chief Financial Officer ("**CFO**" or "**Chief Financial Officer**") of the Corporation prior to any annual or special meeting of Shareholders and outlines the specific information that a nominating Shareholder must include in the written notice to the Chief Financial Officer of the Corporation for an effective nomination to occur. No person nominated by a Shareholder will be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of the Advance Notice By-law.

In the case of an annual meeting of Shareholders, notice to the Chief Financial Officer of the Corporation must be made not less than 30 days and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10<sup>th</sup> day following such public announcement. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Corporation must be made not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting was made.

The Board may, in its sole discretion, waive any requirement of the Advance Notice By-law.

A copy of the Advance Notice By-law is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on Gear's website at [www.gearenergy.com](http://www.gearenergy.com).

#### *Corporate Cease Trade Orders or Bankruptcies*

No proposed director is as at the date hereof, or has been, within 10 years of the date hereof, a director or chief executive officer or chief financial officer (or any executive officer, for the purpose of subsection (iii)) of any company, including the Corporation, that: (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (an "**order**"); (ii) after that person ceased to act in that capacity, was the subject of an order that resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer; or (iii) is or has, within 10 years before the date of this Information Circular become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets, while that person was acting in that capacity.

No proposed director has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.



### *Penalties or Sanctions*

No proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

#### **4. Appointment of Auditors**

Unless otherwise directed, it is management's intention to vote the proxies in favour of appointing the firm of Deloitte LLP, Chartered Professional Accountants, of Calgary, Alberta to serve as auditors of the Corporation until the next annual meeting of the Shareholders and to authorize the directors to fix their remuneration as such. The appointment of the auditors must be approved by a majority of votes cast by the Shareholders. Deloitte LLP has been the Corporation's auditors since March 2, 2010.

For information relating to the fees paid to Deloitte LLP in the two most recently completed financial years see the information set out under the heading "*Audit Committee Information*" in the Corporation's annual information form to be dated on or about March 22, 2024, which will be available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **INFORMATION CONCERNING THE CORPORATION**

### **Voting Securities and Principal Holders Thereof**

As at the Record Date, 262,494,721 Common Shares were issued and outstanding, with each Common Share carrying the right to one (1) vote on a ballot at the Meeting. A quorum for the transaction of business at the Meeting will be present if not less than two (2) Shareholders representing not less than 25% of the Common Shares are present in person or by proxy.

The Record Date as of which Shareholders are entitled to vote at the Meeting has been fixed by the Corporation as March 14, 2024.

To the knowledge of the directors and senior officers of the Corporation, as at the date hereof, no person or company beneficially owned, or controlled or directed, directly or indirectly, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

The Corporation's compensation program is administered by the Corporate Governance, Compensation and Sustainability Committee (the "**CGC&S Committee**") of the Board. The CGC&S Committee, amongst its other responsibilities, reviews and recommends annually to the Board the remuneration of the Corporation's executive officers, employees and directors.

The current members of the CGC&S Committee are Greg Bay (Chair), Harry English, Don T. Gray, Scott Robinson, Wilson Wang and Bindu Wyma, each of whom are highly experienced executives, directors and/or businesspeople who have dealt with compensation issues in the course of his or her respective leadership roles and each of whom are independent. Harry English will cease to be a member of the CGC&S Committee on May 1, 2024 upon his retirement from the Board. The skills and experience that enable the members of the CGC&S Committee (as Mr. English will not be continuing as a member of the CGC&S Committee he has not been included below) to make decisions on the suitability of the Corporation's compensation policies and practices is as follows:

- Mr. Bay is the Managing Partner of Cypress Capital Management Ltd., an investment firm that he founded in 1998. Mr. Bay graduated with a Bachelor of Commerce degree in Finance from Brigham Young University in 1980 and earned a Chartered Financial Analyst designation in 1988.

- Mr. Gray holds a Bachelor of Sciences in Petroleum Engineering from Texas A&M University and has over thirty (30) years experience in the Canadian oil and gas business in various capacities. Mr. Gray is the Chairman of Gear and is a Co-Founder and former President and Chief Executive Officer of Peyto. Mr. Gray is also Chairman and co-founder of Petrus Resources Ltd., and was formerly the Chairman of EIQ Capital Corp., a former private investment company.
- Ms. Wyma was Vice-President of Business Development for North America of Talisman Energy Inc. from 2011 to 2015. Prior thereto, Ms. Wyma held various positions at Talisman since 1997. Ms. Wyma previously held positions with AJM Petroleum Consultants, Encor Energy and the National Energy Board. Ms. Wyma holds a Bachelor of Science in Chemical Engineering from the University of Saskatchewan.
- Mr. Robinson has a Master's degree in Chemical Engineering from the Colorado School of Mines and has been a petroleum engineer for over thirty-five (35) years. Mr. Robinson brings a broad range of technical and business leadership experience to Gear including an extensive background in both Reservoir and Operations Engineering as well as exposure to multiple producing basins in Canada and the United States. Mr. Robinson was the Vice-President, Business Development of Peyto from 2019 through 2023. Prior thereto, Mr. Robinson was the Executive Vice-President Operations and Chief Operating Officer of Peyto from 2006 to February 2019.
- Mr. Wang has his Chartered Financial Analyst designation and holds a Bachelor of Business Administration in Finance from the University of Hawaii. Mr. Wang is the Managing Partner and Founder of Twin Peaks Capital LLC, an investment management firm, since 2014, and founder of HFI Research, a value oriented research firm focused on the energy sector, since 2015.

At no time in the two most recently completed financial years has the Corporation retained a compensation consultant or advisor to assist the Board or the CGC&S Committee in determining the compensation of the directors or executive officers of the Corporation.

The Corporation's compensation philosophy includes a "pay-for-performance" element, which supports the Corporation's desire to deliver continuous, strong performance for its Shareholders. In addition, the Corporation's compensation philosophy is aimed at attracting and retaining quality and experienced people, which is critical to the success of the Corporation for the benefit of its Shareholders. Employee compensation, including executive officer compensation, is comprised of three elements: base salary, short-term incentive compensation (cash bonuses) and long-term incentive compensation (options to purchase Common Shares ("**Options**") under the Corporation's share option plan (the "**Option Plan**"). The CGC&S Committee reviews all components in assessing the compensation paid to individual executive officers and paid by the Corporation as a whole. Salaries and bonuses are intended to provide current compensation and a short-term incentive for employees to meet the Corporation's goals, as well as to remain competitive with the industry. Options are granted as a long-term incentive and to encourage commitment to the Corporation.

When determining executive compensation, the CGC&S Committee gives regard to the contributions made by officers, how their compensation levels relate to compensation packages that would be achievable from other opportunities, available salary survey data and other information publically disclosed by some of the Corporation's competitors and peers. As well, the CGC&S Committee considers the Corporation's and individual's performance in relation to production, reserve growth, funds from operations (including, in each case, on a debt adjusted per share basis), debt (plus abandonment and reclamation) to funds from operations, Shareholder returns and other strategic objectives.

The President and Chief Executive Officer ("**CEO**" or "**Chief Executive Officer**") of the Corporation is responsible for making recommendations to the CGC&S Committee with respect to compensation for the executive officers of the Corporation, including the CEO. In making such recommendations, the CEO analyzes a number of factors including compensation data compiled from the Corporation's peer groups, corporate performance and individual executive officer performance. In assessing corporate performance, the Corporation does not have any pre-determined set targets, but the following factors are considered: (a) year over year growth in debt adjusted reserves value; (b)

recycle ratio (netback relative to finding, development and acquisition costs); (c) relative total Shareholder return; (d) corporate performance relative to budget and guidance; and (e) changes in net debt (including abandonment and reclamation obligations) relative to funds from operations. In assessing the performance of individual executive officers, consideration is given to objective factors such as level of responsibility, experience and expertise, as well as subjective factors such as leadership and performance in such executive officer's specific role with the Corporation. In evaluating corporate performance, management and the Board compare Gear's corporate performance relative to a benchmarking group of publicly traded junior energy companies. In 2023, the Corporation's benchmarking group included the following companies: Bonterra Energy Corp., Crew Energy Inc., Hemisphere Energy Corp., InPlay Oil Corp., Journey Energy Inc., Perpetual Energy Inc., Petrus Resources Ltd., Pine Cliff Energy Ltd., Prairie Provident Resources Inc., Surge Energy Inc. and Yangarra Resources Ltd.

The CEO then makes a recommendation to the CGC&S Committee with respect to the various elements of compensation to be awarded to each executive officer. The CEO also presents his analysis of corporate performance and individual executive officer performance to the CGC&S Committee.

Upon the receipt of such recommendation, the CGC&S Committee reviews the evaluation in addition to the compensation data compiled with respect to the Corporation's peer group and determines whether to accept the recommendation or make any changes. Recommendations for executive compensation, as well as for compensation paid by the Corporation as a whole, are then made by the CGC&S Committee to the Board for approval.

### ***Short Sales, Puts, Calls and Options***

The Corporation's Disclosure, Confidentiality and Trading Policy contains anti-hedging provisions. Directors, officers and employees of the Corporation shall not knowingly sell, directly or indirectly, a security of the Corporation if such person selling such security does not own or has not fully paid for the security to be sold. Directors, officers and employees of the Corporation shall not, directly or indirectly, buy or sell a call or put in respect of a security of the Corporation.

### ***Elements of the Corporation's Executive Compensation Program***

Each element of the Corporation's executive compensation program is described in more detail below.

