

CALGARY, ALBERTA--(Marketwired - March 9, 2016) - [Touchstone Exploration Inc.](#) ("Touchstone" or the "Company") (TSX:TXP) announces the results of the independent December 31, 2015 reserve evaluation (the "Reserves Report") with respect to the Company's crude oil and natural gas reserves in Canada and the Republic of Trinidad and Tobago ("Trinidad"). Amounts herein are in Canadian dollars unless otherwise stated.

Touchstone's year-end reserves were evaluated by independent reserves evaluator GLJ Petroleum Consultants Ltd. ("GLJ") in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"). Additional reserves information as required under NI 51-101 will be included in the Company's Annual Information Form which will be filed on SEDAR on or before March 30, 2016. The reserves estimates set forth below are based upon GLJ's Reserve Report dated March 8, 2016. All values in this press release are based on GLJ's forecast prices and estimates of future operating and capital costs as at December 31, 2015.

2015 Reserve Report Highlights

- Total consolidated (Trinidad and Canada) proved plus probable reserves of 15,465 Mboe (gross) and 11,111 Mboe net after royalties (100% oil). Total proved reserves were 8,815 Mboe (gross) and 6,141 Mboe net after royalties (100% oil).
- Total consolidated proved plus probable net present value of future net revenues before tax (10 percent discount rate) of \$304.7 million (\$141.9 million on a total proved basis).
- Total consolidated proved plus probable net present value of future net revenues after tax (10 percent discount rate) of \$124.8 million, which excluding net debt, equates to \$1.50 per basic share (\$67.4 million or \$0.81 per basic share on a total proved basis).
- Total consolidated proved plus probable future development costs ("FDC") of \$70.7 million, a decrease of \$39.5 million from the Company's 2014 reserve evaluation mainly as a result of Canadian asset dispositions in 2015.
- Trinidad reserve life index of approximately 22.9 years for proved plus probable reserves.

At the effective date of the reserves evaluation, Touchstone has divested all non-core Canadian developed and undeveloped assets with associated reserves as reported in the December 31, 2014 reserves evaluation. As a result, total proved plus probable reserves decreased by 2,989 Mboe, total proved reserves decreased by 1,479 Mboe, total proved plus probable undiscounted FDC decreased \$42.4 million and total proved undiscounted FDC decreased \$24.8 million.

As of December 31, 2015, Touchstone had no proved or probable reserves associated with the Company's remaining Canadian assets which represent 31,611 acres of undeveloped land in Saskatchewan focusing mainly on the Viking formation. The reserves associated with the Company's Canadian assets are included for reference, but the majority of the discussion and analysis in this press release will be focused on the Company's core business in Trinidad and Tobago.

Summary of Trinidad Operations and Reserves

In 2015 the Company focused on operations directly related to maintaining production from our core assets in Trinidad with minimal exploration or development capital being spent. Operating in a challenging commodity price environment, Touchstone completed or recompleted a total of 28 wells with no drilling capital being deployed following the rig release of PS-583 on January 3, 2015. Notwithstanding the Company's minimal capital investment in 2015:

- Annual 2015 Trinidad production was 573.2 Mbbls, an average of 1,570 barrels per day. Trinidad oil sales averaged 1,600 barrels per day during the 2015 fiscal year.
- Total proved plus probable reserves in Trinidad increased by 679 Mbbls or 4.6% after production to 15,465 Mbbls (100% oil).
- Replaced 219% of 2015 Trinidad production with 1,252 Mbbls of proved plus probable reserve additions.
- Total Trinidad proved reserves represented 57% of total proved plus probable reserves.
- Achieved estimated Trinidad total proved plus probable finding and development costs of \$5.83 per barrel, including changes in FDC.

The following tables provides a summary of information based upon the Reserve Report:

December 31, 2015 Gross Reserves¹

Light and Medium Oil (Mbbls) Heavy Oil (Mbbls) Total Oil Equivalent (Mboe)

Proved

Proved producing	4,188	702	4,890
Proved non-producing	413	90	503
Proved undeveloped	2,889	533	3,422
Total proved	7,490	1,325	8,815
Probable	5,705	946	6,650

Total proved plus probable 13,195 2,271 15,465

¹Amounts may not add due to rounding.

Reserves Reconciliation¹

	Trinidad		Canada	
	Proved (Mboe)	Proved Plus Probable (Mboe)	Proved (Mboe)	Proved Plus Probable (Mboe)
December 31, 2014	8,962	14,786	1,536	3,046
Extensions and improved recovery	396	1,593	-	-
Technical revisions	215	(104	-	-
Dispositions	-	-	(1,479	(2,989
Economic factors	(184) (237	-	-
Production	(573) (573	(57	(57
December 31, 2015	8,815	15,465	-	-
Reserves replacement ratio (%)	75	219	n/a	n/a

¹Amounts may not add due to rounding.

