



Arrow Exploration Corp. Announces New Leadership Team, Board Update, and 2019 Year-End Reserves

Calgary, Alberta – April 14, 2020 – ARROW Exploration Corp. (“**Arrow**” or the “**Company**”) (TSXV: AXL) is pleased to report the appointment of a new leadership team, an update on its board of directors, and its 2019 year-end reserves in Colombia and Canada.

New Leadership and Board Update

The Company is pleased to report the appointment of Marshall Abbott as Chief Executive Officer and Director, Joe McFarlane as Vice President, Finance, and P. Gage Jull as Executive Chairman.

The new leadership team and board members bring significant expertise and a track record of success in oil & gas exploration and production, capital & cost management, equity & debt financing, and corporate governance, all of which will be critical to preserving and building shareholder value during the current challenging market conditions and over the long-run.

The Company also wishes to announce the resignation of Felix Betancourt as Interim Chief Executive Officer, and the resignation of Juan-Carlos Salazar as a Director of the Company. Arrow wishes to thank both Messrs. Betancourt and Salazar for their services.

The profiles of the new additions to the team and the Board of Directors are as follows:

Marshall Abbott, Chief Executive Officer and Director

Mr. Abbott is a highly accomplished oil & gas executive, having successfully built and sold several companies throughout his 37-year career in the industry.

Most recently, Mr. Abbott was the CEO & Chairman of Rampart Oil Inc., a company he co-founded and built to 3,500 bbls/d of production. Previously, Mr. Abbott was the CEO & Chairman of Bernum Petroleum Inc., a company he co-founded and built to 3,000 bbls/d of production until its sale to Caltex Resources Ltd. Mr. Abbott has also been the Co-Founder, CEO & Chairman of numerous other oil & gas companies in Canada and internationally, including Sabretooth Energy Inc. (sold to Cequence Energy Ltd.), Cougar Hydrocarbons Ltd. (sold to Starpoint Energy), and Equatorial Energy Ltd. (sold to Resolute Energy Corp.).

Mr. Abbott has also held senior management roles with Stampeder Exploration Ltd., Morrison Petroleum Ltd., and Texaco Canada Resources Ltd. He is a past director of Voyager Energy Inc. and Iron Bridge Resources Inc, both of which were sold following significant growth through successful exploration.

Mr. Abbott holds a B.Sc. degree (Honours Geology) from the University of Alberta.

Joe McFarlane, VP Finance

Mr. McFarlane is a highly accomplished oil & gas finance executive, having helped to successfully build and sell several companies throughout his 27-year professional career. He has both domestic Canadian as well as international experience.

Most recently, Mr. McFarlane was the CFO of Rampart Oil Inc., a company he co-founded and helped build to 3,500 bbls/d of production. Previously, Mr. McFarlane was the CFO of Bernum Petroleum Inc., a company he co-founded and helped build to 3,000 bbls/d of production until its sale to Caltex Resources Ltd. Mr. McFarlane was also the Co-Founder and CFO of Sabretooth Energy Inc. (sold to Cequence Energy Ltd.).

Mr. McFarlane previously held various senior finance roles with NAV Energy Trust, EnCana Corporation (now Orintiv Inc.) and its predecessor, PanCanadian Energy Corp., among others. Mr. McFarlane began his career in the Audit & Advisory Services Group of Ernst & Young LLP.

Mr. McFarlane holds a B.Comm. degree from the University of Calgary. He is a registered CPA and CA.

P. Gage Jull, Executive Chairman

Mr. Jull is a Co-founder and Chairman of Bordeaux Capital Inc., a Toronto-based mergers & acquisitions advisory firm focused on emerging companies in the natural resources sector. Prior to Bordeaux Capital, Mr. Jull was a Managing Director, Corporate Finance at Mackie Research Capital Corp., an investment banking and securities brokerage services firm from August 2004 to November 2015.

Throughout his career, Mr. Jull has acted as lead underwriter on numerous cross border equity and debt offerings involving energy assets around the world, with capital sourced in Canada, the U.S. and the U.K. He has also worked at international firms including Merrill Lynch and Prudential Bache, as well as Canadian domestic firms including Burns Fry and Taurus Capital. He has completed over 200 financings and M&A transactions in the course of his career.

