InPlay Oil Corp. Announces 2026 Capital Budget

February 24, 2026 - Calgary Alberta – InPlay Oil Corp. (TSX: IPO) (OTCQX: IPOOF) ("InPlay" or the "Company") announces that its Board of Directors have approved a capital program of $66 – $74 million for 2026.

InPlay had a stellar 2025 with an accretive and transformational acquisition in our core area and a very successful drilling program. Throughout 2025, InPlay delivered improved capital efficiencies through the successful application of enhanced drilling and completion techniques, driving production results that exceeded internally modelled type curves while achieving well costs below budget. InPlay's improved capital efficiencies allowed the Company to increase its production guidance three times during 2025 with reduced capital spending.

InPlay's 2026 capital budget reflects a disciplined and capital efficient program focused on strong production growth, maximizing Free Adjusted Funds Flow ("FAFF")(2) and debt reduction. The Company plans to drill 12 – 14 net horizontal Cardium wells during 2026, with the majority of capital directed toward its Cardium-focused light oil assets in Pembina. InPlay's 2026 capital budget reflects the improved capital efficiencies realized in 2025.

Key highlights of the 2026 capital program include:

- **Production Growth:**
  - Forecasted average annual production of 18,600 – 19,200 boe/d(1) (60% – 62% light oil and NGLs), an 11% increase (based on mid-point) compared to estimated 2025, driven by:
    - Low corporate base decline rate of 22% due to the favorable decline profile;
    - Strong corporate netbacks driven by high oil and liquids weighting; and
    - Enhanced capital efficiencies from high graded drilling inventory.
- **FAFF Generation and Dividend Sustainability:**
  - AFF(2) of $122 – $129 million;
  - FAFF of $48 – $63 million equating to a 11% – 15% FAFF Yield(3). FAFF exceeds the base annual dividend of $30 million (based on the current monthly dividend rate of $0.09/share or $1.08/share annualized) insulating the Company in the event of commodity price fluctuations.
  - InPlay's dividend represents a dividend yield of approximately 7.0% at the current share price.
- **Debt Reduction:**
  - Excess FAFF(3) is planned to be used to reduce debt;
  - Year-end Net Debt(2) of $199 – $206 million.

InPlay currently has forecasted commodity pricing similar to peers who have previously released 2026 guidance. To mitigate downside risk, InPlay has implemented a comprehensive hedging program providing protection against current market volatility. Details of the Company's current hedges are provided in the "Hedging Summary" section of the Reader Advisories.

The table below outlines InPlay's 2026 guidance:

	2026 Forecast
WTI (US$/bbl)	$63.00
FX (CAD$/USS)	0.73
AECO (CAD$/GJ)	$2.35
Production (boe/d) (1)	18,600 – 19,200
Capital ($ millions)	66 – 74

Net wells	12 – 14
AFF ($ millions) (4)	122 – 129
FAFF ($ millions) (2)	48 – 63
Net Debt at Year-end ($ millions) (4)	199 – 206
Annual Net Debt / EBITDA (2)	1.3x – 1.4x
Dividend ($ millions)	30

In the first quarter of 2026, the Company plans to have its most active capital spend quarter of the year with five (5.0 net) horizontal wells being drilled. To date, InPlay has drilled and recently completed a two (2.0 net) ERH well-pad which have recently come on production. InPlay has also started drilling operations on a three (3.0 net) ERH well-pad which is expected to come on-line at the end of March. The majority of the capital spend on the remaining 7 – 9 net horizontal wells planned for the year is expected to occur in the second half of 2026.

InPlay continues to closely monitor global trade, geopolitical and commodity dynamics, proactively evaluating capital plans in response to pricing volatility, inflationary cost pressures, and other factors affecting the business. The Company will remain flexible and make decisions based on our core strategy of disciplined capital allocation, maintaining financial strength to ensure the long term sustainability of our strategy and return to shareholder program. Should commodity prices improve and stabilize, the Company will remain disciplined and flexible, with the ability to swiftly adjust its capital activity to align with evolving market conditions.

2025 Update

The Company is finalizing its results for 2025 and expects to achieve production of approximately 17,000 boe/d(1) (61% light crude oil and liquids) in line with the mid-point of our last forecast of 16,900 – 17,100 boe/d and 600 boe/d ahead of the mid-point of our original post acquisition forecast of 16,000 – 16,800 boe/d. In comparison to average production of 8,712 boe/d in 2024, production increased by approximately 95% in 2025.

