



TOUCHSTONE ANNOUNCES OPERATIONAL UPDATE AND SPUDDING OF CASCADURA DEEP-1

CALGARY, ALBERTA (October 29, 2020) - Touchstone Exploration Inc. ("Touchstone", "we", "our", "us" or the "Company") (TSX, LSE: TXP) announces an operational update, highlighted by the spudding of the Cascadura Deep-1 exploration well on the Ortoire onshore exploration block (Touchstone 80% working interest operator, Heritage Petroleum Company Limited 20% working interest).

Highlights

- Cascadura Deep-1 was spudded on October 27, 2020 ahead of schedule.
- Designing a production testing program for Chinook-1 that may commence prior to the end of 2020.
- Formal amendment for a nine-month extension of the exploration phase of the Ortoire exploration and production licence expected shortly.
- Advanced negotiations of the natural gas sales agreement with the National Gas Company of Trinidad and Tobago ("NGC").
- Regulatory approvals pending to commence pipeline and surface facility operations on the Coho-1 well.

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

"I am delighted to report that the team continues to push forward with operations at Cascadura Deep-1 and Chinook-1 ahead of schedule. While the pandemic has caused delays regarding the tie-in of Coho-1, we are pleased to have received initial approvals for the extension of the Ortoire licence, a recognition of the Trinidad Government's commitment to this exploration program and a reward for the recent exploration success that Touchstone has enjoyed. This extension will provide us with the time required to drill an additional well and complete the required seismic program in the first half of 2021. I ask shareholders to continue to be patient with us as we move forward and finalize the gas purchase agreement with NGC, and I look forward to providing an update to the market in due course."

Touchstone is pleased to announce that we have spudded the Cascadura Deep-1 well ahead of schedule. We are currently drilling the surface hole to a planned casing depth of 900 feet. The surface location is on the same drilling pad as the previously drilled Cascadura-1ST1 well with the bottom hole location anticipated to be 1,300 feet to the south east. The well is targeting three distinct Herrera thrust sheets and is designed for a total depth of 10,600 feet. The current drilling plan is based on a 45-day drilling schedule.

As a result of the advancement of the Cascadura Deep-1 well, the Company is designing a program to commence testing of the Chinook-1 well prior to the end of 2020. The program includes coordinating the mobilization of the test equipment and service rig to begin testing immediately upon casing the Cascadura Deep-1 well. This expectation is subject to a number of uncertainties, including receipt of required regulatory approvals, weather, and drilling operations at Cascadura Deep-1.

Touchstone has been formally notified by the Trinidad and Tobago Ministry of Energy and Energy Industries that the exploration phase of Ortoire exploration and production licence has been approved by the government for a nine-month extension to July 31, 2021. In addition, the Company's 2D seismic commitment has been reduced from 85-line to 20-line kilometres. In exchange for the extension and seismic program reduction, the Company has agreed to drill an additional well to a true vertical depth of 10,000 feet prior to June 2021. The formal amending document has yet to be executed by all participating parties.

The Company is awaiting final approval of the required Certificate of Environmental Clearance to commence Coho-1 surface facility operations, which is anticipated to be received by the end of November. As a result of the COVID-19 pandemic, the process was delayed due to community consultations that were required to be performed on a one-on-one basis versus a traditional town hall meeting format. Upon receipt of approval and the required notice period, field operations are expected to begin within approximately 30

days. Touchtone has all of the required equipment in Trinidad to mobilize and therefore expects first production from the Coho-1 well late in the first quarter of 2021.

The Company continues to negotiate the final details of the natural gas sales agreement with NGC. The agreement, which includes all future natural gas sales from the Ortoire block, is anticipated to be executed prior to the end of the year.

James Shipka, Chief Operating Officer, commented:

"As we near the end of the first phase of our Ortoire exploration drilling program, we are continuing to see the tremendous potential of the block. Our subsurface team continues to refine their geological and geophysical models based on the initial success of our exploration program, and the Company is now building a significant inventory of both development and exploration locations on the property. With success at Coho, Cascadura, and now Chinook, we have identified an inventory of up to ten development wells offsetting our discoveries. At the same time, the team has identified a further 21 exploration prospects on the block which will represent our second phase of exploration at Ortoire."

An updated version of Touchstone's Corporate Presentation is available on the Company's website.

Touchstone Exploration Inc.

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. 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:

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Forward-Looking Statement Advisory

Certain information provided in this news release may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking information in this news release may include, but is not limited to, statements relating to the Company's expected extension of the Ortoire exploration licence; its ongoing negotiations of the Ortoire natural gas sales agreement and expected finalization and timing thereof; the Company's exploration plans and strategies, including with respect to receipt of required regulatory approvals, future well drilling, well completions and production testing, the timing and the potential commercial production viability thereof; and the sufficiency of resources and available financing to fund future exploration drilling, completions, production testing operations and seismic program. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company 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 2019 Annual Information Form dated March 25, 2020 which has been filed on SEDAR and can be accessed at www.sedar.com. The forward-looking statements contained in this news release are made as of the date hereof, and except as may be required by applicable securities laws, the Company assumes no obligation to update publicly or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.