

4 April 2022

NOT FOR RELEASE, DISTRIBUTION, PUBLICATION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO MIGHT CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

Arrow Exploration Corp.

("Arrow" or the "Company")

SPUDDING OF RCE-2 WELL AND 2022 CORPORATE OUTLOOK

Arrow Exploration Corp. (AIM: AXL ; TSXV: AXL) is pleased to announce that the contracted Top Drilling Company rig has spud the Rio Cravo Este-2 ("RCE-2") well on the Tapir Block in the Llanos Basin of Colombia. The Company is also pleased to share an update on its 2022 corporate outlook.

Marshall Abbott, CEO of Arrow commented:

"We are delighted to have spud the second well at Rio Cravo Este, RCE-2, on the Tapir Block. Following the completion of drilling and testing of the RCE-2 well, the rig will move to the location of our next well, the RCS-1 well (formerly the RCE-3 well), which is expected to spud in early-May.

"In addition, we are pleased to also provide a wider update across our portfolio, which is demonstrative of the significant work we have done to date; but also of the potential which remains. Our production remains strong at over 1,100 boe/d and continues to grow, producing positive cashflow for the Company during a high commodity price environment.

"This is an exciting time for Arrow and we look forward to providing further updates in due course."

RCE-2 Well

The RCE-2 well was successfully spud on 2 April 2022. The well is targeting a large, three-way fault-bounded structure with multiple high-quality reservoir objectives. The well is expected to be drilled to a total depth of 8,146 feet (True Vertical Depth).

Drilling and casing of the RCE-2 well is expected to take approximately three weeks, followed by completion, and then testing. Depending on the number of zones encountered in the well bore, testing is expected to take approximately five days per zone.

The Company will continue to provide additional updates on the RCE-2 and RCS-1 wells as appropriate.

2022 Corporate Outlook: Colombia

Rio Cravo Este (Tapir Block; Arrow 50% WI)

In addition to the RCE-2 and RCS-1 wells, the Company is evaluating the potential for the recompletion of the RCE-1 well in additional zones to increase production. Assuming success at RCE-2 and RCS-1, the Company will evaluate potentially drilling a fourth well (provisionally referred to as the RCE-4 well) at Rio Cravo Este.

With regards to RCE-1, three recompletion candidates have been identified, including the upper C7 sand, the Gacheta D sand, and the Gacheta B sand. Arrow believes that secondary zones such as the C7C and Ubaque offer additional recompletion potential. Should the partners on the Tapir Block decide to proceed with the recompletion of the RCE-1 well, the potential timing for execution of the activities would be during Q3 2022.

Assuming success at RCE-2 and RCS-1, RCE-4 will be considered so as to potentially further increase production and maximize recoveries from all zones. Should the partners on the Tapir Block decide to proceed with RCE-4, the potential timing for spudding the well would be during Q3 2022.

Carrizales Norte (Tapir Block; Arrow 50% WI)

The Company has received a preliminary survey report regarding several options for the construction of an access road, including a portion of the road which would potentially be upgraded and a portion which would be newly constructed, to the location of the pad for the first well at the Carrizales Norte prospect.

The Company is pleased to report that all of the preliminary road options presented to it are within the Company's initial capital cost expectations.

Once the survey report is finalized the partners on the Tapir Block anticipate making a decision on the optimal access road, engaging with the communities and landowners, filing the requisite applications, and commencing initial construction activities.

The Company has also contracted a 3D seismic processing company to reprocess the existing 3D seismic over the Carrizales Norte prospect.

Oso Pardo (Santa Isabel Block; Arrow 100% WI)

The Company continues to experience good production performance and strong netbacks from its three wells at Oso Pardo – Morsa-1, Oso Pardo-1 and Oso Pardo-2. Current production is approximately 120 bbls/d, and field-level netbacks for the month of April 2022 are projected to be approximately US\$62/bbl.

With regards to the potential for obtaining an aerial extension of the Santa Isabel Block, the Company is continuing to advance the process towards resubmitting the application to the Agencia Nacional de Hidrocarburos (ANH) in Colombia, with the objective of resubmitting the application during Q2 2022.

Capella (Ombu Block; Arrow 10% WI)

Arrow continues to benefit from its share of production from the Capella Field. The Company continues to engage in discussions with Emerald Energy, the operator, with regards to the strategic options for the Company's 10% interest in this asset, including but not limited to a potential sale of the interest to Emerald Energy. The Company considers its interest in the Ombu Block to be non-core to its strategy in Colombia.

2022 Corporate Outlook: Canada

West Pepper (Arrow 100% WI)

The Company continues to experience good production performance and strong netbacks from the West Pepper natural gas well, which was brought on-stream in December 2021. Current production is over 3.4 MMcf/d (568 boe/d), and field-level netbacks for the month of April 2022 are projected to be approximately C\$2.50/GJ.

Canadian natural gas prices remain robust, with April 2022 natural gas futures contracts at the AECO hub (the benchmark for natural gas prices in Canada) trading at C\$5.12/GJ as of 1 April, 2022, compared to the December 2021 average of C\$3.99/GJ.

East Pepper (Arrow 100% WI)

Arrow is in discussions with a leading Canadian natural-gas producer on potentially tying the East Pepper well into their pipeline and facilities infrastructure. Discussions are continuing, and Arrow expects to make a future announcement with regards to the potential timing and costs associated with tying-in the East Pepper well.

Concluding Remarks on Outlook

As of 31 March 2022, the Company's corporate production was estimated to be approximately 1,103 boe/d. All of the activities outlined in this announcement are in support of the Company's stated objective of achieving a production rate of 3,000 boe/d within 18 months of the closing of its previously-completed AIM placing and listing (completed in October 2021).

The Company will continue to provide additional updates on the initiatives outlined as appropriate.

For further information, contact:

Arrow Exploration

Marshall Abbott, CEO +1 403 651 5995

Max Satel, EVP Corporate Development & Investor Relations +1 416 904 2258

Arden Partners (Joint Broker and Nominated Adviser)

Ruari McGirr / Richard Johnson (Corporate) +44 (0)20 7614 5900

Seb Wykeham / Simon Johnson (Broking)

Auctus Advisors (Joint Broker)

Jonathan Wright (Corporate) +44 (0)7711 627449

Rupert Holdsworth Hunt (Broking)

Camarco (Financial PR)

James Crothers +44 (0)20 3781 8331

Rebecca Waterworth

Billy Clegg

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.

Glossary

AECO hub: the AECO hub gas storage facility in southern Alberta

Bbl: barrel of oil

Bbls/d: barrels of oil per day

boe/d: barrels of oil equivalent per day

GJ: gigajoule

MMcf/d: million cubic feet per day

WI: working interest

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.

This Announcement contains inside information for the purposes of the UK version of the market abuse regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").