InPlay Oil Corp. Announces Strategic Accretive Acquisition in Core Area and Updated Guidance

August 5, 2026 – Calgary, Alberta – InPlay Oil Corp. (TSX: IPO) (TASE: IPO) (OTCQX: IPOOF) ("**InPlay**" or the "**Company**") is pleased to announce that it has entered into a definitive agreement today to acquire a private oil and gas producer for cash consideration of $54.25 million, prior to closing adjustments (the "**Acquisition**").

The Acquisition supports InPlay's long-term strategy of building a disciplined and sustainable light oil focused growth company. The Acquisition builds on InPlay's proven track record of executing highly accretive acquisitions, having successfully completed five strategic acquisitions over the past decade that have helped increase production 10x and grow total proved plus probable reserves 13.5x. The acquired assets are currently producing approximately 1,400 boe/d(1) (85% light oil and NGLs) which will increase InPlay's production to over 20,100 boe/d(1) (62 - 63% light oil and NGLs), with light oil production expected to increase to over 10,500 bbl/d. The high oil weighting of the acquired assets further enhances InPlay's strong netbacks, providing meaningful accretion to Adjusted Funds Flow ("**AFF**")(2) and Free Adjusted Funds Flow ("**FAFF**")(3) on a per share basis. The acquired assets generate strong cash flow and free cash flow which will enhance InPlay's shareholder return strategy. InPlay is forecasted to generate FAFF of approximately $79 - $89 million for 2026 on a pro forma basis, including only four months for the acquired assets, which equates to a FAFF yield(3) of 20%. InPlay pays a dividend of $0.09 per month ($1.08 per year), which equates to a dividend yield of 7.2%. In addition, InPlay recently implemented a Normal Course Issuer Bid, pursuant to which the Company repurchased 0.5% of basic shares outstanding for cancellation during the month of June.

ACQUISITION HIGHLIGHTS

- **Highly Accretive Acquisition Metrics:** Purchase price represents 2.0x net operating income(3) and 27% FAFF yield; per-share accretion of 18% to both AFF and FAFF on an annualized basis; 12% accretion to oil production per share, and 9% accretion to funds flow per barrel netback.
- **Enhanced Free Adjusted Funds Flow with Growth Potential**: InPlay forecasts the acquired assets require sustaining capital of approximately $12 million to reach and maintain production of approximately 1,500 boe/d. Based on an operating netback(3) of approximately $51.75/boe(4), the acquired assets generate sustaining net operating income(3) of $28 million and FAFF of $16 million prior to accounting for synergies.
- **Acquired Assets are Contiguous with InPlay Assets Providing Significant Synergies**: The acquired assets directly offset the Company’s existing operations and are supported by Company owned and operated facilities and infrastructure, creating meaningful operational synergies and enhancing the efficiency of future development. The Company expects to integrate the acquired assets without adding corporate office personnel. As a result of these synergies, the Acquisition is expected to generate approximately $2.5 million in annual cost savings, with the majority captured immediately post closing.
- **Expands InPlay's Belly River Position**: Pro forma the Acquisition, InPlay will be producing approximately 2,000 boe/d(1) from the Belly River, which at approximately 85% liquids weighting offers strong netbacks and high rate of return development opportunities.
- **Sustainability and Drilling Inventory**: The acquired assets include 50 identified drilling locations, 75% of which are Tier 1 inventory(6) with expected payouts of less than 1.5 years at US $70/bbl WTI pricing.

"This Acquisition represents another important step in advancing InPlay’s strategy of building a disciplined, sustainable light oil company which includes strategic acquisitions" commented Doug Bartole, President and Chief Executive Officer of InPlay. "While modest in size, the Acquisition is a smart and highly accretive transaction that is expected to generate meaningful value relative to the capital invested. The acquired assets are highly complementary to our existing operations, provide meaningful operating and infrastructure synergies, and add a deep inventory of high return drilling opportunities within our core area. The Acquisition is expected to be immediately accretive to adjusted funds flow and free adjusted funds flow per share, while maintaining conservative leverage and further enhancing our ability to generate sustainable returns for shareholders."

