PRESS RELEASE

INPLAY OIL CORP. PROVIDES OPERATIONS UPDATE AND 2019 CAPITAL BUDGET

Calgary, Alberta: January 22, 2019 – InPlay Oil Corp. ("**InPlay**" or "**the Company**") (TSX: IPO, OTCQX: IPOOF) is pleased to announce that its Board of Directors has approved a $36 million Exploration and Development capital program for 2019.

A year of exceptional operational results in 2018, drilling pacesetter horizontal Cardium wells at Willesden Green, positions us to continue with a focused 2019 capital program. With the potential for continued commodity price volatility, we plan to deliver a prudent and flexible 2019 capital program that is forecast to achieve between ten and fourteen percent exit oil and liquids per share growth over 2018. The excellent production results seen from new wells in addition to anticipated reductions in operating and general and administrative costs, on a per boe basis, position us well to continue to deliver higher cash flow provided by operating activities and higher operating income profit margins compared to 2018.

Operations Update

In 2018 InPlay drilled 16 (11.2 net) horizontal wells in the Willesden Green area including 12 (8.6 net) extended reach horizontal wells ("ERH") and 4 (2.6 net) one-mile horizontal wells. In the Duvernay, the Company completed its first horizontal well and drilled one vertical stratigraphic test well. The result is estimated annual average production of approximately 4,650 boe/d (70% oil and liquids) which achieves production growth of approximately 17% over 2017 (22% for oil and liquids), exceeding our recently increased annual production guidance of 4,600 boe/d following the two previous increases to production guidance in the second half of 2018. This production growth was achieved through organic drill bit success inclusive of selling non-core assets producing approximately 250 boe/d in October and with the deferral of completions on two ERH wells drilled in the fourth quarter of 2018.

In the fourth quarter, unique circumstances unfolded which had a significant negative impact on crude oil markets. Extended refinery turnarounds in the Midwest USA, increased oil supplies and transportation infrastructure restrictions led to significantly higher than normal Edmonton light oil to West Texas Intermediate ("WTI") differentials, negatively impacting realized oil prices over the quarter. The Alberta Government reacted to this situation and imposed production curtailments starting in January 2019 which resulted in these differentials correcting back to more normalized levels at this time. InPlay is not affected by these production curtailments as they only apply to producers that produce in excess of 10,000 bbls/d of Alberta crude oil production. Decreases in WTI prices were also experienced in the fourth quarter affecting realized oil prices. WTI crude oil prices dropped to average US$ 58.81/bbl in the fourth quarter of 2018 from an average of US$ 66.80/bbl over the first nine months of 2018 and traded at a low of US$ 42.53/bbl in the month of December. InPlay prudently reacted to these pricing impacts and adjusted our fourth quarter 2018 capital program accordingly. Three (2.2 net) 1.5 mile Willesden Green horizontal wells were drilled in the quarter, however two net ERH wells originally planned for completion mid-fourth quarter 2018 were deferred until early 2019 so as to not sell the high rate initial production from these wells into the steeply discounted pricing environment. This strategy was successful as we can now take advantage of the significantly improved pricing environment in 2019. Also, one vertical stratigraphic test well in the Huxley Duvernay area was drilled in the fourth quarter extending the land tenure on this block for an additional five years.

Our Willesden Green drilling program has provided exceptional results to date exceeding our expectations which was the driver behind enabling InPlay to exceed annual average production guidance and increasing our production guidance twice in the second half of 2018, even after factoring in the non-core asset disposition and deferred completions in the fourth quarter. We continue to excel in the execution of our drilling and completions capital program with our 1.5 mile ERH wells averaging 9.7 drilling days with the last two wells averaging nine drilling days which are the pacesetters in the area. The last 2.0 mile ERH well was drilled in 12.5 days making it another industry pacesetter in Willesden Green. InPlay's completion programs also incorporate leading edge methods and technologies, streamlining operations and reducing operational start up issues and timelines. Our operations in the Willesden Green area are highly supported given the core technical strengths of management which has combined experience on drilling and completion of over 300 horizontal multi-frac wells.

The last two ERH wells that came on production in October flowed at an average rate of 562 boe/d (86% light oil and liquids) and 520 boe/d (79% light oil and liquids) over the initial 30 and 60 day periods respectively. Results from our nine ERH wells in Willesden Green in 2018 are as follows: Average initial production ("IP") rates of IP(30 days) of 524 boe/d (86% light oil and liquids), IP (60 days) of 480 boe/d (83% light oil and liquids) and IP (90 days) of 422 boe/d (80% light oil and liquids).

