NEWS RELEASE
November 8, 2018

ARC RESOURCES LTD. ANNOUNCES $775 MILLION CAPITAL PROGRAM FOR 2019 THAT WILL ADVANCE MULTI-YEAR INFRASTRUCTURE DEVELOPMENT PROJECTS AT ATTACHIE WEST, DAWSON, AND ANTE CREEK

Calgary, November 8, 2018 (ARX - TSX) ARC Resources Ltd. ("ARC" or "the Company") announced today that its Board of Directors has approved a $775 million capital program for 2019 that focuses on profitable organic liquids growth to deliver a meaningful cash flow per share increase over the long term. The 2019 budget focuses on maintaining ARC's strong financial position, improving ARC's competitive capital and operating efficiencies, and profitably developing ARC's Montney assets to drive free cash flow generation, while supporting sustainable future growth and ARC's monthly dividend. The 2019 budget invests in multi-year development projects that will add facility capacity at Attachie West and Dawson in northeast British Columbia, and Ante Creek in northern Alberta. The majority of the production associated with these infrastructure projects will be added in 2020 and 2021. Annual average production is expected to be in the range of 135,000 to 142,000 boe per day in 2019, which will set the stage for an anticipated average production compound annual growth rate ("CAGR") of greater than 10 per cent from 2019 to 2021.

"We are pleased to announce our 2019 capital investment plan of $775 million," stated Myron Stadnyk, ARC's President and Chief Executive Officer. *"This marks the beginning of a three-year program that will result in meaningful liquids growth across our Montney asset base, including the first major phase of development at our highly prospective Attachie West asset and growing our liquids volumes at our Dawson and Ante Creek properties. The development of these organic growth opportunities has largely been pre-funded through the sale of our non-core Saskatchewan and Redwater assets, and is made possible due to our strong financial position, excellent capital and operating efficiencies, moderate corporate decline rates, and low sustaining capital requirements."*

Strategic Objectives of the 2019 Capital Budget

The strategic objectives of ARC's 2019 capital budget are aligned with ARC's long-term strategy of risk-managed value creation. The objectives are as follows:

Health, Safety, and Environmental Excellence	Execute the capital program in a safe and environmentally responsible manner.
Full-cycle Profitability	Build long-term, enduring businesses focused on value creation and founded on detailed analysis of full-cycle project economics.
Productive Capacity	Three-year infrastructure development will create significantly more productive capacity as compared to current production forecasts. These investments provide the foundation for profitable production growth.
Profitable Growth	Grow high-value light oil and condensate production projects and sustain low-cost natural gas production.
Sustainable Development	Maintain an orderly pace of development and growth rate, to manage ARC's sustaining capital requirements and moderate corporate decline rate to less than 30 per cent.
Long-term Planning	Invest in strategic infrastructure and continue to secure transportation and market diversification opportunities.
Portfolio Management	Maintain strategic optionality by continuing to de-risk and pilot new areas to identify future development and growth opportunities.
Continuous Learning	Apply and integrate learnings and focus on innovation to continually advance ARC's technical expertise and to further improve capital and operating efficiencies.
Financial Flexibility	Preserve ARC's balance sheet strength and financial flexibility through all economic cycles.
Top Talent and Strong Leadership Culture	Conduct business in a culture of trust, respect, integrity, and accountability, and remain committed to progressing and developing ARC's talented people.
Total Return	Continue to pay a meaningful dividend and deliver top-quartile returns over the long term while maintaining total share count.

2019 Capital Budget Highlights

ARC's $775 million capital program for 2019 is focused on organic liquids growth to deliver a meaningful cash flow per share increase over the long term. Highlights from the 2019 budget include:

