

TSX : TXP | AIM : TXP

CORPORATE PRESENTATION



Our Growth Journey: *Evolving to a fully-funded, full-cycle exploration and production company*

Touchstone at a Glance



Largest independent onshore producer in Trinidad

Market capitalization⁽¹⁾

C\$112.1 million

Three months ended March 31, 2025 average daily production

Crude oil and liquids (*bbls/d*)

1,201

Natural gas (*Mcf/d*)

18,698

Average daily production (*boe/d*)

4,317

2024 Gross 2P reserves⁽²⁾ (*Mboe*)

50,063

2P Reserve life index⁽²⁾

~12.9 years

The Trinidad opportunity

One of the Caribbean's most promising energy markets

Well-established

Oil and gas industry operating since 1908



Advanced infrastructure

Over 2,000 km. of pipelines



Supportive government

Sector plays an important role in the country's economy



Significant hydrocarbons

Situated in the Venezuela basin, one of the world's largest hydrocarbon basins



Supporting growth

Opportunities to expand our asset base



Well-regulated

A stable and attractive destination for investors and English law



Market access

Domestic gas and international LNG markets



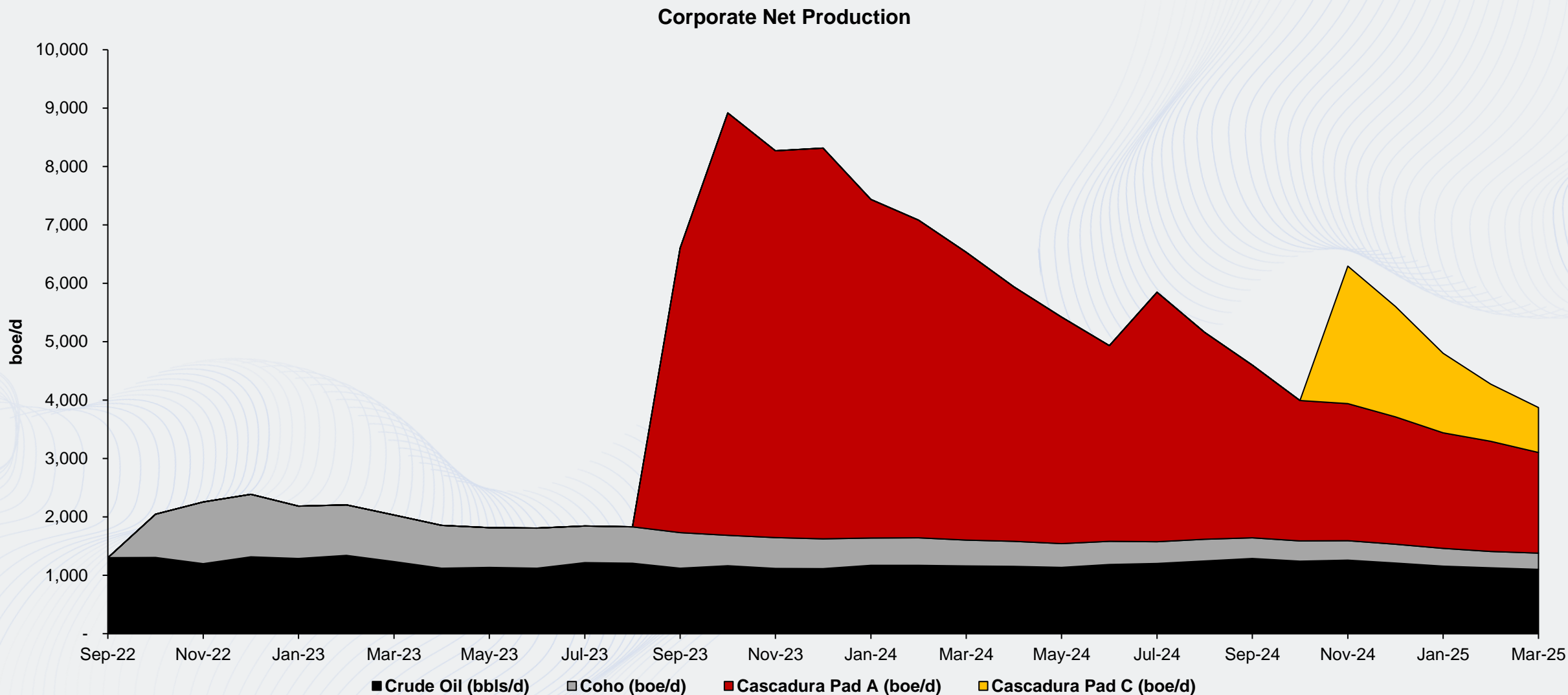
First Quarter 2025 Highlights



	Q1 2025	Q1 2024
Average daily production		
Crude oil and liquids (bbls/d) ₍₃₎	1,201	1,428
Natural gas (Mcf/d) ₍₃₎	18,698	33,521
Average daily production (boe/d)₍₃₎	4,317	7,015
Average realized prices₍₃₎		
Crude oil and liquids (\$/bbl)	63.87	69.88
Natural gas (\$/Mcf)	2.50	2.46
Realized commodity price (\$/boe)₍₃₎	28.60	25.98
Production mix (% of production)		
Crude oil and liquids	28	20
Natural gas	72	80
Operating netback ₍₃₎ (\$000's)	6,151	10,463
Petroleum and natural gas sales (\$000's)	11,113	16,584
Funds flow from operations (\$000's)	2,580	6,142
Net debt ₍₃₎ (\$000's)	33,330	27,621



