



TOUCHSTONE EXPLORATION ANNOUNCES SECOND QUARTER 2025 RESULTS

CALGARY, ALBERTA (August 14, 2025) - Touchstone Exploration Inc. ("Touchstone", "we", "our" or the "Company") (TSX, LSE: TXP) reports its financial and operating results for the three and six months ended June 30, 2025. Selected financial information is outlined below and should be read in conjunction with Touchstone's June 30, 2025 unaudited interim condensed consolidated financial statements and related Management's discussion and analysis, both of which are available online on SEDAR+ (www.sedarplus.ca) and on our website (www.touchstoneexploration.com). Unless otherwise stated, all financial amounts presented herein are in United States dollars.

Second Quarter 2025 Highlights

- **Strategic Acquisition:** Completed the acquisition of Shell Trinidad Central Block Limited, adding approximately 1,910 boe/d of liquids-rich natural gas production and providing access to global LNG pricing.
- **Production:** Averaged 4,399 boe/d in the second quarter of 2025 (69 percent natural gas), compared to 4,317 boe/d (72 percent natural gas) in the first quarter of 2025 and 5,432 boe/d (77 percent natural gas) in the second quarter of 2024. Second quarter 2025 volumes include approximately 1.5 months of production from the Central block acquisition, which contributed approximately 1,910 boe/d over the post-acquisition period.
- **Petroleum and Natural Gas Sales:** Totaled \$11.01 million, a 22 percent decrease from \$14.1 million recorded in the comparative prior year quarter.
 - Crude oil sales: \$6.08 million from average production of 1,142 bbls/d at an average realized price of \$58.52 per barrel.
 - NGL sales: \$0.68 million from average production volumes of 210 bbls/d at an average realized price of \$35.40 per barrel.
 - Natural gas sales: \$4.25 million from average production of 18.3 MMcf/d (3,047 boe/d) at an average realized price of \$2.55 per Mcf.
- **Operating Netback:** Generated \$5.04 million in operating netback, a 38 percent decrease from the second quarter of 2024, primarily due to decreased petroleum and natural gas sales and related royalties and increased natural gas related operating expenses.
- **Funds Flow from Operations:** Declined to \$1.43 million from \$3.97 million in the prior year equivalent quarter, largely driven by lower operating netbacks and increased cash finance expenses, partially offset by lower current income tax.
- **Net Loss:** Recorded a net loss of \$0.71 million (\$0.00 per share) compared to net earnings of \$3.34 million (\$0.01 per share) in the second quarter of 2024. The variance was primarily driven by the decrease in year-over-year funds flow from operations and a \$1.54 million gain on asset disposition recorded in the prior year.
- **Capital Investments:** Invested \$4.66 million, primarily directed toward the drilling of the Cascadura-5 development well.
- **Private Placement:** Raised net proceeds of \$5.22 million in the quarter from the issuance of 24,636,585 common shares at 20.5 pence sterling (approximately C\$0.38) per share.
- **Financial Position:** Net debt increased to \$63.89 million at June 30, 2025, reflecting the close of the Central block acquisition which was funded by an additional \$30 million term loan facility.

Post Period-end Highlights

- **Convertible Debenture Offering:** On August 13, 2025, the Company closed a \$12.5 million private placement of convertible debentures and common share purchase warrants (the "Offering") with a

Canadian private investor. Net proceeds will fund the remaining 2025 Cascadura development drilling program and reduce outstanding accounts payable. The Company has received written confirmation from its lender that the Offering proceeds satisfy an equivalent portion of the equity raise requirement under its Fourth Amended and Restated Loan Agreement (the "Loan Agreement").

- **Production Update:** July 2025 field-estimated production averaged 5,281 boe/d, up 3.8 percent from 5,088 boe/d in June. Estimated volumes included 22.3 MMcf/d of net natural gas production (3,717 boe/d) and 1,564 bbls/d of net crude oil and liquids production.

