

Arrow Announces RCE-3 Well Update

RCE-3 producing from the C7-A and the C7 Stringer

Calgary, Alberta--(Newsfile Corp. - March 3, 2023) - Arrow Exploration Corp. (AIM: AXL) (TSXV: AXL) ("**Arrow**" or the "**Company**") is pleased to provide an update on the Rio Cravo Este-3 well ("**RCE-3**"), an appraisal / development well on the Tapir Block in the Llanos Basin of Colombia.

RCE-3

The RCE-3 well was spud on February 8, 2023 and reached target depth on February 16, 2023. RCE-3 targeted a three-way fault bounded structure with multiple high-quality reservoir objectives on the Tapir Block in the Llanos Basin of Colombia. The well was drilled to a total measured depth of 8,880 feet (8,087 feet true vertical depth) and encountered seven hydrocarbon bearing intervals totaling 58 net feet of oil pay.

The well was completed in the C7-A and C7 Stringer zones and the well is currently producing from those zones. A submersible pump has been inserted but not turned on. The well flowed naturally at rates equivalent to 2,000 BOPD gross for four hours after unloading kill fluid. The well is currently being choked back with a 18/168 choke and, in the last 24 hours, it has produced at a rate of 968 BOPD gross (484 BOPD net) of oil at 28.5 API and with a 0% water cut. The Company will provide a further update on production rates in due course.

Initial production results are not necessarily indicative of long-term performance or ultimate recovery.

Marshall Abbott, CEO of Arrow commented:

"We are very encouraged by the initial production of RCE-3, the fourth well on the Tapir block. The well was completed in the C7-A and C7 Stringer zones with additional zones currently behind pipe."

"RCE-3 is currently flowing better than expected. The Company is choking the well back in an effort to manage the reservoir and discourage premature water production. Arrow plans to engage the pump and slowly increase production once the well has stabilized."

"The continued strong production rates from existing tied-in wells combined with the encouraging results from new wells in Colombia continues to provide us with confidence that our objective of achieving a production rate of 3,000 boe/d within 18 months of the AIM listing can be achieved. This is an exciting time for Arrow, and we look forward to providing further updates on our progress."

The RCE-3 well costs came in under budget and was the quickest well drilled to date on the block.

RCE-4 and RCE-5 Wells

The RCE-4 well was spud on March 1, 2023 and is currently drilling. Expectations are that the RCE-4 well will be complete and brought on production towards the end of March. Plans are then to skid the rig to the RCE-5 location and begin drilling.

Capella Field

The Capella field continues to be shut in and discussions between the government, protesters and the operator are ongoing. The Company hopes for a quick resolution of the protesters' concerns.

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About Arrow Exploration Corp.

Arrow Exploration Corp. (operating in Colombia via a branch of its 100% owned subsidiary Carrao Energy S.A.) is a publicly traded company with a portfolio of premier Colombian oil assets that are underexploited, under-explored and offer high potential growth. The Company's business plan is to expand oil production from some of Colombia's most active basins, including the Llanos, Middle Magdalena Valley (MMV) and Putumayo Basin. The asset base is predominantly operated with high working interests, and the Brent-linked light oil pricing exposure combines with low royalties to yield attractive potential operating margins. Arrow's 50% interest in the Tapir Block is contingent on the assignment by Ecopetrol SA of such interest to Arrow. Arrow's seasoned team is led by a hands-on executive team supported by an experienced board. Arrow is listed on the AIM market of the London Stock Exchange and on TSX Venture Exchange under the symbol "AXL".

Forward-Looking Statements

This news release contains certain statements or disclosures relating to Arrow that are based on the expectations of its management as well as assumptions made by and information currently available to Arrow which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that Arrow anticipates or expects may, could or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by the use of the words "continue", "expect", "opportunity", "plan", "potential" and "will" and similar expressions. The forward-looking statements contained in this news release reflect several material factors and expectations and assumptions of Arrow, including without limitation, Arrow's evaluation of the impacts of COVID-19, the potential of Arrow's Colombian and/or Canadian assets (or any of them individually), the prices of oil and/or natural gas, and Arrow's business plan to expand oil and gas production and achieve attractive potential operating margins. Arrow believes the expectations and assumptions reflected in the forward-looking statements are reasonable at this time, but no assurance can be given that these factors,

expectations, and assumptions will prove to be correct.

The forward-looking statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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Glossary

API: A [specific gravity](#) scale developed by the American Petroleum Institute ([API](#)) for measuring the relative density of various petroleum liquids, expressed in degrees.

Bopd: barrels of oil per day

boe/d: barrels of oil equivalent per day

Qualified Person's Statement

The technical information contained in this announcement has been reviewed and approved by Grant Carnie, senior non-executive director of Arrow Exploration Corp. Mr. Carnie is a member of the Canadian Society of Petroleum Engineers, holds a B.Sc. in Geology from the University of Alberta and has over 35 years' experience in the oil and gas industry.

This Announcement contains inside information for the purposes of the UK version of the market abuse regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MAR**").

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