RNS Number : 2170R
Touchstone Exploration Inc.
19 August 2026

ANNUAL LONG-TERM INCENTIVE GRANT

CALGARY, ALBERTA (August 19, 2026) - Touchstone Exploration Inc. ("Touchstone" or the "Company") (TSX, AIM: TXP) reports that the Company granted its independent non-executive directors, executive officers and certain employees share awards on August 18, 2026 as part of its long-term compensation program.

The Company issued 2,082,040 restricted share units ("RSUs") and 2,082,040 performance share units ("PSUs") to its executive officers and certain employees under its shareholder-approved omnibus incentive compensation plan.

The RSUs vest in equal one-third tranches on each of the first three anniversaries of the grant date. PSU awards cliff-vest on the third anniversary of the grant date and are subject to a performance multiplier ranging from zero times to 1.75 times based on achievement of predefined corporate performance targets set by the Board of Directors ("Board") over the vesting period. RSU awards are fixed while the number of PSUs earned is variable. Each RSU and PSU award may, at the Board's discretion, be settled in common shares, cash, or a combination thereof. If paid in cash, the plan participant will receive a cash payment based on the fair value of the underlying common shares on the applicable vesting date.

In accordance with its long-term director compensation plan, the Company issued 978,500 deferred share units ("DSUs") to its independent non-executive directors. DSUs vest immediately upon grant but may only be redeemed after the director ceases to be a member of the Board. DSUs are settled in cash based on the market price of the Company's common shares at the time of redemption.

As disclosed in the Company's Management Information Circular dated June 11, 2026, the Board elected to implement a price floor of C 0.40 for the purpose of calculating the number of share awards to be issued. This deemed price is consistent with the valuation used in the Company's 2025 capital market transactions. The Board considers that using a price floor above the prevailing market price results in the issuance of fewer share awards than would result from application of the standard volume-weighted average price methodology.

The annual grants were awarded to the following recipients:

Recipient	Number of RSUs
Paul R. Baay, Director, President and Chief Executive Officer	437,500
Scott Budau, Chief Financial Officer	315,000
Brian Hollingshead, EVP, Engineering and Business Development	275,625
Employees	1,053,915
Total	**2,082,040**

Recipient	Number of PSUs
Paul R. Baay, Director, President and Chief Executive Officer	437,500
Scott Budau, Chief Financial Officer	315,000
Brian Hollingshead, EVP, Engineering and Business Development	275,625
Employees	1,053,915
Total	**2,082,040**

Recipient	Number of DSUs
Priya Marajh, Non-Executive Director	184,250
Kenneth R. McKinnon, Non-Executive Director	212,500
Peter Nicol, Non-Executive Director	198,750
Beverley Smith, Non-Executive Director	184,250
Stanley T. Smith, Non-Executive Director	198,750
Total	**978,500**

The notification below, made in accordance with the requirements of the UK Market Abuse Regulation, provides further detail on the above transactions.

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:

Touchstone Exploration Inc.
Paul R. Baay, President and Chief Executive Officer   Tel: +1 (403) 750-4487
Scott Budau, Chief Financial Officer
Brian Hollingshead, EVP Engineering and Business Development

Canaccord Genuity (Nominated Advisor and Joint Broker)
Adam James / Charlie Hammond   Tel: +44 (0) 207 523 8000

Cavendish Capital Markets Limited (Joint Broker)
Neil McDonald / Derrick Lee / Graham Hall   Tel: +44 (0) 131 220 6939

FTI Consulting (Financial PR)
Nick Hennis / Ben Brewerton   Tel: +44 (0) 203 727 1000
Email: touchstone@fticonsulting.com

Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them in accordance with the Market Abuse Regulation.

