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ARROW ANNOUNCES OPERATIONS UPDATE AND PDMR EXERCISE OF OPTIONS

CALGARY, January 17, 2024 - Arrow Exploration Corp. (AIM: AXL; TSXV: AXL), the high-growth operator with a portfolio of assets across key Colombian hydrocarbon basins, is pleased to give an operations update and report the exercise of options by a Director and PDMR.

Carrizales Norte Update

The Petroworks 1,500-horsepower rig has arrived at the Carrizales Norte (CN) field in the Tapir block and is currently being erected. Arrow expects the CN-4 well, targeting the Ubaque formation at CN, will spud in the latter half of January.

CN-4 will be followed by CN-5 which will test the Carrizales Noroeste prospect. The CN-5 well is expected to spud in February. Following CN-5, the Petroworks 1,500 horsepower rig will remain at the CN pad and continue development of the CN field targeting the C7 formation.

Arrow is currently constructing the CN horizontal well pad (B Pad) and expects construction will be completed in March. Once the pad is complete the Company plans to bring in a 2,000-horsepower rig to drill the Company's first horizontal well (CN HZ-1). On success, Arrow plans to follow the first well up with additional horizontal wells from the B Pad.

Mateguafa Attic and Baquiano Updates

Work has begun upgrading the Mateguafa pad and construction of the Baquiano road and pad, both of which are located in the Tapir block.

The plan is for the first Mateguafa Attic well (MA-1) to spud in late Q1 or early Q2 using an additional 1,500 horsepower rig. The Company expects the Baquiano prospect to be drilled later in 2024.

Oso Pardo

Oso Pardo-1 (OP-1), on the Santa Isabel Block in the Middle Magdalena Valley Basin of Colombia, where Arrow has a 100 per cent working interest, is back on production after the pump was changed in late December. The Oso Pardo-3 (OP-3) and Oso Pardo-4 (OP-4) development wells were both drilled successfully targeting the Umir formation. The completion of these wells is pending well stimulation operations, to mitigate typical skin damage, which the Company plans to complete in Q1.

Options Exercised

Arrow announces that a Director exercised 2,277,721 options for common share of no par value

("Common Share"). A summary of the options exercised is as follows (all figures converted to pounds sterling):

	Options Exercised	Strike Price	Market Price at Exercise
Marshall Abbott	800,000	GBP 0.03	GBP 0.19
Marshall Abbott	816,666	GBP 0.08	GBP 0.19
Marshall Abbott	133,333	GBP 0.16	GBP 0.19
Marshall Abbott	527,222	GBP 0.16	GBP 0.19
Total	2,277,721		

The option exercise was accepted by the Company on January 15, 2024. The options, some which were set to expire immediately, were exercised at this time as the Company is expected to be continually operationally active over the next six months with limited periods in which Directors would be able to exercise options. The options have been exercised on a "cashless" basis. Under the terms of the Company's share option plan approved at the Company's AGM on 20 September 2023, this 'cashless' method results in the Company paying the option holder the value of the option (market price less strike price) from cash reserves. Accordingly, no new shares were issued for the option exercise.

Following the exercise of the options referred to above, there has been no change in the shareholding of PDMR's and Directors. Mr. Abbott holds 5,369,702 Common Shares (representing 2.29 per cent of the issued Common Shares).

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

George Grainger

Auctus Advisors (Joint Broker)

Jonathan Wright (Corporate)

+44 (0)7711 627449

Rupert Holdsworth Hunt (Broking)

Camarco (Financial PR)

Andrew Turner

+44 (0)20 3781 8331

Rebecca Waterworth

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.

Details of the person discharging managerial responsibilities / person closely associated			
Name	Marshall Abbott		
Reason for the notification			
Position/status	Director		
Initial notification /Amendment	Initial notification		
Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor			
Name	Arrow Exploration Corp.		
LEI	9845000FDF0856QD9031		
Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted			
Description of the financial instrument, type of instrument	Common Shares of nil par value		
Identification code	ISIN: CA04274P1053		
Nature of the transaction	Cashless exercise of options		
Price(s) and volume(s)	<i>Exercise</i>		
	Name	Exercise price	Options
	Marshall Abbott	GBP 0.03	800,000
	Marshall Abbott	GBP 0.08	816,666
	Marshall Abbott	GBP 0.16	133,333
	Marshall Abbott	GBP 0.16	527,222
Aggregated information	N/A		
Date of the transaction	15 January 2024		

Place of the transaction	Outside a trading venue
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