

Arrow Announces Exploration Well IC-2 Results

Icaco 2 successfully drilled and on production

Calgary, Alberta--(Newsfile Corp. - June 17, 2026) - Arrow Exploration Corp. (AIM: AXL) (TSXV: AXL) ("**Arrow**" or the "**Company**"), the high-growth operator with a portfolio of assets across key Colombian hydrocarbon basins, is pleased to provide an update on operational activity at the Icaco field on the Tapir Block in the Llanos Basin of Colombia where Arrow holds a 50 percent beneficial interest.

Icaco-2 Well

The Icaco 2 exploration well (IC-2) was spud May 18, 2026, and reached target depth on May 26, 2026. The IC-2 well was drilled, on time and under budget, to a total measured depth of 12,020 MD feet (Measured Depth), or 7,399 TVD feet (True Vertical Depth) and encountered multiple hydrocarbon-bearing intervals.

Log analysis shows 19.5 feet of net pay in the Carbonera C7 formation, 6 feet of net pay in the Gacheta formation and 74.5 feet of net pay in the Ubaque formation, for a total net pay of 100 feet TVD (True Vertical Depth).

The well is currently producing from the Ubaque formation, at a restricted rate, 35/128 choke and 37 Hz pump frequency, of approximately 830 BOPD gross (415 BOPD net). The oil quality is 13.4° API and there is a 1% water cut.

The ultimate flow rate will be determined in the first few weeks of production.

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

Forward Drilling Plans

The IC-4HZ well targeting the Ubaque was spud on June 13. Afterwards, the rig will move to drill the IC-3 vertical well targeting which has C7, Gacheta and Ubaque potential. The Company is constructing five additional cellars at the Icaco pad for a total of 7 additional cellars after IC-4HZ.

Production

Including the restricted production from the IC-2 well, total gross corporate production is approximately 5,000 boe/d. Currently the CN-HZ12 well is offline waiting on a workover. The well was producing approximately 330 BOPD gross (165 BOPD net) when it was shut in. Arrow has continued to shut in the Pepper gas field due to low natural gas prices in Alberta, which was producing approximately 130 boe/d when it was shut in. The Company believes that AECO gas prices will improve in the third and fourth quarter of 2026 once the region moves into the winter months. At that time the Pepper field is expected to be brought back on production.

Prices

During May 2026, Arrow oil field realized prices averaged approximately \$97.48 US/barrel, which reflects the increase in Brent oil prices experienced by the unrest in the Middle East. Field prices reflect the deduction of the Vasconia differential and logistics fees (mostly transportation and quality differential).

Cash Balance

As of June 2, 2026, the Company's estimated cash balance is US\$26.7 million. The Company continues to have no debt.

Tapir Extension

Arrow and its partner in the Tapir block have recently had encouraging meetings with Colombian authorities on the extension of the Tapir block. To date the dialog has been very constructive. Arrow believes that all conditions required for the extension to be granted have been met and management remains very confident that the extension will be granted. The Company will continue to update the market on developments as they occur. Colombian elections are also taking place this month and it is expected the next President of Colombia will be chosen on June 21, 2026.

Marshall Abbott, CEO of Arrow commented:

"The success of the Icaco-2 well indicates that the Icaco discovery may be material to Arrow. Future projects at Icaco are expected to include both horizontal and vertical development wells. The drilling results at Icaco so far have demonstrated 4 potential hydrocarbon bearing zones. This underlies the significant hydrocarbon density that exists in the Llanos basin and more exclusively in the Tapir Block.

"Arrow has spud its first horizontal well in the Ubaque Formation at the Icaco pad. Integrating multidimensional technical data supports significant flow potential in Icaco Ubaque wells. Strong netbacks and successful horizontal wells support payout occurring in months. This adds significant value and materially improves our positive balance sheet. We look forward to updating our shareholders on the progress at Icaco over the coming months."

For further information, contact:

Arrow Exploration

Marshall Abbott, CEO
Joe McFarlane, CFO

+1 403 651 5995
+1 403 818 1033

Canaccord Genuity (Nominated Advisor and Joint Broker)

Henry Fitzgerald-O'Connor
James Asensio
Rory Blundell
George Grainger

+44 (0)20 7523 8000

Auctus Advisors (Joint Broker)

Jonathan Wright
Rupert Holdsworth Hunt

+44 (0)7711 627449

Hannam & Partners (Joint Broker)

Leif Powis
Samuel Merlin

+44 20 7907 8500

Camarco (Financial PR)

Owen Roberts
Rebecca Waterworth

+44 (0)20 3781 8331

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. By way of a private commercial contract with the recognized interest holder before Ecopetrol S.A., Arrow is entitled to receive 50% of the production from the Tapir block. The formal assignment to the Company is subject to Ecopetrol's consent. 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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 was formerly a member of the Canadian Society of Petroleum Geologists, 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**").

Glossary

Pay A reservoir or portion of a reservoir that contains economically producible hydrocarbons

NOT FOR RELEASE, DISTRIBUTION, PUBLICATION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO MIGHT CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH

JURISDICTION.



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/301792>