



**Touchstone Exploration Inc.**

**Management's Discussion and Analysis**

**For the three months ended March 31, 2026 and 2025**

## Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Touchstone Exploration Inc. ("Touchstone", "we", "our", "us" or the "Company") for the three months ended March 31, 2026 with comparisons to the three months ended March 31, 2025 is dated May 13, 2026 and should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements as at and for the three months ended March 31, 2026 (the "interim financial statements"), as well as with the Company's audited consolidated financial statements as at and for the year ended December 31, 2025 (the "audited 2025 financial statements"), which are available on the Company's profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and website ([www.touchstoneexploration.com](http://www.touchstoneexploration.com)). The interim financial statements have been prepared by Management in accordance with International Accounting Standard 34 *Interim Financial Reporting* using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS" or "GAAP"). The interim financial statements were approved by the Company's Board of Directors ("Board"). Accounting policies adopted by the Company are set out in the notes to the audited 2025 financial statements. This MD&A should also be read in conjunction with Touchstone's MD&A for the three months and year ended December 31, 2025, as disclosure which is unchanged from December 31, 2025 may not be duplicated herein.

**Unless otherwise stated, all financial amounts presented herein are rounded to thousands of United States dollars ("\$" or "US\$").**

The Company may also reference Canadian dollars ("C\$") and Trinidad and Tobago dollars ("TT\$") herein, which are the functional and operational currencies of the Company's parent company and operating subsidiaries, respectively. All production volumes disclosed herein are sales volumes and are based on Company working interest before royalty burdens. Certain prior year amounts have been reclassified to conform to the current year presentation. In cases where percentage (%) figures are provided, such percentages have generally been rounded to the nearest whole number and limited to increases or decreases of 100 percent.

**Certain measures in this MD&A do not have any standardized meaning prescribed under IFRS and therefore are considered non-GAAP and other financial measures. Readers are cautioned that this MD&A should be read in conjunction with Touchstone's disclosure under the "Advisories" section of this MD&A which provides information on non-GAAP and other financial measures, forward-looking statements, oil and natural gas measures, product type disclosures and references to Touchstone.**

### About Touchstone Exploration Inc.

Touchstone is incorporated under the laws of Alberta, Canada with its head office located in Calgary, Alberta. The Company, through its subsidiaries, is a petroleum and natural gas exploration and production company active in the Republic of Trinidad and Tobago ("Trinidad"). Touchstone is currently one of the largest independent onshore oil and natural gas producers in Trinidad, with assets in several reservoirs that have an extensive internally estimated inventory of petroleum and natural gas development and exploration opportunities. The Company's common shares are traded on the Toronto Stock Exchange and the AIM market of the London Stock Exchange under the stock symbol "TXP". The Company's strategy is to leverage Canadian operational experience and technical capability across its Trinidad onshore properties to create long-term shareholder value.

## Financial and Operational Results Overview

	Three months ended		
	March 31, 2026	December 31, 2025	March 31, 2025
<b>Operational</b>			
Average daily production			
Crude oil <sup>(1)</sup> (bbls/d)	929	996	1,162
NGLs <sup>(1)</sup> (bbls/d)	422	413	39
Crude oil and liquids <sup>(1)</sup> (bbls/d)	1,351	1,409	1,201
Natural gas <sup>(1)</sup> (Mcf/d)	19,838	20,805	18,698
Average daily production (boe/d) <sup>(2)</sup>	4,657	4,877	4,317
Production mix (% of production)			
Crude oil and liquids <sup>(1)</sup>	29	29	28
Natural gas <sup>(1)</sup>	71	71	72
Average realized prices <sup>(3)</sup>			
Crude oil <sup>(1)</sup> (\$/bbl)	67.94	54.57	63.86
NGLs <sup>(1)</sup> (\$/bbl)	39.38	30.30	64.05
Crude oil and liquids <sup>(1)</sup> (\$/bbl)	59.02	47.46	63.87
Natural gas <sup>(1)</sup> (\$/Mcf)	3.00	2.54	2.50
Realized commodity price (\$/boe) <sup>(2)</sup>	29.92	24.53	28.60
Operating netback (\$/boe) <sup>(2)</sup>			
Realized commodity price <sup>(3)</sup>	29.92	24.53	28.60
Royalty expense <sup>(3)</sup>	(7.31)	(7.15)	(7.25)
Operating expense <sup>(3)</sup>	(8.88)	(7.97)	(5.52)
Operating netback <sup>(3)</sup>	13.73	9.41	15.83
<b>Financial</b>			
<i>(\$000's except per share amounts)</i>			
Petroleum and natural gas sales	12,543	11,001	11,113
Cash from operating activities	4,787	9,903	5,611
Funds flow from operations	1,848	623	2,580
Net (loss) income	(2,376)	13,621	41
Per share – basic and diluted	(0.01)	0.04	0.00
Capital expenditures <sup>(3)</sup>	3,224	7,443	6,673
Principal balance of bank debt	55,625	57,750	33,500
Principal balance of convertible debenture	12,500	12,500	-
Net debt <sup>(3)</sup>	76,072	72,890	33,330
<b>Share Information</b> (000's)			
Weighted average shares outstanding			
Basic and diluted	324,734	304,674	236,461
Outstanding shares – end of period	324,734	324,734	236,461

### Notes:

- (1) In the table above and elsewhere in this MD&A, references to "crude oil" include the combined product types light and medium crude oil and heavy crude oil; references to "NGLs" refer to condensate and propane; and references to "natural gas" refer to conventional natural gas, all as defined in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"). References to "crude oil and liquids" include crude oil and NGLs. Refer to the "Advisories - Product Type Disclosures" section of this MD&A for further information.
- (2) In the table above and elsewhere in this MD&A, references to "boe" mean barrels of oil equivalent that are calculated using the energy equivalent conversion method. Refer to the "Advisories - Oil and Natural Gas Measures" section of this MD&A.
- (3) Specified or supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

## First Quarter 2026 Highlights

- **Production growth:** Average daily production increased 8% year-over-year to 4,657 boe/d, as production from the Central field (2,131 boe/d) successfully mitigated natural declines in legacy assets. Relative to the preceding quarter, average quarterly production decreased from 4,877 boe/d, primarily due to natural declines in mature crude oil and Ortoire natural gas volumes.
- **Revenue and realized pricing:** Petroleum and natural gas sales totaled \$12.5 million, a 14% increase from the \$11.0 million recorded in the previous quarter. This was driven by an 18% increase in realized natural gas prices and a 25% recovery in realized crude oil pricing, with March 2026 crude oil volumes averaging \$86.58 per barrel.
  - **Crude oil sales:** \$5.68 million from average production of 929 bbls/d at a realized price of \$67.94 per barrel.
  - **NGL sales:** \$1.50 million from average production of 422 bbls/d at a realized price of \$39.38 per barrel.
  - **Natural gas sales:** \$5.36 million from average production of 19.84 MMcf/d (3,306 boe/d) at a realized price of \$3.00 per Mcf.
- **Operating netback:** Realized an operating netback of \$13.73 per boe, a 46% improvement over the \$9.41 per boe recorded in the preceding quarter. This expansion reflected higher commodity pricing and stable royalty structures, which more than offset the increased operating cost base.
- **Funds flow from operations:** Increased to \$1.85 million from \$0.62 million in the previous quarter, primarily driven by a \$1.54 million increase in operating netbacks.
- **Net income:** Recorded a net loss of \$2.38 million (\$0.01 per basic share), a normalization from the \$13.62 million in net income in the fourth quarter of 2025, which was skewed by \$14.53 million in one-time non-cash gains (deferred tax recoveries and a gain on asset disposition).
- **Capital investments:** Expenditures were focused on high-impact projects, including the FR-1835 crude oil development well, tie-in of the CR-3 natural gas development well, and the Cascadura compression project, totalling \$3.22 million for the quarter.
- **Financial position:** Ended the period with a net debt position of \$76.07 million.

## Liquidity and Going Concern

The Company's capital strategy is focused on maintaining a flexible financial structure to support its ongoing development programs and satisfy financial obligations. Management continues to monitor the Company's liquidity position to ensure that operating cash flows and working capital remain sufficient to support ongoing financial obligations, planned capital programs, and future work commitments.

As at March 31, 2026, the Company had a working capital deficit of \$22.2 million, excluding the convertible debenture (the "Debenture") maturing in 2028. Additionally, the Company projects a breach of its bank debt net senior funded debt to trailing annual EBIDA and debt service coverage covenants as of December 31, 2026. Such a breach could provide the lender the right to declare the outstanding bank debt balance immediately due and payable at that time. In the absence of mitigating actions, the Company's current cash resources and forecasted cash flows from operations may not be sufficient to fund expected operating and development expenditures and scheduled bank debt repayments over the next twelve months.

The interim financial statements were prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. However, the interim financial statements include a note regarding the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

Management is actively executing a strategic recapitalization plan to address near-term capital requirements, which includes ongoing discussions regarding debt restructuring and potential equity initiatives.

The interim financial statements do not reflect potential adjustments to the carrying amounts of assets and liabilities, reported amounts of revenue and expenses, or balance sheet classifications that would be required if the going concern assumption were deemed not appropriate. Such adjustments could be material.

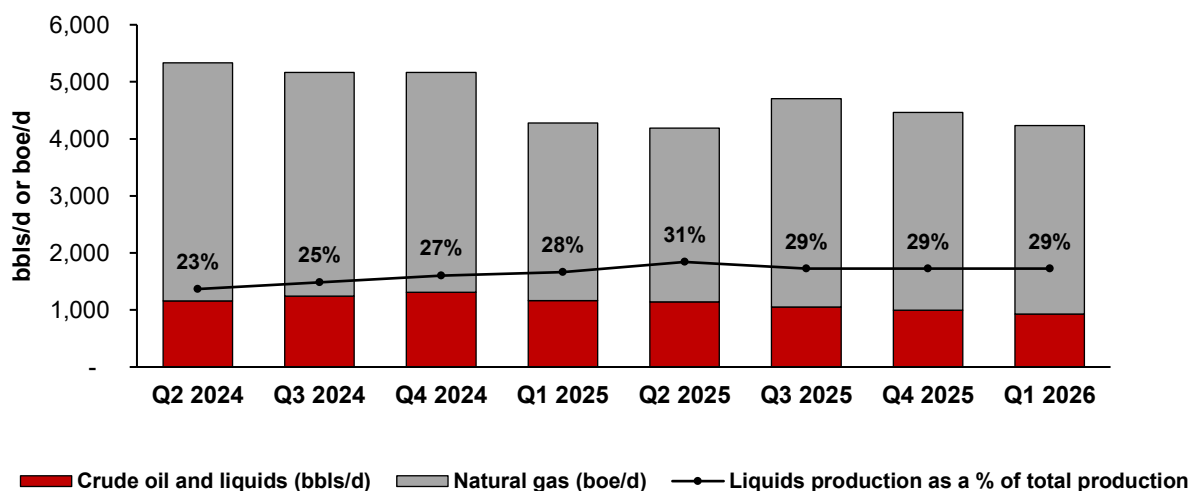
## Financial and Operational Results

### Production Volumes

	Three months ended March 31,		%
	2026	2025	change
<b>Production</b>			
Crude oil (bbls)	83,612	104,587	(20)
NGLs (bbls)	38,013	3,466	n/m
Crude oil and liquids (bbls)	121,625	108,053	13
Natural gas (Mcf)	1,785,452	1,682,797	6
<b>Total production (boe)</b>	<b>419,200</b>	<b>388,519</b>	<b>8</b>
<b>Average daily production</b>			
Crude oil (bbls/d)	929	1,162	(20)
NGLs (bbls/d)	422	39	n/m
Crude oil and liquids (bbls/d)	1,351	1,201	12
Natural gas (Mcf/d)	19,838	18,698	6
<b>Average daily production (boe/d)</b>	<b>4,657</b>	<b>4,317</b>	<b>8</b>
<b>Production mix</b>			
Crude oil and liquids (%)	29	28	
Natural gas (%)	71	72	

Total and average daily production volumes in the first quarter of 2026 increased by 8 percent compared to the same period in 2025. This growth was driven by approximately 2,131 boe/d of incremental production from the Central field, which more than offset production declines in the Company's mature crude oil properties and the Ortoire block.

### Average Daily Production



### Crude oil production

Crude oil produced from the Company's properties is stored in tanks at individual well pads prior to being transported by truck to designated sales facilities connected to Heritage pipeline infrastructure. The following table summarizes crude oil production volumes by property for the three months ended March 31, 2026 and 2025.

Property (bbls)	Three months ended March 31,		% change
	2026	2025	
CO-1	34,550	36,366	(5)
WD-4	28,808	36,335	(21)
WD-8	9,791	13,729	(29)
Balata East	6,645	7,810	(15)
Cascadura	2,800	3,081	(9)
Other minor fields	1,018	7,266	(86)
<b>Crude oil production</b>	<b>83,612</b>	<b>104,587</b>	<b>(20)</b>

Crude oil production for the first quarter of 2026 averaged 929 bbls/d, representing a 20 percent decrease compared to the 1,162 bbls/d produced in the same period of 2025. The decrease primarily reflected natural production declines across the Company's mature properties, as no crude oil development wells were drilled during 2025. Additionally, first quarter 2025 production included 61 bbls/d of volumes from non-core assets that were divested during the fourth quarter of 2025.

### NGL production

At the Cascadura facility, separated NGLs are stored on site and subsequently transported by truck to the Balata East sales facility. The Central block facility separates NGLs from produced natural gas and is directly connected to a Heritage-operated sales pipeline. Additional NGLs are extracted from natural gas volumes delivered to the Atlantic LNG facility through the cross-island pipeline.

The following table summarizes NGL production volumes by property for the three months ended March 31, 2026 and 2025.