ACQUISITION DETAILS

InPlay has entered into an arrangement agreement (the "**Arrangement Agreement**") with a privately held arm's length oil and gas producer (the "**Vendor**"), to acquire all of the issued and outstanding shares of the Vendor for cash consideration of $54.25 million, prior to closing adjustments. Concurrent with the execution of the Arrangement Agreement, certain shareholders of the Vendor, representing in excess of 72% of the Vendor shares outstanding, have entered into irrevocable written resolutions in support of the Acquisition. The Acquisition is expected to close by the end of August 2026, subject to the satisfaction or waiver of customary closing conditions.

The Acquisition will be funded by a draw on InPlay's $190 million credit facility, with an expanded borrowing base totaling $250 million(11). Based on pro forma guidance as outlined below, InPlay anticipates Q4-2026 net debt to EBITDA(3) of 1.2x – 1.3x. The Company retains strong financial flexibility including an estimated working capital(5) surplus at June 30, 2026 of approximately $19.4 million and maintains unique access to the Israeli bond and equity markets. InPlay's series A senior unsecured bonds (which are listed on the Tel Aviv Stock Exchange) are currently trading at a yield to maturity of approximately 6.1% and include a tap feature of approximately $115 million.

The acquired assets are currently producing approximately 1,400 boe/d with the latest well coming on stream in Q1 2026. InPlay plans to drill 2.0 net Belly River wells on the acquired assets post-closing and forecasts the acquired assets will require sustaining capital of approximately $12 million to reach and maintain annual average production of approximately 1,500 boe/d. Based on an operating netback of approximately $51.75/boe, the acquired assets generate sustaining net operating income of $28 million, resulting in sustaining FAFF of $16 million. The acquired assets contain 50 net drilling locations, and subject to supportive commodity prices, the acquired assets are expected to offer strong growth potential in excess of the target sustaining production.

The Acquisition's purchase price represents approximately 2.0x operating income and is highly accretive to InPlay on both AFF and FAFF per share metrics while maintaining conservative corporate leverage ratios. A summary of the relevant metrics of the Acquisition is as follows:

Purchase Price	$54.25 million
Current Production(1)	~1,400 boe/d (85% oil and NGL)
Net Locations(6)(7)	50
Operating Netback(3)(4)	$51.75/boe
Net Operating Income(3)(4)	$26.5 million
Reserves(7)	
Proved	4.8 Mmboe
Proved plus Probable	6.6 Mmboe
Acquisition Metrics (2026E)	
Multiple of Operating Income(3)(4)	2.0x
FAFF Yield(3)	27%
Multiple of Flowing Barrel Production(8)	$38,750/boe/d
Multiple of Proved Reserves(7)	$11.38/boe

OPERATIONS UPDATE

InPlay's capital program for the second quarter of 2026 consisted of completing and bringing online three gross (3.0 net) Cardium wells in Pembina drilled in the first quarter of 2026, and the drilling and completion of three gross (3.0 net) additional Cardium wells also in Pembina. The most recent three wells were drilled approximately 40 days ahead of schedule, as the Company was able to access the field earlier than is normally anticipated during spring break-up. These wells were brought on production in late May and have materially exceeded internal expectations. Initial production ("**IP**") rates for these three wells are as follows:

	12-17 Pad (per well average)	
	boe/d	Oil and NGLs %
IP 30	426	82%
IP 60	417	78%
Current	398	71%
	30% above type curve	

The three wells drilled in the first quarter continue to deliver strong results ahead of internal expectations. The IP rates for these wells are as follows:

	14-33 Pad (per well average)	
	boe/d	Oil and NGLs %
IP 30	363	91%
IP 60	379	89%
IP 90	371	87%
Current	350	83%
	48% above type curve	

