

OPERATIONAL UPDATE

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CALGARY, ALBERTA (October 29, 2026) - Touchstone Exploration Inc. ("Touchstone", "we", "our" or the "Company") (TSX AIM: TXP) provides an update on its recent operational activities in the Republic of Trinidad and Tobago. Since the Company's September operational update, activities have focused on completing the Karamat interval at the Central block's Carapal Ridge-3 well ("CR-3"), advancing the WD-4 development drilling campaign and improving production reliability at the Cascadura field.

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Highlights

A A A A A **CR-3 Karamat completion:** The Company executed the Karamat sands completion at CR-3 during October. Cleanup and flow testing operations commenced October 19, 2026, with the well recording separate gross average natural gas test rates of approximately 5.0 MMcf/d and 6.8 MMcf/d at different choke settings during extended testing, as described below. These preliminary test rates are not necessarily indicative of stabilized production or long-term performance. The well is connected to the Central block gas processing facility for export to sales.

A A A A A **WD-4 drilling:** The first well in the Company's two-well WD-4 block development drilling campaign, PS-623, reached total depth on October 4, 2026. The Company's interpretation of wireline logs indicates approximately 450 feet of potential net hydrocarbon pay. The well has been completed and placed onstream at an initial field-estimated flush production rate of approximately 387 bbls/d of crude oil during its first 24 hours of production. Flush production rates are not indicative of stabilized rates, and production is expected to decline as the well is produced. The drilling rig has mobilized to the second drilling location, where the next well is expected to spud shortly.

A A A A A **Cascadura production optimization:** The Cascadura booster's compressor uptime availability improved to approximately 98 percent in September. The Company plans to undertake three optimization workovers before year-end: a coiled tubing cleanout at Cascadura-3ST1, an oil zone recompletion at Cascadura-5, and a workover at Cascadura Deep-1 to commingle two previously producing Herrera zones.

A A A A A **Central block optimization:** The Company is planning a workover at Baraka-1 to evaluate a lower Herrera reservoir interval previously tested by a prior operator.

A A A A A **Production:** Third quarter 2026 sales volumes averaged 4,485 boe/d, comprising approximately 19.4 MMcf/d of natural gas and 1,259 bbls/d of crude oil and liquids.

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

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"It is encouraging to see the early test results from both the CR-3 and PS-623 wells, but it will take some time before we can better assess production decline behaviour and stabilized production rates from the wells. While it remains early days, the initial CR-3 well results may indicate an additional natural gas opportunity for us in the region that could help utilize available processing capacity at the Central block. We will provide updates as appropriate during ongoing testing and production."

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Central Block

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During October 2026, the Company executed the Karamat sands completion program at CR-3. The operation involved installing a retrievable bridge plug above the Herrera reservoir and perforating 62 feet of the Karamat reservoir interval at depths between 6,540 feet and 6,619 feet.

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Following completion, the well was opened for a cleanup and well test on October 19, 2026. During cleanup operations, CR-3 recovered completion fluids and produced approximately 7.7 MMcf/d of natural gas at a flowing wellhead pressure of 650 psi on a 70 percent open choke. Following cleanup operations, the shut-in wellhead tubing pressure built to approximately 2,600 psi and the well was opened for an isochronal well test at various choke sizes. During the four-day extended well testing operations, CR-3 produced at an average rate of approximately 5.0 MMcf/d of natural gas at a flowing wellhead pressure of approximately 500 psi on a 60 percent open choke and 6.8 MMcf/d of

of natural gas at a flowing wellhead pressure of approximately 400 psi on an 80 percent open choke and the Herrera of natural gas at a flowing wellhead pressure of approximately 400 psi on an 80 percent open choke. Minimal amounts of condensate are being produced with no formation water observed to date. The well is connected to the Central block gas processing facility for export to sales at the Atlantic LNG facility, currently under the Train 4 sales agreement. Well testing is continuing with downhole pressure recorders installed for a further flow and pressure build-up test.

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The initial flow rates were observed under cleanup and well testing conditions and are not necessarily indicative of long-term well performance (see "*Advisories - Production Testing and Flush Production*"). The Company will continue to evaluate well performance and decline curves as production operations progress.

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CR-3 represents the Company's first well targeting the Karamat reservoir at the Central block. The Karamat reservoir is present across the wells at the Carapal, Baraka and Baraka East fields of the Central block. Subject to further geological and engineering evaluation of the CR-3 results, the Karamat interval may provide an additional development opportunity alongside the Company's ongoing Herrera reservoir development program at the Central block. The CR-3 results do not establish comparable reservoir quality, deliverability or commercial development potential at other locations.

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The Company is also planning a workover at the Baraka-1 well to evaluate a lower interval of the Herrera reservoir that was previously tested over a three-day period by a prior operator at gross peak rates of approximately 270 bbls/d of oil and 1.3 MMcf/d of natural gas. The planned workover is intended to assess the production potential of this interval and further evaluate the deeper oil potential of the Central block.

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WD-4 Block Drilling

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The Company commenced its two-well WD-4 development drilling campaign with the spud of PS-623 on September 19, 2026. The well reached total depth of 6,500 feet on October 4, 2026, with the Company's interpretation of wireline logs indicating approximately 450 feet of potential net hydrocarbon pay between depths of 3,326 feet and 6,250 feet.

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PS-623 was completed across 40 feet in the Cruse formation and the well has been placed onstream at a field-estimated flush production rate of 387 bbls/d of oil with a one percent water cut flowing on a 6/32-inch choke at a flowing wellhead pressure of 1,040 psi during its first 24 hours of production. Flush production rates reflect the elevated rates typically observed when a well is first placed on production and are expected to decline as production progresses. The Company will continue to monitor PS-623 performance to establish a decline curve and stabilized production rate (see "*Advisories - Production Testing and Flush Production*").