Looking ahead after a transformation year with efficient capital spending, we remain focused on continued profitable development of our high-return asset base and are committed to delivering strong returns to shareholders through 2026 and beyond. On behalf of the management team and Board of Directors, we extend our gratitude to our employees, shareholders and bondholders for their support of the Company and the Canadian oil and gas industry.

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Notes:

1. *See "Production Breakdown by Product Type" at the end of this press release.*
2. *Capital management measure. See "Non-GAAP and Other Financial Measures" contained within this press release.*
3. *Non-GAAP financial measure or ratio that does not have a standardized meaning under International Financial Reporting Standards (IFRS) and GAAP and therefore may not be comparable with the calculations of similar measures for other companies. Please refer to "Non-GAAP and Other Financial Measures" contained within this press release and in our most recently filed MD&A.*
4. *Supplementary measure. See "Non-GAAP and Other Financial Measures" contained within this press release.*
5. *Common share and per common share amounts have been updated to reflect the six for one (6:1) common share consolidation effective April 14, 2025.*

Reader Advisories

Hedging Summary

	Q1/26	Q2/26	Q3/26	Q4/26	Q1/27	Q2/27
Natural Gas AECO Swap (mcf/d)	15,165	14,215	14,215	8,560	4,265	-
Hedged price ($AECO/mcf)	$2.85	$3.00	$3.00	$3.05	$3.65	-
Natural Gas AECO Costless Collar (mcf/d)	12,320	11,375	11,375	16,400	18,950	-
Hedged price ($AECO/mcf)	$2.25 - $3.50	$2.45 - $3.50	$2.45 - $3.50	$2.85 - $4.55	$3.00 - $4.85	-
Crude Oil WTI Swap (bbl/d)	3,750	2,000	2,000	2,000	2,000	-
Hedged price ($USD WTI/bbl)	$60.30	$60.90	$60.90	$61.05	$61.05	-
Crude Oil WTI Costless Collar (bbl/d)	500	500	-	-	-	-
Hedged price ($USD WTI/bbl)	$52.50 - $62.40	$52.50 - $62.45	-	-	-	-
Crude Oil WTI Three-way Collar (bbl/d)	1,000	2,500	1,750	1,750	-	1,000
Low sold put price ($USD WTI/bbl)	$50.00	$50.00	$50.00	$50.00	-	$45.00
Mid bought put price ($USD WTI/bbl)	$57.50	$57.50	$57.50	$57.50	-	$52.50
High sold call price ($USD WTI/bbl)	$72.10	$71.95	$72.15	$72.15	-	$71.85
USD/CAD FX Forward Contract (US $'000s)	2,000	2,000	-	-	-	-
Hedged rate (USD/CAD)	1.379	1.379	-	-	-	-
USD/CAD Costless Collar (US $'000s)	2,000	2,000	-	-	-	-
Hedged rate (USD/CAD)	$1.35 - $1.40	$1.35 - $1.40	-	-	-	-
USD/CAD Variable Rate Collar (US $'000s)	-	-	3,750	3,750	-	-
Put strike rate (USD/CAD)	-	-	$1.35	$1.35	-	-
Restrike rate (USD/CAD)	-	-	$1.38	$1.38	-	-
Call Strike rate (USD/CAD)	-	-	$1.40	$1.40	-	-
Electricity AESO Swap (kW)	1,000	1,000	1,000	1,000	1,000	1,000
Hedged price ($kWh)	$0.06217	$0.06217	$0.06217	$0.06217	$0.06217	$0.06217

Reference currency	Buy / Sell	NIS Amount ($'000s)	Average forward rate (NIS/CAD)	Expiry
ILS	Sell	516,135	2.2585	February 13, 2026
ILS	Buy	11,547	2.2235	June 12, 2026
ILS	Buy	17,179	2.2235	December 14, 2026
ILS	Buy	17,086	2.2235	June 14, 2027
ILS	Buy	50,179	2.2235	December 14, 2027
ILS	Buy	16,149	2.2235	June 14, 2028
ILS	Buy	49,149	2.2235	December 14, 2028
ILS	Buy	15,035	2.2235	June 14, 2029
ILS	Buy	481,081	2.2235	December 14, 2029

Currency

USD refers to United States Dollars, NIS or ILS refers to New Israeli Shekels and CAD refers to Canadian Dollars.

