



TOUCHSTONE ANNOUNCES TOTAL PROVED PLUS PROBABLE RESERVES OF 17.8 MILLION BOE

Calgary, Alberta – March 24, 2015 – Touchstone Exploration Inc. (“Touchstone” or the “Company”) (TSX: TXP) announces the results of the independent December 31, 2014 reserve evaluation (the “Reserves Report”) with respect to the Company’s crude oil and natural gas reserves in Canada and the Republic of Trinidad and Tobago (“Trinidad”). Amounts herein are in Canadian dollars unless otherwise stated.

Touchstone’s year-end reserves were evaluated by independent reserves evaluator GLJ Petroleum Consultants Ltd. (“GLJ”) in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* (“NI 51-101”). The reserves estimates set forth below are based upon GLJ’s reserve report dated March 11th, 2014.

Reserve Report Highlights

- Total proved plus probable reserves of 17,831 Mboe (gross) and 13,267 Mboe net after royalties (99.5% oil). Total proved reserves were 10,497 Mboe (gross) and 7,671 Mboe net after royalties (99.6% oil).
- Total proved plus probable net present value before tax (10 percent discount rate) of \$395 million (\$208 million on a total proved basis).
- Total proved plus probable net present value after tax (8 percent discount rate) of \$191 million (\$103 million for the total proved case).
- Total proved plus probable future development capital is estimated to be \$110 million, an increase of \$97 million over 2013 mainly due to the increased development capital associated with Trinidad assets acquired in 2014.
- Reserve life index of approximately 17.9 years for proved plus probable reserves.

Summary of Canadian Operations and Reserves

In Canada, Touchstone has successfully focused on transitioning the Company’s operations from a research program using in situ combustion technology to a true exploration and production operation capable of yielding positive economic returns. The Company continues to review all Canadian operations to ensure that they are able to provide commercially reasonable returns during times of depressed commodity prices.

Touchstone has also established a significant working interest position in Saskatchewan’s highly economic Viking play and, in total, the Company now has a working interest in 19.5 prospective sections within the Viking oil fairway near Beadle, Saskatchewan. Given the high levels of industry activity in the Beadle area, the Company was able to book both proved and probable reserves on the recently acquired Viking acreage based upon the results of offset production. These lands remain highly prospective and the Company is looking forward to an active drilling program when commodity prices rebound. In the interim, the Company is obtaining the necessary permits and establishing programs required to execute a future Viking program in a timely and efficient manner. As a result of these Canadian based initiatives, the Company has:

- Increased total proved plus probable reserves in Canada by 107% to 3,046 Mboe (97% oil weighted).
- Increased total proved reserves by 64% to 1,536 Mboe (98% oil weighted).
- Replaced 1,169% of 2014 Canadian production with 1,718 Mboe of proved plus probable reserve additions.
- Replaced 506% of 2014 production with total proved reserves additions of 744 Mboe.
- Total proved reserves represents 50% of total proved plus probable reserves.

Summary of Trinidad Operations and Reserves

In Trinidad, the Company acquired total proved plus probable reserves of 11,697 Mboe and total proved reserves of 7,520 Mboe through the May 13, 2014 business combination between Petrobank Energy and Resources Ltd. and Touchstone Energy Inc. (formerly Touchstone Exploration Inc.). Subsequent to the acquisition, the Company drilled 11.16 net wells in Trinidad and, as a result, the Company has:

- Increased total proved plus probable reserves in Trinidad by 26% to 14,786 Mboe (100% oil).
- Increased total proved reserves by 19% to 8,962 Mboe (100% oil).
- Replaced 883% of 2014 Trinidad production with 3,483 Mboe of proved plus probable reserve additions.
- Replaced 465% of 2014 production with total proved reserves additions of 1,836 Mboe.
- Total proved reserves represents 61% of total proved plus probable reserves.
- Achieved estimated total proved plus probable finding, development and acquisition costs of \$8.23 per barrel (\$10.85 for total proved reserves), including changes in future development capital.

The following tables provides a summary of information based upon the Reserve Report:

December 31, 2014 Reserves¹

	Gas (MMcf)	Oil (Mbbbl)	Total (Mboe)
Canada			
Proved			
Proved producing	-	413	413
Proved non-producing	-	64	64
Proved undeveloped	222	1,022	1,059
Total proved	222	1,499	1,536
Probable	265	1,466	1,510
Total Proved Plus Probable	486	2,964	3,046
Trinidad			
Proved			
Proved producing	-	5,475	5,475
Proved non-producing	-	46	46
Proved undeveloped	-	3,441	3,441
Total proved	-	8,962	8,962
Probable	-	5,824	5,824
Total Proved Plus Probable	-	14,786	14,786

¹Amounts may not add due to rounding.