Property (bbls)	Three months ended March 31,		% change
	2026	2025	
Cascadura	1,554	3,466	(55)
Central	36,459	-	n/a
<b>NGL production</b>	<b>38,013</b>	<b>3,466</b>	<b>n/m</b>

NGL production averaged 422 bbls/d during the first quarter of 2026, a significant increase from the 39 bbls/d recorded in the first quarter of 2025. This growth was driven by the Central block, which contributed approximately 116 bbls/d of condensate and 289 bbls/d of other NGLs. These incremental volumes more than offset a 55 percent natural decline in NGL production from Cascadura, reflecting the impact of well maturation.

### Natural gas production

Natural gas volumes processed at the Cascadura facility are sold into a connected National Gas Company of Trinidad and Tobago ("NGC") sales pipeline. Volumes produced from the Coho field are delivered via an NGC-owned pipeline and processed at the Company's Central block facility. Natural gas processed at the Central block is either sold domestically to NGC or transported through the cross-island pipeline to the Atlantic LNG facility. Net natural gas volumes delivered to the Atlantic LNG facility custody transfer point may differ from the Company's share of NGL liftings in any given period.

The following table summarizes natural gas production volumes by property for the three months ended March 31, 2026 and 2025.

Property (Mcf)	Three months ended March 31,		% change
	2026	2025	
Cascadura	741,824	1,526,773	(51)
Central	932,033	-	n/a
Coho	111,595	156,024	(28)
<b>Natural gas production</b>	<b>1,785,452</b>	<b>1,682,797</b>	<b>6</b>

Natural gas production averaged 19.8 MMcf/d (3,306 boe/d) during the first quarter of 2026, a 6 percent increase from the 18.7 MMcf/d (3,116 boe/d) produced in the same period of 2025. This increase was driven by the Central field, which contributed approximately 10.4 MMcf/d (1,726 boe/d), offsetting natural declines in the Cascadura and Coho fields. Cascadura volumes remained impacted by downstream infrastructure pressure fluctuations; however, the Company is advancing a compression project targeted for commissioning in the second quarter of 2026 to mitigate these constraints and stabilize delivery rates.

### Commodity Prices

	Three months ended March 31,		% change
	2026	2025	
<b>Avg. benchmark prices<sup>(1)</sup></b>			
Brent (\$/bbl)	77.90	74.92	4
WTI (\$/bbl)	71.93	71.42	1
<b>Average realized prices<sup>(2)</sup></b>			
Crude oil (\$/bbl)	67.94	63.86	6
NGLs (\$/bbl)	39.38	64.05	(39)
Crude oil and liquids (\$/bbl)	59.02	63.87	(8)
Natural gas (\$/Mcf)	3.00	2.50	20
<b>Realized commodity price<sup>(2)</sup> (\$/boe)</b>	<b>29.92</b>	<b>28.60</b>	<b>5</b>

Notes:

(1) Average of the daily closing prices. Source: GLJ Ltd.

(2) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

### Crude oil and liquids realized prices

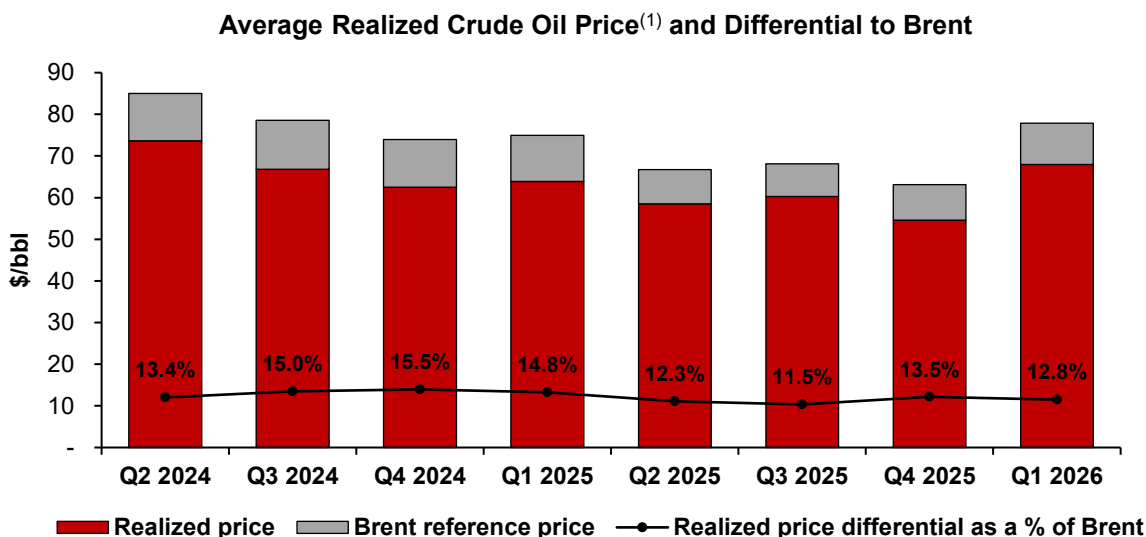
Touchstone's realized prices for crude oil and NGLs are influenced by product quality differentials and international marketing arrangements, which are largely beyond the Company's control. All crude oil and liquids produced in Trinidad are exported for refining.

Crude oil produced from the Company's legacy assets and Cascadura NGLs are sold to Heritage at prices linked to the Brent benchmark. Central block NGL volumes separated at the Company's natural gas processing facility are sold to Heritage at prices referenced to the WTI benchmark. Additional NGL volumes separated at the Atlantic LNG facility are sold based on Propane Plus pricing, a composite benchmark reflecting propane and heavier NGL components.

The Brent benchmark price averaged \$77.90 per barrel in the first quarter of 2026, representing a 23 percent increase from the fourth quarter of 2025 and a 4 percent increase relative to the same period in 2025. The modest year-over-year increase was primarily attributable to higher pricing in March 2026, driven by heightened geopolitical tensions in the Middle East and related concerns over global crude oil supply. This was partially offset by lower reference pricing in January and February 2026 compared to the same periods in 2025, as continued growth in global oil supply outpaced demand growth during the period.

Touchstone realized an average crude oil price of \$67.94 per barrel in the first quarter of 2026, representing a 6 percent increase compared to \$63.86 per barrel in the same period of 2025. This improvement reflected

the 4 percent increase in average Brent reference pricing and a narrowing of the Company's realized crude oil price differential from 14.8 percent to 12.8 percent.



Note:

(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

Conversely, realized NGL prices averaged \$39.38 per barrel in the first quarter of 2026, a 39 percent decrease year-over-year. This decrease was primarily due to the introduction of significant NGL volumes from the Central block, which are referenced to WTI and Propane Plus pricing rather than the Brent-linked pricing achieved on the Company's Cascadura NGL production.

### Natural gas realized prices

Natural gas production from the Ortoire block is sold under a long-term, fixed-price contract with NGC. The contract price is \$2.33 per MMBtu through October 10, 2026, increasing to approximately \$2.38 per MMBtu through October 10, 2027. Thereafter, the fixed price is subject to redetermination between the parties every five years.

Natural gas production from the Central block is marketed either domestically to NGC or internationally to Atlantic LNG, contingent upon Atlantic LNG facility availability. Atlantic LNG pricing is variable, linked to a basket of global energy benchmarks including Brent, Henry Hub, JKM and NBP. This exposure allows the Company to capture international market premiums, though it introduces greater price volatility compared to the Ortoire block domestic contract.

Natural gas sales to Atlantic LNG are recognized upon the transfer of legal title at the processing facility inlet. Revenue is initially estimated based on applicable marketing arrangements, net of stripped NGLs and allocated plant gas. Final adjustments are recorded when the LNG is lifted and definitive pricing is confirmed. Sales to Atlantic LNG are recorded net of processing and marketing charges, including transportation, liquefaction, and associated fees.

Touchstone realized an average natural gas price of \$3.00 per Mcf in the first quarter of 2026, a 20 percent increase over the \$2.50 per Mcf realized in the same period of 2025. This improvement was driven by the Central field, which achieved an average realized price of \$3.40 per Mcf.

This premium was a direct result of the Company's international marketing strategy, with 99 percent of Central volumes delivered to Atlantic LNG in the first quarter of 2026. These sales are linked to a basket of global benchmarks, allowing the Company to capture higher international pricing compared to the fixed-price domestic contract currently in place for Ortoire block production.

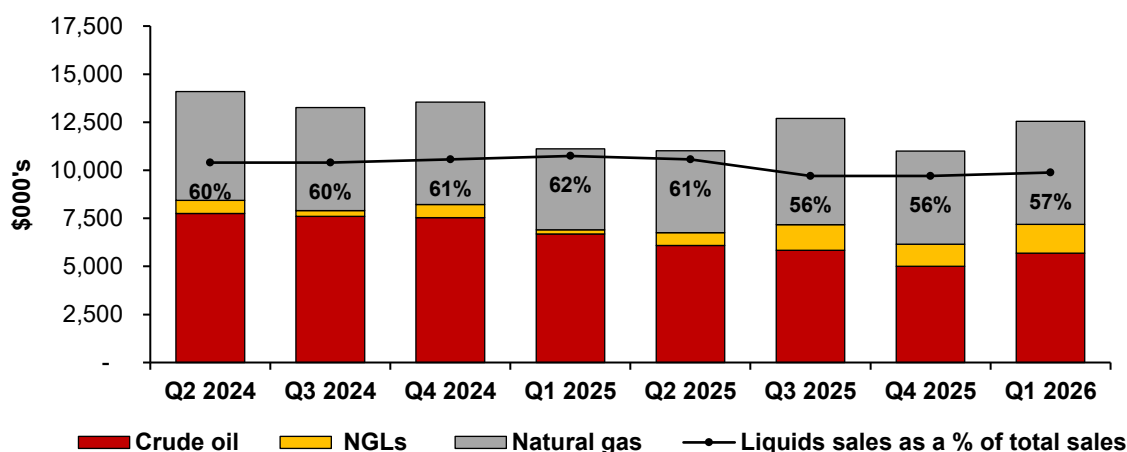
## Petroleum and Natural Gas Sales

(\$000's unless otherwise stated)	Three months ended March 31,		%
	2026	2025	
Crude oil	5,681	6,679	(15)
NGLs	1,497	222	n/m
Natural gas	5,365	4,212	27
<b>Petroleum and natural gas sales</b>	<b>12,543</b>	<b>11,113</b>	<b>13</b>
Sales mix			
Crude oil and liquids (%)	57	62	
Natural gas (%)	43	38	

Petroleum and natural gas sales for the first quarter of 2026 totaled \$12,543,000, a 13 percent increase from \$11,113,000 in the first quarter of 2025. This growth was primarily driven by the contribution of the Central block, which significantly bolstered natural gas and NGL volumes.

- Crude oil sales decreased by \$998,000, as natural production declines and 2025 divestments resulted in a \$1,339,000 volume reduction, which was only partially offset by \$341,000 from increased Brent-linked realized pricing.
- NGL sales increased by \$1,275,000, as a substantial volume increase of \$2,213,000 from the Central field more than offset the lower average realized pricing of \$938,000 associated with the shift toward WTI and Propane Plus linked marketing streams.
- Natural gas sales increased by \$1,153,000, reflecting higher realized pricing from international LNG exposure (\$893,000) and a \$260,000 increase from higher sales volumes.

### Petroleum and Natural Gas Sales



## Royalty Expense

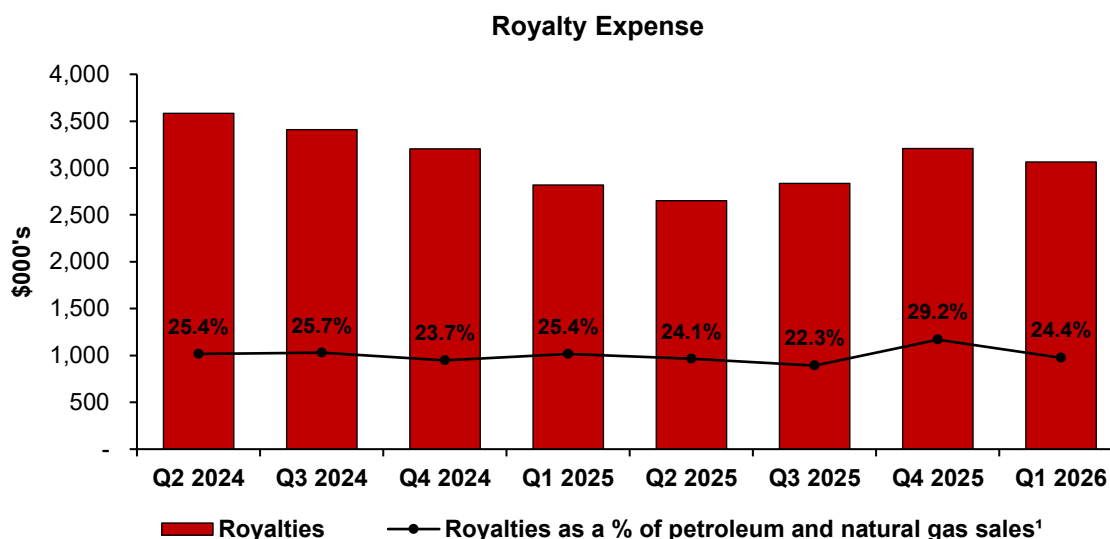
(\$000's unless otherwise stated)	Three months ended March 31,		%
	2026	2025	
State royalties	1,638	1,369	20
Overriding royalties	1,404	1,407	-
Private royalties	22	42	(48)
<b>Royalty expense</b>	<b>3,064</b>	<b>2,818</b>	<b>9</b>
\$ per boe <sup>(1)</sup>	7.31	7.25	1
As a % of petroleum and natural gas sales <sup>(1)</sup>	24.4	25.4	(4)

Note:

(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

Royalty expenses in the first quarter of 2026 increased by 9 percent compared to the same period of 2025, primarily reflecting higher petroleum and natural gas sales.