- Deliver annual average production in the range of 135,000 to 142,000 boe per day in 2019.
    - Deliver annual average oil and liquids production in the range of 31,500 to 37,000 barrels per day, of which approximately 80 per cent is light oil and condensate.
    - Deliver annual average natural gas production in the range of 620 to 630 MMcf per day.
- Invest in infrastructure to advance multi-year development projects to support future liquids growth. Production through the new facilities noted below is expected to ramp up over a two-year period.
    - Dawson Phase I & II gas processing facility upgrade to add 3,000 barrels per day of liquids-handling capabilities, expected to be completed by the fourth quarter of 2019.
    - Dawson Phase IV gas processing and liquids-handling facility expansion to add 90 MMcf per day of natural gas processing, 7,500 barrels per day of condensate, and 3,000 barrels per day of natural gas liquids ("NGLs")-handling capacity, expected to be on-stream in the second quarter of 2020.
    - Ante Creek 10-36 gas processing facility expansion to add approximately 15 MMcf per day of natural gas processing and 2,500 barrels per day of liquids-handling capacity, expected to be on-stream by the second quarter of 2020.
    - Attachie West Phase I gas processing and liquids-handling facility will have 60 MMcf per day of natural gas processing, 10,000 barrels per day of condensate, and 4,000 barrels per day of NGLs-handling capacity, expected to be on-stream in the second quarter of 2021.
- In the current commodity price environment, ARC's outlook on production growth is an annualized average production increase of approximately 10 per cent from 2019 to 2021.
    - ARC's liquids-focused investments are set to deliver an anticipated average production CAGR of greater than 40 per cent for condensate, 25 per cent for NGLs, and 10 per cent for natural gas from 2019 to 2021. Oil production is expected to decline slightly over the same time period.
- Manage sustaining capital [1] requirements of approximately $400 million and current corporate decline rates, while investing approximately $375 million in growth capital [2].
- Drill 77 operated wells, including 49 liquids-rich natural gas wells at Dawson, Attachie West, and Parkland, 27 light oil wells at Ante Creek, Tower, and Pembina, and one water disposal well at Attachie.
- Keep gas plants in core Montney areas at or near capacity through 2019 to drive free cash flow generation, and continue to exploit the liquids-rich Lower Montney through development activities at Dawson and Parkland.
- Maintain ARC's position as a leading low-cost operator through infrastructure ownership and operatorship. Following the disposition of non-core assets in 2018, which had higher relative costs to operate, target 2019 operating expenses to be in the range of $5.30 to $5.70 per boe.
- Continue to execute ARC's physical marketing strategy to ensure long-term market access for natural gas, oil, and liquids production. Manage natural gas price risk exposure by executing physical natural gas diversification and financial risk management activities to help increase ARC's exposure to more attractive North American markets and enhance commodity price realizations. ARC will continue to execute on its risk management program for oil and natural gas to reduce volatility of funds from operations and to support its dividend and capital programs.
- Fund the 2019 capital budget with a combination of cash on-hand from disposition proceeds from ARC's non-core Saskatchewan and Redwater asset sales, cash flow generated from ARC's existing businesses, and additional debt if necessary, while continuing to protect ARC's strong balance sheet.
    - ARC's outlook is such that in 2021, the Company will be able to satisfy its dividend obligations and sustain and grow its business entirely out of cash flow, while maintaining a net debt to annualized funds from operations ratio of between 1.0 and 1.5 times.

- Maintain ARC's monthly dividend of $0.05 per share based on, among other things, the current outlook for crude oil and natural gas prices and ARC's risk management contract positions. The dividend is primarily dependent upon commodity prices and prevailing economic conditions and is reviewed regularly by the Board of Directors.

(1) Sustaining capital refers to capital expenditures to maintain production from existing facilities up to current levels. Sustaining capital does not have any standardized meaning and therefore should not be used to make comparisons to similar measures presented by other issuers.
(2) Growth capital refers to capital expenditures that result in increased production levels at existing facilities or increased production from new facilities and infrastructure required to support higher production levels. Growth capital does not have any standardized meaning and therefore should not be used to make comparisons to similar measures presented by other issuers.

2019 Capital Program and Production

The following table details ARC's 2019 capital program by area, including capital expenditures, number of wells planned, and expected production.