Mr. Jull holds a B.Sc. degree from the University of Toronto, an MBA from the University of Western Ontario, and holds both P.Eng. and CFA designations.

The appointments of Messrs. Abbott, McFarlane and Jull are subject to the approval of the TSX Venture Exchange.

Reserves

The Company is pleased to report its year-end 2019 reserves in Colombia and Canada as evaluated by Boury Global Energy Consultants (“**BGEC**”) of Calgary, Alberta in its report dated March 27, 2020 and effective as of December 31, 2019 (the “**Reserves Report**”). This evaluation was prepared using the guidelines outlined in the Canadian Oil and Gas Evaluation Handbook (“**COGE Handbook**”) and is in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* (“**NI 51-101**”).

In accordance with the requirements of NI 51-101, the Company expects to file more detailed disclosure relating to its oil and gas activities for the year ended December 31, 2019 concurrently with its audited annual financial statements and management’s discussion and analysis.

Year-End 2019 Company Gross Reserves Highlights

- 4.10 MMboe of Proved Reserves
- 10.32 MMboe of Proved plus Probable Reserves
- Proved Reserves estimated net present value before income taxes of US \$34.7 million calculated at a 10% discount rate
- Proved plus Probable Reserves estimated net present value before income taxes of US \$86.7 million calculated at a 10% discount rate
- Reserve Life Index of 7.0 for Proved Reserves and 17.7 for Proved plus Probable Reserves based on average fourth quarter 2019 corporate production of 1,595 boe/d
- Proved plus Probable Reserve Replacement Ratio of 154% and F&D costs of US \$9.47/boe

Mr. Felix Betancourt, the outgoing Interim Chief Executive Officer of Arrow, commented, "We're pleased with the additions made to our reserves in 2019. Having drilled only one well during the year, through its success we were able to nearly offset production and dispositions on a 2P Reserves basis. Our continued long Reserve Life Index and large under-developed land position in Colombia positions the Company well for future growth."

Summaries of the Company's Gross Reserves volumes according to reserve category and the net present value of the Company's estimated future net revenues associated with those volumes as at December 31, 2019 is provided in the following table. The net present values are estimated on a before tax basis using a 10% discount rate and based on the forecast prices set out below. Readers should not assume that the net present values estimated represent the fair market value of the Company's Gross Reserves. Numbers in this table may not add exactly due to rounding.

2019 Year-End Company Gross Reserves Volumes ⁽¹⁾ and Values ⁽²⁾

Reserve Category	Light & Medium Crude Oil (Mbbbl)	Heavy Oil (Mbbbl)	Sales Gas (MMcf)	NGL (Mbbbl)	Total Oil Equivalent (Mboe)	BIT NPV10 ⁽³⁾ (MM US \$)
Proved Developed Producing	772	120	743	7	1,023	13.3
Proved Developed Non-Producing	755	42	3,293	66	1,412	13.0
Proved Undeveloped	149	1,511	0	0	1,660	8.4
Total Proved	1,676	1,673	4,036	73	4,095	34.7
Probable	3,088	2,862	1,136	26	6,165	52.0
Total Proved plus Probable	4,764	4,535	5,521	99	10,318	86.7

Note:

- (1) See Oil and Gas Advisories and Reserves Definitions below.
- (2) The forecast prices used in the calculations of the present value of future net revenue for year-end 2019 are shown below.
- (3) Net present value of future revenues before tax using a 10% discount rate.

