ARC RESOURCES LTD.

Annual **Information Form**

2025

March 5, 2026

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GLOSSARY OF TERMS

In this Annual Information Form, capitalized terms shall have the meanings set forth below:

ARC Resources, ARC, We, Us, Our, Company, Corporation means ARC Resources Ltd., a corporation formed by amalgamation under the *Business Corporations Act* (Alberta), and all its controlled entities as a consolidated body at the applicable time;

COGE Handbook means the Canadian Oil and Gas Evaluation Handbook maintained by the Society of Petroleum Evaluation Engineers (Calgary chapter), as amended from time to time;

ESG means environmental, social, and governance;

GLJ means GLJ Ltd., independent qualified reserves evaluator of Calgary, Alberta;

GLJ Report means the report prepared by GLJ and dated February 3, 2026, evaluating the reserves attributed to ARC's assets as at December 31, 2025;

IFRS Accounting Standards means International Financial Reporting Standards as issued by the International Accounting Standards Board;

LNG means liquefied natural gas;

Montney means our land bases across the Montney fairway in northeast British Columbia comprised of the Greater Dawson, Sunrise, Septimus, Sundown, Attachie, and Red Creek areas and in northern Alberta in the Kakwa and Ante Creek areas;

NCIB means normal course issuer bid;

NGLs means natural gas liquids;

NI 51-101 means National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*;

NI 51-102 means National Instrument 51-102 *Continuous Disclosure Obligations*;

Shareholders means holders of common shares of ARC Resources;

Tax Act means the *Income Tax Act* (Canada);

Three Consultant Average means the average price forecast from three independent qualified reserves evaluators, GLJ, Sproule ERCE, and McDaniel & Associates Consultants Ltd., of Calgary, Alberta;

TSX means the Toronto Stock Exchange; and

U.S. means the United States.

Certain other terms used in this Annual Information Form but not defined herein are defined in NI 51-101 and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101.

SPECIAL NOTES TO READER

Regarding Forward-looking Information

Certain information and statements contained in this Annual Information Form, and in certain documents incorporated by reference into this Annual Information Form, constitute forward-looking information under Canadian securities laws. This information relates to future events or our expected future performance. All information other than statements or information of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as “seek,” “anticipate,” “budget,” “plan,” “continue,” “estimate,” “expect,” “forecast,” “may,” “will,” “project,” “predict,” “potential,” “target,” “intend,” “could,” “might,” “should,” “believe,” and similar expressions. In addition, there is forward-looking information in this Annual Information Form under the headings: “*Strategy”* as to the expectation that commencing in 2027, end-market diversification will include international price exposure through its long-term agreements to supply natural gas to North American LNG projects; “*Three-Year History”* as to the terms and timing of the long-term liquefaction tolling services agreement with Cedar LNG (as defined herein), as to the timing of the commencement of the second long-term natural gas supply agreement with Cheniere Energy, Inc., as to the expectation that the lands, subject to the earning and development with Tsaa Dunne Za Energy Limited Partnership, upon development, will increase ARC’s Attachie position by greater than 10 per cent, and as to the timing of the commencement of the long-term sale and purchase agreement with ExxonMobil LNG Asia Pacific for the supply of LNG; “*Marketing and Risk Management”* as to ARC’s goals with respect to international price exposure; “*Statement of Reserves Data and Other Oil and Gas Information*” as to our reserves and future net revenues from our reserves, pricing and inflation rates, and future development costs, including expected sources of capital for such costs; as to the development of our proved undeveloped reserves and probable undeveloped reserves; and as to our future development activities, forward contracts and transportation commitments, abandonment and reclamation obligations, tax horizon, exploration and development activities, expected sources of funding, and production estimates; “*Dividends”* as to the payment of future dividends; and *“Capital Structure”* as to future financing flexibility from preferred shares and ARC’s intention that the issuance of any preferred shares will not, without shareholder approval, be issued for any anti-takeover purposes. This information involves 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. We believe the expectations reflected in this forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in, or incorporated by reference into, this Annual Information Form should not be unduly relied upon. This information speaks only to estimates as of the date of this Annual Information Form or as of the date specified in the documents incorporated by reference into this Annual Information Form, as the case may be.

In addition to the forward-looking information identified above, this Annual Information Form, and the documents incorporated by reference, contain forward-looking information pertaining to the performance characteristics of our crude oil and natural gas assets; crude oil and natural gas production levels; the size of the crude oil and natural gas reserves; expectations regarding the effect of laws and regulations on ARC; projections of market prices and costs; treatment under governmental regulatory regimes, including costs of compliance and non-compliance and tax laws; potential impacts of changes to the project approval process; impacts of current commodity prices on the Company, including with respect to abandonment and reclamation obligations; budget expectations; expectations with respect to making customary payments to credit rating organizations; expectations that ARC's dividends will be classified as "eligible dividends" under the *Tax Act*; and capital expenditure programs.

Actual results achieved during the forecast period will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. In addition, these risks and uncertainties are material factors affecting the success of our business. Such factors include, but are not limited to: declines in crude oil and natural gas prices; various pipeline constraints; potential natural gas curtailments due to low natural gas prices; the payment of dividends, if any; variations in interest rates and foreign exchange rates; stock market volatility; uncertainties relating to market valuations; refinancing risk for existing debt and debt service costs; access to external sources of capital; risks associated with our risk management activities; third-party credit risk; risks relating to a changing investor sentiment; asset concentration; risks relating to information technology systems and cyber security; risks associated with the exploitation of our assets and our ability to acquire reserves; ARC's ability to successfully close, integrate and realize the anticipated benefits of completed, contemplated, or future acquisitions and divestitures; access to sufficient capital to pursue any development plans; government regulation, policy and control and changes in government legislation; the impacts of the ongoing Middle-East conflicts, Russia-Ukraine war and geopolitical developments in Venezuela (and any associated sanctions) on the global economy and commodity prices; changes in income tax laws, royalty rates, and other incentive programs; uncertainties associated with estimating crude oil and natural gas reserves; risks associated with acquiring, developing, and exploring for crude oil and natural gas and other aspects of our operations; our reliance on hydraulic fracturing; risks associated with large

projects or expansion of our activities; the failure to realize anticipated benefits of acquisitions and dispositions or to manage growth; changes in climate change laws and other environmental regulations; competition in the crude oil and natural gas industry for, among other things, acquisitions of reserves, undeveloped lands, skilled personnel, and drilling and related equipment; risks of non-cash losses as a result of the application of accounting policies; our operating activities and ability to retain key personnel; depletion of our reserves; risks associated with securing and maintaining title to our assets; ARC's ability to repurchase its securities under the NCIB; risks for United States ("U.S.") and other non-resident shareholders; risks described in the section entitled "*Risk Factors*" contained within ARC's Management Discussion and Analysis dated February 5, 2026 (the "MD&A"), available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca; and other factors, many of which are beyond our control.

The actual results could differ materially from those results anticipated in this forward-looking information, which are based on assumptions, including as to the market prices for crude oil and natural gas; the continuation of the present policies of the Board of Directors relating to management of ARC, and the payment of dividends, capital expenditures and other matters; the factors and assumptions under the heading "*Significant Factors or Uncertainties Affecting Reserves Data"*; the continued availability of capital and skilled personnel, acquisitions of reserves and undeveloped lands; anticipated abandonment and reclamation costs; the continuation of the current tax, royalty, tariff and regulatory regime, and other assumptions contained in this Annual Information Form.

Statements relating to "reserves" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitably produced in the future.

Statements pertaining to dividend increases and the repurchase of ARC's outstanding common shares, while based on ARC's current intentions and beliefs, are not guaranteed and should not be unduly relied upon. Any decisions with respect to dividends and/or share repurchases are subject to the approval of the Board of Directors of ARC.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking information contained in this Annual Information Form and the documents incorporated by reference herein are expressly qualified by this cautionary statement. We do not undertake any obligation to publicly update or revise any forward-looking information except as required by securities laws or regulations.

ARC's audited consolidated financial statements (the "financial statements") as at and for the year ended December 31, 2025, and MD&A are available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca. The disclosure under the section entitled "*Non-GAAP and Other Financial Measures*" contained in ARC's MD&A is incorporated by reference into this document. Also refer to the section entitled "*Non-GAAP and Other Financial Measures*" contained within this Annual Information Form.

Access to Documents

Any document referred to in this Annual Information Form and described as being available on SEDAR+ at www.sedarplus.ca (including those documents referred to as being incorporated by reference in this Annual Information Form) may be obtained free of charge from us at IR@arcresources.com or at 1500, 308 - 4th Avenue SW, Calgary, Alberta, T2P 0H7.

Abbreviations and Conversions

Crude Oil and Natural Gas Liquids	
bbl	barrel
bbl/d	barrels per day
Mbbl	thousand barrels
MMbbl	million barrels
API	indication of specific gravity of crude oil measured on the American Petroleum Institute (“API”) gravity scale
Natural Gas	
Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
MMcf	million cubic feet
MMcf/d	million cubic feet per day
Bcf	billion cubic feet
Bcf/d	billion cubic feet per day
Bcfe	billion cubic feet equivalent
Tcf	trillion cubic feet
MMBtu	million British thermal units
MMBtu/d	million British thermal units per day
GJ	gigajoules
Other	
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
Mboe	thousand barrels of oil equivalent
MMboe	million barrels of oil equivalent
$M	thousand dollars
$MM	million dollars

We have adopted the standard of 6 Mcf:1 bbl when converting natural gas to boe. Boe may be misleading, particularly if used in isolation. **A boe conversion ratio of six Mcf per 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.**

All dollar amounts set forth in this Annual Information Form are in Canadian dollars, except where otherwise indicated.