1.	**Details of the person discharging managerial responsibilities / person closely associated**	
a)	Name	1. Paul R. Baay 2. Scott Budau 3. Brian Hollingshead 4. Paul R. Baay 5. Scott Budau 6. Brian Hollingshead 7. Priya Marajh 8. Kenneth R. McKinnon 9. Peter Nicol 10. Beverley Smith 11. Stanley T. Smith
2.	**Reason for the notification**	
a)	Position/status	1. Director, President and Chief Executive Officer 2. Chief Financial Officer 3. EVP, Engineering and Business Development 4. Director, President and Chief Executive Officer 5. Chief Financial Officer 6. EVP, Engineering and Business Development 7. Non-Executive Director 8. Non-Executive Director 9. Non-Executive Director 10. Non-Executive Director 11. Non-Executive Director
b)	Initial notification /Amendment	Initial notification
3.	**Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor**	
a)	Name	Touchstone Exploration Inc.
b)	LEI	2138008URBSUC1J24J73
4.	**Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted**	
	Description of the financial instrument, type of instrument	1. Restricted share units over common shares of no par value in the capital of Touchstone Exploration Inc. 2. Restricted share units over common shares of no par value in the capital of Touchstone Exploration Inc. 3. Restricted share units over common shares of no par value in the capital of Touchstone Exploration Inc. 4. Performance share units over common shares of no par value in the capital of Touchstone Exploration Inc. 5. Performance share units over common shares of no par value in the capital of Touchstone Exploration Inc.

<table>
<tr><td>a)</td><td>

Identification code</td><td>6. Performance share units over common shares of no par value in the capital of Touchstone Exploration Inc.
7. Deferred share units over common shares of no par value in the capital of Touchstone Exploration Inc.
8. Deferred share units over common shares of no par value in the capital of Touchstone Exploration Inc.
9. Deferred share units over common shares of no par value in the capital of Touchstone Exploration Inc.
10. Deferred share units over common shares of no par value in the capital of Touchstone Exploration Inc.
11. Deferred share units over common shares of no par value in the capital of Touchstone Exploration Inc.

CA89156L1085 (applies to items 1-11 above)</td></tr>
<tr><td>b)</td><td>Nature of the transactions</td><td>Items 1 - 6: Grant of share units to executive officers
Items 7 - 11: Grant of deferred share units to independent non-executive directors</td></tr>
<tr><td>c)</td><td>Prices and volumes</td><td><table>
<tr><td></td><td>Effective prices</td><td>Volumes</td></tr>
<tr><td>1.</td><td>Nil</td><td>437,500</td></tr>
<tr><td>2.</td><td>Nil</td><td>315,000</td></tr>
<tr><td>3.</td><td>Nil</td><td>275,625</td></tr>
<tr><td>4.</td><td>Nil</td><td>437,500</td></tr>
<tr><td>5.</td><td>Nil</td><td>315,000</td></tr>
<tr><td>6.</td><td>Nil</td><td>275,625</td></tr>
<tr><td>7.</td><td>Nil</td><td>184,250</td></tr>
<tr><td>8.</td><td>Nil</td><td>212,500</td></tr>
<tr><td>9.</td><td>Nil</td><td>198,750</td></tr>
<tr><td>10.</td><td>Nil</td><td>184,250</td></tr>
<tr><td>11.</td><td>Nil</td><td>198,750</td></tr>
</table></td></tr>
<tr><td>d)</td><td>Aggregated information
- Aggregated volume

- Price</td><td>Aggregate volumes
1. 437,500
2. 315,000
3. 275,625
4. 437,500
5. 315,000
6. 275,625
7. 184,250
8. 212,500
9. 198,750
10. 184,250
11. 198,750

Aggregate prices
1. Nil
2. Nil
3. Nil
4. Nil
5. Nil
6. Nil
7. Nil
8. Nil
9. Nil
10. Nil
11. Nil</td></tr>
<tr><td>e)</td><td>Date of the transaction</td><td>August 18, 2026</td></tr>
<tr><td>f)</td><td>Place of the transaction</td><td>Outside a trading venue</td></tr>
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