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ARROW ANNOUNCES Q1 2025 INTERIM RESULTS AND PROVIDES OPERATIONAL UPDATE

CALGARY, May 30, 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 announce the filing of its Interim Condensed (unaudited) Consolidated Financial Statements and Management's Discussion and Analysis ("MD&A") for the three months ended March 31, 2025, which are available on SEDAR (www.sedar.com) and will also be available shortly on Arrow's website at www.arrowexploration.ca, and to provide an update on operational activity.

Q1 2025 Highlights:

- Recorded $19.5 million of total oil and natural gas revenue, net of royalties, representing a 36% increase when compared to the same period in 2024 (Q1 2024: $14.4 million).
- Adjusted EBITDA[1] of $11.5 million, a 15% increase when compared to Q1 2024 (Q1 2024: $10 million).
- Average corporate production of 4,085 boe/d (Q1 2024: 2,730 boe/d).
- Realized corporate oil operating netbacks[1] of $38.66/bbl.
- Cash position of $24.9 million at the end of Q1 2025.
- Generated operating cashflows of $14.4 million (Q1 2024: $8.6 million).
- Drilled two additional development wells (AB 2 and AB 3) in the Alberta Llanos field in the Tapir block.
- Net income of $2.7 million.
- Completed shooting 90 km2 of new seismic data on the southeast section of the Tapir Block to identify and confirm existing prospects.

[1] *Non-IFRS measures – see "Non-IFRS Measures" section within the MD&A*

Post Period End Highlights:

- Spud the first horizontal well, AB HZ4, in the Alberta Llanos field in the Tapir block.
- CN HZ9, CN HZ 10 and CN HZ11 brought on production.
- Entered into a $20 million prepayment agreement with an integrated energy company.

Upcoming Drilling

The rig has spud the AB HZ 4 well, the first horizontal well in the Alberta Llanos field, which is expected to be on production in June. Thereafter, the Company expects to drill another horizontal well on the Alberta Llanos pad.

Arrow has also secured a second rig that will mobilize to the Rio Cravo Este (RCE) field to drill up to four development wells in RCE and will then mobilize to the Carrizales Norte pad for further development drilling. The first RCE well is expected to spud in early June.

Total budgeted capital expenditures planned for 2025 is approximately $50 million, net to Arrow, of which $11.4 million was spent in Q1 2025. The capital program is expected to result in production for 2025 being significantly higher than current levels.

Prepayment Agreement

The Company has entered into a two-year crude prepayment agreement with an integrated energy major to market its oil production in Colombia. In exchange for the exclusive right to market the Company's oil production, the agreement provides access to up to US$20 million in prepaid crude sales in year one with the limit reducing to US$15 million in prepaid sales in year two at attractive interest rates.

As at May 1, the Company's cash balances were $24 million.

Marshall Abbott, CEO of Arrow Exploration Corp., commented:
"The first quarter of 2025 has been exciting for Arrow. The two wells, AB 2 and AB 3 at Alberta Llanos, have highlighted the potential for horizontal development in the Ubaque as well as follow up zones in the C7 and Guadalupe."

"During the dry summer months in the Llanos basin, the Company has developed a new road system from the Carrizales Norte pad to the Capullo pad, the Mateguafa Oeste pad and the Mateguafa Attic pad. These pads will be utilized in the Company's planned drilling program for the remainder of 2025. The Company has secured a second rig which is expected to spud the first of four wells at RCE in early June."

"The Company completed a 90 km2 3D seismic program in the southeast section of the Tapir block. The seismic has been processed and is now being analyzed to help develop prospects for the 2026 drilling program."

"In the first quarter of 2025, the Company put in place additional water disposal infrastructure in the form of the conversion of AB 2 into a water disposal well and the workover of RCE 1 and CN 4. We are also working towards the conversion of CN 5 into a water disposal well. AB 2 should be in operation in late Q2 and CN 5 in Q3. The wells at Carrizales Norte and Alberta Llanos have begun to produce more water than previously modeled, resulting in curtailment of production.
The new water infrastructure is expected to create excess disposal capacity to allow for increases in pump speed on currently curtailed production and for the next development stage of 2025 budgeted projects."

