InPlay Oil Corp. Announces 2025 Capital Budget

February 4, 2025 - Calgary Alberta – InPlay Oil Corp. (TSX: IPO) (OTCQX: IPOOF) ("InPlay" or the "Company") announces that its Board of Directors have approved a capital program of $41 – $44 million for 2025.

InPlay has adopted a highly capital efficient and disciplined capital program for 2025 strategically focused on maximizing Free Adjusted Funds Flow ("FAFF")(2). Key highlights of the 2025 capital program include:

- **Production Growth with a 33% Reduction in Capital Budget:** Forecasted production of 8,650 – 9,150 boe/d representing a 2% increase from 2024 based on the mid-point. InPlay's capital budget benefits from:
  - Lower corporate base decline rate.
  - Materially enhanced capital efficiencies as InPlay plans to direct the majority of our development drilling to PCU7 our most productive, capital efficient property where we lowered drilling and completion costs by approximately 25%. Enhanced capital efficiencies and a lower corporate decline rate allows InPlay to reduce its total well count from 12.6 net wells in 2024 to 8.0 – 9.0 net wells in 2025.
  - Significant reduction in spending on infrastructure and other capital items that do not directly add production ($3.9 million in 2025 vs. $11.3 million in 2024).
- **20% FAFF Yield and 11% Dividend Yield:** FAFF(2) of $29.5 million representing a FAFF Yield(2) of 20% at the mid-point. InPlay's FAFF exceeds its base annual dividend of $16.5 million (based on the current monthly dividend rate of $0.015/share or $0.18/share annualized) insulating the Company in the event of commodity price fluctuations. InPlay's dividend represents a dividend yield of approximately 11% at the current share price.
- **Top Tier Total Return of 22%:** 20% FAFF Yield combined with 2% production growth generates total return of 22%, which is expected to be at the high end of our peer group.
- **Debt Reduction:** InPlay plans to utilize excess FAFF to reduce debt. InPlay is forecasted to exit 2025 with Net Debt (4) of $52 – $58 million with a Net Debt to EBITDA ratio(2) of 0.6x – 0.8x which is among the lower leverage ratios amongst our peers.

InPlay anticipates increased volatility in commodity prices throughout 2025 as the global energy market digests the impact of US tariffs, US sanctions on key oil producing countries and global demand in general.

InPlay currently has forecasted commodity pricing similar to our peers who have previously released 2025 guidance. The table below outlines InPlay's 2025 guidance:

	2025
WTI (US$/bbl)	$72.00
FX (CAD$/US$)	0.70
AECO (CAD$/GJ)	$1.90
Production (boe/d) (1)	8,650 – 9,150
Capital ($ millions)	41 – 44
Net wells	8.0 – 9.0
AFF ($ millions) (4)	69 – 75
FAFF ($ millions) (2)	25 – 34
Net Debt at Year-end ($ millions) (4)	52 – 58
Annual Net Debt / EBITDA (2)	0.6x – 0.8x
Dividend ($ millions)	16.5

InPlay plans to allocate a significant portion of its 2025 capital budget to PCU7, following up on the success of our four well program in H2 2024. Operational improvements in drilling and completions since our previous drilling program in PCU7 (spring 2022) have resulted in substantial cost savings, with the total cost of our latest three-well pad coming in approximately 25% lower than projected. Development of PCU7 is no longer facility constrained following the Company securing a long-term gas handling agreement which guarantees access to natural gas processing capacity. In 2025, InPlay plans to drill approximately 6.0 net Extended Reach Horizontal ("ERH") Cardium wells in PCU7. The Company intends to drill an additional 1.0 – 2.0 net Cardium ERH wells in Pembina and Willesden Green, which we believe will also benefit from cost savings leveraging the drilling and completions operational enhancements achieved in PCU7. In addition to the 6.0 net ERH Cardium wells in PCU7, the remaining 2.0 to 3.0 net wells will be some combination of Cardium, Glauconite and/or Belly River locations.