#### ***Base Salaries***

The CGC&S Committee recognizes that the size of the Corporation prohibits base salary compensation for executive officers from matching those of larger companies in the oil and gas industry. The CGC&S Committee does believe, however, that performance-based compensation plans are an important element in the compensation packages for the Corporation's executive officers, and that long-term equity interests, in the form of Options, compensate for lower base salaries. This compensation strategy is similar to the strategies of many other companies in the Corporation's benchmarking group.

In setting base compensation levels of individual executive officers, consideration is given to objective factors such as level of responsibility, experience and expertise, as well as subjective factors such as leadership. Base salaries paid to executive officers of the Corporation, including the CEO, are set to be competitive with industry levels relative to the Corporation's peer group. Salaries of executive officers, including that of the CEO, are reviewed annually.

In July 2023, the Board reviewed and approved salary increases for the Corporation including the executive team. Following such increase, effective July 1, 2023 the salaries of the Named Executive Officers (as defined herein) were set at: (i) \$295,000 for Mr. Ingram Gillmore, President and Chief Executive Officer; (ii) \$275,000 for Mr. David Hwang, Vice President, Finance and Chief Financial Officer; (iii) \$242,500 for Mr. Bryan Dozzi, Vice President, Engineering; (iv) \$232,500 for Mr. Jason Kaluski, Vice President, Operations; and (v) \$235,000 for Mr. Dustin Ressler, Vice President, Exploration.

#### ***Bonuses***

The Corporation has a discretionary bonus plan and the basis of awarding bonuses was approved by the CGC&S Committee. The discretionary bonus plan is structured to drive and reward current year results. It is the CGC&S Committee's philosophy that the total amount of bonuses paid should be tied primarily to the Corporation's performance and rewarded to individuals relative to their performance of their duties and for their contribution to the achievement of the Corporation's annual goals and objectives. The CGC&S Committee reviews the factors mentioned above relative to the Corporation's benchmarking group, in order to determine whether a bonus is in fact warranted. The amount of the bonus paid is linked to actual reserves value created after making adjustments for debt levels and changes in the Common Shares outstanding, amongst other factors and is approved by the Board based upon the recommendations of the CGC&S Committee.

In February 2024, the CGC&S Committee met and discussed the results of the Corporation's debt adjusted proved developed producing reserves model as well as other corporate performance metrics used in determining bonuses to be paid to officers and employees of the Corporation in respect of 2023 performance. Based on the factors considered in February 2024, the CGC&S Committee recommended and the Board approved that the following bonus amounts would be paid to the Named Executive Officers in respect of the Corporation's performance in 2023 as follows: (i) \$68,500 for Ingram Gillmore, President and CEO, (ii) \$52,500 for David Hwang, Vice-President, Finance and Chief Financial Officer, (iii) \$50,000 for Bryan Dozzi, Vice-President, Engineering, (iv) \$40,000 for Jason Kaluski, Vice-President, Operations, and (v) \$39,000 for Dustin Ressler, Vice-President, Exploration.

### ***Long-Term Incentive Compensation***

#### *Share Option Plan*

The Corporation has the Option Plan, which permits the granting of Options to officers, directors, employees and consultants to the Corporation and its subsidiaries, and other persons who provide ongoing management and consulting services to the Corporation and its subsidiaries.

Options are granted by the Board on the recommendation of senior management, in the case of employees, and by the CGC&S Committee, in the case of executive officers including the CEO. Options are intended to encourage retention and provide incentive, thereby aligning employee and Shareholder interests by attempting to create a direct link between compensation and Shareholder return. In addition, the Option Plan provides the opportunity for executive officers to develop and maintain a significant ownership position in the Corporation. By allowing participation in the Option Plan, the Corporation is able to reward overall corporate performance year over year. As with most companies in the Corporation's peer group, Options form an important part of the total compensation provided to the Corporation's executive officers as Options help compensate for lower base salaries relative to larger companies in the oil and gas industry.

Options are normally awarded by the Board upon the commencement of employment with the Corporation, based on the level of responsibility within the Corporation. Additional grants may be made periodically to ensure that the number of Options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Corporation. When determining Options to be allocated to each individual executive officer, a number of factors are considered including the number of outstanding Options held by such executive officer, Options held by the executive officer that have been exercised or that have expired since the last grant to such executive officer, the value of such Options held by the executive officer and the total number of available Options for grant.

During the year ended December 31, 2023, the Corporation granted an aggregate of 5,631,000 Options to officers, directors, employees and consultants and as at the date hereof: (i) the Corporation has 19,924,000 Options outstanding, pursuant to which 19,924,000 Common Shares would be issuable upon exercise representing 7.6% of the issued and outstanding Common Shares; and (ii) there remain 6,325,472 Options available for grant, pursuant to which 6,325,472 Common Shares would be issuable upon exercise representing 2.4% of the issued and outstanding Common Shares, which in aggregate represents 10% of the currently issued and outstanding Common Shares.

The Option grants during the year ended December 31, 2023 included grants to Named Executive Officers of 2,016,000 Options.

The maximum number of Common Shares that may be issued under the Option Plan at any time shall not exceed 10% of the aggregate number of Common Shares outstanding at that time, as determined on a non-diluted basis.

### Summary

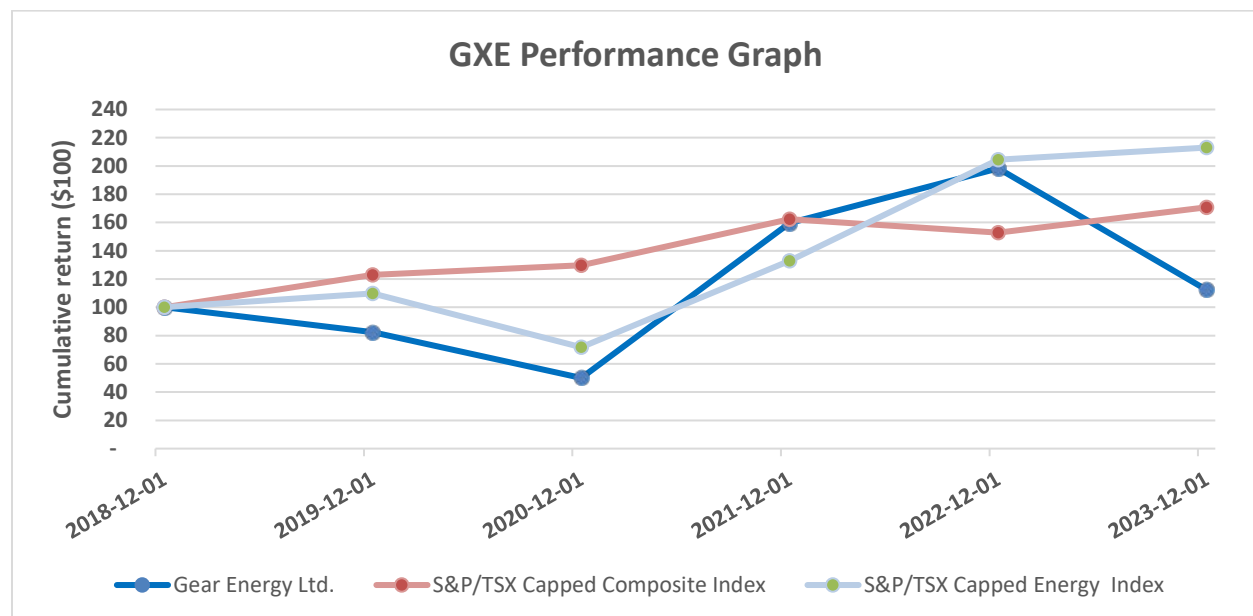
The Corporation's compensation policies have allowed the Corporation to attract and retain a team of motivated professionals and support staff working towards the common goal of enhancing Shareholder value. The CGC&S Committee and the Board will continue to review compensation policies to ensure that they are competitive within the oil and natural gas industry and consistent with the performance of the Corporation.

### Risk Adjusted Compensation

As part of its review of the Corporation's compensation program, the CGC&S Committee considered whether the compensation program provided executive officers of the Corporation with adequate incentives to achieve both short and long term objectives without motivating them to take inappropriate or excessive risk. The CGC&S Committee concluded that the compensation program and policies of the Corporation did not encourage its Named Executive Officers to take inappropriate or excessive risks. This assessment is based on a number of considerations including, without limitation, the following: (a) the terms of Options granted provide that Options vest over a period of three years and expire one month following the vesting date, which encourages executive officers to continue to develop favorable results over a longer period of time and reduces the risk of actions that may have short term advantages; (b) a portion of executive compensation in the form of bonuses is not guaranteed and is variable, year over year, as the Board has discretion to pay bonuses to Named Executive Officers based on recommendations made by the CGC&S Committee, whose recommendations are based on internal corporate, administrative, operating and financial and reserve addition performance; (c) the Corporation's compensation program for certain executive officers is not structured significantly differently from the compensation program for other executive officers within the Corporation; and (d) the overall compensation program is market based and aligned with the Corporation's business plan and long-term strategies.

### Performance Graph

The following graph compares the change in the cumulative total Shareholder return for the five most recently completed financial years, of a \$100 investment in the Common Shares, with the cumulative total return of the S&P/TSX Capped Energy Index and the S&P/TSX Composite Index for the period commencing December 31, 2018 and ending December 31, 2023.



