



## **TOUCHSTONE ANNOUNCES EXPANDED BANK DEBT AND A DRILLING UPDATE**

CALGARY, ALBERTA (March 4, 2024) - Touchstone Exploration Inc. ("Touchstone", "we", "our" or the "Company") (TSX, LSE: TXP) is pleased to provide updates on its bank debt and drilling operations.

### **Bank Debt**

Touchstone's wholly owned Trinidadian subsidiary, Touchstone Exploration (Trinidad) Ltd., has entered into a binding term sheet with our existing Trinidad-based lender providing for an increase in borrowing capacity of \$13 million (the "Amended Bank Loan"). The parties are currently documenting an amended and restated bank loan agreement and related security registrations, following which the additional credit capacity will become effective.

The principal changes included in the Amended Bank Loan are as follows:

- a new \$10 million five-year non-revolving term loan facility, with no principal repayment in the first year and sixteen equal and consecutive quarterly payments thereafter; and
- an increase in our current revolving loan facility borrowing capacity from \$7 million to \$10 million, which will mature two years from the execution date and may be renewed at the option of the parties thereafter.

Following execution of the Amended Bank Loan, Touchstone's facilities will consist of its unchanged existing seven-year term loan facility, the new five-year \$10 million term loan facility, and the increased \$10 million revolving loan facility.

The existing seven-year non-revolving term loan facility has a current principal balance of \$21 million, with fourteen equal and consecutive quarterly principal payments of \$1.5 million outstanding through to the June 15, 2027 maturity date. We have \$7 million drawn on our revolving loan facility, resulting in an aggregate \$28 million in bank debt principal currently outstanding.

We intend to use the additional Amended Bank Loan facility borrowing capacity to finance our 2024 capital program as presented in our December 19, 2023 news release entitled "*Touchstone Announces 2024 Capital Budget, Preliminary 2024 Guidance and an Operational Update*".

### **Drilling Operations**

Touchstone has commenced drilling the Cascadura-3 development well and the CO-374 development well. Cascadura-3 was spud on March 1, 2024 from our Cascadura C surface location on the Ortoire block in which we have an 80 percent working interest. The well is targeting gas-charged sands in the Herrera formation northeast of the recently drilled Cascadura-2 well and is expected to be drilled to an anticipated total depth of 7,000 feet using Star Valley Rig #205. CO-374 was spud on February 28, 2024 on our CO-1 block, in which we have a 100 percent working interest. The well is targeting crude oil-charged sands in the Cruse and Forest formations and is expected to be drilled to a total depth of 6,600 feet using PCSL Rig #8.

The Cascadura-2 well has been successfully cased after we encountered wellbore instability issues due to high gas pressures which resulted in the need to sidetrack a portion of the well. Operations are proceeding on the road and pipeline right-of-way which will tie-in the Cascadura development wells to our Cascadura natural gas facility. This project includes the preparation of the Cascadura B surface location, which has been approved for the drilling of up to four additional development wells.

## **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:

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### **Advisory Regarding Forward-Looking Statements**

The information provided in this news release contains certain forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expect", "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. The forward-looking statements contained in this news release speak only as of the date hereof and are expressly qualified by this cautionary statement.

Specifically, this news release includes, but is not limited to, forward-looking statements relating to: the Company's business plans, strategies, priorities and development plans; the anticipated total depth and targeted formations of current wells being drilled; the intended use of proceeds and expected timing of closing the Amended Bank Loan; and the Company's expectation that the proceeds from the Amended Bank Loan will fully fund the Company's 2024 capital program.

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 2022 Annual Information Form dated March 23, 2023 which is available under the Company's profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) 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 or intent to update publicly or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.