

CALGARY, ALBERTA--(Marketwired - Mar 21, 2017) - [Touchstone Exploration Inc.](#) ("Touchstone" or the "Company") (TSX:TXP) announces that the Trinidad and Tobago Minister of Energy and Energy Industries ("MEEI") approved a reduction of the Company's letter of credit supporting required work commitments on the East Brighton offshore property from US\$6 million to US\$2.15 million. The letter of credit is currently secured by funds held in trust.

The Company has proposed to drill the East Brighton commitment well from a location onshore to a bottom hole location target offshore as defined by 3D seismic. The estimated costs associated with the well is expected to be approximately US\$2 million. The Company is also completing a further technical evaluation of the property and will provide a detailed report to the MEEI prior to the end of the year. The well is expected to be drilled following the technical evaluation and receipt of all required regulatory approvals. Upon the completion of the technical report the letter of credit is expected to be reduced by US\$150,000, and upon the conclusion of the drilling operations the remaining US\$2 million is also expected to be released.

James Shipka, Touchstone Chief Operating Officer, said, "We are very excited that Touchstone has been able to identify an exciting, 3D defined target that can be reached from the onshore location." He went on to say, "With current commodity prices it allows us to evaluate the block in a cost-effective manner, and if successful, we could bring the well to the production stage very quickly."

In conjunction with the approved US\$3.85 million reduction of the East Brighton letter of credit, Touchstone announces the commencement of its 2017 capital program. The program will initially comprise the recompletion of 24 wells and the drilling of four wells. The 24 recompletions will target zones in existing wells that are located on various properties held by the Company. The initial targets will be in the Coora, WD-4 and WD-8 blocks with up to three recompletions targeted for later in the year on the Company's Ortoire exploration block. The drilling program is expected to commence within the next 45 days with development wells planned to be drilled on the Coora-1, Coora-2, WD-4 and WD-8 blocks. The planned drilling program reflects the Company's existing work commitments and will target the Forest and Cruse horizons in each property.

Paul Baay, President and Chief Executive Officer, said, "The reduction in the letter of credit has allowed us to free up capital to commence our program. We have not drilled a well in 26 months and are excited to once again focus on production growth in 2017."

Touchstone may expand the drilling program further based on the stability of commodity prices. The Board of Directors and Management review the capital program on a quarterly basis.

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 under the symbol "TXP".

Advisory Regarding Forward-Looking Statements

Certain information provided in this press release may constitute forward-looking statements within the meaning of applicable securities laws. Forward information in this press release may include, but is not limited to, statements about the release of the letter of credit cash collateral, plans related to and the timing of certain capital expenditures, sufficiency of resources to fund operations, and the potential undertaking of an additional 2017 capital program. 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 24, 2016 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.

Contact

[Touchstone Exploration Inc.](#)

Mr. Paul Baay
President and Chief Executive Officer
403.750.4487

[Touchstone Exploration Inc.](#)

Mr. Scott Budau
Chief Financial Officer
403.750.4487

[Touchstone Exploration Inc.](#)

Mr. James Shipka
Chief Operating Officer
403.750.4487

www.touchstoneexploration.com