On a unit basis, royalties averaged \$7.31 per boe, while royalties as a percentage of sales improved to 24.4 percent (from 25.4 percent in the first quarter of 2025). This improvement in the Company's royalty profile was driven by a greater proportion of total production being derived from the Central property, which is subject only to state royalties. This shift offset the impact of higher-rate overriding royalties payable to Heritage on Touchstone's mature crude oil properties.



Note:

(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

## Operating Expense

(\$000's except per boe amounts)	Three months ended March 31,		
	2026	2025	% change
<b>Operating expense</b>	<b>3,722</b>	2,144	74
\$ per boe <sup>(1)</sup>	<b>8.88</b>	5.52	61

Note:

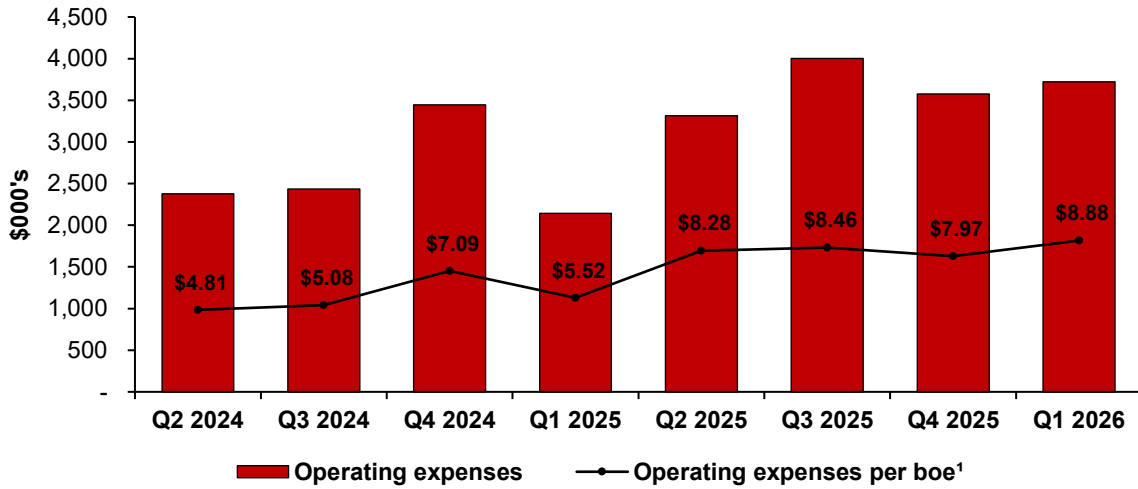
(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

Operating expenses include periodic lease, field-level, and transportation costs, as well as directly attributable employee salaries and benefits. Estimates by property and product type are based on internal allocations prepared by Management and require the use of assumptions and judgment.

Operating expenses in the first quarter of 2026 totaled \$3,722,000, an increase of 74 percent compared to the same period in 2025. This variance was primarily driven by the Central block integration, which contributed incremental expenses of approximately \$1,642,000 (or \$8.56 per boe). Operating expenses for legacy crude oil properties and the Ortoire block remained relatively stable, decreasing by a combined \$64,000 year-over-year.

On a unit basis, operating expenses increased to \$8.88 per boe from \$5.52 per boe in the prior year. While the Company achieved absolute cost reductions in its legacy portfolios, per-unit metrics were impacted by natural production declines, which reduced the volume base over which fixed field costs were distributed. Consequently, crude oil and liquids operating expenses averaged \$19.05 per barrel (versus \$14.63 per barrel in 2025) and Ortoire operating expenses averaged \$3.68 per boe (versus \$1.91 per boe in 2025).

### Operating Expense



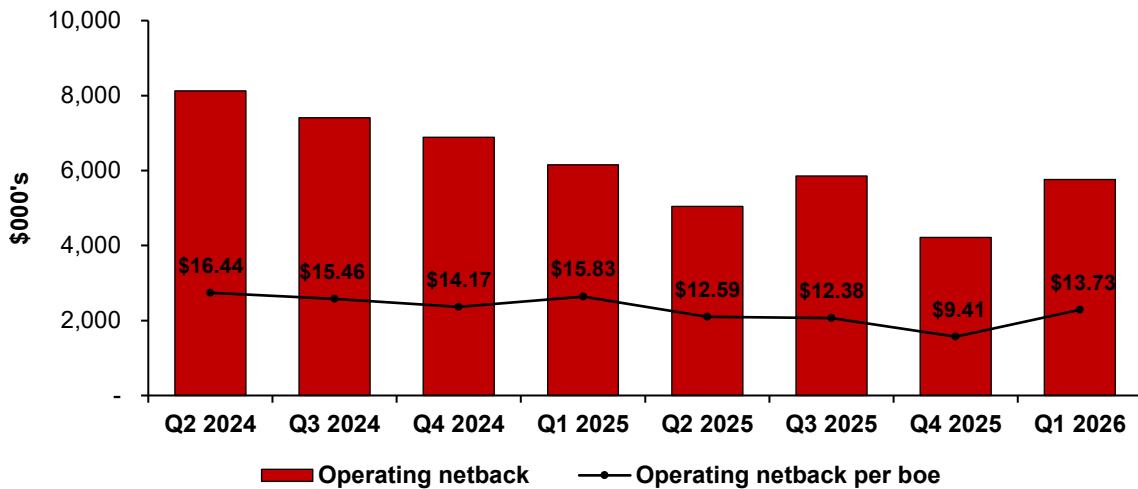
Note:

(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

### Operating Netback

	Three months ended March 31,		%
	2026	2025	change
<i>(\$'000's)</i>			
Petroleum and natural gas sales	12,543	11,113	13
Royalty expense	(3,064)	(2,818)	9
Operating expense	(3,722)	(2,144)	74
<b>Operating netback<sup>(1)</sup></b>	<b>5,757</b>	<b>6,151</b>	<b>(6)</b>
<i>(\$/boe)</i>			
Realized commodity price <sup>(1)</sup>	29.92	28.60	5
Royalty expense <sup>(1)</sup>	(7.31)	(7.25)	1
Operating expense <sup>(1)</sup>	(8.88)	(5.52)	61
<b>Operating netback<sup>(1)</sup></b>	<b>13.73</b>	<b>15.83</b>	<b>(13)</b>

### Operating Netback<sup>(1)</sup>



Note:

(1) Specified financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

## General and Administration ("G&A") Expense

(\$000's except per boe amounts)	Three months ended March 31,		
	2026	2025	% change
Gross G&A expense	2,352	2,587	(9)
Capitalized G&A expense	(90)	(97)	(7)
<b>G&amp;A expense</b>	<b>2,262</b>	<b>2,490</b>	<b>(9)</b>
\$ per boe <sup>(1)</sup>	<b>5.40</b>	6.41	(16)

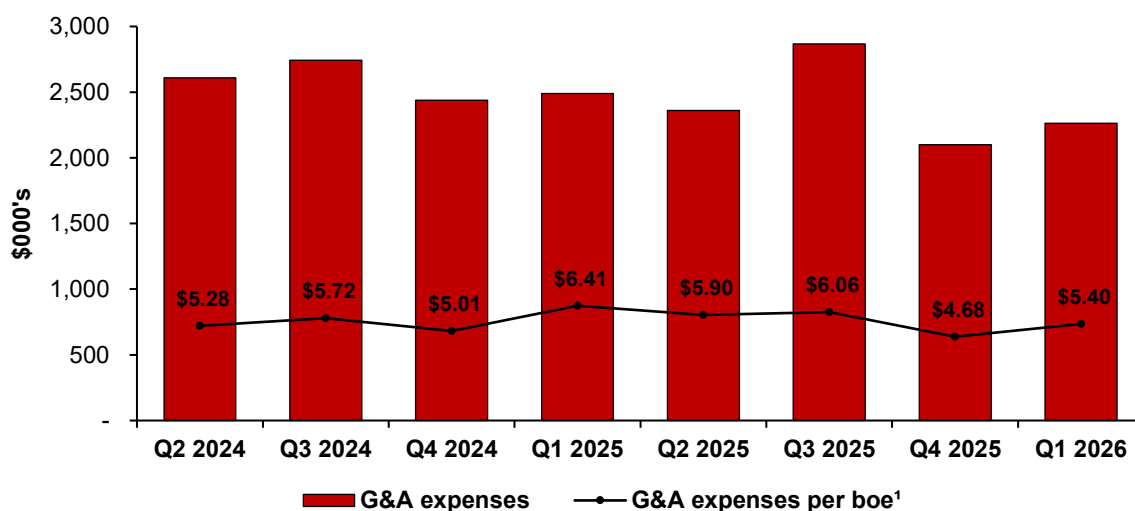
Note:

(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

G&A expenses (net of capitalized amounts) for the first quarter of 2026 totaled \$2,262,000, a 9 percent decrease from the \$2,490,000 recorded in the same period of 2025. This reduction was primarily driven by lower personnel-related costs following restructuring initiatives in the fourth quarter of 2025.

On a per boe basis, G&A expenses decreased by 16 percent to \$5.40 per boe. This significant unit-cost improvement reflects the combination of a 9 percent reduction in G&A spending and the 8 percent increase in total production volumes achieved during the quarter.

### General and Administration Expense



Note:

(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

## Net Finance Expense

(\$000's except per boe amounts)	Three months ended March 31,		
	2026	2025	% change
Interest income	(4)	(26)	(85)
Convertible debenture interest expense	154	-	n/a
Convertible debenture revaluation loss	865	-	n/a
Lease liability interest expense	99	140	(29)
Bank debt interest expense	1,066	657	62
Accretion on bank debt	43	15	n/m
Accretion on decommissioning liabilities	82	65	26
Other	514	(32)	n/a
<b>Net finance expense</b>	<b>2,819</b>	<b>819</b>	<b>139</b>

(\$000's except per boe amounts)	Three months ended March 31,		%
	2026	2025	
Cash net finance expense <sup>(1)</sup>	1,326	771	72
Non-cash net finance expense <sup>(1)</sup>	1,493	48	n/m
<b>Net finance expense</b>	<b>2,819</b>	<b>819</b>	<b>n/m</b>
\$ per boe <sup>(1)</sup>	<b>6.72</b>	2.11	121

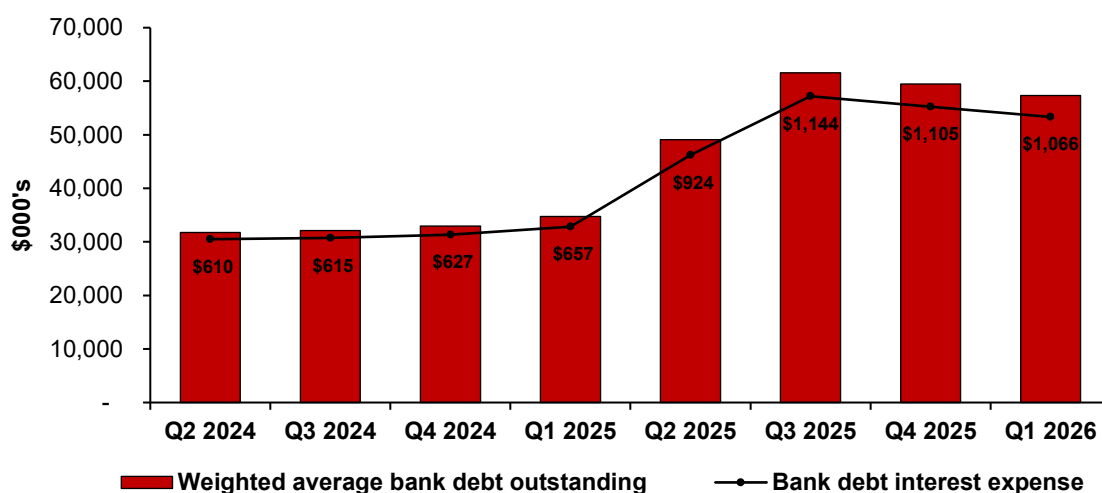
Note:

(1) Specified or supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

The Company recorded net finance expense of \$2,819,000 in the first quarter of 2026, compared to \$819,000 in the same period of 2025. Cash finance expenses totaled \$1,326,000, an increase of 72 percent year-over-year. This was primarily driven by higher interest on bank debt, reflecting a 65 percent increase in the weighted average bank debt balance (from \$34.7 million to \$57.3 million) and the introduction of interest expense associated with the Debenture issued in August 2025.

Non-cash finance expenses increased to \$1,493,000, attributable to an \$865,000 revaluation loss related to the Debenture, a \$499,000 revaluation loss on a liability acquired in the Central block acquisition, and higher accretion on decommissioning liabilities.

### Bank Debt and Interest Expense



Further details regarding the Company's bank debt and convertible debenture are provided in the "Liquidity and Capital Resources" section of this MD&A.

### Foreign Exchange and Foreign Currency Translation

Touchstone's presentation currency is the United States dollar. The parent company's functional currency is the Canadian dollar, while its Trinidadian subsidiaries utilize the Trinidad and Tobago dollar as their functional currencies. The following table summarizes the applicable foreign exchange ("FX") rates used to translate the Company's C\$ and TT\$ denominated items.

Applicable FX rates	Three months ended March 31,		%
	2026	2025	
US\$:C\$ average FX rate <sup>(1)</sup>	1.372	1.436	(4)
US\$:TT\$ average FX rate <sup>(2)</sup>	6.743	6.753	-

<b>Applicable FX rates</b>	<b>March 31, 2026</b>	December 31, 2025	% change
US\$:C\$ closing FX rate <sup>(1)</sup>	<b>1.390</b>	1.372	1
US\$:TT\$ closing FX rate <sup>(2)</sup>	<b>6.741</b>	6.771	-

Notes:

- (1) Source: TSX InfoSuite average daily exchange rates for the specified periods and daily exchange rates for the specified dates.  
(2) Source: Central Bank of Trinidad and Tobago average daily buying and selling exchange rates for the specified periods and average daily buying and selling exchange rates for the specified dates.

