Advisory Statements

Forward-looking Information and Statements and Advisory Statements

This presentation contains forward-looking information as to ARC’s internal projections, expectations, or beliefs relating to future events or future performance and includes information as to ARC’s future well inventory in its core areas, its exploration and development drilling and other exploitation plans for 2020 and beyond, and related production expectations, expenditures and cash flows, the Company’s plans for constructing and expanding facilities, the volume of ARC’s crude oil and natural gas reserves and the volume of ARC’s crude oil and natural gas resources in the Montney, the recognition of additional reserves and the capital required to do so, the life of ARC’s reserves, the volume and product mix of ARC’s crude oil and natural gas production, future results from operations, and operating metrics. These statements represent Management’s expectations or beliefs concerning, among other things, future operating results and various components thereof of the economic performance of ARC. The projections, estimates, and beliefs contained in such forward-looking statements are based on Management’s assumptions relating to the production performance of ARC’s crude oil and natural gas assets, the cost and competition for services, the continuation of ARC’s historical experiences with expenses and production, changes in the capital expenditure budgets, future commodity prices, continuing access to capital, and the continuation of the current regulatory and tax regime in Canada, and necessarily involve known and unknown risks and uncertainties, such as changes in crude oil and natural gas prices, infrastructure constraints in relation to the development of the Montney, risks associated with the degree of certainty in resource assessments, and including the business risks discussed in ARC’s annual and quarterly Management’s Discussion and Analysis and other continuous disclosure documents, and related to Management’s assumptions, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Accordingly, readers are cautioned that events or circumstances could cause actual results to differ materially from those predicted. Other than the 2020 Guidance, which is discussed quarterly, ARC does not undertake to update any forward-looking information in this document whether as to new information, future events, or otherwise except as required by securities laws and regulations.

ARC has adopted the standard of six thousand cubic feet (“Mcf”) of natural gas to one barrel (“bbl”) of crude oil ratio when converting natural gas to barrels of oil equivalent (“boe”). Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 bbl 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 is significantly different from the energy equivalency of the 6 Mcf:1 bbl conversion ratio, utilizing the 6 Mcf:1 bbl conversion ratio may be misleading as an indication of value.

Throughout this presentation, crude oil refers to light, medium, and heavy crude oil product types as defined by National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (“NI 51-101”). ARC’s production of heavy crude oil is considered to be immaterial. Natural gas refers to shale gas and conventional natural gas product types as defined by NI 51-101. ARC’s production of conventional natural gas is considered to be immaterial. ARC’s core producing properties that are considered to be shale gas include Attachie, Dawson, Parkland (including parts of Tower), and Sunrise, and as such, natural gas, condensate, and natural gas liquids (“NGLs”) are disclosed. ARC’s core producing properties that are considered to be light oil refer to Ante Creek and parts of Tower, and as such, crude oil, natural gas, and NGLs are disclosed. ARC’s core producing property that is considered to be tight crude oil is Pembina, and as such, crude oil, natural gas, and NGLs are disclosed.

Throughout this presentation, when condensate is disclosed, it is done so as it is the product type that is measured at the first point of sale. As per the Canadian Oil and Gas Evaluation (“COGE”) Handbook, condensate is a by-product of the NGLs product type. NGLs by-products include ethane, butane, propane, and pentanes-plus (condensate).

Non-GAAP Measures

Throughout this presentation, ARC uses the terms netback and return on average capital employed (“ROACE”) to analyze financial and operational performance. These non-GAAP measures do not have any standardized meaning prescribed under International Financial Reporting Standards (“IFRS”) and therefore may not be comparable to similar measures presented by other issuers.

Netback

ARC calculates netback on a total and per boe basis as commodity sales from production less royalties, operating, and transportation expense. ARC discloses netback both before and after the effect of realized gain or loss on risk management contracts. Realized gain or loss represents the portion of risk management contracts that have settled in cash during the period and disclosing this impact provides Management and investors with transparent measures that reflect how ARC’s risk management program can impact its netback. Management believes that netback is a key industry benchmark and a measure of performance for ARC that provides investors with information that is commonly used by other oil and gas producers. The measurement on a per boe basis assists Management with evaluating operational performance on a comparable basis.

Return on Average Capital Employed

ARC calculates ROACE, expressed as a percentage, as net income (loss) plus interest and total income tax expense (recovery) divided by the average of the opening and closing capital employed for the 12 months preceding period and. Capital employed is the total of net debt plus shareholders’ equity. ROACE since inception is the annual average net income (loss) plus interest and total income tax expense (recovery) for the years 1996 to 2020 YTD divided by the average of the opening and closing capital employed over the same period. Refer to the “Capital Management” note in ARC’s financial statements for additional discussion on net debt. ARC uses ROACE as a measure of long-term operational performance, to measure how effectively Management utilizes the capital it has been provided and to demonstrate to shareholders the sustainability of its business model and that capital has been invested profitably over the long term.

Corporate Profile

Corporate Summary

Q1 2020 Production 2019 Proved + Probable Reserves

<table>
<thead>
<tr>
<th></th>
<th>2019 Proved + Probable Reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude oil</td>
<td>152 Mboe/day</td>
</tr>
<tr>
<td>Condensate</td>
<td>11%</td>
</tr>
<tr>
<td>NGLs</td>
<td>9%</td>
</tr>
<tr>
<td>Natural gas</td>
<td>76%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019 Proved + Probable Reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude oil</td>
<td>910 MMboe</td>
</tr>
<tr>
<td>Condensate and pentanes plus</td>
<td>9%</td>
</tr>
<tr>
<td>NGLs</td>
<td>9%</td>
</tr>
<tr>
<td>Natural gas</td>
<td>76%</td>
</tr>
</tbody>
</table>

Asset Snapshot

ARC holds ~1,000 net Montney sections (~636,000 acres)

BC

AB

 Greater Sunrise Area

Greater Dawson Area

Ante Creek

Pembina

Founded July 11, 1996

Ticker symbol  TSX : ARX

Average daily trading volume (1)  5.3 million

Shares outstanding  353 million

Enterprise value (2)  $3.0 billion

Net debt as at March 31, 2020 (3)  $1,079.7 million

Net debt to funds from operations (3)(4)  1.7 times

Quarterly dividend  $0.06/share

Dividends paid since inception  $6.6 billion

(1) Average daily trading volume for the six months ended May 29, 2020.
(2) Market capitalization as at May 29, 2020 and net debt as at March 31, 2020.
(3) Refer to the “Capital Management” note in ARC’s financial statements.
(4) Based on net debt as at March 31, 2020 and annualized funds from operations for the three months ended March 31, 2020.

