



NEWS RELEASE

TOUCHSTONE ANNOUNCES CREDIT FACILITY COVENANT UPDATE AND REILING OF Q3 2015 MANAGEMENT'S DISCUSSION AND ANALYSIS

Calgary, Alberta – January 14, 2016 – Touchstone Exploration Inc. ("Touchstone" or the "Company") (TSX: TXP) announces an update on its credit facility covenants and the reiling of its September 30, 2015 Management's Discussion and Analysis ("MD&A").

As previously disclosed, the Company was in breach of its monthly production volume bank facility covenant for the calendar months of October and November 2015. The Company is pleased to announce that it executed a waiver with its lender relating to these breaches on December 31, 2015. There were no specific terms required to be addressed by the Company nor were there revisions to any covenants in the credit facility included in the waiver. Touchstone also announces that it was not in breach of the December 2015 production covenant. The Company remains in discussions with its lender to further revise the credit facility to manage the issues associated with the monthly production covenant.

As a result of a review by the Alberta Securities Commission, the Company has refiled its MD&A of its financial position for the three and nine months ended September 30, 2015. This was done in an effort to clarify its continuous disclosure regarding its bank facility production covenants as disclosed in the Company's December 9, 2015 new release. Additional disclosure has also been provided in the amended MD&A relating to material contracts and future commitments.

Advisory Regarding Forward-Looking Statements

Certain information provided in this news release may constitute forward-looking statements within the meaning of applicable securities laws. 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 Annual Information Form dated March 30, 2015 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 publicly update or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

About Touchstone

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".

For further information, please contact:

Mr. Paul Baay, President and Chief Executive Officer; or
Mr. Scott Budau, Chief Financial Officer
Telephone: (403) 750-4400