Second Quarter 2025 Financial and Operating Results Overview

| | Three months ended June 30, 2024 | | | Six months ended June 30, 2024 | | |
|--|--|---------|-------------|--------------------------------------|---------|-------------|
| | 2025 | | % change | 2025 | | % change |
| Operational | | | | | | |
| Average daily production | | | | | | |
| Crude oil ⁽¹⁾ (bbls/d) | 1,142 | 1,158 | (1) | 1,152 | 1,162 | (1) |
| NGLs ⁽¹⁾ (bbls/d) | 210 | 101 | 100 | 125 | 181 | (31) |
| Crude oil and liquids ⁽¹⁾ (bbls/d) | 1,352 | 1,259 | 7 | 1,277 | 1,343 | (5) |
| Natural gas ⁽¹⁾ (Mcf/d) | 18,282 | 25,036 | (27) | 18,489 | 29,279 | (37) |
| Average daily production (boe/d) ⁽²⁾ | 4,399 | 5,432 | (19) | 4,359 | 6,223 | (30) |
| Production mix (% of production) | | | | | | |
| Crude oil and liquids ⁽¹⁾ | 31 | 23 | | 29 | 22 | |
| Natural gas ⁽¹⁾ | 69 | 77 | | 71 | 78 | |
| Average realized prices ⁽³⁾ | | | | | | |
| Crude oil ⁽¹⁾ (\$/bbl) | 58.52 | 73.62 | (21) | 61.20 | 71.78 | (15) |
| NGLs ⁽¹⁾ (\$/bbl) | 35.40 | 73.86 | (52) | 39.80 | 70.78 | (44) |
| Crude oil and liquids ⁽¹⁾ (\$/bbl) | 54.93 | 73.64 | (25) | 59.11 | 71.64 | (17) |
| Natural gas ⁽¹⁾ (\$/Mcf) | 2.55 | 2.48 | 3 | 2.53 | 2.47 | 2 |
| Realized commodity price (\$/boe) ⁽²⁾ | 27.50 | 28.50 | (4) | 28.04 | 27.08 | 4 |
| Operating netback (\$/boe) ⁽²⁾ | | | | | | |
| Realized commodity price ⁽³⁾ | 27.50 | 28.50 | (4) | 28.04 | 27.08 | 4 |
| Royalty expense ⁽³⁾ | (6.63) | (7.25) | (9) | (6.94) | (6.41) | 8 |
| Operating expense ⁽³⁾ | (8.28) | (4.81) | 72 | (6.92) | (4.26) | 62 |
| Operating netback ⁽³⁾ | 12.59 | 16.44 | (23) | 14.18 | 16.41 | (14) |
| Financial | | | | | | |
| (\$000's except per share amounts) | | | | | | |
| Petroleum and natural gas sales | 11,007 | 14,090 | (22) | 22,120 | 30,674 | (28) |
| Cash (used in) from operating activities | (234) | 3,383 | n/a | 5,377 | 8,752 | (39) |
| Funds flow from operations | 1,433 | 3,968 | (64) | 4,013 | 10,110 | (60) |
| Net (loss) earnings | (710) | 3,339 | n/a | (669) | 6,967 | n/a |
| Per share – basic and diluted | (0.00) | 0.01 | n/a | (0.00) | 0.03 | n/a |
| Capital expenditures ⁽³⁾ | 4,659 | 5,543 | (16) | 11,332 | 17,505 | (35) |
| Acquisition expenditure | 28,400 | - | n/a | 28,400 | - | n/a |
| Working capital deficit ⁽³⁾ | | | | 11,816 | 2,674 | 100 |
| Principal long-term bank debt | | | | 52,071 | 26,000 | 100 |
| Net debt ⁽³⁾ – end of period | | | | 63,887 | 28,674 | 100 |
| Share Information (000's) | | | | | | |
| Weighted avg. shares outstanding: | | | | | | |
| Basic | 248,644 | 234,959 | 6 | 242,586 | 234,586 | 3 |
| Diluted | 248,644 | 236,364 | 5 | 242,586 | 236,451 | 3 |
| Outstanding shares – end of period | | | | 261,097 | 236,307 | 10 |

Notes:

(1) Refer to "Advisories - Product Type Disclosures" for further information.

