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ARROW ANNOUNCES FIRST UBAQUE HORIZONTAL WELL RESULTS

CNB HZ-1 now on production

CALGARY, June 19, 2024 – 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 operational activity, particularly at the multi horizon, Carrizales Norte (“**CN**”) field on the Tapir Block in the Llanos Basin of Colombia where Arrow holds a 50 percent beneficial interest.

CNB HZ-1

Arrow has put on production the first of four Ubaque horizontal wells planned for 2024. The first horizontal well on the Carrizales Norte “B” pad (CNB HZ-1) is exceeding expectations and is being restricted to a current flow rate of 3,150 BOPD gross (1,575 BOPD net to Arrow) with less than 1% water cut while still recovering load fluid. Please note initial production flows are not necessarily indicative of long-term performance or ultimate recovery and a stabilized production rate will be determined in the first few weeks of operations, in keeping with conservative reservoir management. Further updates will be provided in due course.

CNB HZ-1 was spud on May 14, 2024, and reached target depth on 8,448 feet (true vertical depth) on June 7, 2024. The well was drilled to a total measured depth of 11,680 feet with a horizontal section of approximately 2,042 feet. The pay zone is a clean sandstone exhibiting consistent 28% porosity and high resistivities, similar characteristics to those seen in previous wells. Initial reservoir analysis exhibits multi-darcy permeability. An electric submersible pump (ESP) has been inserted in the well and is running at its minimum setting. The well is flowing and has been choked back in keeping with conservative reservoir management as well as ongoing development of adequate water disposal capabilities.

Upcoming Drilling

The rig has been moved to the second cellar on the Carrizales Norte B Pad where the Company plans to drill a dedicated water disposal well (CNB-2). Thereafter, the Company expects to drill three additional horizontal wells on the B pad, followed by the Baquiano-1 exploration well, which is on trend with the Carrizales Norte field. The three follow up wells will have longer horizontal sections, which are expected to result in enhanced rate and ultimate recovery.

Water Disposal Update

The RCE-1 water disposal well conversion on the Rio Cravo Este pad is complete and the disposal well is operational. During the conversion process, some production from the RCE pad was temporarily restricted, however, that production has now been restored.

The conversion of the CN-4 well to a water disposal well is progressing. The well is being equipped while waiting on regulatory approval. The Company has temporarily cut back production (approximately 250 BOPD net) from the existing wells at Carrizales Norte until the new water handling capability is in place. The CN-4 and CNB-2 water disposal wells are expected to be capable of disposing of sufficient water volumes to enable the entire Carrizales Norte field development.

Oso Pardo and Capella Update

The Morsa 1 well in the Oso Pardo field, which experienced downhole equipment failure, is back on production, adding approximately 75 BOPD net.

The Capella field remains shut in, and the third-party operator is continuing to assess plans to restart the field. Net shut in production from the Capella field is approximately 230 BOPD.

Canada Update

Due to exceptionally low natural gas prices in Canada, the East Pepper and West Pepper wells have been temporarily shut in. These wells will restart once favorable economic conditions return. Net gas shut in is approximately 250 BOE/d net.

Corporate Update

Current net corporate production is approximately 3,600 BOE/D, inclusive of CNB HZ-1. Once the imminent additional water handling capacity is available, the existing wells on both the RCE and CN platforms will be produced more aggressively. Existing wells were curtailed waiting on water handling capacity.

Arrow's cash position was approximately \$12.1 million USD on June 1, 2024. Although Arrow has an aggressive capital program, the Company has maintained a healthy balance sheet with no debt.

Marshall Abbott, CEO of Arrow commented:

"The initial success of the first horizontal well at the CNB pad, which is currently exceeding expectations, is an important milestone in the development of the hydrocarbon-dense Ubaque formation. The horizontal technology proven by this well can now be used to exploit further prospects on the Tapir block, and potentially the Oso Pardo block."

"The CNB HZ-1 well was drilled, completed and brought on production under budget. Although initial production flows are not necessarily indicative of long-term performance, the Company is excited about the initial results of the well and the potential to grow reserves and production."

"The information obtained from the vertical development program in Q1 2024 at the Carrizales Norte field, such as Ubaque reservoir extent, uniformity, thickness and depth, has been instrumental in the planning and execution of the horizontal well program."

"Construction of the Baquiano pad is complete and the Company plans to move the Petroworks 1500 HP rig to the Baquiano pad once the current drilling program has been completed at the CNB pad."

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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. By way of a private commercial contract with the recognized interest holder before Ecopetrol S.A., Arrow is entitled to receive 50% of the production from the Tapir block. The formal assignment to the Company is subject to Ecopetrol's consent. 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.

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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 was 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**").