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## ARROW ANNOUNCES TEST RESULTS OF RCE-2 WELL

### *Ahead of expectation well test results, with additional zones identified*

CALGARY, May 18, 2022 – Arrow Exploration Corp. (AIM: AXL; TSXV: AXL) (“**Arrow**” or the “**Company**”) is delighted to announce the results of the Rio Cravo Este-2 (“**RCE-2**”) well testing on the Tapir Block in the Llanos Basin of Colombia.

The RCE-2 well was spud on April 2, 2022. RCE-2 targeted a large, three-way fault bounded structure with multiple high-quality reservoir objectives on the Tapir Block in the Llanos Basin of Colombia. The well was drilled to a total measured depth of 9,600 feet and encountered six hydrocarbon bearing intervals totaling 90 net feet of oil pay.

Specific production test rates for the isolated zones (shallowest to deepest) include:

- Carbonera C7 and C7 Stringer: tested 2,000 bopd (net 1,000 bopd) peak rate of 28 API crude. The zone was tested for 19 hours at an average rate of 1,199 bopd (net 600 bopd).
- Gacheta C, C1 and C2: initial testing indicates productive capacity of 300 bopd (net 150 bopd) rate of 27 API crude. The zone was tested for 14 hours at an average rate of 115 bopd (net 58 bopd). Reserves have not been assigned to this zone previously.
- Gacheta D: tested 680 bopd (net 340 bopd) peak rate of 14 API crude. The zone was tested for 33 hours at an average rate of 362 bopd (net 181 bopd).

Test results are not necessarily indicative of long-term performance or ultimate recovery.

### **Marshall Abbott, CEO of Arrow commented:**

“We’re encouraged by the material results of RCE-2, the second well on the Tapir block. RCE-2 identified new zones for further exploitation with flowing results returning better than expected.”

“We’re currently completing the C7 zone, targeting to be on stream early next week. This effectively doubles Arrow’s production. The Company’s procedures will be to bring RCE-2 on slowly and increase production to best manage the oil reservoir.”

“We are now moving the rig to our next well location, the RCS-1 well, which is expected to spud before the end of May. Arrow’s current production exceeds 1,000 boe/d, 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 on our progress.”

The RCE-2 well costs came in line with the budget.

Continued strong production rates from existing tied-in wells combined with the encouraging results from new drills in Columbia support the Company's objective of achieving a production rate of 3,000 boe/d within 18 months of its AIM listing (completed in October 2021).

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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 underexploited, 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**

API: A specific gravity scale developed by the American Petroleum Institute (API) for measuring the relative density of various petroleum liquids, expressed in degrees.

Bopd: barrels of oil per day

boe/d: barrels of oil equivalent per day

### **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**").