	2018/12/30	2019/12/31	2020/12/31	2021/12/31	2022/12/31	2023/12/31
Gear Energy Ltd.	\$100	\$82	\$50	\$160	\$198	\$112
S&P/TSX Capped Composite Index	\$100	\$123	\$130	\$162	\$153	\$171
S&P/TSX Capped Energy Index	\$100	\$110	\$72	\$133	\$205	\$213

The trend shown in the above graph does not necessarily correspond to the Corporation's compensation of the Named Executive Officers for the period disclosed above. The Corporation considers a number of factors in connection with its determination of appropriate levels of compensation including, but not limited to, the demand for and supply of skilled professionals with experience in the oil and gas industry, individual performance, the Corporation's performance (which is not necessarily tied exclusively to the trading price of the Common Shares on the Toronto Stock Exchange (the "TSX")) and other factors discussed under "*Compensation Discussion and Analysis*" above. Additionally, as Options form a significant portion of compensation, the total compensation for the Named Executive Officers is affected by increases and decreases in the price of the Common Shares as the value of such Options decrease as the Common Share price decreases.

The trading price of the Common Shares on the TSX is subject to fluctuation based on a number of factors, many of which are outside the control of the Corporation. These include, but are not limited to, fluctuations and volatility in commodity prices for crude oil and natural gas, global economic conditions, changes in government, environmental policies, legislation and royalty regimes, and other factors, some of which are disclosed and discussed under the heading "*Risk Factors*" in the Corporation's annual information form the year ended December 31, 2023.

### Summary Compensation Table

The following table sets forth, for the years ended December 31, 2023, 2022, and 2021 information concerning the compensation paid to the President and CEO, the Vice-President, Finance and Chief Financial Officer, the Vice-President, Operations, the Vice-President, Engineering and the Vice-President, Exploration (each a "Named Executive Officer" or "NEO" and collectively, the "Named Executive Officers" or "NEOs").

Name and principal position	Year	Salary (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		All other compensation <sup>(3)</sup> (\$)	Total compensation (\$)
				Annual incentive plans <sup>(2)</sup> (\$)	Long-term incentive plans (\$)		
Ingram B. Gillmore Former President and CEO	2023	292,500	88,896	68,500	-	5,940	455,836
	2022	276,250	232,536	137,000	-	5,940	651,726
	2021	252,083 <sup>(4)</sup>	193,345	250,000	-	5,980	701,408
David Hwang Vice President, Finance and Chief Financial Officer	2023	272,500	57,875	52,500	-	5,940	388,815
	2022	256,250	168,946	102,000	-	5,940	533,136
	2021	227,100 <sup>(4)</sup>	114,440	200,000	-	1,980	543,520
Jason Kaluski Vice President, Operations	2023	231,250	50,467	40,000	-	5,940	327,657
	2022	224,000	148,330	83,000	-	5,940	461,270
	2021	209,533 <sup>(4)</sup>	103,732	159,000	-	1,980	474,245
Bryan Dozzi Vice President, Engineering	2023	238,750	61,038	50,000	-	5,940	355,728
	2022	226,500	138,342	100,000	-	5,940	470,782
	2021	209,533 <sup>(4)</sup>	104,881	159,000	-	1,980	475,394
Dustin Ressler Vice President, Exploration	2023	227,500	49,078	39,000	-	5,940	321,518
	2022	210,000	148,039	78,000	-	5,940	441,979
	2021	191,833 <sup>(4)</sup>	92,391	129,500	-	1,980	415,704

## Notes:

- (1) The grant date fair value for compensation purposes is calculated using Black-Scholes Option pricing methodology. Key assumptions used in the pricing model for 2023, 2022 and 2021, respectively, were: expected volatility: 2023 – 21.0%, 2022 – 25% and 2021 – 32%; risk-free interest rate: 2023 – 3.99%, 2022 – 3.18% and 2021 – 0.58%; and weighted average life: 2023 – 2.0 years, 2022 – 2.0 years and 2021 – 2.0 years. The Black-Scholes Option pricing methodology was selected due to its acceptance as an appropriate valuation model used by similar sized oil and gas companies.
- (2) 2023 amounts reflect bonuses earned with respect to the 2023 performance bonus. The 2023 performance bonuses were paid in 2024. 2022 amounts reflect bonuses earned with respect to the 2022 performance bonus. The 2022 performance bonuses were paid in 2023. 2021 amounts reflect bonuses earned with respect to the mid-year bonus and the 2021 performance bonus. The 2021 performance bonuses were paid in 2022.
- (3) The value of perquisites received by each of the NEOs, including property or other personal benefits provided to the NEOs that are not generally available to all employees, were not in the aggregate greater than \$50,000 or 10% of the NEO's total salary for the financial year.
- (4) Effective April 1, 2020, the salaries of all Named Executive Officers were reduced by 20%. Effective March 1, 2021, all salaries were restored to their previous levels.

None of the NEOs hold, or have ever been granted, share-based awards. The Corporation does not provide any pension benefits.

### Incentive Plan Awards

#### Option Plan

The Option Plan limits the number of Common Shares that may be subject to Options granted and outstanding under the Option Plan, and any other share compensation arrangements established by the Corporation, at any time to 10% of the outstanding Common Shares.

Options granted pursuant to the Option Plan have a term as determined by the Board and vest in such manner as determined by the Board. Options which expire during a blackout period (as defined in the Option Plan) or within nine business days following the expiration of a blackout period, shall be extended for a period of ten business days after the end of such blackout period. Options granted under the Option Plan are non assignable. The exercise price of Options granted is determined by the Board at the time of grant and, if at such time the Common Shares are listed on a stock exchange, the weighted average trading price per Common Share on a stock exchange for the last five (5) consecutive trading days immediately prior to the date of grant or such other minimum price that may be prescribed by such exchange.

The number of Common Shares that may be issued under the Option Plan are subject to the following additional limitations: (i) the number of Common Shares reserved for issuance at any time, pursuant to the Option Plan and all other established or proposed share compensation arrangements of the Corporation, to insiders of the Corporation shall not exceed 10% of the outstanding Common Shares and the number of Common Shares issued within one year, pursuant to the Option Plan and all other established or proposed share compensation arrangements of the Corporation, to any one insider and such insider's associates shall not exceed 10% of the outstanding Common Shares; and (ii) the aggregate number of Common Shares that may be reserved for issuance pursuant to the exercise of Options awarded to directors who are not officers or employees of the Corporation ("**Non-Management Directors**") under the Option Plan shall not exceed in the aggregate 1% of the Common Shares outstanding from time to time and the aggregate value of Options granted to any one Non-Management Director in any one year period shall not exceed \$100,000.

Although the Option Plan provides that, unless otherwise determined by the Board, Options will expire five (5) years from the date of grant, in August 2016 the Board determined that any future Options granted (unless otherwise determined) would expire 30 business days following the date the Options vest. In the absence of any determination by the Board to the contrary, Options will vest and be exercisable as to one-third (1/3) of the total number of Common Shares subject to the Options on each of the first, second and third anniversaries of the date of grant, computed in each case to the nearest full Common Share (subject to acceleration of vesting at the discretion of the Board).

In case of death of an Optionee (as defined in the Option Plan), Options terminate on the date determined by the Board which may not be more than 12 months from the date of death and, if the Optionee ceases to be a director, officer or employee of, or to provide ongoing management or consulting services (for reason other than death) to, the Corporation, Options terminate on the expiry of a period not in excess of six (6) months as determined by the Board at the time of grant. In the absence of any determination by the Board to the contrary, the Options will terminate thirty (30) days following the date that the Optionee ceases to be an officer, director or employee of, or to provide ongoing management or consulting services to, the Corporation, as the case may be. In each case, the Optionee is entitled to exercise those Options that the Optionee was entitled to exercise on the date of death or the date the Optionee ceased to be an officer, director or employee of, or to provide ongoing management or consulting services to, the Corporation, as the case may be. An Optionee may make an offer ("**Surrender Offer**") to the Corporation, at any time, for the disposition and surrender by the Optionee to the Corporation of any Options granted for an amount in cash or in Common Shares equal to the difference between the fair market value of the Common Shares underlying the Options (if Common Shares are listed on a stock exchange, fair market value will be the weighted average trading price per Common Share on a stock exchange for the last five (5) consecutive trading days immediately prior to the date of grant or such other minimum price that may be prescribed by such exchange) and the exercise price of such Options and the Corporation may, but is not obligated to, accept the Surrender Offer.

The Option Plan provides that if a grantee is terminated in connection with a "Change of Control" (as defined in the Option Plan) or voluntarily resigns within six (6) months of such Change of Control for "Good Reason" (as such term is defined in the Option Plan) then all Options held by such grantee will vest and be exercisable.

If approved by the Board, Options may provide that, whenever the Shareholders receive a take-over proposal (a "**Take-over Proposal**"), such Option may be exercised as to all or any of the Common Shares in respect of which such Option has not previously been exercised (including in respect of Common Shares not otherwise vested at such time) by the Optionee, but any such Option not otherwise vested and deemed only to have vested in accordance with the foregoing may only be exercised for the purposes of tendering to such Take-over Proposal.

The Board may make certain amendments to the Option Plan or discontinue the Option Plan at any time without the consent of the participants as permitted by the provisions of the Option Plan and, if required, subject to the approval



by any exchange on which the Common Shares are listed. However, the Board may not amend the Option Plan without Shareholder approval with respect to: (i) increasing the number of Common Shares reserved for issuance under the Option Plan or the Option Plan maximum; (ii) reduce the exercise price of any Options granted; (iii) extend the expiry date of any outstanding Options other than as permitted in the Option Plan; (iv) permit a holder of Options to transfer or assign Options to a new beneficial holder, other than for estate settlement purposes; (v) any amendment to increase the number of Common Shares that may be issued to insiders above the restrictions contained in the Option Plan; (vi) increase the number or value of Common Shares reserved for issuance or permitted to be issued or granted to Non-Management Directors; or (vii) any amendments to the amendments section of the Option Plan. Other than as listed above, the Corporation may make such amendments to the Option Plan and any Options granted thereunder without the approval of Shareholders in accordance with the provisions of the Option Plan.