### ***Income statement impact***

The revenues and expenses of Canadian head office and Trinidadian operations are translated to US\$ at the average monthly exchange rates relative to the date of the transactions. Fluctuations in the exchange rate between the C\$ to US\$ and the TT\$ to US\$ could have a material effect on the Company's reported results. Refer to the "*Market Risk Management - Foreign currency risk*" section of this MD&A for further information.

During the three months ended March 31, 2026, the C\$ appreciated 4 percent against the US\$ on an average basis compared to the first quarter of 2025. Relative to the US\$, the TT\$ remained within a stable range during the three months ended March 31, 2026 and 2025. Consequently, Touchstone recorded a foreign exchange gain of \$31,000 in the first quarter of 2026, primarily related to the settlement of local currency denominated working capital (2025 - gain of \$51,000). Foreign exchange gains and losses include amounts that are unrealized in nature and may be reversed in the future as a result of fluctuations in prevailing exchange rates.

### ***Balance sheet impact***

The assets and liabilities of the parent company and subsidiaries are translated into US\$ at the closing exchange rate in effect on the reporting date for presentation purposes, with all foreign currency differences recorded in other comprehensive loss.

For balance sheet presentation purposes, the C\$ closed 1 percent weaker on March 31, 2026 relative to December 31, 2025. The TT\$ remained stable over the same period. As a result of translating the functional currency net assets of the Company's subsidiaries into the US\$ presentation currency, Touchstone recognized a foreign currency translation gain of \$471,000 in other comprehensive loss (2025 - gain of \$146,000).

### **Share-Based Compensation**

The Company provides share-based incentive compensation to directors, officers and employees to align their interests with those of shareholders. Currently, the Company administers the Omnibus Incentive Compensation Plan (the "Omnibus Plan"), adopted in June 2023, while maintaining a Legacy Stock Option Plan (the "Legacy Plan"). Since the adoption of the Omnibus Plan, no further grants have been or will be made under the Legacy Plan.

Non-employee directors are eligible to participate in a deferred share unit ("DSU") plan. While DSUs vest immediately upon grant, they are redeemable only for cash when the director ceases to be a member of the Board.

The aggregate number of common shares reserved for issuance under all share-based compensation plans is limited to 10 percent of the Company's issued and outstanding common shares.

The following table summarizes outstanding stock option and share award activity for the periods specified.

<i>(number outstanding)</i>	<b>Stock options</b>	<b>RSUs</b>	<b>PSUs<sup>(1)</sup></b>	<b>DSUs</b>
<b>Issued and outstanding, January 1, 2025</b>	11,731,000	1,447,780	1,397,780	977,332
Granted	-	3,537,139	3,423,974	1,476,424
Exercised	(1,379,666)	-	-	-
Settled in cash	-	(469,574)	-	-
Forfeited	(3,032,334)	(670,236)	(738,445)	-
<b>Issued and outstanding, Dec. 31, 2025</b>	<b>7,319,000</b>	<b>3,845,109</b>	<b>4,083,309</b>	<b>2,453,756</b>
Settled in cash	-	-	-	(141,667)
<b>Issued and outstanding, March 31, 2026</b>	<b>7,319,000</b>	<b>3,845,109</b>	<b>4,083,309</b>	<b>2,312,089</b>

Note:

(1) PSU figures are presented based on the number of notional units granted, before application of any performance multiplier.

The following table summarizes share-based compensation expense recognized for the three months ended March 31, 2026 and 2025.

<i>(\$000's)</i>	<b>Three months ended March 31,</b>		<b>%</b>
	<b>2026</b>	<b>2025</b>	<b>change</b>
Equity-settled compensation (stock options)	<b>41</b>	135	(70)
Cash-settled compensation (share awards)	<b>256</b>	42	n/m
Capitalized expense	<b>(17)</b>	(13)	31
<b>Share-based compensation expense</b>	<b>280</b>	164	71

The Company recognized share-based compensation expense of \$280,000 in the first quarter of 2026, compared to \$164,000 in the prior year equivalent quarter. This variance reflects the structural transition from equity-settled stock options to cash-settled awards under the Omnibus Plan, as well as the impact of share price fluctuations on outstanding liabilities.

Equity-settled compensation declined to \$41,000 as no new stock options have been granted since 2023. Conversely, cash-settled compensation expense (related to RSUs, PSUs, and DSUs) was \$256,000. This included \$83,000 related to the ongoing vesting of awards and a \$173,000 mark-to-market adjustment resulting from the appreciation of the Company's common share price during the quarter.

As at March 31, 2026, the share-based compensation liability was \$655,000, with \$420,000 classified as current. During the quarter, the Company settled 141,667 DSUs in cash following a redemption event.

### **Depletion and Depreciation Expense**

<i>(\$000's except per boe amounts)</i>	<b>Three months ended March 31,</b>		<b>%</b>
	<b>2026</b>	<b>2025</b>	<b>change</b>
Depletion expense	<b>3,054</b>	2,193	39
Depreciation expense	<b>230</b>	233	(1)
<b>Depletion and depreciation expense</b>	<b>3,284</b>	2,426	35
Depletion expense per boe <sup>(1)</sup>	<b>7.29</b>	5.64	29

Note:

(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

### **Depletion expense**

For the three months ended March 31, 2026, depletion expense related to petroleum and natural gas development assets within property, plant and equipment ("PP&E") increased by 39 percent compared to the same period in 2025. This increase was primarily driven by the inclusion of the Central field assets acquired in May 2025, which contributed approximately \$1,395,000 in incremental depletion during the first

quarter of 2026. Additionally, the 2026 depletion rate reflected the impact of a reduction in corporate reserves volumes, specifically at the Cascadura field, following the December 31, 2025, independent reserves evaluation. These absolute increases were partially offset by higher consolidated production volumes recorded throughout the first quarter of 2026.

On a per boe basis, first quarter 2026 depletion expense increased to \$7.29 per boe from \$5.64 per boe in 2025. This \$1.65 per boe increase was primarily attributable to the higher cost-base associated with the Central field and the revision of the Cascadura reserves base.

### **Depreciation expense**

Depreciation expense for the first quarter of 2026 decreased by 1 percent compared to 2025. The decrease was primarily due to lower net asset carrying values of lease right-of-use assets as they continue to be depreciated over their respective terms.

### **Impairment of Non-financial Assets**

#### **Exploration and evaluation ("E&E") asset impairment**

No impairment charges related to E&E assets were recognized during the three months ended March 31, 2026 and 2025.

#### **PP&E impairment**

On March 31, 2026 and 2025, the Company evaluated its petroleum and natural gas development assets included in PP&E for indicators of any potential impairment or reversal. As a result of these assessments, no indicators were identified.

### **Income Taxes**

#### **Current income tax expense**

(\$000's except per boe amounts)	Three months ended March 31,		
	2026	2025	% change
Petroleum profits tax	69	-	n/a
Unemployment levy	27	-	n/a
Other taxes	114	167	(32)
<b>Current income tax expense</b>	<b>210</b>	<b>167</b>	<b>26</b>
\$ per boe <sup>(1)</sup>	<b>0.50</b>	0.43	16

Note:

(1) Supplementary financial measure. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

During the three months ended March 31, 2026, Touchstone recognized current income tax expense of \$210,000, compared to \$167,000 in the first quarter of 2025. This increase reflected the commencement of Petroleum Profits Tax and Unemployment Levy payments in Trinidad as certain operations moved into a taxable position. This was partially offset by a 32 percent reduction in other taxes, primarily due to lower withholding taxes on intercompany transactions.

#### **Deferred income tax**

As at March 31, 2026, the Company reported a net deferred income tax liability of \$22,962,000. During the quarter, Touchstone recognized a deferred income tax recovery of \$739,000, compared to a \$39,000 recovery in the prior year equivalent period. This non-cash recovery primarily resulted from temporary differences between the carrying amounts of PP&E and their respective tax bases. As the Company

continues its development programs in the Ortoire and Central blocks, these differences will continue to fluctuate in line with the timing of capital investment and production rates.

Further information regarding current and deferred income taxes is included in Note 17 "Income Taxes" of the interim financial statements.

### Net (Loss) Income

The Company reported a net loss of \$2,376,000 (\$0.01 per basic share) in the first quarter of 2026, compared to net income of \$41,000 (\$0.00 per basic and diluted share) in the same period of 2025.

The following table sets forth details of the change in net income from the three months ended March 31, 2025 to the three months ended March 31, 2026.

(\$000's)	Three months ended March 31,
Net income – 2025	41
Cash items	
Funds flow from operations	(732)
<b>Cash variances</b>	<b>(732)</b>
Non-cash items	
Non-cash finance expense	(1,445)
Unrealized foreign exchange	34
Share-based compensation expense	(116)
Depletion and depreciation expense	(858)
Deferred income tax	700
<b>Non-cash variances</b>	<b>(1,685)</b>
<b>Net loss – 2026</b>	<b>(2,376)</b>

### Cash From Operating Activities

The following table details the change in cash from operating activities from the three months ended March 31, 2025 to the three months ended March 31, 2026.

(\$000's)	Three months ended March 31,
Cash from operating activities – 2025	5,611
Decrease in funds flow from operations	(732)
Net decrease in non-cash working capital	(92)
<b>Cash from operating activities – 2026</b>	<b>4,787</b>

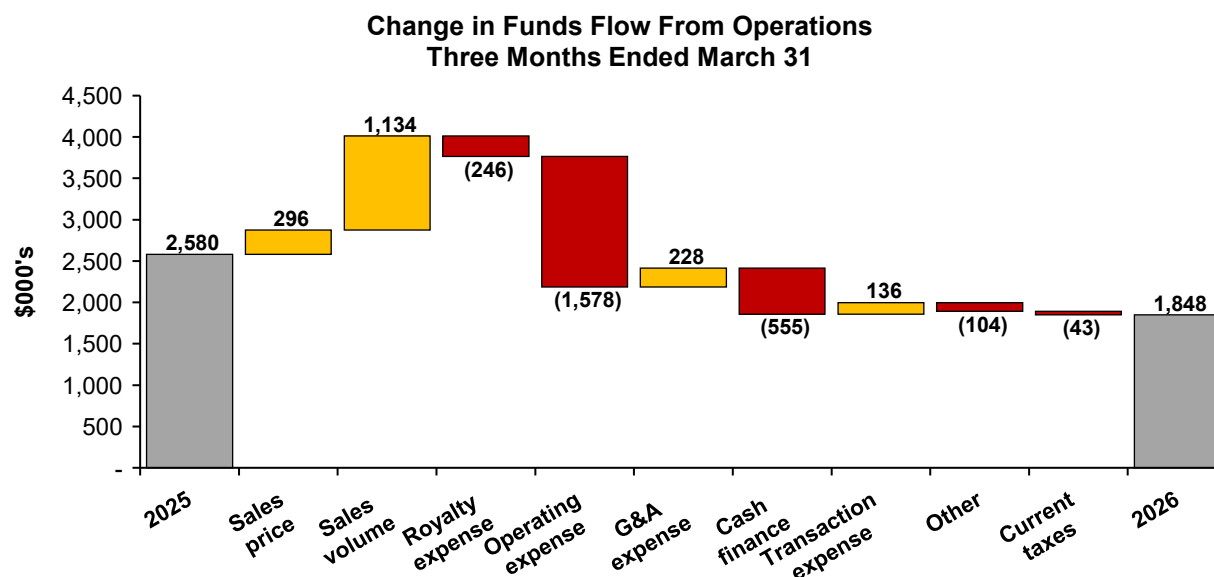
### Funds Flow From Operations

Funds flow from operations is included in the Company's consolidated statements of cash flows. Touchstone considers funds flow from operations to be a key measure of operating performance as it demonstrates the Company's ability to generate the funds necessary to finance capital expenditures and repay debt. Management believes that by excluding the temporary impact of changes in non-cash operating working capital, funds flow from operations provides a useful measure of the Company's ability to generate cash that is not subject to short-term movements in non-cash operating working capital.

Funds flow from operations totaled \$1,848,000 in the first quarter of 2026, compared to \$2,580,000 in the same period of 2025. This 28 percent decrease was primarily driven by a \$394,000 reduction in operating netback, largely attributable to the 74 percent increase in operating expenses attributed to the Central field. Additionally, funds flow was impacted by a \$555,000 increase in cash finance expenses associated with higher average bank debt levels and Debenture interest. These impacts were partially mitigated by a 9

percent reduction in G&A expenses and lower transaction-related costs compared to the prior year equivalent period.

The following graph summarizes the change in funds flow from operations from the three months ended March 31, 2025 to the three months ended March 31, 2026.



## Capital Expenditures

### E&E Asset Expenditures

E&E asset expenditures consist of asset additions in areas determined to be in the exploration phase, which include the Company's interests in the Charuma, Ciperó, Ortoire and Rio Claro blocks.

(\$000's)	Three months ended March 31,		
	2026	2025	% change
Licence financial obligations	351	378	(7)
Geological and geophysical	-	45	(100)
<b>E&amp;E asset expenditures</b>	<b>351</b>	<b>423</b>	<b>(17)</b>

E&E expenditures for the first quarter of 2026 were \$351,000, compared to \$423,000 in 2025. These investments primarily reflected the minimum financial obligations required to maintain the Company's exploration licences.

### PP&E Expenditures

(\$000's)	Three months ended March 31,		
	2026	2025	% change
Drilling and completions	2,257	6,109	(63)
Equipment and facilities	526	21	n/m
Capitalized G&A	90	97	(7)
Corporate and other	-	23	(100)
<b>PP&amp;E expenditures</b>	<b>2,873</b>	<b>6,250</b>	<b>(54)</b>

PP&E investments totaled \$2,873,000 in the first quarter of 2026, representing a 54 percent decrease from the \$6,250,000 recorded in the prior year period. Investments were primarily directed toward drilling operations at the FR-1835 crude oil development well and final facility tie-in activities at the CR-3 natural

gas well, which commenced production on March 28, 2026. The increase in equipment and facilities expenditures to \$526,000 reflected the progression of the Cascadura compression project.

