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ARROW ANNOUNCES CN-1 WELL UPDATE

Testing Results from the Ubaque in the CN-1

CALGARY, May 30, 2023 - 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 Carrizales Norte-1 well ("CN 1"), an exploration well on the Tapir Block in the Llanos Basin of Colombia.

CN-1

The CN-1 well was spud on May 1, 2023 and reached target depth on May 11, 2023. CN-1 targeted a three-way fault bounded structure with multiple high-quality reservoir objectives on the Tapir Block in the Llanos Basin of Colombia. The well was drilled to a total measured depth of 9,190 feet (8,511 feet true vertical depth) and encountered 148 feet of cumulative net oil pay (128 feet TVD).

Arrow has completed the first test on the CN-1 well in the Ubaque formation which has approximately 58 feet of net oil pay. The pay zone is a clean sandstone exhibiting consistent 30% porosity and high resistivities. A submersible pump has been inserted in the well after perforating.

Specific data for the production test on the Ubaque formation were as follows:

- The production test was run over a 58-hour period.
- The well was tested at three different flow rates to evaluate productivity and to plan for water cut management.
 - The first flow period was held for 23 hours and showed an average oil rate of 491 bopd gross.
 - The second flow period was for 18 hours and showed an average oil rate of 861 bopd gross, and,
 - The third flow period was held for 17 hours and showed an average oil rate of 1134 bopd.
- Oil production tested at a peak rate of 1,222 bopd, and a final stabilized rate of 1,134 bopd

In the final 24 hours of the test, CN-1 produced at a rate of 1,134 bopd gross (567 bopd net) of oil at 13.5 API and with a 28.3 % water cut (completion fluid). Water cut has been decreasing throughout completion testing. Additional tests of the Gacheta and C7 formations will proceed over the coming weeks, with production forecast to commence in the second half of June 2023. The Carrizales Norte-2 (CN-2) well will be drilled immediately upon the CN-1 well being brought on-stream.

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

Marshall Abbott, CEO of Arrow commented:

"The Carrizales Norte-1 discovery and the Ubaque test are extremely important and material events for Arrow. The Ubaque test - the first on the Carrizales Norte field - shows that oil from the formation can be produced at high rates using conventional means. The test is further evidence of the potential of the Tapir block in the prolific Llanos Basin."

"After a brief flow and pressure build-up on the Ubaque, Arrow plans to completion test additional pay zones in the Gacheta and C7 reservoirs over the coming weeks and then make a decision on which zone to bring on production initially."

"Our expectation is that the Carrizales Norte wells will be quick to payout in the current oil price environment with triple digit IRRs, providing positive cashflow for the Company. This is a very exciting time for Arrow, and we look forward to providing further updates on our progress."

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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 is 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").

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