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## ARROW ANNOUNCES TEST RESULTS OF EAST PEPPER WELL

### *Well tested higher gas flow rate than expected*

CALGARY, September 7, 2022 – Arrow Exploration Corp. (AIM: AXL; TSXV: AXL) (“**Arrow**” or the “**Company**”) is delighted to announce the results of the East Pepper well testing on the Pepper Block in the Alberta, Canada.

The 100 per cent working interest East Pepper well (100/14-21-052-22W5/3) was tested before tie-in activities began on August 30, 2022. The East Pepper well is a horizontal multi-stage fractured well producing from the Montney zone on the Pepper block. The well was drilled (originally in 2014) to a total measured depth of 15,269 feet with a horizontal leg of 2,917 feet.

Specific data for the production test for the Montney zone were as follows:

- The production test was run over a 27.8-hour period.
- Natural Gas production tested at a peak rate of 21,206 mcf/d (3,534 boe/d), a stabilized rate of 9,220 mcf/d (1,537 boe/d) and an average rate of 10,921 mcf/d (1,820 boe/d).
- Condensate produced over the test period was 24.27 bbls.
- The well had an average well head pressure of 3,276 psi over the test period.

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

Arrow expects that the tie-in facilities will be completed and the well will be put on production by the end of October 2022. The company expects typical production declines in the first few months and is accordingly sizing tie-in equipment for 7,000 mcf/d (1,167 boe/d).

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

“We’re encouraged by the better-than-expected East Pepper production test, the second well on the Pepper block. We are particularly encouraged by the material flow rate and the strength and speed of pressure recovery after shut in. Arrow holds a 100 per cent interest in approximate 22,000 acres of undeveloped land at Pepper. This is our second well in the Montney formation on the Arrow asset.”

“The well is expected to be put on production to take advantage of the typically higher natural gas prices that the winter brings.”

“The next project that Arrow is focusing on is the recompletion of the RCE-1 and RCS-1 wells at the Tapir block in Colombia. Both recompletions involve bringing on additional zones in

combination with existing production. This is an exciting time for Arrow, and we look forward to providing further updates on our progress.”

Continued strong production rates from existing tied-in wells combined with the encouraging results from new drills in Colombia 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**

Bbls: barrels of crude oil

boe/d: barrels of oil equivalent per day

Bopd: barrels of oil per day

mcf/d: thousands of cubic feet of natural gas per day

Psi: pounds per square inch

### **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**").