

Management's Discussion and Analysis

For the three and nine months ended September 30, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026 AND SEPTEMBER 30, 2025

The following management's discussion and analysis ("**MD&A**") is dated November 4, 2026 and should be read in conjunction with the condensed unaudited financial statements of InPlay Oil Corp. ("**InPlay**" or the "**Company**") for the three and nine months ended September 30, 2026 and September 30, 2025 and the audited annual financial statements for the years ended December 31, 2025 and December 31, 2024. The condensed financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"), applicable to the preparation of interim financial statements, including IAS 34 Interim Financial Reporting.

In addition to generally accepted accounting principles ("**GAAP**") measures, this MD&A contains additional conversion measures, non-GAAP measures, and forward-looking statements. Readers are cautioned that the MD&A should be read in conjunction with InPlay's disclosure under the headings "Conversion Measures and Short-Term Production Rates", "Non-GAAP and Other Financial Measures", and "Forward-Looking Information and Statements" included at the end of this MD&A.

All references to dollar values are to Canadian dollars unless otherwise stated. Production volumes are measured upon sale unless otherwise noted. Definitions of the abbreviations used in this discussion and analysis are located on the last page of this document.

DESCRIPTION OF BUSINESS

InPlay is a crude oil and natural gas exploration, development and production company with operations in Alberta. InPlay's strategic plan is to build a sustainable long-term oil and natural gas company. The plan is based on acquiring low decline, high operating netback producing properties with drilling development and enhanced oil recovery potential as well as undeveloped lands with exploration and development upside.

BELLY RIVER ACQUISITION

On August 21, 2026, the Company completed a plan of arrangement whereby InPlay acquired all of the issued and outstanding common shares of a private oil and gas producer for an total transaction value of $54.4 million, comprising cash consideration of $48.8 million and the assumption of $5.6 million of net debt (the "**Belly River Acquisition**").

The cash consideration was funded by available borrowings under InPlay's Revolving Credit Facility.

The transaction has been accounted for as a business combination under IFRS 3.

The fair value at August 21, 2026 of the total consideration transferred and the amounts recognized attributed to the assets acquired was as follows:

Consideration:	**($'000s)**
Cash consideration	**48,801**
Total Consideration	**48,801**
Recognized amounts of assets acquired and liabilities assumed:	
Accounts receivable and accrued receivables[(1)]	**1,991**
Prepaid expenses[(1)]	**597**
Accounts payable and accrued liabilities[(1)]	**(8,177)**
Deferred tax liability	**(7,090)**
Property, plant and equipment	**57,300**
Exploration and evaluation	**7,289**
Decommissioning obligation	**(3,109)**
Total identifiable net assets	**48,801**

(1) The sum of accounts receivable and accrued liabilities, prepaid expenses, and accounts payable and accrued liabilities comprises the $5.6 million of net debt acquired.

The fair value of the decommissioning obligation at August 21, 2026 was based on the estimated future cash flows to decommission the acquired property, plant and equipment at the end of its useful life. The discount rates used to determine the net present value of the decommissioning obligation were credit adjusted risk-free rates of 9.3% to 10.4%. At September 30, 2026 the decommissioning liability was revalued at risk-free discount rates of 3.3% to 4.3%, depending on the estimated timing of the future settlement of the obligations, resulting in incremental additions of $3.6 million of decommissioning obligation and corresponding additions to property, plant and equipment.

The acquired assets contributed revenues consisting of oil and natural gas sales net of royalties of approximately $4.1 million and operating income, which is defined as oil and natural gas sales net of royalties less operating and transportation costs, of $3.0 million to InPlay for the period from August 21, 2026 to September 30, 2026. Had the acquisition occurred on January 1, 2026, an additional pro-forma oil and natural gas sales net of royalties of approximately $28.9 million and operating income of $22.0 million would have been recognized over the nine months ended September 30, 2026.

Management applied significant judgment in estimating the fair value of the PP&E assets. To estimate the fair value of the PP&E assets, management used a discounted future cash flow model to determine the net present value of after tax future cash flows from the oil and natural gas reserves. The fair values of the identifiable assets and liabilities acquired as reported in the table above were estimated based on information available at the time of preparation of the financial statements and could be subject to change.

For the nine months ended September 30, 2026 $0.8 million of transaction and integration costs were incurred for advisory, legal and professional fees associated with the transaction.

PEMBINA ASSET ACQUISITION

On April 7, 2025, the Company closed the previously announced acquisition of Cardium light oil focused assets in the Pembina area of Alberta (the "**Pembina Asset Acquisition**") from Obsidian Energy Ltd. ("**Obsidian**") for consideration of approximately $291.1 million. Consideration consisted of $203 million cash payment, the issuance of 9,139,784 common shares of InPlay to Obsidian valued at $8.58 per share based on the closing price of InPlay shares on April 6, 2025, and the inclusion of InPlay's non-operated assets at Willesden Green Unit 2 (the "**Unit Interest**").

The transaction has been accounted for as a business combination under IFRS 3.

The fair value at April 7, 2025 of the total consideration transferred (net of adjustments) and the amounts recognized attributed to the assets acquired was as follows:

Consideration:	**($'000s)**
Cash consideration	**203,062**
Share consideration	**78,419**
Unit Interest	**9,656**
Total Consideration	**291,137**
Recognized amounts of assets acquired and liabilities assumed:	
Property, plant and equipment	**476,164**
Exploration and evaluation	**11,628**
Right-of-use asset	**1,723**
Decommissioning obligation	**(196,655)**
Lease liability	**(1,723)**
Total identifiable net assets	**291,137**

During the year ended December 31, 2025, the acquired amount of Property, plant and equipment was decreased by $2.1 million as a result of adjustments relating to the acquisition, with a corresponding decrease in the amount of cash consideration.

The fair value of the decommissioning obligation at April 7, 2025 was based on the estimated future cash flows to decommission the acquired property, plant and equipment at the end of its useful life. The discount rate used to determine the net present value of the decommissioning obligation was a credit adjusted risk-free rate of 7.4%. At June 30, 2025 the decommissioning liability was revalued at risk-free discount rates of 2.5% to 3.4%, depending on the estimated timing of the future settlement of the obligations, resulting in incremental additions of $191.1 million of decommissioning obligation and corresponding additions to property, plant and equipment.

The acquired assets contributed revenues consisting of oil and natural gas sales net of royalties of approximately $141.2 million and operating income, which is defined as oil and natural gas sales net of royalties less operating and transportation costs, of $83.8 million to InPlay for the period from April 7, 2025 to December 31, 2025.

For the nine months ended September 30, 2026, $2.2 million of transaction and integration costs were incurred for advisory, professional fees and additional one-time compensation associated with the transaction (September 30, 2025 - $10.6 million).

COMMON SHARE CONSOLIDATION AND COMPARATIVE FIGURES

At the Company's Special Meeting of Shareholders held on April 4, 2025, shareholders approved a six for one common share consolidation effective for shareholders of record as of April 14, 2025. Effective April 14, 2025, shareholders of record received one share for every six common shares held, with common shares trading on a consolidation basis beginning April 17, 2025. Common share, per common share, dividend, stock option, DSU, RSU and PSU amounts for periods prior to the six for one common share consolidation have been updated to reflect the common share consolidation.

REVIEW OF FINANCIAL RESULTS

Production

Average production volumes for the three and nine months ended September 30, 2026 and September 30, 2025 were as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Crude oil (bbls/d)	**9,565**	9,122	**9,256**	7,647
NGLs (boe/d)	**2,347**	2,334	**2,289**	2,105
Natural gas (Mcf/d)	**44,055**	45,081	**43,260**	38,596
Total (boe/d)[(1)(2)(3)]	**19,254**	18,970	**18,755**	16,185
Crude oil and NGLs (%)	**62%**	60%	**62%**	60%

(1) Barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. Refer to the section entitled "Conversion Measures and Short-Term Production Rates" at the end of this MD&A.

(2) References to crude oil, NGLs or natural gas production in this MD&A 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 ("Nl 51-101").

(3) See "Production Breakdown by Product Type" at the end of this MD&A.

Production for the three months ended September 30, 2026 was 1% higher compared to the three months ended September 30, 2025. Production for the nine months ended September 30, 2026 was 16% higher compared to the nine months ended September 30, 2025 as a result of additional production from the Pembina Asset Acquisition and production from the Company's drilling program in 2025 and the first nine months of 2026. The light oil and liquids weighting for the three and nine months ended September 30, 2026 of 62% improved compared to the three and nine months ended September 30, 2025 of 60%, reflecting the additional

oil weighting of the Company's drilling program during the first nine months of 2026.

InPlay invested $61.5 million in development capital during the first nine months of 2026, drilling and completing fifteen (14.7 net) wells and participating in two (0.2 net) non-op Cardium wells. Two (2.0 net) wells came on production in February, three (3.0 net) in April, three (3.0 net) in May, two (2.0 net) in September and three (2.7 net) in mid-October. The Company drilled the first well on a two (2.0 net) well Cardium pad and the first well on a two (2.0 net) well Belly River pad in the third quarter. Both Belly River wells came on production in early November, while both Cardium wells are expected to come on production later in November.

Revenues

(thousands of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Crude oil	**102,289**	69,315	**282,292**	174,053
NGLs	**9,395**	6,939	**25,566**	19,994
Natural gas	**7,121**	3,093	**23,497**	15,875
Total crude oil and natural gas sales[(1)]	**118,805**	79,347	**331,355**	209,922

(1) Includes royalty and other income classified with oil and natural gas sales.

Prices

	Three Months Ended September 30		Nine Months Ended September 30	
Average Realized Price[(1)]	**2026**	2025	**2026**	2025
Crude oil ($/bbl)	**116.25**	82.59	**111.72**	83.37
NGLs ($/boe)	**43.52**	32.31	**40.92**	34.79
Natural gas ($/Mcf)	**1.76**	0.75	**1.99**	1.51
Total ($/boe)	**67.07**	45.47	**64.72**	47.50
WTI ($USD/bbl)	**85.79**	64.93	**83.50**	66.70
Edmonton Light Sweet to WTI Diff. ($USD/bbl)	**0.62**	2.20	**0.62**	3.34
CAD/USD Exchange Rate	**0.71**	0.72	**0.72**	0.71
AECO ($/GJ)	**1.48**	0.60	**1.64**	1.42

(1) Supplementary financial measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

In the third quarter of 2026, WTI oil prices increased 32% averaging $85.79 US per bbl compared to $64.93 US per bbl in the third quarter of 2025. In the first nine months of 2026, WTI oil prices increased 25% averaging $83.50 US per bbl compared to $66.70 US per bbl in the first nine months of 2025.