### *Outstanding Option-based Awards*

The following table sets forth, for each Named Executive Officer, all Option-based awards outstanding as at December 31, 2023. No share-based awards were outstanding as at December 31, 2023.

Name	Option-based Awards			
	Number of securities underlying unexercised Options (# of Common Shares)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options <sup>(1)</sup> (\$)
Ingram B. Gillmore	174,000	0.18	30 business days after vesting <sup>(2)</sup>	80,040
	138,000	0.39	30 business days after vesting <sup>(3)</sup>	34,500
	151,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	392,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	264,000	1.43	30 business days after vesting <sup>(8)</sup>	-
	552,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	576,000	0.99	30 business days after vesting <sup>(11)</sup>	-
	<u>2,247,000</u>			<u>114,540</u>
David Hwang	108,000	0.18	30 business days after vesting <sup>(2)</sup>	49,680
	89,000	0.39	30 business days after vesting <sup>(3)</sup>	22,250
	76,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	244,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	214,000	1.43	30 business days after vesting <sup>(8)</sup>	-
	366,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	375,000	0.99	30 business days after vesting <sup>(11)</sup>	-
	<u>1,472,000</u>			<u>71,930</u>
Jason Kaluski	97,000	0.18	30 business days after vesting <sup>(2)</sup>	44,620
	77,000	0.39	30 business days after vesting <sup>(3)</sup>	19,250
	72,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	220,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	190,000	1.43	30 business days after vesting <sup>(8)</sup>	-
	318,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	327,000	0.99	30 business days after vesting <sup>(11)</sup>	-
	<u>1,301,000</u>			<u>63,870</u>

Name	Option-based Awards			
	Number of securities underlying unexercised Options (# of Common Shares)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options <sup>(1)</sup> (\$)
Bryan Dozzi	97,000	0.18	30 business days after vesting <sup>(2)</sup>	44,620
	76,000	0.39	30 business days after vesting <sup>(3)</sup>	19,000
	77,000	0.67	30 business days after vesting <sup>(5)</sup>	-
	220,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	78,000	1.43	30 business days after vesting <sup>(8)</sup>	-
	84,000	1.26	30 business days after vesting <sup>(9)</sup>	-
	336,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	234,000	0.99	30 business days after vesting <sup>(11)</sup>	-
	186,000	0.86	30 business days after vesting <sup>(12)</sup>	-
	1,388,000			63,620
Dustin Ressler	90,000	0.18	30 business days after vesting <sup>(2)</sup>	41,400
	77,000	0.39	30 business days after vesting <sup>(3)</sup>	19,250
	53,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	204,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	86,000	1.50	30 business days after vesting <sup>(7)</sup>	-
	122,000	1.43	30 business days after vesting <sup>(8)</sup>	-
	276,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	318,000	0.99	30 business days after vesting <sup>(11)</sup>	-
	1,226,000			60,650

## Notes:

- (1) Calculated based on the closing market price of the Common Shares on December 29, 2023 (\$0.64) and the exercise price of the Options.
- (2) The Option grant date was effective November 16, 2020, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (3) The Option grant date was effective March 1, 2021, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (4) The Option grant date was effective May 17, 2021, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (5) The Option grant date was effective August 11, 2021, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (6) The Option grant date was effective November 15, 2021, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (7) The Option grant date was effective February 28, 2022, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (8) The Option grant date was effective May 16, 2022, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (9) The Option grant date was effective August 9, 2022, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (10) The Option grant date was effective November 14, 2022, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (11) The Option grant date was effective May 15, 2023, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (12) The Option grant date was effective August 8, 2023, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.

***Incentive Plan Awards – Value Vested or Earned During the Year***

The following table sets forth, for each Named Executive Officer, the value of Option-based awards that vested during the year ended December 31, 2023 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2023.

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Ingram B. Gillmore	360,650	N/A	68,500
David Hwang	175,810	N/A	52,500
Jason Kaluski	158,850	N/A	40,000
Bryan Dozzi	157,050	N/A	50,000
Dustin Ressler	138,060	N/A	39,000

Notes:

- (1) Calculated based on the difference between the closing price of the Common Shares on the vesting date and the exercise price of the Options multiplied by the Options vested during the year.

### Pension Plan Benefits

The Corporation does not have a pension plan or similar benefit program.

### Termination and Change of Control Benefits

The Corporation has entered into executive employment agreements, as amended from time to time (the "**Employment Agreements**") with each of the NEOs. The Employment Agreements continue indefinitely until terminated in accordance with the terms thereof and the annual salary payable thereunder is subject to annual review. NEOs are entitled to participate in any benefit plans adopted by the Corporation.

The Employment Agreements may be terminated by the Corporation for just cause at any time without any payment, other than salary owing for services rendered up to and including the last day of employment and outstanding vacation pay. The Corporation may terminate an Employment Agreement without just cause upon paying the NEO all salary earned but not paid to the termination date, all vacation pay due and owing to such date and a retiring allowance (as calculated in accordance with the Employment Agreements) of the sum of:

For Ingram Gillmore, the present President and CEO:

- (a) two (2) years of the CEO's annual base salary as at the Cessation Date (as defined in the CEO's Employment Agreement); and
- (b) an amount equal to two times (2x) the bonus amounts, if any, paid in the twelve (12) month period immediately preceding the Cessation Date.

For David Hwang, the Vice-President, Finance and CFO:

- (a) eighteen (18) months of the CFO's annual base salary as at the Cessation Date (as defined in the CFO's Employment Agreement); and
- (b) an amount equal to one and a half times (1.5x) the bonus amounts, if any, paid in the twelve (12) month period immediately preceding the Cessation Date.

For all other NEOs:

- (a) six (6) months of the NEO's annual base salary as at the Cessation Date (as defined in the Employment Agreements) plus three months for every completed year of service, to a maximum of 12 months; and
- (b) an amount equal to one half (1/2) the bonus amounts, if any, paid to the NEO in the twelve (12) month period immediately preceding the Cessation Date.

In addition, an NEO may terminate his or her Employment Agreement within six (6) months following the occurrence of a change of control if there is an event which constitutes "Good Reason" (as defined in each of the Employment Agreements), which includes: material adverse change by the Corporation and without the agreement of the NEO, in the NEO's salary, title or lines of reporting, or the requirement that the NEO be based anywhere other than the Corporation's Calgary office on a normal and regular basis, such that immediately after such change or series of changes, the responsibilities and status of the NEO, taken as a whole, are not at least substantially equivalent to those assigned to the NEO immediately prior to such change, or any reason which would constitute constructive dismissal, in which case the NEO shall also be entitled to the termination payments outlined above. In exchange for payment of the retiring allowance, the NEO agrees to provide a release in an agreed upon form. Pursuant to the terms of the Employment Agreements, the NEOs recognize their obligation not to disclose confidential information and to refrain from using such information for purposes other than authorized by the Corporation both during and after termination of employment.

If the Employment Agreements were terminated by the Corporation, other than for just cause or by the respective NEOs for Good Reason following a change of control, at December 31, 2023, the aggregate amount payable thereunder would have been \$1,992,750 (calculated based on the annual bonus payments paid to the NEOs in 2024 in respect of 2023 performance). Under the terms of the Option Plan, if a grantee is terminated in connection with a "Change of Control" (as defined in the Option Plan) or voluntarily resigns within six (6) months of such Change of Control for "Good Reason" (as such term is defined in the Option Plan) then all Options held by such grantee will vest and be exercisable. Options may also accelerate vesting at the discretion of the Board in the event of a Take-over Proposal (see "*Statement of Executive Compensation – Incentive Plan Awards – Option Plan*"). Specifically, the total termination payments that would have been received by each of the Corporation's NEOs and the value of Options that would have vested are as follows:

<b>Named Executive Officers</b>	<b>Change of Control Pursuant to Employment Agreements (\$)</b>	<b>Value of Outstanding Options at December 31, 2023<sup>(1)</sup> (\$)</b>
Ingram B. Gillmore Former President and CEO	727,000	114,540
David Hwang Vice President, Finance and Chief Financial Officer	491,250	71,930
Jason Kaluski Vice President, Operations	252,500	63,870
Bryan Dozzi Vice President, Engineering	267,500	63,620
Dustin Ressler Vice President, Exploration	254,500	60,650
<b>Total:</b>	<b>1,992,750</b>	<b>374,610</b>

Note:

- (1) Calculated based on the difference between the closing market price of the Common Shares on December 29, 2023 (\$0.64) and the exercise price of the Options.

### **Director Compensation**

In July 2023, the annual fees paid to independent members of the Board were increased effective July 1, 2023 to the following: (i) \$33,480 per year to each director as a base director fee; (ii) \$8,640 per year as an additional fee for the

chair of the Audit Committee; (iii) \$5,400 per year as an additional fee for the chair of the Reserves Committee; (iv) \$4,320 per year as an additional fee for the chair of the CGC&S Committee; and (v) \$16,200 per year as an additional fee for the chair of the Board (collectively, the "**Board Member Fees**"). One half of the applicable Board Member Fee is tied to the price performance of the Common Shares in the given year based on the volume weighted average price of the Common Shares on the TSX for the last ten (10) trading days prior to the applicable year end as compared to the volume weighted average price of the Common Shares on the TSX for the last ten (10) trading days of the prior year and subject to a maximum 2x multiplier.