Forecast Prices, Cost Escalation Rates and Exchange Rates

Year	WTI Reference Price (US \$/bbl)	AECO Gas Price (CDN \$/MMBtu)	Edmonton Condensate Price (CDN \$/bbl)	Edmonton Propane Price (CDN \$/bbl)	Edmonton Butane Price (CDN \$/bbl)	Inflation Rates (%/year)	Exchange Rate (US \$/ CDN \$)
Forecast							
2020	60.50	2.04	76.56	28.27	36.25	0.0	0.760
2021	64.00	2.30	79.64	29.44	38.76	2.0	0.770
2022	67.00	2.70	82.12	31.98	45.68	2.0	0.780
2023	68.50	2.80	85.20	33.21	50.40	2.0	0.780
2024	70.00	2.90	86.79	33.83	51.38	2.0	0.780
2025	71.50	3.00	87.85	34.23	52.00	2.0	0.800
2026	73.50	3.10	91.02	35.46	53.91	2.0	0.800
2027	75.00	3.20	93.14	36.29	55.10	2.0	0.800
2028	77.00	3.30	94.73	36.90	56.01	2.0	0.800
2029 +	+2% / yr	+2% / yr	+2% / yr	+2% / yr	+2% / yr	2.0	0.800

On October 1, 2018, the Company announced it had closed its acquisition of Carrao Energy S.A. from Canacol Energy Ltd. as well as the purchase of a right to earn by farm-in a 50% beneficial interest (the terms of which were satisfied in 2019 with the drilling of the Rio Cravo Este-1 well) in the under-developed Tapir Block (collectively, the “**Colombian Assets**”), and completed the reverse takeover transaction with Arrow Exploration Ltd.

During the year ended December 31, 2019, the Company recorded decreases in all categories of reserves due primarily to: (i) limited drilling activity during the year, (ii) an increase in production when compared to 2018, (iii) the sale of a non-core property, and (iv) the year-over-year decrease in forecast oil and gas prices. The satisfaction of the farm-in obligations at Tapir noted above resulted in the addition of proved reserves equal to nearly half of the Company’s annual production, while adding more than twice the annual production volume in proved plus probable reserves. The Rio Cravo Este-1 well resulted in recognition of 304 Mbbl of Company Gross Proved Reserves and 1,381 Mbbl of Company Gross Proved Plus Probable Reserves as discoveries in the Reserves Report, of which 45 Mbbl were produced as of the effective date. Future price forecast decreases for both oil and gas were particularly detrimental to the Company’s gas reserves in Canada and its heavy oil reserves in Colombia, both from a standpoint of value and volume.

About ARROW Exploration

Arrow Exploration Corp. (operating in Colombia via branches of its 100% owned subsidiaries Carrao Energy S.A. and Samaria Llanos Exploration S.A.) is a publicly traded company with a portfolio of Colombian oil assets that are underexploited, underexplored and may 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 and Putumayo Basin. The Company’s asset base is predominantly operated with high working interests and typically realizes Brent-linked pricing exposure. Arrow’s management 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".

RESERVES DEFINITIONS

With respect to the reserves data contained herein, the following terms have the meanings indicated:

"Company Gross Reserves" are the Company's operated or non-operated working interest share (or interest equivalent thereto) before deduction of royalties and without including any royalty interests of the Company.

"reserves" are those quantities of oil or gas anticipated to be economically recoverable from known accumulations.

"proved" reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely the actual remaining quantities recovered will exceed the estimated Proved Reserves.

"probable" reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated Proved + Probable Reserves. P50 is a statistical median and may differ from a mean. In early stage discoveries, unconventional Resources, or frontier areas, there may be a significant difference between P50 and mean estimates.

"possible" reserves are those additional Reserves that are less certain to be recovered than Probable Reserves. It is unlikely the actual remaining quantities recovered will exceed the sum of the estimated Proved + Probable+ Possible Reserves.

"developed" reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.

"developed producing" reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

"developed non-producing" reserves are those reserves that either have not been on production or have previously been on production but are shut-in and the date of resumption of production is unknown.

"undeveloped" reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling and completing a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (Proved, Probable, Possible) to which they are assigned and expected to be developed within a limited time.

OTHER DEFINITIONS

bbbl means barrel.

boe means barrel of oil equivalent. A boe is determined by converting a volume of natural gas to barrels using the ratio of 6 Mcf to one barrel. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Further, a conversion ratio of 6 Mcf:1 boe assumes that the gas is very dry without

significant natural gas liquids. Given that the value ratio based on the current price of oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

boe/d means barrel of oil equivalent per day.