"Arrow is pleased to announce that it has entered into a prepayment financing agreement with an integrated energy major. The two-year agreement provides Arrow with access to up to US$20 million in prepaid crude sales, with the limit reducing to US$15 million after the first year. This facility provides Arrow with significant financial flexibility, allowing Arrow to pursue growth opportunities from acquisitions to expanded capital programs. In conjunction with the financing, the integrated energy major, through its Colombian subsidiaries, will become the exclusive marketer for all of Arrow's oil production."

"Both Brent and AECO prices have been impacted by the volatility experienced in early 2025 but the Company still has very healthy netbacks from its Colombian oil production. Arrow's 2025 capital budget is expected to be paid for by available cash and cash flow from operations. Our focus for the remainder of 2025 will be to grow production, continue development at the Carrizales Norte, Rio Cravo Este and Alberta Llanos fields and explore low risk new prospects in the Tapir block."

FINANCIAL AND OPERATING HIGHLIGHTS

(in United States dollars, except as otherwise noted)	**Three months ended March 31, 2025**	Three months ended March 31, 2024
Total natural gas and crude oil revenues, net of royalties	**19,506,125**	14,404,921
Funds flow from operations (1)	**9,745,553**	7,210,683
Funds flow from operations (1) per share –		

Basic($)	**0.03**	0.03
Diluted ($)	**0.03**	0.02
Net income	**2,663,764**	3,176,727
Net income per share –		
Basic ($)	**0.01**	0.01
Diluted ($)	**0.01**	0.01
Adjusted EBITDA (1)	**11,531,548**	10,021,139
Weighted average shares outstanding –		
Basic ($)	**285,864,348**	285,864,348
Diluted ($)	**294,094,348**	292,791,385
Common shares end of period	**285,864,348**	285,864,348
Capital expenditures	**11,379,180**	6,281,328
Cash and cash equivalents	**24,946,934**	11,606,342
Current Assets	**30,288,808**	20,779,081
Current liabilities	**19,252,474**	11,258,252
Adjusted working capital (1)	**11,036,334**	9,520,829
Long-term portion of restricted cash (2)	**129,849**	237,814
Total assets	**90,532,063**	64,579,940
Operating		
Natural gas and crude oil production, before royalties		
Natural gas (Mcf/d)	**1,851**	1,760
Natural gas liquids (bbl/d)	**6**	4
Crude oil (bbl/d)	**3,770**	2,432
Total (boe/d)	**4,085**	2,730
Operating netbacks ($/boe) (1)		
Natural gas ($/Mcf)	**($1.00)**	($0.14)
Crude oil ($/bbl)	**$42.29**	$56.27
Total ($/boe)	**$38.66**	$50.10

(1)*Non-IFRS measures – see "Non-IFRS Measures" section of the MD&A*
(2)*Long term restricted cash not included in working capital*

DISCUSSION OF OPERATING RESULTS

During Q1 2025, the Company's production has decreased due to natural declines and increasing water cuts across its fields in the Tapir block. Production growth is expected to resume once the Company develops additional water handling capacity and executes on the 2025 budget. Nevertheless, the Company has maintained good operating results and healthy EBITDA.

Average Production by Property

Average Production Boe/d	Q1 2025	FY 2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Oso Pardo	**126**	**153**	**154**	180	113	166
Ombu (Capella)	**-**	**-**	**-**	-	-	-
Rio Cravo Este (Tapir)	**1,118**	**1,294**	**1,178**	1,078	1,283	1,644
Carrizales Norte (Tapir)	**2,321**	**1,897**	**3,153**	2,784	991	622
Alberta Llanos	**205**	**7**	**26**	-	-	-
Total Colombia	**3,770**	**3,351**	**4,511**	4,042	2,387	2,432
Fir, Alberta	**105**	**81**	**88**	82	77	78
Pepper, Alberta	**210**	**110**	**139**	-	82	220
TOTAL (Boe/d)	**4,085**	**3,542**	**4,738**	4,124	2,546	2,730

The Company's average production for the three months March 31, 2025 was 4,085 boe/d which consisted of crude oil production in Colombia of 3,770 bbl/d, natural gas production of 1,851 Mcf/d, and minor amounts of natural gas liquids. The Company's Q1 2025 production was 50% higher than its Q1 2024 production and 14% lower than Q4 2024 due to natural declines and water handling capability.