2019 Budget (1)	**Total Capital Expenditures** (2) ($ millions)	**Facility and Infrastructure Expenditures** (3) ($ millions)	**Wells Drilled** (operated)	**Annualized Production** (boe/day)
Attachie	184	129	6	3,000
Dawson	299	137	39	42,000
Parkland/Tower	128	8	13	32,000
Sunrise	24	—	—	34,000
Ante Creek	95	18	12	16,000
Pembina	31	2	7	10,000
Other (4)(5)	14	—	—	1,500
Total (6)	**775**	**294**	**77**	**138,500**

(1) Includes both operated and non-operated properties.
(2) Land expenditures and net property acquisitions and dispositions are not included as these amounts are unbudgeted.
(3) Facility and infrastructure expenditures are included in total capital expenditures.
(4) Other capital comprises capitalized general and administrative ("G&A") expenses including a portion of share-based compensation plan expenses, information technology, and corporate office capital, as well as spending for ARC's non-core properties.
(5) Other production comprises production for ARC's non-core properties.
(6) Total production denotes midpoint of production guidance range of 135,000 to 142,000 boe per day.

A major component of ARC's 2019 budget is investing in infrastructure to help set the stage for meaningful liquids growth over the long term. ARC has plans to invest approximately $420 million of facility capital over the course of the next two years, which includes investment in facilities, pipelines, and water infrastructure at Attachie West, Dawson, and Ante Creek. Approximately $295 million of the $420 million of investment is planned for 2019 and the remaining $125 million is planned for 2020. The following table details processing capacities and expected on-stream dates for ARC's upcoming infrastructure projects; production through each facility will grow over a two-year period.

	Processing Capacity			
Major Infrastructure Projects	**Liquids** (1) (bbl/day)	**Natural Gas** (MMcf/day)	**Total** (boe/day)	**Expected On-stream Date**
Sunrise Phase II (2)	—	180	30,000	Q4 2018 - Q2 2019
Dawson Phase I & II Upgrade	3,000	—	3,000	Q4 2019
Dawson Phase IV	10,500	90	25,500	Q2 2020
Ante Creek 10-36 Expansion	2,500	15	5,000	Q2 2020
Attachie West Phase I	14,000	60	24,000	Q2 2021
Total	**30,000**	**345**	**87,500**	

(1) Liquids processing capacity includes processing capacities for condensate and NGLs. Ante Creek 10-36 expansion project includes processing capacity for oil.
(2) Sunrise Phase II was designed to process 180 MMcf per day of natural gas, 120 MMcf per day of which is incremental production and 60 MMcf per day of which will be moved from a third-party facility to ARC's owned-and-operated facility. Facility capital for the Sunrise Phase II expansion project was incurred in 2017 and 2018 and is not included in the $420 million of facility capital planned for 2019 and 2020.

The 2019 capital budget excludes land purchases and property acquisitions or dispositions. ARC will continue to pursue opportunities to consolidate its land position and grow its presence in key areas through land purchases and property acquisitions, and evaluate its asset portfolio on a continuous basis with a view to selling assets that do not meet ARC's investment guidelines. Through the normal course of business, acquisitions and dispositions may occur that could impact the expected production for the year.

Attachie

With its condensate-rich production profile, significantly over-pressured reservoir, and a large contiguous land position that is suited for multi-layered development, Attachie West is a leading development opportunity within ARC's portfolio. As such, ARC's Board of Directors has formally sanctioned the first phase of major development for the area. The Attachie West Phase I gas processing and liquids-handling facility will have 60 MMcf per day of natural gas processing, 10,000 barrels per day of condensate, and 4,000 barrels per day of NGLs-handling capacity. Following commissioning of the facility, ARC will integrate the infrastructure that is currently being used for piloting activities into the development plans at Attachie West. ARC is in the process of submitting the application for regulatory approval, and expects that the facility will be on-stream in the second quarter of 2021, subject to TransCanada Corporation's completion of the North Montney Mainline project which is currently expected to be on-stream in late 2019. Long-term takeaway capacity for production associated with the facility has been secured. ARC plans to obtain regulatory approval for multiple phases to expedite future development activities in the area.

The primary objective at Attachie West is to provide meaningful growth in the near term while preparing for future growth phases over the longer term. ARC plans to invest $184 million at Attachie in 2019, of which $129 million is planned for facility and infrastructure spending, including surrounding sales lines, water infrastructure, and access road upgrades. ARC also has plans to drill and complete five liquids-rich natural gas wells and one water disposal well in 2019.