ARC is a Canadian Oil and Gas Producer in Its 23rd Year of Delivering on Its Disciplined, Returns-focused Value Proposition
Corporate Strategy

ARC's Consistent Strategy Is Steadfast amid Uncertain Economic Environment and Remains Focused on Long-term Corporate Profitability

Current Commodity Price Environment

<table>
<thead>
<tr>
<th>Natural Gas Production Strategy</th>
<th>Crude Oil &amp; Liquids Production Strategy</th>
<th>Corporate Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bring Dawson Phase IV on-stream</td>
<td>Reduce operational output from areas with higher operating expense</td>
<td></td>
</tr>
<tr>
<td>Maximize low-cost Montney natural gas production</td>
<td>Preserve liquids production and netback until commodity prices recover</td>
<td></td>
</tr>
<tr>
<td>~40% of anticipated natural gas production hedged for the remainder of 2020</td>
<td>~70% of anticipated crude oil and condensate production hedged for the remainder of 2020</td>
<td></td>
</tr>
</tbody>
</table>

ARC Is Actively Managing Its Production Based on Prevailing Commodity Prices
ARC Is Positioned to Endure This Period of Economic Uncertainty and Remain in a Position of Financial Strength

2020 Capital Budget Reduced by 40%

Business Sustainability

- Low cost structure and operational flexibility
- Commodity optionality and robust market diversification activities
- Strong balance sheet with ample liquidity
- Invest in profitable growth when it makes sense to do so

2020 Dividend Reduced by 60%

Business Sustainability

- Low cost structure and operational flexibility
- Commodity optionality and robust market diversification activities
- Strong balance sheet with ample liquidity
- Invest in profitable growth when it makes sense to do so

ARC Has One of the Strongest Balance Sheets in the Sector and Targets Its Net Debt to Funds from Operations to Be between 1.0 and 1.5 Times over the Long Term
Significant Liquidity

ARC Has Ample Liquidity to Sustain Its Business

Cash & Existing Credit Capacity

- **$2.2 Billion Total Cash & Existing Credit Capacity**
  - Drawn Credit Facility: $122MM
  - Undrawn Master Shelf: $318MM
  - Cash & Cash Equivalents: $50MM
  - Credit Facility: $868MM
  - Long-term Notes: $644MM

- **Drawn Master Shelf: $210MM**
- **Undrawn Master Shelf: $318MM**
- **Drawn Credit Facility: $122MM**
- **Undrawn Credit Facility: $868MM**

(1) As at March 31, 2020.
(2) Assumes Cdn$/US$ of $1.4120.
(3) Credit Facility includes $40 million working capital facility.
(4) Non-cash working capital not included.

Bank Credit Facility
- $950 million committed credit facility plus $40 million working capital facility
- $122 million drawn at March 31, 2020
- 11 banks included in syndicate
- Credit facility matures in 2023

Long-term Notes & Master Shelf
- US$375 million Master Shelf agreement
- Private Placement market
- Notes are rated NAIC 2+
- Repayments structured to mature over a number of years to reduce financing risk

ARC Has Delivered a ~9% ROACE since Inception

Long-term Corporate Profitability

Return on Average Capital Employed

- **ROACE**
- **Trailing Three-year ROACE**

Delivering Full-cycle Asset Level Returns

- **Single-well Economics (Half-cycle)**
- **After-tax Rate of Return**
- **Target Double-digit Return on Average Capital Employed**

(1) Non-GAAP measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Refer to "Non-GAAP Measures" in the Advisory Statements to this presentation.
Capital Allocation Priorities and Principles

**Capital Allocation Priorities**

- Funds from Operations
- Capital Expenditures
- Dividend $85MM/year

**Capital Allocation Principles**

- Manage net debt to funds from operations ratio within 1.0 to 1.5x
- Pay meaningful dividend and grow funds from operations per share
- Maintain a low cost structure and corporate decline rate
- Develop profitable projects
- Continue to implement physical and financial diversification strategy

Protect the Balance Sheet, Support the Dividend, Prioritize Capital Investments That Drive Long-term Value and Profitability

Historical Capital Allocation and Outlook

**2016 to 2019 Capital Allocation**

- Inflows
- Outflows

**2020 Forecasted Capital Allocation**

- Inflows
- Outflows

ARC Anticipates to Generate Surplus Funds from Operations That Will Fund Its Dividend and Capital Requirements in 2020

05/29/2020
ARC's Vision for the Future

Production (Mboe/day)

- 2017: 123 Mboe/day
- 2018: 133 Mboe/day
- 2019: 139 Mboe/day
- 2020F: 150 to 155 Mboe/day

Capital Expenditures ($ millions)

- 2017: $830 million
- 2018: $679 million
- 2019: $692 million
- 2020F: <$300 million

ARC Has Moved Towards a Larger Production Base with Lower Capital Expenditures

2020 Guidance (1)

- Invest up to $300 million
- to bring Dawson Phase IV and Ante Creek expansion on-stream in Q2 and to focus on dry gas development
- 33,000 – 37,500 bbl/day of liquids production
- 705 – 710 MMcf/day of natural gas production (2)
- to produce 150,000 – 155,000 boe/day (2)
- and drill 31 gross operated wells
- with low operating expense of $4.55 – $4.95/boe
- While ensuring the safe and responsible execution of the capital program
- Allowing ARC to:
  - Maintain Balance Sheet Strength
  - Create Shareholder Value
  - Advance Strong ESG Performance including Publication of ESG Report in Q3 2020

(1) Given ongoing uncertainty, continued market volatility, and the potential for both voluntary and involuntary production curtailments over the coming months, there is considerable uncertainty embedded into ARC’s 2020 guidance items.
(2) Does not incorporate the potential impact that third-party transportation restrictions may have on ARC's natural gas production.

Reducing Capital Expenditures by 57% and Delivering 10% Increase in Production Relative to 2019
2020 Budget of up to $300 Million

**Dawson Phase IV and Ante Creek Facility Expansion Completed in Q1 2020**

Most Significant Amount of Remaining Capital Being Directed at Low-cost Sunrise Natural Gas Property

- **Attachie**
  - $30MM • 7 wells
  - ~5,000 boe/day
  - Optimize pad profitability with implementation of next generation of well design

- **Pembina**
  - $8MM • 7 wells
  - ~10,000 boe/day
  - Preserve light oil production until commodity prices recover

- **Ante Creek**
  - $65MM • 7 wells
  - ~17,000 boe/day
  - Expansion at Ante Creek facility brought on-stream in Q2 2020

- **Parkland/Tower**
  - $63MM • 8 wells
  - ~27,500 boe/day
  - Drilling and completions activities deferred until commodity prices recover

- **Dawson**
  - $87MM • 9 wells
  - ~56,000 boe/day
  - Phase IV facility brought on-stream in Q2 2020; maximize natural gas production

- **Sunrise**
  - $35MM • 7 wells
  - ~36,000 boe/day
  - Maximize natural gas production through owned-and-operated facilities

- **Pembina**
  - $8MM • 7 wells
  - ~10,000 boe/day
  - Preserve light oil production until commodity prices recover

Note: Well-counts denote wells drilled in calendar year; number of wells with completion activities in calendar year may vary.