InPlay undertook significant investment in 2023 ($13.4 million) and 2024 ($11.3 million) on infrastructure and other capital items that did not directly contribute to production adds. This investment was primarily related to upgrading and replacing mature operated natural gas facilities. With these major infrastructure projects behind us, InPlay will benefit from lower sustaining capital in 2025 and many years to come.

In the first quarter of 2025, the Company plans to drill three (3.0 net) ERH Cardium wells in PCU7. This will represent one of our lowest Q1 capital spends in corporate history as we benefit from greater capital efficiencies and a lower corporate decline rate. Drilling operations began in January and production is expected to be on-line by March. These wells will offset the three well pad drilled in 2024 which has exceeded internal expectations during its first 90 days of production. The majority of our remaining 2025 capital program will take place in the second half of the year.

To mitigate risk and enhance stability during periods of commodity price volatility, the Company has secured commodity hedges extending through 2025 and into 2026. InPlay has hedged over 40% of natural gas production and over 50% of light crude oil production during 2025 at favorable pricing levels. Refer below for a summary of the Company's commodity-based hedges.

	Q1/25	Q2/25	Q3/25	Q4/25	Q1/26	Q2-Q4/26
Natural Gas AECO Swap (mcf/d)	5,685	5,685	5,685	5,685	5,685	2,845
Hedged price ($AECO/mcf)	$2.47	$2.47	$2.47	$2.47	$2.47	$2.55
Natural Gas AECO Costless Collar (mcf/d)	6,635	2,845	2,845	2,845	2,845	-
Hedged price ($AECO/mcf)	$2.32 - $3.16	$2.11 - $2.77	$2.11 - $2.77	$2.11 - $2.77	$2.11 - $2.77	-
Crude Oil WTI Swap (bbl/d)	500	500	500	500	-	-
Hedged price ($CAD WTI/bbl)	$95.60	$95.60	$95.60	$95.60	-	-
Crude Oil WTI Three-way Collar (bbl/d)	1,700	1,700	1,300	1,300	-	-
Low sold put price ($USD WTI/bbl)	$60.20	$60.20	$59.50	$59.50	-	-
Mid bought put price ($USD WTI/bbl)	$68.10	$68.10	$67.50	$67.50	-	-
High sold call price ($USD WTI/bbl)	$82.90	$82.90	$83.00	$83.00	-	-

InPlay will maintain a prudent approach to capital allocation, continuously evaluating plans in light of commodity prices, inflationary cost pressures, and other factors affecting the business. Should commodity prices improve and stabilize, the Company will remain disciplined and flexible, with the ability to swiftly adjust its capital activity to align with evolving market conditions.

2024 Update

InPlay's capital program for 2024 concluded with a three-well pad in PCU7 which came on-line in October. The pad continues to outperform internal expectations and has achieved average initial production ("IP") rates as follows:

	IP Rate per well (boe/d)	% Light oil and liquids
IP 30	421	65%
IP 60	376	60%
IP 90	353	57%

The strong performance of these new wells, combined with improved third-party facility runtimes and minimal capital expenditures, drove robust FAFF in the fourth quarter.

The Company is finalizing its results for 2024 and expects to achieve production of 8,700 – 8,750 boe/d[1] (58% light crude oil and liquids) with AFF[2] of $68 to $70 million. The Company initially expected to spend $64 – $67 million in 2024, however due to cost savings primarily related to our four well PCU7 drilling program InPlay was able to achieve its production guidance with only spending $63 million for the year. The Company's leverage metrics are expected to remain among the lowest in our peer group, with a forecasted net debt to EBITDA[3] of 0.8x for 2024.

Looking ahead, we remain focused on the profitable development of our high-return asset base and are committed to delivering strong returns to shareholders through 2025 and beyond. On behalf of our employees, management team, and Board of Directors, we extend our gratitude to our shareholders for their continued support.

