

Gear Energy Ltd. Announces Initiation of a Strategic Repositioning Process and an Operational Update

28.09.2023 | [Newsfile](#)

Calgary, September 27, 2023 - [Gear Energy Ltd.](#) ("Gear" or the "Company") (TSX: GXE) (OTCQX: GENGF) is pleased to announce the initiation of a strategic repositioning process and an operational update.

STRATEGIC REPOSITIONING PROCESS

Gear's Board of Directors (the "Board") have commenced a formal process to explore, review and evaluate strategic repositioning alternatives with a view to enhancing shareholder value (the "Strategic Process"). With Gear's top tier cash flow generation ability, strong balance sheet, deep inventory of both drilling and enhanced oil recovery opportunities, and a material tax coverage position, the Board and management believe that the Company is ideally placed to undertake this process. Although there have been no formal proposals received, Gear has been approached by a number of parties interested in potential transactions.

Through the Strategic Process, the Board intends to undertake a comprehensive review to identify and consider a broad range of alternatives to enhance shareholder value including, but not limited to, a merger, corporate sale, corporate restructuring, the sale of select assets, the purchase of assets, a potential spin-out of select assets, optimization of future capital allocation and return of capital strategies, or any combination of these alternatives. The Strategic Process may result in no specific transaction being pursued, with the Company looking to continue to optimize and improve its operations as they currently exist with a focus on providing long-term sustainable growth and competitive returns to shareholders.

Gear has engaged Peters & Co. Limited ("Peters & Co.") as financial advisor in connection with the Strategic Process. Gear and Peters & Co. have created a virtual data room, which will be available for review by parties upon execution of a confidentiality agreement in connection with the Strategic Process.

Gear has not set a definitive schedule for the conclusion of the Strategic Process or made a decision to pursue any particular alternative. Given the nature of the process and the need for confidentiality during this process, the Company does not intend to provide updates until such time as the Board approves a definitive transaction or strategic repositioning alternative, or otherwise determines that further disclosure is necessary or appropriate.

OPERATIONAL UPDATE

With ongoing positive results from Gear's summer drilling program, production has grown steadily through September. In total, seven Mannville heavy oil wells have been drilled since break-up with five of them on production as of last week and the remaining two expected to be pumping by early October. Three of the wells were unlined multi-lateral horizontal wells and the other four were single lateral lined horizontal wells. Production for September is currently estimated to average approximately 5,600 boe per day with exit rates above 5,800 boe per day. Four of these seven new wells will not only add new production but have also successfully de-risked and expanded future drilling inventory. Additionally, Gear recently mobilized a rig in Tableland, Saskatchewan to drill the first of two light oil wells.

In addition to the drilling program, Gear has also successfully initiated water injection into the new enhanced oil recovery project in the Wildmere Cummings pool as well as completed the planned waterflood expansions in Wilson Creek. Across the entire enhanced oil recovery portfolio, there have been many encouraging results to date in 2023 with oil production increases being seen in Wilson Creek, Maidstone, and Wildmere.

[Gear Energy Ltd.](#) is Canadian energy company focused on the exploration and development of heavy oil weighted production primarily in east central Alberta and west central Saskatchewan. For recent corporate and investor information, please access www.SEDAR.com or www.gearenergy.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

Ingram Gillmore
President & CEO
403-538-8463

David Hwang
Vice President Finance & CFO
403-538-8437

Email: info@gearenergy.com
Website: www.gearenergy.com

FORWARD LOOKING INFORMATION

Certain information in this news release is forward-looking within the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. The words "future", "may", "could", "targeted", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target", "potential" and similar words and expressions are used to identify forward-looking information. The forward-looking information in this news release, includes, among other matters, the following: Gear's intent to undertake the Strategic Process; Gear's plans for disclosure during the Strategic Process; Gear's intent to continue to optimize and improve its operations as they currently exist if no transaction is pursued with a focus on providing long-term sustainable growth and competitive returns to shareholders; Gear's expectations as to average production and exit production in September 2023; the expectation of timing of bringing certain recently drilled wells on production; and the expectation that recently drilled wells have expanded Gear's future drilling inventory. The forward-looking information in this news release describes the Company's expectations as of the date of this news release.

The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. Material factors which could cause actual results or events to differ materially from such forward-looking information include, among others, risks arising from general economic conditions and adverse industry events, risks arising from operations generally, reliance on contractual rights such as licenses and leases in the conduct of its business, reliance on third parties, reliance on key personnel, possible failure of the business model or business plan or the inability to implement the business model or business plan as planned, competition, environmental matters, and insurance or lack thereof. In addition, the Company cautions that there are no guarantees that the Strategic Process will result in a transaction, or, if a transaction is undertaken, as to its terms, timing or conditions or approvals required to implement such transaction.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

The forward-looking information and statements contained in this news release speak only as of the date of this news release. The Company 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 place undue importance on forward-looking information and should not rely upon this information as of any other date.

BARRELS OF OIL EQUIVALENT

The term "boe" or barrels of oil equivalent may be misleading, particularly if used in isolation. A boe

conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Additionally, given that the value ratio based on the current price of crude oil, as compared to natural gas, is significantly different from the energy equivalency of 6:1; utilizing a conversion ratio of 6:1 may be misleading as an indication of value.

PRODUCTION

In this press release, the Company has disclosed its estimated average and exit production for the month of September 2023. The Company anticipates that of the average and exit production for September, 48% will be heavy crude oil, 34% will be light or medium crude oil, 14% will be natural gas and 4% will be natural gas liquids.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/182172>

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/453997--Gear-Energy-Ltd.-Announces-Initiation-of-a-Strategic-Repositioning-Process-and-an-Operational-Update.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinen](#).