

13 December 2021

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Arrow Exploration Corp.

("Arrow" or the "Company")

WEST PEPPER WELL ON PRODUCTION

Arrow Exploration Corp. (AIM: AXL ; TSXV: AXL) is pleased to announce that as of December 10th, 2021 the Dalehurst 06-26-52-23W5 well ("West Pepper Well") located near Edson, Alberta, Canada was brought on stream.

Initial stabilized production rates are 6.2 MMscf/d of natural gas, or over 1,030 boe/d, at 7,214 kPa tubing pressure, 30,048 kPa casing pressure, and with no water production.

With the additional production from the West Pepper Well, the Company estimates that its net corporate production is approximately 1,570 boe/d, almost tripling net corporate production prior to the tie-in of the West Pepper Well.

The West Pepper Well was brought on production at an estimated capital cost of approximately US\$1.3 million.

With this additional natural gas production, the Company expects to benefit from currently robust natural gas prices in Canada. January 2022 natural gas futures contracts at the AECO hub (the benchmark for natural gas prices in Canada) were C\$3.87/GJ as of December 12th, 2021, being approximately 30% higher than the 2021 Q3 average of C\$2.97/GJ.

Marshall Abbott, CEO commented: "Production initiation at the West Pepper Well represents a step change in our overall production profile. The well is expected to generate significant additional revenue and cash flow for the Company going forward."

Due to expected natural decline rates, the initial production rates may not be indicative of the long-term expected production from the West Pepper Well.

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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 under-exploited, 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. Arrow's 50% interest in the Tapir Block is contingent on the assignment by Ecopetrol SA of such interest to Arrow. 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.

Abbreviations

MMscf/d	million standard cubic feet per day
boe/d	barrels of oil equivalent per day
kPa	kiloPascals
psi	pounds per square inch
GJ	gigajoule
AECO hub	the AECO hub gas storage facility in southern Alberta
API	American Petroleum Institute gravity

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 is a member of the Canadian Society of Petroleum Engineers, holds a B.Sc. in Geology from the University of Alberta and has over 35 years' experience in the oil and gas industry.