Gear Energy Ltd. Announces Closing of $63.5 Million Bought Deal Equity Financing

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CALGARY, ALBERTA -- (Marketwired - March 28, 2014) - Gear Energy Ltd. ("Gear" or the "Company") (TSX:GXE) is pleased to announce that it has closed its previously announced bought deal offering of common shares of Gear ("Common Shares"). Pursuant to the offering, the Company issued 15,875,000 Common Shares (including an upsize of 1,500,000 Common Shares from the original offering and 1,875,000 Common Shares issued pursuant to the exercise in full of the over-allotment option granted to the underwriters) at $4.00 per Common Share for aggregate gross proceeds of $63,500,000. The Common Shares were sold by a syndicate of underwriters co-led by FirstEnergy Capital Corp. and Peters & Co. Limited, and including RBC Capital Markets Inc., GMP Securities L.P., Haywood Securities Inc. and AltaCorp. Capital Inc.

Net proceeds from the offering will initially be used to temporarily repay outstanding bank indebtedness and will subsequently be used to fund a portion of the Company's ongoing capital program and for general corporate purposes.

The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements thereof. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Advisories:

This news release contains forward-looking statements including statements concerning the anticipated use of the net proceeds of the offering. The intended use of the net proceeds of the offering might change if the board of directors determines that it would be in the best interests of the Company to deploy the proceeds for some other purpose. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Company's control. Accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by applicable securities laws.

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