The following table sets forth certain standard conversions between Standard Imperial Units and the International System of Units (or metric units), in accordance with the COGE Handbook.

To Convert From	To	Multiply By
cubic metres	cubic feet	35.49373
cubic feet	cubic metres	0.0282
barrels	cubic metres	0.15898
cubic metres	barrels	6.2901
feet	metres	0.3048
metres	feet	3.28084

CORPORATE STRUCTURE

ARC was originally founded in 1996 as a conventional crude oil and natural gas royalty trust. On January 1, 2011, the Corporation was formed by amalgamation under the *Business Corporations Act* (Alberta).

Our principal office is located at 1500, 308 - 4th Avenue SW, Calgary, Alberta, T2P 0H7 and our registered office is located at 2400, 525 - 8th Avenue SW, Calgary, Alberta, T2P 1G1.

The following diagram illustrates the intercorporate relationship between ARC and its subsidiaries, the percentage of votes attached to all voting securities of the subsidiaries beneficially owned, controlled or directed, directly or indirectly, by ARC and the jurisdiction of incorporation of the subsidiaries.

DEVELOPMENT OF OUR BUSINESS

General

ARC is a leading Canadian energy company, Canada's largest condensate producer and one of the country's largest natural gas producers. ARC's business activities include the exploration, development, and production of crude oil, condensate, natural gas, and NGLs in Alberta and British Columbia, Canada. ARC has focused on the acquisition and development of resource-rich properties that provide for both near-term and long-term growth. ARC trades on the TSX under the symbol ARX and currently pays a quarterly dividend to its shareholders.

Strategy

ARC's vision is to be recognized as a "Best-in-Class Responsible Energy Producer". The strategy to achieve this is built upon four pillars that are foundational to the organization: high-quality assets and operational excellence, commercial activities and risk management, financial sustainability and return on investment, and people and ESG leadership. These pillars have created a strong foundation for excellent business performance, measured by delivering superior risk-adjusted returns that are sustainable through commodity price cycles.

ARC's competitive advantage is anchored by its scale in world-class assets. Over its history, ARC has amassed greater than one million acres in the heart of the liquids-rich areas of the Montney formation, providing an inventory of high-quality development opportunities that extends for decades.

Superior margins are achieved through strong price realizations enabled by ARC's market diversification and low-cost structure. The Company's owned-and-operated infrastructure, long-term transportation agreements, and commitment to operational excellence underpin its low-cost structure. Through its access to key North American end-markets, the Company has consistently achieved strong price realizations that have historically outperformed local benchmarks. Commencing in 2027, end-market diversification will include international price exposure through its long-term agreements to supply natural gas to North American LNG projects.

ARC is committed to balancing organic investment with a meaningful return of capital to deliver an optimal total return for its shareholders. ARC's preferred method to return capital is through a growing base dividend and share repurchases.

Three-Year History

The following is a description of the general development of our business over the last three financial years and to the date of this Annual Information Form.

2023

Record annual average production of 351,954 boe/d. ARC delivered record average production of 351,954 boe/d in 2023, representing a 12 per cent per share increase relative to the prior year. The increase in production was primarily driven by increased natural gas production from new wells coming on-stream in the Sunrise and Kakwa areas. ARC's production by commodity type was 8,364 bbl/d of crude oil, 75,516 bbl/d of condensate, 47,760 bbl/d of NGLs, and 1,322 MMcf/d of natural gas in 2023.

Advancement of LNG strategy. In 2023, ARC entered into a non-binding Memorandum of Understanding with Cedar LNG Partners LP. ("Cedar LNG") for an anticipated 20-year agreement to supply and liquefy approximately 200 MMcf/d of natural gas. ARC also announced that it entered into its second long-term natural gas supply agreement with Cheniere Energy, Inc. that is expected to commence in 2029. ARC will supply 140,000 MMBtu/d of natural gas and will receive a Title Transfer Facility index price less deductions for liquefaction, transport, and regasification.

Record safety performance and record capital expenditures. Cash flow used in investing activities was $1.7 billion and capital expenditures[(1)] were a record $1.8 billion. Despite increased levels of capital and operational activity, 2023 was a record year in safety performance. ARC drilled 148 wells, completed 151 wells, and completed several infrastructure projects including the expansion of its Sunrise facility and the electrification of its Dawson Phase III and IV facilities. ARC also announced the sanctioning of its Attachie Phase I facility.

Return on investment. Return on average capital employed ("ROACE")[(1)] was 23 per cent in 2023.

Record year in reserves and net present value of proved plus probable reserves per share increased 13 per cent. Reserves across all categories were a record, increasing from the prior year by between 12 and 13 per cent per share on a proved producing, proved, and proved plus probable basis. ARC's before-tax net present value of proved plus probable reserves, discounted at 10 per cent, increased from the prior year to $38.47[(2)] per share at December 31, 2023. The proved plus probable net present value considered the development of 20 per cent of ARC's internally identified inventory.

Return of capital. ARC generated cash flow from operating activities of $2.4 billion ($3.92 per share)[(1)] and free funds flow[(1)] of $790 million ($1.29 per share)[(1)] in 2023 and distributed 110 per cent of free funds flow to shareholders.

NCIB renewed. On August 30, 2023, ARC received TSX approval to renew its NCIB. The renewed NCIB allowed ARC to purchase up to 60.7 million of its outstanding common shares, representing 10 per cent of the Company's public float over a 12-month period, which commenced September 1, 2023. In 2023, ARC repurchased 25.3 million common shares at a weighted average price of $18.34 for a total cost of $464 million.

2024

Annual average production of 347,908 boe/d. ARC delivered full-year average production of 347,908 boe/d in 2024. In the fourth quarter of 2024, ARC achieved average production of 382,341 boe/d, the highest in its history. ARC's production by commodity type was 6,972 bbl/d of crude oil, 80,294 bbl/d of condensate, 42,787 bbl/d of NGLs, and 1,307 MMcf/d of natural gas in 2024.

Commissioning of Attachie Phase I. ARC completed construction and successfully commissioned the first phase of its Attachie development in October 2024. Production from the Attachie Phase I facility increased throughout the fourth quarter to average approximately 29,000 boe/d in December, and included approximately 18,000 bbl/d of condensate and NGLs.

Capital discipline and profitability. Natural gas production from ARC's Sunrise asset was deliberately curtailed due to low natural gas prices during the last half of 2024. The deliberate curtailments reduced ARC's full-year average production by approximately 10,500 boe/d. This decision allowed ARC to preserve resource for periods when natural gas prices were higher and defer a portion of capital. In alignment with ARC's commitment to long-term profitability, Sunrise production was restored in the fourth quarter as natural gas prices recovered.

ARC executed its 2024 capital program safely and efficiently. Cash flow used in investing activities was $1.9 billion in 2024. ARC invested $1.85 billion in capital expenditures to drill 159 wells and complete 144 wells. As of December 31, 2024, net debt was $1.3 billion[(1)] or 0.5 times funds from operations[(1)], consistent with the prior year.

Continued advancement of LNG strategy. In 2024, ARC announced a long-term liquefaction tolling services agreement with Cedar LNG. Under this agreement, ARC is obligated to deliver approximately 200 MMcf per day of natural gas for liquefaction for a term of 20 years commencing with Cedar LNG's commercial operations, anticipated in late 2028.

Record reserves across all categories in 2024. Proved producing and proved plus probable reserves each increased by five per cent compared to 2023. ARC's before-tax net present value of proved plus probable reserves, discounted at 10 per cent, increased six per cent from 2023 to $40.66 per share at December 31, 2024. ARC reported positive technical revisions in all three categories (proved producing, total proved, and proved plus probable) due to relative outperformance across several assets, most notably its Kakwa and Greater Dawson assets. Positive technical revisions and extensions represented a 28 per cent increase from 2023 proved producing reserves.

NCIB renewed. On August 30, 2024, ARC received TSX approval to renew its NCIB. The renewed NCIB allowed ARC to purchase up to 59.4 million of its outstanding common shares, representing 10 per cent of the Company's public float over a 12-month period, which commenced September 6, 2024. In 2024, ARC repurchased 8.5 million common shares at a weighted average price of $23.81 for a total cost of $202 million.

Return of capital. ARC generated cash flow from operating activities of $2.4 billion ($3.94 per share) and free funds flow of $627 million ($1.05 per share). For the second consecutive year, ARC returned essentially all of its free funds flow to shareholders through share repurchases and dividends. During the year, ARC declared dividends of $416 million and increased its quarterly dividend by 12 per cent from $0.17 per share to $0.19 per share. Additionally, ARC disposed of certain non-core, non-Montney assets for total cash proceeds of $80 million, which were allocated to share repurchases.

Executive appointment. Effective February 8, 2024, Michael C. Capon was appointed to the position of Vice President, Information Technology.

