

CALGARY, ALBERTA--(Marketwired - Apr 14, 2016) - [Touchstone Exploration Inc.](#) ("Touchstone" or the "Company") (TSX:TXP) announces an update regarding its credit facility.

Touchstone's borrowing base on its Trinidad based credit facility has been established at US\$8,000,000 following the lender's semi-annual borrowing base review. The Company currently has US\$2,000,000 drawn on the credit facility, and US\$6,000,000 is currently dedicated to the Company's letter of credit relating to the East Brighton property. Following the finalization of the sale of the property and the cancellation of the letter of credit, the credit facility borrowing base will be reduced to US\$3,000,000.

In connection with the borrowing base redetermination, the Company and its lender executed an Amendment and Limited Waiver to the Credit Agreement (the "Waiver"). The Waiver cured the Company's March 2016 production volume covenant breach, as March production was 1,339 barrels per day while the covenant called for a minimum threshold of 1,350 barrels per day. The Waiver also served to cure the Company's violation of its December 31, 2015 consolidated debt to EBITDA ratio covenant, which was 3.50 to 1.00 versus the maximum 3.00 to 1.00. This violation was reassessed by the lender as the Company's previous calculations of total debt did not include the East Brighton letter of credit balance. The Company is expecting to be in compliance with this quarterly covenant throughout 2016 based on US\$4,000,000 year to date credit facility payments. In addition, the Waiver amended the credit facility regarding the previously disclosed mandatory April 8, 2016 US\$1,000,000 prepayment. If the East Brighton letter of credit is cancelled prior to May 31, 2016, the prepayment is not required. If the East Brighton letter of credit remains outstanding as of May 31, 2016, the Company must make the prepayment on May 31, 2016, and the lender has the right to hold a one-time interim borrowing base redetermination prior to June 21, 2016.

The Company will continue to seek alternative sources of financing to further develop its core Trinidad onshore assets.

#### Advisory Regarding Forward-Looking Statements

Certain information provided in this news release may constitute forward-looking statements within the meaning of applicable securities laws. Specifically, this news release contains forward-looking statements relating to the Company's expected sale of its East Brighton property and the Company's estimated 2016 quarterly total debt to EBITDA credit facility covenant results. 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](http://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.

#### 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".

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