World-class Montney Resource

**Montney Optionality**
- Geographic Optionality
- Egress Optionality
- Commodity Optionality
- Multi-layer Optionality

**Significant Montney Inventory**

<table>
<thead>
<tr>
<th>Wells Drilled to YE 2019</th>
<th>2P Booked Locations</th>
<th>Internal Inventory Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1,600</td>
<td>3,200</td>
</tr>
<tr>
<td>4,800</td>
<td>6,400</td>
<td></td>
</tr>
</tbody>
</table>

(1) Subject to change based on technology and economic environment.

ARC Has Identified over 4,500 Future Drilling Locations across Its Montney Assets
Multiple Layers to Develop

Up to 1,000 Feet Thick, ARC’s Montney Assets Have Significant Future Delineation Opportunities

Top-tier Montney Economics

Montney Natural Gas Break-evens (Cdn$/Mcf) \(^{1}(2)\)

Q1 2020 Average Realized Natural Gas Price including Gain on Risk Management Contracts: $2.14/Mcf

Q1 2020 Average Realized Natural Gas Price: $2.05/Mcf

<table>
<thead>
<tr>
<th>Montney Natural Gas Break-evens (Cdn$/Mcf)</th>
<th>Montney Liquids Break-evens (US$/bbl) (^{1}(2))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2020 Average Realized Natural Gas Price including Gain on Risk Management Contracts: $2.14/Mcf</td>
<td>Q1 2020 Average Realized Condensate Price: $43.35/bbl</td>
</tr>
<tr>
<td>Q1 2020 Average Realized Natural Gas Price: $2.05/Mcf</td>
<td>Q1 2020 Average Realized Crude Oil Price: $36.34/bbl</td>
</tr>
</tbody>
</table>

Low Cost Structure Supports Strong Economics in Stable Pricing Environment

05/29/2020
Cost Management & Decline Rate

### Three-year PDP FD&A Costs ($/boe) (1)(2)(3)

![Bar chart showing three-year PDP FD&A Costs for different groups and companies.](chart)

### 2019 Operating Expense ($/boe) (4)(5)

![Bar chart showing 2019 Operating Expense for different groups and companies.](chart)

### 2020E Corporate Decline Rates (6)

![Bar chart showing 2020E Corporate Decline Rates for different groups and companies.](chart)

---

**Low-cost Producers with a Low Decline Rate Deliver Superior Returns over Time**

---

Risk Management Program

### Realized Gain (Loss) on Risk Management Contracts (1)(2)

![Bar chart showing realized gain (loss) on risk management contracts.](chart)

---

Program Executed with a Long-term View

---

(2) Refer to ARC’s Annual Information Form for information pertaining to ARC’s finding and development costs.
(3) Three-year PDP FD&A Costs peer group includes: BNP, BTE, CPG, PEY, POU, TOU, VII, WCP.
(4) 2019 Operating Expense from company reports and represent data for the year ended December 31, 2019.
(5) 2019 Operating Expense peer group includes: BNP, BTE, CPG, ERF, PEY, POU, TOU, VET, VII, WCP.

---

**Risk Management Program**

### Realized Gain (Loss) on Risk Management Contracts (1)(2)

![Bar chart showing realized gain (loss) on risk management contracts.](chart)

---

Program Executed with a Long-term View

---

(1) 2020 Forecast values based on actuals for the three months ended March 31, 2020 and forecast for April through December 2020 based on the forward strip pricing curve as at March 31, 2020 (net of credit adjustment); 2021 to 2024 Forecast values based on the forward strip pricing curve as at March 31, 2020 (net of credit adjustment).
(2) Refer to the “Financial Instruments and Market Risk Management” note in ARC’s financial statements and the section entitled, “Risk Management” contained within ARC’s MD&A.
(3) Realized pricing is based on annual average settlements.
Financial Price Management

~70% of Crude Oil & Condensate Hedged for the Balance of 2020

~40% of Natural Gas Hedged for the Balance of 2020

Hedging Program Continues to Mitigate Volatility in Funds from Operations

Natural Gas Financial and Physical Price Management

WCSB Demand & Export Capacity Growth (1)

5.6 Bcf/day Demand & Export Capacity Growth Expected by 2024

- LNG Canada Phase 1 +2.1 Bcf/day by 2024
- Intra-Alberta Demand +1.5 Bcf/day by 2024
- Enbridge T-South Capacity +0.2 Bcf/day by 2021
- NGTL East Gate Capacity +1.3 Bcf/day by 2024
- NGTL West Gate Capacity +0.5 Bcf/day by 2023

ARC’s Natural Gas Price and Diversification (2)(3)(4)

ARC is Increasing Its Exposure to Local Pricing Given Structural Improvements to WCSB

(1) Source: ARC Risk Research, TC Energy, Enbridge, company reports.
(2) Realized gain on risk management contracts is not included in ARC’s realized natural gas price.
(3) Based on internal production assumptions and adjusted for ARC’s heat content.
(4) “Hedged” includes all physical and financial fixed price swaps and collars at AECO, Station 2, and Henry Hub.
ARC’s ESG Excellence

Canadian Energy Sector Is Regulated by Some of the Highest Standards and Is a Clean, Ethical Energy Source
ARC Ranks among the Highest in the World on Sustainability Performance

Oil and Gas Companies’ Relative ESG Rankings (1)

Emissions Management Strategy

Proactively focus on reducing GHG intensity
Set GHG emissions intensity reduction target
Incorporate emissions management solutions into project planning

2018 GHG Emissions Intensity Benchmarking (1)

ARC Expects to Significantly Exceed Its 25 Per Cent GHG Emissions Intensity Reduction Target
ARC’s Water Management Strategy Is Centred around Responsibility, Sustainability, and Profitability

Water Management Strategy in Action

- $55 million of water infrastructure investments in ARC’s Montney operations since 2017 to add 700,000 m³ of water storage capacity
- Freshwater usage reduced by 25 per cent from 2017 to 2018

Strong Safety Performance

- Strong safety performance is the result of well-planned and executed operations and alignment with strong service providers

