



Arrow Exploration Corp. Announces Commercial Discovery at Danes-1 and Provides Operational Update

Calgary, Alberta – December 7, 2018 - ARROW Exploration Corp. (operating in Colombia via its 100% owned subsidiary Carrao Energy S.A.) (“Arrow” or the “Company”) (TSXV: AXL) is pleased to announce test results of the Danes-1 exploration well located on the LLA-23 Block in the Llanos Basin of Colombia. The Danes-1 exploration well was perforated and tested in the Gacheta D2 Sand which was one of three prospective zones identified by logs. After stabilizing the well conditions at 19:00 hours on December 3, 2018 using a 64/64” choke, a 24-hour test was performed where the well averaged 939 barrels of oil per day (“bbl/d”) with negligible water cut (less than 0.1%) using an Electric Submersible Pump (“ESP”) operating at a frequency of 30 hz and was brought up to a peak flow rate of 1,186 bbl/d (water cut less than 0.1%) at an ESP frequency of 34.5 hz. Danes-1 has been placed on production with the oil processed through Arrow’s 100% owned facilities at Pointer. The Danes-1 exploration well targeted various reservoir intervals within the Danes prospect, situated approximately 8 kilometers to the north of Arrow’s production facilities at Pointer.

Danes-1 Results

Danes-1 was spud on October 25, 2018 and reached a total depth of 11,276 feet measured depth (“ft md”) within the Ubaque Formation. The top of the Gacheta D2 Sand reservoir was penetrated at a depth of approximately 11,012 ft md, and the Gacheta D3 Sand reservoir at approximately 11,046 ft md. Danes-1 encountered 43 feet (“ft”) of net oil pay in the following reservoirs: 10 ft of net oil pay in the Gacheta D2 Sand with an average porosity of 28%, 10 ft of net oil pay in the Gacheta D3 Sand with an average porosity of 18%, and, 23 ft of net oil pay in the Ubaque with an average porosity of 22%. Additional thinner zones of potential pay were also interpreted in a lower C7 sandstone Formation. The Gacheta was perforated in the D2 Sand and was brought up to a peak flow rate of 1,186 bbl/d of 32 degree API oil with 0.1% water cut, 24,680 cubic feet per day of gas and a Gas Oil Ratio (“GOR”) of 21 standard cubic feet per barrel of oil toward the end of a 24-hour production test.

Danes Forward Plans

Should the performance of the Danes-1 well support the drilling of an offsetting development well, a license is currently in place to do so. The Danes-1 well has been tied into Arrow’s 100% owned production facilities at Pointer and will immediately add approximately 900 bbl/d to Arrow’s corporate production which stood at approximately 1,450 boe/d prior to Danes-1 being placed on production.

Operational Update

Operations have commenced on the first well of a planned 10-well workover program to be conducted over the next 10 weeks. The program consists of: four recompletions and one pump change on Arrow’s 100% owned LLA-23 Block in the Llanos Basin, one pump change on Arrow’s

100% owned Santa Isabel Block in the Middle Magdalena Basin, and, four workovers on the VMM-2 Block in the Middle Magdalena Basin where Arrow owns a 40% working interest.

About ARROW Exploration

Arrow Exploration Corp. (operating in Colombia via its 100% owned subsidiary Carrao Energy S.A.) is a publicly-traded company with a portfolio of premier Colombian oil assets that are underexploited, underexplored and offer high potential growth. The Company's self-funding business plan is to rapidly expand oil production from some of Colombia's most active basins, including the Llanos, Middle Magdalena Valley (MMV) and Caguan/ Putumayo Basin. The asset base is 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 seasoned team is led by a hands-on and in-country executive team supported by an experienced board. Arrow is listed on the TSX Venture Exchange under the symbol "AXL".

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