

CENTRAL BLOCK OPERATIONAL UPDATE

CALGARY, ALBERTA (July 14, 2025) - Touchstone Exploration Inc. ("Touchstone", "we", "our" or the "Company") (TSX, LSE: TXP) provides an operational update on the Central Block asset located onshore in the Republic of Trinidad and Tobago.

As previously announced, on May 16, 2025 the Company, through its wholly owned Trinidadian subsidiary, completed the acquisition of 100 percent of the share capital of Shell Trinidad Central Block Limited. The acquired entity, now renamed Touchstone Trinidad Central Block Ltd., holds a 65 percent operating interest in the onshore Central Block exploration and production licence. Heritage Petroleum Company Limited holds the remaining 35 percent participating interest. The Central Block asset includes four producing natural gas wells and a gas processing facility. Financial and operational results from the acquired entity have been consolidated into the Company's financial statements from the May 16, 2025 acquisition date.

Production Update

Gross production volumes from the Central Block averaged 2,969 boe/d (1,930 boe/d net) during the first quarter of 2025, comprising approximately 16.74 MMcf/d of natural gas and 179 bbls/d of NGLs.

Based on preliminary field estimates, second quarter 2025 gross production averaged 3,023 boe/d (1,965 boe/d net), comprised of approximately 17.05 MMcf/d of natural gas and 181 bbls/d of NGLs.

Sales and Pricing Update

Natural gas from the Central Block is sold under two separate contracts: one linked to LNG export pricing and the other to domestic market pricing, primarily supplying Trinidad's petrochemical sector. LNG sales are subject to vessel availability, referred to as liftings.

From January through April 2025, eleven LNG liftings (including associated liquids) were completed, totaling 2,207,696 MMBtu. An additional 11,065 MMBtu was sold into the domestic market. These volumes generated gross revenue of 13.6 million (8.9 million net). After transportation and processing costs, gross revenue totaled 8.9 million (5.8 million net). The Central Block also generated 1.0 million in gross revenues (0.65 million net) from condensate sales at the facility, resulting in total gross revenue of 9.9 million (6.4 million net) for the period. All sales volumes are subject to a 12.5 percent state royalty and applicable plant operating costs.

The LNG liftings and associated liquids achieved an average realized price of 6.15 per MMBtu, translating to a plant gate price of 4.00 per MMBtu after deductions. Domestic sales achieved an average net plant gate price of 4.33 per MMBtu. Condensate was sold at an average price of 48.49 per barrel.

Development Activities

Touchstone has completed site surveys for two additional well pads, each capable of supporting up to four drilling locations. The Company is currently awaiting government construction approvals.

Paul R. Baay, President and Chief Executive Officer, commented:

"We are pleased to provide our first operational update on the Central Block following the successful completion of the acquisition. Since the completion, we have delivered quarter-over-quarter production growth through continued plant optimization - an excellent achievement by our Central Block team."

This update also highlights the strategic advantage of integrating LNG-based pricing into our marketing portfolio. With commercial documentation complete and the first LNG payment expected by the end of July, we are positioned to benefit from predictable cash flows under the export contract.

The Central Block's strong performance supports our acquisition rationale and enhances our marketing flexibility, diversifying revenue streams across LNG, petrochemical, and fixed-price gas sales."

Touchstone Exploration Inc.

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

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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, intentions, forecasts, estimates, expectations and objectives that are subject to assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expect", "believe", "estimate", "potential", "anticipate", "forecast", "pursue", "aim", "intends", and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved. The forward-looking statements contained in this announcement speak only as of the date hereof and are expressly qualified by this cautionary statement.

In particular, this announcement includes, but is not limited to, forward-looking statements regarding: the Company's business plans, strategies, priorities and development plans; field estimated production rates; the Company's expectation of payment timing and predictable cash flows from Central Block commodity sales; the Company's expectations regarding timing of future drilling and lease construction operations at the Central Block including anticipated production rates and commercial outcomes therefrom; and Touchstone's current and future financial position, including the Company's liquidity and the sufficiency of resources to fund future capital expenditures. The Company's actual decisions, activities, results, performance, or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits Touchstone will derive from them.

Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Certain of these risks are set out in more detail in the Company's 2024 Annual Information Form dated March 19, 2025 which is available online under the Company's profile on SEDAR+ (www.sedarplus.ca) and on the Company's website (www.touchstoneexploration.com). The forward-looking statements contained in this 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.

Oil and Natural Gas Measures

To provide a single unit of production for analytical purposes, natural gas production has been converted mathematically to barrels of oil equivalent. The Company uses the industry-accepted standard conversion of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf = 1 bbl). The 6:1 boe ratio is based on an energy equivalent conversion method primarily applicable at the burner tip. It does not represent a value equivalency at the wellhead and is not based on either energy content or current prices. While the boe ratio is useful for comparative measures and observing trends, it does not accurately reflect individual product values and might be misleading, particularly if used in isolation. As well, given that the value ratio, based on the current price of crude oil to natural gas, is significantly different from the 6:1 energy equivalency ratio, using a 6:1 conversion ratio may be misleading as an indication of value.

Abbreviations

The following abbreviations may be referenced in this announcement:

bbl(s)	barrel(s)
bbls/d	barrels per day
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
LNG	liquified natural gas
Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
MMBtu	million British thermal units
MMcf	million cubic feet
MMcf/d	million cubic feet per day
NGLs	natural gas liquids

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