ARC will continue to optimize existing production, improve capital efficiencies, and optimize completion designs in Attachie in 2019. With drilling and completion activities planned for the second half of 2019, ARC expects current production levels to decline slightly through the year as existing wells decline. ARC expects 2019 annual production to average approximately 3,000 boe per day (approximately 50 per cent condensate and NGLs and 50 per cent natural gas).

Dawson

ARC plans to invest $299 million at Dawson in 2019, setting the stage to deliver meaningful production growth over the near term through enhancements to ARC's existing Dawson Phase I and II gas processing facility and through the Dawson Phase IV gas processing and liquids-handling facility expansion. Approximately $137 million of the 2019 budget is earmarked for facility and infrastructure capital at Dawson.

Excellent production results from ARC's Lower Montney appraisal activities in 2017 and subsequent investments in 2018 unlocked significant liquids growth opportunities in the Lower Montney. As such, ARC commenced initial work on enhancements to ARC's existing Dawson Phase I and II gas processing facility during the third quarter of 2018, which will allow for increased liquids-handling capabilities. The addition of refrigeration and dehydration capabilities will allow ARC to accelerate the exploitation of the Lower Montney horizon in the core of ARC's Dawson lands and enhance the area's liquids growth profile, adding approximately 3,000 barrels per day of liquids (of which approximately 2,000 barrels per day is condensate), over time, as production in the Dawson core becomes more heavily-weighted towards the Lower Montney. ARC expects to have the facility enhancements completed by the fourth quarter of 2019.

The Dawson Phase IV gas processing and liquids-handling facility expansion is ARC's next major growth driver. The facility expansion has received regulatory approval and will add natural gas sales capacity of approximately 90 MMcf per day and have the ability to handle up to 7,500 barrels per day of condensate and 3,000 barrels per day of NGLs. Earthwork for the facility expansion commenced in the third quarter of 2018 and ARC expects to have the facility on-stream in the second quarter of 2020. Long-term takeaway capacity for production associated with the facility expansion has been secured.

To optimize cash flow generation through existing infrastructure, ARC plans to make a broad shift to the Lower Montney in 2019 by investing $151 million to drill 39 liquids-rich natural gas wells, 36 of which target the Lower Montney horizon. ARC also has plans to invest $9 million in 3D seismic to assist in the efficient development of the Dawson play.

ARC expects 2019 annual production to average approximately 42,000 boe per day (approximately 90 per cent natural gas and 10 per cent condensate and NGLs).

Parkland/Tower

ARC plans to invest $128 million at Parkland/Tower in 2019 to maximize high-value liquids production to drive free cash flow generation. ARC plans to drill eight oil wells at Tower; and five liquids-rich natural gas wells at Parkland, focused on growing liquids production from the Lower Montney horizon. All five of the Parkland wells will be produced through the Dawson Phase III gas processing and liquids-handling facility via the Parkland-Dawson pipeline interconnect. ARC expects 2019 annual production to average approximately 32,000 boe per day (approximately 60 per cent natural gas and 40 per cent light oil and liquids).

Sunrise

The key objective for the Sunrise area is to maximize free cash flow following the startup of the Sunrise Phase II gas processing facility expansion. ARC plans to invest $24 million in 2019 to complete and tie-in nine natural gas wells that were drilled in the third quarter of 2018.

The Sunrise Phase II facility is designed for 180 MMcf per day of gas processing and sales capacity, and upon completion, will bring ARC's total owned-and-operated processing and sales capacity for the entire Sunrise area to 240 MMcf per day of natural gas. Production is planned to be processed through Sunrise Phase II according to the following, approximate timeline:

- With plant commissioning activities complete, an initial 60 MMcf per day of processing capacity is available to be used in the fourth quarter of 2018.
- In the first half of 2019, an additional 60 MMcf per day of incremental processing capacity is available once final transportation arrangements have come into effect. The exact timing of the production being brought on-stream will be commodity price-dependent.
- By June 2019, 60 MMcf per day of existing natural gas production that is currently being processed through a third-party facility will be redirected to ARC's operated Sunrise Phase II facility. With increased control of ARC's Sunrise production volumes, operating expenses will be significantly reduced with the elimination of third-party processing fees.