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Notes:

1. *See "Production Breakdown by Product Type" at the end of this press release.*
2. *Non-GAAP financial measure or ratio that does not have a standardized meaning under International Financial Reporting Standards (IFRS) and GAAP and therefore may not be comparable with the calculations of similar measures for other companies. Please refer to "Non-GAAP and Other Financial Measures" contained within this press release.*
3. *Based on estimated, unaudited year-end 2024 results. See "Reader Advisories – Forward Looking Information and Statements" for underlying assumptions related to our estimated, unaudited year-end 2024 results.*
4. *Capital management measure. See "Non-GAAP and Other Financial Measures" contained within this press release.*
5. *See "Reader Advisories – Forward Looking Information and Statements" for key budget and underlying assumptions related to our 2025 capital program and associated guidance.*

Reader Advisories

Non-GAAP and Other Financial Measures

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

Non-GAAP Financial Measures and Ratios

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

Free Adjusted Funds Flow / FAFF Yield

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

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

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

Net Debt to EBITDA

Management considers Net Debt to EBITDA an important measure as it is a key metric to identify the Company's ability to fund financing expenses, net debt reductions and other obligations. EBITDA is calculated by the Company as adjusted funds flow before interest expense. When this measure is presented quarterly, EBITDA is annualized by multiplying by four. When this measure is presented on a trailing twelve month basis, EBITDA for the twelve months preceding the net debt date is used in the calculation. This measure is consistent with the EBITDA formula prescribed under the Company's Senior 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, 2024. All references to adjusted funds flow throughout this document are calculated as funds flow adjusting for decommissioning expenditures. Decommissioning expenditures are adjusted from funds flow as they are incurred on a discretionary and irregular basis and are primarily incurred on previous operating assets. The Company also presents adjusted funds flow per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of profit per common share.

Net Debt

Net debt is a GAAP measure and is disclosed in the notes to the Company's financial statements for the three and nine months ended September 30, 2024. The Company closely monitors its capital structure with the goal of maintaining a strong balance sheet to fund the future growth of the Company. The Company monitors net debt as part of its capital structure. The Company uses net debt (bank debt plus accounts payable and accrued liabilities less accounts receivables and accrued receivables, prepaid expenses and deposits and inventory) as an alternative measure of outstanding debt. Management considers net debt an important measure to assist in assessing the liquidity of the Company.

Supplementary Measures

"**Average realized 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 boe**" is comprised of adjusted funds flow divided by total production.

Preliminary Financial Information

The Company's expectations set forth in the updated forecasted 2024 guidance are based on, among other things, the Company's anticipated financial results for the three and twelve month periods ended December 31, 2024. The Company's anticipated financial results are unaudited and preliminary estimates that: (i) represent the most current information available to management as of the date of hereof; (ii) are subject to completion of audit procedures that could result in significant changes to the estimated amounts; and (iii) do not present all information necessary for an understanding of the Company's financial condition as of, and the Company's results of operations for, such periods. The anticipated financial results are subject to the same limitations and risks as discussed under "Forward Looking Information and Statements" below. Accordingly, the Company's anticipated financial results for such periods may change upon the completion and approval of the financial statements for such periods and the changes could be material.

Forward-Looking Information and Statements

This news release contains certain forward–looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends", "forecast" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to the following: the Company's business strategy, milestones and objectives; all estimates and guidance related to the year ended 2024 results; the Company's planned 2025 capital program including wells to be drilled and completed and the timing of the same including, without limitation, the timing of wells coming on production and the anticipated benefits therefrom; 2025 guidance based on the planned capital program and all associated underlying assumptions set forth in this news release including, without limitation, forecasts of 2025 annual average production levels, adjusted funds flow, free adjusted funds flow, Net Debt/EBITDA ratio, operating income profit margin, net debt and Management's belief that the Company can grow some or all of these attributes and specified measures; light crude oil and NGLs weighting estimates; expectations regarding future commodity prices; future oil and natural gas prices; future liquidity and financial capacity; future results from operations and operating metrics; future costs, expenses and royalty rates; future interest costs; the exchange rate between the $US and $Cdn; future development, exploration, acquisition, development and infrastructure activities and related capital expenditures, including our planned 2025 capital program; the amount and timing of capital projects;; and methods of funding our capital program.