2025

Record annual average production. ARC delivered record annual average production of 374,336 boe/d in 2025. In the fourth quarter, ARC achieved average production of 408,382 boe/d, the highest in its history. ARC's annual average production by commodity type was 8,322 bbl/d of crude oil, 98,662 bbl/d of condensate, 46,625 bbl/d of NGLs, and 1,324 MMcf/d of natural gas in 2025.

Expansion of core Kakwa region. In July 2025, ARC completed an acquisition of condensate-rich Montney assets in the Kakwa region in Alberta (the "Kakwa Acquisition") in an all-cash transaction valued at approximately $1.6 billion[(3)]. Located directly adjacent to ARC's Kakwa development, these assets added approximately 35,000 to 40,000 boe/d of production, including approximately 11,000 bbl/d of condensate. The acquired assets are underpinned by a substantial drilling inventory, reinforcing ARC's position as Canada's largest Montney and condensate producer.

Attachie Development Agreement with Tsaa Dunne Za Energy. ARC executed an agreement for the earning and development of up to 36 contiguous sections in the Montney with the Tsaa Dunne Za Energy Limited Partnership, a limited partnership owned by Halfway River First Nation. The lands, upon development, increase ARC's Attachie position by greater than 10 per cent to approximately 360 sections, and are directly adjacent to ARC's existing Attachie asset in the condensate-rich region of the Montney.

Continued commitment to discipline and profitability. Natural gas production from ARC's Sunrise asset was deliberately curtailed during the last half of 2025, due to low natural gas prices. These curtailments reduced ARC's annual average production by approximately 12,000 boe/d (approximately 70 MMcf/d). This decision allowed ARC to preserve resource for periods when natural gas prices were higher and defer approximately $50 million of capital. When natural gas prices strengthened in the fourth quarter, Sunrise production was fully restored.

Record safety performance during execution of the 2025 capital program. Cash flow used in investing activities was $3.5 billion in 2025, including the Kakwa Acquisition. ARC outperformed all safety targets while investing $1.9 billion in capital expenditures to drill 144 wells and complete 157 wells across its asset base. As at December 31, 2025, ARC's net debt balance was $2.9 billion, or 0.9 times funds from operations.

Continued execution of LNG strategy. In March 2025, ARC announced a long-term sale and purchase agreement with ExxonMobil LNG Asia Pacific ("EMLAP"), an ExxonMobil affiliate, for the supply of LNG. Under the agreement,

EMLAP will purchase ARC's LNG offtake from the Cedar LNG Project, approximately 1.5 million tonnes per annum at international pricing. The agreement commences with commercial operations at the Cedar LNG Facility, expected in late 2028.

Record reserves across all categories in 2025. Proved developed producing and proved plus probable reserves increased by 15 per cent and nine per cent, respectively, compared to 2024. ARC's before-tax net present value of proved plus probable reserves of $22.1 billion, discounted at 10 per cent, equates to $38.71 per share. In 2025, ARC replaced 121 per cent of its proved plus probable reserves, marking the 18th consecutive year proved plus probable reserve replacement from development has been 120 per cent of produced reserves or greater. Proved plus probable reserves of 2,277 MMboe as at December 31, 2025, were a record, driven by the Kakwa Acquisition and organic reserve growth.

NCIB renewed. On September 4, 2025, ARC received TSX approval to renew its NCIB. The renewed NCIB allows ARC to purchase up to 58 million of its outstanding common shares, representing 10 per cent of the Company's public float over a 12-month period, which commenced September 8, 2025. In 2025, ARC repurchased 19.7 million common shares at a weighted average price of $26.09 for a total cost of $514 million. Since commencing its initial NCIB in September 2021, ARC has repurchased approximately 22 per cent of its total outstanding shares, or 159 million common shares, at a weighted average price of $17.74 per share.

Return of capital. In 2025, ARC generated cash flow from operating activities of $3.1 billion ($5.31 per share) and funds from operations of $3.2 billion ($5.48 per share), while free funds flow was $1.3 billion ($2.20 per share). ARC distributed 75 per cent of free funds flow to shareholders through its base dividend and share repurchases, with the remainder allocated to debt reduction. During the year, ARC declared dividends of $452 million and increased its quarterly dividend by 11 per cent from $0.19 per share to $0.21 per share.

(1) This is a specified financial measure. See "*Non-GAAP and Other Financial Measures"* contained within this AIF and in the MD&A for additional disclosure, which information is incorporated by reference, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

(2) This supplementary financial measure is comprised of the before-tax net present value for proved plus probable reserves, discounted at 10 per cent, as determined in accordance with NI 51-101, divided by common shares outstanding at the end of the period.

(3) The purchase price was approximately $1.6 billion for the Kakwa Acquisition before purchase price adjustments and unrelated equipment and land.

DESCRIPTION OF OUR BUSINESS

General

The following describes certain general activities and conditions impacting our business.

Revenue Sources and Royalties

ARC's primary source of revenue is commodity sales from production, comprising sales of crude oil, condensate, NGLs, and natural gas. For further information refer to the section entitled "*Commodity Sales From Production*" contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

ARC must pay royalties to the owners of the mineral rights of the lands on which ARC produces its products from, primarily the provincial governments of Alberta and British Columbia. Each province has legislation and regulation in place to govern Crown royalties and establish the royalty rates that crude oil and natural gas producers must pay in respect of the production of Crown resources. The royalty regime in a given province is in addition to applicable federal and provincial taxes and can be a significant factor in the profitability of crude oil, condensate, NGLs, and natural gas production. Royalties payable on production from lands where the Crown does not hold the mineral rights are negotiated between the freehold mineral owner and the lessee, though certain provincial taxes and other charges on production or revenue may still be payable. For further information on royalties paid by ARC refer to the section entitled "*Royalties*" contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

Marketing and Risk Management

ARC sells its production pursuant to fixed and variable-priced contracts. The transaction price for variable-priced contracts is based on the commodity price, adjusted for quality, location, or other factors, whereby each component of the pricing formula can be either fixed or variable, depending on the contract terms. Under these contracts, the Company is required to deliver a fixed volume of crude oil, natural gas, condensate, or NGLs to the contract counterparty.

ARC's marketing strategy centers on accessing global demand markets at the lowest cost by focusing on a multi-prong approach of (i) accessing diversified markets and transporting commodities to key consuming regions, (ii) securing long-term transportation arrangements and managing risk through dual-connected facilities, and (iii) increasing revenues through margin expansion opportunities. For example, ARC's natural gas sales are physically diversified to multiple sales points within North America, each with different index-based pricing. ARC also has long-term natural gas sales contracts that are linked to international pricing. For further information refer to Note 17 "*Financial Instruments and Market Risk Management"* in the financial statements and the section entitled "*Risk Management Contracts"* contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca. In 2025, ARC entered into a long-term LNG sale and purchase agreement to align with a previously executed liquefaction tolling services agreement. For further information refer to the section entitled *"Commodity Sales from Production"* contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca. By 2029, approximately 25 per cent of ARC's anticipated natural gas production will be linked to international pricing.

To support its marketing strategy, ARC enters into firm transportation service commitments in order to secure diversified market access for both its current production, as well as anticipated production from facility infrastructure planned to be operational in the future. For further information on ARC's transportation commitments refer to the section entitled "*Contractual Obligations and Commitments"* contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

ARC's financial results are largely dependent on commodity prices received for its crude oil, condensate, natural gas, and NGLs production. To manage exposure to fluctuations in commodity prices, ARC utilizes a variety of risk management contracts. A summary of our financial contracts in respect of hedging activities can be found in Note 17 "*Financial Instruments and Market Risk Management"* in the financial statements and in the section entitled "*Risk Management Contracts"* contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

As part of its physical risk management strategy, ARC owns and operates a network of facility infrastructure, with capacity to process approximately 2.0 Bcf/d of natural gas and handle approximately 200,000 bbl/d of crude oil, condensate, and NGLs.

Competition

The crude oil and natural gas industry is competitive in all of its phases. ARC competes with numerous other companies in the acquisition, exploration, development, production, transportation, and marketing of crude oil, condensate, NGLs, and natural gas and procuring timely and cost-effective services to carry out its operations. We also compete for skilled personnel. To a lesser extent, we also face competition from companies that supply alternative sources of energy, such as wind or solar power. The timing of when, and the degree to which, global energy markets transition from carbon-based sources to alternative energy sources is highly uncertain.

Seasonal Factors

Generally, the demand for natural gas increases during the winter months and decreases during the summer months. Seasonal anomalies such as mild winters or hot summers may impact general seasonal changes in natural gas demand. As well, the production of crude oil and natural gas can be dependent on access to geographic areas where development of reserves is to be conducted. Seasonal weather variations can affect access and operations in certain circumstances.

Employees and Specialized Skill and Knowledge

The operations and management of ARC requires the recruitment and retention of a skilled workforce, including engineers, geologists, geophysicists, finance, marketing, and human resource professionals and other key personnel required to find, acquire, develop and operate our assets, and transport and market our crude oil, condensate, NGLs and natural gas production.

At December 31, 2025, ARC had 711 permanent professional, technical, and support staff, with 374 employees located in its Calgary office and 337 employees located across ARC’s operating areas.