Where We Have Been: *Corporate net production*





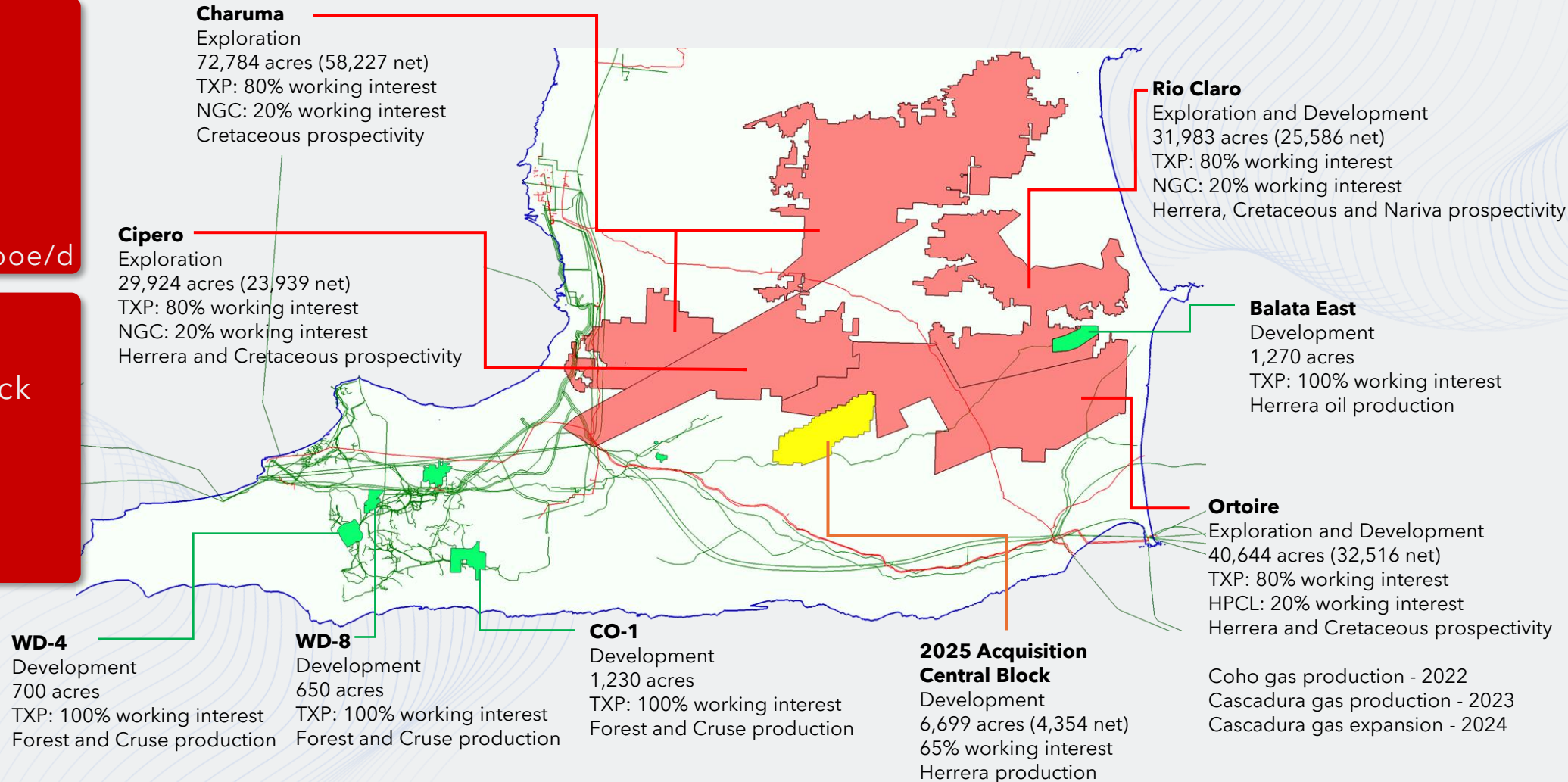
Acreage: *We have the land*

Touchstone Today

- ❖ 8 core properties
- ❖ 100% operated
- ❖ 81% average W.I.
- ❖ 144,893 net acres
- ❖ Capacity ~72,000 boe/d

2025 Acquisition

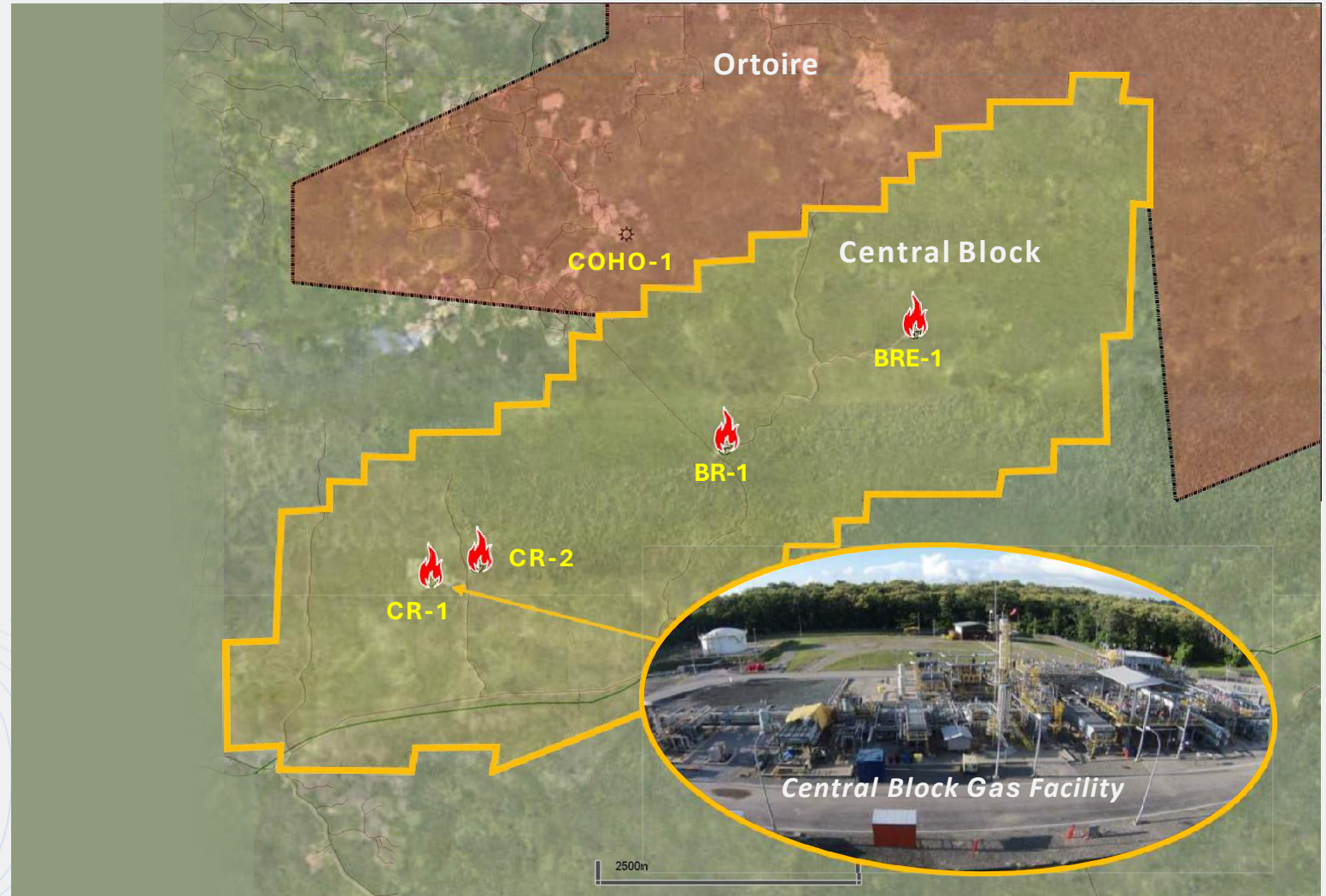
- ❖ Shell Central Block
- ❖ 100% operated
- ❖ 65% W.I.
- ❖ 4,354 net acres