(2) Refer to "Advisories - Oil and Natural Gas Measures" for further information.

(3) Specified or supplementary financial measure. Refer to "Advisories - Non-GAAP Financial Measures" for further information.

2025 Outlook and Guidance

On December 9, 2024, the Company released its preliminary 2025 operational and financial guidance (the "Original Guidance"). Following the closing of the Central block acquisition in May 2025, Touchstone has updated its 2025 guidance as summarized in the following table.

| Annual Guidance Summary ⁽¹⁾ | Updated Guidance | Original Guidance ⁽²⁾ | Variance | |
|---|------------------|----------------------------------|----------|------|
| | | | Amount | % |
| Capital expenditures ⁽³⁾ (\$000's) | 28,000 | 23,000 | 5,000 | 22 |
| Average daily production (boe/d) | 5,300 to 5,900 | 6,700 to 7,300 | (1,400) | (20) |
| % natural gas | 74% | 77% | (3) | |
| % crude oil and liquids | 26% | 23% | 3 | |
| Funds flow from operations ⁽⁴⁾ (\$000's) | 11,000 | 22,000 | (11,000) | (50) |
| Net debt – end of year ⁽³⁾⁽⁴⁾ (\$000's) | 64,000 | 30,000 | 34,000 | 113 |

Notes:

- (1) Forward-looking statement and financial outlook information based on Management's current estimates. Refer to "Advisories - Forward-looking Statements".
- (2) As previously announced on December 9, 2024.
- (3) Specified or supplementary Non-GAAP financial measure. Refer to "Advisories - Non-GAAP Financial Measures".
- (4) Based on the midpoint of the average production forecast: updated - 5,600 boe/d; original - 7,000 boe/d.

The Company remains focused on capital discipline and maximizing value from its core development and exploration assets. The near-term strategy prioritizes enhancing operating cash flows through disciplined development drilling and the execution of targeted projects.

The Company now plans to fund its 2025 capital program primarily through net proceeds from the May 2025 private placement and the Offering, supplemented by an additional equity financing of approximately \$7.3 million, expected to close before the end of 2025, to satisfy obligations under the Loan Agreement. This approach replaces the original plan to fund the program through expanded credit facilities, which were utilized to finance the Central block acquisition.

The preliminary 2025 capital program contemplated four Cascadura development wells at Cascadura. The updated program replaces two of these wells with one development well on the Central block and two development wells at the WD-8 property. In addition, approximately \$2.6 million in capital expenditures are expected in the second half of 2025 for a Cascadura facility compression project, scheduled for completion in the second quarter of 2026.

As a result of the Central block acquisition and the deferral of drilling the two initial Cascadura wells, the midpoint of the 2025 production forecast has been reduced by approximately 20 percent, and expected funds flow from operations has decreased by 50 percent. Forecast year-end net debt is expected to increase by 113 percent, primarily reflecting the \$30 million term loan facility used to finance the acquisition and proceeds from the Offering to support development activities.

Touchstone Exploration Inc.

Touchstone Exploration Inc. is a Calgary, Alberta based company engaged in the business of acquiring interests in petroleum and natural gas rights and the exploration, development, production and sale of petroleum and natural gas. Touchstone is currently active in onshore properties located in the Republic of Trinidad and Tobago. The Company's common shares are traded on the Toronto Stock Exchange and the AIM market of the London Stock Exchange under the symbol "TXP". For further information about Touchstone, please visit our website at www.touchstoneexploration.com or contact:

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 Scott Budau, Chief Financial Officer

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Advisories

Forward-looking Statements

The information provided in this news release contains certain 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", "believe", "estimate", "potential", "anticipate", "forecast", "pursue", "aim", "intends", 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 news release speak only as of the date hereof and are expressly qualified by this cautionary statement.