In contrast, first quarter 2025 expenditures were concentrated on the drilling operations of the Cascadura-4 development well.

## Decommissioning Liabilities and Abandonment Funds

### Decommissioning Liabilities

Decommissioning and reclamation liabilities represent the estimated future costs for site restoration, well abandonment, and equipment removal in accordance with Trinidadian environmental regulations. These estimates are reviewed quarterly and incorporate assumptions regarding abandonment costs, inflation, the timing of settlement, and historical production data.

Number of well locations (net)	Number of facility locations (net)	Undiscounted balance (\$000's)	Inflation adjusted balance (\$000's)	Discounted balance (\$000's)
386.45	4.85	15,650	18,242	12,180

The discounted net present value of Touchstone's decommissioning provision was \$12,180,000 at March 31, 2026, compared to \$12,081,000 at year-end 2025. This increase was primarily driven by the addition of two development wells (FR-1835 and FR-1836) and \$82,000 in accretion expense, partially offset by a minor upward revision in the weighted average risk-free discount rate from 5.7 percent to 5.8 percent.

### Asset Abandonment Funding

Touchstone continues to proactively fund its future reclamation obligations. As at March 31, 2026, the Company held \$9,645,000 in long-term abandonment fund assets (December 31, 2025 - \$9,478,000). These funds are cash-collateralized and held in escrow with the MEEI and Heritage, supported by per-unit remittances on current production. This systematic funding approach ensures that approximately 79 percent of the Company's discounted decommissioning obligations are currently supported by restricted cash assets.

Environmental stewardship remains a core value, and all abandonment and reclamation activities are made in a prudent, responsible manner with the oversight of the Board and in accordance with local regulations. Due to the long-term nature of these obligations, estimates are subject to significant uncertainties regarding both timing and cost. Further information is available in Note 12 "Decommissioning Liabilities and Abandonment Fund" of the interim financial statements.

## Liquidity and Capital Resources

### Liquidity

The Company's objective is to maintain a robust capital base to preserve investor, creditor, and market confidence while providing financial flexibility to sustain future business development. Touchstone defines its capital structure to include shareholders' equity, working capital, and interest-bearing debt.

The Company has historically financed exploration and development activities through a combination of funds flow from operations, shareholders' equity and bank debt. While the convertible debenture increased financial leverage and future interest obligations, it provides a strategic balance to the capital structure through potential equity conversion. Although the convertible debenture is classified as a current liability for accounting purposes, Management does not consider it a near-term cash liquidity risk, as it does not mature until August 2028.

As at March 31, 2026, the Company reported a cash balance of \$3,958,000, a working capital deficit of \$33,005,000, and principal long-term bank debt of \$41,175,000, with no remaining borrowing capacity under its revolving loan facility (refer to the "*Bank Debt*" section below). The working capital deficit was primarily driven by significant capital expenditures deployed throughout 2025, \$14,214,000 in current bank debt, and the inclusion of the \$10,844,000 Debenture carrying value within current liabilities.

To address the current working capital deficit and enhance financial flexibility, the Company is actively pursuing a strategic recapitalization plan. This initiative may include renegotiating existing credit facilities to improve amortization terms and financial covenants, or the issuance of additional equity. Management expects liquidity to strengthen throughout 2026, supported by incremental production volumes from the CR-3 well, strengthening crude oil and LNG pricing, and enhanced profitability following the integration of the Central block assets (refer to the "*Liquidity and Going Concern*" section of this MD&A).

The Company remains committed to a measured approach regarding future development and exploration expenditures, prioritizing liquidity management while executing its strategic objectives.

The following table summarizes changes in the Company's cash balance during the specified periods.

(\$000's)	Three months ended March 31, 2026	Three months ended December 31, 2025
Net cash from (used in):		
Operating activities	4,787	9,903
Investing activities	(8,042)	(17,066)
Financing activities	(3,158)	4,816
<b>Change in cash</b>	<b>(6,413)</b>	<b>(2,347)</b>
Cash, beginning of period	10,370	12,685
Impact of FX on cash balances	1	32
<b>Cash, end of period</b>	<b>3,958</b>	<b>10,370</b>

## Convertible Debenture

### Overview

On August 8, 2025, the Company issued a secured convertible debenture to a private investor for gross proceeds of \$12.5 million. The Debenture matures on August 8, 2028 and bears interest at 5 percent per annum, payable semi-annually on June 30 and December 31.

The Debenture is convertible, at the holder's option, into common shares of the Company at any time prior to maturity at a conversion price of approximately US\$0.22 per share (being the U.S. dollar equivalent of C\$0.30 per share based on the exchange rate immediately prior to issuance). Interest may be settled in cash or, subject to TSX approval and at the holder's election, through the issuance of common shares based on the prevailing market price and exchange rate at the time of payment.

The Debenture is secured by a first-ranking security interest over all present and after-acquired personal property of the Company and a pledge of the shares of Touchstone Exploration (Barbados) Ltd.

### Classification and fair value measurement

The Company designated the Debenture at fair value through profit or loss in accordance with IFRS 9 *Financial Instruments*. Accordingly, the Debenture is remeasured to fair value at each reporting date, with changes recognized in the consolidated statements of comprehensive income (loss).

As at March 31, 2026, the fair value of the Debenture was estimated at \$10,844,000, resulting in an \$865,000 non-cash loss recognized within net finance expense. While the instrument is classified as a

current liability due to the holder's immediate conversion rights, it represents a non-cash liquidity profile as the principal is not due for cash repayment until August 2028.

### **Warrants**

In connection with the Debenture issuance, the Company issued 6,250,000 warrants, each exercisable into one common share at a price of C\$0.40 per share until August 8, 2027. The warrants were assigned a fair value of \$269,000 on issuance using the Black-Scholes option pricing model and were recorded in shareholders' equity. The warrants are not subsequently remeasured.

### **Liquidity and capital resources impact**

The Debenture introduces potential future share dilution upon conversion and establishes secured obligations ranking ahead of unsecured creditors. In addition, because the instrument is measured at fair value through profit or loss, fluctuations in the Company's share price, foreign exchange rates, credit spreads, and other valuation inputs may result in increased non-cash net income volatility.

Further information regarding the Debenture and the related accounting treatment is included in Note 9 "Convertible Debenture" of the interim financial statements. A copy of the Debenture is available on the Company's profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

### **Bank Debt**

#### **Overview**

The Company has four credit facilities pursuant to a Fourth Amended and Restated Loan Agreement (the "Loan Agreement") with its Trinidad-based lender.

As at March 31, 2026, the Company had a \$30 million non-revolving term loan ("Term Loan Facility 1"), a \$10 million non-revolving term loan ("Term Loan Facility 2"), a \$30 million non-revolving term loan ("Term Facility 3"), and a \$10 million revolving loan facility pursuant to the Loan Agreement.

As at March 31, 2026, outstanding principal balances totaled \$55,625,000, and there was no remaining available credit capacity under the revolving facility. Details of the facilities are summarized as follows.

<b>Facility</b>	<b>Term Loan Facility 1</b>	<b>Term Loan Facility 2</b>	<b>Term Loan Facility 3</b>	<b>Revolving loan</b>
<b>Inception Amount</b>	\$30,000,000	\$10,000,000	\$30,000,000	\$10,000,000
<b>Inception date</b>	June 15, 2020	May 1, 2024	May 12, 2025	June 1, 2023
<b>Maturity date</b>	June 15, 2027	April 30, 2029	May 12, 2031	May 12, 2027 – the parties have the option to extend by additional two-year periods
<b>Current interest rate per annum</b>	7.85%	5.96% through April 30, 2027 – reset annually	8.21% through May 11, 2026 – reset annually	6.09% through May 31, 2026 – reset annually
<b>Interest payments</b>	Payable quarterly in arrears	Payable monthly in arrears	Payable quarterly in arrears	Payable monthly in arrears

Facility	Term Loan Facility 1	Term Loan Facility 2	Term Loan Facility 3	Revolving loan
<b>Principal payments</b>	Twenty \$1.5 million quarterly payments from September 15, 2022 to June 15, 2027; additional principal may be repaid with no penalty	Sixteen \$625,000 quarterly payments from July 31, 2025 to April 30, 2029; additional principal may be repaid with a 1% penalty during the initial three years	Twenty-one \$1.43 million quarterly payments from May 12, 2026 to May 12, 2031; additional principal may be repaid with a 1% penalty during the initial three years	Principal may be repaid at any time, on or before the maturity date without penalty and any amounts repaid may be redrawn at any time
<b>March 31, 2026 principal balance</b>	\$7,500,000	\$8,125,000	\$30,000,000	\$10,000,000
<b>March 31, 2026 available credit capacity</b>	\$nil	\$nil	\$nil	\$nil

### **Security and general covenants**

The Loan Agreement is principally secured by a first-ranking pledge of equity interests and fixed and floating security interests over all present and after-acquired assets of the Company's Trinidad exploration and production subsidiaries.

The Loan Agreement contains customary representations, warranties, affirmative and negative covenants, events of default, and annual financial covenant requirements. A breach of any covenant constitutes an event of default, upon which the lender may declare outstanding principal and accrued interest immediately due and payable. As at March 31, 2026, the Company was compliant with all covenants provided for in the Loan Agreement.

Management actively monitors covenant compliance using actual and forecasted results. The Company maintains flexibility within its capital expenditure program and may adjust development and exploration activities, if required, to support compliance with lending requirements and preserve liquidity and financial covenant compliance.

As disclosed in the interim financial statements, the Company projects a breach of its net senior funded debt to trailing twelve-month EBIDA and debt service coverage covenants as of December 31, 2026. Such a breach could result in the bank debt balance becoming due and payable at that time. The Company is currently engaged in discussions with its lender to restructure specific terms of the Loan Agreement and address the projected breaches. For further information, please refer to the "*Liquidity and Going Concern*" section of this MD&A.

### **Restricted cash**

In accordance with the Loan Agreement, the Company is required to maintain specific cash reserves for the duration of the term loan facilities. Touchstone classified \$4,521,000 of cash held in restricted accounts as non-current restricted cash as at March 31, 2026 (December 31, 2025 - \$3,602,000).

### **Liquidity considerations**

The Company's bank debt represents secured obligations ranking ahead of unsecured creditors and requires ongoing compliance with financial covenants. Future financial covenant compliance will depend on operating performance, commodity prices, capital expenditures, and debt service requirements and may require amendments or waivers in future periods if operating conditions deteriorate.

Further information regarding the Company's bank debt is included in Note 11 "Bank Debt" of the interim financial statements. Copies of the Loan Agreement and amendments are available on the Company's profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

## Shareholders' Equity

### Capital structure

The Company is authorized to issue an unlimited number of voting common shares without nominal or par value. The following table summarizes the Company's issued share capital and securities convertible into or exercisable for Company common shares as at the dates indicated.

	May 13, 2026	March 31, 2026	December 31, 2025
Common shares outstanding	324,733,609	324,733,609	324,733,609
Stock options outstanding	7,319,000	7,319,000	7,319,000
RSUs outstanding <sup>(1)</sup>	3,845,109	3,845,109	3,845,109
PSUs outstanding <sup>(1)(2)</sup>	4,083,309	4,083,309	4,083,309
Common shares issuable upon conversion of Debenture <sup>(3)</sup>	57,305,276	57,305,276	57,305,276
Warrants outstanding	6,250,000	6,250,000	6,250,000
<b>Total potential dilutive common shares</b>	<b>403,536,303</b>	<b>403,536,303</b>	<b>403,536,303</b>

Notes:

- (1) May be settled in cash, the issuance of Company common shares, or a combination of both at the Board's discretion. The share awards are currently accounted for as cash-settled liabilities.
- (2) Represents the notional number of common shares prior to the application of performance multipliers.
- (3) Represents the maximum number of common shares issuable upon conversion of the Debenture prior to its August 8, 2028, maturity date.

### Capital Management

Management's long-term strategy is to maintain a strong and flexible capital structure that supports both operational stability and strategic growth. In a normalized commodity price environment, the Company's primary objective is to maintain a net debt to trailing twelve-month funds flow from operations ratio at or below 2.0 times. Management recognizes that this ratio may temporarily exceed the target during periods of elevated capital spending, strategic acquisitions, or depressed commodity pricing.

The Company also monitors its capital structure using the net debt to managed capital ratio, with a strategy of maintaining a higher proportion of equity than debt, targeting a ratio below 0.4 to 1.

The following table outlines Touchstone's internal capital management metrics as at the dates indicated.

(\$000's)	Target measure	March 31, 2026	December 31, 2025
Net debt <sup>(1)</sup>		76,072	72,890
Shareholders' equity		91,804	93,668
Managed capital <sup>(1)</sup>		167,876	166,558
Trailing twelve-month funds flow from operations <sup>(2)</sup>		4,639	5,371
<b>Net debt to funds flow from operations ratio<sup>(1)</sup></b>	At or < 2.0 times	<b>16.40</b>	13.57
<b>Net debt to managed capital ratio<sup>(1)</sup></b>	< 0.4 times	<b>0.45</b>	0.44

Notes:

- (1) Specified financial measure or ratio. Refer to the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.
- (2) Trailing twelve-month funds flow from operations as at March 31, 2026 includes the sum of funds flow from operations for the three months ended March 31, 2026 and funds flow from operations for the April 1, 2025 through December 31, 2025 interim period.

As at March 31, 2026, the Company's net debt to trailing twelve-month funds flow from operations ratio was 16.4 times, significantly exceeded the long-term target. This was primarily attributable to the issuance of the Debenture and increased bank debt to fund the Central block acquisition, and the lag between investment and the commencement of production from the CR-3 development well. In addition, trailing twelve-month funds flow from operations declined to \$4,639,000, driven by natural production declines and a weaker realized commodity price environment in the second half of 2025.