ARC Employees Have Gone Six Years Without a Lost-time Incident
Owned-and-operated Infrastructure

Owned-and-operated Infrastructure Affords ARC Greater Control over Its Cost Structure and Liquids Recoveries

Core Montney:
- Facility Investment of ~$815 million
- 645 MMcf/day of Natural Gas Capacity
- 33.5 Mbbl/day of Liquids Capacity

NE BC
- Parkland/Tower Phase I
- Dawson Phase III & IV
- Sunrise Phase I & II
- Dawson Phase I & II

AB
- Ante Creek Phase I

Resource Potential and Scalability

ARC has:
- ~1,000 net Montney sections (~636,000 acres)
- Over 4,500 future drilling locations identified across the Montney
- Commodity, geographic, and multi-layer optionality

Scalability Allows for Profitable Growth to Generate Sustainable Funds from Operations and Maintain Financial Strength

2019

Future Development Projects
Dawson Phase IV & Ante Creek Expansion
Base Production (Montney & Cardium)
Sunrise Overview

**Snapshot**

- **Sunset**

- **Sunrise Phase I**
  - Montney Natural Gas Processing Capacity
  - Cost: $35 million (12%)
  - Wells: 7 (23%)
  - Production: ~36 Mboe/day (24%)

**Development Plan**

- Operate Sunrise Phase I & II facility at or near processing capacity of 240 MMcf per day through 2020 to capitalize on strong natural gas pricing
- Expect area’s operating expense to be less than $0.30 per Mcf

**2020 Development Focus**

<table>
<thead>
<tr>
<th>Capital Budget</th>
<th>Planned Wells</th>
<th>Expected Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>$35 million (12%)</td>
<td>7 wells (23%)</td>
<td>~36 Mboe/day (24%)</td>
</tr>
<tr>
<td>&lt; $300 million (1)</td>
<td>31 wells (1)</td>
<td>150 to 155 Mboe/day (1)</td>
</tr>
</tbody>
</table>

(1) Denotes corporate total for capital budget, planned wells, and expected production for 2020.

**Infrastructure Build-out**

- Montney Natural Gas Processing Capacity

Greater Dawson Area Overview

**Snapshot**

- **Sunset**

- **Sunrise Phase I & II**
  - Montney Natural Gas Processing Capacity
  - Cost: $35 million (50%)
  - Wells: 17 (55%)
  - Production: ~83.5 Mboe/day (55%)

**Development Plan**

- Completed the Dawson Phase IV project which was brought on-stream in Q2 2020
- Maximize natural gas production to capitalize on strong natural gas prices

**2020 Development Focus**

<table>
<thead>
<tr>
<th>Capital Budget</th>
<th>Planned Wells</th>
<th>Expected Production</th>
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<td>~83.5 Mboe/day (55%)</td>
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<tr>
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<td>31 wells (1)</td>
<td>150 to 155 Mboe/day (1)</td>
</tr>
</tbody>
</table>

(1) Denotes corporate total for capital budget, planned wells, and expected production for 2020.

**Infrastructure Build-out**

- Montney Natural Gas Processing Capacity
- Montney Crude Oil & Liquids Processing Capacity

Large Integrated Network of Owned-and-operated Infrastructure

05/29/2020
Lower Montney Development and Liquids Growth

Greater Dawson Area

**Large Resource in Place**
- 23 Tcf\(^{(1)}\) of resources in lower Montney
- 105 MMbbl of contingent resource NGLs, of which 71 MMbbl is condensate \(^{(1)(2)}\)
- North Dawson & Parkland CGR: ~150 bbl/MMcf
- Core Dawson CGR: ~40 bbl/MMcf
- 300+ drilling locations at Dawson
- 250+ drilling locations at Parkland/Tower

**Tiered Inventory**

**Strong Return on Investment**
- Prioritize wells based on return on investment
- Lower Montney wells have strong IRR and one-year payout

---

(1) Total Petroleum Initially-in-Place as at December 31, 2018.
(2) NGLs volumes are Unrisked Best Estimate Economic Contingent Resource as at December 31, 2018.

Integrated Approach to Development in Greater Dawson Area Allows ARC to Optimize Infrastructure Capacities to Maximize Profitability

Greater Dawson Area Strong Condensate Results

**Greater Dawson Area Condensate Performance**

<table>
<thead>
<tr>
<th>Type Curve</th>
<th>NGLs [C2, C3, C4] EUR (Mbbl)</th>
<th>Condensate EUR (Mbbl)</th>
<th>Natural Gas EUR (Bcf)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Montney Low End</td>
<td>10</td>
<td>30</td>
<td>7.3</td>
</tr>
<tr>
<td>Upper Montney High End</td>
<td>105</td>
<td>85</td>
<td>5.9</td>
</tr>
<tr>
<td>Lower Montney Low End</td>
<td>110</td>
<td>100</td>
<td>6.0</td>
</tr>
<tr>
<td>Lower Montney High End</td>
<td>80</td>
<td>240</td>
<td>2.4</td>
</tr>
</tbody>
</table>

Strong Range of Condensate Outcomes from Both Upper and Lower Montney Development
Optimizing Dawson Lower Montney Development

Technology Has Enhanced Profitability through Improved EURs, Better Capital Efficiency, and Lower F&D Costs

Estimated Ultimate Recovery

Capital Efficiency

Well Costs

Finding and Development Costs

Dawson Phase IV On-stream

Commissioning Activities Completed in Q1 2020 and Facility Brought On-stream in Q2 2020
Ante Creek Overview

**Snapshot**
- Completed Ante Creek facility expansion which was brought on-stream in Q2 2020
- Preserve light oil production until prices recover

**Development Plan**
- **2020 Development Focus**
  - Capital Budget: $65 million (22%)
  - Planned Wells: 7 wells (23%)
  - Expected Production: 150 to 155 Mboe/day (11%)

**Infrastructure Build-out**
- Montney Natural Gas Processing Capacity
- Montney Crude Oil & Liquids Processing Capacity

**Capital Budget**
- Pembina North Montney Mainline
  - 8.9 Bbbl liquids and 32 Tcf gas in place (1)

**Expected Production**
- ~17 Mboe/day

**Planned Wells**
- 31 wells

**Low-risk Montney Light Oil Development**

Attachie Overview

**Snapshot**
- Three wells from Attachie 2-27 Phase I pad have cumulatively produced 250,000 barrels of condensate and 815 MMcf of natural gas over 140 days of production
- Solution has been put in place to address the minimal amounts of sour gas that was being observed

**Development Plan**
- **2020 Development Focus**
  - Capital Budget: $30 million (10%)
  - Planned Wells: 5 wells (0%)
  - Expected Production: 5 Mboe/day (3%)