Non-GAAP and Other Financial Measures

Throughout this document and other materials disclosed by the Company, InPlay uses certain measures to analyze financial performance, financial position and cash flow. These non-GAAP and other financial measures do not have any standardized meaning prescribed under GAAP and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with GAAP as indicators of the Company performance. Management believes that the presentation of these non-GAAP and other financial measures provides useful information to shareholders and investors in understanding and evaluating the Company's ongoing operating performance, and the measures provide increased transparency and the ability to better analyze InPlay's business performance against prior periods on a comparable basis.

Non-GAAP Financial Measures and Ratios

Included in this document are references to the terms "free adjusted funds flow", "operating income", "operating netback per boe", "operating income profit margin" and "Net Debt to EBITDA". Management believes these measures and ratios are helpful supplementary measures of financial and operating performance and provide users with similar, but potentially not comparable, information that is commonly used by other oil and natural gas companies. These terms do not have any standardized meaning prescribed by GAAP and should not be considered an alternative to, or more meaningful than "profit before taxes", "profit and comprehensive income", "adjusted funds flow", "capital expenditures", "net debt" or assets and liabilities as determined in accordance with GAAP as a measure of the Company's performance and financial position.

Free Adjusted Funds Flow / FAFF Yield

Management considers FAFF and FAFF Yield as important measures to identify the Company's ability to improve its financial condition through debt repayment and its ability to provide returns to shareholders. FAFF should not be considered as an alternative to or more meaningful than AFF as determined in accordance with GAAP as an indicator of the Company's performance. FAFF is calculated by the Company as AFF less exploration and development capital expenditures and property dispositions (acquisitions) and is a measure of the cashflow remaining after capital expenditures before corporate acquisitions that can be used for additional capital activity, corporate acquisitions, repayment of debt or decommissioning expenditures or potentially return of capital to shareholders. Free adjusted funds flow yield is calculated by the Company as free adjusted funds flow divided by the market capitalization of the Company. Refer to the "Forward Looking Information and Statements" section for a calculation of forecast FAFF and FAFF yield.

Operating Income/Operating Netback per boe/Operating Income Profit Margin

InPlay uses "operating income", "operating netback per boe" and "operating income profit margin" as key performance indicators. Operating income is calculated by the Company as oil and natural gas sales less royalties, operating expenses and transportation expenses and is a measure of the profitability of operations before administrative, share-based compensation, financing and other non-cash items. Management considers operating income an important measure to evaluate its operational performance as it demonstrates its field level profitability. Operating income should not be considered as an alternative to or more meaningful than net income as determined in accordance with GAAP as an indicator of the Company's performance. Operating netback per boe is calculated by the Company as operating income divided by average production for the respective period. Management considers operating netback per boe an important measure to evaluate its operational performance as it demonstrates its field level profitability per unit of production. Operating income profit margin is calculated by the Company as operating income as a percentage of oil and natural gas sales. Management considers operating income profit margin an important measure to evaluate its operational performance as it demonstrates how efficiently the Company generates field level profits from its sales revenue. Refer to the "Forward Looking Information and Statements" section for a calculation of forecast operating income, operating netback per boe and operating income profit margin.

Net Debt to EBITDA

Management considers Net Debt to EBITDA an important measure as it is a key metric to identify the Company's ability to fund financing expenses, net debt reductions and other obligations. EBITDA is calculated by the Company as adjusted funds flow before interest expense. When this measure is presented quarterly, EBITDA is annualized by multiplying by four. When this measure is presented on a trailing twelve month basis, EBITDA for the twelve months preceding the net debt date is used in the calculation. This measure is consistent with the EBITDA formula prescribed under the Company's Credit Facility. Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Refer to the "Forward Looking Information and Statements" section for a calculation of forecast Net Debt to EBITDA.

