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Central Block boosts Touchstone's LNG growth outlook

TOUCHSTONE Exploration has established a 'new pillar' of LNG-linked growth after integrating its Central Block into its producing reserves base, chief executive officer and president Paul Baay has said.

Baay made the comment as Touchstone released its 2025 year-end reserves, based on an independent evaluation prepared by GLJ Ltd effective December 31, 2025, detailing its total proved developed producing (PDP), total proved (1P), and total proved plus probable (2P) reserves.

'Our year-end reserves report highlights the strategic integration of the Central block into our producing reserve base, establishing a new pillar for LNGlinked growth alongside our stable oil production and Ortoire natural gas assets,' Baay said.

Baay said the report also reflected growth in its gas marketing portfolio, supported by fixed-price sales from Ortoire and LNG contracts tied to Central block production.

'While data from the Cascadura-5 well necessitated a downward revision to our Block B reserves, Block A remains on forecast and continues to represent a significant opportunity for production growth, particularly as natural gas pricing is subject to redetermined in October 2027,' Baay said.

'This independent evaluation underscores the substantial value of our Trinidadian portfolio. The NPV10 of future net revenues for our 2P reserves was estimated at approximately US$653 million before tax and approximately US$315 million after tax, which represented a 2% increase over 2024 despite our 2025 production,' he said.

Baay said the addition of medium-gravity oil reserves from Cascadura-5 also points to further potential within the emerging Herrera play. The company said low-cost recompletion opportunities could allow it to tap deeper oil zones in Block B, adding incremental output without significant new drilling.

'Looking ahead, we remain focused on execution. We look forward to tying in Carapal Ridge-3 for production in late March 2026, commencing our legacy oil block drilling programme in March, and commissioning the Cascadura compressor in the second quarter of 2026,' Baay stated.

Year-end 2025 reserves overview

• Reserves performance: Compared with the end of 2024, and after accounting for production during 2025, the company increased the amount of oil and gas currently in active production by 45%. However, total proven reserves dipped slightly, while overall proven and probable reserves were largely stable. • Portfolio changes: The growth in producing reserves was driven mainly by the acquisition of the Central block and the ad - dition of the Cascadura-5 well. This was partly offset by the sale of the Fyzabad block. • Revisions to estimates: Adjustments were made to natural gas and liquids estimates at Cascadura, along with the impact of the Fyzabad sale. These were partly balanced by the Central block acqui - sition and stronger crude oil estimates at several producing wells. • Value of reserves (before tax): The estimated future value of reserves currently in production rose 35% year-on-year to US$107 million. The value of total proven reserves declined slightly, while proven and

probable reserves also saw a modest dip. Value of reserves (after tax): After-tax estimates showed solid gains for producing reserves, up 34% from 2024, while overall proven and prov - en-plus-probable reserves recorded modest improve - ments. Long-term outlook: The company's reserves are expected to last more than 13 years based on proven reserves alone, and more than 23 years when proba - ble reserves are included, underscoring the longevity of its asset base.