2019 Budget Overview

The Company's Board of Directors has approved a capital budget for 2019 of $36 million. The focus is on sustainability and flexibility with respect to commodity prices. InPlay intends to follow a prudent capital program in 2019 with first half ("H1/19") spending less than estimated cash flow provided by operating activities. The second half ("H2/19") capital program will be flexible and can be adjusted to accommodate variability in commodity prices. This program will allow the Company to maintain a solid financial footing while also managing to achieve a meaningful level of top tier light oil growth throughout the year.

The approved 2019 capital program includes the completion of the two deferred horizontal wells drilled in the fourth quarter of 2018 as well as drilling approximately nine net horizontal wells with the majority being ERH Cardium wells in our core Willesden Green bioturbated play. Capital in H1/19 will be comprised of completing the two net deferred ERH Willesden Green wells and drilling approximately three net ERH wells on estimated capital expenditures of $14 to $16 million, providing up to approximately $2 million in excess cash flow provided by operating activities above capital expenditures. The balance of $20 to $22 million in capital is planned to be spent in the second half of 2019.

The 2019 capital program drives annual average 2019 production guidance of 4,900 to 5,100 boe/d (approximately 70% oil & liquids) with exit production of 5,400 to 5,600 boe/d (70% oil & liquids) and corresponding estimated organic annual production growth of between six and ten percent for oil and liquids and on a total barrels of oil equivalent ("boe") basis for the full year of 2019 compared to 2018 and exit production growth of between ten and fourteen percent.

The Company's 2019 guidance is based on a current future commodity price curve with an annual average WTI price of US$ 54.00/bbl, $1.50/mcf AECO and with estimates on foreign exchange of 0.75 CDN/USD and an Edmonton light sweet differential of ($7.50) US$/bbl. A change in the price of WTI by US$ 5.00/bbl results in a difference of approximately $7 million in cash flow provided by operating activities. Starting in January 2019, we saw significant improvements in the Edmonton light differential with trading following more historically normal levels. Efficiencies in operating activities are also anticipated to be achieved with operating costs and general and administrative costs forecast to be reduced on a boe basis by between approximately six and ten percent in 2019 over 2018. With continuous efficiencies in operations and the high netback structure of InPlay's assets, even at lower WTI pricing than 2018, InPlay estimates operating income profit margins of approximately 55%, which results in an increase of approximately six percent over 2018. This program is expected to continue to yield strong financial returns with top quartile light oil production growth amongst our light oil weighted peers.

About InPlay Oil Corp.

InPlay, based in Calgary, Alberta, has been engaged in the business of exploring for, developing and producing oil and natural gas, and acquiring oil and natural gas properties in western Canada since it commenced operations as a private company in June 2013. Since commencing operations InPlay has concentrated on exploration and development drilling of light oil prospects in the Province of Alberta in a focused area of Central and West Central Alberta.

The InPlay management team has worked closely together for several years in both private and public company environments and has an established track record of delivering cost-effective per share growth in reserves, production and cash flow provided by operating activities. InPlay will continue to implement its proven strategy of exploring, acquiring, and exploiting on with a long term focus on large, light oil resource based assets. The InPlay management team brings a full spectrum of geotechnical, engineering, negotiating and financial experience to its investment decisions. An updated corporate presentation will be posted to InPlay's website in due course. Additional information about the Company can be found on InPlay's website at: www.inplayoil.com.
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Reader Advisories

Forward-Looking Information and Statements

The Company anticipates remaining disciplined but flexible with its budgeted 2019 capital expenditures as it monitors business conditions and commodity prices throughout the fiscal year. Where deemed prudent, the Company may make adjustments to its 2019 capital budget. Actual spending may vary due to a variety of factors including, without limitation, drilling results, crude oil and natural gas prices, economic conditions, prevailing debt and/or equity markets, field services and equipment availability, and the impact of any future strategic acquisitions or dispositions. The Company has flexibility to adjust the level of its capital investments as circumstances warrant.