Capital Management Measures

Adjusted Funds Flow

Management considers adjusted funds flow to be an important measure of InPlay's ability to generate the funds necessary to finance capital expenditures. Adjusted funds flow is a GAAP measure and is disclosed in the notes to the Company's financial statements for the three and nine months ended September 30, 2025. All references to adjusted funds flow throughout this document are calculated as funds flow adjusting for decommissioning expenditures. Decommissioning expenditures are adjusted from funds flow as they are incurred on a discretionary and irregular basis and are primarily incurred on previous operating assets. The Company also presents adjusted funds flow per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of profit per common share.

Net Debt

Net debt is a GAAP measure and is disclosed in the notes to the Company's financial statements for the three and nine months ended September 30, 2025. The Company closely monitors its capital structure with the goal of maintaining a strong balance sheet to fund the future growth of the Company. The Company monitors net debt as part of its capital structure. The Company uses net debt (bank debt plus accounts payable and accrued liabilities less accounts receivables and accrued receivables, prepaid expenses and deposits and inventory) as an alternative measure of outstanding debt. Management considers net debt an important measure to assist in assessing the liquidity of the Company.

Supplementary Measures

"Average realized crude oil price" is comprised of crude oil commodity sales from production, as determined in accordance with IFRS, divided by the Company's crude oil volumes. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Average realized NGL price" is comprised of NGL commodity sales from production, as determined in accordance with IFRS, divided by the Company's NGL volumes. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Average realized natural gas price" is comprised of natural gas commodity sales from production, as determined in accordance with IFRS, divided by the Company's natural gas volumes. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Average realized commodity price" is comprised of commodity sales from production, as determined in accordance with IFRS, divided by the Company's volumes. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Adjusted funds flow per weighted average basic share" is comprised of adjusted funds flow divided by the basic weighted average common shares.

"Adjusted funds flow per weighted average diluted share" is comprised of adjusted funds flow divided by the diluted weighted average common shares.

"Adjusted funds flow per boe" is comprised of adjusted funds flow divided by total production.

Preliminary Financial Information

The Company's expectations set forth in the updated forecasted 2025 guidance are based on, among other things, the Company's anticipated financial results for the three and twelve month periods ended December 31, 2025. The Company's anticipated financial results are unaudited and preliminary estimates that: (i) represent the most current information available to management as of the date of hereof; (ii) are subject to completion of audit procedures that could result in significant changes to the estimated amounts; and (iii) do not present all information necessary for an understanding of the Company's financial condition as of, and the Company's results of operations for, such periods. The anticipated financial results are subject to the same limitations and risks as discussed under "Forward Looking Information and Statements" below. Accordingly, the Company's anticipated financial results for such periods may change upon the completion and approval of the financial statements for such periods and the changes could be material.

Forward-Looking Information and Statements

This document 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 document contains forward-looking information and statements pertaining to the following: the Company's business strategy, milestones and objectives; the Company's planned 2026 capital program; the Company's anticipated 2026 annual average production and product mix; the Company's expectations regarding FAFF and dividend sustainability; the Company's plans to use excess FAFF to reduce debt and the anticipated benefits therefrom; InPlay's current and future commodity hedges and the anticipated benefits thereof; 2026 guidance based on the planned capital program and all associated underlying assumptions set forth in this news release including, without limitation, forecasts of 2026 annual average production levels, adjusted funds flow, free adjusted funds flow, Net Debt/EBITDA ratio, operating income profit margin, net debt and management's belief that the Company can grow some or all of these attributes and specified measures; the anticipated timing and allocations of capital spending in 2026; the Company's drilling program and the anticipated timing and benefits thereof; anticipated timing of the 3 ERH well-pad coming on-line; expectations regarding future commodity prices; that the Company will remain flexible and make decisions based on its core strategies; the Company's expectations regarding full year 2025 annual average production and product mix; future oil and natural gas prices; future liquidity and financial capacity; future results from operations and operating metrics; future costs, expenses and royalty rates; future interest costs; the exchange rates between USD and CAD and NIS and CAD; future development, exploration, acquisition, development and infrastructure activities and related capital expenditures, including our planned 2026 capital program; the amount and timing of capital projects; methods of funding our capital program; and other such similar statements.

