

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 ANNOUNCES REACHING TARGET DEPTH ON THE RCE-3 WELL, AND OPERATIONS UPDATE

Production zones identified

CALGARY, February 21, 2023 – Arrow Exploration Corp. (AIM: AXL; TSXV: AXL) (“**Arrow**” or the “**Company**”), the high-growth operator with a portfolio of assets across key Colombian hydrocarbon basins, is pleased to provide an update on the drilling of Rio Cravo Este-3 (“**RCE-3**”), an appraisal well on the Tapir Block in the Llanos Basin of Colombia, and is providing an operations update.

RCE-3 Update

The RCE-3 well reached total depth on February 16, 2023. RCE-3 is location within the Rio Cravo Este oil field, located on the Tapir Block in the Llanos Basin of Colombia. The well was drilled to a total measured depth of 8,880 feet (8,087 feet true vertical depth) and encountered seven hydrocarbon bearing intervals totaling 58 net feet of oil pay (measured depth).

The following hydrocarbon bearing intervals have been identified:

- Carbonera C7: 19 feet net oil pay over three intervals
- Lower Gacheta: 39 feet net oil pay over four intervals

Interval thicknesses are not necessarily indicative of long-term performance or ultimate recovery.

It is expected that the RCE-3 well will begin production in early March 2023. The rig will then be moved to the RCE-4 location with the intention that RCE-4 will spud within two days of RCE-3 being brought on production.

Marshall Abbott, CEO of Arrow commented:

“We’re happy with the rig performance and the speed target depth was reached. We are also encouraged by the log results of RCE-3, the fourth well drilled by Arrow on the Tapir block. RCE-3 has confirmed the continuity of oil-bearing intervals seen in adjacent wells, and discovered a potential new pay zone in the Gacheta.”

“We’re currently completing the C7 zone, targeting to be on stream in early March. This will increase Arrow’s production and reserves. Following, the Company’s procedures, Arrow will bring RCE-3 on slowly and increase production to best manage the oil reservoir.”

“Arrow’s current production is providing positive cashflow for the Company during a high commodity price environment. Continued strong production rates from existing tied-in wells combined with the encouraging results from new wells 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). This is an exciting time for Arrow, and we look forward to providing further updates on our progress.”

Operations Update

Carrizales Norte

Arrow has completed construction of the road, pad and cellars for the three planned Carrizales Norte (CN) wells. The wells are expected to be drilled immediately following RCE-5 and mobilization of the rig to the new CN pad.

3D Seismic Project, Tapir Block

Surveying operations are ongoing within the 134 square kilometer 3D seismic project on the Tapir block. Equipment testing will commence this week and Arrow anticipates recording operations to begin in early March. Data acquisition is scheduled to be completed in April 2023.

Capella Field

The Capella field, which Arrow has a 10% interest in, has been shut in since February 7, 2023, due to road blocks and protests in the immediate area. The Capella field is operated by a third party. Discussions are continuing with representatives from the government, protesters and the field operator. Management is seeking solutions to help resolve the protesters’ concerns. Arrow’s share of the Capella field production is approximately 280 bbls/d.

For further information, contact:

Arrow Exploration

Marshall Abbott, CEO +1 403 651 5995

Joe McFarlane, CFO +1 403 818 1033

Brookline Public Relations, Inc.

Shauna MacDonald +1 403 538 5645

Canaccord Genuity (Nominated Advisor and Joint Broker)

Henry Fitzgerald-O’Connor +44 (0)20 7523 8000

James Asensio

Gordon Hamilton

Auctus Advisors (Joint Broker)

Jonathan Wright

+44 (0)7711 627449

Rupert Holdsworth Hunt

Camarco (Financial PR)

Georgia Edmonds

+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 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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

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**").