



TOUCHSTONE PROVIDES OPERATIONAL UPDATE

Calgary, Alberta – January 13, 2015 – Touchstone Exploration Inc. (“Touchstone” or the “Company”) (TSX: TXP) is pleased to provide the following operational update.

Highlights

- Achieved peak production of 2,539 barrels per day (“bbls/d”) in the quarter with 2,234 bbls/d from Trinidad and 305 bbls/d from Canada (based on seven day field estimated production average);
- Realized average sales in the fourth quarter of 2014 of 2,276 bbls/d with 1,896 bbls/d from Trinidad and 380 bbls/d from Canadian operations;
- 2014 annual corporate average oil sales were 1,549 bbls/d with Trinidad production averaging 1,804 bbls/d post-acquisition (May 14, 2014 through December 31, 2014); and
- Drilled and cased four (4 net) wells in Trinidad during the fourth quarter.

Trinidad Operations

Touchstone drilled a total of twelve (11.16 net) wells in 2014 as four (4 net) wells were drilled in the fourth quarter of the year. Four (4 net) wells were drilled on the Grand Ravine WD-4 block, three (3 net) wells were drilled on the Forest Reserve WD-8 block, two (2 net) wells on the Coora block, one (1 net) well on Fyzabad, one (1 net) well on Sunty and one (0.16 net) exploratory well on the Cory Moruga block.

Grand Ravine WD-4

Two (2 net) wells were drilled in Grand Ravine WD-4 in the fourth quarter of 2014. The first well (PS-582) was drilled to a total depth of 6,494 feet and encountered 694 feet of net oil pay. 164 feet of oil pay was encountered in the Upper Forest formation, 299 feet in the Lower Forest formation, 96 feet in the Upper Cruse formation and 135 feet in the shallow Morne L’Enfer formation. The well was initially completed in the Upper Cruse formation and is currently flowing in excess of 105 bbls/d. The second WD-4 well (PS-583) was drilled to a total depth of 5,548 feet and was logged on December 31, 2014. The well encountered 195 feet of pay in the Upper Forest formation and will be completed prior to the end of January 2015.

Coora

Two (2 net) wells were drilled on the Coora Block in the fourth quarter of 2014. The first Coora well (CO-366) was placed on production on November 16, 2014 and has averaged 70 bbls/d (pumping) since completion. The second well (CO-367) was drilled to a total measured depth of 4,290 feet and encountered 313 feet of net oil pay; 115 feet in the Upper Forest formation, 121 feet in the Lower Forest formation, and 77 feet in the Upper Cruse formation. Well CO-367 was completed in the Upper Cruse formation on December 10, 2014 and has average 60 bbls/d (pumping) since completion.

Suntly

The well on the Company’s Suntly property (Suntly-3) encountered 110 feet of net oil pay in the Herrera formation. It was placed on production on November 4, 2014 and has averaged 170 bbls/d (flowing) since completion. Touchstone’s other well on the Suntly property (Suntly 2 - drilled in September 2012) was recompleted in the fourth quarter and is currently producing at a rate of approximately 32 bbls/d from the Herrera formation in an adjacent fault block.

James Shipka, Chief Operating Officer, said “the Company’s decision to reduce our capital spending and pare back drilling operations in response to volatile commodity prices in the quarter resulted in drilling approximately half of our planned wells for the year. Despite this reduction, the Company achieved peak daily production of 2,389 barrels of oil per day in the quarter and enjoyed record production in Trinidad.”

In the fourth quarter of 2014 Touchstone finalized both of its Exploration and Production Licenses in Trinidad on the East Brighton and Ortoire properties. The Company's 2015 commitments related to these licenses are minimal and preliminary work on both blocks is currently underway.

Canadian Operations

During the fourth quarter, the Kerrobert property produced average daily volumes of 308 bbls/d. The Company's cost-cutting strategy at Kerrobert has proven successful since its implementation and the Company will continue to focus on reducing operating costs and optimizing production at the facility. Cold production from the Mannville formation at Luseland averaged 59 bbls/d in the quarter.

As previously announced, the Company secured an additional 4.5 prospective sections on the Viking drilling trend in the Beadle area south of Kerrobert. This increased the Company's total position to 22.5 (14.5 net) sections of highly prospective Viking land, of which 112 (net, unrisks) drilling locations have been identified.

***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".*

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***Forward-Looking Statements:** Certain information provided in this press release constitutes forward-looking statements. Specifically, this press release contains forward-looking statements relating to the performance characteristics of the Company's oil properties, production results, drilling success, 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.*