

ARROW EXPLORATION CORP.

CODE OF BUSINESS CONDUCT AND ETHICS

I. INTRODUCTION

Our Code of Business Conduct and Ethics (the “**Code**”) sets forth the commitment of Arrow Exploration Corp. and its subsidiaries (“**Arrow**” or “**the Company**”) to the highest standard of ethical business conduct.

As an Arrow employee or representative, you are responsible for:

- Reading the Code;
- Understanding the Code's application to your work;
- Acting honestly and ethically, and complying with both the letter and the spirit of the Code;
- If you are a supervisor, ensuring that all agents and contractors understand and comply with the Code when working on behalf of Arrow;
- Seeking out, understanding, and complying with laws and Company policies applicable to your work; and
- Asking questions and setting your own high personal ethical standards in making decisions where there is no stated guideline in the Code or Company policies.

While this Code sets out the basic standards and behaviours expected of you, it cannot provide exhaustive information about every applicable law or Company policy, nor can it address all of the situations you may encounter. It is up to each of us to know and follow ethical and legal requirements in our work and to comply fully with internal and external controls. In situations where you are unclear on how to proceed, ask yourself the following fundamental questions in making a decision:

- Will I be endangering someone's life, health or safety, or the environment?
- Is it legal?
- Does it feel fair and honest?
- Does it compromise trust or integrity? Am I being transparent?
- Could I justify it to the public? Would it embarrass Arrow?
- What would I tell my child or my close friend to do in a similar situation?

If you remain unsure of how to apply the Code in any situation, discuss the matter with your supervisor, or Arrow's Compliance Officer.

II. HOW THE CODE WORKS

1. Application

The Code applies to all our directors, officers, employees and every other person or entity representing Arrow (collectively, “**Personnel**”).

There are some circumstances where the Code applies to the conduct of your immediate family members (parents, siblings, spouse, and children), and other members of your household. For example, your spouse accepting an extravagant gift from one of our suppliers may result in a violation of the Code that is attributable to you. The Code applies to these circumstances as if it were your own conduct.

Any waiver of this Code for the Company's executive officers or directors may be authorized only by our board of directors (the “**Board**”) or, to the extent permitted by the rules of the TSX Venture Exchange, a committee of our Board, and will be disclosed to shareholders as required.

2. Violations

Violations of the Code will not be tolerated, and will be subject to disciplinary action, up to and including your termination of employment. Violations may also result in civil legal action against you, and reporting to the appropriate governmental authorities for regulatory or criminal prosecution.

3. Reporting Violations

If you are aware of a suspected or actual violation of the Code by others, you must promptly report it to your supervisor or the Compliance Officer. If you are an executive officer or director, you should contact the Compliance Officer or the Chair of the Audit Committee of the Board.

Supervisors must promptly report any complaints or observations of Code violations to the Compliance Officer. If you believe your supervisor has not taken appropriate action, you should contact the Compliance Officer directly.

With respect to any complaints or observations of violations that may involve accounting, internal accounting controls, auditing or securities law concerns, the Compliance Officer shall promptly inform the Audit Committee, and the Audit Committee shall be responsible for supervising and overseeing the inquiry and any investigation that is undertaken.

4. Investigations

The Compliance Officer will investigate all reported possible Code violations promptly and confidentially, unless the report involves potential wrongdoing by the Compliance Officer, in which case the matter will be investigated by the Chair of the Audit Committee. The Compliance Officer will consult with our outside legal counsel and human resources advisors, and/or our Audit Committee, as needed. Neither you nor your supervisor may conduct any preliminary

investigation, unless authorized to do so by the Compliance Officer. You must cooperate in an investigation.

5. No Retaliation

Arrow prohibits retaliation against any Personnel who report or participate in an investigation of a possible violation of the Code, policies, or the law. If you believe you are being retaliated against, please contact the Compliance Officer.

6. Resources

You have various resources for asking questions about the Code, policies, or the law, seeking guidance on specific situations, or reporting violations. Your most immediate resource for any matter related to the Code is your supervisor. He or she may have the information you need or may be able to refer the question to another appropriate source. In addition, you may contact your local Human Resources leader.

If you prefer not to go to your supervisor or Human Resources, you should feel free to discuss your concern with the Compliance Officer:

jmcfarlane@arrowexploration.ca

403-237-5700

III. CONDUCT AND ETHICS

The following subheadings set out the basic standards and behaviours expected of you.

1. Obey the Law

Understand the major laws and regulations that apply to your work, and comply with all applicable legal requirements related to your work. If you have any questions about the laws governing your work, consult your supervisor, the Compliance Officer, or our Legal Department.

