

## 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:

### Touchstone Exploration Inc.

Paul Baay, President and Chief Executive Officer  
Scott Budau, Chief Financial Officer

Tel: +1 (403) 750-4487

James Shipka, Chief Operating Officer

**Shore Capital (Nominated Advisor and Joint Broker)**

Daniel Bush / Toby Gibbs / Iain Sexton

Tel: +44 (0) 207 408 4090

**Canaccord Genuity (Joint Broker)**

Adam James / Ana Ercegovic

Tel: +44 (0) 207 523 8000

**FTI Consulting (Financial PR)**

Nick Hennis / Ben Brewerton

Tel: +44 (0) 203 727 1000

Email: [touchstone@fticonsulting.com](mailto:touchstone@fticonsulting.com)

**Advisory Regarding Forward-Looking Statements**

The information provided in this announcement 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 announcement speak only as of the date hereof and are expressly qualified by this cautionary statement.

Specifically, this announcement 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 announcement are made as of the date hereof, and except as may be required by applicable securities laws, the Company assumes no obligation or intent to update publicly or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

This announcement contains inside information for the purposes of Article 7 of the UK version of the Market Abuse Regulation (EU) No.596/2014, which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018.

**Competent Persons Statement**

*In accordance with the AIM Rules for Companies, the technical information contained in this announcement has been reviewed and approved by James Shipka, Chief Operating Officer of Touchstone Exploration Inc. Mr. Shipka is a qualified person as defined in the London Stock Exchange's Guidance Note for Mining and Oil and Gas Companies and is a Fellow of the Geological Society of London (BGS) as well as a member of the Canadian Society of Petroleum Geologists and the Geological Society of Trinidad and Tobago. Mr. Shipka has a Bachelor of Science in Geology from the University of Calgary and has over 30 years of oil and gas exploration and development experience.*

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [rs@seg.com](mailto:rs@seg.com) or visit [www.rs.com](http://www.rs.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

UPDDZGGFGFFGDZZ