Central Block: adjacent existing blocks

Central Block

- 100% operated
- 65% working interest
- 35% HPCL
- 6,699 gross acres (4,354 net)
- Liquids sales to HPCL
- Multiple gas sales options
 - Pipeline to **LNG** markets
 - Pipeline to **domestic markets**
- Coho gas volumes are currently processed through the Central Block facility





Central Block: adjacent existing facility



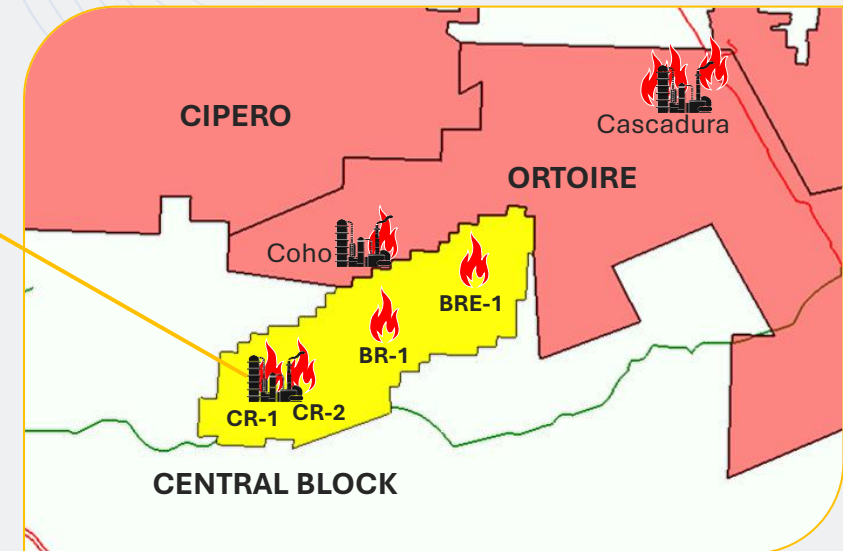
Evergreen Gas Facility

- Built by BG and commissioned in 2007
- 80 MMcf/d capacity
- 10,000 bbls condensate capacity
- Pipeline connected to **LNG** and **domestic markets**

Central Block

Evergreen Gas Plant

- Carapal Ridge-1 (CR-1)
- Carapal Ridge-2 (CR-2)
- Baraka-1 (BR-1)
- Baraka East-1 (BRE-1)



Central Block: development outlook

Phased Central Block development plan

Initial 12 months

Initial 18 months

18 months onwards

PHASE 1

Optimise four existing wells

PHASE 2

Drill additional wells; two locations identified

PHASE 3

Process additional gas from Coho

Process third party gas



Distribution and Marketing: *We have the market*

Trinidad and Tobago

- ❖ 4 Bcf/d total potential demand
- ❖ 2.5 Bcf/d total supply₍₄₎



Point Lisas

- Petrochemical facilities
- Potash Corp and Yara - Ammonia
- Methanex - Methanol
- Arcelor Mittal - Steel



