



TOUCHSTONE PROVIDES OPERATIONAL UPDATE

Calgary, Alberta – October 23, 2014 – Touchstone Exploration Inc. (“Touchstone” or the “Company”) (TSX: TXP) is pleased to provide the following operational update.

Highlights

- Achieved average sales volumes for the month of September of 2,293 barrels per day (“bbls/d”), 1,980 bbls/d from Trinidad and 313 bbls/d from Canadian operations;
- Realized average corporate sales volumes of 2,269 bbls/d during the third quarter, representing an increase of 86 percent from the average daily volume of 1,220 barrels produced in the second quarter of 2014; and
- Drilled and cased four (4 net) wells in Trinidad during the quarter.

Trinidad Operations

Since May 2014 the Company has successfully drilled nine (8.16 net) wells. Three (3 net) wells were drilled on the Forest Reserve WD-8 block, two (2 net) wells on the Grand Ravine WD-4 block, one (1 net) well 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. Two additional wells are currently being drilled, one on the Grand Ravine WD-4 block and one on the Coora block.

Fyzabad

Of the four (4 net) wells drilled in the quarter, only the Fyzabad well (FZ-304) is currently on production. The well was drilled to a total depth of 1,805 feet and encountered 114 feet of net oil pay within the Upper Cruse formation. Completed on September 2, 2014, the well has been flowing at an average field estimated rate of 75 bbls/d through a 10/32 choke and has produced a field estimated 3,843 barrels over 51 days.

Forest Reserve WD-8

FR-1751 was drilled to a total measured depth of approximately 3,380 feet. The well encountered 377 feet of net oil pay of which 179 feet is in the Lower Forest formation, 60 feet in the Upper Cruse, 93 feet in the Middle Cruse and 45 feet in the Lower Cruse formation. The well will initially be completed in the Lower Cruse formation.

Coora

CO-366 was drilled to a total measured depth of 3,420 feet. The well encountered 180 feet of net oil pay of which 142 feet is in the Upper Forest formation and 38 feet in the Lower Forest formation. CO-366 will initially be completed in the Lower Forest formation.

Suntly

The well on our Suntly property (Suntly-3) was drilled to a total depth of 4,320 feet, encountering 110 feet of net oil pay all within the Herrera formation. It will initially be completed in the lower most Herrera sands.

Grand Ravine WD-4

PS-580 was drilled to a total depth of 7,025 feet on our WD-4 property. The well encountered 349 feet of net oil pay of which 190 feet is in the Upper Forest formation, 141 feet in the Lower Forest formation and 18 feet in the Upper Cruse formation. The well will initially be completed at the Upper Cruse formation. The Company’s previously announced well located in WD-4 (PS-579) was completed on July 20, 2014.

Since completion, the well has produced a field estimated 12,655 barrels over 94 days, resulting in an average daily flowing rate of 135 bbls/d.

James Shipka, Chief Operating Officer, says “improvements in our drilling operations and our move to a continuous drilling program has resulted in significant savings. Our last well, CO-366, took 7.4 days from spud to rig release versus the 14 day budgeted average”.

Touchstone continues to finalize both of its exploration and production licenses in Trinidad on our East Brighton and Ortoire properties. The Company has been informed by the government of Trinidad and Tobago that the execution of both licenses will occur prior to the end of the year.

The Company currently has an inventory of 144 (net) drilling locations identified in Trinidad.

Canadian Operations

Kerrobert, SK

During the quarter, the Kerrobert property produced an average daily volume of 324 barrels of oil despite a ten day plant turnaround for annual inspection and optimization in late August and early September. The Company has undergone a targeted cost-cutting strategy at the property to improve field netbacks. As a result of these efforts, and including costs associated with the plant turnaround, third quarter operating results for the property are expected to break-even as the Company has reduced air injection costs and the associated operating expenses.

Subsequent to the quarter the Company secured an additional 4.5 prospective sections on the Viking drilling trend. This brings the Company’s total position to 22.9 (15.2 net) sections of Viking land, of which 156 (net) drilling locations have been identified.

Dawson, AB

In the third quarter the Company continued operations on a cyclical steam simulation pilot project in the Bluesky formation at Dawson. Two (2 net) wells were switched over to oil production in late June following approximately six months of initial steam injection. Based on the current well configuration and results to date, the project has not provided evidence of its ability to provide economic returns. As such, Touchstone has elected to suspend Dawson operations and continue to focus on our Saskatchewan Luseland and Kerrobert facilities.

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 financial results, results from operations, future capital expenditures, drilling success, production results, 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.