Specifically, this news release includes, but is not limited to, forward-looking statements relating to: the Company's business plans, strategies, priorities and development plans; field estimated production; the Company's intended use of proceeds of the Offering; the focus of Touchstone's remaining 2025 capital plan, including pursuing developmental drilling activities and optimizing existing natural gas and liquids infrastructure capacity; anticipated 2025 annual average production by commodity; forecasted production decline rates; anticipated developmental drilling activities, including locations, the timing thereof and related production and cash flows therefrom; anticipated 2025 capital expenditures including estimations of costs and inflation incorporated therein; anticipated timing of drilling and completion activities, well tie-in operations and production coming online; forecasted future commodity prices; forecasted royalty, operating, general and administration, cash finance and income tax expenses; anticipated funds flow from operations and net debt; and Touchstone's current and future financial position, including the sufficiency of resources to fund future capital expenditures and maintain financial liquidity. The Company's actual decisions, activities, results, performance, or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits Touchstone will derive from them.

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. 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. Certain of these risks are set out in more detail in the Company's 2024 Annual Information Form dated March 19, 2025 which is available online under the Company's profile on SEDAR+ (www.sedarplus.ca) and on the Company's website (www.touchstoneexploration.com). The forward-looking statements contained in this news release are made as of the date hereof, and except as may be required by applicable securities laws, the Company assumes no obligation or intent to update publicly or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

This news release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Touchstone's prospective results of operations and production included in its updated 2025 guidance, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the paragraphs above. The FOFI contained in this news release was approved by Management as of the date of this news release and was provided for the purpose of providing further information about Touchstone's future business operations. This information has been provided for illustration only and, with respect to future periods, is based on budgets and forecasts that are speculative and are subject to a variety of contingencies and may not be appropriate for other purposes. Touchstone and its Management believe that FOFI has been prepared on a reasonable basis, reflecting Management's best estimates and judgments, and represents, to the best of Management's knowledge and opinion, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. Touchstone disclaims any intention or obligation to update or revise any FOFI contained herein, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained herein should not be used for purposes other than for which it

is disclosed herein, and the FOFI contained herein is not conclusive and is subject to change. Variations in forecasted commodity prices, differences in the amount and timing of capital expenditures, and variances in average production estimates and decline rates can have a significant impact on the key performance measures included in the guidance disclosed herein. Management does not have firm commitments for all of the costs, expenditures, prices or other financial assumptions used to prepare the financial outlook or assurance that such operating results will be achieved and, accordingly, the complete financial effects of the forecasted costs, expenditures, prices and operating results are not objectively determinable. The actual results of the Company's operations and the resulting financial results will vary from the amounts set forth in this news release and such variations may be material.

Assumptions for Updated 2025 Guidance

The updated 2025 capital budget and financial guidance is predicated on the Company securing an additional \$7.3 million in equity financing as required under the terms of its Fourth Amended and Restated Loan Agreement. There is no assurance that the Company will successfully raise the additional equity, either in the amount or within the timeframe envisioned by Management. Consequently, the updated 2025 budget and guidance disclosed herein are subject to potential revision, and such revisions could be material.

Production estimates contained herein are expressed as anticipated average production over the calendar 2025 year. All production volumes disclosed herein are based on Company working interest before royalty burdens. In determining anticipated 2025 production, Touchstone considered historical drilling, completion, production results and decline rates for prior years and the year-to-date 2025 period and considered the estimated impact on production of the Company's remaining 2025 expected drilling and completion activities.

