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TOUCHSTONE TO COMPLETE A \$5 MILLION PRIVATE PLACEMENT AND INCREASE 2018 DRILLING PROGRAM TO 10 WELLS

Calgary, Alberta – December 8, 2017 – Touchstone Exploration Inc. ("Touchstone" or the "Company") (TSX / LSE: TXP), announces that it intends to complete a private placement directed towards United Kingdom institutional investors (the "Private Placement"). The Company is raising gross proceeds of £3.0 million (approximately \$5.0 million) by way of a placing of 25,784,285 new common shares of no par value (the "New Common Shares") at a price of 11.5 pence (approximately \$0.20) per New Common Share (the "Placement Price"). The Placement Price represents a 6.1 percent discount to 12.25 pence, which was the closing price of the Company's Common Shares on AIM on December 7, 2017.

The Company previously announced that it plans to drill four wells on its Coora 2 and WD-8 properties commencing in January 2018. The Company intends to use the net proceeds from the Private Placement of approximately £2.7 million (approximately \$4.6 million) to finance the expansion of Touchstone's 2018 drilling program from four wells to ten wells. The additional wells are expected to be drilled on the Company's Coora 1, WD-4, WD-8 and South Palo Seco properties. In conjunction with the enlarged drilling program, Touchstone's Board of Directors also approved a 24 well recompletion program in 2018.

Shore Capital and GMP FirstEnergy acted as joint brokers in connection with the Private Placement. Mackie Research Capital Corporation acted as a strategic advisor.

Paul Baay, President and Chief Executive Officer, commented:

"We are pleased to be able to commit this additional funding into a continuous ten well 2018 drilling program in Trinidad. Not only will the enlarged capital program allow for greater cost efficiencies, it will also satisfy our lease operatorship agreement minimum work obligations through 2020. We would like to thank our shareholders for their continued support as we enter an ambitious growth period in 2018."

Listing and Voting Rights

Application has been made for the New Common Shares, which will rank pari passu with the existing issued share capital, to be admitted to trading on the Toronto Stock Exchange ("TSX") and AIM ("Admission"). Subject to the receipt of required approvals from the TSX and AIM, the New Common Shares are expected to be issued and admitted to trading on December 22, 2017. The New Common Shares will represent approximately 20 percent of the total issued share capital in the Company on Admission. The Placement Price represents a 17.1 percent discount to \$0.2362, which was the volume weighted average price of the Company's Common Shares on the TSX for the five trading days ending November 27, 2017.

All Common Shares being issued by the Company pursuant to the Private Placement will be freely transferable outside of Canada; however, these shares are subject to a four-month and one day restricted hold period in Canada which will prevent such common shares from being resold in Canada, through a

Canadian exchange or otherwise, during the restricted period without an exemption from the Canadian prospectus requirement.

Immediately following completion and Admission of the Private Placement, the Company's issued share capital will consist of 128,921,428 Common Shares. The Company does not hold any Common Shares in treasury. This figure may be used by shareholders to determine if they are required to notify their interest in, or a change to their interest in, the Company.

The Private Placement includes a subscription by North Energy Capital AS, a 5.41 percent shareholder of the Company. Following Admission, North Energy Capital AS will hold 12,879,250 Common Shares, representing 9.99 percent of the enlarged share capital of the Company.

For further information, please contact:

Touchstone Exploration Inc.

Mr. Paul Baay, President and Chief Executive Officer
Mr. Scott Budau, Chief Financial Officer
Mr. James Shipka, Chief Operating Officer
www.touchstoneexploration.com

Tel: +1 (403) 750-4487

Shore Capital (Nominated Advisor and Joint Broker)

Nominated Advisor: Edward Mansfield / Mark Percy
Corporate Broking: Jerry Keen

Tel: +44 (0) 20 7408 4090

GMP FirstEnergy (Joint Broker)

Jonathan Wright / Hugh Sanderson

Tel: +44 (0) 207448 0200

Mackie Research Capital Corporation (Strategic Advisor)

Kevin Shaw

Tel: +1 (403) 750-1280

Camarco (Financial PR)

Nick Hennis / Jane Glover / Billy Clegg

Tel: +44 (0) 203 757 4980

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. 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".