Board members are also eligible to participate in the Option Plan. The number of Options awarded to directors will be determined by criteria to be established by the CGC&S Committee. The Option grants during the year ended December 31, 2023 included grants to independent directors of 690,000 Options.

The Option Plan provides that the aggregate number of Common Shares that may be reserved for issuance pursuant to Options granted to Non-Management Directors shall not exceed 1% of the Common Shares outstanding from time to time and the aggregate value of Options granted to any one Non-Management Director in any one year period shall not exceed \$100,000. The Board will not be able to amend the limits on the number of Options issuable to Non-Management Directors without the approval of the Shareholders.

The Corporation will also reimburse directors for all reasonable expenses incurred in order to attend meetings.

#### *Directors' Summary Compensation Table*

The following table sets forth, for the year ended December 31, 2023, information concerning the compensation paid to the Corporation's directors, other than directors who are also Named Executive Officers.

<b>Name</b>	<b>Salary/Fees earned (\$)</b>	<b>Option-based awards<sup>(1)</sup> (\$)</b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
Greg Bay	30,940	18,936	-	-	49,876
Harry English	34,476	12,964	-	-	47,440
Don T. Gray	40,664	29,338	-	-	70,002
Scott Robinson	31,824	18,936	-	-	50,760
Wilson Wang	27,404	18,936	-	-	46,340
Bindu Wyma	27,404	11,256	-	-	38,660

Notes:

- (1) The grant date fair value for compensation purposes is calculated using Black-Scholes Option pricing methodology. Key assumptions used in the pricing model for 2023 were: expected volatility: 21.0%; risk-free interest rate: 3.99%; and weighted average life: 2.0 years. The Black-Scholes Option pricing methodology was selected due to its acceptance as an appropriate valuation model used by similar sized oil and gas companies.
- (2) None of the directors hold, or have ever been granted, share-based awards. The Corporation does not provide any pension benefits.

#### *Directors' Outstanding Option-Based Awards and Share-Based Awards*

The following table sets forth, for each of the Corporation's directors other than directors who are also Named Executive Officers, all Option-based awards outstanding as at December 31, 2023. No share-based awards were outstanding as at December 31, 2023.

<b>Name</b>	<b>Number of securities underlying unexercised Options (#)</b>	<b>Option exercise price (\$)</b>	<b>Option expiration date</b>	<b>Value of unexercised in-the-money Options<sup>(1)</sup> (\$)</b>
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Greg Bay	25,000	0.18	30 business days after vesting <sup>(2)</sup>	11,500
	11,000	0.39	30 business days after vesting <sup>(3)</sup>	2,750
	15,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	60,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	34,000	1.50	30 business days after vesting <sup>(7)</sup>	-
	81,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	63,000	1.09	30 business days after vesting <sup>(11)</sup>	-
	45,000	0.99	30 business days after vesting <sup>(12)</sup>	-
	<u>334,000</u>			<u>14,250</u>
Harry English	25,000	0.18	30 business days after vesting <sup>(2)</sup>	11,500
	18,000	0.39	30 business days after vesting <sup>(3)</sup>	4,500
	22,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	60,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	32,000	1.43	30 business days after vesting <sup>(8)</sup>	-
	81,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	84,000	0.99	30 business days after vesting <sup>(12)</sup>	-
	<u>322,000</u>			<u>16,000</u>
Don T. Gray	44,000	0.18	30 business days after vesting <sup>(2)</sup>	20,240
	51,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	31,000	0.67	30 business days after vesting <sup>(5)</sup>	-
	62,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	52,000	1.43	30 business days after vesting <sup>(8)</sup>	-
	114,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	138,000	0.99	30 business days after vesting <sup>(12)</sup>	-
	60,000	0.86	30 business days after vesting <sup>(13)</sup>	-
	<u>552,000</u>			<u>20,240</u>
Scott Robinson	25,000	0.18	30 business days after vesting <sup>(2)</sup>	11,500
	11,000	0.39	30 business days after vesting <sup>(3)</sup>	2,750
	15,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	60,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	34,000	1.50	30 business days after vesting <sup>(7)</sup>	-
	81,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	63,000	1.09	30 business days after vesting <sup>(11)</sup>	-
	45,000	0.99	30 business days after vesting <sup>(12)</sup>	-
	<u>334,000</u>			<u>14,250</u>
Wilson Wang	25,000	0.18	30 business days after vesting <sup>(2)</sup>	11,500
	11,000	0.39	30 business days after vesting <sup>(3)</sup>	2,750
	15,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	60,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	34,000	1.50	30 business days after vesting <sup>(7)</sup>	-
	81,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	63,000	1.09	30 business days after vesting <sup>(11)</sup>	-
	45,000	0.99	30 business days after vesting <sup>(12)</sup>	-
	<u>334,000</u>			<u>14,250</u>
Bindu Wyma	21,000	0.18	30 business days after vesting <sup>(2)</sup>	9,660
	18,000	0.69	30 business days after vesting <sup>(4)</sup>	-
	30,000	0.67	30 business days after vesting <sup>(5)</sup>	-
	60,000	0.99	30 business days after vesting <sup>(6)</sup>	-
	32,000	1.26	30 business days after vesting <sup>(9)</sup>	-
	81,000	1.34	30 business days after vesting <sup>(10)</sup>	-
	84,000	0.86	30 business days after vesting <sup>(13)</sup>	-
	<u>326,000</u>			<u>9,660</u>

## Notes:

- (1) Calculated based on the difference between the closing market price of the Common Shares on December 29, 2023 (\$0.64) and the exercise price of the Options.
- (2) The Option grant date was effective November 16, 2020, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.

- (3) The Option grant date was effective March 1, 2021, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (4) The Option grant date was effective May 17, 2021, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (5) The Option grant date was effective August 11, 2021, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (6) The Option grant date was effective November 15, 2021, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (7) The Option grant date was effective February 28, 2022, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (8) The Option grant date was effective May 16, 2022, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (9) The Option grant date was effective August 9, 2022, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (10) The Option grant date was effective November 14, 2022, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (11) The Option grant date was effective March 6, 2023, 2023, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (12) The Option grant date was effective May 15, 2023, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.
- (13) The Option grant date was effective August 8, 2023, with 1/3 of the Options granted vesting on each of the first, second and third anniversaries of the date of grant.

***Directors' Incentive Plan Awards – Value Vested or Earned During the Year***

The following table sets forth, for each of the Corporation's directors, other than directors who are also Named Executive Officers, the value of Option-based awards and share-based awards which vested during the year ended December 31, 2023. No share-based awards or non-equity incentive plan compensation has been awarded to Gear's Non-Management Directors.

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Greg Bay	25,490	N/A	N/A
Harry English	39,690	N/A	N/A
Don T. Gray	113,370	N/A	N/A
Scott Robinson	25,490	N/A	N/A
Wilson Wang	25,490	N/A	N/A
Bindu Wyma	37,710	N/A	N/A

Note:

- (1) Calculated based on the difference between the closing price of the Common Shares on the vesting date and the exercise price of the Options multiplied by the Options vested during the year.

**Securities Authorized for Issuance Under Equity Compensation Plans**

***Securities Authorized for Issuance Under Equity Compensation Plans***

The following sets forth information in respect of securities authorized for issuance under the Corporation's equity compensation plans as at December 31, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights	Weighted average exercise price of outstanding Options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in
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	(a)	(\$ (b)	column (a) (c) <sup>(1)</sup>
Equity compensation plans approved by securityholders (Options)	16,970,000	1.05	9,254,982
Equity compensation plans not approved by securityholders	-	-	-
<b>Total</b>	16,970,000	1.05	9,254,982

Note:

- (1) The total dilution from the Option Plan is limited to 10% of the Corporation's outstanding Common Shares. For a summary of the Option Plan, see "Statement of Executive Compensation – Incentive Plan Awards – Option Plan" above.

### **Annual Burn Rate Under Equity Compensation Plans**

The following sets forth the number of Options granted during the periods noted below and the potential dilutive effect of such Options.

Period	Number of Options Granted	Weighted Average Common Shares Outstanding	Burn Rate <sup>(1)</sup> (%)
2023	5,631,000	262,249,821	2
2022	8,559,000	260,692,581	3
2021	10,614,000	260,168,929	4

Note:

- (1) The burn rate for a given period is calculated by dividing the number of Options granted during such period by the weighted average number of Common Shares outstanding during such period.

For further information regarding the outstanding Options held by the Named Executive Officers, see "Statement of Executive Compensation – Incentive Plan Awards – Outstanding Option-based Awards".

## **CORPORATE GOVERNANCE**

Set forth below is a description of the Corporation's current corporate governance practices, as prescribed by Form 58-101F1, of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101").

### **1. Board of Directors**

- (a) **Disclose the identity of directors who are independent.**

The following six (6) nominees for election as directors at the Meeting are independent (for purposes of NI 58-101):

Don T. Gray (Chairman)  
Greg Bay  
Kathy Turgeon  
Scott Robinson



Wilson Wang  
Bindu Wyma

Harry English, a current independent director of the Corporation does not intend to stand for re-election at the Meeting and accordingly, he will retire as a director of the Corporation effective as of the Meeting to be replaced by Kathy Turgeon, who is also independent and included in the above list.