Differentials between WTI oil prices and prices received in Alberta can be volatile due to factors including refining demand and pipeline capacity. InPlay sells oil at monthly average Edmonton Par prices less quality differentials, transportation and marketing fees. Light, sweet oil differentials between Cushing, Oklahoma and Edmonton, Alberta are affected by pipeline apportionment, refinery turnarounds, rail capacity and market supply/demand conditions. Monthly index differentials averaged $0.62 US per barrel discount for the third quarter of 2026 compared to $2.20 US per barrel discount for the third quarter of 2025. Monthly index differentials averaged $0.62 US per barrel discount for the first nine months of 2026 compared to $3.34 US per barrel discount for the same period in 2025.

Realized oil prices are adjusted for the Canada/US exchange rate, which decreased averaging 0.71 for the third quarter of 2026 compared to 0.72 during the third quarter of 2025. The Canada/US exchange rate increased over the first nine months of 2026 at 0.72 compared to 0.71 over the first nine months of 2025.

Due to the items noted above, realized oil prices for the three and nine months ended September 30, 2026 increased compared to the three and nine months ended September 30, 2025. The Company's average net

realized price for crude oil was $116.25 per bbl for the third quarter of 2026, 41% higher than the third quarter 2025 realized price of $82.59 per bbl. The Company's average net realized price for crude oil was $111.72 per bbl for the first nine months of 2026, 34% higher than the first nine months of 2025 realized price of $83.37 per bbl.

Natural gas prices increased during the quarter but remain at low levels. In the third quarter of 2026, natural gas AECO daily index prices increased 147% averaging $1.48 per GJ compared to $0.60 per GJ in the third quarter of 2025. In the first nine months of 2026, natural gas AECO daily index prices increased 15% averaging $1.64 per GJ compared to $1.42 per GJ in the first nine months of 2025.

The Company's average realized natural gas sales price was $1.76 per Mcf for the third quarter of 2026, 135% higher than $0.75 per Mcf realized in the third quarter of 2025. The Company's average realized natural gas sales price was $1.99 per Mcf for the first nine months of 2026, increasing by 32% compared to $1.51 per Mcf in the first nine months of 2025.

Realized NGL prices were higher in the third quarter and first nine months of 2026 compared to the same periods in 2025. The Company's average realized NGL price was $43.52 per boe for the third quarter of 2026, 35% higher than $32.31 per boe realized in the third quarter of 2025. The Company's average realized NGL sales price was $40.92 per boe for the first nine months of 2026, improving by 18% when compared to the first nine months of 2025 realized price of $34.79 per boe. These increases are a result of higher butane, condensate and pentane prices which track Canadian WTI pricing.

Royalties

Production coming from new wells drilled by the Company on Crown lands qualify for royalty incentives that reduce average Crown royalties for periods of up to 48 months from initial production depending on commodity prices. After this period, the Crown royalties from these wells will come off this incentive period and be subject to the regular Alberta royalty structure.

Royalties as a percentage of total oil and natural gas sales are highly sensitive to commodity prices and adjustments to gas cost allowance. Thus, royalty rates can fluctuate from quarter-to-quarter and year-to-year. Royalties, as a percentage of crude oil and natural gas sales and royalties per boe are as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Total royalties ($'000s)	**21,579**	12,436	**54,032**	29,005
Total royalties (% of sales)	**18.2%**	15.7%	**16.3%**	13.8%
Total royalties ($/boe)	**12.18**	7.13	**10.55**	6.56

Royalties during the three and nine months ended September 30, 2026 increased on a per boe and percentage of revenue basis compared to the same period in 2025 as a result of the higher oil prices in 2026 compared to the same period in 2025 as crown oil royalty percentages increase with higher crude oil prices, resulting in higher Crown par prices which royalty calculations are based on.

Derivative contracts

The Company's production is predominantly sold using near-term contracts with complementary spot sales as needed, with prices fixed at the time of transfer of custody or on the basis of a monthly average market price. The Company may selectively enter into commodity derivative contracts in order to hedge a portion of oil and natural gas sales through the use of various financial derivative forward sales contracts and physical sales contracts. Commodity prices in Canada are impacted by changes in the exchange rate between the Canadian dollar and the United States dollar and the Company's future cash outflow requirements from the Bonds are impacted by changes in the exchange rate between the Canadian dollar and the Israeli shekel. As such, the

Company has also entered into foreign exchange derivative contracts to reduce its exposure to fluctuations in foreign exchange rates. The Company does not apply hedge accounting for these contracts.

At September 30, 2026, commodity-based derivative contracts totaling the amounts below were outstanding:

	Q4/26	Q1/27	Q2/27	Q3/27	Q4/27	2028
Natural Gas AECO Swap[1] (mcf/d)	8,560	4,265	-	-	-	-
Hedged price ($AECO/mcf)	$3.05	$3.65	-	-	-	-
Natural Gas AECO Costless Collar[2] (mcf/d)	16,400	18,950	-	-	-	-
Hedged price ($AECO/mcf)	$2.85 - $4.55	$3.00 - $4.85	-	-	-	-
Crude Oil WTI Swap (bbl/d)	2,000	2,000	-	-	-	-
Hedged price ($USD WTI/bbl)	$61.05	$61.05	-	-	-	-
Crude Oil WTI Three-way Collar[3] (bbl/d)	1,750	2,500	4,000	3,000	3,000	2,000
Low sold put price ($USD WTI/bbl)	$50.00	$58.00	$55.40	$58.70	$58.70	$50.00
Mid bought put price ($USD WTI/bbl)	$57.50	$68.00	$64.75	$68.70	$68.70	$60.00
High sold call price ($USD WTI/bbl)	$72.15	$91.20	$86.00	$85.35	$85.35	$70.65
Electricity AESO Swap (kW)	1,000	1,000	1,000	1,000	1,000	1,000[4]
Hedged price ($kWh)	$0.06217	$0.06217	$0.06217	$0.06217	$0.06217	$0.06217

(1) Fixed price swaps provide InPlay with a guaranteed price in lieu of realization of floating index prices.

(2) Costless collars indicate InPlay concurrently bought put and sold call options at strike prices such that the costs and premiums received offset each other, thereby completing the derivative contracts on a costless basis.

(3) The WTI three-way collars are a combination high priced sold call, low priced sold put and a mid-priced bought put. The high sold call price is the maximum price the Company will receive for the contract volumes. The mid bought put price is the minimum price InPlay will receive, unless the market price falls below the low sold put strike price, in which case InPlay receives market price plus the difference between the mid bought put price minus the low sold put price.

(4) These hedged volumes are for the period from January 1, 2028 – July 31, 2028.

Subsequent to September 30, 2026, the Company entered into commodity-based derivative contracts as follows:

	Q4/26	Q1/27	Q2/27	Q3/27	Q4/27	2028
Natural Gas AECO Swap (mcf/d)	-	-	23,695	23,695	7,948	-
Hedged price ($AECO/mcf)	-	-	$1.80	$1.80	$1.80	-
Natural Gas AECO Costless Collar (mcf/d)	-	-	-	-	3,140	4,740[5]
Hedged price ($AECO/mcf)	-	-	-	-	$2.15 - $3.70	$2.15 - $3.70

(5) These hedged volumes are for the period from January 1, 2028 – March 31, 2028.

At September 30, 2026, USD/CAD and NIS/CAD foreign exchange forward contracts totaling the amounts below were outstanding:

	2026	2027	2028	2029
USD/CAD Variable Rate Collar[6] (US $'000s)	35,250	96,000	-	-
Put strike rate (USD/CAD)	$1.347	$1.342	-	-
Restrike rate (USD/CAD)	$1.376	$1.372	-	-
Call Strike rate (USD/CAD)	$1.403	$1.402	-	-
CAD/NIS FX Forward Contract (NIS ₪'000s)	17,179	67,265	65,297	496,117
Hedged rate (CAD/NIS)	2.2235	2.2235	2.2235	2.2235

[6] The Variable Rate Collar (USD/CAD) is a combination of a Put Strike Rate, Call Strike Rate and a Mid-Restrike Rate. Average Price (AP) is average interday spot rate for CAD per USD on averaging dates in a month. If AP is greater than or equal to the Call Strike Rate, InPlay will pay said amount X (AP – Restrike Rate). If AP is greater than or equal to Put Strike Rate but less than Call Strike Rate no settlement occurs. If AP is less than Put Strike Rate InPlay will be paid said amount X (Put Strike Rate – AP).

Operating expenses

	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Total operating expenses ($'000s)	**33,599**	30,728	**96,411**	70,977
Total operating expenses ($/boe)	**18.97**	17.61	**18.83**	16.06

Operating expenses include expenses incurred to operate wells, gather and treat production volumes as well as costs to perform well and facility repairs and maintenance. For the three months ended September 30, 2026, operating expenses were $18.97 per boe compared to $17.61 per boe for the same period in 2025. For the nine months ended September 30, 2026, operating expenses per boe were $18.83 per boe compared to $16.06 per boe for the same period in 2025. Operating expenses on a per boe and absolute basis increased for the three months ended September 30, 2026 reflecting higher well servicing, repair and maintenance and turnaround activity in the quarter. Additional production from the Pembina Asset Acquisition resulted operating expenses increasing on an absolute basis for the nine months ended September 30, 2026 compared to the same period in 2025, and the higher operating expense nature of these assets caused the increase on a per boe basis.

Transportation expenses

	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Total transportation expenses ($'000s)	**1,892**	1,513	**5,225**	3,759
Total transportation expenses ($/boe)	**1.07**	0.87	**1.02**	0.85

Transportation expenses include costs incurred to transport processed crude oil, liquids and natural gas products to the point of sale, as well as firm-service take or pay contracts that InPlay has secured directly to transport its natural gas. Expenses incurred to transport production that is not yet in a suitable condition to be shipped on a common-carrier pipeline from the well or battery to a cleaning facility or fractionation plant are included within operating expenses.

For the quarter ended September 30, 2026, transportation expenses were $1.07 per boe and increased in comparison to $0.87 per boe for the quarter ended September 30, 2025. For the nine months ended September 30, 2026, transportation expenses were $1.02 per boe and also increased in comparison to $0.85 per boe for the nine months ended September 30, 2025. Transportation expenses on an absolute basis increased as a result of additional production from the Pembina Asset Acquisition.

Operating Income and Netback

(thousands of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Revenue[1]	**118,805**	79,347	**331,355**	209,922
Royalties	**(21,579)**	(12,436)	**(54,032)**	(29,005)
Operating expenses	**(33,599)**	(30,728)	**(96,411)**	(70,977)
Transportation expenses	**(1,892)**	(1,513)	**(5,225)**	(3,759)
Operating income [2]	**61,735**	34,670	**175,687**	106,181
Sales volume (Mboe)	**1,771.4**	1,745.2	**5,120.1**	4,418.6
Per boe ($)				
Revenue[1]	**67.07**	45.47	**64.72**	47.50
Royalties	**(12.18)**	(7.13)	**(10.55)**	(6.56)
Operating expenses	**(18.97)**	(17.61)	**(18.83)**	(16.06)
Transportation expenses	**(1.07)**	(0.87)	**(1.02)**	(0.85)
Operating netback per boe [2]	**34.85**	19.86	**34.31**	24.03
Operating income profit margin [2]	**52%**	44%	**53%**	51%

(1) Includes royalty and other income classified with oil and natural gas sales.