ARC expects 2019 annual production to average in excess of 200 MMcf per day of natural gas.

Ante Creek

ARC plans to invest $95 million at Ante Creek in 2019. Building on the success of ARC's 2018 drilling program, ARC plans to drill 12 oil wells, focusing on continued capital efficiency improvements and maintaining liquids production to grow the area's free cash flow. ARC is also initiating an expansion project at the Ante Creek 10-36 facility that will increase gas processing capacity, thereby increasing the area's high-value liquids volumes. The expansion will increase gas processing capacity by approximately 15 MMcf per day in 2020, allowing light oil volumes to increase by approximately 1,500 barrels per day in 2020 and by approximately 2,500 barrels per day in 2021. ARC expects 2019 annual production to average approximately 16,000 boe per day (approximately 50 per cent light oil and liquids and 50 per cent natural gas).

Pembina

ARC plans to invest $31 million at Pembina in 2019 to grow the area's free cash flow. Given the area's favourable half-cycle economics and ability to bring on high-value, light oil production within a short payout period, ARC plans to drill seven oil wells at Pembina in 2019. Decreases in capital costs due to new well designs, as proven by ARC's 2018 drilling program, will allow ARC to drive free cash flow generation, while managing production declines through maintenance and optimization activities and waterflood management. ARC expects 2019 annual production to average approximately 10,000 boe per day (approximately 85 per cent light oil and liquids and 15 per cent natural gas).

Summary Tables

Capital Expenditures by Classification [1] ($ millions)	2017 Actual	2018 Revised Guidance	**2019** **Budget**
Development	601.7	467	**433**
Development – Facilities	170.5	153	**294**
Maintenance	24.3	33	**17**
Optimization	12.2	12	**7**
Exploration and Seismic	8.3	10	**12**
Enhanced Oil Recovery	0.7	1	**—**
Other [2]	12.0	14	**12**
Capital expenditures, before land and net property acquisitions (dispositions) [3]	829.7	690	**775**
Land and net property acquisitions (dispositions) [4]	100.1	N/A	**N/A**
Total capital expenditures, including land and net property acquisitions (dispositions)	929.8	690	**775**

(1) Includes investment in both operated and non-operated properties.
(2) Other capital comprises capitalized G&A expenses including a portion of share-based compensation plan expenses, information technology, and corporate office capital.
(3) Land expenditures and net property acquisitions and dispositions are not included as these amounts are unbudgeted.
(4) Through the nine months ended September 30, 2018, ARC spent $0.7 million on land and recorded $195.0 million in net property dispositions.

Wells Drilled (operated)	2017 Actual	2018 Revised Guidance	**2019** **Budget**
Crude oil wells	62	16	**27**
Natural gas and liquids-rich natural gas wells	59	46	**49**
Other	1	2	**1**
Total operated wells drilled	122	64	**77**

The amount and allocation of capital expenditures for exploration and development activities by area and the number and types of wells to be drilled is dependent upon results achieved and is subject to review and modifications by Management on an ongoing basis throughout the year. This budget was set based on October 2018 commodity prices and the forward strip available at that time. The Board of Directors regularly reviews the capital program during the year to incorporate prevailing market conditions, commodity prices and changing industry regulation and conditions, and will modify the 2019 capital budget during the year, if required.

Royalties, Operating Expenses, and Transportation Expenses

Royalties

ARC’s total corporate royalty rate includes all Crown, freehold, and gross overriding royalties on production volumes in the Alberta and British Columbia operating jurisdictions. ARC expects that its corporate royalty rate for 2019 will be in line with ARC's 2018 corporate royalty rate.

Operating Expenses

ARC's focused Montney asset base is characterized by a high average working interest, high operating percentage, and owned-and-operated facilities. This strategy allows ARC to not only control run-times and preserve operating netbacks with prudent and safe operations, but also allows ARC to manage a competitive cost structure through the elimination of third-party processing fees. ARC's ongoing portfolio rationalization efforts and the high-grading of its asset base has resulted in meaningful reductions to ARC's operating cost structure, notably the disposition of ARC's non-core Redwater assets in the third quarter of 2018. Full-year 2019 operating expenses are estimated to be in the range of $5.30 to $5.70 per boe.