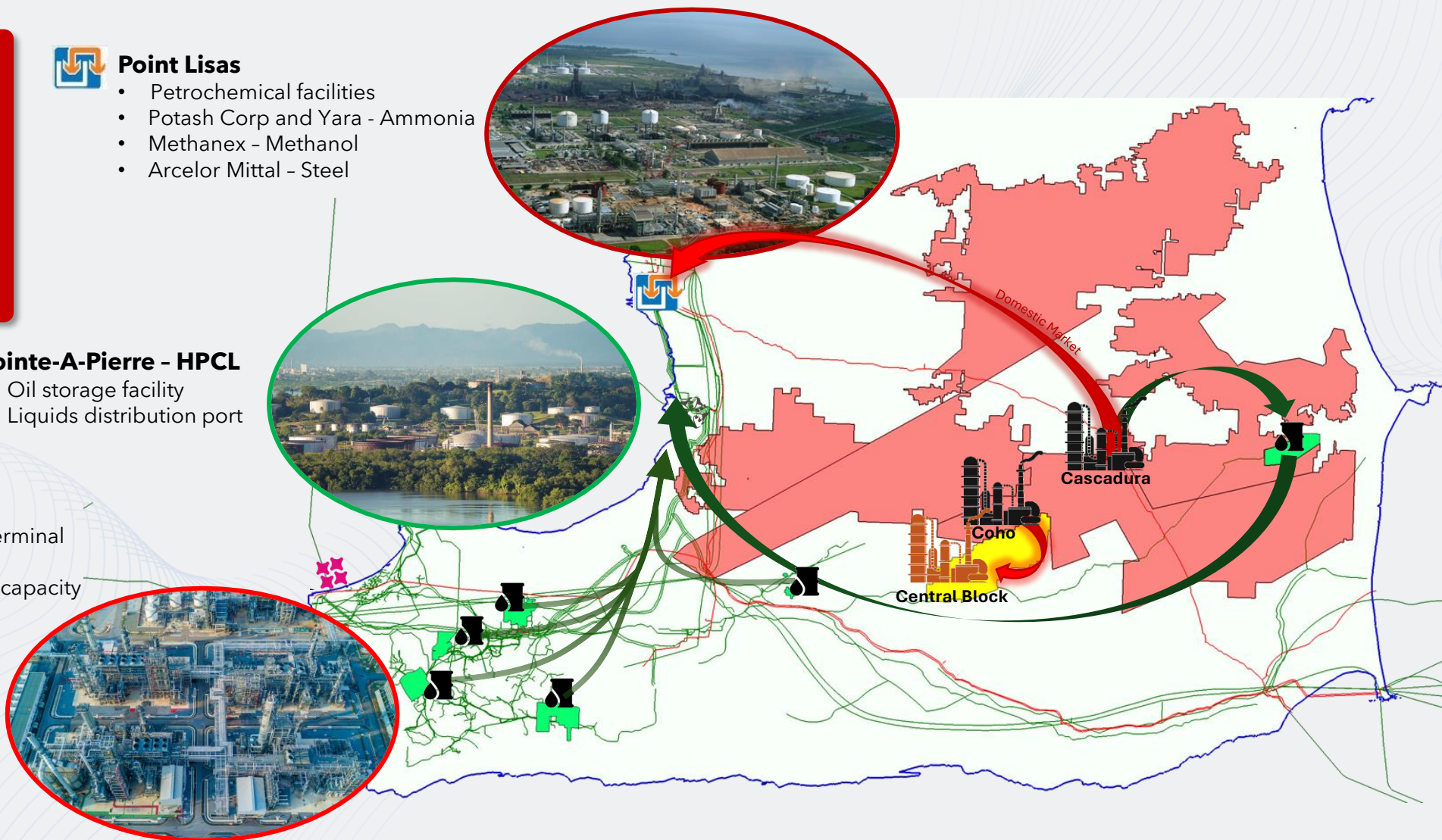
Pointe-A-Pierre - HPCL

- Oil storage facility
- Liquids distribution port



Point Fortin - Atlantic LNG

- Liquefied Natural Gas (LNG) terminal
- Four-train liquefaction facility
- 100,000 cubic-meter per day capacity





Shell Acquisition: *Expands our access to the market*

Marketing Agreements

❖ Ortoire

Gas: Domestic Market
Oil: HPCL

❖ Rio Claro, Ciperó, Charuma

Gas: *Uncontracted*
Oil: *Uncontracted (HPCL)*

❖ Central Block

Gas: LNG Markets, or
Domestic Market
Oil: HPCL

❖ Point Fortin - Atlantic LNG

- Liquefied Natural Gas (LNG) terminal
- Four-train liquefaction facility
- 100,000 cubic-meter per day capacity



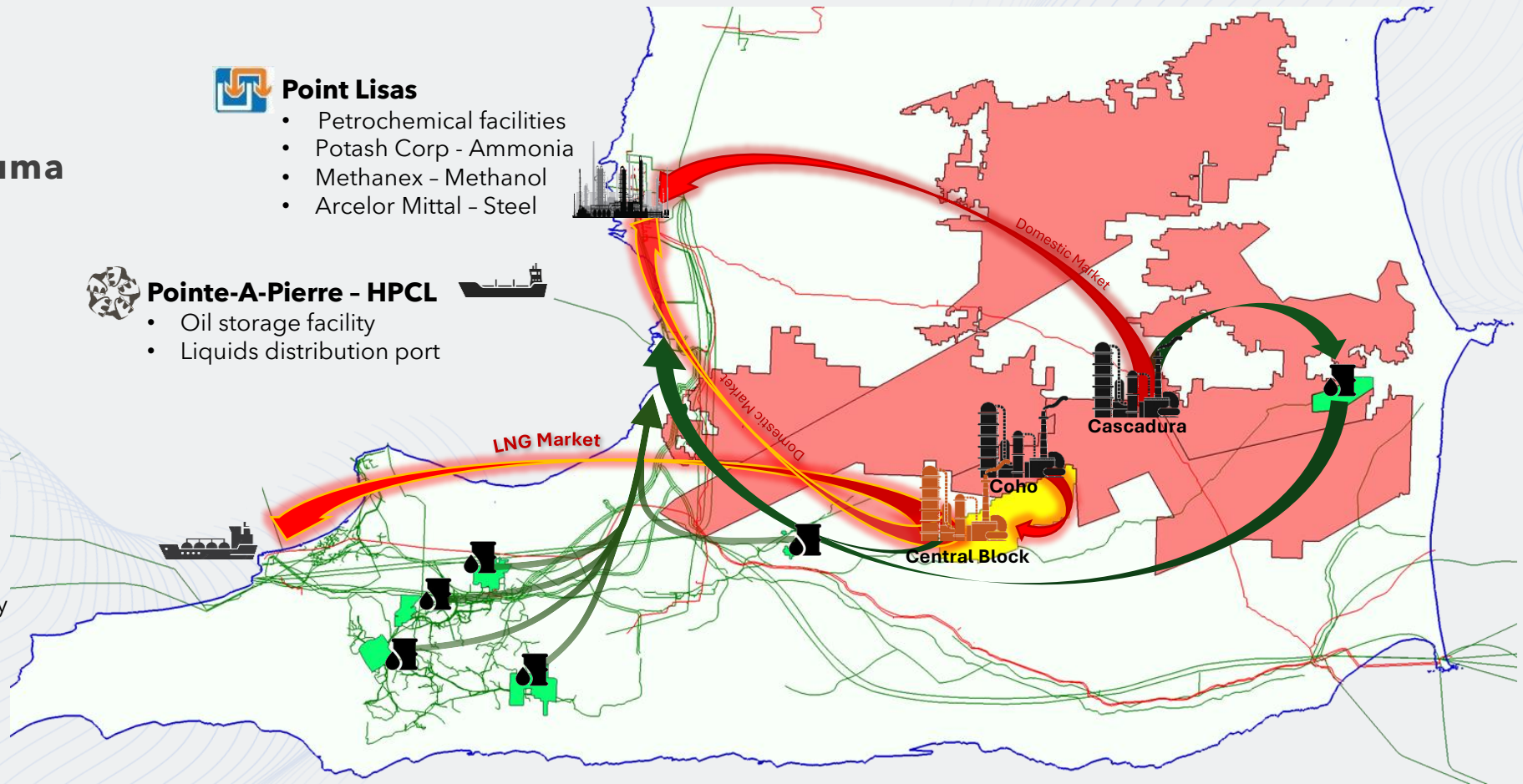
Point Lisas

- Petrochemical facilities
- Potash Corp - Ammonia
- Methanex - Methanol
- Arcelor Mittal - Steel



