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ARROW ANNOUNCES SECOND UBAQUE HORIZONTAL WELL RESULTS

CNB HZ-3 on production

CALGARY, July 31, 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-3

The second of the Ubaque horizontal wells planned for 2024 is now on production. The second horizontal well on the Carrizales Norte “B” pad (CNB HZ-3) is exceeding expectations and is being restricted to a current flow rate of 3,038 BOPD gross (1,519 BOPD net to Arrow) with less than 6.5% 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-3 was spud on July 4, 2024, and reached a target depth of 8,457 feet (true vertical depth) on July 18, 2024. The well was drilled to a total measured depth of 12,320 feet with a horizontal section of approximately 3,050 feet. CNB HZ-3 came on production on July 26, 2024, with the use of an electric submersible pump (ESP) and, based on initial results, has displayed the same reservoir characteristics as CNB HZ-1.

CNB HZ-1

The CNB HZ-1 is continuing to perform above expectations and is being restricted to a current flow rate of 2,220 BOPD gross (1,110 BOPD net to Arrow) with approximately 34% water cut.

CNB HZ-1 average production for the first 30 days of production (IP30) was 2,650 BOPD gross (1,325 net).

Drilling Time and Costs

From spud to rig release the CNB HZ-1 took 30 days and cost approximately \$4.9 million gross (\$2.45 million net to Arrow). The CNB HZ-1 well paid out in under 30 days. Drilling operations at the CNB HZ-3 well took 21 days from spud to on production and cost approximately \$4.0 million gross (\$2.0 million net to Arrow). The improvement represents the learnings taken from CNB HZ-1 as the operations team continues to focus on improving capital and operating costs and creating further shareholder value.

Upcoming Drilling

The rig has been moved to the fourth cellar on the Carrizales Norte B Pad where the Company has spud the third horizontal well (CNB HZ-4). Thereafter, the Company expects to drill the fourth horizontal well on the B pad, followed by the Baquiano-1 exploration well, which is on trend with the Carrizales Norte field. Following the drilling program at Baquiano, Arrow plans to return to the CNB pad for two additional horizontal wells.

Water Disposal Update

The conversion of the CN-4 well to a water disposal well is complete and injection has commenced. The CNB-2 water disposal well has been completed and is awaiting stimulation work and regulatory approval prior to starting injection.

Corporate Update

Current net corporate production is approximately 4,560 BOE/D, inclusive of CNB HZ-1 and CNB HZ-3.

Arrow's cash position was approximately \$11 million on July 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 continued success of the horizontal well program at the CNB pad, has led the Company to plan two additional horizontal wells which Arrow intends to drill before the end of 2024, depending on technical aspects and regulatory approvals. This will result in a total of six horizontal wells at Carrizales Norte in 2024 with additional horizontal wells being planned in 2025 from a third pad. The horizontal program continues to exceed expectations and to add production and reserves from the hydrocarbon-dense Ubaque formation. The Arrow team strives to reduce the time and costs needed to drill horizontal and vertical wells. Internally generated development drilling and completion strategies will be used to exploit further prospects on the Company's land holdings."

"The production rates from the CNB HZ-1 well are exceeding the simulation results and the CNB HZ-3 well was drilled, completed and brought on production under budget. The Company is excited about the initial results of the well and the potential to further grow reserves and production."

"Production infrastructure including water disposal wells, dispersion fields and roads continue to be developed to increase production and prepare for the 2025 capital program."

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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.

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.

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**").