Regulation

The crude oil and natural gas industry in the provinces of British Columbia and Alberta is extensively regulated at the federal, provincial, and municipal levels. Regulations affecting elements of the energy sector in these jurisdictions are under constant review for amendment or expansion and frequently more stringent requirements are imposed. Various federal and provincial agencies, including the Alberta Energy Regulator, the British Columbia Energy Regulator, and the Canada Energy Regulator have, or may have in the future, legal and regulatory authority and oversight over ARC's exploration and development activities and operations. In addition, regulations imposed in other jurisdictions may influence the adoption of regulations in jurisdictions where ARC has operations.

Environmental regulation is the responsibility of both the federal and provincial governments. While provincial governments and their delegates are responsible for most environmental regulation, the federal government can regulate environmental matters where there is impact to matters of federal jurisdiction or when they arise from projects that are subject to federal jurisdiction, such as interprovincial transportation undertakings, including pipelines and railways, and activities carried out on federal lands.

Most recently, on November 27, 2025, the Governments of Canada and Alberta signed a Memorandum of Understanding (the “MOU”) to collaborate on supporting the development of crude oil and natural gas resources, renewable energy, critical minerals, and other resource sectors in Western Canada. The primary tenet of the MOU is that the federal government will not implement the previously proposed Oil and Gas Sector Greenhouse Gas Emissions Cap Regulations (the “Oil and Gas Emissions Cap”), refer to the section entitled “*Climate Change and Greenhouse Gas Emissions*” below. Other features of the MOU include the pledge of both levels of government to design and commit to sector-specific stringency factors for large Alberta emitters under Alberta's Technology Innovation and Emissions Reduction Regulation (the “TIER Regulation”), and the continuation of annual carbon tax rate increases up to $130 per tonne.

Ensuring compliance with the rules, regulations, and orders promulgated by such regulatory entities requires extensive effort and incremental costs to comply, which may affect ARC's profitability. As public policy changes are commonplace, and existing laws and regulations are frequently amended, ARC is unable to predict the future cost or impact of compliance. However, ARC does not expect that any of these laws and regulations will affect its operations materially differently than they would affect other companies with similar operations, size, and financial position. The following are significant areas of government control and regulation affecting ARC's crude oil and natural gas activities.

Environment and Health and Safety Matters

ARC strives to conduct its operations in a socially and environmentally responsible manner and is required to comply with all federal, provincial, and municipal laws and regulations concerning health and safety, the discharge or other release of materials, and protection of the environment and natural resources. These legal requirements primarily relate to: the discharge or other release of pollutants; assessing the environmental impact of seismic acquisition, drilling and construction activities; the generation, storage, transportation, and disposal of waste materials, including hazardous substances and wastes; the emission of certain gases into the atmosphere; the monitoring, abandonment, reclamation, and remediation of wells and other sites, including sites of former operations; the development of emergency response and spill contingency plans; the protection of threatened and endangered species; and worker protection.

Failure by ARC to comply with these laws, regulations, and regulatory initiatives or controls may result in the assessment of sanctions, including administrative, civil and criminal penalties; the imposition of investigatory, remedial and corrective action obligations or the obligation to incur expenditures; the occurrence of restrictions, delays or cancellations in the permitting, development, or expansion of projects; and issuance of injunctions restricting or prohibiting some or all of ARC's activities in a particular area. Historically, ARC's compliance costs have not had a material adverse effect on its financial results. However, there can be no assurance that such costs will not be material in the future or that such future compliance will not have a material adverse effect on ARC's business and financial results.

ARC owns, leases, or operates numerous assets, some of which have been used for crude oil and natural gas exploration and production activities for several years. ARC also has acquired and disposed of certain assets from third parties whose actions with respect to the management and disposal or release of hydrocarbons, hazardous substances, or wastes at or from such assets were not under ARC's control prior to acquiring them. Under certain environmental laws and regulations, ARC could incur strict joint and several liability from damages to the environment or for remediating hydrocarbons, hazardous substances, or wastes disposed of or released by prior owners or operators. Moreover, an accidental release of materials into the environment during ARC's operations could cause the Company to incur significant costs and liabilities.

Over time, the trend in laws and regulations impacting crude oil and natural gas production operations has been to place more restrictions and limitations on these activities. If existing legal requirements change or new legislative, regulatory, or executive initiatives are developed and implemented in the future, ARC may be required to make significant, unanticipated expenditures.

Exploration and Development Activities

ARC's crude oil and natural gas operations are subject to laws and regulations that relate to matters including: the acquisition of seismic data; location, drilling, and casing of wells; hydraulic fracturing; well production operations; disposal of produced water; regulation of transportation and sale of crude oil, condensate, NGLs, and natural gas; surface land usage; calculation and disbursement of royalty payments; and restoration of lands disturbed for crude oil and natural gas operations.

Development and production operations are subject to various regulations, including regulations requiring permits for the drilling and completion of wells, the posting of security in connection with development and production activities and the filing of reports related to production operations. Alberta and British Columbia, and certain municipalities in which ARC operates also regulate one or more of the following: the location of wells; the method of drilling and casing wells; the method and ability to fracture stimulate wells; the surface use and restoration of lands upon which wells are drilled and infrastructure and equipment are located; the disposal of produced water; the plugging and abandoning of wells; and notices to surface land owners and other third parties.

ARC’s crude oil and natural gas wells are completed and stimulated through the use of hydraulic fracturing technology. Hydraulic fracturing involves the injection of water, sand, and small amounts of additives under high pressure into tight rock formations to stimulate the production of crude oil and natural gas. While the majority of the sand remains underground to hold open the fractures, a significant amount of the water and chemical additives flow back and are then either reused or safely disposed of at sites that are approved and permitted by provincial regulatory authorities.

Hydraulic fracturing is regulated at the provincial level through permitting and other compliance requirements. Regulatory scrutiny of hydraulic fracturing has generally focused on issues related to water storage, management and handling, increased seismicity in the areas in which hydraulic fracturing takes place, and local stakeholder engagement. Regulatory authorities actively monitor and investigate hydraulic fracturing activities in their jurisdictions and have imposed, or have considered imposing, various conditions and restrictions on drilling and completions

activities involving hydraulic fracturing. Such restrictions, conditions, or prohibitions could lead to operational delays and increased operating and compliance costs, and could delay or prevent the development of crude oil, condensate, NGLs, and natural gas from formations which would not be economically viable without the use of hydraulic fracturing.

Project Approvals

Approvals and licenses from relevant government and regulatory bodies are required to carry out or make modifications to ARC's crude oil and natural gas exploration and production activities. The project approval process can involve environmental assessment, stakeholder and Indigenous consultation, and inputs regarding project concerns and public hearings and may include various conditions and commitments arising throughout the consultation and review process.

In 2019, the *Canadian Energy Regulator Act* (Canada) and *Impact Assessment Act* (Canada) ("IAA") came into force. The IAA was later amended in 2024 following a Supreme Court of Canada decision that found certain aspects of the IAA were unconstitutional largely on the basis that it represented significant federal overreach into provincial affairs. In November 2024, Alberta referred to the Alberta Court of Appeal to determine whether the amended IAA is unconstitutional in light of the Supreme Court of Canada decision.

These laws and their amendments, and the legal and political responses of provincial governments to these laws, impact the way large energy-related projects are approved and have created uncertainty concerning the governmental approval processes, timelines and designation criteria associated with large infrastructure projects. Though ARC does not typically own, operate, permit, or construct projects which would appear to fall under the scope of the IAA, aspects of ARC's crude oil and gas natural operations may rely on these projects being owned, operated, permitted, and constructed by others.

Indigenous Involvement in Resources Development

Indigenous communities are significant stakeholders in the development of resources in Western Canada. Those interests range from equity ownership and participation in major energy infrastructure projects to broader stakeholder involvement whose interests must be considered and accommodated in order for resource development to proceed, including the issuance of regulatory permits and approvals.

The Canadian federal and provincial governments have a duty to consult with Indigenous Peoples when contemplating actions that may adversely affect the asserted or proven Indigenous or treaty rights and, in certain circumstances, accommodate their concerns. The scope of the duty to consult by federal and provincial governments varies with the circumstances and is often the subject of ongoing litigation. In 2021, the federal government introduced legislation to implement the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP"). In British Columbia, the provincial government must take measures necessary to ensure the laws of British Columbia are consistent with the principles of UNDRIP. The fulfillment of the duty to consult Indigenous Peoples and any associated accommodations may affect ARC's ability to obtain or renew permits, leases, licences and other approvals, or to meet the terms and conditions of those approvals and impact the timing for executing development plans.

ARC recognizes the value of collaboration with Indigenous communities. ARC strives to communicate and build relationships with the Indigenous communities where it operates so that resource development on Indigenous lands and territories can advance in a manner that is respectful and beneficial to all those involved.

Climate Change and Greenhouse Gas Emissions

Greenhouse gases, which include among other items, methane, carbon dioxide, nitrous oxide and various fluorinated gases ("GHGs") are typically emitted throughout all phases of the crude oil and natural gas supply chain and in end user consumption through activities such as power generation and motorized transportation. The Government of Canada and the provincial governments of Alberta and British Columbia have been increasingly focused on GHG emissions and climate change issues in recent years, resulting in new laws and regulations designed to limit existing emissions of GHGs, and to restrict or eliminate future GHG emissions. Some of these laws and regulations are in effect, while others remain in various phases of review, discussion, or implementation.