The internal projections, expectations, or beliefs underlying the 2026 capital budget and associated guidance are subject to change in light of, among other factors, changes to U.S. economic, regulatory and/or trade policies (including tariffs), the impact of world events including the Russia/Ukraine conflict and war in the Middle East, ongoing results, prevailing economic circumstances, volatile commodity prices, and changes in industry conditions and regulations. InPlay's 2026 financial outlook and revised guidance provides shareholders with relevant information on management's expectations for results of operations, excluding any potential acquisitions or dispositions, for such time periods based upon the key assumptions outlined herein. Readers are cautioned that events or circumstances could cause capital plans and associated results to differ materially from those predicted and InPlay's revised guidance for 2026 may not be appropriate for other purposes. Accordingly, undue reliance should not be placed on same.

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 current U.S. economic, regulatory and/or trade policies; 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 debt financing on acceptable terms; the anticipated tax treatment of the monthly base dividend; that (i) the tariffs that are currently in effect on goods exported from or imported into Canada continue in effect for an extended period of time, the tariffs that have been threatened are implemented, that tariffs that are currently suspended are reactivated, the rate or scope of tariffs are increased, or new tariffs are imposed, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed or threatened to be imposed by the U.S. on other countries and retaliatory tariffs imposed or threatened to be imposed by other countries on the U.S., will trigger a broader global trade war which could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Company, including by decreasing demand for (and the price of) oil and natural gas, disrupting supply chains, increasing costs, causing volatility in global financial markets, and limiting access to financing; the duration and impact of tariffs that are currently in effect on goods exported from or imported into Canada, and that other than the tariffs that are currently in effect, neither the U.S. nor Canada (i) increases the rate or scope of such tariffs, reenacts tariffs that are currently suspended, or imposes new tariffs, on the import of goods from one country to the other, including on oil and natural gas, and/or (ii) imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas;' changes in political and economic conditions, including risks associated with tariffs, export taxes, export restrictions or other trade actions; impacts of any tariffs imposed on Canadian exports into the United States by the Trump administration and any retaliatory steps taken by the Canadian federal government; that InPlay's results and operations could be adversely affected by economic or geopolitical developments, including protectionist trade policies such as tariffs, or other events; conditions in international markets, including social and political conditions, civil unrest, terrorist activity, governmental changes, restrictions on the ability to transfer capital across borders, tariffs and other protectionist measures; 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 the ability of InPlay to secure adequate product transportation; future commodity prices; that various conditions to a shareholder return strategy can be satisfied; the ongoing impact of the Russia/Ukraine conflict and war in the Middle East; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which InPlay operates; and the ability of InPlay to successfully market its oil and natural gas products.

Without limitation of the foregoing, readers are cautioned that the Company's future dividend payments to shareholders of the Company, if any, and the level thereof will be subject to the discretion of the Board of Directors of InPlay. The Company's dividend policy and funds available for the payment of dividends, if any, from time to time, is dependent upon, among other things, levels of FAFF, leverage ratios, financial requirements for the Company's operations and execution of its growth strategy, fluctuations in commodity prices and working capital, the timing and amount of capital expenditures, credit facility availability and limitations on distributions existing thereunder, and other factors beyond the Company's control. Further, the ability of the Company to pay dividends will be subject to applicable laws, including satisfaction of solvency tests under the *Business Corporations Act* (Alberta), and satisfaction of certain applicable contractual restrictions contained in the agreements governing the Company's outstanding indebtedness. Further, the actual amount, the declaration date, the record date and the payment date of any dividend are subject to the discretion of the Board of Directors of InPlay. There can be no assurance that InPlay will pay dividends in the future.

The forward-looking information and statements included herein 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 industry regulations and legislation (including, but not limited to, tax laws, royalties, and environmental regulations); that (i) the tariffs that are currently in effect on goods exported from or imported into Canada continue in effect for an extended period of time, the tariffs that have been threatened are implemented, that tariffs that are currently suspended are reactivated, the rate or scope of tariffs are increased, or new tariffs are imposed, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed or threatened to be imposed by the U.S. on other countries and retaliatory tariffs imposed or threatened to be imposed by other countries on the U.S., will trigger a broader global trade war which could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Company, including by decreasing demand for (and the price of) oil and natural gas, disrupting supply chains, increasing costs, causing volatility in global financial markets, and limiting access to financing; ''the continuing impact of the Russia/Ukraine conflict and war in the Middle East; potential changes to U.S. economic, regulatory and/or trade policies as a result of a change in government; inflation and the risk of a global recession; changes in our planned capital program; changes in our approach to shareholder returns; changes in commodity prices and other assumptions outlined herein; the risk that dividend payments may be reduced, suspended or cancelled; the potential for variation in the quality of the reservoirs in which InPlay operates; 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 or strategies of InPlay or by third party operators of InPlay's properties; changes in InPlay's credit structure, increased debt levels or debt service requirements; inaccurate estimation of InPlay's light crude oil and natural 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 continuous disclosure documents filed on SEDAR+ including InPlay's Annual Information Form dated March 31, 2025 and InPlay's annual management's discussion & analysis for the year ended December 31, 2024.