Pointe-A-Pierre - HPCL

- Oil storage facility
- Liquids distribution port





Facilities: *We have the capacity*

Two Operated Natural Gas Plants

- ❖ Cascadura 140 MMcf/d natural gas capacity
4,000 bbls liquids storage
- ❖ Coho 24 MMcf/d natural gas capacity

Six Operated Oil Batteries

- ❖ Four Core 17,450 bbls

Total Current Capacity
48,783 boe/d

2025 Central Block Acquisition

- ❖ Evergreen 80 MMcf/d natural gas capacity
10,000 bbls liquids storage

Total Pro Forma Capacity
72,117 boe/d

Cascadura A Natural Gas Facility

Commissioned September 2023
Facility expansion November 2024:
140 MMcf/d natural gas capacity
4,000 bbls NGL storage
800 bbls water storage



Balata East

Oil battery
Sales point for Cascadura liquids
6" sales pipeline (~18 km.)
600 bbls processing; 2,500 bbls sales



Coho Natural Gas Facility

Commissioned October 2022
24 MMcf/d natural gas capacity
800 bbls liquids storage



Evergreen (Central Block)

Commissioned August 2007
80 MMcf/d natural gas capacity
10,000 bbls liquids storage



WD-4

2,100 bbls processing
6,000 bbls sales

WD-8

1,300 bbls processing
750 bbls sales

CO-1

2,000 bbls processing
2,200 bbls sales

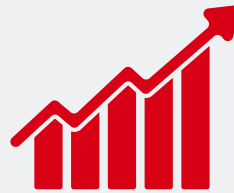
Three Pillars of Progress:

Fill. Grow. Future.



Drill to Fill

We are filling capacity by harnessing the potential of Coho and Cascadura, delivering resources efficiently and reliably to support our growth.



Drill for Growth

Our legacy oil blocks continue to thrive, growing production through recompletions and optimizations, ensuring we build on our strong foundation.

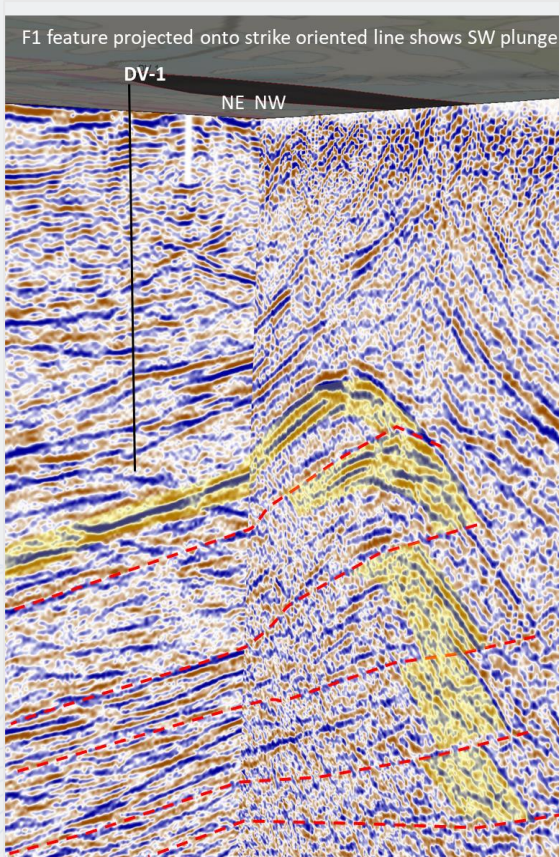


Drill for the Future

With eyes on exploration, we are breaking new ground in Ortoire, Charuma, Cipero and Rio Claro, paving the way for tomorrow's energy through innovative development.

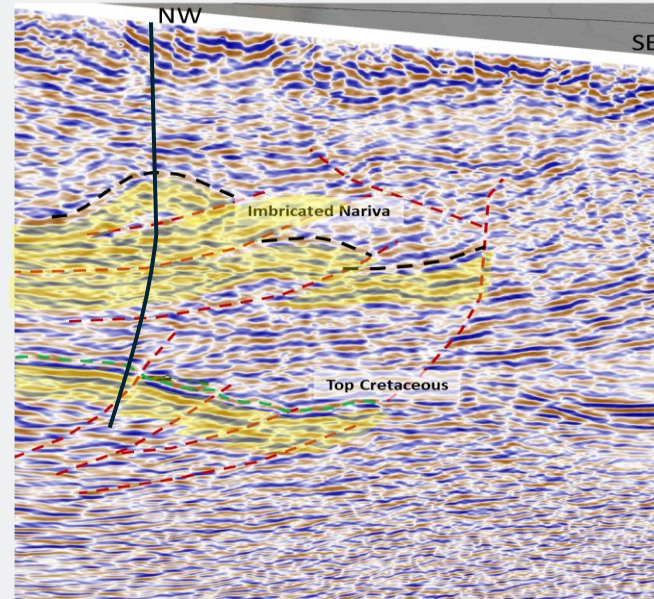
Drill for the Future: New Exploration Acreage