- (b) **Disclose the identity of directors who are not independent, and describe the basis for that determination.**

Kevin Johnson is not independent as he will occupy the position of President and Chief Executive Officer of the Corporation upon his appointment on April 8, 2024.

Ingram Gillmore who is a current director of the Corporation is not independent because he also holds the position of President and CEO. Mr. Gillmore will be retiring as the President and CEO and as a director on April 8, 2024.

- (c) **Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors does to facilitate its exercise of independent judgement in carrying out its responsibilities.**

A majority of the directors of the Corporation (currently six of seven) are independent. Six of the seven proposed nominees are independent.

- (d) **If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.**

The following directors are presently directors of other issuers that are reporting issuers (or the equivalent):

<u>Name</u>	<u>Name of Reporting Issuer</u>
Don T. Gray	Peyto Exploration & Development Corp. Petrus Resources Ltd.
Greg Bay	New Stratus Energy Inc.
Kathy Turgeon	Prairie Provident Resources Inc.

- (e) **Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.**

At the end of or during each meeting of the Board, the members of management of the Corporation and the non-independent director of the Corporation who are present at such meeting leave the meeting in order for the independent directors to meet. In addition, as all committees are comprised of independent directors, all committee meetings also serve as forums for discussion amongst independent members of the Board. In addition, other meetings of the independent directors may be held from time to time if required. The Chairman of the Board also communicates informally, from time to time, with the independent members including discussions required on written consent resolutions that are approved from time to time.

- (f) **Disclose whether or not the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.**

The Chairman of the Board is Don T. Gray, who is an independent member of the Board. The Chairman presides at all meetings of the Board and, unless otherwise determined, at all meetings of Shareholders and to enforce the rules of order in connection with such meetings. The Chairman is to provide overall leadership to the Board without limiting the principle of collective responsibility and the ability of the Board to function as a unit. The Chairman is to endeavour to fulfill his Board responsibilities in a manner that will ensure that the Board is able to function independently of management and is to consider, and allow for, when appropriate, a meeting of independent directors, so that Board meetings can take place without management being present. The Chairman is also to endeavour to ensure that reasonable procedures are in place to allow directors to engage outside advisors at the expense of the Corporation in appropriate circumstances.

- (g) **Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most recently completed financial year.**

The attendance record of each of the directors of the Corporation for Board meetings and committee meetings held from January 1, 2023 to the date of this Information Circular is as follows:

<b>Name of Director</b>	<b>Attendance Record</b>	
Greg Bay	11 out of 11 5 out of 5 5 out of 5 <b>21 out of 21 (100%)</b>	Board Meetings CGC&S Committee Meetings Audit Committee Meetings <b>Total</b>
Harry English	11 out of 11 5 out of 5 5 out of 5 <b>21 out of 21 (100%)</b>	Board Meetings Audit Committee Meetings CGC&S Committee Meetings <b>Total</b>
Ingram Gillmore	11 out of 11 <b>11 out of 11 (100%)</b>	Board Meetings <b>Total</b>
Don T. Gray	11 out of 11 5 out of 5 3 out of 3 5 out of 5 <b>24 out of 24 (100%)</b>	Board Meetings Audit Committee Meetings Reserves Committee Meetings CGC&S Committee Meetings <b>Total</b>
Scott Robinson	11 out of 11 5 out of 5 3 out of 3 <b>19 out of 19 (100%)</b>	Board Meetings CGC&S Committee Meetings Reserves Committee Meetings <b>Total</b>
Wilson Wang	11 out of 11 4 out of 5 5 out of 5 <b>20 out of 21 (95.23%)</b>	Board Meetings CGC&S Committee Meetings Audit Committee Meetings <b>Total</b>
Bindu Wyma	11 out of 11 3 out of 3 5 out of 5 <b>19 out of 19 (100%)</b>	Board Meetings Reserves Committee Meetings CGC&S Committee Meetings <b>Total</b>

2. **Board Mandate – Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.**

The mandate of the Board is attached to this Information Circular as Schedule "A".

### 3. **Position Descriptions**

- (a) **Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.**

The Board has developed written position descriptions for the Chairman of the Board as well as the Chairman of each of the committees of the Board.

- (b) **Disclose whether or not the Board and Chief Executive Officer have developed a written position description for the Chief Executive Officer. If the Board and Chief Executive Officer have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the Chief Executive Officer.**

The Board, with the input of the Chief Executive Officer of the Corporation, has developed a written position description for the Chief Executive Officer.

### 4. **Orientation and Continuing Education**

- (a) **Briefly describe what measures the Board takes to orient new directors regarding (i) the role of the Board, its committees and its directors, and (ii) the nature and operation of the issuer's business.**

While the Corporation does not currently have a formal orientation and education program for new recruits to the Board, the Corporation has historically provided such orientation and education on an informal basis. As new directors join the Board, management will provide these individuals with corporate policies, historical information about the Corporation, as well as information on the Corporation's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Board believes that these procedures will prove to be a practical and effective approach in light of the Corporation's particular circumstances, including the size of the Corporation and the experience and expertise of the members of the Board. The CGC&S Committee has the responsibility and duty to work with management of the Corporation to facilitate an education and comprehensive orientation program for new members of the Board and a continuing education program for all directors.

- (b) **Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.**

Presentations are made regularly to the Board and committees to educate and inform them of changes within the Corporation and on appropriate other subjects such as regulatory and industry requirements and standards, capital markets, commodity pricing and corporate governance. Historically, the Audit Committee has quarterly presentations on emerging trends and issues in the accounting and audit fields from management. During the year ended December 31, 2023, the auditor of the Corporation was present at all Audit Committee meetings in which financial statements were recommended for approval by the Audit Committee. The Board has quarterly presentations on operational results and technical and regulatory issues pertaining to reserves evaluation from management and the independent reserves evaluator is present at a minimum of one of the Board meetings each year. The Corporation's legal counsel provides the Board with periodic updates on corporate governance "best practices" and management provides the Board with reports on new legislation or regulation relating to health, safety and environmental matters.

The Corporation also encourages the directors to attend, enrol or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters and has agreed to pay the cost of such courses and seminars. Each director of the Corporation has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director. The CGC&S Committee has the responsibility and duty to work with management of the Corporation to facilitate an education and comprehensive orientation program for new members of the Board and a continuing education program for all directors.

## 5. Ethical Business Conduct

- (a) **Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code:**

The Corporation has adopted a Code of Business Conduct and Ethics (the "**Code**") for directors, officers, employees and contractors of the Corporation. Officers, employees and contractors are required to sign regular acknowledgements that they have read and understand the Code. Any reports of variance from the Code will be reported to the Board. To the extent that management is unable to make a determination as to whether a breach of the Code has taken place, the Board will review the alleged breach in order to make a determination.

- (i) **disclose how a person or company may obtain a copy of the code;**

A copy of the Code is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

- (ii) **describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and**

The Board monitors compliance with the Code by requiring each of the senior officers of the Corporation to affirm in writing on a regular basis his or her agreement to abide by the Code, as to his or her ethical conduct and with respect to any conflicts of interest. Please also see 5(c) below for a discussion of the Whistleblower Policy.

- (iii) **provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.**

There have been no material change reports filed since the beginning of the Corporation's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

- (b) **Describe any steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.**

In accordance with the ABCA, directors who are a party to, or are a director or an officer of a person which is a party to, a material contract or material transaction or a proposed material contract or proposed material transaction are required to disclose the nature and extent of their interest and not to vote on any resolution to approve the contract or transaction. In addition, in certain cases, an independent committee of the Board may be formed to deliberate on such matters in the absence of the interested party. Any potential conflicts of interest must be reported immediately to senior management.

- (c) **Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.**

The Board has also adopted a Whistleblower Policy which provides employees with the ability to report, on a confidential and anonymous basis, any violations within the organization, including (but not limited to) questionable accounting practices, inadequate internal accounting controls, the misleading or coercion of auditors, disclosure of fraudulent or misleading financial information and instances of corporate fraud. The Board believes that providing a forum for employees to raise concerns about ethical conduct and treating all complaints with the appropriate level of seriousness fosters a culture of ethical conduct within the Corporation.

The Board has also adopted a Disclosure, Confidentiality and Trading Policy which provides guidance on disclosure of material information and maintaining confidentiality and restrictions on trading securities of the Corporation.

## 6. **Nomination of Directors**

### (a) **Describe the process by which the Board identifies new candidates for Board nomination.**

Pursuant to its mandate, the CGC&S Committee, in conjunction with the Board Chairman, is responsible for recommending suitable candidates as nominees for election or appointment as director, and, in consultation with the Board, in recommending the criteria governing the overall composition of the Board and governing the desirable characteristics for directors. In making such recommendations, the CGC&S Committee, in consultation with the Board, is to consider: (i) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competence and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the Board; and (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board.

The CGC&S Committee is also to review on a periodic basis the composition of the Board to ensure that an appropriate number of independent directors sit on the Board, and analyze the needs of the Board and recommend nominees who meet such needs.

### (b) **Disclose whether or not the Board has a nominating committee composed entirely of independent directors. If the Board does not have a nominating committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.**

The CGC&S Committee, which is responsible for nominating directors, is comprised of only independent directors.

### (c) **If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.**

See item 6(a).

## 7. **Compensation**

### (a) **Describe the process by which the Board determines the compensation for the issuer's directors and officers.**

#### *Compensation of Directors*

For a description of the compensation of directors of the Corporation, see "*Statement of Executive Compensation – Director Compensation*".