2. Avoid Conflicts of Interest

A conflict of interest arises when an undisclosed personal interest conflicts, or appears to conflict, with the interests of Arrow. In other words, you are in a conflict of interest when competing loyalties could cause you to pursue a personal benefit for you, your friends, or your family at the expense of Arrow.

You should avoid activities and situations that involve, or may appear to involve, an actual or apparent conflict of interest with Arrow. To be clear, even the appearance of a conflict of interest where none actually exists can be damaging and should be avoided.

Any number of situations can give rise to a conflict of interest; among the most common are:

- **Employment by (including consulting for) or service on the board of a competitor, customer, supplier or other service provider.** Activity that enhances or supports the position of a competitor to the detriment of Arrow is

prohibited, including employment by or service on the board of a competitor. Employment by or service on the board of a customer, supplier or other service provider is generally discouraged. You must have preapproval from the Compliance Officer if you plan to take such a position. If you are an executive officer or director, you must have pre-approval from the Nominating and Corporate Governance Committee of the Board.

- **Owning, directly or indirectly, a significant financial interest in any entity that does business, seeks to do business, or competes with us.** In evaluating your ownership in other entities for conflicts of interest with Arrow, you must consider the size and nature of the investment, the nature of the relationship between the other entity and Arrow, your access to Arrow's confidential information, and your ability to influence Arrow decisions. If you would like to acquire a significant financial interest that could conflict with your position at Arrow, you must have preapproval from the Compliance Officer. If you are an executive officer or director, you must have pre-approval from the Nominating and Corporate Governance Committee of the Board.
- **Soliciting or accepting gifts, favours, loans, or preferential treatment from any person or entity that does business or seeks to do business with us.** See Section 6 for further discussion of this type of conflict.
- **Soliciting contributions to any charity, or for any political candidate, from any person or entity that does business or seeks to do business with us.**
- **Taking personal advantage of corporate opportunities.** See Section 3 for further discussion of this type of conflict.
- **Conducting Arrow business with your family member or a business in which you have a significant financial interest.** Related-party transactions must be preapproved by the Compliance Officer. Material related-party transactions approved by the Audit Committee and involving any executive officer or director will be publicly disclosed as required by applicable laws and regulations.
- **Exercising supervisory or other authority over a co-worker who is also a spouse or family member.** If such a circumstance arises, your supervisor and/or the Compliance Officer must consult with the Human Resources Department to assess reassignment.

Whether or not a conflict of interest exists or will exist may be unclear. If you have any questions about a conflict of interest, or if you become aware of an actual or apparent conflict of interest, discuss the matter with your supervisor or the Compliance Officer. These individuals can provide guidance on how to avoid or manage the conflict. If you are an executive officer or director, you should contact the Chair of the Nominating and Corporate Governance Committee of the Board.

All loans and guarantees made by Arrow must be preapproved by our Board or Audit Committee to ensure they are not illegal or an improper personal benefit to the recipient.

3. Protect Our Assets and Opportunities

i. Company Assets

All Personnel share responsibility for protecting Company assets, which include physical property and buildings, data, software, intellectual property, equipment, supplies, credit cards, communication resources, information networks, documents, know-how, and any other Arrow resources or property.

You must:

- Handle the physical and intellectual assets of the Company with integrity and in consideration of all Company stakeholders;
- Protect our assets from theft, carelessness and waste, and ensure their efficient use;
- Use Company assets and funds only for legitimate business purposes, although infrequent incidental personal use of Company assets such as phones and computers is permitted; and
- Immediately report any misuse or suspected misuse of our assets to your supervisor or the Compliance Officer.

You must not:

- Use the Arrow name, any brand name or trademark owned by or associated with Arrow, or any Arrow letterhead stationery, for any personal purpose; or
- Use your position or Arrow's name, property, information or goodwill to obtain a personal advantage or gain.

ii. Business Opportunities

Business opportunities discovered through your work at Arrow belong first to Arrow. Do not take personally, for yourself, any business opportunity discovered through your work, or discovered using the Company's property, information, or position. You may be able to pursue an opportunity if the Company has already been offered the opportunity and turned it down or otherwise renounced the opportunity.

iii. Email and internet

Email and the internet are provided to Arrow employees and contract staff primarily for business use. Take care to protect the Company's systems, reputation and information when conducting business or communicating using the internet, particularly when the information is confidential or commercially sensitive.