InPlay's year to date capital program has been completed below budget, resulting in strong capital efficiencies and continuing the "more with less" performance achieved in 2025. Supported by enhanced efficiencies and strong commodity prices, InPlay now plans to drill a total of 15.0 net Cardium wells in 2026, including 7.0 net Cardium wells during the second half of the year, for total capital expenditures of approximately $73 - $74 million, prior to incorporating the expanded pro forma capital program. This compares with InPlay's original 2026 capital program of $66 million to $74 million, which contemplated the drilling of 12.0 to 14.0 net wells.

Additionally, InPlay plans to drill 2.0 net Belly River wells on the newly acquired assets, bringing the pro forma 2026 drilling program to a total of 17.0 net wells and combined capital expenditures of approximately $80 - $82 million.

In addition, InPlay plans to accelerate its asset retirement closure spend to reduce its decommissioning liability. This increase in asset retirement spending is supported by enhanced FAFF resulting from a more efficient 2026 capital program, stronger commodity prices and an expanded asset base associated with the Acquisition.

UPDATED 2026 PRO FORMA GUIDANCE

InPlay is also updating its previously announced 2026 guidance as follows:

	Previous Guidance FY 2026	Updated Guidance FY 2026
WTI (US$/bbl)	$80.50	$80.50
FX (US$/CAD$)	0.73	0.73
AECO (CAD$/GJ)	$1.75	$1.75
Production (boe/d)(1)	18,600 – 19,200	18,900 – 19,400
Light oil and NGLs (%)	60 – 62	61 – 63
Capital ($ millions)	66 – 74	80 – 82
Net wells	12.0 – 14.0	17.0
AFF ($ millions)(2)	143 – 151	161 – 169
FAFF ($ millions)(3)	69 – 85	79 – 89
Net Debt at Year-end ($ millions)(2)	179 – 187	246 – 254
FAFF Yield (%)(3)	14% - 17%	19% - 21%
Net Debt / EBITDA(3)	1.0x – 1.1x	1.2x – 1.3x(10)
Dividend ($ millions)	30	30

ADVISORS

Burnet, Duckworth & Palmer LLP is acting as legal counsel to InPlay with respect to the Acquisition.

National Bank Financial Inc. ("NBF") is acting as Exclusive Financial Advisor to the Vendor with respect to the Acquisition. NBF has provided the Vendor with a fairness opinion that the consideration to be received by the shareholders of the Vendor is fair, from a financial point of view, to the shareholders of the Vendor.

An updated corporate presentation will be available on our website in due course. For further information please contact:

Doug Bartole
President and Chief Executive Officer
InPlay Oil Corp.
Telephone: (587) 955-0632

Kevin Leonard
Vice President Corporate & Business Development
InPlay Oil Corp.
Telephone: (587) 955-0635

Notes:

1. *See "Reader Advisories – Production Breakdown by Product Type" contained within this press release.*
2. *Capital management measure. See "Non-GAAP and Other Financial Measures" for additional details.*
3. *Non-GAAP financial measure or ratio. See "Reader Advisories – Non-GAAP and Other Financial Measures" for additional details.*
4. *Operating Netback estimate of $51.75/boe assumes our updated guidance commodity price assumptions of US$80.50 WTI, US$1.15 MSW differential, $1.75 AECO, 0.73 FX, in addition to $18.50/boe operating and transportation costs, and $16.90/boe royalties. The acquired assets' net operating income estimate of $26.5mm multiplies 1,400 boe/d by the operating netback of $51.75/boe. The acquired assets' sustaining net operating income of $28 million multiplies 1,500 boe/d of sustaining production by the operating netback of $51.75/boe.*
5. *Working capital includes current assets less accounts payable and accrued liabilities.*
6. *See "Reader Advisories – Drilling Locations" for additional details.*
7. *All reserves values and ancillary information in this press release relating to the acquired assets were derived from the oil and gas reserves evaluation with a preparation date of March 10, 2026 and as of December 31, 2025, as prepared by Sproule ERCE, the Vendor's independent reserves evaluator, in accordance with the definitions, standards and procedures of NI 51-101 (as defined herein) and the Canadian Oil and Gas Evaluation Handbook.*
8. *Supplementary measure. See "Non-GAAP and Other Financial Measures" for additional details.*
9. *2026 production and oil weighting estimated using May 2026 actuals and estimated balance of year production.*
10. *Presented as Net Debt / Q4 2026 Annualized EBITDA.*
11. *On July 24, 2026 prior to the acquisition, the Company renewed the Revolving Credit Facility, which now consists of committed amounts of a $140 million revolving line of credit and a $50 million operating line of credit. In addition, the borrowing base was expanded by $60 million, for a total borrowing base of $250 million.*