The internal projections, expectations, or beliefs underlying our Board approved 2025 capital budget and associated guidance are subject to change in light of, among other factors, changes to U.S. economic, regulatory and/or trade policies (including tariffs), the impact of world events including the Russia/Ukraine conflict and war in the Middle East, ongoing results, prevailing economic circumstances, volatile commodity prices, and changes in industry conditions and regulations. InPlay's 2025 financial outlook and revised guidance provides shareholders with relevant information on management's expectations for results of operations, excluding any potential acquisitions or dispositions, for such time periods based upon the key assumptions outlined herein. Readers are cautioned that events or circumstances could cause capital plans and associated results to differ materially from those predicted and InPlay's revised guidance for 2025 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; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and the ability of InPlay to secure adequate product transportation; future commodity prices; that various conditions to a shareholder return strategy can be satisfied; the ongoing impact of the Russia/Ukraine conflict and war in the Middle East; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which InPlay operates; and the ability of InPlay to successfully market its oil and natural gas products.

Without limitation of the foregoing, readers are cautioned that the Company's future dividend payments to shareholders of the Company, if any, and the level thereof will be subject to the discretion of the Board of Directors of InPlay. The Company's dividend policy and funds available for the payment of dividends, if any, from time to time, is dependent upon, among other things, levels of FAFF, leverage ratios, financial requirements for the Company's operations and execution of its growth strategy, fluctuations in commodity prices and working capital, the timing and amount of capital expenditures, credit facility availability and limitations on distributions existing thereunder, and other factors beyond the Company's control. Further, the ability of the Company to pay dividends will be subject to applicable laws, including satisfaction of solvency tests under the *Business Corporations Act* (Alberta), and satisfaction of certain applicable contractual restrictions contained in the agreements governing the Company's outstanding indebtedness.

The forward-looking information and statements included herein are not guarantees of future performance and should not be unduly relied upon. Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking information or statements including, without limitation: changes in industry regulations and legislation (including, but not limited to, tax laws, royalties, and environmental regulations); the risk that the U.S. government imposes 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 affects InPlay; 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 2025 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 we operate; changes in the demand for or supply of our 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 our properties; changes in our credit structure, increased debt levels or debt service requirements; inaccurate estimation of our 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 our Annual Information Form and our MD&A.

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 Board approved 2025 capital budget and associated guidance, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. The actual results of operations of InPlay and the resulting financial results will likely vary from the amounts set forth in this document and such variation may be material. InPlay and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management's reasonable estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, InPlay undertakes no obligation to update such FOFI. FOFI contained in this document was made as of the date of this document and was provided for the purpose of providing further information about InPlay's anticipated future business operations and strategy. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.

The forward-looking information and statements 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 information, 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 2024 and 2025 capital program and associated guidance and estimates include:

- the risk that the U.S. government imposes 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;
- the extent of any unfavourable impacts of wildfires in the province of Alberta;
- changes in Federal and Provincial regulations;
- the Company's ability to secure financing for the Board approved 2025 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 2024 and 2025 guidance are as follows:

		Actuals FY 2023	Updated Guidance FY 2024	Previous Guidance FY 2024(1)	Guidance FY 2025
WTI	US$/bbl	$77.62	$75.72	$76.10	$72.00
NGL Price	$/boe	$36.51	$32.90	$33.10	35.40
AECO	$/GJ	$2.50	$1.39	$1.33	$1.90
Foreign Exchange Rate	CDN$/US$	0.74	0.73	0.73	0.70
MSW Differential	US$/bbl	$3.25	$4.50	$4.55	$4.50
Production	Boe/d	9,025	8,700 – 8,750	8,700 – 9,000	8,650 – 9,150
Revenue	$/boe	54.45	47.75 – 48.75	46.00 – 51.00	46.00 – 51.00
Royalties	$/boe	6.84	6.00 – 6.50	5.75 – 7.25	5.50 – 7.00
Operating Expenses	$/boe	15.05	14.50 – 15.50	13.50 – 15.50	13.00 – 15.00
Transportation	$/boe	0.95	0.90 – 1.05	0.85 – 1.10	0.90 – 1.15
Interest	$/boe	1.65	2.00 – 2.25	1.90 – 2.50	1.30 – 1.90
General and Administrative	$/boe	3.13	2.90 – 3.20	2.50 – 3.25	3.00 – 3.75
Hedging loss (gain)	$/boe	(1.10)	(0.75 – (1.00)	(0.50) – (1.00)	0.00 – 0.25
Decommissioning Expenditures	$ millions	$3.3	$3.2 – $3.4	$3.0 – $3.5	$3.0 – $3.5
Adjusted Funds Flow	$ millions	$92	$68 – $70	$70 – $73	$69 – $75
Dividends	$ millions	$16	$16	$16 – $17	$16.5