While acting on behalf of Arrow or while using our computing or communications equipment or facilities, you may not:

- access the internal computer system or other resource of another entity (also known as “hacking”);
- commit any unlawful or illegal act, including harassment, libel, fraud, sending of unsolicited bulk email (also known as “spam”), trafficking in contraband of any kind, or espionage; or
- engage in activities or sites that are unlawful, violate any Arrow policies or that may result in Arrow's liability or reputational harm, such as pornographic, obscene or harassing content, gambling sites, pyramid schemes or chain letters, or similar.

4. Maintain Our Books, Records, and Accounts with Integrity

Financial integrity is a core aspect of our commitment to ethical business conduct. Complete, accurate and transparent books, records, and accounts form the basis of our public disclosure, business management, and financial reporting. Reports and other documents that the Company files with or submits to regulators, and other public communications, should contain full, fair, accurate, timely and understandable disclosure. As such, it is paramount that all Personnel involved in making and recording our books, records, and accounts do so in accordance with our applicable policies and internal controls, and the following requirements:

- Do not make any false or misleading entry in our books, records, and accounts;
- Do not hide or disguise the nature of any transaction;
- Do not maintain any unrecorded or “off-the books” cash, assets, or accounts for any purpose;
- Do not take or authorize any action that would cause our books, records, and accounts to fail to comply with generally accepted accounting principles or securities laws;
- Ensure that our books, records, and accounts accurately and fairly reflect, in reasonable detail, our assets, liabilities, revenues, costs, and expenses, as well as all transactions and changes in assets and liabilities;
- Ensure transactions are supported by appropriate documentation, including the terms of sales;
- Cooperate fully with our Finance and Accounting Departments, as well as our auditors and counsel, respond to their questions with candor and provide them with complete and accurate information;
- Immediately report any departure from these standards or any transactions that you think are not being recorded correctly to a supervisor, the Compliance Officer or the Audit Committee.

5. Deal Fairly

We strive to outperform our competition fairly and honestly. Advantages over our competitors must be obtained through superior performance, not through unethical or illegal business practices. You must not engage in the following activities, even if motivated by an intention to advance our interests:

- Acquiring proprietary information from others through improper means;
- Possessing trade secret information that was improperly obtained;
- Inducing improper disclosure of confidential information from past or present employees of other companies; and
- Engaging in deceptive, unfair, or unethical practices, or making misrepresentations, in connection with our activities.

If information is obtained by mistake that may constitute a trade secret or other confidential information of another business, or if you have any questions about the legality of proposed information gathering, you must consult your supervisor or the Compliance Officer.

Personnel involved in procurement must only purchase products and services by selecting suppliers based exclusively on normal commercial considerations, such as quality, cost, availability, service, and reputation, and not on the receipt of special favors.

6. Use Sound Judgment in Giving and Receiving Gifts and Entertainment

i. Offering and Accepting Gifts

Giving or receiving extravagant or frequent gifts and entertainment (including paying for meals or other business courtesies) can be perceived as a bribe. You may only offer gifts and entertainment as a normal business courtesy to create goodwill and sound working relationships, and not to gain an improper advantage with stakeholders or facilitate approvals from government officials. You may only accept gifts and entertainment as a normal business courtesy and where there is no appearance of influencing your judgment in your job. Our stakeholders, suppliers and the public at large should have confidence that our employees' judgment is not for sale. Examples of normal business courtesies include tickets to a game or the theatre, or a round of golf, so long as they are not extravagant.

In addition to the general standard above, gifts and entertainment may only be offered, given, or accepted if they are:

- Consistent with customary business practices;
- Not more than token or nominal monetary value;
- Not in cash or cash equivalent;

- Not susceptible of being construed as a bribe or kickback;
- Infrequent; and
- Given or received in accordance with all applicable laws.

ii. Government Officials

Personnel must be particularly sensitive with gifts and entertainment when dealing with government officials. Offering gifts and entertainment that could be perceived as bribes to public officials, no matter where they are located, could be considered a criminal offence. “Government officials” include any government employee at any level of government, candidate for public office, or employee of a government owned or controlled company, including a national oil company. All Personnel must comply with the Company's Compliance with Anti-Corruption Laws Policy when dealing with government officials.

Any deviation from these standards must be preapproved by the Compliance Officer. These standards apply everywhere we do business, even where giving gifts and entertainment is widely considered “a way of doing business”. Discuss with your supervisor or the Compliance Officer any proposed gifts and entertainment for government officials, or if you are otherwise uncertain about their appropriateness.

7. Comply with Anti-Corruption Laws and Policies

Arrow is subject to multiple laws in Colombia, the US and Canada, that prohibit bribery in all types of commercial settings. You must not give, offer, promise or authorize any improper payment, gift, favour or benefit of any kind anytime to a government official, for any reason, and you must comply with the Company's Compliance with Anti-Corruption Laws Policy at all times when dealing with government officials. Please familiarize yourself with that policy and the many forms that corruption might take.