The 2019 budget reflects the anticipated impact that IFRS 16 *Leases* ("IFRS 16") will have on ARC's operating expenses, the most significant item of note being the treatment of payments related to ARC's field vehicle leases, which will be excluded from operating expenses beginning in 2019. For further discussion on the anticipated impact that IFRS 16 will have on ARC's financial statements, refer to Note 3 *"Changes in Accounting Policies"* in ARC's financial statements and to the section entitled, *"Future Accounting Policies"* contained within ARC's Management's Discussion and Analysis ("MD&A").

Transportation Expenses

ARC's marketing strategy for natural gas focuses on both takeaway in western Canada and managing a diversification strategy that physically delivers ARC's production to multiple sales points in downstream markets. The effectiveness of this strategy is evidenced by minimal impacts to production from pipeline restrictions and strong price realizations due to a diversified sales portfolio. ARC expects full-year 2019 transportation expenses to be in line with ARC's 2018 transportation expenses as ARC continues to execute on its strategy of ensuring long-term market access for natural gas, oil, and liquids production. ARC expects full-year 2019 transportation expenses to be approximately $2.60 to $2.90 per boe. While ARC's diversification activities increase transportation expenses, the expectation is that it will be offset by higher revenue in consuming regions.

General and Administrative Expenses and Share-based Compensation

G&A expenses before share-based compensation plans are expected to be within a guided range of $1.10 to $1.30 per boe in 2019, relatively unchanged from 2018.

ARC’s 2019 budgeted G&A includes an estimated expense under its share-based compensation plans, a portion of which is dependent on ARC's share price and three-year total return relative to its peers, and therefore is subject to a high degree of volatility. G&A expenses relating to share-based compensation plans are expected to be within a guided range of $0.35 to $0.50 per boe in 2019.

The 2019 budget reflects the anticipated impact that IFRS 16 will have on ARC's G&A expenses, the most significant item of note being payments related to ARC's office space leases, which will be excluded from G&A expenses beginning in 2019. For further discussion on the anticipated impact that IFRS 16 will have on ARC's financial statements, refer to Note 3 *"Changes in Accounting Policies"* in ARC's financial statements and to the section entitled, *"Future Accounting Policies"* contained within ARC's MD&A.

Corporate Income Taxes

ARC expects to pay current income taxes of approximately two to seven per cent of funds from operations, before tax, in 2019. Current income taxes are dependent on capital spending and commodity price levels and given the sensitivity of income taxes to fluctuations in commodity prices, income taxes could exceed the guidance range if crude oil and/or natural gas prices change significantly.

Abandonment and Reclamation Activities

ARC has an active abandonment and reclamation program for inactive wells, pipelines, and leases. ARC expects abandonment and reclamation spending to be approximately $20 million in 2019 for activities throughout ARC's asset base, as ARC maintains its leadership position in environmental responsibility and manages its strong corporate liability ratios in both Alberta and British Columbia.

Dividends

ARC is focused on long-term value creation, with the monthly dividend being a key component of ARC's returns to shareholders. ARC continually assesses dividend levels in light of commodity prices and economic conditions, capital investment programs, and production volumes to ensure that dividends are in line with ARC's long-term strategy and objectives. With its strong financial position, ARC can sustain current dividend levels while targeting a payout ratio of 20 to 25 per cent. The monthly dividend of $0.05 per share is primarily dependent upon commodity prices and prevailing economic conditions and is reviewed regularly by ARC's Board of Directors.

Funding of the 2019 Capital Budget

The $775 million capital budget for 2019 was determined based on a variety of commodity price scenarios and assumes the continuation of the monthly $0.05 dividend per share through 2019. All of the approved 2019 capital expenditures are expected to provide attractive rates of return at current prevailing commodity prices.