Reader Advisories

Hedging Summary

Commodity Hedges

	Q2/26	Q3/26	Q4/26	Q1/27	Q2/27	Q3/27	Q4/27	2028
Natural Gas AECO Swap (mcf/d)	14,215	14,215	8,560	4,265	-	-	-	-
Hedged price ($AECO/mcf)	$3.00	$3.00	$3.05	$3.65	-	-	-	-
Natural Gas AECO Costless Collar (mcf/d)	11,375	11,375	16,400	18,950	-	-	-	-
Hedged price ($AECO/mcf)	$2.45 - $3.50	$2.45 - $3.50	$2.85 - $4.55	$3.00 - $4.85	-	-	-	-
Crude Oil WTI Swap (bbl/d)	2,165	-	2,000	2,000	-	-	-	-
Hedged price ($USD WTI/bbl)	$62.50	-	$61.05	$61.05	-	-	-	-
Crude Oil WTI Costless Collar (bbl/d)	500	-	-	-	-	-	-	-
Hedged price ($USD WTI/bbl)	$52.50 - $62.45	-	-	-	-	-	-	-
Crude Oil WTI Three-way Collar (bbl/d)	2,500	1,750	1,750	1,500	3,000	2,000	2,000	2,000
Low sold put price ($USD WTI/bbl)	$50.00	$50.00	$50.00	$60.00	$55.50	$60.50	$60.50	$50.00
Mid bought put price ($USD WTI/bbl)	$57.50	$57.50	$57.50	$70.00	$64.65	$70.50	$70.50	$60.00
High sold call price ($USD WTI/bbl)	$71.95	$72.15	$72.15	$82.00	$79.65	$83.30	$83.30	$70.65
Electricity AESO Swap (kW)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Hedged price ($kWh)	$0.06217	$0.06217	$0.06217	$0.06217	$0.06217	$0.06217	$0.06217	$0.06217

Foreign Exchange Hedges

	2026	2027	2028	2029
USD/CAD FX Forward Contract (US $'000s)	6,000	-	-	-
Hedged rate (USD/CAD)	$1.379	-	-	-
USD/CAD Costless Collar (US $'000s)	6,000	-	-	-
Hedged rate – floor (USD/CAD)	$1.35	-	-	-
Hedged rate – ceiling (USD/CAD)	$1.40			
USD/CAD Variable Rate Collar (US $'000s)	94,500	96,000	-	-
Put strike rate (USD/CAD)	$1.347	$1.342	-	-
Restrike rate (USD/CAD)	$1.375	$1.372	-	-
Call Strike rate (USD/CAD)	$1.402	$1.402	-	-
NIS/CAD FX Forward Contract (NIS ₪'000s)	28,726	67,265	65,298	496,116
Hedged rate (NIS/CAD)	2.2235	2.2235	2.2235	2.2235

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 Multiple

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 multiple is calculated by the Company as the Acquisition consideration divided by operating income for the acquired assets for the relevant period. Management considers operating income multiple a key performance indicator as it is a key metric used to evaluate the Acquisition in comparison to other transactions. Refer below for a calculation of the operating income multiple in relation to the Acquisition.