CIPERO



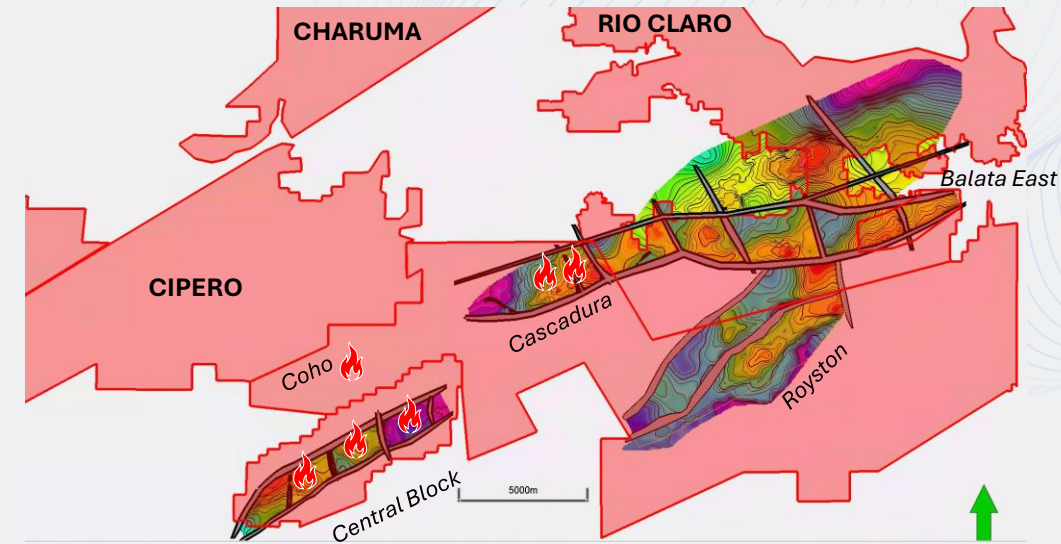
Exploration prospects in the **Retrench** and **Herrera** sands target depths from 4,500 to 10,000 feet as well as **Cretaceous** sands at ~13,500 feet

CHARUMA



Exploration prospects in the **Nariva** sands target depths from 2,000 to 5,000 feet and in **Cretaceous** sands at ~7,000 feet

RIO CLARO



Step-out prospects in the **Herrera** sands updip of discoveries at **Cascadura** and **Royston**

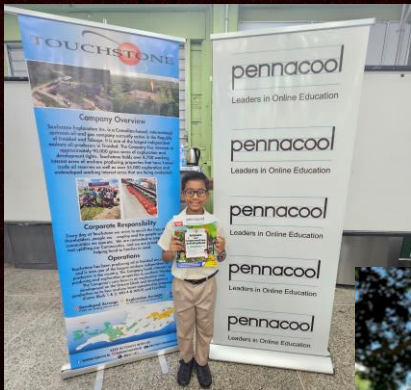
Exploration prospects in the **Herrera** and **Nariva** sands target depths from 4,000 to 8,000 feet

Exploration prospects in the **Cretaceous** sands with target depths of 13,000 feet and deeper



Social and Governance

We recognize that long-term success is rooted in a strong foundation of education—from primary through to tertiary levels—and in our commitment to making a positive, lasting impact on the communities where we operate



Social

2

lost time incidents
in over 3 years

87%

local
workforce

450

Science Handbooks
provided to nine
Primary Schools

5

Tertiary School
Scholarships
awarded

Governance

37.5%

female representation
on the Board

87.5%

independent
board members

100%

employees re-certified on our
Code of Conduct and Ethics



Corporate Information and Contacts

Stock Exchange Listing

TSX: TXP

AIM: TXP

Year-end

December 31

Banker

Republic Bank Limited

Auditor

KPMG LLP

Reserves Evaluator

GLJ Ltd.

Legal Counsel

Norton Rose Fulbright LLP

Transfer Agents

Odyssey Trust Company
MUFG Corporate Markets

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14 Sydney Street
Rio Claro, Trinidad
Office: (868) 677-7411



Abbreviations

bbl(s)	barrel(s)	PDP	proved developed producing reserves
bbls/d	barrels per day	1P	proved reserves
Mbbls	thousand barrels	2P	proved plus probable reserves
MMbbls	million barrels	3P	proved plus probable plus possible reserves
Mcf	thousand cubic feet	AIM	AIM market of the London Stock Exchange plc
Mcf/d	thousand cubic feet per day	Brent	dated Brent
MMcf	million cubic feet	HPCL	Heritage Petroleum Company Limited
MMcf/d	million cubic feet per day	LNG	liquified natural gas
Bcf	billion cubic feet	NGC	The National Gas Company of Trinidad and Tobago Limited
Bcf/d	billion cubic feet per day	NGL(s)	natural gas liquid(s)
MMBtu	million British Thermal Units	TSX	Toronto Stock Exchange
boe	barrels of oil equivalent	\$C	Canadian dollars
boe/d	barrels of oil equivalent per day	\$MM	million dollars
Mboe	thousand barrels of oil equivalent	\$ or US\$	United States dollars
MMboe	million barrels of oil equivalent		



End Notes

1. Based on 311,460,661 outstanding common shares multiplied by the closing share price on the TSX on May 16, 2025, being C\$0.36 per share.
2. Based on the December 31, 2024 GLJ Ltd. independent reserves evaluation. Gross reserves are the Company's working interest share before the deduction of royalties. See "*Advisories: Oil and Gas Reserves*" and "*Advisories: Oil and Gas Measures*".
3. Specified or supplementary financial measure. See the "*Advisories - Non-GAAP Financial Measures*"
4. Based on the Ministry of Energy and Energy Industries (MEEI) consolidated monthly bulletin, MEEI Bulletins Vol 61 No 12, for the period January – December 2024



Advisories

This Presentation is for information purposes only and is not under any circumstances to be construed as a prospectus or an advertisement for a public offering of such securities. No securities commission or similar authority in Canada or elsewhere including the TSX has in any way passed upon this Presentation, or the merits of any securities of Touchstone Exploration Inc., and any representation to the contrary is an offence. An investment in Touchstone Exploration Inc.'s securities should be considered highly speculative due to the nature of the proposed involvement in the exploration for and production of petroleum and natural gas. This Presentation and the information contained herein do not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The securities of Touchstone Exploration Inc. have not been registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Currency

Unless otherwise stated, all financial amounts herein are presented in United States dollars. The Company may also reference Canadian dollars ("C\$"), Trinidad and Tobago dollars ("TT\$") and Pounds Sterling ("£") herein.

Production Volumes

Unless otherwise stated, all production volumes disclosed herein are sales volumes before royalty burdens.