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Preparations for the second well in the campaign are underway, with the drilling rig mobilized to the second drilling lease and expected to begin drilling the well imminently. As previously announced, the turnkey drilling costs associated with the second well will be covered by the drilling contractor, reducing the Company's capital exposure while advancing development of the WD-4 field.

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Cascadura Area (Ortoire Block)

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The Cascadura booster compressor has continued to demonstrate improved operating reliability following initial post-commissioning troubleshooting. Uptime availability improved to approximately 98 percent in September, supporting growth in average gross natural gas production of approximately 9.7 MMcf/d in July, 12.5 MMcf/d in August and 13.0 MMcf/d in September.

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The improved compressor reliability provides a more stable operating platform for ongoing production optimization activities and supports the Company's efforts to optimize production from the Cascadura field.

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The Company plans to undertake three Cascadura optimization workovers before year-end 2026. The program includes a coiled tubing cleanout at Cascadura-3ST1, a recompletion of the oil zone at Cascadura-5, and a workover at Cascadura Deep-1 to commingle two previously producing Herrera reservoir zones. The Cascadura Deep-1 workover involves removing a plug that was temporarily isolating the lower Herrera zone that was on production from September 2023 to June 2024 and was subsequently isolated to produce the upper Herrera zone. The workover is intended to enable commingled production from both Herrera zones. These activities are intended to enhance well productivity, access additional producing intervals and further optimize production from the Cascadura field.

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Touchstone Exploration Inc.

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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 2025 Annual Information Form dated March 30, 2026, which is available on the Company's profile on SEDAR+ (www.sedarplus.ca) and on its 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.

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Production Testing and Flush Production

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This announcement includes references to cleanup rates, well test rates, flush production rates and other short-term production rates for the CR-3 and PS-623 wells, as well as historical test rates for the Baraka-1 well. Such rates are preliminary in nature and, while useful in confirming the presence of hydrocarbons, are not determinative of the rates at which such wells will continue to produce and decline thereafter. Short-term rates are not necessarily indicative of long-term performance, stabilized production rates or ultimate recovery, and readers are cautioned not to place reliance on such rates in calculating the aggregate production of the Company.

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The CR-3 rates disclosed herein are gross rates (Touchstone holds a 65 percent working interest in the Central block) and were measured during cleanup operations, while completion fluids were being recovered, and during an approximately four-day extended isochronal well test conducted on various choke sizes. Rates during the well test varied with choke size and flowing wellhead pressure, and the rate achieved on any individual choke setting should not be considered representative of the rate at which the well will produce over time. A pressure transient analysis or well-test interpretation has not yet been carried out on the CR-3 test data, and further flow and pressure build-up testing using downhole pressure recorders is ongoing. Accordingly, the CR-3 test results should be considered preliminary until such analysis or interpretation has been completed.

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The PS-623 rate disclosed herein is a field-estimated rate for the first 24 hours of production following completion of the well and recovery of load fluid. Touchstone holds a 100 percent working interest in the well. Flush production refers to the elevated rates typically experienced when a well is first placed on production, prior to the onset of pressure depletion and production decline. Production from PS-623 is expected to decline from its initial flush production rate, and the Company has not yet established a decline curve or a stabilized production rate for the well.

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The Baraka-1 rates referenced herein are gross peak rates obtained by a prior operator during a three-day test. The Company has not independently verified these historical test results, which may not be indicative of the results that will be achieved following the planned workover or of the long-term production performance of the interval.

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Oil and Natural Gas Measures

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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 equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. While the boe ratio is useful for comparative measures and observing trends, it does not accurately reflect individual product values and may be misleading, particularly if used in isolation, as the value ratio between crude oil and natural gas based on current commodity prices may differ significantly from the 6:1 energy equivalency ratio.

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Product Type Disclosures

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This announcement includes references to crude oil, NGLs, crude oil and liquids, natural gas, and average daily production volumes. Under National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"), disclosure of production volumes should include segmentation by product type as defined in the instrument. In this announcement, references to "crude oil" refer to light and medium crude oil; references to "NGLs" refer to condensate, ethane, propane, butanes and pentanes plus; and references to "natural gas" refer to conventional natural gas, all as defined in the instrument. References to "crude oil and liquids" include crude oil and NGLs. Other NGLs represent allocated sales entitlements from natural gas delivered to the Atlantic LNG plant.

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Touchstone's third quarter sales volumes disclosed herein are based on Company working interest before royalty burdens and consist of the following product types as defined in NI 51-101 using a conversion of 6 Mcf to 1 boe where applicable.

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Â	Light and Medium Crude Oil (bbls/d)	Condensate (bbls/d)	Other NGLs (bbls/d)	Conventional Natural Gas (Mcf/d)	Total Oil Equivalent (boe/d)
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Third quarter 2026	837	161	261	19,354	4,485

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Competent Person's Statement

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In accordance with the AIM Rules for Companies, the technical information contained in this announcement has been reviewed and approved by Brian Hollingshead, Executive Vice President, Engineering and Business Development of Touchstone Exploration Inc. Mr. Hollingshead is a qualified person as defined in the London Stock Exchange's Guidance Note for Mining and Oil and Gas Companies and is a member of the Association of Professional Engineers and Geoscientists of Alberta. Mr. Hollingshead holds a Bachelor of Science in Electrical Engineering from the