		2026E
Net Consideration (after adjustments)	$ millions	$54.25
Operating Income	$ millions	$26.5
Operating Income Multiple		2.0x

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 months ended March 31, 2026. 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 months ended March 31, 2026. 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 (long-term debt plus accounts payable and accrued liabilities less accounts receivables and accrued receivables, restricted cash, 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.

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 anticipated funding and timing of the Acquisition, including the use of the Company's credit facility and anticipated borrowing capacity; the anticipated timing of the closing of the Acquisition; the anticipated benefits of the Acquisition, including the impact of the Acquisition on the Company's operations, inventory and development opportunities; financial results and shareholder returns; anticipated production from the acquired assets associated with the Acquisition; anticipated production following completion of the Acquisition; anticipated increases in light oil production and product mix; expected accretion to AFF per share; FAFF per share, production per share and funds flow netback metrics; anticipated FAFF and FAFF yield; anticipated dividends and dividend yield; anticipated benefits of the Company's NCIB and shareholder return strategy; anticipated operating netbacks, operating income and FAFF generated by the acquired assets associated with the Acquisition; anticipated operating, infrastructure, administrative and other synergies associated with the Acquisition, including anticipated annual cost savings and the expectation that no additions to corporate office personnel will be required; anticipated Belly River production, development opportunities and drilling inventory associated with the acquired assets, including identified drilling locations and expected payout periods; the satisfaction or waiver of the closing conditions to the Acquisition; anticipated future liquidity, financial flexibility, borrowing capacity and financial capacity; anticipated net debt and Net Debt to EBITDA ratios; future development, exploration, acquisition and infrastructure activities and related capital expenditures; the Company's planned 2026 capital program; the amount and timing of capital projects; the number of wells expected to be drilled and completed; the Company's asset retirement and decommissioning activities; the Company's 2026 guidance; the Company's anticipated 2026 annual average production and product mix; future oil, natural gas and NGL prices; future results from operations and operating metrics, including AFF, FAFF, operating income, operating netbacks, operating income profit margins and Net Debt to EBITDA; future costs, expenses and royalty rates; future interest costs; the exchange rates between USD and CAD and between NIS and CAD; methods of funding the Company's capital program; future debt levels, leverage ratios, dividends, share repurchase and other shareholder return initiatives; and other 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 wars 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 guidance provide shareholders with relevant information on management's expectations for results of operations, excluding any potential acquisitions or dispositions (other than the Acquisition), 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 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; assumptions related to the Acquisition, including the realization of anticipated synergies, no material liabilities identified through due diligence, successful integration of the acquired assets, anticipated production rates from the acquired assets, anticipated sustaining capital requirements, anticipated operating costs and royalty rates associated with the acquired assets, closing of the Acquisition on the anticipated timeline, and satisfaction waiver of all closing conditions; 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 wars 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 differ 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; risks associated with the Acquisition, including the risk that the Acquisition does not close on the anticipated timeline or at all, the risk that anticipated benefits and synergies of the Acquisition are not realized, the risk that production, costs, operating income, free adjusted funds flow or reserves attributable to the acquired assets differ from expectations, and integration risks associated with the acquired assets; 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 30, 2026 and InPlay's annual management's discussion & analysis for the year ended December 31, 2025.