The net debt to managed capital ratio also rose to 0.45, above the 0.40 target, reflecting the increased reliance on debt for the 2025 acquisition and 2025 capital program.

Management expects to progress these ratios toward long-term targets through the successful execution of its strategic recapitalization plan, incremental production from the CR-3 well, and strengthening crude oil and LNG market fundamentals.

### Contractual Obligations and Commitments

Touchstone has contractual obligations incurred in the normal course of business. These primarily consist of minimum work obligations under Heritage operating agreements, exploration commitments under licences with the MEEI, and lease commitments for equipment and facilities. The following table summarizes the Company's estimated undiscounted minimum contractual payments as at March 31, 2026.

(\$000's)	Total	Estimated payments due by year			
		2026	2027	2028	Thereafter
<b>Operating agreement commitments</b>					
CO-1 block	4,039	2,445	1,318	88	188
WD-4 block	3,884	2,444	1,281	50	109
WD-8 block	1,409	31	1,267	35	76
Balata East block	2,842	1,258	78	1,341	165
Central block	2,957	337	472	498	1,650
Cascadura area of Ortoire block	647	2	42	44	559
Coho area of Ortoire block	359	2	23	24	310
<b>Exploration block commitments</b>					
Charuma block	8,710	558	786	826	6,540
Cipero block	22,549	260	5,505	10,890	5,894
Ortoire block <sup>(1)</sup>	10,054	10,054	-	-	-
Rio Claro block	17,385	269	5,519	10,905	692
<b>Office and equipment leases</b>	1,106	229	251	181	445
<b>Total minimum payments</b>	<b>75,941</b>	<b>17,889</b>	<b>16,542</b>	<b>24,882</b>	<b>16,628</b>

Note:

(1) 2026 estimated payments include the drilling of two exploration wells in the Ortoire block. Touchstone and Heritage are in discussions with the MEEI to extend the licence for an additional three years, which may amend the timing of these commitments.

### Heritage Operating Agreement Commitments

Under the terms of its Heritage operating agreements, the Company is required to fulfill annual minimum work commitments. For 2026, these obligations include the drilling of seven development wells. Two wells have been drilled to date, and the Company has budgeted to drill two additional wells in the remainder of the year. Touchstone is currently engaged in active discussions with Heritage to evaluate alternatives for meeting the remaining obligations or deferring requirements to better align with capital allocation priorities.

### MEEI Licence Exploration Commitments

As at March 31, 2026, the Company is committed to drilling an aggregate of ten exploration wells across its various exploration properties through 2029. Two of these wells are required on the Ortoire block, where

the exploration portion of the licence is scheduled to expire in July 2026. Touchstone and Heritage are in discussions with the MEEI to extend the licence for an additional three years.

### **Lease Liabilities**

The Company is party to lease arrangements for a drilling rig, office facilities, vehicles, and equipment. As of March 31, 2026, Touchstone recognized \$4,118,000 in aggregate lease liabilities, of which \$2,856,000 was classified as non-current on the consolidated balance sheet (December 31, 2025 - \$4,241,000 and \$2,982,000, respectively). Further information regarding the Company's lease obligations is included in Note 10 "*Lease Liabilities*" of the interim financial statements.

### **Market Risk Management**

Touchstone is exposed to financial risks inherent in the international oil and natural gas industry, including commodity price, foreign exchange, interest rate, credit, and liquidity risks. Management proactively identifies and mitigates these risks through business processes and internal controls, with oversight from the Board. The primary objective is to manage cash flow variability to ensure the Company can meet its financial obligations and fund its capital programs.

### **Commodity Price Risk**

The Company's financial performance is highly sensitive to the prices received for its crude oil, NGL, and natural gas production. Commodity prices are volatile and are influenced by global supply and demand, geopolitical events, and economic conditions. Fluctuations in these prices can impact operating cash flows, the valuation of petroleum and natural gas development properties, the timing and scope of capital expenditures, and the Company's ability to meet its financial obligations.

Management continues to monitor forward commodity curves and may enter into risk management contracts (hedges) in the future to protect the funding of its exploration and development programs. In parallel, Touchstone regularly reviews and adjusts its capital plans to reflect prevailing market conditions.

### **Crude oil and NGLs**

Crude oil and NGL prices are subject to international benchmarks and local quality differentials. While the Company does not currently have active financial hedges in place for these volumes, it maintains operational flexibility by adjusting capital programs to reflect prevailing market conditions.

### **Natural gas**

The Company does not currently utilize natural gas hedging strategies, as its natural gas portfolio features a strategic mix of fixed-price stability and market-linked upside.

A significant portion of the Company's revenue is derived from a long-term, fixed-price arrangement with NGC for Ortoire block production. This contract, which commenced in October 2022, provides a predictable cash flow stream and mitigates exposure to global natural gas price volatility. The contract provides for price renegotiations on each fifth anniversary; however, there is no guarantee that renegotiations will result in higher prices.

Natural gas volumes from the Central block are primarily linked to global LNG pricing. This provides the Company with exposure to international market dynamics and potential price appreciation.

Domestic natural gas prices in Trinidad are primarily influenced by local supply and demand, with significant demand originating from the power generation and petrochemical sectors. In contrast, LNG export prices are increasingly tied to global market volatility and are currently influenced by a basket of international benchmarks. Global supply chain disruptions can cause sharp fluctuations in the international benchmarks

that now dictate a portion of the Company's realized pricing. A sustained decline in realized prices would adversely affect the Company's cash flows and the carrying value of its development properties.

### **Foreign Currency Risk**

The Company is exposed to foreign currency exchange risk, where fluctuations in exchange rates may impact the fair value or future cash flows of financial assets and liabilities. Touchstone's primary exposures relate to the C\$, the TT\$, and the GBP relative to the US\$ presentation currency. The Company does not currently utilize derivative instruments to hedge foreign exchange exposure.

#### ***Trinidad and Tobago operations***

The Company's crude oil sales are priced based on US\$ benchmarks; however, the majority of settlement invoices are received in TT\$. To manage this exposure, the Company utilizes a natural hedge strategy by:

- Expense matching: Prioritizing the procurement of goods and services through TT\$-denominated contracts to match local currency revenue.
- Currency indexing: Sales of NGLs and natural gas are denominated and payable in US\$, providing a direct hedge against US\$-denominated obligations.

While the TT\$ maintains an informal peg to the US\$, any significant devaluation of the TT\$ could impact the Company's ability to settle US\$-denominated debt and interest payments.

#### ***Corporate and listing exposure***

Touchstone is further exposed to fluctuations in the C\$ and GBP due to:

- Head office costs: Administrative and payroll expenses for the Canadian parent company are primarily incurred in C\$.
- Listing maintenance: Ongoing costs associated with the Company's AIM listing are denominated in GBP.
- Cash balances: The Company maintains varying levels of cash in C\$ and GBP to meet these obligations.

Significant movements in the C\$/US\$ or £/US\$ exchange rates can result in unrealized foreign exchange gains or losses recorded in the consolidated statements of comprehensive income (loss).

### **Interest Rate Risk**

Interest rate risk arises from changes in market interest rates that may affect comprehensive income and cash flows. Touchstone's exposure is primarily related to its variable-rate debt obligations, where interest costs fluctuate based on prevailing market benchmarks.

The Company manages its interest rate exposure through a mix of fixed and floating rate instruments:

- Fixed-rate debt: The Company's Term Loan facility 1 and Debenture carry fixed interest rates, providing protection against rising rates.
- Variable-rate debt: Term Loan Facility 2, Term Loan Facility 3, and the revolving loan facility are subject to interest rate risk. The interest rates for these facilities are reset annually based on the one-year term Secured Overnight Financing Rate.

Management monitors global interest rate trends and central bank policies to assess potential impacts on the Company's cost of borrowing. While the Company does not currently utilize interest rate swaps or other derivative instruments to hedge this risk, it strives to maintain a disciplined approach to leverage.

## Equity Price Risk

Equity price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices. Touchstone is specifically exposed to equity price risk regarding its own common share price through its share-based compensation programs. Awards issued under the Company's Omnibus Plan (RSUs and PSUs) and DSU Plan are currently accounted for as cash-settled transactions. Under IFRS, these liabilities must be revalued at the end of each reporting period based on the Company's period-end closing share price. Fluctuations in the Company's share price result in immediate increases or decreases in share-based compensation expense and the share price at the time of vesting or exercise determines the actual cash outflow required to settle these obligations.

The Company does not currently utilize equity derivative contracts or other financial hedging instruments to mitigate this risk. Touchstone manages this exposure by monitoring the total number of outstanding awards relative to its overall capital structure, and the Board has discretion to pay RSUs and PSUs in shares to maintain liquidity.

## Credit Risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Company is primarily exposed to third-party credit risk through its joint interest partners, commodity marketers, and the Government of the Republic of Trinidad and Tobago ("GOTT"). Management considers the Company's credit risk to be low, as receivables are primarily due from state-owned entities (Heritage and NGC) and a third-party LNG marketing company with an established payment history.

As at March 31, 2026, the Company's net accounts receivable balance was \$21,687,000, excluding \$8,560,000 in pass-through receivables to be remitted to the seller of the Central block entity upon collection. The following table details the composition and aging of the Company's accounts receivable as at March 31, 2026.

Composition	Counterparty	Balance due (\$000's)	Balance due (%)	Accounts receivable aging	
				Current (\$000's)	Over 90 days (\$000's)
Petroleum and natural gas sales	Heritage, NGC and other	6,921	32	6,921	-
Joint interest billings	Heritage and NGC	3,823	18	3,631	192
Value-added tax	GOTT	10,055	46	2,486	7,569
Other	Various	888	4	764	124
<b>Net receivable</b>		<b>21,687</b>	<b>100</b>	<b>13,802</b>	<b>7,885</b>
Pass-through receivable <sup>(1)</sup>	Acquisition seller	8,560		8,560	-
<b>Accounts receivable</b>		<b>30,247</b>		<b>22,362</b>	<b>7,885</b>

Note:

(1) Represents receivables collected on behalf of the seller of the Central block entity, to be remitted upon collection pursuant to the associated purchase and sale agreement.

Historically, the Company has experienced extended collection timelines for VAT receivable from the GOTT. As at March 31, 2026, the balance of VAT receivables aged over 90 days was \$7,569,000, an increase of \$300,000 compared to year-end 2025. No VAT has been collected by the Company during the three months ended March 31, 2026 or as of the date hereof.

Despite the inconsistent timing of cash receipts, Management continues to believe the full VAT balance is collectible. This assessment is based on historical experience and the fact that the Company has never incurred a credit loss on GOTT receivables. Further details regarding financial assets and credit risk are provided in Note 4 "Financial Assets and Credit Risk" of the interim financial statements.

## Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. Touchstone's liquidity management strategy is designed to ensure that sufficient resources are available to meet obligations under both normal and stressed conditions, without compromising operational or strategic objectives.

The Company manages its liquidity and capital structure through a rigorous financial and operational forecasting process. These forecasts incorporate detailed assumptions regarding expected production volumes and realized commodity pricing, capital investment programs and exploration commitments, operating and G&A expense, and royalty and income tax obligations in Trinidad. These forecasts are revised as necessary to reflect changes in external factors such as commodity prices and regulatory developments, as well as internal factors including capital allocation and production outlook.

The following table outlines the estimated undiscounted cash outflows and financial maturities of the Company's financial liabilities as at March 31, 2026.

(\$000's)	Recognized as a liability in the financial statements	Undiscounted cash outflows <sup>(1)</sup>	Financial maturity by period		
			Less than 1 year	1 to 3 years	Thereafter
Accounts payable and accrued liabilities <sup>(2)</sup>	Yes	32,366	32,366	-	-
Income taxes payable	Yes	912	912	-	-
Principal balance of Debenture	Yes	12,500	-	12,500	-
Debenture interest	No – recognized as incurred	1,524	625	899	-
Lease liabilities <sup>(3)</sup>	Yes	4,931	1,595	2,026	1,310
Principal balance of bank debt	Yes	55,625	14,214	32,840	8,571
Bank debt interest <sup>(4)</sup>	No – recognized as incurred	8,406	3,653	4,260	493
Share-based compensation liabilities <sup>(5)</sup>	Yes	655	420	235	-
<b>Financial liabilities</b>		<b>116,919</b>	<b>53,785</b>	<b>52,760</b>	<b>10,374</b>

Notes:

- (1) Undiscounted cash outflows represent the total estimated payment and may differ from financial statement carrying values.
- (2) Excludes the current portions of lease liabilities and share-based compensation liabilities.
- (3) Includes notional interest and principal components.
- (4) Future interest is based on interest rates in effect as of May 13, 2026.
- (5) Represents accrued obligations for awards expected to be settled in cash.

To ensure adequate liquidity, Management actively monitors cash flow and working capital. The Company maintains several levers to manage its capital structure, including:

- Capital allocation: The ability to adjust the timing and scale of capital and exploration spending to match available cash flow.
- Cost structure: Actively managing and reducing the fixed cost base.
- Capital markets: Accessing equity markets or seeking additional debt financing if required for strategic growth.

## Changes in Accounting Policies Including Initial Adoption

There were no changes in accounting policies during the three months ended March 31, 2026 that had a material effect on the reported comprehensive loss or net assets of the Company. Details regarding new

accounting policies implemented by Company is included in Note 3 "*Changes to Accounting Policies*" of the interim financial statements.

### **Standards Issued but Not Yet Effective**

There are no standards or interpretations issued, but not yet adopted, that are anticipated to have a material effect on the reported comprehensive loss or net assets of the Company. Details regarding accounting standards that will affect the Company is included in Note 3 "*Changes to Accounting Policies*" of the interim financial statements.

### **Off-balance Sheet Arrangements**

As at March 31, 2026, and at the date of this MD&A, the Company did not have any off-balance sheet arrangements that have, or are reasonably likely to have, a material current or future effect on the Company's financial condition, results of operations, liquidity, or capital expenditures.