**Infrastructure Build-out**
- Montney Natural Gas Processing Capacity
- Montney Crude Oil & Liquids Processing Capacity

**Capital Budget**
- Attachie West Phase I
  - <$300 million (2)

**Expected Production**
- ~5 Mboe/day

**Planned Wells**
- 31 wells

**Strong CGR of 300 Barrels per MMcf for Three Newest Wells on Production**
Continuous Improvement in Pad and Well Design

<table>
<thead>
<tr>
<th>Pad and Well Design Evolution</th>
<th>Cumulative Condensate Production</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2016</strong>&lt;br&gt;13-26 Well Unconstrained</td>
<td>![Cumulative Condensate Production Graph]</td>
</tr>
<tr>
<td><strong>2017</strong>&lt;br&gt;B13-26 Well Unconstrained</td>
<td></td>
</tr>
<tr>
<td><strong>2018</strong>&lt;br&gt;13-14 Pad 150 metre Spacing</td>
<td></td>
</tr>
<tr>
<td><strong>2019</strong>&lt;br&gt;2-27 Pad Phase I 300 metre Spacing</td>
<td></td>
</tr>
<tr>
<td><strong>2019</strong>&lt;br&gt;2-27 Pad Phase II 200 metre Spacing</td>
<td></td>
</tr>
</tbody>
</table>

(1) Due to facility constraints, only three of the four wells on 2-27 Pad Phase I have been producing consistently. Over 140 days of production, the three wells have produced approximately 250,000 barrels of condensate and approximately 815 MMcf of natural gas.

Initial Well Results from Newest Pad Have Validated Pad and Well Design Changes

Advancing Attachie towards Commercialization

<table>
<thead>
<tr>
<th>Technical</th>
<th>Commercial</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong liquids deliverability</td>
<td>Commodity egress</td>
<td>Balance sheet</td>
</tr>
<tr>
<td>Improved capital efficiencies</td>
<td>Regulatory</td>
<td>Maximize profitability</td>
</tr>
<tr>
<td>Competitor activity</td>
<td>Support infrastructure</td>
<td>Project readiness</td>
</tr>
</tbody>
</table>

ARC Is Progressing the Technical, Commercial, and Funding Aspects of Attachie West Phase I
Pembina Overview

Snapshot

- High Interest Light Oil Production

- $8 million (3%)
- 0 wells (0%)
- ~10 Mboe/day (7%)

Development Plan

- Preserve light oil production until prices recover

2020 Development Focus

- Capital Budget: <$300 million (1)
- Planned Wells: 31 wells (1)
- Expected Production: 150 to 155 Mboe/day (1)

Q1 2020 Production Split

- 75%
- 10.5 Mboe/day
- 19%
- 2%
- NGLs
- Natural gas

Additional Information

05/29/2020
### 2020 Guidance (1)

<table>
<thead>
<tr>
<th>Production</th>
<th>2020 Original Guidance</th>
<th>2020 Revised Guidance</th>
<th>2020 YTD Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude oil (bbl/day)</td>
<td>15,000 - 17,000</td>
<td>14,000 - 16,000</td>
<td>16,997</td>
</tr>
<tr>
<td>Condensate (bbl/day)</td>
<td>12,000 - 14,000</td>
<td>11,000 - 13,000</td>
<td>11,262</td>
</tr>
<tr>
<td>Crude oil and condensate (bbl/day)</td>
<td>27,000 - 31,000</td>
<td>25,000 - 29,000</td>
<td>28,259</td>
</tr>
<tr>
<td>Natural gas (MMcf/day)</td>
<td>715 - 725</td>
<td>705 - 710</td>
<td>692.2</td>
</tr>
<tr>
<td>NGLs (bbl/day)</td>
<td>8,500 - 9,000</td>
<td>8,000 - 8,500</td>
<td>8,152</td>
</tr>
<tr>
<td>Total production (boe/day)</td>
<td>155,000 - 161,000</td>
<td>150,000 - 155,000</td>
<td>151,783</td>
</tr>
</tbody>
</table>

### Expenses ($/boe)

<table>
<thead>
<tr>
<th>Category</th>
<th>2020 Original Guidance</th>
<th>2020 Revised Guidance</th>
<th>2020 YTD Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>4.55 - 4.95</td>
<td>4.55 - 4.95</td>
<td>4.40</td>
</tr>
<tr>
<td>Transportation</td>
<td>3.10 - 3.30</td>
<td>3.10 - 3.30</td>
<td>2.85</td>
</tr>
<tr>
<td>G&amp;A expense before share-based compensation expense</td>
<td>1.00 - 1.20</td>
<td>1.00 - 1.20</td>
<td>1.22</td>
</tr>
<tr>
<td>G&amp;A - share-based compensation expense (3)</td>
<td>0.30 - 0.45</td>
<td>0.30 - 0.45</td>
<td>(0.11)</td>
</tr>
<tr>
<td>Interest and financing (4)</td>
<td>0.65 - 0.80</td>
<td>0.65 - 0.80</td>
<td>0.77</td>
</tr>
</tbody>
</table>

### Current income tax expense (recovery) as a per cent of funds from operations (5)

- Operating: (2) - 3
- Transportation: (2) - 3
- G&A: (2)

### Capital expenditures before land and net property acquisitions (dispositions) ($ millions)

- Operating: 500
- Transportation: 300
- G&A: 169.8

---

**2020 Capital Program Was Reduced to Protect ARC’s Strong Balance Sheet**

---

### Asset Details

**Sunrise**

- Net production – Q1 2020
  - Crude oil & liquids (bbl/day): 28
  - Natural gas (MMcf/day): 255.3
  - Total (boe/day): 42,571

**Dawson**

- Net production – Q1 2020
  - Crude oil & liquids (bbl/day): 7,290
  - Natural gas (MMcf/day): 10,397
  - Total (boe/day): 15,000

**Parkland/Tower**

- Net production – Q1 2020
  - Crude oil & liquids (bbl/day): 10,397
  - Natural gas (MMcf/day): 31,410
  - Total (boe/day): 41,807

**Ante Creek**

- Net production – Q1 2020
  - Crude oil & liquids (bbl/day): 7,804
  - Natural gas (MMcf/day): 15,038
  - Total (boe/day): 22,842

**Attachie**

- Net production – Q1 2020
  - Crude oil & liquids (bbl/day): 2,173
  - Natural gas (MMcf/day): 3,523
  - Total (boe/day): 5,696

**Pembina**

- Net production – Q1 2020
  - Crude oil & liquids (bbl/day): 8,531
  - Natural gas (MMcf/day): 10,538
  - Total (boe/day): 19,069

---

**Diversified Commodity Mix across Asset Portfolio Provides Optionality**

---

(1) Given ongoing uncertainty, continued market volatility, and the potential for both voluntary and involuntary production curtailments over the coming months, there is considerable uncertainty embedded into ARC’s 2020 guidance items.

