



## TOUCHSTONE ANNOUNCES OPERATIONAL UPDATE

CALGARY, ALBERTA (June 27, 2022) - Touchstone Exploration Inc. ("Touchstone", "we", "our", "us" or the "Company") (TSX, LSE: TXP) provides an update on the operational progress across the Ortoire block, onshore Trinidad. Touchstone has an 80 percent operating working interest in Ortoire block, with Heritage Petroleum Company Limited holding the remaining 20 percent working interest.

### Coho

- The pipeline from our Coho facility to the Central block has been completed, and hydrotesting is scheduled to commence this week upon which the pipeline will be ready for first gas.
- The surface facility is 98 percent complete with all infrastructure in place, including instrumentation, tanks and the communication tower, which will enable the transmission of gas meter data to our offices in Calgary and Trinidad.
- Construction is underway on the 63-foot above ground pipeline to the Central block tie-in point, which is the final requirement of the project.
- Upon completion of the tie-in, commissioning and handover of the pipeline, Coho natural gas production will commence with the expectation that production will increase over time to 10 MMcf/d (1,667 boe/d) gross, 8 MMcf/d (1,333 boe/d) net.
- Coho will be the first onshore natural gas project to come onstream in 20 years, representing an important milestone for both Touchstone and the Republic of Trinidad and Tobago.
- Based on the current contractor schedule and expected pipeline commissioning and handover process, we are targeting full production in August 2022.

### Cascadura

- Workstreams across the Cascadura area are progressing with several important deliveries, including the separators and vapour recovery units, scheduled to arrive in Trinidad in the coming weeks.
- Surveying of the lease expansion, pipelines, roads, and future drilling locations has commenced, along with the treatment of drilling pits for reclamation.
- Three major construction contracts for the Cascadura facility have been procured to date with local contractors and are consistent with our pre-design budget.
- We continue to wait for the approval of the Environmental Impact Assessment ("EIA"), with all the relevant reports and information submitted for regulatory review. Following the anticipated approval and submission of the required notice periods, we intend to proceed with construction of the surface facility, access roads, liquids pipeline and future development drilling locations. The onstream date of the Cascadura facility will be determined by the timing of receipt of the EIA approval.
- Initial gross aggregate natural gas and associated liquids production from our Cascadura-1ST1 and Cascadura Deep-1 wells has been budgeted at 11,500 boe/d (9,200 boe/d net), and the Cascadura natural gas processing facility has been designed for a maximum gross capacity of approximately 200 MMcf/d of natural gas and 5,000 bbls/d of associated liquids (38,333 boe/d).

### Drilling

- The Royston surface equipment has been repositioned to accommodate the future sidetrack of Royston-1 to test the intermediate and subthrust sheets of the Herrera Formation.
- Upon approval of the Cascadura EIA, an additional drilling pad at Cascadura will be constructed to accommodate the first two future budgeted development wells.

- The timing of our future Ortoire drilling program will be evaluated once Coho is on optimal production and we have received approval of the Cascadura EIA.

### **Environmental Incident**

On Wednesday, June 22, 2022, an oil transfer line on our Fyzabad block was cut. We have determined that the cut line was an act of vandalism, and the local police and all relevant in-country authorities have been notified. Based on current information, we estimate that approximately 250 barrels of oil was released. No personal injuries were reported, and reclamation efforts are underway. All impacted residents are being assisted while cleanup activities are conducted. Touchstone has engaged a contractor to monitor air quality across the affected area, and the return of residents to their homes will be guided by the ongoing test results. We will continue to support those affected during the duration of the cleanup and reclamation and do not expect a material impact to our base production expectations as a result of this matter.

### **Paul Baay, President and Chief Executive Officer, commented:**

*"We are pleased that we are nearing completion of the Coho project. We are currently focused on the final phase which is the tie-in at the Central block. The components required for the assembly have been designed and fabricated in Trinidad and are onsite being installed by a local contractor. Following installation, the assembly will require testing and commissioning prior to first gas, with production volumes expected to double our current production on a boe basis. Concurrently, there has been consistent activity at Cascadura while we await receipt of the EIA approval. We would like to thank our stakeholders for their continued patience, and we look forward to updating the market in due course."*

### **Touchstone Exploration Inc.**

Touchstone Exploration Inc. is a Calgary, Alberta based company engaged in the business of acquiring interests in petroleum and natural gas rights and the exploration, development, production and sale of petroleum and natural gas. Touchstone is currently active in onshore properties located in the Republic of Trinidad and Tobago. The Company's common shares are traded on the Toronto Stock Exchange and the AIM market of the London Stock Exchange under the symbol "TXP".

For further information about Touchstone, please visit our website at [www.touchstoneexploration.com](http://www.touchstoneexploration.com) or contact:

Mr. Paul Baay, President and Chief Executive Officer  
Mr. James Shipka, Chief Operating Officer  
Telephone: 403.750.4487

### **Advisories**

#### ***Forward-Looking Statements***

Certain information provided in this news release may constitute forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved.

Forward-looking statements in this news release may include, but are not limited to, statements relating to Touchstone's development and exploration plans and strategies, including anticipated production timelines, forecasted initial production rates derived from previous well production tests, anticipated pipeline and facility construction, including designed production capacity and the timing of completion, the expectation

of regulatory approvals and timing thereof, the Company's future allocation of capital and future drilling plans, the Company's base production expectations, and Touchstone's current and future financial position including the sufficiency of resources to fund future capital expenditures. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Certain of these risks are set out in more detail in the Company's 2021 Annual Information Form dated March 25, 2022 which is available under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on the Company's website ([www.touchstoneexploration.com](http://www.touchstoneexploration.com)). The forward-looking statements contained in this news release are made as of the date hereof, and except as may be required by applicable securities laws, the Company assumes no obligation to update publicly or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

### ***Oil and Gas Measures***

Where applicable, natural gas has been converted to barrels of oil equivalent based on six thousand cubic feet to one barrel of oil. The barrel of oil equivalent rate is based on an energy equivalent conversion method primarily applicable at the burner tip, and given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of the 6:1 conversion ratio, utilizing the 6:1 conversion ratio may be misleading as an indication of value.

### **Abbreviations**

boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
MMcf/d	million cubic feet per day