Advisories

For reference purposes in this press release, one British pound has been translated into Canadian dollars at a rate of 1.00 to 1.70.

Forward-Looking Statements

Certain information provided in this press release may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements in this press release include, but are not limited to, those in respect of the anticipated closing date of the Private Placement, the satisfaction of all required conditions and approvals (including approvals from the TSX and AIM) for completion of the Private Placement, and the Company's use of the net proceeds, including the potential undertaking, timing, number, and locations of future well drilling and well recompletions. 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 21, 2017 which has been filed on SEDAR and can be accessed at www.sedar.com. The forward-looking statements contained in this press 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.

Important Notice

No prospectus or admission document will be made available in connection with the matters contained in this press release.

In any EEA Member State that has implemented Directive 2003/71/EC (together with any implementing measures in any Member State ("the Prospectus Directive") other than the United Kingdom) this press release is only addressed to and directed at persons in such member states who are qualified investors within the meaning of Article 2(1) (e) of the Prospectus Directive ("Qualified Investors"). In addition, in the United Kingdom, this press release is addressed and directed only at Qualified Investors who (i) are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order, and (iii) to persons to whom it may otherwise be lawful to communicate it to (all such persons being referred to as "Relevant Persons"). Any investment or investment activity to which this press release relates is available only to Relevant Persons in the United Kingdom and Qualified Investors in any member state of the EEA other than the United Kingdom, and will be engaged in only with such persons. Other persons should not rely or act upon this press release or any of its contents.

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Neither this press release nor any copy of it may be taken or transmitted, published or distributed, directly or indirectly, in whole or in part, in, into or from the United States of America (including its territories and possessions, any state of the United States of America (the "United States" or the "US")), Australia, Japan or the Republic of South Africa or transmitted, distributed to, or sent by, any national or resident or citizen of any such countries or any other jurisdiction where to do so would constitute a violation of the relevant securities laws of such jurisdiction (each a "Restricted Jurisdiction"). Any failure to comply with this restriction may constitute a violation of United States, Australian, Japanese or South African securities laws.

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The New Common Shares referred to in this press release have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or under the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the

registration requirements of the US Securities Act. The Common Shares have not been and will not be approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Private Placement or the accuracy or adequacy of this press release. Any representation to the contrary is a criminal offence in the United States.

The information contained in this press release is for background purposes only and does not purport to be full or complete.

No reliance may or should be placed for any purposes whatsoever on the information contained in this press release or its accuracy, completeness or fairness. The information in this press release is subject to change. However, the Company does not undertake to provide the recipient of this press release with any additional information, or to update this press release or to correct any inaccuracies, and the distribution of this press release shall not be deemed to be any form of commitment on the part of the Company to proceed with the Private Placement or any transaction or arrangement referred to in this press release.

This press release has not been approved by any competent regulatory authority. Shore Capital and Corporate Limited ("SCC") is nominated advisor to the Company. SCC, which is authorised and regulated by the Financial Conduct Authority ("FCA"), is acting exclusively for the Company and no one else in connection with the proposed Private Placement and Admission and will not be acting for any other person or otherwise responsible to any person other than the Company for providing the protections afforded to clients of SCC or for advising any other person in respect of the Private Placement and Admission.

Shore Capital Stockbrokers Limited ("SCS") and FirstEnergy Capital LLP ("GMP FirstEnergy") have been appointed as joint brokers to the Company. SCS and GMP FirstEnergy, which are authorised and regulated by the FCA, are acting exclusively for the Company and no one else in connection with the proposed Private Placement and Admission and will not be acting for any other person or otherwise responsible to any person other than the Company for providing the protections afforded to clients of SCS and GMP FirstEnergy or for advising any other person in respect of the Private Placement and Admission.

Inside Information

THIS PRESS RELEASE CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014.