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, revised anticipated 2026 production 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 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 2026 guidance are as follows:

		Actuals FY 2025	Prior Guidance FY 2026(1)	Updated Guidance FY 2026
WTI	US$/bbl	$64.81	$80.50	$80.50
NGL Price	$/boe	$33.42	$38.45	$38.80
AECO	$/GJ	$1.59	$1.75	$1.75
Foreign Exchange Rate	CDN$/US$	0.72	0.73	0.73
MSW Differential	US$/bbl	$3.57	$1.00	$1.15
Production	Boe/d	17,043	18,600 – 19,200	18,900 – 19,400
Revenue	$/boe	46.84	57.75 – 62.75	59.75 – 64.75
Royalties	$/boe	6.36	10.25 – 11.25	10.25 – 11.25
Operating Expenses	$/boe	16.42	17.00 – 19.00	17.50 – 19.50
Transportation	$/boe	0.89	0.75 – 1.00	0.80 – 1.00
Interest	$/boe	3.13	2.75 – 3.75	2.85 – 3.85
General and Administrative	$/boe	2.36	2.15 – 2.60	2.10 – 2.55
Hedging loss (gain)	$/boe	(0.72)	3.50 – 4.50	2.50 – 3.50
Decommissioning Expenditures	$ millions	$4.2	$4.5 – $5.5	$11.0 – $15.0
Adjusted Funds Flow	$ millions	$114.4	$143 – $151	$161 – $169
Dividends	$ millions	$27	$30	$30

		Actuals FY 2025	Prior Guidance FY 2026(1)	Updated Guidance FY 2026
Adjusted Funds Flow	$ millions	$114.4	$143 – $151	$161 – $169
Capital Expenditures	$ millions	$52	$66 – $74	$80 – $82
Free Adjusted Funds Flow	$ millions	$62.4	$69 – $85	$79 – $89
Shares outstanding, end of year	# millions	28.0	28.0	28.0
Assumed share price	$/share	$12.40	17.50	15.00
Market capitalization	$ millions	$347	$490	$420
FAFF Yield	%	18%	14% – 17%	19% – 21%

		Actuals FY 2025	Prior Guidance FY 2026(1)	Updated Guidance FY 2026
Revenue	$/boe	46.84	57.75 – 62.75	59.75 – 64.75
Royalties	$/boe	6.36	10.25 – 11.25	10.25 – 11.25
Operating Expenses	$/boe	16.42	17.00 – 19.00	17.50 – 19.50
Transportation	$/boe	0.89	0.75 – 1.00	0.80 – 1.00
Operating Netback	$/boe	23.17	28.00 – 33.00	29.75 – 34.75
Operating Income Profit Margin		49%	51%	52%

		Actuals FY 2025(2)	Prior Guidance FY 2026(1)	Updated Guidance FY 2026(3)
Adjusted Funds Flow	$ millions	$122.8	$143 – $151	$172 – $180
Interest	$/boe	3.43	2.75 – 3.75	2.75 – 3.75
EBITDA	$ millions	$147.6	$165 – $173	$196 – $204
Net Debt	$ millions	$218	$179 – $187	$246 – $254
Net Debt/EBITDA		1.47	1.0 – 1.1	1.2 – 1.3

(1) As previously released May 8, 2026.
(2) InPlay's EBITDA for this column is based on Q4 2025 annualized figures.
(3) InPlay's EBITDA for this column is based on Q4 2026 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 press release consists of the constituent product types as defined in National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities* ("**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)
Previous 2026 Annual Guidance	9,045	2,315	45,240	18,900(1)
Updated 2026 Annual Guidance	9,605	2,290	43,530	19,150(2)
Acquired Assets	1,125	92	1,100	1,400
Post-Acquisition	10,500	2,200	44,400	20,100

Notes:

1. *This reflects the mid-point of the Company's previous 2026 production guidance range of 18,600 to 19,200 boe/d.*
2. *This reflects the mid-point of the Company's updated 2026 production guidance range of 18,900 to 19,400 boe/d.*
3. *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, NGLs or natural gas production in this press release refer to the light and medium crude oil, natural gas liquids and conventional natural gas product types, respectively, as defined in NI 51-101.