(2) 2020 Guidance does not incorporate the potential impact that third-party transportation restrictions may have on ARC’s natural gas production.

(3) 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 expense under the Deferred Share Unit Plan.

In periods where substantial share price fluctuation occurs, G&A expense is subject to greater volatility.

(4) Excludes accretion of asset retirement obligation.

(5) The current income tax estimate varies depending on the level of commodity prices.
Transformation of ARC’s Business

Montney Transformation Has Allowed ARC to Manage a Profitable Business through Commodity Price Cycles

Note Repayment Schedule

Long-term Note Repayments Structured to Mature over a Number of Years to Reduce Financing Risk

(1) Assumes USD/Cdn$ exchange rate of 1.412 at March 31, 2020.

05/29/2020
## Risk Management Contract Positions

### Crude Oil – WTI

<table>
<thead>
<tr>
<th>Year</th>
<th>Ceiling</th>
<th>Floor</th>
<th>Sold Floor</th>
<th>Swap</th>
<th>Nominal Amount (US$ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>70.27</td>
<td>62.32</td>
<td>56.21</td>
<td>49.96</td>
<td>18,282</td>
</tr>
<tr>
<td>2021</td>
<td>71.05</td>
<td>63.00</td>
<td>57.29</td>
<td>50.35</td>
<td>19,992</td>
</tr>
<tr>
<td>2022</td>
<td>71.50</td>
<td>63.50</td>
<td>57.80</td>
<td>50.80</td>
<td>19,992</td>
</tr>
<tr>
<td>2023</td>
<td>72.00</td>
<td>64.00</td>
<td>58.30</td>
<td>51.30</td>
<td>19,992</td>
</tr>
<tr>
<td>2024</td>
<td>72.50</td>
<td>64.50</td>
<td>58.80</td>
<td>51.80</td>
<td>19,992</td>
</tr>
</tbody>
</table>

### Crude Oil – CDN$ WTI

<table>
<thead>
<tr>
<th>Year</th>
<th>Ceiling</th>
<th>Floor</th>
<th>Sold Floor</th>
<th>Nominal Amount (US$ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>66.38</td>
<td>58.94</td>
<td>54.32</td>
<td>12,500</td>
</tr>
<tr>
<td>2021</td>
<td>67.00</td>
<td>59.50</td>
<td>55.50</td>
<td>12,500</td>
</tr>
<tr>
<td>2022</td>
<td>67.50</td>
<td>59.99</td>
<td>55.99</td>
<td>12,500</td>
</tr>
<tr>
<td>2023</td>
<td>68.00</td>
<td>60.50</td>
<td>56.50</td>
<td>12,500</td>
</tr>
<tr>
<td>2024</td>
<td>68.50</td>
<td>61.00</td>
<td>57.00</td>
<td>12,500</td>
</tr>
</tbody>
</table>

### Crude Oil - MSW (Differential to WTI)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ceiling</th>
<th>Floor</th>
<th>Swap</th>
<th>Nominal Amount (US$ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>(7.00)</td>
<td>(10.20)</td>
<td>(8.21)</td>
<td>1,000</td>
</tr>
<tr>
<td>2021</td>
<td>(6.50)</td>
<td>(9.50)</td>
<td>(8.00)</td>
<td>1,000</td>
</tr>
<tr>
<td>2022</td>
<td>(6.00)</td>
<td>(8.50)</td>
<td>(7.50)</td>
<td>1,000</td>
</tr>
<tr>
<td>2023</td>
<td>(5.50)</td>
<td>(7.00)</td>
<td>(6.50)</td>
<td>1,000</td>
</tr>
<tr>
<td>2024</td>
<td>(5.00)</td>
<td>(6.50)</td>
<td>(6.00)</td>
<td>1,000</td>
</tr>
</tbody>
</table>

### Natural Gas - Henry Hub

<table>
<thead>
<tr>
<th>Year</th>
<th>Ceiling</th>
<th>Floor</th>
<th>Sold Floor</th>
<th>Swap</th>
<th>Nominal Amount (US$ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>2.93</td>
<td>2.55</td>
<td>2.17</td>
<td>1.66</td>
<td>281,651</td>
</tr>
<tr>
<td>2021</td>
<td>2.92</td>
<td>2.54</td>
<td>2.16</td>
<td>1.65</td>
<td>281,651</td>
</tr>
<tr>
<td>2022</td>
<td>2.91</td>
<td>2.53</td>
<td>2.15</td>
<td>1.64</td>
<td>281,651</td>
</tr>
<tr>
<td>2023</td>
<td>2.90</td>
<td>2.52</td>
<td>2.14</td>
<td>1.63</td>
<td>281,651</td>
</tr>
<tr>
<td>2024</td>
<td>2.89</td>
<td>2.51</td>
<td>2.13</td>
<td>1.62</td>
<td>281,651</td>
</tr>
</tbody>
</table>

### Natural Gas – AECO 7A

<table>
<thead>
<tr>
<th>Year</th>
<th>Ceiling</th>
<th>Floor</th>
<th>Nominal Amount (US$ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>3.08</td>
<td>2.00</td>
<td>50,109</td>
</tr>
<tr>
<td>2021</td>
<td>3.06</td>
<td>1.99</td>
<td>50,109</td>
</tr>
<tr>
<td>2022</td>
<td>3.04</td>
<td>1.98</td>
<td>50,109</td>
</tr>
<tr>
<td>2023</td>
<td>3.02</td>
<td>1.97</td>
<td>50,109</td>
</tr>
<tr>
<td>2024</td>
<td>3.00</td>
<td>1.96</td>
<td>50,109</td>
</tr>
</tbody>
</table>

### Total Natural Gas Volumes (MMBtu/day)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Volumes (MMBtu/day)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>77,992</td>
</tr>
<tr>
<td>2021</td>
<td>77,992</td>
</tr>
<tr>
<td>2022</td>
<td>77,992</td>
</tr>
<tr>
<td>2023</td>
<td>77,992</td>
</tr>
<tr>
<td>2024</td>
<td>77,992</td>
</tr>
</tbody>
</table>