(2) Non-IFRS 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" within this MD&A.

Operating income and operating netback per boe increased for the three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025 reflecting the increases to realized commodity prices offset by higher operating costs per boe.

General and administrative expenses

The following table is a reconciliation of the Company's gross general and administrative ("**G&A**") expenditures to general and administrative expenses after capitalized G&A and recoveries:

(thousands of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Gross G&A expenditures	**5,692**	5,450	**17,296**	14,303
Capitalized and recoveries	**(1,840)**	(1,691)	**(5,216)**	(3,634)
General and administrative expenses	**3,852**	3,759	**12,080**	10,669
G&A expenses ($/boe)	**2.17**	2.15	**2.36**	2.41
% Capitalized and recoveries	**32%**	31%	**30%**	25%

For the quarter ended September 30, 2026, G&A expenses were $3.9 million ($2.17 per boe) and were relatively flat compared to $3.8 million ($2.15 per boe) for the same period in 2025. For the nine months ended September 30, 2026, G&A expenses were $12.1 million ($2.36 per boe) compared to $10.7 million ($2.41 per boe) for the same period in 2025. G&A expenses on an absolute basis in the first nine months of 2026 compared to the same period in 2025 increased as a result of increased payroll and other administrative costs due to the increased scale of the Company after the Pembina Asset Acquisition.

Share-based compensation expenses

The Company accounts for share-based compensation using the fair value method of accounting, and share-based compensation (net of amounts capitalized) is included in the determination of profit (loss) and comprehensive income (loss).

(thousands of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Share-based compensation	**3,190**	1,112	**12,277**	5,674
Capitalized portion	**(499)**	(227)	**(2,339)**	(1,331)
Share-based compensation expense	**2,691**	885	**9,938**	4,343

For the quarter ended September 30, 2026, share-based compensation expense was $2.7 million compared to $0.9 million for the same period in 2025. For the nine months ended September 30, 2026, share-based compensation expense was $9.9 million compared to $4.3 million for the same period in 2025. Share-based compensation expenses were higher in the third quarter and first nine months of 2026 due to additional share-based compensation as a result of the number of units granted to new employees added after the Pembina Asset Acquisition and vesting profiles of options, RSUs and PSUs granted in 2025.

During the nine months ended September 30, 2026, 143,250 options were granted, 40,455 options were exercised and 27,025 options were forfeited.

At September 30, 2026, the maximum number of stock options available for grant was 2,752,855 and 747,275 stock options were outstanding.

In 2022, the Company implemented a Restricted and Performance Award Incentive Plan ("**RPAP**") under which Restricted Awards ("**RAs**") and Performance Awards ("**PAs**") may be granted to directors, officers, employees, consultants or other service providers of the Company. Each RA and PA entitles the holder to an award value vesting generally over a three-year period. The award value of PAs is adjusted for a payout multiplier which can range from 0.0 to 2.0 and is dependent on the performance of the Company relative to pre-defined corporate performance measures for a particular period. A payout multiplier of 1.4 was approved by the Board of Directors for 2023. A payout multiplier of 1.4 was approved by the Board of Directors for 2024. A payout multiplier of 1.8 was approved by the Board of Directors for 2025. The corporate performance measures are based upon certain financial and operating results of the Company as pre-determined by the Board, including shareholder returns relative to the Company's peer group, leverage ratios, adjusted funds flow per share in excess of capital expenditures, reserve recycle ratios, health, safety and environmental measures, production per share growth and execution of the Company's corporate strategy. The Company, at its discretion, is eligible to settle the award value of vesting RAs and PAs either in cash or in common shares acquired by an independent trustee in the open market or issued from treasury. The RPAP includes a value make whole provision to all RA and PA holders when dividends are issued to shareholders. The dividend equivalent provision compensates RA and PA holders with additional RAs or PAs equal to the value of the dividends paid on a per unit basis on the dividend payment date.

The movements of outstanding RAs and PAs during the nine months ended September 30, 2026 and the year ended December 31, 2025 were as follows:

	Number of RAs	Number of PAs
Outstanding at December 31, 2024	236,566	171,298
Granted during the year	571,256	526,688
Dividend make-whole adjustment	58,116	53,699
Vested during the year	(244,606)	(204,107)
Payout multiplier adjustment	-	64,665
Forfeited during the year	(20,635)	(6,696)
Outstanding at December 31, 2025	600,698	605,547
Dividend make-whole adjustment	74,786	26,376
Vested during the period	(261,013)	(369,308)
Payout multiplier adjustment	-	367,273
Granted during the period	198,257	193,405
Forfeited during the period	(28,661)	(8,690)
Outstanding at September 30, 2026	**584,067**	**814,603**

Depletion and depreciation

	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Depletion and depreciation ($'000s)	**25,796**	28,496	**75,621**	71,195
Depletion and depreciation ($/boe)	**14.56**	16.33	**14.77**	16.11

The carrying costs for property, plant and equipment directly associated with crude oil and natural gas operations, including estimated future development costs, are recognized as depletion expense in the statements of profit (loss) and comprehensive income (loss) on a unit of production basis over proved plus probable reserves. The carrying costs of office and computer equipment are recognized as depreciation expense in the statements of profit and comprehensive income on a straight-line or declining-balance basis.

Depletion and depreciation was $25.8 million ($14.56 per boe) for the quarter ended September 30, 2026 compared to $28.5 million ($16.33 per boe) for the same period in 2025. Depletion and depreciation was $75.6 million ($14.77 per boe) for the nine months ended September 30, 2026 compared to $71.2 million ($16.11 per boe) for the same period in 2025. Depletion and depreciation decreased on a per boe and absolute basis for the third quarter of 2026 compared to the same period in 2025 as a result of the updated reserve information being incorporated in the calculation for periods in 2026. Depletion and depreciation on an absolute basis for the first nine months of 2026 increased as a result of the increased property, plant and equipment assets and increased production from the Pembina Asset Acquisition.

Impairment

At September 30, 2026 and December 31, 2025 there were no indicators of impairment relating to the Company's Property, plant and equipment and Exploration and evaluation assets. All previously recorded impairments have been fully reversed.

Finance expenses

(thousands of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Interest expense (Revolving Credit Facility and other)	**1,160**	5,920	**5,346**	12,572
Interest expense (Bonds)	**4,588**	-	**11,102**	-
Interest expense (Lease Liabilities)	**200**	65	**653**	743
Accretion on decommissioning obligations	**3,801**	3,429	**11,136**	8,336
Finance expense	**9,749**	9,414	**28,237**	21,651

Finance expenses were $9.7 million for the third quarter of 2026, compared to $9.4 million in the third quarter of 2025. Finance expenses were $28.2 million for the nine months ended September 30, 2026, compared to $21.7 million during the same period in 2025. Finance expenses increased for the nine months ended September 30, 2026 as a result of higher accretion costs relating to the decommissioning obligations acquired in the Pembina Asset Acquisition and higher debt levels after closing of the Pembina Asset Acquisition.

Income taxes

The Company has recognized a deferred tax asset of $11.2 million at September 30, 2026. The Company recognized deferred income tax recovery of $1.3 million during the three months ended September 30, 2026 and deferred income tax recovery of $4.7 million during the nine months ended September 30, 2026.

The deferred tax asset is supported by the expected future utilization of tax attributes based upon future cashflows derived from the Company's updated forecasts and independent year end reserve report using the total proved cashflows and expenditures and factoring in expected corporate general and administrative and interest expenses. As a result of changes in these future cashflows, the unrecognized deferred tax asset was decreased by $0.5 million during the nine months ended September 30, 2026 (September 30, 2025 - $0.6 million increase). At September 30, 2026, the Company had $5.3 million of unrecognized deferred tax asset (December 31, 2025 - $5.9 million).

InPlay is not currently cash taxable and had the following estimated Canadian federal income tax pool balances at September 30, 2026.

(thousands of dollars)	
Non-capital loss carryforward balances	132,656
Financing costs	8,737
Canadian Exploration Expenses (CEE)	56,750
Canadian Development Expenses (CDE)	114,271
Canadian Oil and Gas Property Expenses (COGPE)	263,799
Undepreciated Capital Cost (UCC)	80,875
Total	657,088

ADJUSTED FUNDS FLOW

(thousands of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Funds flow	**54,432**	24,781	**105,775**	70,186
Foreign exchange loss (gain)	**(7,961)**	-	**11,167**	-
Transaction and integration costs	**1,365**	477	**2,995**	10,618
Decommissioning expenditures	**3,547**	1,542	**6,344**	2,861
Adjusted funds flow[(1)]	**51,383**	26,800	**126,281**	83,665

(1) Capital management measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

Adjusted funds flow for the three and nine months ended September 30, 2026 was $51.4 million and $126.3 million, respectively, compared to $26.8 million and $83.7 million for the three and nine months ended September 30, 2025. For the three months ended September 30, 2026, adjusted funds flow increased in comparison to the same period in 2025 largely as a result of increases to realized oil prices. For the nine months ended September 30, 2026, adjusted funds flow increased in comparison to the same period in 2025 as a result of additional production from the Pembina Asset Acquisition and increases to realized oil prices.

CAPITAL EXPENDITURES

Capital expenditures for the three months ended September 30, 2026 were $22.3 million of development capital and $54.3 million of acquisition capital. Capital expenditures for the nine months ended September 30, 2026 were $61.5 million of development capital and $54.7 million of acquisition capital. The breakdown of capital expenditures is shown below:

(thousands of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Drilling & completions	**19,447**	12,740	**48,120**	22,618
Facilities and equipping costs	**2,054**	7,901	**10,013**	13,005
Well optimization	**176**	887	**732**	2,956
Total development capital	**21,677**	21,528	**58,865**	38,579
Office and Capitalized G&A	**617**	731	**2,435**	2,087
Capital expenditures – PP&E	**22,294**	22,259	**61,300**	40,666
Land and lease	**48**	46	**216**	140
Capital expenditures – PP&E and E&E	**22,342**	22,305	**61,516**	40,806
Property acquisitions (dispositions)	**54,300**[(1)]	(1,710)	**54,693**[(1)]	291,907[(2)]
Total capital expenditures	**76,642**	20,595	**116,209**	332,713

(1) Includes net debt assumed on closing of the Belly River Acquisition of $5.6 million.

(2) Includes total consideration for the Pembina Asset Acquisition including cash consideration of $203.1 million, share consideration of $78.4 million and Unit Interest of $9.7 million.