Reserves Disclosure

All reserves information in this press release was prepared by an independent reserve evaluator, effective December 31, 2025, using the reserve evaluator's December 31, 2025 forecast prices and costs in accordance with NI 51-101 the most recent publication of the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**"). The estimates of reserves and future net revenue for the Acquisition may not reflect the same confidence level as estimates of reserves and future net revenue for all of InPlay's properties, due to the effects of aggregation. Reserves are classified according to the degree of certainty associated with the estimates as follows:

> **Proved Reserves** are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
>
> **Probable Reserves** are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

All reserve references in this press release are "Company gross reserves". Company gross reserves are a company's total working interest reserves before the deduction of any royalties payable by such company and before the consideration of such company's royalty interests. It should not be assumed that the present worth of estimated future cash flow of net revenue presented herein represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of InPlay's crude oil, NGLs and natural gas reserves and those associated with the acquired assets, provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and NGLs reserves may be greater than or less than the estimates provided herein.

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.

Drilling Locations

This press release discloses drilling inventory in two categories: (a) proved locations; and (b) probable locations. Proved locations and probable locations are derived from the independent reserves evaluation effective December 31, 2025 for the acquired assets and account for drilling locations that have associated proved and/or probable reserves, as applicable. Of the 50 net drilling locations identified herein, 25.5 are proved locations and 1.8 are probable locations. The drilling locations considered for future development will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors.

Booked locations are proved locations and probable locations derived from the independent reserves evaluation effective December 31, 2025 for the acquired assets, respectively, and account for drilling locations that have associated proved and/or probable reserves, as applicable. We have not risked potential drilling locations, and actual locations drilled and quantities that may be ultimately recovered may differ substantially from estimates. We make no commitment to drill all of the drilling locations that have been identified. Factors affecting ultimate recovery include the scope of our on-going drilling program, which will be directly affected by the availability of capital, drilling, and production costs, availability of drilling and completion services and equipment, drilling results, lease expirations, regulatory approvals, and geological and mechanical factors. Estimates of reserves, type/decline curves, EURs, per-well economics, and resource potential may change significantly as development of our oil and gas assets provides additional data. Additionally, initial production rates are subject to decline over time and should not be reflective of sustained production levels.

Oil and Gas Metrics

This presentation may contain metrics commonly used in the oil and natural gas industry, such as "payout". This term does not have standardized meaning or standardized methods of calculation and therefore may not be comparable to similar measures presented by other companies, and therefore should not be used to make such comparisons. Management uses oil and gas metrics for its own 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 presentation, should not be unduly relied upon.

"**Payout**" refers to the time required to pay back the capital expenditures (on a before tax basis) of a project.

Analogous Information

Certain information in this press release may constitute “analogous information” as defined in NI 51-101, including but not limited to, information relating to the areas in geographical proximity to lands that are or may be held by InPlay. Such information has been obtained from government sources, regulatory agencies or other industry participants. InPlay believes the information is relevant as it helps to define the reservoir characteristics in which InPlay may hold an interest, however InPlay is unable to confirm that the analogous information was prepared by a qualified reserves evaluator or auditor. Such information is not an estimate of the reserves or resources attributable to lands held or potentially to be held by InPlay and there is no certainty that the reservoir data and economics information for the lands held or potentially to be held by InPlay will be similar to the information presented herein. The reader is cautioned that the data relied upon by InPlay may be in error and/or may not be analogous to such lands to be held by InPlay.

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.

Abbreviations

2026E	Estimate for the year ending December 31, 2026
AECO	Alberta Energy Company "C" Meter Station of the NOVA Pipeline System
bbl	barrel of oil
bbls	barrels of oil
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
GJ	gigajoules
IFRS	International Financial Reporting Standards
Mbbl	thousand barrels of oil
Mmbbl	million barrels of oil
Mboe	thousand boe
Mmboe	million boe
Mcf	thousand cubic feet
Mmcf	million cubic feet
MSW	Mixed sweet Alberta benchmark oil price
NGL	natural gas liquids
WTI	West Texas Intermediate benchmark Oil price