CDN \$ means Canadian dollars.

Finding and Development (F&D) Costs are calculated by dividing the sum of unproved property costs, exploration costs and development costs by the sum of reserves changes from discoveries, extensions and revisions, expressed in \$US/boe

Mbbl means thousand barrels.

Mboe means thousand barrels of oil equivalent.

Mcf means thousand cubic feet.

MMboe means million barrels of oil equivalent.

MMcf means million cubic feet.

MM US \$ means million United States dollars.

M US \$ means thousand United States dollars.

Reserve Life Index is calculated by dividing the Company's Gross Reserves by working interest production for the fourth quarter of 2019, which was 1,595 boe/d. This metric expresses how long a company's reserves will last at the current production rate with no additions to reserves.

Reserve Replacement Ratio is calculated by dividing the sum of reserves changes from discoveries, extensions and revisions by total annual production, expressed as a percentage.

US \$ means United States dollars.

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FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "target", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may", "should" or "will" occur. In particular, this press release contains forward-looking statements pertaining to, among other things, the following: the timing of the release, and filing (as applicable), of Arrow's Form 51-101F1, comprehensive operational update and year-end financial statements; Arrow's business plan; and Arrow's asset base and price exposure.

Statements relating to "reserves" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future. Actual reserve values may be greater than or less than the estimates provided herein.

All forward-looking statements are based on Arrow's beliefs and assumptions based on information available at the time the assumption was made. Arrow believes that the expectations reflected in these forward-looking statements are

reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. By their nature, such forward-looking statements are subject to a number of risks, uncertainties and assumptions, which could cause actual results or other expectations to differ materially from those anticipated, expressed or implied by such statements, including those material risks and assumptions discussed in the Company's Management's Discussion and Analysis for the three months ended September 30, 2019, under the headings "*Risks and Uncertainties*" and "*Forward-Looking Statements*". The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and Arrow's future course of action depends on management's assessment of all information available at the relevant time.

Any "financial outlook" or "future oriented financial information" in this press release, as defined by applicable securities legislation has been approved by management of Arrow. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

Additional information on these and other factors that could affect Arrow's operations or financial results are included in Arrow's reports on file with Canadian securities regulatory authorities. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed herein or otherwise. Arrow undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so pursuant to applicable law. All subsequent forward-looking statements, whether written or oral, attributable to Arrow or persons acting on the Company's behalf are expressly qualified in their entirety by these cautionary statements.

RESERVES AND DRILLING DATA

This press release contains oil and gas metrics that are commonly used in the oil and gas industry such as "reserve life index". These metrics have been prepared by management of the Company and do not have standardized meanings or standardized methods of calculation and therefore such measures may not be comparable to similar measures presented by other companies and should not be used to make comparisons. Such metrics have been included herein to provide readers with additional measures to evaluate the Company's performance; however, such measures are not reliable indicators of the future performance of the Company, and future performance may not compare to the performance in prior periods and therefore such metrics should not be unduly relied upon. The Company uses these oil and gas metrics for its own performance measurements and to provide shareholders with measures to compare the Company's operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented herein, should not be relied upon for investment purposes.

There are numerous uncertainties inherent in estimating quantities of crude oil, natural gas and NGL reserves and the future cash flows attributed to such reserves. The reserves and associated cash flow information set forth above are estimates only. In general, estimates of economically recoverable crude oil, natural gas and NGL reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability of oil and natural gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially. For these reasons, estimates of the economically recoverable crude oil, natural gas and NGL reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different engineers, or by the same engineers at different times, may vary. The Company's actual production, revenues, taxes and development and operating expenditures with respect to its reserves will vary from estimates thereof and such variations could be material.

Individual properties may not reflect the same confidence level as estimates of reserves for all properties due to the effects of aggregation. This press release contains estimates of the net present value of the Company's future net revenue from our reserves. Such amounts do not represent the fair market value of the Company's reserves. The recovery and reserve estimates of the Company's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered.

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.