InPlay invested $61.5 million in development capital during the first nine months of 2026, drilling and completing fifteen (14.7 net) wells and participating in two (0.2 net) non-op Cardium wells. Two (2.0 net) wells came on production in February, three (3.0 net) in April, three (3.0 net) in May, two (2.0 net) in September and three (2.7 net) in mid-October. The Company drilled the first well on a two (2.0 net) well Cardium pad and the first well on a two (2.0 net) well Belly River pad in the third quarter. Both Belly River wells came on production in early November, while both Cardium wells are expected to come on production later in November.

Drilling statistics are shown below:

	Three months ended September 30				Nine months ended September 30			
	2026		2025		**2026**		2025	
	Gross	**Net**	Gross	Net	**Gross**	**Net**	Gross	Net
Oil	**9**	**6.9**	6	5.2	**17**	**14.9**	9	8.2
Natural gas	**-**	**-**	-	-	**-**	**-**	-	-
Total	**9**	**6.9**	6	5.2	**17**	**14.9**	9	8.2
Success rate	**100%**	**100%**	100%	100%	**100%**	**100%**	100%	100%

SHARE INFORMATION

The Company's common shares are listed on the Toronto Stock Exchange under the symbol IPO. InPlay's common shares and the Bonds (as defined below) are listed on the Tel Aviv Stock Exchange (the "TASE") and trade under the symbol IPO.

As of November 4, 2026, there were 27,450,183 common shares outstanding, which excludes 155,827 common shares held in trust for the potential future settlement of awards issued under the Company's Restricted and Performance Award Incentive Plan, and an additional 747,275 stock options that, subject to vesting, are convertible into, or exercisable or exchangeable for, an equivalent number of common shares of the Company. In addition, there were 584,067 RAs and 814,603 PAs outstanding at September 30, 2026.

The Company periodically provides funds to an independent trustee to acquire common shares in the open market, which are held in trust for the potential future settlement of Restricted and Performance award values. The common shares held in trust are netted out of share capital, including the cumulative purchase cost, until they are distributed for future settlements. For the nine months ended September 30, 2026, the independent trustee purchased 430,531 common shares for a total cost of $7.4 million and as at September 30, 2026, the independent trustee held 155,827 common shares in trust.

On May 21, 2026, the Company announced that the TSX had accepted the notice of the Company's intention to commence a Normal Course Issuer Bid ("**NCIB**"). Pursuant to the NCIB, the Company is permitted to purchase up to 1,793,976 common shares representing approximately 10% of its public float as at May 14, 2026 over a twelve-month period commencing May 25, 2026. During the nine months ended September 30, 2026, the Company purchased 332,200 common shares for cancellation at an average price of $16.57 per common share.

The Company's Board of Directors approved the implementation of a monthly base cash dividend of $0.09 per share commencing in November 2022 which resulted in the payment of $22.6 million in dividends during the nine months ended September 30, 2026 (September 30, 2025 - $19.5 million). The issuance of the monthly base dividend is subject to the discretion of the Board of Directors.

Subsequent to September 30, 2026, the Board of Directors approved and declared monthly cash dividends of $0.09 per share, designated as eligible dividends, payable to shareholders of record on October 15, 2026 and November 16, 2026. The dividend payment date for these dividends is October 30, 2026 and November 30, 2026.

RELATED PARTY TRANSACTIONS

As a result of the Pembina transaction, Obsidian gained significant influence over the Company and became a related party until its sale of such interest. During the year ended December 31, 2025, $3.3 million in dividends were paid to Obsidian relating to their shareholdings in the Company.

On August 7, 2025, Delek Group Ltd. ("Delek") gained significant influence over the Company, entered into an investor rights agreement, and became a related party based on their current share ownership. During the nine months ended September 30, 2026, $7.4 million in dividends were paid to Delek relating to their shareholdings in the Company (year ended December 31, 2025 - $4.1 million).

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2026, InPlay's capital structure includes shareholders' equity, the Revolving Credit Facility, the Bonds and accounts payable and accrued liabilities less cash and cash equivalents, restricted cash, accounts receivable and accrued receivables, prepaid expenses and deposits and inventory. The Company manages its capital structure by continually monitoring its business conditions, including: changes in economic conditions, the risk profile of its drilling inventory, the efficiencies of past investments, the efficiencies of forecast investments and the timing of such investments, the forecast commodity prices and resulting cash flows.

InPlay's current capital structure is summarized below:

($'000s)	**September 30, 2026**	December 31, 2025
Revolving Credit Facility	**36,054**	222,104
Bonds (Inception)	**235,853**[(1)]	-
Accounts payable and accrued liabilities	**75,922**	55,953
Cash and cash equivalents, restricted cash, accounts receivable and accrued receivables, prepaid expenses and deposits and inventory	**(90,292)**	(60,063)
Net debt	**257,537**	217,994
Shareholders' equity	**329,344**	370,055
Net capitalization	**586,881**	588,049

(1) Agrees to the Bond value at inception as outlined in Note 10(b) of the Company's condensed financial statements for the three and nine months ended September 30, 2026.

In addition to the capital structure described above, internally generated adjusted funds flow and EBITDA also contribute to the Company's ability to maintain financial flexibility, return capital to shareholders and repay bondholders. Adjusted funds flow is calculated as funds flow before foreign exchange loss, transaction and integration costs and decommissioning expenditures. EBITDA is calculated as adjusted funds flow before interest expenses. Adjusted funds flow and EBITDA for the three and nine months ended September 30, 2026 and September 30, 2025 were as follows:

($'000s)	Three Months Ended September 30		Nine Months Ended September 30	
	2026	2025	**2026**	2025
Funds flow	**54,432**	24,781	**105,775**	70,186
Foreign exchange loss (gain)	**(7,961)**	-	**11,167**	-
Transaction and integration costs	**1,365**	477	**2,995**	10,618
Decommissioning expenditures	**3,547**	1,542	**6,344**	2,861
Adjusted funds flow	**51,383**	26,800	**126,281**	83,665
Interest expense (Revolving Credit Facility and other)	**1,160**	5,920	**5,346**	12,572
Interest expense (Bonds)	**4,588**	-	**11,102**	-
Interest (Lease liabilities)	**200**	65	**653**	743
EBITDA	**57,331**	32,785	**143,382**	96,980
Adjustment[(2)]	**-**	-	**20,671**	-
Adjusted EBITDA	**57,331**	32,785	**164,053**	96,980

(2) The Revolving Credit Facility Agreement and Bonds permit an adjustment to EBITDA to include EBITDA in the trailing twelve months attributable to assets acquired in the period. As at September 30, 2026, the adjustment relating to the Belly River Acquisition included in Adjusted EBITDA for purposes of the Revolving Credit Facility and Bond covenant calculations was $20.7 million.

Refer below for the calculation of Adjusted Net Debt and Adjusted Total Balance Sheet as it pertains to the Company's covenants outlined below.

($'000s)	September 30, 2026	December 31, 2025
Revolving Credit Facility	**36,054**	222,104
Bonds (Book Value)	**247,064**	-
NIS foreign exchange contracts	**(12,487)**	-
Accounts payable and accrued liabilities	**75,922**	55,953
Cash and cash equivalents, restricted cash, accounts receivable and accrued receivables, prepaid expenses and deposits and inventory	**(90,292)**	(60,063)
Adjusted net debt	**256,261**	217,994

($'000s)	September 30, 2026	December 31, 2025
Total liabilities	**772,806**	734,349
Shareholders' equity	**329,344**	370,055
Total Balance Sheet	**1,102,150**	1,104,404
Decommissioning obligation	**(386,533)**	(452,421)
Adjusted Total Balance Sheet	**715,617**	651,983

Revolving Credit Facility

Concurrent with completion of the Pembina Asset Acquisition, on April 7, 2025, InPlay entered into an amended and restated credit agreement with a syndicate of lenders (the "Lenders") pursuant to which the aggregate available borrowing capacity under InPlay's senior credit facility was increased from $110 million to $330 million by way of an increased $190 million revolving credit facility (the "Revolving Credit Facility") with a term out date extended to June 30, 2026, a $110 million two-year amortizing term loan (the "Term Facility") and a letter of credit facility of up to $30 million, which was subsequently reduced to $5.5 million upon the required placement of a letter of credit in the third quarter of 2025. The letter of credit facility was terminated on April 7, 2026.

Concurrent with closing of the Bond Offering (as defined below), on February 11, 2026, InPlay's credit agreement was amended to accommodate the Bonds. The borrowing capacity under the Revolving Credit Facility remained at $190 million with a term out date of June 30, 2026 and the Term Facility was repaid and cancelled. There was no material change to the covenant and security package of the credit agreement except for the implementation of financial covenants as outlined below.

On July 24, 2026, 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.

The Revolving Credit Facility has a term out date of June 30, 2027 and if not extended, additional advances would not be permitted and any outstanding advances would become repayable one year later on June 30, 2028. The Revolving Credit Facility is secured by a floating charge debenture of $800 million and a general security agreement on the assets of the Company. At September 30, 2026, the Company had $36.1 million drawn on the Revolving Credit Facility.

Under the Revolving Credit Facility, advances can be drawn as prime rate loans and bear interest at the bank's prime lending rate plus interest rates between 1.75% and 3.75%. Advances may also be drawn as Canadian Overnight Repo Rate Average ("CORRA") loans, Secured Overnight Finance Rate ("SOFR") loans, and letters of credit, subject to the CORRA rate plus margins ranging from 2.75% to 4.75%. These interest rates, fees and margins vary based on adjusted debt to earnings metrics determined at each quarter end for the preceding 12 months.

The available lending limit of the Revolving Credit Facility is scheduled for semi-annual renewal on or before November 30, 2026 and is based on the Lenders' interpretation of the Company's proved and probable oil and natural gas reserves and future commodity prices. There can be no assurance that the amount or terms of the Revolving Credit Facility will not be adjusted at the next semi-annual review. In the event that the lenders reduce the borrowing base under the Revolving Credit Facility below the amount drawn at the time of the redetermination, the Company would have 60 days to eliminate any borrowing base shortfall by repaying the amount drawn in excess of the re-determined borrowing base or by providing additional security or other consideration satisfactory to the lenders. Repayments of principal are not required provided that the borrowings under the Revolving Credit Facility do not exceed the authorized borrowing amount and the Company is in compliance with all covenants, representations and warranties.

There are standard reporting covenants and financial covenants under the Revolving Credit Facility. The Company was in compliance with these standard covenants as at September 30, 2026. Refer to the Covenants section below for details relating to the Revolving Credit Facility financial covenants.

The Company had letters of credit in the amount of $5.5 million outstanding at September 30, 2026 (December 31, 2025 - $5.5 million).

