

INPLAY OIL CORP. (THE "CORPORATION")

CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

InPlay Oil Corp. ("**InPlay**" or the "**Corporation**") requires the highest standards of professional and ethical conduct from our directors, officers, employees, consultants, contractors, contract operators and any other person or company that provides services to InPlay ("**Service Providers**"). Our reputation among our shareholders for honesty and integrity is key to the success of our business. No Service Provider will be permitted to achieve results through violations of laws or regulations, or through unethical dealings.

This Code reflects our commitment to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which all Service Providers are expected to comply. Please read this Code carefully.

In addition to following this Code in all aspects of your business activities, you are expected to seek guidance in any case where there is a question about compliance with both the letter and spirit of our policies and applicable laws. This Code sets forth general principles and does not supersede the specific policies and procedures that are covered in the specific policies statements, such as the Disclosure, Confidentiality and Trading Policy. References in this Code of Ethics to the Corporation means the Corporation or any of its subsidiaries. Violation of these policies may result in disciplinary actions up to and including discharge from the Corporation.

Your cooperation is necessary to the continued success of our business and the cultivation and maintenance of our reputation as a good corporate citizen.

Conflicts of Interest

A conflict of interest occurs when an individual's private interest interferes, or appears to interfere, in any way with the interests of the Corporation. A conflict situation can arise when a Service Provider takes actions or has interests that may make it difficult to perform his or her work effectively. Conflicts of interest also arise when a Service Provider or a member of his or her family, receives improper personal benefits as a result of his or her position in the Corporation. Loans to, or guarantees of obligations of, such persons are likely to pose conflicts of interest, as are transactions of any kind between the Corporation and any other organization in which you or any member of your family have an interest.

Activities that could give rise to conflicts of interest are prohibited unless specifically approved in advance by the Board of Directors. It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interests must be reported immediately to senior management.

Without limiting the generality of the foregoing, but for greater clarity, it is recognized that certain of the directors and officers of the Corporation are or may be directors of other oil and gas companies whose operations may, from time to time, be in competition with the Corporation. Such circumstances will not in and of themselves necessarily present a conflict of interest but are to be assessed on a case by case basis. In accordance with the *Business Corporation's Act* (Alberta), directors who have a material interest in, or any person who is a party to, a material contract or a proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract.

Corporate Opportunities

Service Providers are prohibited from taking for themselves personally opportunities that arise through the use of corporate property, information or position and from using corporate property, information or position for personal gain. Service Providers are also prohibited from competing with the Corporation, provided that the foregoing shall not apply to directors and officers solely as a result of them acting as directors of other companies which they do not control.

Confidentiality

Service Providers must maintain the confidentiality of information entrusted to them by the Corporation or that otherwise comes into their possession in the course of their service, except when disclosure is authorized or legally mandated. The obligation to preserve confidential information continues even after you cease to provide services to the Corporation.

Confidential information includes all non-public information, and information that suppliers and customers have entrusted to us.

Protection and Proper Use of Corporation Assets

All Service Providers should endeavour to protect the Corporation's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Corporation's profitability. Any suspected incidents of fraud or theft should be immediately reported for investigation.

Corporation assets, such as funds, products or computers, may only be used for legitimate business purposes or other purposes approved by management. The Corporation's assets may never be used for illegal purposes.

The obligation to protect Corporation assets includes proprietary and confidential information. Proprietary information includes any information that is not generally known to the public or would be helpful to our competitors. Examples of proprietary information are intellectual property, acquisition and exploration plans and prospects, business and marketing plans and employee information. The obligation to preserve proprietary information continues even after you cease to provide services to the Corporation.

Fair Dealing

Each Service Provider should endeavour to deal fairly with the Corporation's customers, suppliers, competitors and Service Providers. No Service Provider should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Compliance with Laws, Rules and Regulations

Compliance with both the letter and spirit of all laws, rules and regulations applicable to our business is critical to our reputation and continued success. All Service Providers must respect and obey the laws of the cities, provinces and countries in which we operate and avoid even the appearance of impropriety.

Compliance with Environmental Laws

The Corporation is sensitive to the environmental, health and safety consequences of its operations. Accordingly, the Corporation is in strict compliance with all applicable Federal and Provincial environmental laws and regulations. If a Service Provider has any doubt as to the applicability or meaning of a particular environmental, health or safety regulation, he or she should discuss the matter with a member of the Corporation's senior management.

Discrimination and Harassment

We value the diversity of our Service Providers and are committed to providing equal opportunity in all aspects thereof. Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. Service Providers are encouraged to speak out when a co-worker's conduct makes them uncomfortable, and to report harassment when it occurs.