In 2023, the Government of Canada announced plans to implement a national emissions cap-and-trade model and in 2024 the Oil and Gas Emissions Cap Regulations were proposed. The proposed regulations would phase in a cap-and-trade system between 2026 and 2030 and have it apply to operators of upstream crude oil and natural gas facilities and LNG facilities that undertake certain industrial activities specified under the proposed regulations. Industrial activities would include, among other things, production of LNG, processing of natural gas or natural gas condensates and bitumen and other crude oil production.

Many of the federal government initiatives have, by legislative design, caused the provincial governments of Alberta and British Columbia to evaluate, and in some cases, enact their own laws and regulations in response to federal government initiatives focused on GHG emissions, particularly in the areas of output-based pricing systems and the regulation of methane emissions from crude oil and natural gas operations.

Output-Based Pricing Systems
In 2019, the *Greenhouse Gas Pollution Pricing Act* (the "GGPPA") came into force in Canada. This federal regime implemented an output-based pricing system which imposes a price (cost) on CO_{2e} for large industry and a fuel charge system. In March 2025, the Government of Canada amended the GGPPA to eliminate the fuel charge system.

To ensure there is a uniform price on emissions across Canada, the GGPPA regime applies in provinces and territories that request it, and those jurisdictions that do not have their own equivalent emissions pricing systems in place meeting the federal standards, commonly referred to as the "federal backstop program".

In 2019, the federal government approved Alberta's TIER Regulation which applies to facilities that emitted 100,000 tonnes or more of CO_{2e} per year in 2016, or any subsequent year, or those that import more than 10,000 tonnes of hydrogen annually. The TIER Regulation satisfies the federal benchmark stringency requirements for emissions sources covered in the TIER Regulation, however, the federal backstop program continues to apply to emissions sources not covered by the regulation. The provincial carbon pricing system in British Columbia satisfies all requirements of the GGPPA and applies in the place of the federal regime in all respects.

In December 2025, Alberta amended the TIER Regulation to, among other things, include direct investment of on-site emissions reduction technologies as an option for compliance. The carbon tax payable in Alberta will continue to increase at a rate of $15 per tonne per year, until reaching $170 per tonne in 2030. In May 2025, the Government of Alberta froze the carbon tax at $95 per tonne.

Methane Regulations
In 2020, the Government of Canada's *Regulations Respecting Reduction in the Release of Methane and Certain Volatile Organic Compounds (Upstream Oil and Gas Sector)* (the "Federal Methane Regulations") came into force to reduce emissions of methane from the crude oil and natural gas sector by using new control measures intended to reduce unintentional leaks and the intentional venting of methane, and ensuring that crude oil and natural gas operations use low-emission equipment and processes. Among other things, the Federal Methane Regulations limit how much methane upstream crude oil and natural gas facilities are permitted to vent. The regulations aim to reduce the crude oil and natural gas sector's methane emissions by 40 per cent to 45 per cent by 2025, relative to 2012 emissions. Proposed amendments to the Federal Methane Regulations are expected to come into force in 2027. These amendments introduce, among other items, new prohibitions and limits on certain intentional emissions, a new risk-based approach around unintentional emissions, and a new performance-based approach for compliance that relies on continuous emissions monitoring systems.

The governments of Alberta and British Columbia have each enacted provincial regulations designed to lower annual methane emissions from the crude oil and natural gas sector. In 2025, the governments of Canada and British Columbia entered into an equivalency agreement for the Federal Methane Regulations not applying in British Columbia until 2030. The equivalency agreement between the governments of Canada and Alberta expired in October 2025, and a new equivalency agreement is being negotiated with the intent that the federal regulations will not apply in Alberta.

Environmental Protection

Other than its asset retirement obligation ("ARO"), ARC does not separately track the financial effects of environmental protection requirements on its capital expenditures and net income, all of which are included in ARC's other capital expenditures and operating expense.

With respect to ARO, the provinces of Alberta and British Columbia have each implemented similar liability management programs for upstream crude oil and natural gas wells, facilities, and pipelines. These programs are designed to assess a licensee's ability to address its suspension, abandonment, remediation, and reclamation liabilities. ARC maintains a planned and scheduled approach to its ARO. For further information on ARC's ARO refer to the section entitled "*Asset Retirement Obligation*" contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

Corporate Policies

ARC is committed to the prudent development of our assets in accordance with sound corporate governance and workplace policies.

We believe that maintaining high standards of business conduct is essential to the long-term success of the Company. Our Code of Business Conduct and Ethics (the "Code") reinforces our expectation that all directors, officers, employees, and other representatives will conduct themselves with a high standard of professionalism and ethical behaviour. The Code specifically outlines the standards required for business integrity, accuracy of records and reporting, conflicts of interest, insider trading, protection and proper use of ARC's assets, reporting of illegal or unethical behaviour, and other matters. The Code is applicable to all directors, officers, employees, and contractors. On an annual basis, all directors, officers, employees, and contractors are required to read and acknowledge their understanding of the Code in writing.

In addition, ARC has a Code of Ethics for Senior Financial Officers and a quarterly certification process to ensure their compliance with ethical business conduct, financial reporting requirements and filings, and accurate reporting of operational results. This Code of Ethics for Senior Financial Officers is signed by the Chief Executive Officer and Chief Financial Officer to indicate their compliance and is reviewed by the Policy and Board Governance Committee each quarter. Copies of the Code and the Code of Ethics for Senior Financial Officers can be found on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

ARC has a Respectful Workplace Policy that supplements the Code. ARC requires high standards of professional and ethical conduct from all persons representing ARC. Our values of respect, integrity, trust, and community are core to every decision we make. The policy outlines ARC's commitment to fostering a work environment that is respectful, inclusive, and free of all forms of discrimination, bullying, harassment, sexual harassment, and workplace violence. All new employees are required to review and acknowledge the policy in writing. We conduct regular and ongoing education and training for all employees related to fostering a respectful workplace.

ARC has a Human Rights Policy documenting its protection of human rights and ensuring a respectful workplace environment, free from discrimination or harassment. ARC prioritizes safe working conditions in accordance with applicable laws and industry best practices. The policy outlines the human rights due diligence ARC includes in its own operations and in the communities in which it operates.

ARC has a Health and Safety Policy which details ARC's expectations on workplace health and safety matters and affirms ARC's belief that the health, safety, and well-being of our employees, contractors, and the communities in which we operate is a main priority. ARC has a strong safety culture that is embedded in our core values and is fundamental in delivering our organizational purpose. ARC follows a people-centric approach and values strong safety leadership starting from the top down. ARC has three focus areas with respect to delivering strong safety performance: (i) implementing strong systems to effectively manage risk and prevent harm on our worksites; (ii) providing adequate training and empowering our people by setting out clear safety expectations; and (iii) fostering a culture of empowered safety leadership. Employees are provided with comprehensive training which is supported by ongoing communication, systems, and processes.

Risk Factors

A discussion of ARC's risk factors is contained in the section entitled "*Risk Factors*" in the MD&A, which section is incorporated by reference herein. Also see other documents filed by ARC from time to time available on SEDAR+ at www.sedarplus.ca.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

The statement of reserves data and other oil and gas information is set forth below (the "Statement"). The effective date of the Statement is December 31, 2025. The Statement conforms to the requirements of NI 51-101.

The reserves data set forth below is based upon an evaluation by GLJ and contained in the GLJ Report dated February 3, 2026. The reserves data summarizes our reserves and the net present values of future net revenues for these reserves, using forecast prices and costs prior to provision for interest, general and administrative expenses, and the impact of any financial risk management activities. Reserves evaluation includes abandonment and reclamation costs for all assets with attributed reserves as well as future drilling locations attributed proved and/or probable reserves. Future net revenues have been presented on a before-tax and after-tax basis. We engaged GLJ to provide an evaluation of proved and proved plus probable reserves.

It should not be assumed that the estimates of future net revenues presented in the tables below represent the fair market value of the reserves. There is no assurance that the forecast prices and cost assumptions will be attained, and variances could be material. The recovery and reserves estimates provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein. Readers should review the definitions and information contained in "*Definitions and Notes to Reserves Data Tables*" in conjunction with the following tables and notes. For more information as to the risks involved, see the section entitled "*Risk Factors*" contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

The Report on Reserves Data by GLJ on Form 51-101F2 and the Report of Management and Directors on Reserves Data and Other Information on Form 51-101F3 are attached as Appendices A and B to this Annual Information Form.