Senior Unsecured Bonds

($'000s)	Inception	FX Impact	Book Value
Balance at December 31, 2025	-	-	-
Additions	243,524	11,211	254,735
Repayments	-	-	-
Total	243,524	11,211	254,735
Unamortized transaction costs	(7,671)	-	(7,671)
Total Senior Unsecured Bonds	**235,853**	11,211[(1)]	**247,064**

(1) InPlay has effectively mitigated its exposure to fluctuations in the CAD to NIS exchange rate on the NIS denominated Bond by entering into NIS/CAD foreign exchange hedges with notional amounts and terms that align with the future cash outflow requirements of the Bonds. The mark-to-market value at September 30, 2026 of the NIS/CAD foreign exchange hedges was an asset of $12.5 million.

On February 11, 2026, InPlay closed an offering of $550 million NIS (approximately $244 million CAD) principal amount of senior unsecured bonds (the "Bonds") bearing an interest rate of 6.23% per annum payable semi-annually and due December 15, 2030 (the "Offering"). In addition, there are three amortization payments of 6% of the principal amount of the Bonds due on December 15th of 2027, 2028 and 2029.

InPlay has effectively mitigated its exposure to fluctuations in the CAD to NIS exchange rate on the NIS denominated Bond by entering into NIS/CAD foreign exchange hedges with notional amounts and terms that align with the future cash outflow requirements of the Bonds.

The net proceeds from the Offering were used to repay the remaining amount owing of $93 million under the Company's Term Facility and reduce amounts drawn under the Company's Revolving Credit Facility.

There are standard reporting covenants and financial covenants under the Bonds agreement. The Company was in compliance with these standard covenants as at September 30, 2026. Refer to the Covenants section below for details relating to the Bonds financial covenants.

Upon the occurrence of an event of default, the outstanding principal of the Bonds and any accrued interest becomes immediately due and payable.

Covenants

The Company was in compliance with all debt covenants at September 30, 2026. The following table summarizes the Company's compliance with the financial covenants under the Revolving Credit Facility agreement and the Bonds as at and for the quarter ended September 30, 2026:

Covenant	Threshold		As at September 30, 2026
	Revolving Credit Facility	Bonds	
Financial			
Shareholders' Equity[1]	>$209 million	>$190 million	$329 million
Adjusted Net Debt[2] / Net Cap[3]	≤58.5%	≤65%	44%
Shareholders' Equity[1] / Adjusted Total Balance Sheet[2]	>22%	>20%	46%
Fixed Charge Coverage Ratio[4]	>1.75:1		3.4
Permitted Distributions			
Shareholders' Equity[1]	>$210 million	>$210 million	$329 million
Adjusted Net Debt[2] / Adjusted EBITDA[2][5]	≤3.5:1	≤3.5:1	1.3
Senior Debt[6] to EBITDA[2]	≤1.50:1		0.2
Draw on Revolving Credit Facility	≤70%		19%
Interest Rate Adjustment[7]			
Shareholders' Equity[1]		>$210 million	$329 million
Adjusted Net Debt[2] / Net Cap[3]		≤60%	44%
Adjusted Net Debt[2] / Adjusted EBITDA[2][5]		≤3.5:1	1.3

(1) As presented on the Condensed Statement of Financial Position of the Company's financial statements for the three and nine months ended September 30, 2026.

(2) Refer to the "Liquidity and Capital Resources" section for a calculation of Adjusted EBITDA.

(3) Net Cap is calculated the same as the calculation of Net Capitalization in Note 21 of the Company's condensed financial statements for the three and nine months ended September 30, 2026.

(4) (EBITDA[2] less Dividends and Shares Purchased) / (Interest Expense + Bond Amortization Payments + Decommissioning Expenditures). Calculated on a 12-month trailing basis.

(5) If Adjusted Net Debt / Adjusted EBITDA >2.0:1, permitted distributions are limited to 50% of AFF for the year.

(6) Senior Debt refers to amounts outstanding relating to the Company's Revolving Credit Facility and excludes the Bonds.

(7) If an interest rate adjustment covenant is breached, the annual interest rate on the Bonds increases by 0.5% for each covenant breached, to a maximum cumulative increase of 1.5%. The annual interest rate decreases by 0.5% as each applicable covenant breach is cured.

In addition to the covenants above, the Company confirms that Warning Signs (as defined by the Israeli Security law) have not occurred as of the date of this MD&A. These Warning Signs are as follows:

- A deficit in shareholder's equity;
- An auditor's report, as of the reporting date, that includes an Emphasis of Matter relating to the financial condition of the Company;
- A deficit in working capital, or in working capital projected for a period of twelve months, together with continuing negative cash flow from operating activities;
- A deficit in working capital, or in working capital projected for a period of twelve months, or continuing negative cash flow from operating activities, where the Company's Board of Directors has not determined that such circumstances do not indicate a liquidity problem in the Company; and
- An auditor's report, as of the reporting date, that includes an Emphasis of Matter regarding substantial doubt as to the Company's ability to continue as a Going Concern.

OFF-BALANCE SHEET ARRANGEMENTS

The Company had no guarantees or off-balance sheet arrangements other than as described below under "Contractual Obligations."

CONTRACTUAL OBLIGATIONS

The Company enters into various contractual obligations in the course of conducting its operations. At September 30, 2026, these obligations include:

- **Debt agreements** – The Revolving Credit Facility has a term out date of June 30, 2027 and, if not extended, any outstanding balances would have become repayable one year later on June 30, 2028. The Bonds have a maturity date of December 15, 2030. Refer to the "Liquidity and Capital Resources" section for more information.
- **Firm service transportation commitments** – The Company has entered into firm service transportation agreements. Fees related to transportation periods subsequent to September 30, 2026 were not recognized as a liability at September 30, 2026.

As at September 30, 2026 the Company had the following minimum contractual obligations:

Contractual obligations (in thousands of dollars)	2026	2027	2028	2029	2030+
Accounts payable	75,922	-	-	-	-
Revolving Credit Facility – principal[1]	-	-	36,054	-	-
Revolving Credit Facility – interest[2]	775	3,101	1,551	-	-
Bonds – principal[3]	-	15,284	15,284	15,284	208,883
Bonds - interest[3]	7,957	15,870	14,959	13,966	13,013
Lease liability	368	1,170	403	391	394
Firm service	626	2,440	1,712	3,626	-
Gas processing	879	3,555	3,636	-	-
Total	86,527	41,420	73,599	33,267	222,290

(1) Assumes the Revolving Credit Facility is not renewed on June 30, 2027, whereby outstanding balances become due one year later on June 30, 2028.

(2) Assumes interest is incurred on amounts outstanding on the Revolving Credit Facility at September 30, 2026 at the Company's effective interest rate during the current quarter and the principal balance is repaid June 30, 2028.

(3) Assumes interest is incurred on the principal amount outstanding on the Bond at Inception at the prescribed rate of 6.23% and the principal amount is reduced by 6% amortization payments on December 15th of 2027, 2028 and 2029, with the remainder due on December 15, 2030.

LEGAL PROCEEDINGS AND OTHER CONTINGENCIES

The Company is a plaintiff or defendant in various legal actions and other disputes arising from time to time in the normal course of business. The Company believes that any liabilities that may arise pertaining to these matters will not have a material effect on its financial position.

CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting policies are disclosed in note 3 to the Company's condensed unaudited interim financial statements for the three and nine months ended September 30, 2026. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. These accounting policies are discussed below and are included to aid the reader in assessing the critical accounting policies and practices of the Company and the likelihood of materially different results than reported. The Company's management reviews its estimates regularly. The emergence of new information and changed circumstances may result in actual results that differ materially from current estimates.

Oil and natural gas reserves

Proved and probable reserves, as defined by the Canadian Securities Administrators in NI 51-101 with reference to the COGE Handbook, are estimated using independent reserves evaluator reports and represent the estimated quantities of crude oil, natural gas and natural gas liquids which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from known reservoirs and which are considered commercially producible. There should be a 50% statistical probability that the actual quantity of recoverable reserves will be more than the amount estimated as proved and probable and a 50% statistical probability that it will be less. The equivalent statistical probabilities for the proved component of proved and probable reserves are 90% and 10%, respectively. Determination of reserves is a complex process involving judgments, estimates and decisions based on available geological, engineering, production and any other relevant data. These estimates are subject to material change as economic conditions change and ongoing production and development activities provide new information.

Purchase price allocations and calculations of depletion and depreciation, impairment loss and deferred income tax assets are based on estimates of oil and natural gas reserves. Reserves estimates are based on engineering data, estimated future commodity prices and operating costs, expected future rates of production and timing and amount of future capital expenditures. By their nature, these estimates are subject to measurement uncertainties and interpretations and the impact on the financial statements could be material. The Company expects that over time, its reserves estimates will be revised upward or downward based on updated information such as the results of future drilling, testing and production levels and may be affected by changes in commodity prices.

Recoverable amounts of CGUs

The recoverable amount of a CGU used in the assessment of impairment is the greater of its value-in-use ("**VIU**") and its fair value less costs to sell ("**FVLCTS**"). VIU is determined by estimating the present value of the future net cash flows from the continued use of the CGU, and is subject to the risks associated with estimating the value of reserves. FVLCTS refers to the amount obtainable from the sale of a CGU in an arm's length transaction between knowledgeable, willing parties less costs of disposal. The criteria used in the estimation of this amount are discussed in note 4 to the audited annual financial statements for the years ended December 31, 2025 and December 31, 2024.

Both VIU and FVLCTS estimates include the estimated reserves values in their determination. The key assumptions and estimates of the value of oil and natural gas reserves and the existing and potential markets for the Company's oil and natural gas assets are made at the time of reserves estimation and market assessment and are subject to change as new information becomes available. Changes in international and regional factors, including supply and demand of commodities, inventory levels, drilling activity, currency exchange rates, weather, geopolitical and general economic environment factors, may result in significant changes to the estimated recoverable amounts of CGUs.

Decommissioning obligations

The Company is required to set up a provision for future removal and site restoration costs. The Company must estimate these costs in accordance with existing laws, contracts or other policies. These estimated costs are charged to property, plant and equipment and the appropriate liability account over the expected service life of the asset. The estimate of future removal and site restoration costs involves a number of estimates related to timing of abandonment, determination of the economic life of the asset, costs associated with abandonment and site restoration, discount rates and review of potential abandonment methods.

Income taxes

The determination of the Company's income and other tax assets and liabilities requires interpretation of complex laws and regulations often involving multiple jurisdictions. All tax filings are subject to audit and potential reassessment after the lapse of considerable time. Accordingly, the actual income tax asset or liability may differ from that estimated and recorded by management. The Company estimates its future income tax rate in calculating its future income tax asset or liability. Various assumptions are made in assessing when temporary differences will reverse and this may impact the rate used.

Business combinations

The amounts recorded for identifiable assets acquired, liabilities assumed, goodwill or a gain from a bargain purchase will depend on management's assumptions and estimates of future events, in particular, those assumptions and estimates used in the estimation of the fair value of oil and natural gas reserves. Key assumptions developed by management used to determine the fair value of the PP&E assets acquired included the discount rates, expected future rates of production, future commodity prices, operating expenses, and development costs.

