ARC RESOURCES LTD. ANNOUNCES THE CLOSING OF ITS MONTNEY ACQUISITION

NEWS RELEASE

Calgary, July 2, 2025 (ARX - TSX) ARC Resources Ltd. ("ARC" or the "Company") announces that it has closed its previously announced agreement to acquire condensate-rich Montney assets in the Kakwa region in Alberta (the “Assets”) from Strathcona Resources Ltd. in an all-cash transaction valued at approximately $1.6 billion[(1)] (the “Transaction”).

The Assets are underpinned by a substantial drilling inventory and include owned and operated infrastructure, reinforcing ARC's position as Canada's largest Montney and condensate producer.

For the remainder of 2025, the Assets are expected to deliver average production between 35,000 and 40,000 boe per day (approximately 50 per cent crude oil and liquids, 50 per cent natural gas). ARC plans to provide an update to its 2025 guidance with second quarter results on July 31, 2025.

ARC estimates net debt[(2)] upon closing of approximately $2.8 billion, ensuring ARC retains a strong financial position. The long term debt included in net debt is comprised of $2.0 billion of senior notes, a $500 million term loan, and the remainder on its recently upsized $2.0 billion credit facility.

Transaction Highlights

- **Expands Core Kakwa Region.** The acquisition increases ARC's Kakwa production by 24 per cent to greater than 210,000 boe per day, and increases the Montney inventory duration at Kakwa from 12 years to greater than 15 years. ARC's development plans for the Assets will target the Montney, which is approximately 100 per cent working interest land. ARC also retains future inventory in other formations that could further extend the development runway at Kakwa over the long-term.

- **Owned-and-operated Infrastructure.** Owned-and-operated infrastructure is a key tenet of ARC's strategy to retain a low cost structure and operational flexibility. The Transaction includes 100 per cent ownership of two natural gas processing facilities and condensate handling infrastructure. In addition, the Assets include a 19 per cent interest in a third-party natural gas processing facility with deep cut NGL recovery.

- **Operational and Financial Synergies.** ARC's extensive and contiguous operations in the region will result in operational synergies through drilling and completion cost improvements, operating and supply chain savings, downstream marketing optimization, and area infrastructure synergies.

(1) The Transaction purchase price includes $1.6 billion for the Kakwa assets before purchase price adjustments and unrelated equipment and land.

(2) The disclosure of "net debt" in this news release is a specified financial measure applicable under National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure. See "*Non-GAAP and Other Financial Measures*" of this news release, Note 8 “Capital Management” in the unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2025 (the “Q1 2025 financial statements”) and the section entitled *“Non-GAAP and Other Financial Measures”* in ARC’s Management's Discussion and Analysis as at and for the three months ended March 31, 2025 (the “Q1 2025 MD&A”) for additional disclosures regarding these financial measures.

Forward-looking Information and Statements

This news release contains forward-looking information as defined under applicable securities legislation. Forward-looking information involves substantial known and unknown risks and uncertainties. The use of any of the words "plan", "expect", "intend", "believe", "should", "anticipate", or other similar words, or statements that certain events or conditions "may" or "will" occur are intended to identify forward-looking information. Forward-looking information reflects the Company's expectations, estimates and predictions only. Actual events or results may differ materially. Many factors could cause ARC's actual results to differ materially from those expressed or implied in any forward-looking information made by or on behalf of ARC. In particular, this news release contains forward-looking information with respect to: the estimated increases to volumes of production as a result of the Transaction and the components thereof; the timing of issuing updated 2025 guidance; the anticipated benefits of the acquisition; the amount of and expected increases to drilling inventory associated with the Assets and the inventory duration at Kakwa; ARC's anticipated development plans for the Assets; ARC's plans to target the Montney and that the development runway at Kakwa could be further extended; that the Transaction will result in operational and financial synergies and the sources thereof; and similar forward-looking information. There can be no assurance that the plans, intentions, or expectations upon which forward-looking information is based will occur.

This forward-looking information is subject to numerous risks and uncertainties including: changes to laws and regulations; and the variability of commodity prices and changes in operations and development plans in response to changes to commodity prices. Readers should also carefully read the risk factors described in the "*Risk Factors*" section of the Company's annual Management's Discussion & Analysis (the "Annual MD&A") which is available on SEDAR+ at sedarplus.ca for a description of certain risks applicable to the Company and its business. The "*Risk Factors*" section of the Company's Annual MD&A is incorporated by reference into this news release.

With respect to forward-looking information contained in this news release, ARC has made assumptions regarding: ARC’s ability to successfully integrate the Assets into its existing operations and to realize the anticipated synergies; future commodity prices and basis differentials; forecast production volumes from the Assets; projected investment in the Assets; capital markets and other sources of liquidity to fund operations or acquisitions and manage debt; the availability of attractive commodity or financial hedges and the enforceability of risk management programs; the Company's ability to capture and maintain gains in productivity and efficiency; expectations of plans, strategies and objectives of the Company, including anticipated production volumes and capital investment; the Company's ability to manage cost inflation and expected cost structures, including expected operating, transportation, processing and labor expenses; the outlook of the oil and natural gas industry generally, including impacts from changes to the geopolitical environment; projections made in light of, and generally consistent with, the Company's historical experience and its perception of historical industry trends; and the regulatory regime will remain substantially similar to the current regulatory regime. Although the forward-looking information contained in this news release is based upon assumptions which management believes to be reasonable, ARC cannot assure investors that actual results will be consistent with this forward-looking information.

This forward-looking information is made as of the date of this news release and ARC disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results, or otherwise, other than as required by applicable securities laws.

Non-GAAP and Other Financial Measures

In this news release, ARC employs net debt as a specified financial measure to depict the financial performance and financial position of ARC. Net debt is not a standardized financial measure under International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and may not be comparable to similar financial measures used and disclosed by other issuers for the same purposes. Net debt should not be considered to be more meaningful than generally accepted accounting principles ("GAAP") measures which are determined in accordance with IFRS Accounting Standards as indicators of financial performance, financial position, and cash flow. See Note 8 "Capital Management" in the Q1 2025 financial statements and the section entitled "*Non-GAAP and Other Financial Measures*" in the Q1 2025 MD&A, each of which is available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca, for an explanation of the composition of net debt, how it is used by ARC to provide useful information to investors, and the additional purposes for which management uses net debt, which disclosures are incorporated by reference into this news release. ARC calculated net debt using the same methodology used to determine net debt in its Q1 2025 financial statements and Q1 2025 MD&A.

About ARC

ARC Resources Ltd. is a pure-play Montney producer and one of Canada's largest dividend-paying energy companies, featuring low-cost operations. ARC's investment-grade credit profile is supported by commodity and geographic diversity and robust risk management practices around all aspects of the business. ARC's common shares trade on the Toronto Stock Exchange under the symbol ARX.

ARC RESOURCES LTD.

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