Disclosure of Reserves Data

Summary of 2025 Crude Oil and Natural Gas Reserves - Based on Forecast Prices and Costs

Company Gross Reserves	Tight Oil (Mbbl) (1)	NGLs (Mbbl) (2)(3)	Total Oil and NGLs (Mbbl)	Shale Gas (MMcf) (4)	Total Oil Equivalent (Mboe)
PROVED					
Developed Producing	10,900	238,203	249,103	2,805,413	716,672
Developed Non-producing	2,472	6,921	9,393	61,561	19,653
Undeveloped	6,642	214,687	221,329	2,917,783	707,626
TOTAL PROVED	**20,014**	**459,811**	**479,825**	**5,784,757**	**1,443,951**
PROBABLE	12,597	292,420	305,017	3,170,991	833,515
TOTAL PROVED PLUS PROBABLE	**32,611**	**752,231**	**784,842**	**8,955,748**	**2,277,467**

Company Net Reserves	Tight Oil (Mbbl) (1)	NGLs (Mbbl) (2)(3)	Total Oil and NGLs (Mbbl)	Shale Gas (MMcf) (4)	Total Oil Equivalent (Mboe)
PROVED					
Developed Producing	8,639	193,791	202,431	2,537,511	625,349
Developed Non-producing	2,070	5,728	7,798	56,713	17,250
Undeveloped	5,475	176,998	182,473	2,631,511	621,059
TOTAL PROVED	**16,184**	**376,518**	**392,702**	**5,225,736**	**1,263,658**
PROBABLE	9,682	225,460	235,142	2,791,830	700,447
TOTAL PROVED PLUS PROBABLE	**25,866**	**601,978**	**627,844**	**8,017,566**	**1,964,105**

1) Includes non-material amounts of Light Crude Oil, Medium Crude Oil, and Heavy Crude Oil.
2) Includes associated NGLs for both Conventional and Shale/Tight Reservoirs and includes condensate, propane, and butane.
3) Condensate and Pentanes Plus represent 64 per cent of proved producing NGLs, 67 per cent of total proved NGLs, and 68 per cent of total proved plus probable NGLs.
4) Includes a non-material amount of Conventional Natural Gas.

Net Present Value of Future Net Revenues - Based on Forecast Prices and Costs

Before-tax Net Present Value [1] ($ millions)	Undiscounted	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
PROVED					
Developed Producing	13,265	11,683	10,007	8,707	7,724
Developed Non-producing	422	351	299	261	232
Undeveloped	10,398	6,576	4,242	2,804	1,875
TOTAL PROVED	**24,085**	**18,610**	**14,548**	**11,772**	**9,831**
PROBABLE	19,334	11,482	7,540	5,372	4,060
TOTAL PROVED PLUS PROBABLE	**43,418**	**30,091**	**22,088**	**17,144**	**13,892**

After-tax Net Present Value [1][2][3] ($ millions)	Undiscounted	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
PROVED					
Developed Producing	11,061	9,963	8,600	7,515	6,687
Developed Non-producing	322	267	228	198	176
Undeveloped	7,916	4,886	3,008	1,853	1,114
TOTAL PROVED	**19,299**	**15,117**	**11,835**	**9,567**	**7,977**
PROBABLE	14,851	8,773	5,705	4,026	3,018
TOTAL PROVED PLUS PROBABLE	**34,150**	**23,890**	**17,540**	**13,593**	**10,994**

1) Reflects values inclusive of estimated abandonment and reclamation for all active assets with attributed reserves.
2) Based on ARC's estimated tax pools at year-end 2025.
3) The after-tax net present value of the future net revenue attributed to ARC's crude oil and natural gas assets reflects the tax burden on the assets on a standalone basis and does not necessarily reflect the business entity tax-level situation or tax planning. ARC's financial statements and the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca, should be consulted for information at the business entity level.

Total Future Net Revenues (Undiscounted) - Based on Forecast Prices and Costs

Reserves Category ($ millions)	Revenue	Royalties	Operating Expense	Development Costs	Abandonment and Reclamation Costs [1]	Future Net Revenue before Income Taxes	Income Taxes	Future Net Revenue after Income Taxes
Proved Reserves	56,804	9,023	14,414	7,943	1,339	24,085	4,785	19,299
Proved plus Probable Reserves	95,037	17,011	21,839	11,283	1,486	43,418	9,268	34,150

1) Reflects estimated abandonment and reclamation for all active assets with attributed reserves.

Future Net Revenues by Production Group - Based on Forecast Prices and Costs

Reserves Category	Production Group	Future Net Revenue before Income Taxes (Discounted at 10% per Year) ($ millions)	Per boe
Proved Reserves	Tight Oil [1][2]	738	14.77
	Shale Gas [3][4]	13,810	11.38
	Total	**14,548**	**11.51**
Proved Plus Probable Reserves	Tight Oil [1][2]	1,053	13.67
	Shale Gas [3][4]	21,035	11.15
	Total	**22,088**	**11.25**

1) Including solution gas and other by-products.
2) Includes non-material amounts of Light Crude Oil, Medium Crude Oil, and Heavy Crude Oil.
3) Including by-products, condensate, and pentanes plus but excluding solution gas and other by-products from crude oil wells.
4) Includes a non-material amount of Conventional Natural Gas.

Forecast Prices and Costs

Forecast prices and costs are prices and costs that are generally acceptable, in the opinion of GLJ, as being a reasonable outlook of the future as of the evaluation effective date. To the extent that there are fixed or presently determinable future prices or costs to which we are legally bound by a contractual or other obligation to supply a physical product, including those for an extension period of a contract that is likely to be extended, those prices or costs have been incorporated into the forecasts.

The forecast cost and price assumptions include increases in wellhead selling prices and take into account inflation with respect to future operating and capital costs. Crude oil, natural gas, and NGLs benchmark prices reference a Three Consultant Average January 1, 2026 price forecast and exchange rates which reflect current forward commodity prices as at December 31, 2025, in accordance with the COGE Handbook, which states that major benchmark commodity price forecasts, up to and including the second full forecast year, should not deviate from current forward commodity prices by more than 20 per cent.

Three Consultant Average January 1, 2026 Price Forecast and Inflation Rate Assumptions

	Crude Oil				Natural Gas		Edmonton Liquids Prices				
Forecast	WTI Cushing Oklahoma (US$/bbl)	Edmonton Par Price 40° API (Cdn$/bbl)	Hardisty Heavy 12° API (Cdn$/bbl)	Cromer Medium 29.3° API (Cdn$/bbl)	NYMEX Henry Hub[1] Gas Price (US$/MMBtu)	AECO Gas Price (Cdn$/MMBtu)	Propane (Cdn$/bbl)	Butane (Cdn$/bbl)	Pentanes Plus (Cdn$/bbl)	Inflation Rate[2] (%/Year)	Exchange Rate[3] (US$/Cdn$)
2026	59.92	77.54	60.09	75.60	3.74	3.00	25.10	36.95	80.01	—	0.728
2027	65.10	83.60	64.94	81.51	3.78	3.30	27.28	39.79	86.19	2.0	0.737
2028	70.28	90.18	71.16	87.92	3.85	3.49	29.67	42.87	92.83	2.0	0.740
2029	71.93	92.32	72.84	90.01	3.93	3.58	30.37	43.89	95.05	2.0	0.740
2030	73.37	94.17	74.30	91.82	4.01	3.65	30.98	44.77	96.94	2.0	0.740
2031	74.84	96.06	75.80	93.65	4.09	3.72	31.60	45.67	98.89	2.0	0.740
2032	76.34	97.98	77.32	95.53	4.17	3.80	32.23	46.58	100.87	2.0	0.740
2033	77.87	99.93	78.87	97.44	4.26	3.88	32.87	47.51	102.88	2.0	0.740
2034	79.42	101.93	80.46	99.38	4.34	3.95	33.53	48.46	104.94	2.0	0.740
2035	81.01	103.97	82.07	101.37	4.43	4.03	34.20	49.43	107.04	2.0	0.740
Thereafter	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	2.0	0.740

1) GLJ assigns a value to ARC's existing natural gas physical sales contracts at Dawn, Chicago, Ventura, and Malin consuming markets based upon GLJ's forecasted differential to NYMEX Henry Hub, contracted volumes, and transportation costs. No incremental value is assigned to potential future contracts which were not in place as of December 31, 2025.
2) Inflation rates for forecasting costs.
3) Exchange rates used to generate the benchmark reference prices in this table.
4) Prices escalate two per cent per year from 2036.

ARC's weighted average realized prices for the year ended December 31, 2025, were $3.51 per Mcf for shale gas; $81.75 per barrel for tight oil; $86.21 per barrel for condensate; and $21.81 per barrel for NGLs.

Definitions and Notes to Reserves Data Tables

In the tables set forth above and elsewhere in this Annual Information Form, the following definitions and other notes are applicable:

1. "**Gross**" means:

   a) in relation to our interest in production and reserves, our interest (operating and non-operating) before deduction of royalties and without including any royalty interest to us;

   b) in relation to wells, the total number of wells in which we have an interest; and

   c) in relation to properties, the total area of properties in which we have an interest.

2. "**Net**" means:

   a) in relation to our interest in production and reserves, our interest (operating and non-operating) after deduction of royalty obligations, plus our royalty interest in production or reserves;

b) in relation to wells, the total number of wells in which we have an interest multiplied by the working interest we owned; and

c) in relation to our interest in a property, the total area in which we have an interest multiplied by the working interest we owned.

3. Columns may not add due to rounding.

4. The forecast price and cost assumptions assumed the continuance of current laws and regulations.

5. All factual data supplied to GLJ was accepted as represented. No field inspection was conducted.

6. The crude oil, natural gas, and NGLs reserves estimates presented in the GLJ Report are based on the definitions and guidelines contained in the CSA Notice 51-324 - *Revised Glossary to NI 51-101 Standards of Disclosure for Oil and Gas Activities* and the COGE Handbook. A summary of those definitions are set forth below.

Reserves Categories

Reserves are estimated remaining quantities of crude oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on analysis of drilling, geological, and geophysical data; through the use of established technology; and within specified economic conditions.