Management applies significant judgment in estimating the fair value of the PP&E assets acquired in a business combination. To estimate the fair value of the PP&E assets, management uses a discounted future cash flow model to determine the net present value of after-tax future cash flows from the oil and natural gas reserves. The fair values of identifiable assets and liabilities acquired are estimated based on information available at the time of preparation of the financial statements and could be subject to change.

ADOPTION OF ACCOUNTING POLICIES

The following accounting policies were adopted during the nine months ended September 30, 2026:

(i) Restricted cash

Restricted cash consists of cash balances that are required to be held in an Israeli bank account by the Bond Trustee to be used for future interest payments. These amounts are not available for general operating purposes.

Restricted cash is classified separately from cash and cash equivalents on the statement of financial position. Where restrictions are expected to be released within twelve months, the amounts are classified as current assets; otherwise, they are classified as non-current assets.

Restricted cash is measured at amortized cost in accordance with IFRS 9 "Financial Instruments".

(ii) Bond liability

The Bonds are initially recognized at fair value, net of directly attributable transaction costs. Subsequent to initial recognition, the bond liability is measured at amortized cost using the effective interest method in accordance with IFRS 9 "Financial Instruments". Interest expense is recognized in the statement of income over the term of the Bonds using the effective interest rate, which incorporates the amortization of transaction costs and any premiums or discounts.

Because the Bonds are denominated in a foreign currency, they are translated into Canadian dollars at the closing exchange rate at each reporting date in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign exchange gains and losses arising from translation are recognized in net income in the period in which they occur.

The Company has not designated the Bonds in a hedging relationship. Accordingly, all foreign exchange movements are recorded in foreign exchange gain/loss.

The bond liability is classified as non-current unless settlement is due within twelve months of the reporting date.

(iii) IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments: Disclosures"

The company has adopted, as of January 1, 2026, the amendments to IFRS 9, "Financial Instruments", and IFRS 7, "Financial Instruments: Disclosures". The amendments include clarifications on the derecognition of financial liabilities and the classification of certain financial assets. In addition, new disclosure requirements for equity instruments designated as fair value through other comprehensive income were added. This amendment did not have a material impact on the Company's financial statements.

The Company has reviewed the following reporting and accounting standards that have been issued, but are not yet effective:

(i) IFRS 18 "Presentation and Disclosure in Financial Statements"

The IASB has issued IFRS 18 – Presentation and Disclosure in Financial Statements to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, impacts the presentation of primary financial statements and notes, mainly the income statement where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. IFRS 18 will require management-defined performance measures to be explained and included in a separate note within the financial statements. The standard is effective for financial statements beginning on January 1, 2027, including interim financial statements and requires retrospective application. The Company is currently assessing the impact of this standard. IFRS 18 results in a consequential amendment to IAS 7 'Statement of Cash Flows' which will result in a material change to the presentation of the Company's Consolidated Statement of Cash Flows, as interest and financing expense currently classified within operating activities will be presented within financing activities. The adoption of IFRS 18 is not expected to have an impact on the Company's financial position, net earnings, or total cash flows. The Company will continue its assessment of the presentation and disclosure impacts of IFRS 18, including finalizing the identification of management-defined performance measures and implementation of the related presentation and disclosure requirements.

CONTROLS AND PROCEDURES

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have designed, or caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that: (i) material information relating to the Company is made known to the Company's CEO and CFO by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time period specified in securities legislation.

The Company's CEO and CFO have designed, or caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company is required to disclose herein any change in the Company's internal controls over financial reporting that occurred during the period beginning on July 1, 2026 and ended on September 30, 2026 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting. No material changes in the Company's internal controls over financial reporting were identified during such period that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

It should be noted that a control system, including the Company's disclosure and internal controls and procedures, no matter how well conceived, can provide only reasonable, but not absolute assurance that the objectives of the control system will be met and it should not be expected that the disclosure and internal controls and procedures will prevent all errors or fraud.

BUSINESS RISKS

Oil and natural gas exploration and production is capital intensive and involves a number of business risks including, without limitation, the uncertainty of finding new reserves, the instability of commodity prices, weather, and various operational risks. Commodity prices are influenced by local and worldwide supply and demand, OPEC actions, ongoing global economic concerns, aggression by Russia towards Ukraine and other neighbouring nations, the war in the Middle East, and the actions, including sanctions, taken by NATO nations

against this aggression, U.S. tariffs, counter tariffs and support for existing treaty and trade relationships, the US dollar exchange rate, transportation costs, political stability, Indigenous land claims, inflation and rising interest rates and seasonal and weather-related changes to demand. The concern over increasing US natural gas production, driven primarily by the US shale gas plays, continues to depress the natural gas futures market. Oil prices continue to remain volatile as oil is a geopolitical commodity, affected by concerns about global economic markets, continued instability in oil producing countries and increases in production from US tight oil plays. Current areas of geopolitical risk include: Russia's military invasion of Ukraine; and rising civil unrest and activism globally. Differentials between WTI oil prices and prices received in Alberta are volatile. The industry is subject to extensive governmental regulation with respect to the environment. Over the past number of years, several new environmental regulations at both the Federal and Provincial level were announced, though the details of how some of the regulations will be implemented have yet to be released. Operational risks include well performance, uncertainties inherent in estimating reserves, timing of/ability to obtain and maintain drilling licenses and other regulatory approvals, ability to obtain equipment, expiration of licenses and leases, competition from other producers, third-party transportation and processing disruption issues, sufficiency of insurance, ability to manage growth, reliance on key personnel, cyber security risks, third party credit risk and appropriateness of accounting estimates. These additional risks are described in more detail in the Company's most recent AIF filed with certain Canadian securities regulatory authorities on SEDAR at www.sedarplus.ca.

The Company makes substantial capital expenditures for the acquisition, exploration, development and production of oil and natural gas reserves. As the Company's revenues may decline as a result of decreased commodity pricing, it may be required to reduce capital expenditures. In addition, uncertain levels of near-term industry activity coupled with the present global economic concerns exposes the Company to additional access-to-capital risk. There can be no assurance that debt or equity financing, or funds generated by operations, will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

InPlay manages these risks by employing competent and professional staff, following sound operating practices and using capital prudently. The Company generates its exploration and development prospects internally and performs extensive geological, geophysical, engineering, and environmental analysis before committing to the drilling of new prospects. InPlay seeks out and employs new technologies where possible. With the Company's extensive potential drilling opportunities and advance planning, the Company believes it can manage the regulatory approval process and the requirements for extensive landowner consultation.

The Company has a formal emergency response plan which details the procedures employees and contractors will follow in the event of an operational emergency. The emergency response plan is designed to respond to emergencies in an organized and timely manner so that the safety of employees, contractors, residents in the vicinity of field operations, the general public and the environment are protected. A corporate safety program covers hazard identification and control on the jobsite, establishes Company policies, rules and work procedures and outlines training requirements for employees and contract personnel.

The Company currently deals with a small number of buyers and sales contracts, and endeavors to ensure that those buyers are an appropriate credit risk. The Company continuously evaluates the merits of entering into fixed price or financial hedge contracts for price management.

The oil and natural gas business is subject to regulation and intervention by governments in such matters as the awarding of exploration and production interests, the imposition of specific drilling obligations, environmental protection controls, control over the development and abandonment of fields (including restrictions on production) and possibly expropriation or cancellation of contract rights. As well, governments may regulate or intervene with respect to prices, taxes, royalties, transportation and the exportation of oil and natural gas. Such regulation may be changed from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the oil and natural gas industry could reduce demand for oil and natural gas, increase the Company's costs, impact the Company's ability

to get its product to market, or affect its future opportunities.

The oil and natural gas industry is currently subject to environmental regulations pursuant to a variety of provincial and federal legislation. Such legislation provides for restrictions and prohibitions on the release or emission of various substances produced in association with certain oil and natural gas industry operations. Such legislation may also impose restrictions and prohibitions on water use or processing in connection with certain oil and natural gas operations. In addition, such legislation requires that well and facility sites be abandoned and reclaimed to the satisfaction of provincial authorities. Compliance with such legislation can require significant expenditures and a breach of such requirements may result in, amongst other things, suspension or revocation of necessary licenses and authorizations, civil liability for pollution damage, and the imposition of material fines and penalties.

Emissions, carbon and other regulations impacting climate and climate-related matters are constantly evolving. With respect to environmental, social and governance ("**ESG**") and climate reporting, the International Sustainability Standards Board has issued an IFRS Sustainability Disclosure Standard with the aim to develop sustainability disclosure standards that are globally consistent, comparable and reliable. In addition, the Canadian Securities Administrators ("**CSA**") have issued a proposed National Instrument 51-107 Disclosure of Climate-related Matters. This initiative was paused by the CSA on April 23, 2025. The cost to comply with these standards, and others that may be developed or evolve over time, is not quantifiable at this time.

Based on the Company's current understanding, the potential physical risks resulting from climate change are long-term in nature and associated with a high degree of uncertainty regarding timing, scope, and severity of potential impacts. Many experts believe global climate change could increase extreme variability in weather patterns such as increased frequency of severe weather, rising mean temperature and sea levels, and long-term changes in precipitation patterns. Extreme hot and cold weather, heavy snowfall, heavy rainfall, and wildfires may restrict the Company's ability to access its properties and cause operational difficulties, including damage to equipment and infrastructure. Extreme weather also increases the risk of personnel injury as a result of dangerous working conditions. Certain of the Company's assets are located in locations that are proximate to forests and rivers and a wildfire or flood may lead to significant downtime and/or damage to the Company's assets or cause disruptions to the production and transport of its products or the delivery of goods and services in its supply chain.

InPlay's exploration and production facilities and other operations and activities emit greenhouse gases ("**GHG**") which may require the Company to comply with federal and/or provincial GHG emissions legislation. Climate change policy is evolving at regional, national and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place to prevent climate change or mitigate our effects. The direct or indirect costs of compliance with GHG-related regulations may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. Some of InPlay's significant facilities may ultimately be subject to future regional, provincial and/or federal climate change regulations to manage GHG emissions. In addition, climate change has been linked to long-term shifts in climate patterns and extreme weather conditions both of which pose the risk of causing operational difficulties.

Upon the occurrence of a natural disaster, or upon an incident of war, riot or civil unrest, the impacted country, province, or region may not efficiently and quickly recover from such event, which could have a materially adverse effect on the Company, its customers, and/or either of their businesses or operations. Terrorist attacks, public health crises including epidemics, pandemics or outbreaks of new infectious disease or viruses (including, most recently, COVID-19), civil unrest and related events can result in volatility and disruption to local and global supply chains, operations, mobility of people and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to the Company, its customers, and/or either of their businesses or operations.