Forward-looking Statements

Certain information regarding Touchstone Exploration Inc. ("**Touchstone**", "**we**", "**our**", "**us**", or the "**Company**") set forth in this Presentation may constitute forward-looking statements and information (collectively, "**forward-looking statements**") within the meaning of applicable securities laws. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expect", "plan", "anticipate", "believe", "intend", "maintain", "continue to", "pursue", "design", "result in", "sustain", "estimate", "potential", "grow", "near-term", "long-term", "forecast", "contingent" and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved. The forward-looking statements contained in this Presentation speak only as of the date hereof and are expressly qualified by this cautionary statement.

Forward-looking statements in this Presentation include, but are not limited to, those in respect of: the Company's business plans, strategies, priorities, goals and long-term plans; potential acquisition opportunities within Trinidad; the potential for future shareholder returns; exploration, development and production opportunities and activities, including anticipated, drilling, drilling locations, production testing, development, tie-in, facilities construction, and ultimate production and production rates from exploration and development wells; opportunities to increase production through well optimization; the quality and quantity of prospective hydrocarbon accumulations based on wireline logs, including the Company's interpretations thereof; the Company's expectation of future funds flow from operations and capital expenditures and the amount thereof; the Company's future exploration activities; the extent to which local communities will benefit from the Company's operations; general business strategies and objectives; Touchstone's ability to pursue development opportunities that generate positive returns and position it for success; the focus of Touchstone's future capital plans, including pursuing developmental drilling activities and optimizing existing natural gas and liquids infrastructure capacity; anticipated future production and production by commodity; forecasted production decline rates; anticipated timing of developmental and exploration drilling production; expected drilling activities, including locations and the timing thereof; anticipated timing of well tie-in operations; anticipated funds flow from operations and net debt; field estimated production; and Touchstone's current and future financial position, including the sufficiency of resources to fund future capital expenditures and maintain financial liquidity.



Advisories

Forward-looking Statements (continued)

With respect to forward-looking statements contained in this Presentation, the Company has made assumptions regarding: financial condition; outlook and results of operations; the potential closing of the STCBL acquisition, including expected timing, funding and benefits therefrom; exploration, development and associated operational plans (including drilling, testing, facilities construction and recompletion programs) and the anticipated costs and timing thereof; estimated oil and gas reserves (including the magnitude, ability to recover, commerciality and net present value thereof); production rates and production decline rates; net feet of pay based on internal estimates of wireline logs; the success of exploration opportunities; plans for and results of production testing and anticipated initial production rates derived therefrom; the ability to secure necessary personnel, equipment, production licences, regulatory approvals and services; environmental matters; future commodity prices; changes to prevailing regulatory, royalty, tax and environmental laws and regulations; the impact of competition, future capital and other expenditures (including the amount, nature and sources of funding thereof); future financing sources; business prospects and opportunities; the impact ongoing geopolitical issues will have on the Company's future operations and future petroleum pricing; and safety related metrics and goals, among other things.

In addition, statements relating to reserves are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and can be profitably produced in the future. The recovery and reserve estimates of Touchstone's reserves provided herein are estimates only, and there is no guarantee that the estimated reserves will be recovered. Consequently, actual results may differ materially from those anticipated in the forward-looking statements.

Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. New factors emerge from time to time, and it is not possible for Management to predict all of such factors and to assess in advance the impact of each such factor on Touchstone's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Some of the risks that could affect the Company's future results and could cause results to differ materially from those expressed in the forward-looking information are described under the heading "*Advisories: Business Risks*" in this Presentation and are also set out in more detail in the Company's 2024 Annual Information Form dated March 19, 2025, which has been filed on SEDAR+ and can be accessed at www.sedarplus.ca.

Touchstone's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that we will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this Presentation in order to provide security holders with a more complete perspective on our future operations and such information may not be appropriate for other purposes.

Investors should not place undue reliance on any such forward-looking statements. Further, any forward-looking statement or information speaks only as of the date on which such statement is made, and Touchstone undertakes no obligation or intent to update any forward-looking statements or information except as required by law, including securities laws. All forward-looking statements contained in this Presentation are qualified by such cautionary statements.

Business Risks

The Company is exposed to numerous operational, technical, financial and regulatory risks and uncertainties, many of which are beyond its control and may significantly affect anticipated future results. The Company is exposed to risks associated with negotiating with foreign governments as well as country risk associated with conducting international activities. Operations may be unsuccessful or delayed as a result of competition for services, supplies and equipment, mechanical and technical difficulties, ability to attract and retain qualified employees on a cost-effective basis, commodity and marketing risk. The Company is subject to significant drilling risks and uncertainties including the ability to find oil and natural gas reserves on an economic basis and the potential for technical problems that could lead to well blow-outs and environmental damage. The Company is exposed to risks relating to the inability to obtain timely regulatory approvals, surface access, access to third-party gathering and processing facilities, transportation and other third-party related operation risks.



Advisories

Business Risks (continued)

The Company is subject to industry conditions including changes in laws and regulations, including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced. There are uncertainties in estimating the Company's reserve and resource base due to the complexities in estimated future production, costs and timing of expenses and future capital. The Company is subject to the risk that it will not be able to fulfill the contractual obligations required to retain its rights to explore, develop and exploit any of its properties. The financial risks the Company is exposed to include, but are not limited to, the impact of general economic conditions in Canada, the United Kingdom and Trinidad, continued volatility in market prices for oil and natural gas, the impact of significant declines in market prices for oil and natural gas, the ability to access sufficient capital from internal and external sources, changes in income tax laws, royalties and incentive programs relating to the oil and natural gas industry, fluctuations in interest rates, the C\$ to US\$ exchange rate and the US\$ to TT\$ exchange rate. The Company is subject to local regulatory legislation, the compliance with which may require significant expenditures and non-compliance with which may result in fines, penalties or production restrictions or the termination of licence or other rights related to the Company's oil and natural gas interests in Trinidad. Readers are cautioned that the foregoing list of factors is not exhaustive. Certain of these risks are set out in more detail in the Company's 2024 Annual Information Form dated March 19, 2025 which has been filed on SEDAR+ and can be accessed at www.sedarplus.ca.

Oil and Gas Reserves

All reserves references herein are Company gross reserves. Gross reserves are the Company's working interest share before deduction of royalties. Net reserves are the Company's working interest share after the deduction of royalty obligations.