Reserves are classified according to the degree of certainty associated with the estimates.

a) **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.

b) **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.

Other criteria that must also be met for the categorization of reserves are provided in the COGE Handbook.

Each of the reserves categories (proved and probable) may be divided into developed and undeveloped categories:

a) **Developed reserves** are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

   i) **Developed producing reserves** are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

   ii) **Developed non-producing reserves** are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown.

b) **Undeveloped reserves** are those reserves expected to be recovered from known accumulations where a significant expenditure is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved and probable) to which they are assigned.

In multi-well pools it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the definitions above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest level sum of individual entity estimates for which reserves are presented). Reported reserves should target the following levels of certainty under a specific set of economic conditions:

a) at least a 90 per cent probability that the quantities actually recovered will equal or exceed the estimated proved reserves; and

b) at least a 50 per cent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves.

A qualitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in the COGE Handbook.

Reconciliations of Changes in Reserves

The following table sets forth the reconciliation of our gross reserves as at December 31, 2025, using forecast price and cost estimates derived from the GLJ Report. Gross reserves as at December 31, 2025 and as at December 31, 2024 include working interest reserves before royalties payable and without including gross royalties receivable. Key highlights include:

- The Kakwa Acquisition resulted in increases to reserves in all categories.
- Production increased through the Attachie Phase I facility, increasing proved producing reserves.
- Continued strong well performance across ARC's Montney assets drove positive proved producing, total proved, and proved plus probable technical revisions in the Shale Gas and NGLs categories. The exception was in the proved plus probable category for NGLs where there was a negative technical revision due to underperformance of wells drilled in the Attachie area.
- Development across ARC’s Montney assets resulted in positive extensions and improved recovery reserve additions in all categories.
- Minor negative revisions in the economic factors category are due to changes in forecast commodity prices.

Reconciliation of Gross Reserves by Principal Product Type

	Tight Oil (Mbbl) [1]	NGLs (Mbbl) [2][3]	Total Oil and NGLs (Mbbl)	Shale Gas (MMcf) [4]	Total Oil Equivalent (Mboe)
PROVED PRODUCING					
December 31, 2024	10,790	192,383	203,172	2,513,596	622,105
Extensions and Improved Recovery [5]	3,034	58,051	61,084	446,386	135,482
Technical Revisions	843	29,247	30,090	282,008	77,091
Acquisitions	467	28,137	28,605	172,653	57,380
Dispositions	—	—	—	—	—
Economic Factors	(748)	(17,037)	(17,785)	(125,841)	(38,758)
Production [6]	(3,485)	(52,578)	(56,063)	(483,389)	(136,628)
December 31, 2025	**10,900**	**238,203**	**249,103**	**2,805,413**	**716,672**
PROVED					
December 31, 2024	19,695	420,856	440,551	5,303,400	1,324,451
Extensions and Improved Recovery [5]	1,200	36,864	38,064	535,726	127,352
Technical Revisions	2,905	23,918	26,824	288,416	74,893
Acquisitions	471	52,916	53,388	277,452	99,630
Dispositions	—	—	—	—	—
Economic Factors	(773)	(22,165)	(22,937)	(136,849)	(45,746)
Production [6]	(3,485)	(52,578)	(56,063)	(483,389)	(136,628)
December 31, 2025	**20,014**	**459,811**	**479,825**	**5,784,757**	**1,443,951**
PROBABLE					
December 31, 2024	12,604	251,195	263,799	3,059,631	773,738
Extensions and Improved Recovery [5]	557	30,705	31,261	85,368	45,489
Technical Revisions	(782)	(28,928)	(29,710)	(188,944)	(61,200)
Acquisitions	106	30,562	30,668	125,045	51,509
Dispositions	—	—	—	—	—
Economic Factors	113	8,885	8,998	89,891	23,980
December 31, 2025	**12,597**	**292,420**	**305,017**	**3,170,991**	**833,515**
PROVED PLUS PROBABLE					
December 31, 2024	32,299	672,051	704,350	8,363,031	2,098,188
Extensions and Improved Recovery [5]	1,757	67,569	69,325	621,094	172,841
Technical Revisions	2,123	(5,009)	(2,886)	99,472	13,693
Acquisitions	577	83,479	84,056	402,498	151,139
Dispositions	—	—	—	—	—
Economic Factors	(660)	(13,280)	(13,940)	(46,958)	(21,766)
Production [6]	(3,485)	(52,578)	(56,063)	(483,389)	(136,628)
December 31, 2025	**32,611**	**752,231**	**784,842**	**8,955,748**	**2,277,467**

1) Includes non-material amounts of Light Crude Oil, Medium Crude Oil, and Heavy Crude Oil.
2) Includes associated NGLs for both Conventional and Shale/Tight Reservoirs.
3) Condensate and Pentanes Plus represent 72 per cent of total proved NGLs, 73 per cent of probable NGLs, and 72 per cent of proved plus probable NGLs in the December 31, 2024 opening balance. Condensate and Pentanes Plus represent 67 per cent of total proved NGLs, 69 per cent of probable NGLs, and 68 per cent of proved plus probable NGLs in the December 31, 2025 closing balance.
4) Includes a non-material amount of Conventional Natural Gas.
5) Reserve additions for Discoveries, Infill Drilling, Extensions, and Improved Recovery are combined and reported as “Extensions and Improved Recovery”.
6) Production does not include royalty interest volumes and therefore differs from the production reported in the Production History table within this document.

Future Development Costs

The following table sets forth development costs deducted in the estimation of our future net revenue attributed to the reserves categories noted below:

Future Development Costs

Year	Proved Reserves ($ millions)	Proved Plus Probable Reserves ($ millions)
2026	1,629	1,693
2027	1,550	1,701
2028	1,111	1,673
2029	707	1,361
2030	765	1,223
Remainder	2,181	3,632
Total: Undiscounted	7,943	11,283
Total: Discounted at 10% per year	5,980	8,124

ARC expects to fund the development costs of its reserves through a combination of funds from operations and other sources of capital.

Changes in forecasted future development capital occur annually as a result of development activities, acquisition and disposition activities, and capital cost estimates that reflect the independent qualified reserves evaluator's best estimate of what it will cost to bring the proved plus probable undeveloped reserves on production at that time. Undiscounted future development costs ("FDC") for proved plus probable undeveloped reserves increased $1.0 billion compared to year-end 2024, to total $11.3 billion at year-end 2025. The increase in FDC was primarily driven by the Kakwa Acquisition, as well as the booking of proved plus probable undeveloped reserves as a result of additional undeveloped locations.

Estimates of reserves and future net revenues have been made assuming the development of each property, in respect of which the estimate is made, will occur, without regard to the likely availability to us of funding required for the development. There can be no guarantee that funds will be available or that we will allocate funding to develop all of the reserves attributed in the GLJ Report. Failure to develop those reserves would have a negative impact on future earnings.

The interest or other costs of external funding are not included in the reserves and future net revenue estimates and would reduce reserves and future net revenues to some degree depending upon the funding sources utilized. We do not anticipate that interest or other funding costs would make development of any property uneconomic.

Undeveloped Reserves

Undeveloped reserves are attributed by GLJ in accordance with standards and procedures contained in the COGE Handbook. Proved undeveloped reserves are those reserves that can be estimated with a high degree of certainty and are expected to be recovered from known accumulations where a significant expenditure is required to render them capable of production. Probable undeveloped reserves are those reserves that are less certain to be recovered than proved reserves and are expected to be recovered from known accumulations where a significant expenditure is required to render them capable of production.

The following tables disclose, by each product type, the volumes of proved and probable undeveloped reserves that were first attributed by GLJ in each of the most recent three financial years.

Proved Undeveloped Reserves (1)

	Tight Oil (Mbbl)		Shale Gas (Bcf)		NGLs (Mbbl)		Total (Mboe)	
	First Attributed	Total at Year-end	First Attributed	Total at Year-end	First Attributed	Total at Year-end	First Attributed	Total at Year-end
2023	1,298	6,835	607.2	2,745.0	58,976	218,891	161,482	683,233
2024	2,408	7,222	373.1	2,594.7	29,185	215,289	93,784	654,967
2025	518	6,642	607.7	2,917.8	54,343	214,687	156,143	707,626

Probable Undeveloped Reserves (1)

	Tight Oil (Mbbl)		Shale Gas (Bcf)		NGLs (Mbbl)		Total (Mboe)	
	First Attributed	Total at Year-end	First Attributed	Total at Year-end	First Attributed	Total at Year-end	First Attributed	Total at Year-end
2023	893	8,793	604.1	1,948.3	65,328	178,812	166,898	512,328
2024	615	9,385	432.2	2,226.6	40,542	183,574	113,189	564,059
2025	1,630	9,475	604.7	2,315.2	80,853	222,190	183,262	617,539

1) There are no undeveloped reserves attributed to Light Crude Oil, Medium Crude Oil, Heavy Crude Oil, or Conventional Natural Gas in the last three years.

As of December 31, 2025, undeveloped reserves represented 49 per cent of total proved reserves and 58 per cent of proved plus probable reserves. Over 44 per cent of the proved plus probable undeveloped reserves are located in the Kakwa area, with the rest located in our Montney assets in northeast British Columbia and other areas in northern Alberta. We have planned a program to develop a portion of the undeveloped reserves in 2026 and 2027, focusing on continued Montney development.