Reserves Reconciliation¹

	Canada		Trinidad	
	Proved (Mboe)	Proved Plus Probable (Mboe)	Proved (Mboe)	Proved Plus Probable (Mboe)
December 31, 2013	939	1,474	-	-
Acquisition ²	-	-	7,520	11,697
Opening balance plus acquisitions	939	1,474	7,520	11,697
Drilling extensions	629	1,404	1,349	2,404
Infill drilling	-	-	170	230
Technical revisions	115	315	317	649
Improved recovery	-	-	-	200
Production	(147)	(147)	(395)	(395)
December 31, 2014	1,536	3,046	8,962	14,786

¹Amounts may not add due to rounding.

²Represents May 13, 2014 acquisition of Touchstone Energy Inc. (formerly Touchstone Exploration Inc.) by Petrobank Energy and Resources Ltd.

Net Present Value Before Tax^{1,2,3}

	Net Present Values of Future Net Revenues Before Income Taxes Discounted at (% per year) (\$000's)				
	0%	5%	10%	15%	20%
Canada					
Proved					
Proved producing	7,146	6,583	6,105	5,696	5,341
Proved non-producing	522	478	438	402	371
Proved undeveloped	18,699	13,262	9,431	6,673	4,650
Total proved	26,367	20,323	15,974	12,771	10,362
Probable	42,367	31,483	24,118	18,938	15,172
Total Proved Plus Probable	68,734	51,806	40,092	31,709	25,534
Trinidad					
Proved					
Proved producing	171,820	118,683	95,906	82,077	72,351
Proved non-producing	2,302	2,074	1,889	1,736	1,608
Proved undeveloped	161,276	121,256	94,287	75,237	61,279
Total proved	335,398	242,013	192,082	159,050	135,238
Probable	319,578	217,390	162,358	127,711	103,935
Total Proved Plus Probable	654,976	459,403	354,440	286,761	239,173

¹Amounts may not add due to rounding.

²Unit values are based on Company net reserves.

³Estimated values of future net revenue disclosed in this press release do not represent fair market values.

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Proved producing	7,146	6,583	6,287	5,696	5,341
Proved non-producing	522	478	453	402	371
Proved undeveloped	18,699	13,262	10,811	6,673	4,650
Total proved	26,367	20,323	17,551	12,771	10,362
Probable	39,266	29,331	24,988	17,805	14,322
Total Proved Plus Probable	65,633	49,654	42,539	30,576	24,684
Trinidad					
Proved					
Proved producing	66,783	53,673	49,106	41,785	38,074
Proved non-producing	770	712	683	625	592
Proved undeveloped	55,538	41,839	35,750	25,484	20,399
Total proved	123,091	96,224	85,539	67,894	59,065
Probable	104,875	74,166	62,533	44,711	36,505
Total Proved Plus Probable	227,966	170,390	148,072	112,605	95,570

¹Amounts may not add due to rounding.

²Unit values are based on Company net reserves.

³Estimated values of future net revenue disclosed in this press release do not represent fair market values.

Future Development Costs

Year Incurred	Canada		Trinidad	
	For Proved Reserves	For Proved Plus Probable Reserves	For Proved Reserves	For Proved Plus Probable Reserves
(\$000's)				
2015	2,250	3,600	2,620	3,395
2016	9,945	14,178	21,910	27,795
2017	8,739	18,415	12,313	22,447
2018	3,820	6,208	7,545	14,220
Thereafter	-	-	-	-
Total Undiscounted	24,754	42,401	44,388	67,857
Total Discounted at 10% per Year	20,389	34,680	36,597	55,204

Estimated Trinidad Finding, Development and Acquisition Costs¹

	Proved	Proved Plus Probable
Estimated capital expenditures (\$000's)		
Estimated exploration capital expenditures ²	1,298	1,298
Estimated development capital expenditures ²	22,336	22,336
Estimated acquisition costs ^{2,3}	33,448	33,448
	57,082	57,082
Change in future development capital (\$000's) ⁴	44,388	67,857
Total capital	101,470	124,939
Reserve additions (Mbbls)		
Acquisitions	7,520	11,697
Development	1,836	3,483
Total reserve additions	9,356	15,180
Estimated finding, development and acquisition costs (\$/Bbl)	10.85	8.23

¹For the period of May 14, 2014 through December 31, 2014.