Net Present Values of Future Trinidad Net Revenue^{1,2}

	Net Present Values of Future Net Revenues Before Income Taxes Discounted at (% per year) (\$000,000)				
	0%	5%	10%	15%	20%
Proved					
Proved producing	126,450	75,391	55,398	44,575	37,625
Proved non-producing	23,179	19,441	16,605	14,401	12,651
Proved undeveloped	131,341	93,334	69,909	54,104	42,880
Total proved	280,970	188,166	141,912	113,079	93,157
Probable	333,124	220,816	162,805	126,719	102,099
Total proved plus probable	614,094	408,982	304,717	239,798	195,256

	Net Present Values of Future Net Revenues After Income Taxes Discounted at (% per year) (\$000,000)				
	0%	5%	10%	15%	20%
Proved					
Proved producing	64,546	45,462	36,647	31,282	27,547
Proved non-producing	9,729	9,151	8,573	8,018	7,497
Proved undeveloped	44,101	30,514	22,203	16,645	12,738
Total proved	118,376	85,127	67,423	55,945	47,782
Probable	115,719	77,411	57,391	44,790	36,137
Total proved plus probable	234,095	162,538	124,814	100,735	83,919

¹Amounts may not add due to rounding.

²Estimated values of future net revenue disclosed herein do not represent fair market values.

Forecasted Prices and Foreign Exchange

Year	Brent Blend Crude Oil FOB North Sea (US\$/bbl)	C\$/US\$ Exchange rate
2016	45.00	0.73
2017	54.00	0.75
2018	61.00	0.78
2019	67.00	0.80
2020	73.00	0.83
2021	78.00	0.85
2022	83.00	0.85
2023	88.00	0.85

2024	91.39	0.85
2025	93.22	0.85
Thereafter % change per year	2.0%	Nil

The Reserves Report was presented in Canadian dollars and translated from United States dollars ("US\$") on an annual basis using the applicable exchange rates noted above.

Future Development Costs

Year Incurred	For Proved Reserves (\$000's)	For Proved Plus Probable Reserves (\$000's)
2016	5,975	6,825
2017	9,828	16,310
2018	18,472	27,695
2019	12,402	19,879
Thereafter	-	-
Total undiscounted	46,677	70,709
Total discounted at 10% per year	37,656	56,708

Estimated Trinidad Finding and Development Costs

	Proved	Proved Plus Probable
Unaudited capital expenditures (\$000's) ¹		
Unaudited exploration capital expenditures	938	938
Unaudited development capital expenditures	3,511	3,511
	4,449	4,449
Change in future development costs (\$000's) ²	2,290	2,852
Total capital	6,739	7,301
Net reserve additions (Mbbbls)	426	1,252
Estimated finding and development costs (\$/Bbl)	15.81	5.83

¹The Company's annual audit of its December 31, 2015 consolidated financial statements is not complete. Accordingly, unaudited capital expenditure amounts used in the calculation of finding and development costs are management's estimate and are subject to change.

²Calculation includes changes in future development capital.

Advisories

Oil and Natural Gas Reserves: The disclosure in this press release summarizes certain information contained in the Reserves Report but represents only a portion of the disclosure required under NI 51-101. Full disclosure with respect to the Company's reserves as at December 31, 2015 will be contained in the Company's Annual Information Form for the year ended December 31, 2015 which will be filed on SEDAR on or before March 30, 2016. All evaluations and reviews of future net revenues are stated prior to any provision for finance expenses or general and administrative costs and after the deduction of estimated future capital expenditures and estimated future well abandonment costs. It should not be assumed that the present worth of estimated future net revenues presented in the tables above represent the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserves estimates of crude oil provided herein are estimates only, and there is no guarantee that the estimated reserves will be recovered. Actual crude oil reserves may be greater than or less than the estimates provided herein.

Estimated Trinidad Finding and Development Costs: Trinidad based finding and development costs have been presented herein. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year. The Company's annual audit of its December 31, 2015 consolidated financial statements is not complete. Accordingly, unaudited capital expenditure amounts used in the calculation of finding and development costs are management's estimate and are subject to change. Finding and development costs do not have a standardized meaning and

may not be comparable to similar measures presented by other companies. The Company uses finding and development costs as a measure of the efficiency of its overall capital program. Management uses finding and development cost metrics for its own performance measurements and to provide shareholders with measures to compare the Company's operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this press release, should not be relied upon for investment or other purposes.

Forward-Looking Statements: Certain information provided in this news release may constitute forward-looking statements within the meaning of applicable securities laws. Specifically, this press release contains forward-looking statements regarding the Company's drilling prospect inventory, projected capital expenditures, sufficiency of resources to fund operations and plans related to and the timing of certain projects. 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. Because 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 update publicly or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

Crude Oil Abbreviations

Bbls	barrels of oil
Mbbls	thousand barrels of oil
Bbls/d	barrels of oil per day
Boe	barrels of oil equivalent
Mboe	thousand barrels of oil equivalent
Boe/d	barrels of oil equivalent per day

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".

Contact

Mr. Paul Baay, President and Chief Executive Officer; or
Mr. James Shipka, Chief Operating Officer;
Telephone: 403.750.4487
Fax: 403.266.5794
www.touchstoneexploration.com