DISCUSSION OF FINANCIAL RESULTS

During Q1 2025 the Company experienced a reduction in both crude oil and gas prices, as summarized below:

	Three months ended March 31		
	2025	2024	Change
Benchmark Prices			
AECO (C$/Mcf)	**$2.19**	$2.55	(14%)
Brent ($/bbl)	**$71.47**	$84.67	(16%)
West Texas Intermediate ($/bbl)	**$71.40**	$76.95	(7%)
Realized Prices			
Natural gas, net of transportation ($/Mcf)	**$1.51**	$1.87	(19%)
Natural gas liquids ($/bbl)	**$62.02**	$66.20	(61%)
Crude oil, net of transportation ($/bbl)	**$64.70**	$73.31	(12%)
Corporate average, net of transport ($/boe)	**$60.48**	$66.58	(9%)

(1)Non-IFRS measure

OPERATING NETBACKS

The Company also continued to realize good oil operating netbacks, as summarized below:

	Three months ended March 31	
	2025	2024
Natural Gas ($/Mcf)		
Revenue, net of transportation expense	**$1.51**	$1.87
Royalties	**($0.06)**	($0.10)
Operating expenses	**($2.45)**	($1.91)
Natural gas operating netback[(1)]	**($1.00)**	($0.14)
Crude oil ($/bbl)		
Revenue, net of transportation expense	**$64.70**	$73.31
Royalties	**($7.76)**	($9.00)
Operating expenses	**($14.65)**	($8.04)
Crude oil operating netback[(1)]	**$42.29**	$56.27
Corporate ($/boe)		
Revenue, net of transportation expense	**$60.48**	$66.58
Royalties	**($7.19)**	($8.08)
Operating expenses	**($14.63)**	($8.40)
Corporate operating netback[(1)]	**$38.66**	$50.10

[(1)]*Non-IFRS measure*

The operating netbacks of the Company have been affected in 2025 due to increasing water production from its Colombian assets and decreased crude oil prices.

During Q1 2025, the Company incurred $11 million of capital expenditure, primarily in connection with the drilling of additional Alberta Llanos wells in the Tapir block. This tempo is expected to continue during the remainder of 2025, funded by cash on hand and cashflow.

The Company also confirms that its audited financial statements and MD&A for the year ended 31 December 2024 were posted to UK shareholders on May 29, 2025 and are also available on its website.

For further Information, contact:
Arrow Exploration

Marshall Abbott, CEO	+1 403 651 5995
Joe McFarlane, CFO	+1 403 818 1033

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	+44 (0)7711 627449
Rupert Holdsworth Hunt	

Camarco (Financial PR)

Owen Roberts	+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 global pandemics, 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

Bbl/d or bop/d: Barrels per day
$/Bbl: Dollars per barrel
Mcf/d: Thousand cubic feet of gas per day
Mmcf/d: Million cubic feet of gas per day
$/Mcf: Dollars per thousand cubic feet of gas
Mboe: Thousands of barrels of oil equivalent
Boe/d: Barrels of oil equivalent per day
$/Boe: Dollars per barrel of oil equivalent
MMbbls: Million of barrels

BOE's may be misleading particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bblis based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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").

Non-IFRS Measures

The Company uses non-IFRS measures to evaluate its performance which are measures not defined in IFRS. Working capital, funds flow from operations, realized prices, operating netback, adjusted EBITDA, and net debt as presented do not have any standardized meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. The Company considers these measures as key measures to demonstrate its ability to generate the cash flow necessary to fund future growth through capital investment, and to repay its debt, as the case may be. These measures should not be considered as an alternative to, or more meaningful than net income (loss) or cash provided by operating activities or net loss and comprehensive loss as determined in accordance with IFRS as an indicator of the Company's performance. The Company's determination of these measures may not be comparable to that reported by other companies.