Balance sheet strength and long-term financial flexibility continue to be top priorities for ARC, targeting a net debt to annualized funds from operations ratio of between 1.0 and 1.5 times. ARC expects to internally fund its dividend obligations and its 2019 sustaining capital requirements with a combination of cash on-hand and funds from operations generated from ARC's existing businesses, and growth capital in the 2019 budget with funds from operations, the redeployment of proceeds from ARC's non-core Saskatchewan and Redwater assets, and additional debt if necessary. ARC's risk management program will also provide a layer of protection over funds from operations and project economics, and ARC expects to continue to add risk management contract positions for future years.

2019 Guidance and Outlook

The corporate guidance for 2019 and beyond was determined based on a variety of commodity price scenarios; certain guidance estimates may fluctuate with changes in commodity prices. ARC's guidance for 2019 and beyond provides shareholders with relevant information on Management's expectations for results of operations, excluding any potential acquisitions or dispositions, for 2019 and beyond. Readers are cautioned that the guidance may not be appropriate for other purposes.

	2017 Actual	2018 Revised Guidance	**2019 Budget** (1)
Production			
Crude oil (bbl/day)	24,380	23,000 - 24,000	**18,000 - 22,000**
Condensate (bbl/day)	5,650	7,000 - 7,500	**7,500 - 8,500**
Crude oil and condensate (bbl/day)	30,030	30,000 - 31,500	**25,500 - 30,500**
Natural gas (MMcf/day)	525.8	565 - 570	**620 - 630**
NGLs (bbl/day)	5,273	6,500 - 7,000	**6,000 - 6,500**
Total (boe/day)	122,937	131,000 - 133,000	**135,000 - 142,000**
Expenses ($/boe)			
Operating	6.41	6.10 - 6.30	**5.30 - 5.70**
Transportation	2.52	2.60 - 2.80	**2.60 - 2.90**
G&A expenses before share-based compensation plans	1.31	1.25 - 1.30	**1.10 - 1.30**
G&A - share-based compensation plans (2)	0.23	0.40 - 0.55	**0.35 - 0.50**
Interest	1.01	0.80 - 1.00	**0.70 - 0.90**
Current income tax (per cent of funds from operations) (3)	2	3 - 6	**2 - 7**
Capital expenditures before land and net property acquisitions (dispositions) ($ millions) (4)	829.7	690	**775**
Land purchases and net property acquisitions (dispositions) ($ millions) (5)	100.1	N/A	**N/A**
Weighted average shares (millions)	353	353	**353**

(1) 2019 Budget amounts reflect the anticipated impact that IFRS 16 will have on ARC's operating expenses, G&A expenses, and interest expenses. IFRS 16 will be applied by ARC on January 1, 2019, using the modified retrospective transition approach. For further discussion on the anticipated impact that IFRS 16 will have on ARC's financial statements, refer to Note 3 *"Changes in Accounting Policies"* in ARC's financial statements and to the section entitled, *"Future Accounting Policies"* contained within ARC's MD&A.

(2) Comprises expenses recognized under the Restricted Share Unit and Performance Share Unit Plans, Share Option Plan, and Long-term Restricted Share Award Plan, and excludes compensation charges under the Deferred Share Unit Plan. In periods where substantial share price fluctuation occurs, ARC's G&A expenses are subject to greater volatility.

(3) The 2018 and 2019 current income tax estimates vary depending on the level of commodity prices.

(4) Land expenditures and net property acquisitions and dispositions are not included as these amounts are unbudgeted.

(5) Through the nine months ended September 30, 2018, ARC spent $0.7 million on land and recorded $195.0 million in net property dispositions.

The following table details potential outcomes over the next three years, including forecasted capital outflows, forecasted net debt to annualized funds from operations ratio, and anticipated average production CAGRs, subject to market conditions and commodity pricing.

Outlook	**2019 to 2021**
Dividend	Annual average of $210 million
Sustaining capital (1)	Annual average of $400 million
Growth capital (2)	Annual average of $350 million
Net debt to annualized funds from operations ratio	Less than 1.5 times
Anticipated production CAGRs	
Total	Greater than 10 per cent
Condensate	Greater than 40 per cent
NGLs	Greater than 25 per cent
Natural gas	Greater than 10 per cent
Crude oil	Less than 5 per cent decline

(1) Sustaining capital refers to capital expenditures to maintain production from existing facilities up to current levels. Sustaining capital does not have any standardized meaning and therefore should not be used to make comparisons to similar measures presented by other issuers.

