



## **TOUCHSTONE ANNOUNCES OPERATIONAL UPDATE**

Calgary, Alberta – January 16, 2018 – Touchstone Exploration Inc. (“Touchstone” or the “Company”) (TSX / LSE: TXP) announces the following operational update.

### **Highlights**

- Achieved November and December 2017 crude oil sales of 1,536 and 1,337 barrels per day (“bbls/d”), respectively.
- Realized average prices of US\$56.54 per barrel and US\$57.18 per barrel for November and December crude oil volumes, respectively.
- Production from the four wells drilled in 2017 remained strong, contributing an average of 283 bbls/d to November and December 2017 production.
- Preparation of the initial four 2018 drilling program locations has commenced; the first well is expected to spud on or about January 22, 2018.
- Current field estimated production is approximately 1,492 bbls/d (based on the previous seven-day average).

### **Production**

Touchstone’s November and December 2017 crude oil production averaged 1,435 bbls/d. December sales volumes were lower based on an inventory build of approximately 2,800 barrels that is expected to be monetized subsequent to year-end.

Average production for the fourth quarter of 2017 was 1,448 bbls/d, representing an increase of 1 percent from the third quarter of 2017 and 16 percent from the prior year comparative period. Realized fourth quarter 2017 pricing for crude oil was US\$54.83 per barrel, which represented an increase of 15 percent from the US\$47.53 per barrel received in the third quarter of 2017.

On an annual basis, average crude oil production in 2017 was 1,375 bbls/d, a 6 percent increase from 1,301 bbls/d produced in 2016. Touchstone’s 2017 realized average price of US\$49.18 per barrel was 29 percent greater than the average of US\$38.10 received in 2016.

### **Drilling**

Touchstone is currently constructing four surface locations to accommodate the Company’s first five wells planned for 2018 with construction of the first three locations expected to be completed by the end of January 2018. The wells will be drilled on a fixed cost basis using local equipment and personnel.

Touchstone has successfully contracted a second drilling rig to accelerate the drilling program. Operations are expected to begin on the Grande Ravine WD-4 block with the drilling of a 5,800 foot development location with the second rig targeting a 4,700 foot development location on the Forest Reserve WD-8 block. Thereafter, the Company plans to drill one additional well at WD-8 and two wells from a single surface location on its Coora 2 property. Touchstone is at various stages of preparing and receiving approval for the second five wells of the 2018 program; the Company expects to commence operations immediately following the drilling of the Coora 2 wells.

### **Operations**

The Company completed five recompletions in December 2017, bringing the total number of recompletions performed in 2017 to 20. The recompletions were perforated prior to year-end; however, the incremental production impact will not be realized until the end of January once all load fluids have been recovered and production has stabilized. The Company is targeting to perform 24 recompletions in 2018.

## **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".

## **Forward-Looking Statements**

Certain information provided in this press release may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking information in this press release may include, but is not limited to, statements relating to current field estimated production, the estimated amount and timing of incremental production from well recompletions, and the potential undertaking, timing, locations and costs of future well drilling and 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](http://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.

## **Contact**

Mr. Paul Baay, President and Chief Executive Officer; or  
Mr. James Shipka, Chief Operating Officer  
Telephone: 403.750.4487  
[www.touchstoneexploration.com](http://www.touchstoneexploration.com)