²The Company's annual audit of its December 31, 2014 consolidated financial statements is not complete. Accordingly, unaudited capital expenditure amounts used in the calculation of finding and development costs is management's estimate and is subject to change.

³Acquisition costs reflect the consideration paid for producing assets and does not reflect the fair market value allocated to acquire the assets under International Financial Reporting Standards.

⁴Calculation includes changes in future development costs.

Touchstone Exploration Inc. is a Calgary-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 and Western Canada. The Company's common shares are traded on the Toronto Stock Exchange under the symbol "TXP". As at December 31, 2014, the Company had 83,059,643 shares outstanding.

ADVISORIES

Oil and Natural Gas Reserves: The disclosure in this press release summarizes certain information contained in the Reserves Report but represents only a portion of the disclosure required under NI 51-101. Full disclosure with respect to the Company's reserves as at December 31, 2014 will be contained in the Company's annual information form for the year ended December 31, 2014 which will be filed on SEDAR (www.sedar.com) on or about March 31, 2014. All net present values in this press release are based on GLJ's forecast prices and estimates of future operating and capital costs as of December 31, 2014.

Estimated Trinidad Finding, Development and Acquisition ("FD&A") Costs: Trinidad based finding and development costs including acquisitions have been presented herein. While NI 51-101 requires that the effects of acquisitions and dispositions be excluded, FD&A costs have been presented because acquisitions and dispositions can have a significant impact on the Company's ongoing reserve replacement costs and excluding these amounts could result in an inaccurate portrayal of the Company's cost structure. The Company's estimated finding and development costs, excluding the effects of acquisitions and dispositions, for 2014 were \$35.99/Boe on a proved basis and \$24.68/Boe on a proved plus probable basis. Trinidad estimated finding and development costs were \$37.05/Bbl and \$26.27/Bbl on a proved and proved plus probable basis, respectively. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year. The Company's annual audit of its December 31, 2014 consolidated financial statements is not complete. Accordingly, unaudited capital expenditure amounts used in the calculation of finding and development costs is management's estimate and is subject to change.

Barrels of oil Equivalent: Oil and natural gas reserves are converted to common units of measure on a basis of six thousand cubic feet of natural gas to one barrel of oil. Boes may be misleading, particularly if used in isolation. The forgoing conversion 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. Given that the value ratio based on the current market price of oil as compared to natural gas is significantly different than the energy equivalency of six to one, utilizing a conversion on a six to one basis may be misleading as an indication of value.

Forward-Looking Statements: Certain information provided in this press release constitutes forward-looking statements. Specifically, this press release contains forward-looking statements regarding the Company's drilling prospect inventory, projected capital expenditures, sufficiency of resources to fund operations and plans related to and the timing of certain projects. Forward-looking statements are necessarily based on a number of assumptions and judgments, including but not limited to, assumptions relating to the outlook for commodity and capital markets, the success of future resource evaluation and development activities, the performance of producing wells and reservoirs, well development and operating performance, general economic conditions, weather, and the regulatory and legal environment. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. You can find a discussion of those risks and uncertainties in the Company's Canadian securities filings. Such factors include, but are not limited to: general economic, market and business conditions; weather conditions and access to properties; fluctuations in oil prices; the results of exploration and development drilling, recompletions and related activities; timing and rig availability; outcome of exploration contract negotiations; fluctuation in foreign currency exchange rates; the uncertainty of reserve estimates; changes in environmental and other regulations; uncertainties associated with the regulatory review and approval process in respect to projects; risks associated with the application of early stage technology; risks associated with oil and gas operations and other factors, many of which are beyond the control of Touchstone. There is no representation by Touchstone that actual results achieved during the forecast period will be the same in whole or in part as those forecasted. Except as may be required by applicable securities laws, Touchstone assumes no obligation to publicly update or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

Abbreviations

Oil

Bbls	barrels
Mbbls	thousand barrels
Bbls/d	barrels per day
Boe	barrels of oil equivalent
Mboe	thousand barrels of oil equivalent
MMboe	million barrels of oil equivalent
Boe/d	barrels of oil equivalent per day

Natural Gas

MMcf	million cubic feet
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