



Arrow Confirms Engagement of Strategic Advisor

Calgary, Alberta – December 11, 2019 – Arrow Exploration Corp. (“**Arrow**” or the “**Company**”) (TSXV: AXL), announced today that it has engaged Stifel Nicolaus Canada Inc. (“**Stifel FirstEnergy**”) as advisor to its previously announced strategic alternatives process.

Engagement of Strategic Advisor

On November 28, 2019, Arrow announced it has initiated a strategic alternatives process to be overseen by a Special Committee of the Board of Directors. Arrow’s Special Committee is pleased to announce it has selected Stifel FirstEnergy to be the Company’s strategic advisor with a view to improving the Company’s balance sheet, addressing upcoming debt maturities, and maximizing enterprise value. The strategic alternatives process is intended to explore a comprehensive range of strategic and transaction alternatives, including a sale, merger or other business combination; a disposition of all or certain assets of the Company; recapitalization and refinancing opportunities; sourcing new financing and equity capital; and other alternatives to improve the Company’s financial position and maximize value. Arrow and its advisor expect to actively explore market interest in potential transactions and strategic initiatives with a range of interested parties and capital market participants.

There can be no guarantees as to whether the strategic alternatives process will result in a transaction or the terms or timing of any resulting transaction. Given the nature of the strategic alternatives process, the Company does not intend to provide updates until such time as the Board of Directors approves a definitive transaction or strategic alternative, or otherwise determines that further disclosure is necessary or appropriate.

About ARROW Exploration

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 under-exploited, under-explored and offer high potential growth. The Company’s business plan is to rapidly 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 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”.

For further information contact:

Jack Scott

Interim CEO & COO

P: +57 1 241 1110 ext. 5110

E: jscott@arrowexploration.ca

John Newman

Chief Financial Officer

P: (403) 660-3468

E: jnewman@arrowexploration.ca

Eric Van Enk, CFA

VP Finance & IR

P: (403) 237-5700 ext. 104

E: ericvanenk@arrowexploration.ca

For further information on the strategic alternatives process contact:

Erik B. Bakke

Managing Director, Stifel FirstEnergy

P: (403) 262-0649

E: ebbakke@stifel.com

Neither the TSX Venture Exchange (TSXV) nor its regulation services provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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 “expect”, “future”, “guidance”, “will” and similar expressions. In particular, but without limiting the foregoing, this news release contains forward-looking statements pertaining to improvement of the Company’s balance sheet, maximizing enterprise value, and Arrow’s evaluation of strategic and transaction alternatives, including a possible sale, merger or other business combination, a possible disposition of all or certain assets of the Company possible recapitalization and/or refinancing opportunities and possible sourcing of new financing and/or equity capital, as well as efforts to rapidly expand oil production and yield attractive potential operating margins. The forward-looking statements contained in this news release reflect several expectations and assumptions of Arrow. 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. There can be no guarantees as to whether the strategic alternatives process will result in a transaction or the terms or timing of any resulting transaction. 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.