Safety and Health

We are all responsible for maintaining a safe workplace by following safety and health rules and practices. The Corporation is committed to keeping its workplaces free from hazards. Please report any accidents, injuries, unsafe equipment, practices or conditions immediately to management, a supervisor or other designated person. Threats or acts of violence or physical intimidation are prohibited.

In order to protect the safety of all Service Providers, the environment and third parties, Service Providers must report to work free from the influence of any substance that could prevent them from conducting work activities safely and effectively.

Accuracy of Corporation Records and Reporting

Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions. The Corporation's accounting records are relied upon to produce reports for the Corporation's management, shareholders, creditors, governmental agencies and others. Our financial statements and the books and records on which they are based must accurately reflect all corporate transactions and conform to all legal and accounting requirements and our system of internal controls.

All Service Providers have a responsibility to ensure that the Corporation's accounting records do not contain any false or intentionally misleading entries. We do not permit intentional misclassification of transactions as to accounts, departments or accounting periods. All transactions must be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period.

Business records and communications often become public through legal or regulatory investigations or the media. We should avoid exaggeration, derogatory remarks, legal conclusions or inappropriate characterizations of people and companies. This applies to communications of all kinds, including email and informal notes or interoffice memos. Records should be retained and destroyed as determined appropriate.

Use of E-Mail and Internet Services

Company computers, E-Mail systems and Internet services are provided to help us do work. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. You may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit messages, cartoons, jokes, unwelcome propositions, ethnic or racial slurs, or any other message that could be viewed as harassment. Also remember that "flooding" our systems with junk mail and trivia hampers the ability of our systems to handle legitimate company business and is prohibited.

Your messages (including voice mail) and computer information are considered company property and you should not have any expectation of privacy. Unless prohibited by law, the Corporation reserves the right to access information on company computers, your e-mail communication and voice mails, and disclose this information as necessary for business purposes. Use good judgment, and do not access, send messages or store any information on your work computer or the Corporation's network servers that you would not want to be seen or heard by other individuals.

Political Activities and Contributions

We respect and support the right of our Service Providers to participate in political activities. However, these activities should not be conducted on Corporation time or involve the use of any Corporation resources. Service Providers will not be reimbursed for personal political contributions.

We may occasionally express our views on local and national issues that affect our operations. In such cases, Corporation funds and resources may be used, but only when permitted by law and by our strict Corporation guidelines. The Corporation may also make limited contributions to political parties or candidates in jurisdictions where it is legal and customary to do so. The Corporation may pay related administrative and solicitation costs for political action committees formed in accordance with applicable laws and regulations. No Service Provider may make or commit to political contributions on behalf of the Corporation without the approval of the Chief Executive Officer and Chief Financial Officer.

Illicit Payments

Unlawful or unethical behaviour in the Corporation's workforce is not tolerated, including soliciting, accepting, or paying bribes or other illicit payments for any purpose. Situations where judgment might be influenced or appears to be influenced by improper considerations must be avoided. Payment or acceptance of any "kickbacks" from a contractor or other external party is prohibited.

Payments to Officials

Service Providers must comply with all laws prohibiting improper payments to officials.

Although certain types of "facilitation" payments may not be illegal, the Corporation's policy is to avoid such payments. If any Service Provider finds that adherence to the Corporation's policy would cause a substantial, adverse effect on operations, that fact should be reported to the Corporation's senior management which will determine whether an exception may lawfully be authorized. If the facilitating payment is made, such payment must be properly entered and identified on the books of the Corporation and all appropriate disclosures made.

Reporting of any Illegal or Unethical behaviour

We have a strong commitment to conduct our business in a lawful and ethical manner. Service Providers are encouraged to talk to supervisors, managers or other appropriate personnel when in doubt about the best course of action in a particular situation and to report violations of laws, rules, regulations or this Code. We prohibit retaliatory action against any Service Provider who, in good faith, reports a possible violation. It is unacceptable to file a report knowing it to be false.

Directors Role in the Code of Business Conduct and Ethics

To the extent that management is unable to make a determination as to whether a breach of this Code has taken place, the Board of Directors will review any alleged breach of the Code to determine if a breach has occurred.

Any waiver of this Code for executive officers or directors will be made only by the Board of Directors or a committee of the Board of Directors and conduct by a director or executive officer which constitutes a material departure from this Code may be promptly disclosed if required by law or stock exchange regulation.

Compliance Procedures

This Code cannot, and is not intended to, address all of the situations you may encounter. There will be occasions where you are confronted by circumstances not covered by policy or procedure and where you must make a judgment as to the appropriate course of action. In those circumstances we encourage you to use your common sense, and to contact your supervisor, manager or a member of human resources for guidance.

If you do not feel comfortable discussing the matter with your supervisor or senior officer, please call Douglas Bartole, President and Chief Executive Officer or Darren Dittmer, Chief Financial Officer. Their numbers are (403) 803-3083 and (403) 703-6159, respectively.