



December 5, 2018

The Secretary  
Ontario Securities Commission  
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Me Anne-Marie Beaudoin  
Corporate Secretary  
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Dear:

British Columbia Securities Commission  
Alberta Securities Commission  
Financial and Consumer Affairs Authority of Saskatchewan  
Manitoba Securities Commission  
Ontario Securities Commission  
Autorité des marchés financiers  
Financial and Consumer Services Commission (New Brunswick)  
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island  
Nova Scotia Securities Commission  
Securities Commission of Newfoundland and Labrador  
Registrar of Securities, Northwest Territories  
Registrar of Securities, Yukon Territory  
Superintendent of Securities, Nunavut

**Re: Proposed National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure and the related proposed Companion Policy, Consequential Amendments and Changes**

InPlay Oil Corp. (“InPlay”, “we” or the “Company”) is pleased to provide its comments on the:

- Proposed National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure;
- Proposed Companion Policy 51-112 Non-GAAP and Other Financial Measures Disclosure; and
- Related proposed consequential amendments/changes,

collectively referred to as “Rule 52-112” or the “Proposed Materials” throughout this letter.



## Overall Comments

The Company generally supports the Canadian Securities Administrators' ("CSA") efforts to better define and clarify the disclosure requirements surrounding non-GAAP financial measures and other financial measures, understanding as a principal component, however, that the CSA's mandate is not to in effect prohibit or otherwise limit a reporting issuer's ability to disclose non-GAAP financial measures as part of Rule 52-112.

By way of context, we are a junior public issuer involved in the oil and gas sector and rely heavily upon the support of both institutional and retail investors, along with market participants, many of which rely upon our provision of non-GAAP measures.

Within the *CSA Notice and Request for Comment* dated September 6, 2018 ("Request for Comment"), it is stated that "in some cases, non-GAAP and other financial measures are helpful to investors to assess an issuer's performance". We specifically want to emphasize the importance of non-GAAP and other financial measures to investors. Throughout the Company's regular and ongoing communications with current and potential investors, we continue to see various non-GAAP measures being requested from us and utilized extensively by such investors in their assessment of our Company and our results of operations. Current shareholders, existing and potential investors (both retail and institutional) and analysts utilize non-GAAP measures to assist in their evaluation of the Company's performance and in making their investment decisions. As such, we cannot over-emphasize the usefulness and relevance of such measures to both our and our peers' investment community. Moreover, we respectfully submit that it should not be necessary to satisfy any form of objective test as to whether the measure being used is "useful" or relevant as only the user can address that question. We submit that if the purpose of providing the measures stated, the reader can judge the usefulness.

The Company is also concerned about the possible inability to cross reference from one public document to required reconciliations and other detail disclosed in another public filing available on SEDAR. The Company is of the opinion cross referencing is an efficient and effective approach to avoid having significantly longer, duplicative and more costly and burdensome disclosure documents while still providing sufficient and compliant disclosure to investors by way of cross referencing. The added cost could be particularly significant to issuers of our size.

In summary the Company feels that any outright restriction on the disclosure of non-GAAP and other financial measures would negatively impact our ability to convey important financial and operational performance metrics that our shareholders and investment community demand, regularly relies upon and has become familiar with. We support the recommendation the CSA has proposed requiring additional reconciliations to GAAP measures and its efforts to clarify with greater detail the disclosure requirements accommodating all non-GAAP measures so long as non-GAAP measures can continue to be utilized and disclosed by issuers.

Yours very truly,

### InPlay Oil Corp.

(signed) "Douglas J. Bartole"  
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Douglas J. Bartole  
President and Chief Executive Officer

(signed) "Darren Dittmer"  
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Darren Dittmer  
Chief Financial Officer