



NEWS RELEASE
TSX-V: AOF

**ARROW ENERGY LTD. ANNOUNCES SIGNIFICANT INFRASTRUCTURE
DEVELOPMENT**

Calgary, Alberta, March 26th, 2008/CNW/Arrow Energy Ltd. (“Arrow”) is pleased to announce that it has received approval from Alberta Sustainable Resource Development, subject to filing of normal course regulatory documentation to begin construction of the “Peavine Connector Road”.

“The people of Peavine Metis Settlement and indeed the numerous communities surrounding the Settlement have seen this connector road as key to accessing the extensive resource development in the Seal Lake/Dawson Area. This was brought out at a recent stakeholder meeting held at Peavine that was attended by approximately 50 individuals from local governments, the Alberta Government and industry.” President & CEO, Chris Tesarski remarked. “Arrow in its partnership with its major shareholder, the members of Peavine Metis Settlement, has seen this road as being a critical component of our ongoing operations together, and we have never wavered from our commitment to see that this road is built.”

The Arrow owned and operated oil pipeline on Peavine is currently operating at 25% capacity and will directly benefit from oil being able to be transported to and processed at its pipeline battery. Arrow intends to add infrastructure to its current facility to handle significantly more volume from the oilfields directly north of Peavine that would be easily accessed from the connector road. “Easier access, year round means more oil in Arrow’s pipeline system. We anticipate being able to easily handle double the production volumes once the facility and road work is completed.” says Tesarski.

“We are excited by the opportunities that this road can bring to all parties for safer, more efficient access and also the opportunities for economic benefit to our valued shareholders at Peavine, regional stakeholders and our operations at Arrow Energy” concluded Tesarski.

Arrow is a Calgary-based junior resource company engaged in the exploration, development and production of natural gas and oil primarily in the Peavine/Dawson, Westlock, and Redwater/Jeffrey areas of Alberta.

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BOE conversion: In this news release, Arrow applies the widely used conversion ratio of six thousand cubic feet (“Mcf”) of natural gas to one barrel (“bbl”) of oil. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf : 1 bbl is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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