The election of President Trump in the U.S. may result in legislative and regulatory changes that could have an adverse effect on InPlay and its financial condition. In particular, there is uncertainty regarding the newly implemented U.S. tariffs and support for existing treaty and trade relationships, including with Canada.

Implementation by the U.S. government of new legislative or regulatory policies could impose additional costs on InPlay, decrease U.S. demand for InPlay's products, or otherwise negatively impact InPlay, which may have a material adverse effect on InPlay's business, financial condition and operations. In addition, this uncertainty may adversely impact: (i) the ability of companies to transact business with companies such as InPlay; (ii) InPlay's profitability; (iii) regulation affecting the Canadian oil and gas industry; (iv) global stock markets (including the TSX and TASE); and (v) general global economic conditions. All of these factors are outside of InPlay's control but may nonetheless lead InPlay to adjust its strategy in order to compete effectively in global markets.

The Company's business may be adversely affected by geopolitical conflicts abroad. The current hostilities between the United States, Iran and Israel have created significant uncertainty. The situation poses ongoing risks to regional stability in the Middle East, a key hub for global oil production. Continued conflict or escalation could disrupt energy supply chains and drive volatility in oil and natural gas markets. Such instability could materially impact the global economy, the Canadian oil and gas industry, and the Company.

OUTLOOK

Reflecting the strong 2026 production performance to date, and notwithstanding weather related delays, InPlay reiterates its 2026 average annual production guidance of 18,900 – 19,400 boe/d[2] (61% – 63% light oil and NGLs). Based on current strip pricing, the Company has increased forecast 2026 AFF by 10% to $178 – $184 million. Forecast FAFF has increased by 19% to $96 – $104 million, representing a FAFF yield of 19% – 21%. Year-end net debt to annualized Q4 2026 EBITDA is forecast at 1.0x – 1.1x.

InPlay is excited to provide preliminary 2027 production and capital guidance. With 2027 WTI strip pricing of approximately US$80/bbl and AECO pricing below $2.00/GJ, the Company's capital program will target increased organic growth through oil-weighted drilling, including expanded Belly River development on newly acquired lands. This focus prioritizes higher-value oil production over total boe volumes, with over 85% of our revenue coming from oil.

Key highlights of the preliminary 2027 capital program include:

- Capital program of $95 – $105 million.
- Production of 20,100 – 21,000 boe/d[2] (64% – 65% light oil and NGLs).
- AFF of $206 – $218 million, a 17%[5] increase from 2026.
- FAFF of $101 – $123 million, a 12%[5] increase from 2026.

Notes:

1. *See table in the Reader Advisories for key budget and underlying material assumptions related to the Company's 2026 capital program and associated guidance.*
2. *See "Production Breakdown by Product Type"*
3. *Capital management measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.*
4. *Non-IFRS 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" within this MD&A for details of calculations, rationale for use and applicable reconciliation to the nearest IFRS measure.*
5. *Based on mid-point of 2026 guidance or 2027 preliminary guidance where applicable.*

SELECTED QUARTERLY INFORMATION

The following table provides financial and operating results for the last eight quarters. Commodity prices remain volatile, affecting adjusted funds flow and profit throughout those quarters.

($ amounts in thousands, except per share amounts)	**Q3 2026**	Q2 2026	Q1 2026	Q4 2025
Oil and natural gas sales	**118,805**	124,113	88,437	81,485
Oil and natural gas sales, net of royalties	**97,226**	102,865	77,232	70,907
Profit (loss)	**(2,171)**	22,930	(34,629)	3,042
Profit (loss) per share, basic	**(0.08)**	0.82	(1.24)	0.11
Profit (loss) per share, diluted	**(0.08)**	0.78	(1.24)	0.11
Capital expenditures – PP&E	**22,294**	16,138	22,868	11,182
Capital expenditures – E&E	**48**	101	68	53
Property acquisitions (dispositions)	**54,300**	26	368	(427)
Adjusted funds flow[2]	**51,383**	44,693	30,145	30,708
Adjusted funds flow per share, basic[3]	**1.86**	1.61	1.08	1.10
Adjusted funds flow per share, diluted[3]	**1.76**	1.52	1.02	1.10
Adjusted funds flow per boe[3]	**29.01**	26.31	18.27	17.04
Net debt[2]	**257,537**	216,025	223,458	217,994

	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Oil and natural gas sales	79,347	91,639	38,936	40,039
Oil and natural gas sales, net of royalties	66,911	79,844	34,162	34,786
Profit (loss)	(4,803)	(3,194)	(2,887)	2,220
Profit (loss) per share, basic	(0.17)	(0.12)	(0.19)	0.12
Profit (loss) per share, diluted	(0.17)	(0.12)	(0.18)	0.12
Capital expenditures – PP&E	22,259	4,571	13,836	6,191
Capital expenditures – E&E	46	42	52	13
Property acquisitions (dispositions)	(1,710)	293,274	343	-
Adjusted funds flow[2]	26,800	40,080	16,782	18,749
Adjusted funds flow per share, basic[3]	0.96	1.49	1.10	1.26
Adjusted funds flow per share, diluted[3]	0.96	1.49	1.06	1.20
Adjusted funds flow per boe[3]	15.36	21.59	20.54	21.74
Net debt[2]	228,409	223,223	63,286	60,895

(1) Quarterly amounts may not add to equal the total annual amounts due to rounding.

(2) Capital management measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

(3) Supplementary financial measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A

InPlay's capital program for 2024 consisted of $63.1 million of exploration and development capital. The Company drilled, completed and brought on production two (1.9 net) extended reach horizontal ("ERH") wells in Willesden Green, two (2.0 net) one-mile horizontal wells in Willesden Green, three (3.0 net) ERH wells in Pembina, four (4.0 net) Pembina Cardium Unit #7 ERH wells, one (1.0 net) Belly River well, and three (0.65 net) non-operated Willesden Green ERH wells during 2024. This activity amounted to the drilling of 15 gross (12.6 net) wells. Additionally, the Company incurred drilling costs on one (1.0 net) Glauconite well where drilling challenges resulted in casing failure and led to the termination of drilling operations. In addition, approximately $5.4 million was spent on the optimization of wells during 2024 on changing plunger lifts to downhole pumps and lowering pumps in horizontal wells.

On April 7, 2025, the Company closed the previously announced acquisition of Cardium light oil focused assets in the Pembina area of Alberta from Obsidian Energy Ltd. for consideration of approximately $291.1 million. Consideration consisted of $203 million cash payment, the issuance of 9,139,784 common shares of InPlay to Obsidian valued at $8.58 per share based on the closing price of InPlay shares on April 6, 2025, and the inclusion of InPlay's non-operated assets at Willesden Green Unit 2.

InPlay's capital program for 2025 consisted of $52.0 million of development capital. The Company drilled, completed and brought on production ten (8.2 net) extended reach horizontal Cardium wells during the year and completed a significant operated gas plant expansion and other facility projects. The Company also completed an active well servicing program during 2025 spending $3.3 million of capital on optimization activities.

InPlay invested $61.5 million in development capital during the first nine months of 2026, drilling and completing fifteen (14.7 net) wells and participating in two (0.2 net) non-op Cardium wells. Two (2.0 net) wells came on production in February, three (3.0 net) in April, three (3.0 net) in May, two (2.0 net) in September and three (2.7 net) in mid-October. The Company drilled the first well on a two (2.0 net) well Cardium pad and the first well on a two (2.0 net) well Belly River pad in the third quarter. Both Belly River wells came on production in early November, while both Cardium wells are expected to come on production later in November.

On August 21, 2026, the Company completed a plan of arrangement whereby InPlay acquired all of the issued and outstanding common shares of a private oil and gas producer for an enterprise value of $54.4 million, comprising cash consideration of $48.8 million and the assumption of $5.6 million of net debt.

SELECTED ANNUAL INFORMATION

Years Ended December 31 (in thousands, except per share amounts)	**2025**	2024	2023
Total oil and natural gas sales[1]	**291,407**	153,713	179,366
Oil and natural gas sales, net of royalties[1]	**251,824**	133,749	156,850
Profit (loss)	**(7,842)**	9,469	32,702
Profit (loss) per share, basic[2]	**(0.32)**	0.66	2.22
Profit (loss) per share, diluted[2]	**(0.32)**	0.60	2.16
Total assets	**1,104,404**	476,255	472,956
Total credit facilities	**222,104**	63,134	47,161
Total net debt[3]	**217,994**	60,895	45,679

(1) The oil and natural gas sales exclude realized and unrealized gains (losses) on risk management derivative contracts: 2025 excludes $4.5 million realized gain and $9.7 million unrealized gain; 2024 excludes $2.8 million realized gain and ($0.5 million) unrealized loss; 2023 excludes $3.6 million realized gain and ($1.7 million) unrealized loss.

(2) Basic and diluted profit per share for 2024 and 2023 were adjusted to reflect the 6 to 1 share consolidation.

(3) Capital management measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

ADDITIONAL INFORMATION

Additional information regarding InPlay and its business and operation, including its most recently filed annual information form, is available on the Company's profile on SEDAR+ at www.sedarplus.ca. This information is also available on the Company's website at www.inplayoil.com.

CONVERSION MEASURES AND SHORT-TERM PRODUCTION RATES

Production volumes and reserves are commonly expressed on a boe basis whereby natural gas volumes are converted at the ratio of 6 thousand cubic feet to 1 barrel of oil. Although the intention is to sum oil and natural gas measurement units into one basis for improved analysis of results and comparisons with other industry participants, boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf to 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. In recent years, the value ratio based on the price of crude oil as compared to natural gas has been significantly higher than the energy equivalency of 6:1, and utilizing a conversion of natural gas volumes on a 6:1 basis may be misleading as an indication of value.

Short-term production rates can be influenced by flush production effects from fracture stimulations in horizontal wellbores and may not be indicative of longer-term production performance or ultimate recovery of reserves. Individual well performance may vary.