### Foreign Exchange Contract

<table>
<thead>
<tr>
<th>Year</th>
<th>Settlement Date</th>
<th>Nominal Amount (US$ millions)</th>
<th>Ceiling</th>
<th>Floor</th>
<th>Variable Rate Collar</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>August 24, 2020</td>
<td>24</td>
<td>0.80</td>
<td>0.20</td>
<td>0.2771</td>
</tr>
</tbody>
</table>

### Produced Reserves Replacement

- **Strong 2019 development 2P reserve adds, with 164 per cent of produced reserves replaced**
- **Finding and development costs of $4.82/boe for proved plus probable reserves and $9.74/boe for total proved reserves**
- **150 Per Cent Reserves Replacement or Greater for 12th Consecutive Year**

---

1. The prices and volumes in this table represent averages for several contracts representing different periods. The average price for the portfolio of options listed above does not reflect the variance found within the individual option contracts. Viewing the average price of a group of options is purely for indicative purposes. All positions are financially settled against the benchmark prices.
2. The swaption allows the counterparty, at a specified future date, to enter into a swap with ARC at the above-detailed terms. These volumes are not included in the total commodity volumes until such time that the option is exercised.
3. Crude oil prices referenced to WTI, multiplied by the WM/Reuters Intra-day Cdn$/US$ Foreign Exchange Spot Rate as of Noon Eastern Standard Time.
4. MSW differential refers to the discount between WTI and the mixed sweet crude grade at Edmonton.
5. Natural gas prices referenced to NYMEX Henry Hub Last Day Settlement.
6. ARC has entered into basis swaps at locations other than AECO.
7. Variable rate collar whereby if Cdn$/US$ spot rate is below $1.2771 at expiry, the ceiling will readjust to $1.3058.
Key Reserve Information (1)

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proved Producing</td>
<td>258 MMboe</td>
</tr>
<tr>
<td>Total Proved</td>
<td>595 MMboe</td>
</tr>
<tr>
<td>Proved plus Probable</td>
<td>910 MMboe</td>
</tr>
<tr>
<td>Crude and Tight Oil</td>
<td>83 MMbbl</td>
</tr>
<tr>
<td>NGLs</td>
<td>134 MMbbl</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>4.2 Tcf</td>
</tr>
<tr>
<td>2P Reserve Life Index (2)</td>
<td>15.8 years</td>
</tr>
</tbody>
</table>

YE 2019 2P Reserves

Ye 2019 2P Reserves

Year-end 2019 Reserves Added 83 MMboe of 2P Reserves through Development Activities

ESG Recognitions and Rankings

MSCI
Member of MSCI Global Sustainability Index
MSCI ESG Rating: AAA

CDP
Voluntary participant since 2007
2019 Climate Change Score: B
2019 Water Security Score: B

JSI
Member of Sustainalytics’ Jantzi Social Index

FTSE4Good
Member of FTSE Russell’s FTSE4Good Index Series since 2018

30% Club
Member of the 30% Club since 2018

Canadian Coalition for
Reserves and Resources Disclosure

All reserves in this presentation are, unless indicated otherwise, as at December 31, 2019 as evaluated by GLJ Petroleum Consultants Ltd. ("GLJ") in accordance with the definitions, standards, and procedures contained in the COGE Handbook and NI 51-101. Resources volumes for the Montney are as at December 31, 2018 as evaluated by GLJ in accordance with the definitions, standards, and procedures contained in the COGE Handbook and NI 51-101.

TPIIP, DPIIP, and UPIIP have been estimated using a one per cent porosity cut-off for shale gas and tight oil.

Reserves volumes for ARC’s Montney assets and elsewhere in this presentation are, unless indicated otherwise, Proved plus Probable, while the resource categories for the Montney in this presentation are "Best Estimates".

All reserves and resources volumes for the Montney and elsewhere in this presentation are company gross. Gas volumes are "sales" for reserves and resource and raw gas for DPIIP and TPIIP.

The tight oil DPIIP is a stock tank barrel.

All DPIIP and TPIIP other than cumulative production, reserves, Contingent Resources, and Prospective Resources have been categorized as unrecoverable.

The amount of natural gas and liquids ultimately recovered from ARC’s the Montney resource will be primarily a function of the future price of both commodities.

Definitions of Reserves and Resources

**Reserves** are estimated remaining quantities of crude oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical, and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates as follows:

- **Proved Reserves** are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
- **Probable Reserves** are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

**Resources** encompasses all petroleum quantities that originally existed on or within the earth's crust in naturally occurring accumulations, including Discovered and Undiscovered (recoverable and unrecoverable) plus quantities already produced. "Total Resources" is equivalent to "Total Petroleum Initially-in-Place". Resources are classified in the following categories:

- **Total Petroleum Initially-in-Place ("TPIIP")** is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered.
- **Discovered Petroleum Initially-in-Place ("DPIIP")** is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of DPIIP includes production, reserves, and contingent resources; the remainder is unrecoverable.
- **Contingent Resources** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development but which are not currently considered to be commercially recoverable due to one or more contingencies.
- **Economic Contingent Resources ("ECR")** are those Contingent Resources which are currently economically recoverable.
- **Project Maturity Subclass Development Not Viable** is defined as a Contingent Resource that is not viable in the conditions prevailing at the effective date of the evaluation, and where no further data acquisition or evaluation is planned and therefore has not been assigned a low chance of development.
- **Project Maturity Subclass Development Pending** is defined as a Contingent Resource that has been assigned a high chance of development and the resolution of final conditions for development are being actively pursued.
- **Project Maturity Subclass Development Unclarified** is defined as a Contingent Resource that requires further appraisal to clarify the potential for development and has been assigned a lower chance of development until contingencies can be clearly defined.
Definitions of Reserves and Resources

Undiscovered Petroleum Initially-in-Place ("UPIIP") is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of UPIIP is referred to as "prospective resources" and the remainder as "unrecoverable".

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects.

Unrecoverable is that portion of DPIIP and UPIIP quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

Uncertainty Ranges are described by the COGE Handbook as low, best, and high estimates for reserves and resources. The Best Estimate is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 per cent probability that the quantities actually recovered will equal or exceed the best estimate.