#### *Compensation of Executive Officers*

For a description of the compensation of executive officers of the Corporation, see "*Statement of Executive Compensation – Compensation Discussion and Analysis*".

- (b) **Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.**

The CGC&S Committee is comprised entirely of independent directors.

- (c) **If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.**

The CGC&S Committee's responsibility is to formulate and make recommendations to the Board in respect of compensation issues relating to directors and officers of the Corporation. Without limiting the generality of the foregoing, the CGC&S Committee has the following duties related to compensation matters:

- recommend to the Board compensation policies and guidelines concerning executive compensation and benefits;
- endeavour to ensure that the Corporation has in place programs to attract and develop high calibre management and a process to provide for the orderly succession of management;
- review and approve corporate goals and objectives relevant to compensation of the Chief Executive Officer, and evaluate the Chief Executive Officer's performance in light of such corporate goals and objectives;
- make recommendations to the Board with respect to the annual salary, bonus and other benefits, direct and indirect, of the Chief Executive Officer having consideration to the CGC&S Committee's evaluation of the Chief Executive Officer's performance and to recommend to the Board compensation for all other designated officers of the Corporation after considering the recommendations of the Chief Executive Officer, all within the compensation policies and general human resources policies and guidelines concerning employee compensation and benefits, such compensation to realistically reflect the responsibilities and risks of such positions;
- implement and administer compensation policies and guidelines concerning executive compensation and benefits concerning the following:
  - executive compensation, contracts, stock plans or other incentive plans; and
  - proposed personnel changes involving officers reporting to the Chief Executive Officer;
- from time to time, review the Corporation's broad policies and programs in relation to benefits;
- annually receive from the Chief Executive Officer recommendations concerning annual compensation policies;
- from time to time, review with the Chief Executive Officer the Corporation's broad policies on compensation;
- review and endorse, as deemed appropriate, major changes in the organizational structure of management as proposed by the Chief Executive Officer; and
- review and recommend to the Board for approval, the compensation committee report and statement of executive compensation for inclusion in the public disclosure documents.

The CGC&S Committee is required to be comprised of at least three directors, or such greater number as the Board may determine from time to time. All members of the CGC&S Committee are required to be independent, as such term is defined for this purpose under applicable securities law requirements. Pursuant to the mandate and terms of reference of the CGC&S Committee, meetings of the CGC&S Committee are to take place regularly in each year on such dates and at such locations as the Chair of the CGC&S Committee shall determine and may also meet at any other time or times on the call of the Chair of the CGC&S Committee or any two of the other members.

8. **Other Board Committees – If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.**

In addition to the Audit Committee and the CGC&S Committee, the Corporation has established a Reserves Committee. The Reserves Committee is comprised entirely of independent directors.

The Reserves Committee is responsible for various matters relating to reserves of the Corporation that may be delegated to the Reserves Committee pursuant to National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*, including:

- reviewing the Corporation's procedures relating to the disclosure of information with respect to oil and gas activities, including reviewing its procedures for complying with disclosure requirements and restrictions set forth under applicable securities law requirements;
- reviewing the Corporation's procedures for providing information to the independent evaluator;
- meeting, as considered necessary, with management and the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the reserves information and data (the "**Reserves Data**") and to review the Reserves Data and the report of the independent evaluator thereon (if such report is provided);
- reviewing the appointment of the independent evaluator and, in the case of any proposed change to such independent evaluator, determining the reason therefor and whether there have been any disputes with management;
- providing a recommendation to the Board as to whether to approve the content or filing of the statement of the Reserves Data and other information that may be prescribed by applicable securities law requirements including any reports of the independent engineer and of management in connection therewith;
- reviewing the Corporation's procedures for reporting other information associated with oil and gas producing activities; and
- generally reviewing all matters relating to the preparation and public disclosure of estimates of the Corporation's reserves.

In addition to the CGC&S Committee's responsibility in respect of nominations of candidates to serve on the Board and compensation matters, the CGC&S Committee has also responsibilities relating to corporate governance and sustainability matters. Without limiting the generality of the foregoing, the CGC&S Committee has the following duties relating to corporate governance matters:

- develop and monitor the Corporation's overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects superior standards of corporate governance practices;
- report annually to the Corporation's Shareholders, through the Corporation's annual management information circular to Shareholders in accordance with National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, on the Corporation's system of corporate governance and the operation of its system of governance, having reference to the Corporate Governance Guidelines set forth in National Policy 58-201, *Corporate Governance Guidelines* and such other laws, rules, regulations, policies and instruments as may affect the corporate governance of the Corporation from time to time;
- consider the relationship of each director to the Corporation and significant Shareholders as to whether such director is an independent director;
- advise the Board or any of the committees of the Board of any corporate governance issues which the CGC&S Committee determines ought to be considered by the Board or any such committee;
- review with the Board, the role of the Board, the terms of reference of each of the committees of the Board and the methods and processes by which the Board fulfills its duties and responsibilities, including without limitation:
  - the number and content of meetings;
  - the annual schedule of issues to be presented to the Board at its meetings or those of its committees;

- material which is to be provided to the directors generally and with respect to meetings of the Board or its committees;
  - resources available to directors; and
  - the communication process between the Board and management;
- propose to the Board, when required, the assignment of members to the committees of the Board and the Chair for each committee;
- recommend to the Board a system which enables a committee or an individual director to engage separate independent counsel and advisors at the expense of the Corporation in appropriate circumstances and, upon the approval by the Board of such a process, to be responsible for the management and administration thereof;
- whenever the Board Chair is also an executive officer of the Corporation, to establish practices and procedures to permit the Board in appropriate circumstances to act independently;
- assist the Board in developing position descriptions for and, as appropriate, assessing the performance of the Chair of the Board and the Chief Executive Officer of the Corporation;
- review periodically the Corporation's approach to governance issues;
- review annually the mandate for the Board and the position description for the Board Chair;
- evaluate annually the effectiveness and contribution of the Board, the Board Chair and the Chair of each committee and the effectiveness and contribution of individual directors, and, in doing so, should have regard for the mandate of the Board and position description, the results of surveys of the directors, attendance at Board committee meetings, overall contribution and, in the case of individual directors, the competencies and skills the individual director is expected to bring to the Board; and
- endeavour to recommend, as deemed appropriate, policies regarding succession in the event of an emergency or the retirement of the Board Chair.

Without limiting the generality of the foregoing, the CGC&S Committee has the following duties relating to sustainability matters:

- oversee the Corporation's policies, procedures, practices and strategies relating to environmental, social and other sustainability matters to ensure due consideration of risks, opportunities and potential performance improvement relating thereto;
- review and report to the Board with respect to the consideration and integration of environmental, social and sustainability issues in the development of the Corporation's business strategy and financial planning;
- the CGC&S Committee shall receive periodic reports from management regarding the Corporation's initiatives and opportunities to optimize its environmental, social and sustainability performance including processes to reduce or substitute energy and water use, reduce emissions and waste and minimize land disturbance;
- consider and review the setting of, and performance against, appropriate targets, benchmarking, procedures and reporting methods used by the Corporation to measure its environmental, social and other relevant sustainability performance;
- consider and review
  - third party reports on the Corporation's sustainability performance and peer sustainability performance;
  - material regulatory or legislative change relating to environmental, social and other sustainability matters which could require modification of the Corporation's business practices;
  - ongoing or threatened litigation relating to environmental, social and other sustainability matters; and
  - insurable risks on environmental, social and other sustainability matters with evaluation of costs relative to benefit, taking into account, as determined necessary, Audit Committee consultation and recommendations on insurance matters;
- review the Corporation's enterprise risk management program relating to identifying, assessing and managing risks related to environment, social and sustainability, and report to the Audit Committee and/or the Board;



- review the Corporation's disclosure, reporting and external communication practices pertaining to environmental, social and sustainability issues, including but not limited to assessments of materiality, development and publication of environmental, social and governance reports and/or sustainability reports and approach to analogous disclosure, media and social media campaigns and other written communication with stakeholders; and
- review Shareholder proposals relating to environmental, social or other sustainability issues and provide a report to the Board.

Copies of the mandates of each of the Audit Committee, the CGC&S Committee and the Reserves Committee are available on Gear's website at [www.gearenergy.com](http://www.gearenergy.com).

9. **Assessments – Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual directors are performing effectively.**

The Board assesses the effectiveness of the Board, its committees and the effectiveness and contributions of individual directors by way of an annual written questionnaire distributed to each Board member. The questionnaire provides an opportunity for each Board member to provide a peer review of the performance of all of the other members of the Board. The Board also satisfies itself with respect to the effectiveness of the Board, its committees and individual directors by monitoring, on an informal basis, whether the objectives of each of the Board and the Corporation are being achieved and whether the responsibilities of each of the Board, its committees, its individual directors and the Corporation are being fulfilled.

10. **Director Term Limits and Other Mechanisms of Board Renewal**

The Board does not believe that fixed term limits or mandatory retirement ages are in the best interest of the Corporation. While term limits ensure fresh viewpoints on a Board, 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.

However, when considering nominees for the Board, the CGC&S Committee reviews the skills and experience of the current directors of the Corporation 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 CGC&S Committee also assesses 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 CGC&S Committee considers both the term of service and age of individual directors, the average term of the Board as a whole and turnover of directors over the prior years when proposing nominees for election of the directors of the Corporation. The CGC&S Committee considers the benefits of regular renewal in the context of the needs of the Board at the time and the benefits of the institutional knowledge of the Board members.