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", "FAFF yield", "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 section entitled "Operating income and netback" within document for a calculation of these measures and a reconciliation to the nearest GAAP measure. 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 twelve-month trailing 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 Revolving 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, 2026. All references to adjusted funds flow throughout this document are calculated as funds flow adjusting for foreign exchange loss, transaction and integration costs and decommissioning expenditures. Foreign exchange loss is primarily an unrealized movement on the Company's NIS denominated Bonds due to movements in the CAD/NIS exchange rate. In addition, InPlay has effectively mitigated its exposure to fluctuations in the CAD to NIS exchange rate on the NIS denominated Bond by entering into NIS/CAD foreign exchange hedges with notional amounts and terms that align with the future cash outflow requirements of the Bonds. Therefore, at the end of the life of the Bonds, the FX impact on the Company will be insignificant. Transaction and integration costs are non-recurring costs for the purposes of an acquisition, making the exclusion of these items relevant in Management's view to the reader in the evaluation of InPlay's operating performance. 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, 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 (Bond at Inception value less unamortized transaction costs) plus accounts payable and accrued liabilities less accounts receivables and accrued receivables, restricted cash, cash and cash equivalents, 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 statements and forward-looking information (collectively referred to herein as "**FLI**" or "**forward-looking statements**") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "targets", "should", or similar words suggesting future outcomes. In particular, this document contains forward-looking statements relating, but not limited, to:

- 2026 guidance based on the planned capital program of $80 - $82 million including forecasts of 2026 annual average production levels, light oil and liquids weightings, adjusted funds flow, free adjusted funds flow, Net Debt/EBITDA ratio, and growth rates;
- 2027 preliminary guidance based on the preliminary capital program of $95 - $105 million including preliminary forecasts of 2027 annual average production levels, light oil and liquids weightings, adjusted funds flow, free adjusted funds flow, and growth rates;
- the information contained within the "Outlook" section;
- the possible refinement of our 2026 capital program and preliminary 2027 capital program and anticipated changes resulting therefrom;
- management's assessment of the potential and uncertain continuing impacts of the Russian/Ukraine and Middle East conflicts on the Company's operations and results;
- the estimated time to payout of wells;
- production estimates;
- expectations regarding the business environment, industry conditions and future commodity prices;
- InPlay's business strategy, goals and management focus;
- sources of funds for the Company's operations, capital expenditures and decommissioning obligations;
- future liquidity and the Company's access to sufficient debt and equity capital;
- the resource potential of InPlay's asset base and future prospects for development and growth;
- future costs, expenses and royalty rates;
- the volume and product mix of InPlay's oil and gas production;
- future exchange rate between the $US and $Cdn
- expectations regarding InPlay's tax horizon;
- capital management strategies;

- the anticipated continuation of the Company's monthly dividend program and the amounts of dividends;
- the timing and impact of new accounting policies and standards;
- treatment under governmental and other regulatory regimes and tax, environmental and other laws;
- the potential scope and duration of tariffs, export taxes, export restrictions or other trade actions;
- magnitude and duration of potential new or increased tariffs may be imposed on goods imported from Canada into the United States, which could adversely impact InPlay's revenues;
- the potential for new and increased U.S. tariffs and protectionist trade measures on Canadian oil and gas imports;
- 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;
- with a global footprint and supply chain, 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; and
- the risk that the new U.S. administration 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 InPlay's products and/or otherwise adversely affect InPlay.

Forward-looking statements regarding InPlay are based on certain key expectations and assumptions of InPlay concerning anticipated financial performance, business prospects, strategies, regulatory developments, current commodity prices and exchange rates, applicable royalty rates, tax laws, future well production rates and reserve volumes, future operating costs, the performance of existing wells, the success of its exploration and development activities, the sufficiency and timing of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services, the impact of increasing competition, conditions in general economic and financial markets, availability of drilling and related equipment effects of regulation by governmental agencies, the ability to obtain financing on acceptable terms which are subject to change based on commodity prices, world events, market conditions, drilling success and potential timing delays.

These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond InPlay's control. Such risks and uncertainties include, without limitation: the impact of general economic conditions; volatility in market prices for crude oil and natural gas; the risk that (i) the U.S. and/or Canadian governments increases the rate or scope of new tariffs effected on March 4, 2025, and subsequently paused on March 6, 2025, if they come into effect in the future, or imposes new tariffs on the import of goods from one country to the other, 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 by the U.S. on other countries and responses thereto 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 InPlay; the ongoing Russia/Ukraine and Middle East conflicts; industry conditions; currency fluctuations; imprecision of reserve estimates; liabilities inherent in crude oil and natural gas operations; environmental risks; incorrect assessments of the value of acquisitions and exploration and development programs; competition from other producers; the lack of availability of qualified personnel,

drilling rigs or other services; changes in income tax laws or changes in royalty rates and incentive programs relating to the oil and natural gas industry; hazards such as fire, explosion, blowouts, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; and ability to access sufficient capital from internal and external sources.

Management has included the above summary of assumptions and risks related to forward-looking statements provided in this document in order to provide readers with a more complete perspective on InPlay's future operations and such information may not be appropriate for other purposes. InPlay's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that InPlay will derive there from. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this document and InPlay disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. Additional information on these and other factors and risks that could affect InPlay's operations and financial results are included in the Company's public disclosure documents on file with Canadian securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca) or at InPlay's website (www.inplayoil.com).

The internal projections, expectations, or beliefs underlying the 2026 capital budget and associated guidance, and 2027 financial outlook and preliminary 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, and 2027 financial outlook and preliminary guidance, provide 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 guidance for 2026 and preliminary guidance for 2027 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 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; 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 and preliminary 2027 capital program, anticipated 2026 production and associated guidance, 2027 preliminary 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 preliminary 2027 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 2027 preliminary 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 and 2027 preliminary guidance are as follows:

		Actuals FY 2025	Current Guidance FY 2026	Previous Guidance FY 2026[1]	Preliminary Guidance FY 2027[2]
WTI	US$/bbl	$64.81	$85.80	$80.50	$80.00
NGL Price	$/boe	$33.42	$42.15	$38.80	$39.15
AECO	$/GJ	$1.59	$1.70	$1.75	$1.90
Foreign Exchange Rate	US$/CDN$	0.72	0.72	0.73	0.72
MSW Differential	US$/bbl	$3.57	$0.45	$1.15	$3.00
Production	Boe/d	17,043	18,900 – 19,400	18,900 – 19,400	20,100 – 21,000
Revenue	$/boe	46.84	65.00 – 70.00	59.75 – 64.75	62.25 – 67.25
Royalties	$/boe	6.36	11.75 – 12.50	10.25 – 11.25	11.25 – 12.25
Operating Expenses	$/boe	16.42	18.00 – 19.00	17.50 – 19.50	17.25 – 19.25
Transportation	$/boe	0.89	0.90 – 1.05	0.80 – 1.00	0.80 – 1.00
Interest	$/boe	3.13	3.00 – 3.75	2.85 – 3.85	2.25 – 3.25
General and Administrative	$/boe	2.36	2.15 – 2.50	2.10 – 2.55	2.00 – 2.50
Hedging loss (gain)	$/boe	(0.72)	4.00 – 5.00	2.50 – 3.50	0.00 – 2.00
Decommissioning Expenditures	$ millions	$4.2	$12.0 – $14.0	$11.0 – $15.0	$20.0 – $24.0
Adjusted Funds Flow	$ millions	$114.4	$178 – $184	$161 – $169	$206 – $218
Dividends	$ millions	$27	$30	$30	$30
NCIB Purchases	$ millions	-	$10	-	-

		Actuals FY 2025	Current Guidance FY 2026	Previous Guidance FY 2026[1]	Preliminary Guidance FY 2027[2]
Adjusted Funds Flow	$ millions	$114.4	$178 – $184	$161 – $169	$206 – $218
Capital Expenditures	$ millions	$52	$80 – $82	$80 – $82	$95 – $105
Free Adjusted Funds Flow	$ millions	$62.4	$96 – $104	$79 – $89	$101 – $123
Shares outstanding, end of year	# millions	28.0	27.5	28.0	27.5
Assumed share price	$/share	$12.40	18.00	15.00	18.00
Market capitalization	$ millions	$347	$495	$420	$495
FAFF Yield	%	18%	19% – 21%	19% – 21%	20% – 24%

		Actuals FY 2025	Current Guidance FY 2026	Previous Guidance FY 2026[1]
Revenue	$/boe	46.84	65.00 – 70.00	59.75 – 64.75
Royalties	$/boe	6.36	11.75 – 12.50	10.25 – 11.25
Operating Expenses	$/boe	16.42	18.00 – 19.00	17.50 – 19.50
Transportation	$/boe	0.89	0.90 – 1.05	0.80 – 1.00
Operating Netback	$/boe	23.17	33.50 – 38.50	29.75 – 34.75
Operating Income Profit Margin		49%	53%	52%

		Actuals Q4 2025[3]	Current Guidance Q4 2026[4]	Previous Guidance FY 2026[1][4]
Adjusted Funds Flow	$ millions	$122.8	$214 – $220	$172 – $180
Interest	$/boe	3.43	3.00 – 3.25	2.75 – 3.75
EBITDA	$ millions	$147.6	$237 – $243	$196 – $204
Net Debt	$ millions	$218	$238 – $244	$246 – $254
Net Debt/EBITDA		1.47	1.0 – 1.1	1.2 – 1.3

(1) As previously released August 5, 2026.

(2) Preliminary guidance remains subject to refinement as the Company completes its planning process and assesses prevailing market conditions.

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

(4) 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.

PRELIMINARY 2027 GUIDANCE

The preliminary 2027 guidance contained in this news release reflects management's current expectations and is based on a proposed 2027 capital program that has not yet been approved by the Company's Board of Directors. The proposed capital program remains subject to Board review and approval, and the final capital program and associated guidance may differ materially from those presented herein. The preliminary guidance assumes approval and execution of the proposed capital program substantially as contemplated and is subject to the other assumptions and risks described in this news release. This information is provided to assist readers in understanding management's current expectations regarding the Company's potential financial and operating performance in 2027 and may not be appropriate for other purposes.

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)
Q1 2025 Average Production	3,429	1,572	24,452	9,076
Q2 2025 Average Production	10,328	2,401	46,029	20,401
Q3 2025 Average Production	9,122	2,334	45,081	18,970
2025 Average Production	8,143	2,180	40,323	17,043
Q1 2026 Average Production	8,813	2,295	43,373	18,337
Q2 2026 Average Production	9,382	2,224	42,345	18,663
Q3 2026 Average Production	9,565	2,347	44,055	19,254
2026 Annual Guidance	9,605	2,290	43,530	19,150[(1)]
2027 Annual Preliminary Guidance	10,915	2,295	44,040	20,550[(2)]

Notes:

1. *This reflects the mid-point of the Company's 2026 production guidance range of 18,900 to 19,400 boe/d.*
2. *This reflects the mid-point of the Company's 2027 preliminary production guidance range of 20,100 to 21,000 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, 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 ("Nl 51-101").

ABBREVIATIONS USED

bbl	Barrel	AECO	intra-Alberta Nova inventory transfer price
bpd	barrels per day	GJ	gigajoule
boe	barrel of oil equivalent	Mcf	thousand cubic feet
boed	barrels of oil equivalent per day	Mcfd	thousand cubic feet per day
bopd	barrels of oil per day	MMBtu	million British thermal units
Mbbls	thousand barrels	MMcf	million cubic feet
Mboe	thousand barrels of oil equivalent	MMcfd	million cubic feet per day
MMboe	million barrels of oil equivalent	Bcf	billion cubic feet
Mstb	thousand stock tank barrels	NGL	natural gas liquids
m3	cubic metres	Cdn	Canadian
WTI	West Texas Intermediate	US	United States