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ARROW ANNOUNCES EXPLORATION WELL AB-1 RESULTS

AB-1 now on production, AB-2 at target depth

CALGARY, January 6, 2025 – 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 operational activity at the Alberta Llanos field on the Tapir Block in the Llanos Basin of Colombia where Arrow holds a 50 percent beneficial interest.

AB-1

The AB-1 well was spud on November 30th 2024, and reached target depth on December 13th, 2024. AB-1 was the first well drilled into the Alberta Llanos field and results from this well have confirmed the productive potential of the multi-pool field. The well was drilled to a total measured depth of 9,960 MD feet (8,846 feet true vertical depth) and encountered multiple hydrocarbon-bearing intervals.

On December 24, Arrow put the AB-1 well on production in the Ubaque formation which has approximately 62 feet of net oil pay. The pay zone is a clean sandstone exhibiting an average porosity of 25 % with high resistivities. An electric submersible pump (ESP) was inserted in the well after perforating.

The well was put on production to allow the well to clean-up and conduct proper water cut evaluation. Currently, the well is operating at a pump frequency of 33 Hz and a choke aperture of 34/128.

Average initial production for the first seven days was 658 BOPD gross (329 BOPD net) of 13.8° API oil with a 49% water cut (completion fluid and formation water). These results are in line with expectations.

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

AB-2

The AB-2 well was spud on December 25, 2024 and reached target depth of 10,795 MD feet on January 1, 2025. Logs and potential productive sands are being evaluated. AB-3 will be drilled immediately upon completion of the AB-2 well.

Operations Update

Production

Total corporate peak production in December, inclusive of contribution from AB1, was 5,175 boe/d with an average for the month of 4,899 boe/d, in line with the Company's expectations.

East Tapir 3D Seismic Program

The East Tapir 3D seismic acquisition program is progressing on schedule with camps and equipment being mobilized to the field. The Company expects that the seismic shoot will begin in March.

Cash Balance

On January 1, 2025, the Company's cash balance was US\$19.1 million.

Marshall Abbott, CEO of Arrow commented:

"Initial production from the AB-1 exploration well is an exciting event for Arrow. In addition to the thick pay zones encountered in the Ubaque formation, additional pay zones currently behind pipe, the C7, Gacheta and Guadalupe, provide further opportunities for production and reserves increases."

"The Alberta Llanos discovery is material to Arrow and we are looking forward to the results of the AB-2 and AB-3 wells which will help to determine the size and extent of the pools and the potential reserves additions. Initial results indicate that the Alberta Llanos discovery will result in another core area for Arrow and set up parameters for future horizontal development drilling."

"We look forward to providing further updates on this low-risk development drilling program."

"2024 was a fantastic year of growth and infrastructure development for the business. I wish to thank the entire the Arrow Team and their families for the tireless work and dedication to the growth of the Company and creating shareholder value."

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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

MD Measured Depth

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 formerly a member of the Canadian Society of Petroleum Geologists, 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**").