

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

InPlay Oil Corp.
Suite 920, 640 – 5th Avenue S.W.
Calgary, Alberta T2P 3G4

2. Date of Material Change

November 30, 2021

3. News Release

A joint press release disclosing the material change was issued on behalf of InPlay Oil Corp. ("**InPlay**") and Prairie Storm Resources Corp. ("**Prairie Storm**") on November 30, 2021 and disseminated through the facilities of a recognized newswire service.

4. Summary of Material Change

Effective November 30, 2021, InPlay completed its previously announced acquisition of all of the issued and outstanding common shares of Prairie Storm ("**Prairie Storm Shares**") by way of a court-approved plan of arrangement under the *Business Corporations Act* (Alberta) (the "**Arrangement**"). Pursuant to the Arrangement, the holders of Prairie Storm Shares are entitled to receive \$0.2514 in cash and 0.0524 of a common share of InPlay ("**InPlay Shares**") in exchange for each Prairie Storm Share held. As a final step of the Arrangement, InPlay, Prairie Storm and Prairie Storm's wholly-owned subsidiary, Prairie Storm Energy Corp., were amalgamated (the "**Amalgamation**") under the name "InPlay Oil Corp." (the "**Resulting Issuer**"). The InPlay Shares remain listed on the Toronto Stock Exchange ("**TSX**") under the symbol "IPO". As a result of the Arrangement, Prairie Storm will cease to be a reporting issuer and the Prairie Storm Shares have been delisted from trading on the TSX Venture Exchange ("**TSXV**").

Concurrently with the closing of the Arrangement ("**Closing**"), the Resulting Issuer entered into an amended and restated credit agreement with its current syndicate of lenders (the "**Lenders**") increasing the aggregate available borrowing capacity under InPlay's senior credit facility (the "**Senior Credit Facility**") from \$65.0 million to \$85.0 million (the "**Senior Credit Facility Amendments**").

A copy of the Articles of Arrangement and Articles of Amalgamation effecting the Arrangement and the Amalgamation, respectively, have been filed and are available for review under InPlay's profile on www.sedar.com.

5. Full Description Of Material Change

5.1 Full Description of Material Change

Effective November 30, 2021, InPlay completed the previously announced Arrangement in accordance with the acquisition agreement dated September 28, 2021 between InPlay and Prairie Storm. Pursuant to the Arrangement, holders of Prairie Storm Shares are entitled to receive \$0.2514 in cash and 0.0524 of an InPlay Share for each Prairie Storm share held, resulting in the issuance of an aggregate of 8,320,335 InPlay Shares. The Resulting Issuer remains headquartered in Calgary, Alberta and the InPlay Shares remain listed on the TSX under the symbol "IPO". As a result of the Arrangement, the Prairie Storm Shares were delisted from the TSXV at the close of trading on December 1, 2021 and Prairie Storm will also cease to be a reporting issuer.

The Arrangement was partially funded with the proceeds from the bought deal public offering (the "**Financing**") of subscription receipts of InPlay ("**Subscription Receipts**"). Pursuant to the Financing, InPlay issued 9,591,000 Subscription Receipts at a price of \$1.20 per Subscription Receipt for aggregate gross proceeds of approximately \$11.5 million. In accordance with their terms, each one (1) Subscription Receipt issued pursuant to the Financing

was automatically exchanged for one (1) InPlay Share concurrently with the completion of the Arrangement and the net proceeds were released to InPlay from escrow and used to fund a portion of the cash consideration payable to former holders of Prairie Storm Shares under the Arrangement, resulting in the issuance of an aggregate of 9,591,000 InPlay Shares.

Immediately following completion of the Arrangement, InPlay has 86,214,751 InPlay Shares issued and outstanding.

In connection and concurrently with Closing, InPlay and its Lenders entered into the Senior Credit Facility Amendments, pursuant to which the aggregate available borrowing capacity under InPlay's Senior Credit Facility has been increased from \$65.0 million to \$85.0 million by way of the addition of a \$20 million syndicated term facility maturing November 30, 2022 (the "**Senior Term Facility**"). The Senior Term Facility requires mandatory repayments as follows: (i) \$6 million by May 31, 2022; (ii) \$7 million by August 31, 2022; and (iii) \$7 million by November 30, 2022. The covenant and security package under the new Senior Term Facility is substantially the same as that prescribed under InPlay's pre-amended Senior Credit Facility, with the exception of an additional affirmative covenant to satisfy certain prescribed hedging requirements during the period the Senior Term Facility remains outstanding.

The board of directors and executive management of InPlay remain unchanged following completion of the Arrangement.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

The name and business number of the executive officer of InPlay who is knowledgeable of the material change and this report is:

Darren Dittmer
Chief Financial Officer
InPlay Oil Corp.
Telephone: (587) 955-0634

9. Date of Report

December 7, 2021

Note Regarding Forward-Looking Statements and Information:

This material change report 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 material change report contains forward-looking information and statements pertaining to the following: Prairie Storm ceasing to be a reporting issuer.

The forward-looking statements and information are based on certain key expectations and assumptions made by InPlay, including expectations and assumptions concerning the business plan of InPlay, prevailing legislation affecting the oil and gas industry,

commodity prices, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the availability of capital, labour and services, the creditworthiness of industry partners and the ability to source and complete acquisitions.

Although InPlay believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because InPlay can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. Please refer to InPlay's most recent Annual Information Form and MD&A for risk factors relating to InPlay, which equally apply to the amalgamated entity and can be accessed either on InPlay's website at www.InPlayOil.com or under InPlay's profile on www.sedar.com. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. InPlay undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.