11. **Policies Regarding the Representation of Women on the Board**

The Board has adopted the Board and Management Diversity and Board Renewal Policy (the "**Diversity and Renewal Policy**") that addresses the identification and nomination of women directors of the Corporation. Specifically, and pursuant to the Diversity and Renewal Policy, the CGC&S Committee reviews the number of women and candidates of other underrepresented groups actually appointed and serving on the 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 CGC&S Committee may engage an outside executive search firm to assist the CGC&S 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.

The Board 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. The Corporation 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 leadership needed to achieve our business objectives, without reference to their age or gender is in the best interests of the Corporation and all of its stakeholders.

Despite its commitment to meritocracy, if and when the Board intends to add members to the Board or to replace a retiring Board member, the Board intends to ensure that the search for candidates includes searching for women with the necessary skills and experience to complement the skills and experience of the Board members remaining on the Board. The Board currently believes that the Board is the right size and that the current members have an appropriate mix of skills and experience for the Board and each of its committees to operate effectively and as such there is no need to add or replace any members of the Board.

12. **Consideration of the Representation of Women in the Director Identification and Selection Process**

In keeping with the Corporation's commitment to meritocracy, but to ensure the effectiveness of Diversity and Renewal Policy, the CGC&S Committee reviews: (i) 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 to replace existing members; and (ii) 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.

13. **Consideration Given to the Representation of Women in Executive Officer Appointments**

In keeping with the Corporation's commitment to meritocracy, but to ensure the effectiveness of Diversity and Renewal Policy, the CGC&S Committee reviews: (i) the number of women and candidates from other underrepresented groups considered or brought forward as potential candidates when the Board is looking for candidates for executive positions when such positions become available; and (ii) 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.

14. **Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions**

Beyond empowering the CGC&S Committee to review the number of women and candidates of other underrepresented groups actually appointed and serving on the 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, the Corporation has not imposed specific quotas or targets regarding the representation of women on the Board and in executive officer positions. The Board believes that imposing specific quotas or targets regarding the representation of women in executive officer positions would compromise the principles of meritocracy.

15. **Number of Women (and other underrepresented groups) on the Board and in Executive Officer Positions**

There are presently two members of underrepresented groups (specifically, visible minorities) serving on the Board representing 29% of the current directors and 29% of proposed nominees. There is presently one woman serving on the Board representing 14% of the current directors. Two of the proposed nominees for election as directors at the Meeting are women representing 29% of the proposed nominees.

There is presently one member of an underrepresented group (specifically, visible minority) serving in an executive officer position representing 20% of current executive officer positions at the Corporation. No women currently serve in executive officer positions at the Corporation.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No person who is or has been a director or executive officer of the Corporation at any time since the beginning of the year ended December 31, 2023, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, is or was indebted to (i) the Corporation or (ii) another entity where such indebtedness is or was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, in either case at any time since the beginning of the year ended December 31, 2023.

## **AUDIT COMMITTEE INFORMATION**

The information required by Form 52-110F1 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, including information regarding the fees billed to the Corporation by Deloitte LLP, Chartered Professional Accountants, Calgary, Alberta, is contained in the Corporation's annual information form for the year ended December 31, 2023, under the heading "*Audit Committee Information*", an electronic copy of which is available on the Corporation's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth herein, there were no material interests, direct or indirect, of directors, nominees for director or executive officers of the Corporation, or any Shareholder who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding Common Shares, or any other Informed Person (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

## **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership or otherwise of any director or nominee for director, or executive officer of the Corporation, or anyone who has held office as such since the beginning of the Corporation's last financial year, or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting, other than the election of directors.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information in respect of the Corporation and its affairs is provided in the Corporation's annual audited comparative financial statements for the year ended December 31, 2023 and the related management's discussion and analysis. Copies of the Corporation's financial statements and related management's discussion and analysis are available upon request from the Corporation at phone number (403) 538-8435 and on the Corporation's website at [www.gearenergy.com](http://www.gearenergy.com).

## **OTHER MATTERS**

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

## SCHEDULE "A"



### MANDATE OF THE BOARD OF DIRECTORS

#### GENERAL

The Board of Directors (the "**Board**") of Gear Energy Ltd. (the "**Corporation**" or "**Gear**") is responsible for the stewardship of the Corporation. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of Gear. In general terms, the Board will:

1. in consultation with the chief executive officer of the Corporation (the "**CEO**"), define the principal objectives of Gear;
2. supervise the management of the business and affairs of Gear with the goal of achieving Gear's principal objectives as developed in association with the CEO;
3. discharge the duties imposed on the Board by applicable laws; and
4. for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

#### SPECIFIC

The Board will also have the following responsibilities:

##### *Executive Team Responsibility*

1. Appoint the CEO and senior officers, approve their compensation, and monitor the CEO's performance against a set of mutually agreed corporate objectives directed at maximizing shareholder value;
2. In conjunction with the CEO, develop a clear mandate for the CEO, which includes a delineation of management's responsibilities;
3. Establish processes as required that adequately provides for succession planning, including the appointing, training and monitoring of senior management;
4. Establish limits of authority delegated to management;

##### *Operational Effectiveness and Financial Reporting*

5. Annual review and adoption of a strategic planning process and approval of Gear's strategic plan, which takes into account, among other things, the opportunities and risks of the business;
6. Establish or cause to be established systems to identify the principal risks to Gear and that the best practical procedures are in place to monitor and mitigate the risks;
7. Consider or cause to be considered the implications of risk associated with Gear's compensation policies and practices;
8. Endeavour to establish or cause to be established processes to address applicable regulatory, corporate, securities and other compliance matters;
9. Establish or cause to be established an adequate system of internal control and management information systems;

10. Establish or cause to be established due diligence processes and appropriate controls with respect to applicable certification requirements regarding Gear's financial and other disclosure;
11. Review and approve Gear's financial statements and oversee Gear's compliance with applicable audit, accounting and reporting requirements;
12. Approve annual operating and capital budgets;
13. Review and consider for approval all amendments or departures proposed by management from established strategy, capital and operating budgets;
14. Review operating and financial performance results relative to established strategy, budgets and objectives;

***Environmental, Health and Safety***

15. Review the Corporation's fundamental policies pertaining to environment, health and safety and ascertain that policies and procedures are in place to minimize environmental, occupational health and safety and other risks to asset value and mitigate damage to or deterioration of asset value;
16. Review the Corporation's performance with all applicable laws and regulations with respect to environment health and safety;
17. Review the findings of any significant report by regulatory agencies, external environment, health and safety consultants or auditors concerning the Corporation's performance in environment, health and safety. Review any necessary corrective measures taken to address issues and risks identified by the Corporation, external auditors or by regulatory agencies;
18. Review any emerging trends, issues and regulations related to environment, health and safety that are relevant to the Corporation;

***Integrity/Corporate Conduct***

19. Establish a communications policy or policies to ensure that a system for corporate communications to all stakeholders exists, including processes for consistent, transparent, regular and timely public disclosure, and to facilitate feedback from stakeholders;
20. Approve a Business Conduct & Ethics Practice for directors, officers and employees and monitor compliance with the Practice and approve any waivers of the Practice for officers and directors;
21. To the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers of the Corporation and that the CEO and other executive officers create a culture of integrity throughout Gear;

***Board Process/Effectiveness***

22. Endeavour to ensure that Board materials are distributed to directors in advance of regularly scheduled meetings to allow for sufficient review of the materials prior to the meeting. Directors are expected to attend all meetings;
23. Engage in the process of determining Board member qualifications with the Corporate Governance Committee including ensuring that a majority of directors, including the Chair of the Board, qualify as independent directors pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices (as implemented by the Canadian Securities Administrators and as amended from time to time) and that the appropriate number of independent directors are on each committee of the Board as required under applicable securities rules and requirements;
24. Approve the nomination of directors;
25. Provide or cause to be provided a comprehensive orientation to each new director;
26. Establish an appropriate system of corporate governance including practices to ensure the Board functions independently of management;

27. Establish appropriate practices for the regular evaluation of the effectiveness of the Board, its committees and its members;
28. Establish committees and approve their respective mandates and the limits of authority delegated to each committee;
29. Review and re-assess the adequacy of the mandate of the committees of the Board on a regular basis, but not less frequently than on an annual basis; and
30. Review the adequacy and form of the directors' compensation to ensure it realistically reflects the responsibilities and risks involved in being a director.

Each member of the Board is expected to understand the nature and operations of Gear's business, and have an awareness of the political, economic and social trends prevailing in all countries or regions in which Gear operates, or is contemplating potential operations.

Independent directors shall meet regularly, and in no case less frequently than quarterly, without non-independent directors and management participation.

The Board may retain persons having special expertise and may obtain independent professional advice to assist it in fulfilling its responsibilities at the expense of the Corporation, as determined by the Board.

In addition to the above, adherence to all other Board responsibilities as set forth in the Corporation's By-Laws, applicable policies and practices and other statutory and regulatory obligations, such as issuance of securities, etc., is expected.

#### **DELEGATION**

The Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board.

Subject to terms of the Disclosure, Confidentiality and Trading Policy and other policies and procedures of Gear, the Chair of the Board will act as a liaison between stakeholders of Gear and the Board (including independent members of the Board).

#### **STANDARDS OF LIABILITY**

Nothing contained in this mandate is intended to expand applicable standards of liability under statutory, regulatory, common law or any other legal requirements for the Board. The Board may adopt additional policies and procedures as it deems necessary from time to time to fulfill its responsibilities.

November 3, 2021