The December 31, 2024 reserves information included herein are based on the Company's December 31, 2024 independent reserve report prepared by Touchstone's independent reserves evaluator, GLJ Ltd. ("GLJ"), dated March 5, 2024. The report was prepared in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook ("COGEH") and National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"). All December 31, 2024 reserves presented are based on the average price forecasts of the three leading Canadian oil and gas evaluation consultants (GLJ, McDaniel & Associates Consultants Ltd. and Sproule Associates Ltd.) dated January 1, 2024 and estimated costs effective December 31, 2024. The disclosure in this Presentation summarizes certain information contained in the reserves report but represents only a portion of the disclosure required under NI 51-101. Full disclosure with respect to the Company's reserves as at December 31, 2024 are included in the Company's 2024 Annual Information Form dated March 19, 2025 which has been filed on SEDAR+ and can be accessed at www.sedarplus.ca.

The recovery and reserve estimates of crude oil, natural gas and NGL reserves provided herein are estimates only, and there is no guarantee that the estimated reserves will be recovered. Actual reserves may eventually prove to be greater than or less than the estimates provided herein. This Presentation may summarize the crude oil, natural gas and NGL reserves of the Company and the net present values of future net revenue for such reserves using forecast prices and costs prior to provision for interest and finance costs, general and administration expenses, and the impact of any financial derivatives. It should not be assumed that the present worth of estimated future net revenues presented herein represent the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained, and variances could be material.

Oil and Gas Measures

To provide a single unit of production for analytical purposes, natural gas production has been converted mathematically to barrels of oil equivalent. We use the industry-accepted standard conversion of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf = 1 bbl). The 6:1 boe ratio is based on an energy equivalent conversion method primarily applicable at the burner tip. It does not represent a value equivalency at the wellhead and is not based on either energy content or current prices. While the boe ratio is useful for comparative measures and observing trends, it does not accurately reflect individual product values and might be misleading, particularly if used in isolation. As well, given that the value ratio, based on the current price of crude oil to natural gas, is significantly different from the 6:1 energy equivalency ratio, using a 6:1 conversion ratio may be misleading as an indication of value.



Advisories

Product Type Disclosures

This Presentation includes references to crude oil, NGLs, natural gas, and average daily production volumes. Under NI 51-101, disclosure of production volumes should include segmentation by product type as defined in the instrument. In this document, references to "crude oil" refer to "light crude oil and medium crude oil" and "heavy crude oil" combined product types; references to "NGLs" refer to condensate; and references to "natural gas" refer to the "conventional natural gas" product type, all as defined in the instrument. In addition, references to "crude oil and liquids" herein include crude oil and NGLs. For further information, refer to the "Advisories: Product Type Disclosures" section of our Management's Discussion and Analysis for the three months and year ended December 31, 2024, which is incorporated herein by reference, and available on SEDAR+ (www.sedarplus.ca).

Drilling Locations

This Presentation discloses drilling locations. Drilling locations are classified into three categories: (i) proved locations; (ii) probable locations; and (iii) unbooked locations. Proved locations and probable locations are derived from the Company's reserves evaluation of GLJ effective December 31, 2024, and account for locations that have associated proved, probable and/or possible reserves, as applicable. Unbooked locations are internal estimates based on the prospective acreage associated with the Company's assets and an assumption as to the number of wells that can be drilled based on industry practice and internal review. Unbooked locations do not have attributed reserves. Unbooked locations have been identified by Management as an estimation of potential multi-year development and exploration drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations, and if drilled there is no certainty that such locations will result in additional petroleum and gas reserves or production.

The locations on which the Company will drill wells will ultimately depend upon the availability of capital, regulatory approvals, petroleum and natural gas prices, costs, actual drilling results, additional reservoir information that can be obtained and other factors. While certain of the unbooked drilling locations have been de-risked by drilling existing wells and historical wells drilled in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where Management has less information about the characteristics of the reservoir, and therefore there is more uncertainty whether wells will be drilled in such locations; and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves or production.

Non-GAAP Financial Measures

This Presentation makes reference to various non-GAAP financial measures, non-GAAP ratios, capital management measures and supplementary financial measures as such terms are defined in National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure. Such measures are not recognized measures under Generally Accepted Accounting Principles ("**GAAP**") and do not have a standardized meaning prescribed by IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS**") and therefore may not be comparable to similar financial measures disclosed by other issuers. Readers are cautioned that the non-GAAP financial measures referred to herein should not be construed as alternatives to, or more meaningful than, measures prescribed by IFRS and they are not meant to enhance the Company's reported financial performance or position. These are complementary measures that are commonly used in the oil and natural gas industry and by the Company to provide shareholders and potential investors with additional information regarding the Company's performance, liquidity and ability to generate funds to finance its operations. For further information, refer to the "Advisories: Non-GAAP Financial Measures" section of our Management's Discussion and Analysis for the three months ended March 31, 2025, which is incorporated herein by reference, and available on SEDAR+ (www.sedarplus.ca).

The Company uses operating netback as a key performance indicator of field results. The Company considers operating netback to be a key measure as it demonstrates Touchstone's profitability relative to current commodity prices and assists Management and investors with evaluating operating results on a historical basis. Operating netback is a non-GAAP financial measure calculated by deducting royalties and operating expenses from petroleum and natural gas sales. The most directly comparable financial measure to operating netback disclosed in the Company's consolidated financial statements is petroleum and natural gas revenue net of royalties. Operating netback per boe is a non-GAAP ratio calculated by dividing the operating netback by total sales volumes for the period. Presenting operating netback on a per boe basis allows Management to better analyze performance against prior periods on a comparable basis.



Advisories

Non-GAAP Financial Measures (continued)

Market capitalization is a supplementary financial measure and is calculated as period end common share price multiplied by the number of common shares outstanding at the end of the period. Management believes that market capitalization provides a useful measure of the market value of Touchstone's equity.

Working capital and net debt are capital management measures used by Management to monitor the Company's capital structure to evaluate its true debt and liquidity position and to manage capital and liquidity risk. Working capital is calculated by subtracting current liabilities from current assets as they appear on the applicable consolidated balance sheet. Net debt is calculated by summing the Company's working capital and the principal (undiscounted) long-term amount of senior secured debt and is most directly comparable to total liabilities disclosed in the Company's consolidated balance sheets.