This document contains future-oriented financial information and financial outlook information (collectively, "FOFI") about InPlay's financial and leverage targets and objectives, potential dividends, and beliefs underlying our 2026 capital budget and associated guidance, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. The actual results of operations of InPlay and the resulting financial results will likely vary from the amounts set forth in this document and such variation may be material. InPlay and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management's reasonable estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, InPlay undertakes no obligation to update such FOFI. FOFI contained in this document was made as of the date of this document and was provided for the purpose of providing further information about InPlay's anticipated future business operations and strategy. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.

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

Risk Factors to FLI

Risk factors that could materially impact successful execution and actual results of the Company's 2025 and 2026 capital program and associated guidance and estimates include:

- risks related to an international trade war, including the risk that the U.S. government imposes additional tariffs on Canadian goods, including crude oil and natural gas, and that such tariffs (and/or the Canadian government's response to such tariffs) adversely affect the demand and/or market price for the Company's products and/or otherwise adversely affects the Company;
- volatility of petroleum and natural gas prices and inherent difficulty in the accuracy of predictions related thereto;
- changes in Federal and Provincial regulations;
- the Company's ability to secure financing for the 2026 capital program and longer-term capital plans sourced from AFF, bank or other debt instruments, asset sales, equity issuance, infrastructure financing or some combination thereof; and
- those additional risk factors set forth in the Company's MD&A and most recent Annual Information Form filed on SEDAR+.

Key Budget and Underlying Material Assumptions to FLI

The key budget and underlying material assumptions used by the Company in the development of its 2025 and 2026 guidance are as follows:

		Actuals FY 2024	Guidance FY 2025[1]	Guidance FY 2026
WTI	US$/bbl	$75.72	$65.00	$63.00
NGL Price	$/boe	$32.99	$34.75	$34.75
AECO	$/GJ	$1.39	$1.60	$2.35
Foreign Exchange Rate	CDN$/US$	0.73	0.71	0.73
MSW Differential	US$/bbl	$4.51	$3.25	$3.15

Production	Boe/d	8,712	16,900 – 17,100	18,600 – 19,200
Revenue	$/boe	48.21	45.25 – 50.25	46.50 – 51.50
Royalties	$/boe	6.26	6.00 – 7.10	6.00 – 7.00
Operating Expenses	$/boe	15.12	16.00 – 17.00	16.75 – 18.75
Transportation	$/boe	0.97	0.80 – 1.00	0.75 – 1.00
Interest	$/boe	2.19	2.80 – 3.40	3.00 – 3.75
General and Administrative	$/boe	3.06	2.15 – 2.60	2.15 – 2.60
Hedging loss (gain)	$/boe	(0.86)	(0.00) – (1.00)	(0.00) – (0.50)
Decommissioning Expenditures	$ millions	$3.4	$4.0 – $4.5	$4.5 – $5.5
Adjusted Funds Flow	$ millions	$68.5	$119 – $122	$122 – $129
Dividends	$ millions	$16	$27	$30

		Actuals FY 2024	Guidance FY 2025[(1)]	Guidance FY 2026
Adjusted Funds Flow	$ millions	$68.5	$119 – $122	$122 – $129
Capital Expenditures	$ millions	$63	$53	$66 – $74
Free Adjusted Funds Flow	$ millions	$5.5	$66 – $69	$48 – $63
Shares outstanding, end of year	# millions	15.0	28.0	28.0
Assumed share price	$/share	$10.38	12.50	15.50
Market capitalization	$ millions	$156	$350	$434
FAFF Yield	%	4%	19% – 21%	11% – 15%