8. Do Not Buy or Sell Securities When in Possession of Inside Information

Use of inside information to gain personal benefit, or to pass on (“tip”) the inside information to someone who uses it for personal benefit is illegal, regardless of the quantity of shares, and is therefore prohibited. This applies whether or not there is a formal trading ban in place at the Company at that specific time or not, and it applies to securities of Arrow as well as other companies. Familiarize yourself with our Insider Trading and Blackout Policy.

9. Treat Each Other with Respect

Arrow is committed to achieving a work environment where all employees are valued for the diversity they bring to the business. Local and international teams, working together with a common strategy and goals, are fundamental to our success. We will not tolerate conduct that is discriminatory or harassing or that otherwise compromises an individual's human rights. We will honour internationally accepted labour standards and support and respect the protection of human rights within our sphere of influence. Where the applicable legal, regulatory or administrative mechanisms are weak or do not exist we will behave in a manner that reflects our

commitment to the implementation of the Voluntary Principles on Security and Human Rights and is consistent with the Guiding Principles of the United Nations on Business and Human Rights.

A positive and productive workplace is built on respect. Arrow does not tolerate any form of harassment in the workplace. Generally speaking, harassment is any behavior, conduct or action which any individual or group of individuals would reasonably find unwelcome, humiliating, intimidating or demeaning. Specifically, behavior that may promote physical violence in the workplace, or any sexual, religious, age-related or racial harassment will not be tolerated. Avoid actions or behaviours that are, or could be, viewed as harassment, including conduct that creates an uncomfortable situation or hostile working environment, such as sexual comments, jokes or touching, intimidation or bullying.

10. Protect Our Confidential Information

i. General

One of our most important assets is our confidential information. You may learn of information about Arrow that is confidential and proprietary. You may also learn of information before it is released to the general public. You must take care to keep this information confidential. Confidential information includes non-public information that might be of use to competitors, or harmful to Arrow or its customers if disclosed, such as business, marketing and service plans, financial information, product architecture, source codes, engineering ideas, designs, databases, customer lists, pricing strategies, personnel data, personally identifiable information pertaining to our employees, customers or other individuals (including, for example, names, addresses, telephone numbers and social security numbers), and similar types of information provided to us by our customers, suppliers and partners.

ii. Confidential Information of Third Parties

When you learn confidential information about other companies that we interact with before that information has been made available to the public, you must also keep this information confidential. There may even be times when you must treat as confidential the fact that we have an interest in, or are involved with, another company.

iii. Disclosure

You are expected to keep confidential and proprietary information confidential unless and until that information is released to the public through approved channels (usually through a press release, a securities filing, or a formal communication from one of the Company's official spokespersons, as further described in Section 11). This requires you to refrain from discussing confidential or proprietary information with outsiders and even with other Arrow employees, unless those fellow employees have a legitimate need to know the information to perform their job duties.

iv. Safe Handling

You must protect our confidential information by handling it carefully:

- Materials that contain confidential information, such as memos, notebooks, computer disks, and laptop computers, must be stored securely;
- Unauthorized posting or discussion of any information concerning our business, information or prospects on the internet is prohibited;
- Do not discuss our business, information or prospects in any “chat room” or online forum, regardless of whether you use your own name or a pseudonym;
- Be cautious when discussing confidential information in public places like elevators, airports, restaurants, and “quasi-public” areas within Arrow, such as cafeterias;
- All Arrow emails, voicemails, and other communications are presumed confidential and must not be forwarded or otherwise disseminated outside of Arrow, except where required for legitimate business purposes; and
- If you are handling information protected by a Company privacy policy, then you must handle that information in accordance with such policy.

Unauthorized use or distribution of confidential information could be illegal and result in civil liability and/or criminal penalties.

11. Only Use Approved Channels for Media/Public Discussions

Only our Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”) or Vice President, Investor Relations (“**VPIR**”), who are designated as our “official spokespersons”, may communicate with the media and financial analysts on behalf of Arrow.

We disclose material information concerning Arrow to the public only through specific limited channels to avoid inappropriate publicity and ensure that all those with an interest in the Company have equal access to information. All inquiries or calls from the press and financial analysts should be referred to our official spokespersons. Unless a specific exception has been made by our CEO, CFO or VPIR, our official spokespersons are the only people who may communicate with the press on behalf of Arrow.

Do not provide any information to the media about us off the record, for background, confidentially, or secretly.