The corporate guidance for 2019 was determined based on the commodity price and other financial and operations assumptions disclosed in this press release and certain guidance estimates may fluctuate with changes in commodity prices and adjustments made to the 2019 capital program as outlined in this press release. The Company's 2019 guidance provides shareholders with relevant information as to management's current expectations for results of operations, excluding any material acquisitions or dispositions, based upon the assumptions noted herein for 2019. Readers are cautioned that the 2019 guidance may not be appropriate for other purposes. The internal projections, expectations or beliefs are based on the 2019 capital budget which is subject to change in light of ongoing results, prevailing economic circumstances, commodity prices and industry conditions and regulations. Accordingly, readers are cautioned that events or circumstances could cause results to defer materially from those predicted.

This news release contains certain forward—looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends", 'forecast" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to the following: the Company's planned 2019 capital expenditures program; operating and financial assumptions and guidance; the estimated volumes and product mix of lnPlay's oil and gas production; all production estimates including, without limitation, estimated 2018 annual average and exit production and forecast 2019 annual average and exit production; future production and production per share growth targets; forecasts of cash flow provided by operating activities and operating income profit margins; future oil and natural gas prices and InPlay's commodity risk management programs; future liquidity and financial capacity required to carry out our planned program; future results from operations and operating metrics; future costs, expenses and royalty rates; future interest costs; the exchange rate between the $US and $Cdn; future development, exploration, acquisition and development activities and related capital expenditures and the timing thereof; the number of wells to be drilled, completed and tied-in and the timing thereof; the amount and timing of capital projects and forecast reductions in operating costs; the total future capital associated with development of reserves and resources and methods of funding our capital program.

Forward-looking statements or information are based on a number of material factors, expectations or assumptions of InPlay which have been used to develop such statements and information but which may prove to be incorrect. Although InPlay believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because InPlay can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which InPlay operates; the timely receipt of any required regulatory approvals; the ability of InPlay to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which InPlay has an interest in to operate the field in a safe, efficient and effective manner; the ability of InPlay to obtain financing on acceptable terms and the adequacy of cash flow provided by operating activities to fund its planned expenditures; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of InPlay to secure adequate product transportation; future commodity prices and differentials; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which InPlay operates; the ability of InPlay to successfully market its oil and natural gas products. There are a number of assumptions associated with future drilling programs and the funding thereof, continued performance from existing wells and performance of new wells, the growth of infrastructure, well density per section, and recovery factors and development necessarily involves known and unknown risks and uncertainties, including those identified in this press release.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices and differentials; changes in the demand for or supply of InPlay's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of InPlay or by third party operators of InPlay's properties, increased debt levels or debt service requirements; inaccurate estimation of InPlay's oil and gas reserve and resource volumes; limited, unfavorable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in InPlay's public disclosure documents (including, without limitation, those risks identified in this news release and InPlay's Annual Information Form).

The forward-looking information and statements contained in this news release speak only as of the date of this news release, and InPlay does not assume any obligation to publicly update or revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

BOE equivalent

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 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. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Test Results and Initial Production Rates

A pressure transient analysis or well-test interpretation has not been carried out and thus certain of the test results provided herein should be considered to be preliminary until such analysis or interpretation has been completed. Test results and short term initial production rates disclosed herein may not necessarily be indicative of long term performance or of ultimate recovery.

Non-GAAP Financial Measures and Oil and Gas Metrics

InPlay uses certain terms within this news release that do not have a standardized prescribed meaning under IFRS and GAAP and therefore these measurements may not be comparable with the calculation of similar measurements of other entities. The terms "operating income" and "operating income profit margin" used in this news release are not recognized measures under GAAP. These terms do not have a standardized meaning prescribed by GAAP and, therefore, may not be comparable with the calculation of similar measures for other entities. Management believes that in addition to net earnings (loss) and cash flow provided by operating activities as defined by GAAP, these terms are useful supplemental measures to evaluate operating performance as it demonstrates the Company's field level of profitability relative to current commodity prices. Users are cautioned, however, that these measures should not be construed as an alternative to net earnings or cash flow provided by operating activities determined in accordance with GAAP as an indication of InPlay's performance. Operating income provides the total income provided by operating activities over the period and is determined by deducting royalties, operating and transportation expenses from oil and natural gas sales for the purposes used in this press release. Operating income profit margin is calculated as operating income as a percentage of oil and natural gas sales.

Management uses oil and gas metrics for its own internal planning and performance measurements and to provide shareholders with measures to compare InPlay's operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this press release, should not be relied upon for investment or other purposes.