		Actuals FY 2024	Guidance FY 2025[(1)]	Guidance FY 2026
Revenue	$/boe	48.21	45.25 – 50.25	46.50 – 51.50
Royalties	$/boe	6.26	6.00 – 7.10	6.00 – 7.00
Operating Expenses	$/boe	15.12	16.00 – 17.00	16.75 – 18.75
Transportation	$/boe	0.97	0.80 – 1.00	0.75 – 1.00
Operating Netback	$/boe	25.86	21.75 – 26.75	21.25 – 26.25
Operating Income Profit Margin		54%	51%	49%

		Actuals FY 2024	Guidance FY 2025[(1)]	Guidance FY 2026
Adjusted Funds Flow	$ millions	$68.5	$143 – $150[(2)]	$122 – $129
Interest	$/boe	2.19	3.00 – 3.50[(2)]	3.00 – 3.75
EBITDA	$ millions	$76	$166 – $173[(2)]	$145 – $152
Net Debt	$ millions	$61	$213 – $216	$199 – $206
Net Debt/EBITDA		0.8	1.2 – 1.3	1.3 – 1.4

(1) As previously released November 12, 2025.

(2) InPlay's EBITDA for this column is based on Q4 2025 annualized figures.

- See "Production Breakdown by Product Type" below
- Quality and pipeline transmission adjustments may impact realized oil prices in addition to the MSW Differential provided above
- Changes in working capital are not assumed to have a material impact between the years presented above.

Test Results and Initial Production Rates

Any references in this press release to initial production ("IP") rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter and are not indicative of long-term performance or ultimate recovery. Test results and IP rates disclosed herein, particularly those short in duration, may not necessarily be indicative of long-term performance or of ultimate recovery. 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. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production of the Company.

Production Breakdown by Product Type

Disclosure of production on a per boe basis in this document consists of the constituent product types as defined in NI 51-101 and their respective quantities disclosed in the table below:

	Light and Medium Crude oil (bbls/d)	NGLs (boe/d)	Conventional Natural gas (Mcf/d)	Total (boe/d)
2024 Average Production	3,523	1,499	22,139	8,712
2025 Annual Guidance	8,170	2,145	40,110	17,000
2026 Annual Guidance	9,045	2,315	45,240	18,900[(1)]

Notes:

1. *This reflects the mid-point of the Company's 2026 production guidance range of 18,600 to 19,200 boe/d.*
2. *With respect to forward-looking production guidance, product type breakdown is based upon management's expectations based on reasonable assumptions but are subject to variability based on actual well results.*

References to crude oil, light oil, NGLs or natural gas production in this document refer to the light and medium crude oil, natural gas liquids and conventional natural gas product types, respectively, as defined in National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

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.

Analogous Information

Information in this news release regarding IP rates from offset wells drilled by other industry participants located in geographical proximity to the Company's lands may constitute "analogous information" within the meaning of NI 51-101. This information is derived from publicly available information sources (as at the date of this news release) that InPlay believes (but cannot confirm) to be independent in nature. The Company is unable to confirm that the information was prepared by a qualified reserves evaluator or auditor within the meaning of NI 51-101, or in accordance with the Canadian Oil and Gas Evaluation (COGE) Handbook. Although the Company believes that this information regarding geographically proximate wells helps management understand and define reservoir characteristics of lands in which InPlay has an interest, the data relied upon by the Company may be inaccurate or erroneous, may not in fact be indicative or otherwise analogous to the Company's land holdings, and may not be representative of actual results from wells that may be drilled or completed by the Company in the future.

Dividends

InPlay’s future shareholder distributions, including but not limited to the payment of dividends, if any, and the level thereof is uncertain. Any decision to pay dividends on InPlay’s shares (including the actual amount, the declaration date, the record date and the payment date in connection therewith and any special dividends) will be subject to the discretion of the Board of Directors and may depend on a variety of factors, including, without limitation, InPlay’s business performance, financial condition, financial requirements, growth plans, expected capital requirements and other conditions existing at such future time including, without limitation, contractual restrictions and satisfaction of the solvency tests imposed on InPlay under applicable corporate law. Further, the actual amount, the declaration date, the record date and the payment date of any dividend are subject to the discretion of the Board of Directors. There can be no assurance that InPlay will pay dividends in the future.