		Actuals FY 2023	Updated Guidance FY 2024	Previous Guidance FY 2024[1]	Guidance FY 2025
Adjusted Funds Flow	$ millions	$92	$68 – $70	$70 – $73	$69 – $75
Capital Expenditures	$ millions	$84.5	$63	$63	$41 – $44
Free Adjusted Funds Flow	$ millions	$7	$5 – $7	$7 – $10	$25 – $34
Shares outstanding, end of year	# millions	90.3	90.1	90.1	90.4
Assumed share price	$/share	$2.21	$1.73	$1.73	$1.65
Market capitalization	$ millions	$200	$156	$156	$150
FAFF Yield	%	4%	3% – 4%	4% – 6%	17% – 23%

		Actuals FY 2023	Updated Guidance FY 2024	Previous Guidance FY 2024[1]	Guidance FY 2025
Revenue	$/boe	54.45	47.75 – 48.75	46.00 – 51.00	46.00 – 51.00
Royalties	$/boe	6.84	6.00 – 6.50	5.75 – 7.25	5.50 – 7.00
Operating Expenses	$/boe	15.05	14.50 – 15.50	13.50 – 15.50	13.00 – 15.00
Transportation	$/boe	0.95	0.90 – 1.05	0.85 – 1.10	0.90 – 1.15
Operating Netback	$/boe	31.61	25.50 – 26.50	24.00 – 29.00	24.75 – 29.75
Operating Income Profit Margin		58%	54%	55%	56%

		Actuals FY 2023	Updated Guidance FY 2024	Previous Guidance FY 2024[1]	Guidance FY 2025
Adjusted Funds Flow	$ millions	$92	$68 – $70	$70 – $73	$69 – $75
Interest	$/boe	1.65	2.00 – 2.25	1.90 – 2.50	1.30 – 1.90
EBITDA	$ millions	$98	$75 – $77	$77 – $81	$74 – $80
Net Debt	$ millions	$46	$59 – $61	$56 – $59	$52 – $58
Net Debt/EBITDA		0.5	0.8	0.7 – 0.8	0.6 – 0.8

(1) As previously released November 14, 2024.

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

Test Results and Initial Production Rates

Any references in this press release to initial production (“IP”) rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter and are not indicative of long-term performance or ultimate recovery. Test results and IP rates disclosed herein, particularly those short in duration, may not necessarily be indicative of long-term performance or of ultimate recovery. A pressure transient analysis or well-test interpretation has not been carried out and thus certain of the test results provided herein should be preliminary until such analysis or interpretation has been completed. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for InPlay.

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)**
2023 Average Production	3,822	1,396	22,839	9,025
2024 Previous Annual Guidance	3,735	1,435	22,080	8,850[1]
2024 Updated Annual Guidance	3,535	1,495	22,170	8,725[2]
2025 Annual Guidance	3,425	1,510	23,790	8,900[3]

Notes:

1. *This reflects the mid-point of the Company’s 2024 previous production guidance range of 8,700 to 9,000 boe/d.*
2. *This reflects the mid-point of the Company’s 2024 updated production guidance range of 8,700 to 8,750 boe/d.*
3. *This reflects the mid-point of the Company’s 2025 production guidance range of 8,650 to 9,150 boe/d.*
4. *With respect to forward-looking production guidance, product type breakdown is based upon management’s expectations based on reasonable assumptions but are subject to variability based on actual well results.*

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

BOE Equivalent

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Analogous Information

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

Dividends

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