Other than the performance-related parent guarantees described below, the Company does not utilize special purpose entities, non-consolidated variable interest entities, or structured finance arrangements.

In the normal course of business, the Company provides parent company guarantees to the MEEI to support work commitments on its exploration and production licences. These guarantees ensure the performance of the Company's operational obligations (such as the drilling of exploration or development wells) as outlined in the "*Contractual Obligations and Commitments*" section of this MD&A. These are performance-based guarantees rather than financial-settlement guarantees and, as such, do not represent off-balance sheet financial liabilities.

### **Significant Accounting Estimates, Judgements and Assumptions**

The preparation of consolidated financial statements in conformity with IFRS requires Management to make estimates, judgements, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from estimates, and those differences may be material. The estimates, judgements and assumptions used are subject to updates based on experience and the application of new information. Estimates and underlying assumptions are reviewed on an ongoing basis, and any revisions to accounting estimates are recognized in the period in which the estimates are revised.

A full list of the significant estimates and judgements made by Management in the preparation of the interim and audited 2025 financial statements is included in Note 5 "*Use of Estimates, Judgements and Assumptions*" of the audited 2025 financial statements.

The Company believes it has hired individuals and consultants who have the skills required to make such estimates and ensures that individuals or departments with the most knowledge of the activity are responsible for the estimates. Furthermore, past estimates are reviewed and compared to actual results, and actual results are compared to budgets to make more informed decisions on future estimates.

### **Business Risks**

As a participant in the international oil and natural gas industry, the Company is exposed to a variety of risks including, but not limited to, political, operational, financial, and environmental risks. As discussed in the "*Liquidity and Capital Resources*" and "*Market Risk Management*" sections of this MD&A, Touchstone is exposed to normal financial risks inherent in the international oil and natural gas industry including, among others, commodity price risk, foreign exchange rate risk, interest rate risk, credit risk and liquidity risk.

Please refer to the Company's December 31, 2025 Annual Information Form dated March 30, 2026 for a full understanding of risks that affect Touchstone, which is available on the Company's profile on SEDAR+

([www.sedarplus.ca](http://www.sedarplus.ca)) and website ([www.touchstoneexploration.com](http://www.touchstoneexploration.com)). Refer to the "Advisories - Forward-looking Statements" section in this MD&A for additional information regarding the risks which Touchstone and its business operations are subject to.

## Control Environment

Touchstone is required to comply with National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*. There were no changes in the Company's internal control over financial reporting during the period beginning on January 1, 2026 and ended March 31, 2026 that had materially affected, or were reasonably likely to materially affect, internal control over financial reporting.

## Summary of Quarterly Results

The following table summarizes the Company's unaudited quarterly results for the eight most recently completed fiscal quarters.

Three months ended	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024
<b>Operational</b>								
Average daily production ( <i>boe/d</i> )	<b>4,657</b>	4,877	5,141	4,399	4,317	5,287	5,211	5,432
Net wells drilled	<b>1.00</b>	0.65	0.80	0.80	-	-	-	1.00
Realized commodity price <sup>(1)</sup> ( <i>\$/boe</i> )	<b>29.92</b>	24.53	26.84	27.50	28.60	27.85	27.65	28.50
Operating netback <sup>(1)</sup> ( <i>\$/boe</i> )	<b>13.73</b>	9.41	12.38	12.59	15.83	14.17	15.46	16.44
<b>Financial</b> ( <i>\$000's except per share amounts</i> )								
Petroleum and natural gas sales	<b>12,543</b>	11,001	12,696	11,007	11,113	13,543	13,253	14,090
Cash from (used in) operating activities	<b>4,787</b>	9,903	4,850	(234)	5,611	822	3,607	3,383
Funds flow from operations	<b>1,848</b>	623	735	1,433	2,580	3,614	3,024	3,968
Net (loss) income	<b>(2,376)</b>	13,621	(2,064)	(710)	41	(542)	1,847	3,339
Per share – basic and diluted	<b>(0.01)</b>	0.04	(0.01)	(0.00)	0.00	(0.00)	0.01	0.01
Capital expenditures <sup>(1)</sup>	<b>3,224</b>	7,443	9,602	4,659	6,673	3,106	3,068	5,543
Acquisition expenditures	-	-	-	28,400	-	-	-	-
Bank debt principal balance	<b>55,625</b>	57,750	59,875	62,000	33,500	35,000	32,353	32,000
Debenture principal balance	<b>12,500</b>	12,500	12,500	-	-	-	-	-
Net debt <sup>(1)</sup>	<b>76,072</b>	72,890	77,753	63,887	33,330	29,109	29,593	28,674
<b>Share Information (000's)</b>								
Weighted average – basic	<b>324,734</b>	304,674	248,824	242,586	236,461	236,461	235,189	234,959
Weighted average – diluted	<b>324,734</b>	304,674	248,824	242,586	236,461	236,461	236,578	236,364
Outstanding shares – end of period	<b>324,734</b>	324,734	261,097	261,097	236,461	236,461	236,461	236,307

Note:

(1) Specified or supplementary financial measure. See the "Advisories - Non-GAAP and Other Financial Measures" section of this MD&A.

The oil and natural gas industry is inherently cyclical. Touchstone's financial position, results of operations and cash flows are principally affected by production levels and commodity prices. Fluctuations in commodity pricing indirectly impact production by altering the funds available for reinvestment in exploration, development and acquisition activities. Furthermore, sustained low commodity prices can reduce the quantities of reserves that are commercially recoverable, impacting the economics of future capital projects. The Company's capital program is dependent on cash generated from operating activities and access to capital markets.

## Quarterly Highlights and Significant Items

- In the first quarter of 2026, Touchstone reported funds flow from operations of \$1.8 million, an increase from the prior quarter driven by improved operating netbacks primarily reflecting stronger realized commodity pricing. The Company recorded a net loss of \$2.4 million, compared to net income in the prior quarter, which included significant non-cash gains. Capital investments of \$3.2 million were directed toward development and infrastructure projects, including the FR-1835 well, CR-3 tie-in and Cascadura compression project, and the Company ended the quarter with net debt of \$76.1 million.
- In the fourth quarter of 2025, Touchstone reported net income of \$13.6 million, primarily driven by non-cash items including a \$9.5 million deferred tax recovery and a \$5.0 million gain on asset dispositions. Funds flow from operations was \$0.6 million, reflecting lower realized commodity prices and a 5% decrease in production volumes. Capital investments of \$7.4 million were primarily directed toward the CR-3 development well on the Central block. Net debt decreased by 6% to \$72.9 million, supported by an \$8.4 million private placement completed during the quarter.
- In the third quarter of 2025, Touchstone recorded funds flow from operations of \$0.7 million. The decline from the preceding quarter was driven by higher current income taxes, G&A, and cash finance expenses, partially offset by higher operating netbacks. Capital investment of \$9.6 million was focused on the Cascadura field. The Company completed a \$12.5 million convertible debenture offering, ending the quarter with net debt of \$77.8 million.
- In the second quarter of 2025, Touchstone completed the Central block acquisition, primarily financed via a new \$30.0 million term loan, which increased net debt to \$63.9 million. The acquired asset contributed approximately 965 boe/d, though funds flow from operations decreased to \$1.4 million due to increased operating costs associated with the acquired assets.
- In the first quarter of 2025, Touchstone recorded funds flow from operations of \$2.6 million, a 29% decrease from the previous quarter, following an 18% reduction in production. Capital expenditures of \$6.7 million were directed toward Cascadura-4 well drilling and the Company ended the quarter with net debt of \$33.3 million.
- In the fourth quarter of 2024, funds flow from operations was \$3.6 million, reflecting a production driven decrease. Capital spending of \$3.1 million was primarily directed toward the Cascadura field. A net loss of \$0.5 million was recorded, impacted by \$2.3 million in exploration asset impairment expenses.
- In the third quarter of 2024, funds flow from operations was \$3.0 million, down 24% from the prior quarter due to a 4% drop in production and a 3% reduction in realized commodity pricing. Capital spending of \$3.1 million focused on Cascadura well completions. As a result, Touchstone exited the quarter with a net debt balance of \$29.6 million.
- In the second quarter of 2024, funds flow from operations was \$4.0 million, reflecting a production-driven decrease from the first quarter of 2024. Capital expenditures totaled \$5.5 million, largely focused on advancing the Cascadura C tie-in project and drilling one CO-1 development well. The Company strengthened its liquidity with an additional \$10 million term loan facility and exited the quarter with net debt of \$28.7 million.

## Advisories

### Non-GAAP and Other Financial Measures

This MD&A or documents referred to in this MD&A reference 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 GAAP and do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar financial measures disclosed by other issuers. Readers are cautioned that the non-GAAP and other 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. Below is a description of the non-GAAP financial measures, non-GAAP ratios, capital management measures, and supplementary financial measures disclosed in this MD&A.

### **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.

The following table presents the computation of operating netback for the periods indicated.

<i>(\$000's unless otherwise stated)</i>	<b>Three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Petroleum and natural gas sales	12,543	11,113
Less: royalty expense	<b>(3,064)</b>	<b>(2,818)</b>
<b>Petroleum and natural gas revenue, net of royalties</b>	<b>9,479</b>	<b>8,295</b>
Less: operating expense	<b>(3,722)</b>	<b>(2,144)</b>
<b>Operating netback</b>	<b>5,757</b>	<b>6,151</b>
Total production ( <i>boe</i> )	<b>419,200</b>	<b>388,519</b>
<b>Operating netback (\$/boe)</b>	<b>13.73</b>	<b>15.83</b>

### **Cash and non-cash net finance expense**

Cash and non-cash net finance expense are non-GAAP financial measures. Cash finance expenses are calculated as net finance expense as determined in accordance with IFRS, less convertible debenture revaluations, other non-cash liability revaluations, accretion on bank debt, and accretion on decommissioning obligations, all of which are non-cash in nature. The Company discloses net finance expense as cash or non-cash to demonstrate the true cost of finance expense to assist Management with evaluating results on a historical 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. The following table presents the computation of capital expenditures and reconciles capital expenditures to cash used in investing activities for the periods indicated.

<i>(\$000's)</i>	<b>Three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
E&E asset expenditures	351	423
PP&E expenditures	<b>2,873</b>	<b>6,250</b>
<b>Capital expenditures</b>	<b>3,224</b>	<b>6,673</b>

(\$000's)	Three months ended March 31,	
	2026	2025
Abandonment fund expenditures	129	175
Net change in non-cash working capital	4,689	(2,092)
<b>Cash used in investing activities</b>	<b>8,042</b>	<b>4,756</b>

### **Working capital, net debt and managed capital**

Touchstone closely monitors its capital structure with the goal of maintaining a strong financial position to fund current operations and future growth. Management monitors working capital, net debt and managed capital as part of the Company's capital structure to evaluate its true debt and liquidity position and to manage capital and liquidity risk. These measures are capital management measures used by Management to steward the Company's overall debt position and assess overall financial strength.

Working capital is calculated as current assets minus current liabilities as presented in the applicable consolidated balance sheet, excluding the carrying value of the convertible debenture. Management excludes the carrying value of the convertible debenture from working capital given the instrument has a maturity date in 2028.

Net debt is determined by adding the Company's working capital surplus or deficit to the principal (undiscounted) balance of non-current bank debt and the principal (undiscounted) balance of the convertible debenture. Net debt is most directly comparable to total liabilities as disclosed in the Company's consolidated balance sheets. Management defines managed capital as the sum of net debt and shareholders' equity.

The following table presents working capital, net debt and managed capital computations for the periods indicated.

(\$000's)	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	(35,573)	(39,525)	(20,607)
Current liabilities	68,578	64,930	28,312
Working capital deficit per consolidated balance sheet	33,005	25,405	7,705
Less: current portion of convertible debenture	(10,844)	(9,979)	-
<b>Working capital deficit</b>	<b>22,161</b>	<b>15,426</b>	<b>7,705</b>
Principal balance of long-term bank debt	41,411	44,964	25,625
Principal balance of convertible debenture	12,500	12,500	-
<b>Net debt</b>	<b>76,072</b>	<b>72,890</b>	<b>33,330</b>
Shareholders' equity	91,804	93,668	69,150
<b>Managed capital</b>	<b>167,876</b>	<b>166,558</b>	<b>102,480</b>

The following table reconciles total liabilities to net debt for the periods indicated.

(\$000's)	March 31, 2026	December 31, 2025	March 31, 2025
<b>Total liabilities</b>	<b>147,986</b>	<b>148,409</b>	<b>86,090</b>
Lease liabilities	(2,856)	(2,982)	(4,129)
Share-based compensation liability	(235)	(126)	(160)
Decommissioning liability	(12,180)	(12,081)	(10,137)
Deferred income tax liability	(22,962)	(23,605)	(17,921)
Variance of carrying value and principal value of bank debt	236	279	194
Variance of carrying value and principal value of Debenture	1,656	2,521	-
Current assets	(35,573)	(39,525)	(20,607)
<b>Net debt</b>	<b>76,072</b>	<b>72,890</b>	<b>33,330</b>

### ***Net debt to funds flow from operations ratio***

The Company monitors its capital structure using the net debt to funds flow from operations ratio, which is a non-GAAP ratio and a capital management measure calculated as the ratio of the Company's net debt to trailing twelve months funds flow from operations for any given period. The net debt to funds flow from operations ratio is the desired target Touchstone strives to achieve and maintain. This ratio may increase at certain times as a result of increased capital expenditures, acquisitions and/or low commodity prices.

### ***Net debt to managed capital ratio***

The Company further monitors its capital structure using a net debt to managed capital ratio, which is a non-GAAP ratio and capital management measure calculated as the ratio of the Company's net debt to managed capital. The Company's net debt to managed capital ratio is the desired target that the Company strives to maintain, as Management's strategy is to utilize more equity than debt. This ratio may increase at certain times as a result of increased debt to finance capital expenditures and/or acquisitions.

### ***Supplementary financial measures***

The following supplementary financial measures are referenced herein.