The key assumptions underpinning the forecast for average daily production, funds flow from operations, and net debt are outlined below. These metrics are based on the midpoint of the updated 2025 average production guidance of 5,600 boe/d (formerly 7,000 boe/d).

| Annual Production Guidance ⁽¹⁾ | Units | Updated Guidance | Previous Guidance ⁽²⁾ | Variance | |
|---|--------|------------------|----------------------------------|----------|------|
| | | | | Amount | % |
| Midpoint average daily production | | | | | |
| Light and medium crude oil | bbls/d | 1,097 | 1,092 | 5 | - |
| Heavy crude oil | bbls/d | 33 | 8 | 25 | 100 |
| Crude oil | bbls/d | 1,130 | 1,100 | 30 | 3 |
| Condensate | bbls/d | 160 | 510 | (350) | (69) |
| Other NGLs | | 160 | - | 160 | n/a |
| Crude oil and liquids | bbls/d | 1,450 | 1,610 | (160) | (10) |
| Conventional natural gas | Mcf/d | 24,900 | 32,340 | (7,440) | (23) |
| Midpoint average daily production | boe/d | 5,600 | 7,000 | (1,400) | (20) |

| Annual Financial Guidance ⁽¹⁾ | Units | Updated Guidance | Previous Guidance ⁽²⁾ | Variance | |
|--|--------|------------------|----------------------------------|----------|------|
| | | | | Amount | % |
| Realized commodity price ⁽³⁾ | \$/boe | 26.80 | 25.00 | 1.80 | 7 |
| Expenses | | | | | |
| Royalties as a % of petroleum and natural gas sales ⁽³⁾ | % | 22 | 21 | 1 | 5 |
| Operating expenses ⁽³⁾ | \$/boe | 6.80 | 4.30 | 2.50 | 58 |
| General and administration expenses ⁽³⁾ | \$/boe | 5.20 | 4.40 | 0.80 | 18 |
| Cash finance expenses ⁽³⁾ | \$/boe | 2.50 | 1.20 | 1.30 | 100 |
| Current income tax expenses ⁽³⁾ | \$/boe | 0.80 | 1.10 | (0.30) | (27) |

Notes:

(1) Forward-looking statement representing Management estimates. See "Advisories - Forward-looking Statements".

(2) As previously announced on December 9, 2024.

(3) Non-GAAP financial measure. See the "Advisories - Non-GAAP Financial Measures" section herein for further information.

Variations in the amount of future equity raises, forecasted commodity prices, differences in the amount and timing of capital expenditures, and variances in average production estimates and decline rates can have a significant impact on the key performance measures included in the guidance disclosed herein. The actual results of the Company's operations and the resulting financial results will vary from the amounts set forth in this news release and such variations may be material.

Using the midpoint of the Company's updated production guidance and holding all other assumptions constant, a 20 percent increase (decrease) in forecasted average commodity prices realized would increase funds flow from operations by approximately \$2.53 million (decrease by approximately \$2.12 million). Assuming capital expenditures are unchanged, the impact on funds flow from operations is estimated to result in an equivalent decrease (increase) in forecasted year end 2025 net debt.

Non-GAAP Financial Measures

This news release references 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 Canadian 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. Below is a description of the non-GAAP financial measures, non-GAAP ratios, capital management measures and supplementary financial measures disclosed herein.

Operating netback

Touchstone 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 royalty 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 production 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.

Capital expenditures

Capital expenditures is a non-GAAP financial measure that is calculated as the sum of exploration and evaluation asset expenditures and property, plant and equipment expenditures included in the Company's consolidated statements of cash flows and is most directly comparable to cash used in investing activities. Touchstone considers capital expenditures to be a useful measure of its investment in its existing asset base.

Working capital and net debt

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.

Supplementary Financial Measures

Realized commodity price per boe - is comprised of petroleum and natural gas sales as determined in accordance with IFRS, divided by the Company's total production volumes for the period.

Realized crude oil sales per barrel, realized NGL sales per barrel and realized natural gas sales per boe - are comprised of sales from the respective product type as determined in accordance with IFRS, divided by the Company's total production volumes of the respective product type for the period. Crude oil sales, NGL sales and natural gas sales are components of petroleum and natural gas sales as disclosed on the consolidated statements of net earnings and comprehensive income.