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1.888.272.4900
IR@arcresources.com

Please Visit Our Website at www.arcresources.com
## FINANCIAL AND OPERATIONAL HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FINANCIAL RESULTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commodity sales from production</td>
<td>269.5</td>
<td>325.1</td>
<td>253.7</td>
</tr>
<tr>
<td>Per share, basic</td>
<td>0.76</td>
<td>0.92</td>
<td>0.72</td>
</tr>
<tr>
<td>Per share, diluted</td>
<td>0.76</td>
<td>0.92</td>
<td>0.72</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>(558.4)</td>
<td>(10.2)</td>
<td>(57.2)</td>
</tr>
<tr>
<td>Per share, basic</td>
<td>(1.58)</td>
<td>(0.03)</td>
<td>(0.16)</td>
</tr>
<tr>
<td>Per share, diluted</td>
<td>(1.58)</td>
<td>(0.03)</td>
<td>(0.16)</td>
</tr>
<tr>
<td>Funds from operations (1)</td>
<td>160.8</td>
<td>172.8</td>
<td>145.4</td>
</tr>
<tr>
<td>Per share, basic</td>
<td>0.46</td>
<td>0.49</td>
<td>0.41</td>
</tr>
<tr>
<td>Dividends declared</td>
<td>42.5</td>
<td>53.1</td>
<td>53.1</td>
</tr>
<tr>
<td>Shares outstanding, end of period</td>
<td>353.4</td>
<td>353.4</td>
<td>353.4</td>
</tr>
<tr>
<td><strong>CAPITAL EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Geological and geophysical</td>
<td>6.5</td>
<td>0.9</td>
<td>1.1</td>
</tr>
<tr>
<td>Drilling and completions</td>
<td>131.3</td>
<td>86.7</td>
<td>101.0</td>
</tr>
<tr>
<td>Plant and facilities</td>
<td>25.8</td>
<td>47.5</td>
<td>51.1</td>
</tr>
<tr>
<td>Maintenance and optimization</td>
<td>4.4</td>
<td>3.0</td>
<td>6.2</td>
</tr>
<tr>
<td>Corporate assets</td>
<td>1.8</td>
<td>3.6</td>
<td>2.5</td>
</tr>
<tr>
<td>Total capital expenditures</td>
<td>169.8</td>
<td>141.7</td>
<td>161.9</td>
</tr>
<tr>
<td>Total capital expenditures, including undeveloped land purchases</td>
<td>169.8</td>
<td>141.7</td>
<td>162.6</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>2.5</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Dispositions (2.4)</td>
<td>—</td>
<td>(1.1)</td>
<td>(2.8)</td>
</tr>
<tr>
<td>Total capital expenditures, land purchases, and net acquisitions and dispositions</td>
<td>169.9</td>
<td>140.6</td>
<td>159.8</td>
</tr>
<tr>
<td><strong>OPERATIONAL RESULTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crude oil (bbl/d)</td>
<td>16,997</td>
<td>17,083</td>
<td>16,782</td>
</tr>
<tr>
<td>Condensate (bbl/d)</td>
<td>11,262</td>
<td>10,937</td>
<td>10,846</td>
</tr>
<tr>
<td>Crude oil and condensate (bbl/d)</td>
<td>28,259</td>
<td>28,020</td>
<td>27,628</td>
</tr>
<tr>
<td>Natural gas (MMcf/d)</td>
<td>692.2</td>
<td>669.0</td>
<td>595.4</td>
</tr>
<tr>
<td>NGLs (bbl/d)</td>
<td>8,152</td>
<td>8,123</td>
<td>7,952</td>
</tr>
<tr>
<td>Total (boe/d)</td>
<td>151,783</td>
<td>147,650</td>
<td>134,813</td>
</tr>
<tr>
<td>Average realized prices, prior to risk management contracts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crude oil ($/bbl)</td>
<td>49.69</td>
<td>65.11</td>
<td>64.79</td>
</tr>
<tr>
<td>Condensate ($/bbl)</td>
<td>57.52</td>
<td>68.08</td>
<td>65.70</td>
</tr>
<tr>
<td>Natural gas ($/Mcf)</td>
<td>2.05</td>
<td>2.36</td>
<td>1.54</td>
</tr>
<tr>
<td>NGLs ($/bbl)</td>
<td>6.36</td>
<td>11.69</td>
<td>5.25</td>
</tr>
<tr>
<td>Oil equivalent ($/boe)</td>
<td>19.52</td>
<td>23.93</td>
<td>20.46</td>
</tr>
<tr>
<td><strong>TRADING STATISTICS</strong> (3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>8.39</td>
<td>8.26</td>
<td>7.85</td>
</tr>
<tr>
<td>Low</td>
<td>2.42</td>
<td>5.40</td>
<td>5.37</td>
</tr>
<tr>
<td>Close</td>
<td>4.05</td>
<td>8.18</td>
<td>6.31</td>
</tr>
<tr>
<td>Average daily volume (thousands)</td>
<td>3,207</td>
<td>2,583</td>
<td>1,838</td>
</tr>
</tbody>
</table>

(1) Refer to the "Capital Management" note in ARC's financial statements and to the sections entitled, "Funds from Operations" and "Capitalization, Financial Resources and Liquidity" contained within ARC's MD&A.

(2) Dividends per share are based on the number of shares outstanding at each dividend record date.

(3) Trading statistics denote trading activity on the Toronto Stock Exchange only.
CORPORATE AND SHAREHOLDER INFORMATION

DIRECTORS
Harold N. Kvisle (1)  
Board Chair

Farhad Ahrabi (1)(2)

David R. Collyer (1)(3)(4)

John P. Dielwart (1)(2)

Kathleen O’Neill (4)(5)

Herbert C. Pinder Jr. (3)(4)

William G. Sembo (3)(5)

Nancy L. Smith (2)(5)

Terry M. Anderson  
(1) Member of Safety, Reserves and Operational Excellence Committee  
(2) Member of Risk Committee  
(3) Member of Human Resources and Compensation Committee  
(4) Member of Policy and Board Governance Committee  
(5) Member of Audit Committee

OFFICERS
Terry M. Anderson  
Chief Executive Officer

Kris J. Bibby  
Senior Vice President and Chief Financial Officer

Chris D. Baldwin  
Vice President, Geosciences

Ryan V. Berrett  
Vice President, Marketing

Sean R. A. Calder  
Vice President, Production

Lara M. Conrad  
Vice President, Development and Planning

Armin Jahangiri  
Vice President, Operations

Lisa A. Olsen  
Vice President, Human Resources

Grant A. Zawalsky  
Corporate Secretary

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PricewaterhouseCoopers LLP  
Calgary, Alberta

ENGINEERING CONSULTANTS
GLJ Petroleum Consultants Ltd.  
Calgary, Alberta

LEGAL COUNSEL
Burnet Duckworth & Palmer LLP  
Calgary, Alberta

CORPORATE CALENDAR
July 30, 2020  
Q2 2020 Results

November 5, 2020  
Q3 2020 Results

STOCK EXCHANGE LISTING
The Toronto Stock Exchange  
Trading Symbol: ARX

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ARC is listed on the Jantzi Social Index; a common stock index of 60 Canadian companies that pass a set of broadly based environmental, social and governance rating criteria.