



## **TOUCHSTONE ANNOUNCES COHO-1 GAS TEST OF 17.5 MMCFD**

CALGARY, ALBERTA (November 18, 2019) - Touchstone Exploration Inc. ("Touchstone", "we", "our", "us" or the "Company") (TSX / LSE: TXP) provides production test results for the Coho-1 well on the Ortoire exploration block, onshore in the Republic of Trinidad and Tobago.

As previously reported, the Coho-1 exploration well (Touchstone 80% working interest operator, Heritage Petroleum Company Limited 20% working interest) was spudded on August 7, 2019 and was drilled to a total depth of 8,560 feet. Wireline logs indicated approximately 64 feet of prospective natural gas pay in the Herrera Gr7b formation between 5,486 and 5,782 feet.

Production testing of the Herrera Gr7b formation commenced on November 16, 2019 with a flowback period spanning seven hours using gradually increasing choke sizes. During the final flowback period, a peak rate of 19.8 million cubic feet per day ("MMCFD") (3,300 barrels of oil equivalent ("BOEPD")) of dry, sweet natural gas was observed with a wellhead pressure of 2,632 psi on a 32/64" choke. The average natural gas rate associated with this final period was 17.5 MMCFD (2,917 BOEPD) with an estimated 23% draw down. During the total flowback test period, 2.1 MMCF of natural gas was recovered as well as 22.5 barrels of water, representing approximately 68% of the total load fluid used during completion operations.

Given the higher than expected initial test rates and due to equipment limitations and concerns regarding the environmental impact of the test flare, the Company chose to shorten the flowback period and to conduct the balance of the testing at restricted drawdowns. 13 hours currently remain in the final 24-hour stabilized flow period. The average stabilized test rate over the past 11 hours was 11.8 MMCFD (1,963 BOEPD) at an average wellhead pressure of 2,795 psi on a restricted 28/64" choke, resulting in an estimated 18% draw down.

Over the current 37-hour flowback and production testing period, a total of 11.2 million cubic feet ("MMCF") of natural gas and 298 barrels of water have been recovered, including 37 barrels of load water. Water production averaged 23 barrels per MMCF of natural gas, significantly below the Company's expectations based on offset well data.

Upon completion of the stabilized flow test, the well will be shut-in for an extended pressure build-up test. The Company will release full analysis of the pressure build-up test when full results are available.

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

*"These positive well test results represent a new era for Touchstone as we expect to add significant natural gas volumes to our production base. The results outline the opportunities that still exist for onshore Trinidad exploration and position Touchstone to become a top three onshore petroleum producer. It must also be noted that the Coho-1 well is in the smallest prospect of the Ortoire exploration program. The Company will proceed to tie in the well through a 3-kilometre pipeline to an existing production facility that has capacity in excess of this well's estimated production rates. We anticipate bringing the well on production during the first half of 2020."*

### **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](http://www.touchstoneexploration.com) or contact:

Mr. Paul Baay, President and Chief Executive Officer; or  
Mr. Scott Budau, Chief Financial Officer; or  
Mr. James Shipka, Chief Operating Officer  
Telephone: 403.750.4487

## **Advisories**

### ***Forward-Looking Statements***

Certain information provided in this announcement may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking information in this announcement may include, but is not limited to, statements with respect to the quality and quantity of prospective hydrocarbon accumulations; initial well test results; the Company's anticipated development and timing of the Coho-1 well including potential tie-in and production therefrom; and the sufficiency of resources and available financing to fund future completion operations. 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 2018 Annual Information Form dated March 26, 2019 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 announcement 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.

### ***Oil and Gas Matters***

References in this announcement to production test rates and initial flow rates are useful in confirming the presence of hydrocarbons; however, such rates are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long-term performance or of ultimate recovery. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. A pressure transient analysis or well-test interpretation has not been carried out in respect of the well. Accordingly, the Company cautions that the test results should be considered preliminary.

### ***Oil and Gas Measures***

Where applicable, natural gas has been converted to barrels of oil equivalent based on six thousand cubic feet to one barrel of oil. The barrel of oil equivalent rate is based on an energy equivalent conversion method primarily applicable at the burner tip, and given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of the 6:1 conversion ratio, utilizing the 6:1 conversion ratio may be misleading as an indication of value.

### **Competent Persons Statement**

*In accordance with the AIM Rules for Companies, the technical information contained in this announcement has been reviewed and approved by James Shipka, Chief Operating Officer of Touchstone Exploration Inc. Mr. Shipka is a qualified person as defined in the London Stock Exchange's Guidance Note for Mining and Oil and Gas Companies and is a Fellow of the Geological Society of London (BGS) as well as a member of the Canadian Society of Petroleum Geologists and the Geological Society of Trinidad and Tobago. Mr. Shipka has a Bachelor of Science in Geology from the University of Calgary and has over 30 years of oil and gas exploration and development experience.*