Realized crude oil and liquids sales per barrel - is comprised of the sum of crude oil and NGL product sales as determined in accordance with IFRS, divided by the sum of the Company's total crude oil and NGL production volumes for the period. Crude oil and NGL sales are components of petroleum and natural gas sales.

Royalty expense per boe - is comprised of royalty expense as determined in accordance with IFRS, divided by the Company's total production volumes for the period.

Royalty expense as a percentage of petroleum and natural gas sales - is comprised of royalty expense as determined in accordance with IFRS, divided by petroleum and natural gas sales as determined in accordance with IFRS.

Operating expense per boe - is comprised of operating expense as determined in accordance with IFRS, divided by the Company's total production volumes for the period.

General and administration expense per boe - is comprised of general and administration expense as determined in accordance with IFRS, divided by the Company's total production volumes for the period.

Cash finance expense per boe - is comprised of cash finance expense divided by the Company's total production volumes for the period. Cash finance expenses are calculated as net finance expense as determined in accordance with IFRS, less accretion on bank debt, accretion on decommissioning obligations, and lease modifications, all of which are non-cash in nature.

Current income tax expense per boe - is comprised of current income tax expenses as determined in accordance with IFRS, divided by the Company's total production volumes for the period.

For further information, please refer to the "Advisories - Non-GAAP Financial Measures" section of the Company's most recent Management's discussion and analysis for the three and six months ended June 30, 2025 accompanying our June 30, 2025 unaudited interim condensed consolidated financial statements, both of which are available online under the Company's profile on SEDAR+ (www.sedarplus.ca) and on the Company's website (www.touchstoneexploration.com). Touchstone's Management's discussion and analysis is incorporated by reference herein and includes further discussion of the purpose and composition of the specified non-GAAP financial measures consistently used by the Company and detailed reconciliations to the most directly comparable GAAP measures.

Oil and Natural Gas Measures

To provide a single unit of production for analytical purposes, natural gas production has been converted mathematically to barrels of oil equivalent. The Company uses 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.

Product Type Disclosures

This news release includes references to crude oil, NGLs, crude oil and liquids, natural gas, and average daily production volumes. Under National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"), disclosure of production volumes should include segmentation by product type as defined in the instrument. In this news release, 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 propane; 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.

The Company's average field estimated production for July 2025 consists of the following product types as defined in NI 51-101 using a conversion of 6 Mcf to 1 boe where applicable.

| Period | Light and Medium Crude Oil (bbls/d) | Heavy Crude Oil (bbls/d) | Condensate (bbls/d) | Other NGLs (bbls/d) | Conventional Natural Gas (Mcf/d) | Total Oil Equivalent (boe/d) |
|-----------------------------|-------------------------------------|--------------------------|---------------------|---------------------|----------------------------------|------------------------------|
| July 2025 (field estimated) | 1,073 | 66 | 155 | 269 | 22,301 | 5,281 |

For further information regarding specific product disclosures in accordance with NI 51-101, please refer to the "Advisories - Product Type Disclosures" section of the Company's most recent Management's discussion and analysis for the three and six months ended June 30, 2025 accompanying our June 30, 2025 unaudited interim condensed consolidated financial statements, both of which are available online under the Company's profile on SEDAR+ (www.sedarplus.ca) and on the Company's website (www.touchstoneexploration.com).

Abbreviations

The following abbreviations may be referenced in this news release:

| | |
|--------|-----------------------------------|
| bbl(s) | barrel(s) |
| bbls/d | barrels per day |
| boe | barrels of oil equivalent |
| boe/d | barrels of oil equivalent per day |
| Mcf | thousand cubic feet |
| Mcf/d | thousand cubic feet per day |
| MMcf | million cubic feet |
| MMcf/d | million cubic feet per day |
| MMBtu | million British thermal units |
| NGL(s) | natural gas liquid(s) |
| LNG | liquefied natural gas |