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ARROW ANNOUNCES ALBERTA PROPERTY ACQUISITION

Producing property with upside potential

CALGARY, August 13, 2026 – 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 a property acquisition in Alberta, Canada.

Highlights

- Acquisition of 100% working interest in 550 boepd oil producing property in Thorsby, Central Alberta Canada
- Highly cash generative asset having generated $2.0 million CAD of operating income[1] in last 12 months
- $12.15 million CAD (approximately $8.9 million USD) purchase price funded directly from on-hand cash reserves
- Significant 1P reserve base of 4.973 million boe, 2P of 7.537 million boe and prospective opportunities across 9,501 net acres of land
- Management plans to deploy development program across lower Cretaceous Sparky reservoir, having identified 22 low-cost, quick payout drilling locations on the property
- Current production is approximately 27% oil and liquids. 1P and 2P volumes approximately 55% oil and liquids.

Thorsby Property Acquisition

Arrow is pleased to announce it has acquired an oil producing property in the Thorsby area of Central Alberta Canada. The acquisition is a 100% working interest purchased from a private company. The Thorsby asset has current production of 550 boepd, with low decline rates of 15%, and a third-party reserve report estimating 4.973 million boe of total proved reserves (1P) and 7.537 million boe of total proved plus probable reserves (2P).

The acquisition price is $12.15 million CAD (approximately $8.9 million USD) and is being funded from Arrow's cash reserves. In the last 12 months the property has generated approximately $2.0 million CAD of operating income[1]. The third-party reserve report, with an effective date of 31 December 2025, has pre-tax NPV 10 for the 1P and 2P reserves of $38 million CAD ($27 million USD) and $71 million CAD ($51 million USD) respectively. Arrow is assuming decommissioning liabilities of $8.7 million CAD ($6.3 million USD).

Thorsby is 9,501 net acres of 100% working interest land approximately 200km north of Calgary. All lands and associated infrastructure have been acquired as part of the transaction. Alberta Energy Regulator applies 55 million stock tank barrels original oil in place with a 3% recovery to date. Arrow believes there is significant original oil in place with secondary recovery potential to arrest declines and boost recovery factor.

The lower Cretaceous Sparky reservoir is up to 25m in places with a 15-meter net pay average at a 9% cutoff. Management has identified 22 upside drilling locations on the property.

[1] *Revenue less royalties less operating costs and workovers*

Marshall Abbott, CEO of Arrow commented:

“The Thorsby acquisition represents a low-risk, exceptional return inventory suite of development drilling opportunities. The development focus is on the Cretaceous Sparky Formation as a proven reservoir where management has years of geologic fluency. It gives the Company a significant increase in reserves, a low-risk development program with 22 initial drilling locations, while the Company remains debt free and financially healthy.”

“The 2-mile lateral horizontal wells that Arrow plans to drill at Thorsby are expected to cost approximately $2.2 million CAD . Each well pad is planned to contain 3 wells. The Thorsby area has year-round access and is close to abundant infrastructure.”

“The Sparky wells have high initial production (300 BOPD) rates with low declines and pay out very quickly. The Sparky reservoir has a history of reacting positively to secondary recovery, such as water flood.”

“Management believes that the Thorsby acquisition complements the Colombian operations very well. Geologically the play type and trapping mechanisms are very similar. That is 3-way structure juxtaposed against a sealing barrier. This also represents very similar reserve capture and adds significant cash flow and IRRs that exceed 500% on a well-by-well basis. Thorsby also represents additional drilling inventory that is complementary to Colombian inventory. This provides significant optionality in pursuing highest value add prospects.”

“The dedicated Arrow team remains committed to pursuing additional high return opportunities in both jurisdictions.”

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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.

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.

The technical information has been prepared in accordance with the standards contained in the most recent publication of the Canadian Oil and Gas Evaluation Handbook (the "COGEH") and the reserves definitions contained in National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

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**").

Glossary

bopd	Barrel of oil per day
boepd	Barrel of oil equivalent per day
boe	Barrel of oil equivalent