



Monthly Update

April 19, 2024

FROM THE DESK OF KEVIN JOHNSON, PRESIDENT & CEO

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

	Q1 23	Q2 23	Q3 23	Q4 23	2023	Jan-24	Feb-24	Mar-24	Q1 24	2024
WTI Benchmark Price (\$US/bbl)	76.13	73.78	82.26	78.32	77.62	73.86	76.61	80.41	76.96	76.96
WCS Heavy Oil Differential (\$US/bbl)	(24.76)	(15.06)	(12.89)	(21.86)	(18.65)	(20.09)	(18.76)	(19.13)	(19.33)	(19.33)
MSW Light Oil Differential (US\$/bbl)	(2.86)	(2.96)	(1.83)	(5.16)	(3.20)	(8.42)	(9.23)	(8.26)	(8.64)	(8.64)
Funds from Operations (\$MM)	13.0	17.1	21.0	16.7	67.8	4.5	5.1	5.6	15.2	15.2
Capital and Abandonment Expenditures (\$MM)	18.4	8.3	14.6	13.3	54.6	4.5	4.5	0.8	9.9	9.9
Net Surplus (Debt) (\$MM)	(15.3)	(14.3)	(13.3)	(14.1)	(14.1)	(15.5)	(16.2)	(12.5)	(12.5)	(12.5)
Production (boe/d)	5,952	5,742	5,511	6,000	5,801	5,449	5,693	5,997	5,713	5,713

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

As you are aware, I was appointed as the President and Chief Executive Officer upon Ingram Gillmore's retirement from the role on April 8, 2024. I am excited to be in the role and since my appointment I have been busy reviewing near-term capital investments and execution. I am focusing my efforts on setting Gear on a new and exciting path forward with the intent to reward shareholders with superior value creation. Given my intent to focus on the fundamentals of the business, we have decided to discontinue providing our monthly updates to shareholders going forward. We will continue to ensure that we provide our shareholders with meaningful fulsome disclosure on our business and outlook for the future when we provide our quarterly results and at such other times as we determine it appropriate to do so.

For the most recent public disclosures please see www.gearenergy.com or www.sedarplus.ca.

Thank you for your continued support of Gear.

Certain information in this monthly update is forward-looking within the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. This forward-looking information may include, among other things, estimated production, expected funds from operations and profit from certain assets of Gear, expectations of commodity prices and price differentials, demand for oil, capital expenditure budgets and estimates, royalty rates, operating costs, credit/debt requirements, and drilling inventory and locations. Readers should not rely on such forward-looking information to make investment decisions as the results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events as a result of a number of factors including based on the risk factors as set forth in Gear's most recent annual information form (the "AIF"), which is available on this website and at www.sedar.com. Gear has based the forward-looking information on a number of assumptions including the assumptions identified in such monthly updates, which may not be realized. It has also assumed that the risk factors discussed in the AIF will not cause such forward-looking information to differ materially from actual results or events. The forward-looking information in this monthly update describes the expectations of management of Gear as of the respective dates of this monthly update and Gear does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws. Readers should not rely on the views of management of Gear as set out in this monthly update to make investment decisions with respect to Gear or other companies in the oil and gas industry and should instead consult with their own investment advisors.

This monthly update may include certain key performance indicators to analyze financial and operating performance such as funds from operations, funds from operations per debt adjusted share, production per day per thousand debt adjusted shares, operating netbacks, corporate netbacks and net debt, which do not have any standardized meaning prescribed by Canadian generally accepted accounting principles ("GAAP") and therefore may not be comparable with the calculation of similar measures for other entities. For additional information on these non-GAAP measures, see Gear's most recent management's discussion and analysis which is available on Gear's website at www.gearenergy.com and at www.sedar.com.

Barrel of oil equivalent ("boe") used in the monthly updates have been based on a conversion ratio of 1 barrel of oil to 6 thousand cubic feet of natural gas. A boe may be misleading, particularly if used in isolation, as such conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.