*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* – is comprised of crude oil product sales as determined in accordance with IFRS, divided by the Company's total crude oil production volumes for the period. Crude oil sales are a component of petroleum and natural gas sales.

*Realized NGL sales per barrel* – is comprised of NGL product sales as determined in accordance with IFRS, divided by the Company's total NGL production volumes for the period. NGL sales are a component of petroleum and natural gas sales.

*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.

*Realized natural gas sales per boe* – is comprised of natural gas product sales as determined in accordance with IFRS, divided by the Company's total natural gas production volumes for the period. Natural gas sales are a component 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.

*G&A expense per boe* – is comprised of G&A expense as determined in accordance with IFRS, divided by the Company's total production volumes for the period.

*Net finance expense per boe* – is comprised of net finance expense as determined in accordance with IFRS, divided by the Company's total production volumes for the period.

*Depletion expense per boe* – is comprised of depletion expense as determined in accordance with IFRS, divided by the Company's total production volumes for the period. Depletion expense is a component of depletion and depreciation expense as disclosed in the Company's consolidated financial statements.

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

## **Forward-looking Statements**

Certain information provided in this MD&A, including documents incorporated by reference herein, may constitute forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable securities laws. All statements and information, other than statements of historical fact, that address activities, events, or developments that the Company expects or anticipates will or may occur in the future constitute forward-looking statements.

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", "growth", "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. Readers are cautioned that the forward-looking statements are based on assumptions, and that the assumptions used in the preparation of such forward-looking statements, although considered reasonable at the time of preparation, may prove to be imprecise, and as such, undue reliance should not be placed on forward-looking statements.

In particular, forward-looking statements contained in this MD&A may include, but are not limited to, the Company's internal projections, estimates or expectations with respect to the following:

- business plans, operational strategies, priorities, outlook and development plans;
- financial condition and outlook and results of operations, including future liquidity and financial capacity and expectations of future growth, including expectations of future production levels and cash flows to be derived therefrom, and the Company's ability to continue as a going concern;
- plans to pursue a strategic recapitalization, including the potential renegotiation of existing credit facilities to improve amortization terms and financial covenants, or the potential issuance of additional equity and the amount thereof;
- forecasts regarding strengthening crude oil, natural gas and LNG market pricing fundamentals and their impact on 2026 funds flow from operations;
- expectations that liquidity and capital management ratios will improve throughout 2026;
- future demand for the Company's petroleum and natural gas products and economic activity in general;
- general economic and political developments in Trinidad and globally;
- the performance characteristics of the Company's petroleum and natural gas properties, including current and future crude oil and liquids and natural gas production levels, anticipated incremental production from the CR-3 well, estimated field production levels, estimated future production decline rates and the impact of infrastructure optimization projects, including the Cascadura compression project;
- the strategic benefits of the Central block acquisition, including the Company's ability to achieve identified operational synergies and navigate international LNG-linked pricing dynamics;
- expectations regarding the ability of the Company to raise capital and to continually add to reserves through exploration, acquisitions and development;

- future capital expenditure programs, including the anticipated timing of completion, allocation and costs thereof and the method of funding;
- future development and exploration activities to be undertaken in various areas and timing thereof, including the fulfillment of minimum work obligations and exploration commitments and the deferral of Heritage work commitments;
- terms and estimated future expenditures of the Company's contractual commitments and their timing of settlement;
- terms and title of exploration and production licences and the expected formal extension, renewal or execution of certain contracts;
- expectations regarding the timing and successful outcome of negotiations with the MEEI and Heritage regarding the extension of the exploration period for the Ortoire licence;
- expectations regarding the Company's ability to fulfill the contractual obligations required to retain its rights to explore, develop and exploit any of its properties;
- receipt of anticipated and future regulatory approvals;
- access to third-party facilities and infrastructure;
- expected levels of royalty expense, operating expense, G&A expense, net finance expense, current income tax expense and other costs associated with the Company's business;
- treatment under current and future government regulatory regimes, environmental legislation, and tax laws enacted in the Company's areas of operations and the resulting impact on the Company's capital and operating expenditures;
- current risk management strategies and the benefits to be derived therefrom, including the potential future use of commodity derivatives to manage commodity price risk;
- the foreign currency risk strategies of the Company, the benefits to be derived therefrom and the Company's ability to reverse unrealized foreign exchange gains and losses in the future;
- the Company's ability to reverse previously recognized non-financial asset impairment expenses in the future;
- credit risk assumptions and the Company's expectation to receive past due VAT amounts from the GOTT;
- future liquidity and future sources of liquidity and the Company's expectation to settle all current and future financial liabilities in a timely manner;
- future compliance with the Company's bank debt covenants, its ability to obtain waivers if the related annual financial covenants are breached and its ability to make future scheduled interest and principal payments;
- future compliance with the terms of the Debenture, and the Company's ability to make future interest and principal payments;
- the potential of future acquisitions or dispositions and receiving required regulatory approvals thereto;
- estimated amounts, timing and the anticipated sources of funding for the Company's decommissioning liabilities;
- effect of business and environmental risks on the Company; and
- the statements under "*Significant Accounting Estimates, Judgements and Assumptions*".

In addition, information and 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 estimates of reserves disclosed by Touchstone 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.

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 reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, operational, competitive, political and social uncertainties and contingencies, many of which are beyond the Company's control.

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, the ability to attract and retain qualified employees on a cost-effective basis, extreme weather-related events, and commodity pricing and marketing risk. The Company is subject to significant drilling risks and uncertainties including the ability to find petroleum 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 operation risks. The Company is subject to industry conditions including changes in laws and regulations, 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 reserves 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 global economic conditions, the impact of significant volatility in commodity prices, the impact (and duration thereof) of ongoing geopolitical events and their effect on market prices for crude oil, natural gas and LNG, the ability to access sufficient capital from internal and external sources, changes in income tax laws, royalties and incentive programs relating to the Trinidad oil and natural gas industry, fluctuations in interest rates, and fluctuations in foreign exchange rates. 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, production restrictions or the termination of licence, exploration, lease operating or joint operating rights related to the Company's interests in Trinidad. Readers are cautioned that the foregoing list of risk factors is not exhaustive. Additional information on these and other factors that could affect the Company's operations and financial results are included in reports on file with Canadian securities regulatory authorities and can be found on the Company's profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

Management has included the above summary of assumptions and risks related to forward-looking statements and other information provided in this MD&A in order to provide shareholders and investors with a more complete perspective on the Company's current and future operations, and such information may not be appropriate for other purposes. Actual results, performance or achievement could differ materially from those expressed in or implied by any forward-looking statements in this MD&A, and accordingly, investors should not place undue reliance on any such forward-looking statements.

**Any forward-looking statement is made only as of the date of this MD&A, and Touchstone does not undertake any obligation to update or revise any forward-looking statement or statements to reflect information, events, results, circumstances or otherwise after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by law, including applicable securities laws. New factors emerge from time to time, and it is not possible for Touchstone to predict all of such factors or 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.

All forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.

Readers are further cautioned that the preparation of consolidated financial statements in accordance with IFRS requires Management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses. These estimates may change, having either a positive or negative effect on comprehensive income (loss), as further information becomes available and as the economic environment or other factors change.

## 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 may be misleading, particularly if used in isolation, as the value ratio between crude oil and natural gas based on current commodity prices may differ significantly from the 6:1 energy equivalency ratio.

## Product Type Disclosures

This MD&A includes references to crude oil, NGLs, crude oil and liquids, and natural gas total and average daily production volumes. In accordance with NI 51-101, disclosure of production volumes must include segmentation by product type as defined in the instrument. In this MD&A, references to "crude oil" refer to light and medium crude oil and heavy crude oil; references to "NGLs" refer to condensate and propane; and references to "natural gas" refer to conventional natural gas, all as defined in the instrument. References to "crude oil and liquids" include crude oil and NGLs.

The Company's total and average production volumes for the past eight quarters, as well as all related references to "crude oil", "NGLs", "crude oil and liquids" and "natural gas" contained in this MD&A, represent the following product types as defined in NI 51-101 and are presented on a boe basis using a conversion ratio of 6 Mcf to 1 boe, where applicable.

Three months ended	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024
<b>Production</b>								
Light and medium crude oil (bbls)	83,612	89,027	92,244	98,772	99,112	114,492	109,771	100,136
Heavy crude oil (bbls)	-	2,568	4,485	5,137	5,475	5,995	4,638	5,254
Crude oil (bbls)	83,612	91,595	96,729	103,909	104,587	120,487	114,409	105,390
Condensate (bbls)	11,983	11,654	13,532	7,892	3,466	11,087	4,101	9,207
Other NGLs (bbls)	26,030	26,303	26,573	11,203	-	-	-	-
Crude oil and liquids (bbls)	121,625	129,552	136,834	123,004	108,053	131,574	118,510	114,597
Conventional natural gas (Mcf)	1,785,452	1,914,018	2,017,185	1,663,683	1,682,796	2,128,528	2,164,853	2,278,297
<b>Total production (boe)</b>	<b>419,200</b>	<b>448,555</b>	<b>473,031</b>	<b>400,285</b>	<b>388,519</b>	<b>486,329</b>	<b>479,319</b>	<b>494,313</b>
<b>Average daily production</b>								
Light and medium crude oil (bbls/d)	929	968	1,002	1,086	1,101	1,245	1,194	1,100
Heavy crude oil (bbls/d)	-	28	49	56	61	65	50	58
Crude oil (bbls/d)	929	996	1,051	1,142	1,162	1,310	1,244	1,158
Condensate (bbls/d)	133	127	147	87	39	121	45	101
Other NGLs (bbls/d)	289	286	289	123	-	-	-	-
Crude oil and liquids (bbls/d)	1,351	1,409	1,487	1,352	1,201	1,431	1,289	1,259
Conventional natural gas (Mcf/d)	19,838	20,805	21,926	18,282	18,698	23,136	23,531	25,036
<b>Average daily production (boe/d)</b>	<b>4,657</b>	<b>4,877</b>	<b>5,141</b>	<b>4,399</b>	<b>4,317</b>	<b>5,287</b>	<b>5,211</b>	<b>5,432</b>

## References to Touchstone

For convenience, references in this document to the "Company", "we", "us", "our", and "its" may, where applicable, refer only to Touchstone.

## Abbreviations

The following is a list of abbreviations that may be used in this MD&A:

Oil and natural gas measurement		Other	
bbl(s)	barrel(s)	AIM	AIM, a market operated by the London Stock Exchange
bbls/d	barrels per day	Brent	The Brent oil crude oil benchmark based on futures traded on the Intercontinental Exchange
Mbbls	thousand barrels	C\$	Canadian dollar
Mcf	thousand cubic feet	JKM	Japan Korea Marker, the benchmark price assessment for spot LNG cargoes delivered to Northeast Asia
Mcf/d	thousand cubic feet per day	LNG	Liquefied natural gas
MMcf	million cubic feet	NBP	The natural gas price at the National Balancing Point, the virtual natural gas trading hub in the United Kingdom
MMcf/d	million cubic feet per day	NGL(s)	Natural gas liquid(s), which includes condensate, propane, butane and ethane
MMBtu	million British Thermal Units	TSX	Toronto Stock Exchange
boe	barrels of oil equivalent	TT\$	Trinidad and Tobago dollar
boe/d	barrels of oil equivalent per day	WTI	Western Texas Intermediate
Mboe	thousand barrels of oil equivalent	\$ or US\$	United States dollar
		£ or GBP	Pounds sterling

## Additional Information

Additional information related to Touchstone and factors that could affect its operations and financial results are included with reports on file with the Canadian securities regulatory authorities, including the Company's audited 2025 financial statements and December 31, 2025 Annual Information Form dated March 30, 2026, which are available on the Company's profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and website ([www.touchstoneexploration.com](http://www.touchstoneexploration.com)).



## Corporate Information

### Directors

**Kenneth R. McKinnon**  
*Chair of the Board*

**Paul R. Baay**  
**Bhupendra Kansagra**  
**Priya Marajh**  
**Peter Nicol**  
**Beverley Smith**  
**Stanley T. Smith**

**Corporate Secretary**  
**Thomas E. Valentine**

### Officers and Senior Executives

**Paul R. Baay**  
*President and Chief Executive Officer*

**Scott Budau**  
*Chief Financial Officer*

**Brian Hollingshead**  
*Executive Vice President Engineering  
and Business Development*

**Alex Sanchez**  
*Vice President Production and  
Environment*

**Cayle Sorge**  
*Vice President Finance*

### Head Office

**Touchstone Exploration Inc.**  
4100, 350 7th Avenue SW  
Calgary, Alberta, Canada  
T2P 3N9

### Registered Office

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Calgary, Alberta, Canada  
T2P 4H2

### Operating Office

**Touchstone Exploration  
(Trinidad) Ltd.**  
Unit 416A, South Park Plaza  
Tarouba Link Road  
San Fernando, Trinidad, W.I.

### Stock Exchange Listings

**Toronto Stock Exchange**  
**London Stock Exchange AIM**  
Symbol: TXP

### Banker

**Republic Bank Limited**  
Port of Spain, Trinidad, W.I.

### Auditor

**KPMG LLP**  
Calgary, Alberta, Canada

### Reserves Evaluator

**GLJ Ltd.**  
Calgary, Alberta, Canada

### Legal Counsel

**Norton Rose Fulbright LLP**  
Calgary, Alberta, Canada  
**Fasken Martineau DuMoulin LLP**  
Calgary, Alberta, Canada

### Transfer Agent and Registrar

**Odyssey Trust Company**  
Calgary, Alberta, Canada

**MUFG Corporate Markets**  
Leeds, United Kingdom

### UK Nominated Advisor and Joint Broker

**Canaccord Genuity**  
London, United Kingdom

### UK Joint Broker

**Cavendish Capital Markets**  
London, United Kingdom

### UK Public Relations

**FTI Consulting**  
London, United Kingdom