(2) Growth capital refers to capital expenditures that result in increased production levels at existing facilities or increased production from new facilities and infrastructure required to support higher production levels. Growth capital does not have any standardized meaning and therefore should not be used to make comparisons to similar measures presented by other issuers.

Forward-looking Information and Statements

This news release is primarily comprised of forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect," "anticipate," "continue," "estimate," "objective," "ongoing," "may," "will," "project," "should," "believe," "plans," "intends," "strategy," and similar expressions are intended to identify forward-looking information and statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to ARC's internal projections, expectations or beliefs relating to future events or future performance, including: ARC's 2019 capital program by area (including planned capital expenditures, wells to be drilled, and estimates of annualized production per day in 2019); estimates of capital expenditures in major infrastructure projects in 2019 and 2020 (including processing capacities, expected on-stream dates, and corresponding production additions); estimated royalty rates and full-year 2019 operating expenses and transportation expenses per boe; G&A, share-based compensation, and interest expenses; plans to sustain current dividend levels and target payout ratio; plans to internally fund the 2019 sustaining capital requirements and dividends with cash on-hand and funds from operations generated from ARC's existing businesses; plans to fund the 2019 growth capital requirements with funds from operations, the proceeds of disposition of non-core assets and additional debt, if necessary; and for the three-year period ended December 31, 2021, estimated annual average dividends and sustaining and growth capital requirements, net debt to annualized funds from operations ratio, and compound annual growth rates for production, including by product type.

The forward-looking information and statements contained in this news release reflect several material factors, expectations and assumptions of ARC, including, without limitation: the production performance of ARC's crude oil and natural gas assets; the cost and competition for services throughout the oil and gas industry in 2019; the results of exploration and development activities during 2019; the general continuance of current industry conditions, including commodity and forward strip pricing; the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; the impact of changes in accounting policies; the accuracy of the estimates of ARC's reserves and resource volumes; certain commodity price and cost assumptions for 2018 and 2019; the continuation of the monthly $0.05 dividend per share; the retention of ARC's key properties; the continued availability of adequate debt and equity financing and funds from operations to fund its planned expenditures; and ARC's knowledge and past experience with developing major infrastructure projects will be applicable to similar projects in the future. ARC believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable, but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and 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 information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of ARC's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of ARC or by third-party operators of ARC's properties; changes in ARC's asset retention guidelines; increased debt levels or debt service requirements; inaccurate estimation of ARC's crude oil and natural gas reserve and resource volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time to time in ARC's MD&A and Annual Information Form.

The internal projections, expectations or beliefs underlying the 2019 capital budget and outlook for 2019 to 2021 is subject to change in light of ongoing results, prevailing economic circumstances, commodity prices and industry conditions and regulations. Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted. The forward-looking information and statements contained in this news release speak only as of the date of this news release, and ARC assumes no obligation to publicly update or revise such information or statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

ARC has adopted the standard of 6 Mcf:1 barrel when converting natural gas to boe. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of the 6:1 conversion ratio, utilizing the 6:1 conversion ratio may be misleading as an indication of value.

ARC Resources Ltd. is one of Canada's largest conventional oil and gas companies with an enterprise value (1) of approximately $4.9 billion. ARC's common shares trade on the TSX under the symbol ARX.

ARC RESOURCES LTD.
Myron M. Stadnyk
President and Chief Executive Officer

For further information about ARC Resources Ltd., please visit our website at www.arcresources.com
or contact:
Investor Relations
E-mail: ir@arcresources.com
Telephone: (403) 503-8600 Fax: (403) 509-6427
Toll Free: 1-888-272-4900
ARC Resources Ltd.
Suite 1200, 308 - 4th Avenue SW
Calgary, AB T2P 0H7

(1) Enterprise value is also referred to as total capitalization. Refer to Note 11 *"Capital Management"* in ARC's financial statements for the three and nine months ended September 30, 2018 and to the section entitled, *"Capitalization, Financial Resources and Liquidity"* contained within ARC's MD&A.