Reserves were assigned adhering to the practices outlined within the COGE Handbook, with uncertainty applied at the individual location level to account for the potential variability in well results. There were 771 (771 net) total proved, undeveloped locations assigned to be developed in ARC's core properties over the next ten years in the 2025 evaluation which account for 708 MMboe of reserves volumes. 73 per cent of the total proved FDC is forecasted to be spent in the next five years. In addition to these total proved undeveloped locations are 351 (351 net) future development locations assigned probable reserves only, with a timeline to develop these reserves over the next ten years. 68 per cent of the total proved plus probable FDC is forecasted to be spent in the next five years. These probable locations and additional probable reserves assigned to proved locations account for 618 MMboe. The total proved plus probable undeveloped volumes account for 1,325 MMboe and are all scheduled to produce within the capacity of existing facilities or facilities to which capital has been assigned within the reserves evaluation. Drilling programs for these assets have been underway for several years and are anticipated to continue for some time due to the large inventory of high-quality locations that qualify for assignment of reserves. Ongoing activity in these assets will continue to supply ARC infrastructure as well as long-term natural gas supply contracts secured by ARC. Consistent with ARC's principles to maintain a strong balance sheet and demonstrate capital discipline, capital forecasts in the GLJ Report do not exceed levels historically invested by ARC in any given year.

The pace of development of the proved and probable undeveloped reserves is influenced by many factors, including the outcomes of the annual drilling and reservoir evaluations, the price for crude oil and natural gas, and a variety of economic factors and conditions.

There are a number of factors that could result in delayed or cancelled development, including the following: (i) changing economic conditions (due to pricing, operating, and capital expenditure fluctuations, or changing regulation and/or fiscal or environmental policy); (ii) changing technical conditions (including production anomalies, such as accelerated depletion); (iii) a larger development program may need to be spread out over several years to optimize capital allocation and facility utilization; and (iv) surface access issues (including those relating to landowners, weather conditions, and regulatory approvals). For more information as to the risks involved, refer to the section entitled "*Risk Factors*" contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

Significant Factors or Uncertainties Affecting Reserves Data

We have a significant amount of proved undeveloped and probable undeveloped reserves assigned to the Montney. Sophisticated technology and large capital expenditures are required to bring these undeveloped reserves into production.

Degradation in future commodity price forecasts relative to the forecast in the GLJ Report may have a negative impact on the economics and timing of the development of undeveloped reserves, unless significant reduction in the future costs of development are realized.

The failure to obtain all necessary licenses, permits, and other approvals to carry out exploration, development, and operating activities on ARC's assets would negatively impact the economics and timing of developing ARC's undeveloped reserves. See the sections entitled "*Risk Factors - Indigenous Land and Rights Claims"* and "*Risk Factors - Regulatory Approvals"* within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

The following table sets forth information respecting anticipated future abandonment and reclamation costs for surface leases, wells, facilities, and pipelines, including those where reserves are attributed. These abandonment and reclamation costs have been calculated outside of the reserves process and exclude any costs for undeveloped reserves. As at December 31, 2025, ARC had 3,482 net wells for which we expect to incur abandonment and reclamation costs.

Abandonment and Reclamation Costs Escalated at an average of 2.0%	**Undiscounted ($ millions)**	**Discounted at 10% (1) ($ millions)**
Total as at December 31, 2025	792.9	171.6
Anticipated to be paid in 2026	20.0	18.5
Anticipated to be paid in 2027	17.0	14.6
Anticipated to be paid in 2028	17.0	13.6

1) Costs used to determine ARC's asset retirement obligation in the financial statements have been discounted using a liability-specific risk-free rate of 3.9 per cent.

For more information with respect to our reclamation and abandonment obligations for properties with no attributed reserves, see the section entitled "*Statement of Reserves Data and Other Oil and Gas Information - Properties with no Attributed Reserves*" contained within this Annual Information Form. In addition, see the section entitled "*Further Information Respecting Abandonment Obligations*" below.

Further Information Respecting Abandonment Obligations

Abandonment and reclamation costs are incurred to restore shut-in and producing wells, facilities, and pipelines used in ARC's operations to the standard imposed by the applicable regulatory authorities. We include abandonment and reclamation costs for our property, plant and equipment ("PP&E") and exploration and evaluation assets ("E&E") in our annual budgeting process for the budget year and a provision for these costs is recognized at the present value of Management's best estimate of total expenditures required to settle the liability as at the date of the balance sheet. These ongoing environmental obligations are expected to be provided for with funds from operations. A portion of the liability is settled each year and facilities are scheduled to be decommissioned once all of the wells associated with a particular facility have been suspended or abandoned. Our model for estimating the amount and timing of future abandonment and reclamation expenditures was created at an operating area level. Estimated expenditures for each operating area are based on numerous sources, including information provided by provincial regulatory authorities, industry peer groups, area-specific data from a third-party liability management firm, and proprietary data from our operations. All wells, pipelines, facilities, and associated costs are then assigned to a specific geographic region which is consistent with the methodology used by the Alberta Energy Regulator and the British Columbia Energy Regulator. No estimate of salvage value is netted against the estimated cost. The estimates are reviewed periodically, and any changes are applied prospectively.

The provision for site restoration and abandonment is based on current legal and constructive requirements, technology, price levels, and expected plans for remediation. Actual costs and cash outflows can differ from estimates because of changes in laws and regulations, public expectations, market conditions, discovery and analysis of site conditions, and changes in technology. For more information, see Note 5 "*Management Judgments and Estimation Uncertainty*" in the financial statements, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

In estimating the future net revenues disclosed in this Annual Information Form, the GLJ Report, in the proved plus probable category, deducted $1.5 billion (undiscounted) and $67.9 million (discounted at 10 per cent) for abandonment and reclamation costs for all active assets with attributed reserves. Refer to Note 15 "*Asset Retirement Obligation*" in the financial statements and to the section entitled "*Asset Retirement Obligation*" contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

Core Operating Areas

The following is a description of ARC's principal crude oil and natural gas assets as at December 31, 2025. Information in respect of gross and net acres and well counts are as at December 31, 2025. The working interest in gross/net acres and wells as at December 31, 2025 may not directly correspond to the stated production for the year, which would only include production after, or up to, the effective date of any acquisition or disposition.

ARC's crude oil and natural gas assets described below are all located in the Western Canadian Sedimentary Basin and onshore within the Canadian provinces of Alberta and British Columbia. Except as set forth under the heading "*Statement of Reserves Data and Other Oil and Gas Information - Undeveloped Reserves*", there are no material districts to which reserves have been attributed that are capable of producing but which are not producing at December 31, 2025, and there are no material statutory or mandatory relinquishments, surrenders, back-ins, or changes in ownership provisions. When determining gross and net acreage for two or more lease agreements covering the same lands but different rights, the acreage is reported for each lease agreement.

Alberta

ARC's assets in northern Alberta are located in the Montney formation. ARC is one of the largest operators in the region with an average working interest of 93 per cent in approximately 953,117 gross acres (885,206 net acres), which includes land holdings of 1,032 net Montney sections. ARC drilled 94 gross operated wells in 2025 with an average working interest of 100 per cent, excluding any service wells. ARC has access to approximately 1,205 MMcf/d of natural gas and 170,000 bbl/d of liquids-handling capacity through facilities in the region, including its owned-and-operated infrastructure.

British Columbia

ARC's assets in northeast British Columbia are located in the Montney formation. ARC is one of the largest operators in the region with an average working interest of 95 per cent in approximately 619,690 gross acres (588,397 net acres), which includes land holdings of 682 net Montney sections. ARC drilled 47 gross operated wells in 2025 with an average working interest of 100 per cent, excluding any service wells. ARC has access to approximately 965 MMcf/d of natural gas and 53,000 bbl/d of liquids-handling capacity through facilities in the region, including its owned-and-operated infrastructure.

Crude Oil and Natural Gas Wells

The following table sets forth the number and status of wells in which ARC had a working interest as at December 31, 2025.

Province	**Crude Oil Wells** (1)				**Natural Gas Wells** (2)			
	Producing		Non-Producing		Producing		Non-Producing	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alberta	320	299	189	166	1,238	1,179	281	199
British Columbia	113	113	13	12	707	706	111	106
Total (3)	433	412	202	178	1,945	1,885	392	305

1) Includes Light Crude Oil wells, Medium Crude Oil wells, Heavy Crude Oil wells, and Tight Oil wells.
2) Includes Conventional Natural Gas wells and Shale Gas wells.
3) Excludes abandoned, water source, water injection, and disposal wells.

Properties with No Attributed Reserves

The following table sets out by province our properties with no attributed reserves as at December 31, 2025.

Undeveloped Acres

	Gross	Net
Alberta	533,232	492,745
British Columbia	397,612	366,117
Total	930,844	858,862

Undeveloped properties are lands that have not been assigned reserves; however, in certain of our undeveloped lands, reserves may have been assigned in other formations. Undeveloped acres are mineral agreement specific. The table above includes vertically stacked agreements within the same areal footprint.

ARC has no material work commitments related to our undeveloped acres in 2026. There are no material expiries in our core holdings in 2026.

Significant Factors or Uncertainties for Properties with No Attributed Reserves

ARC's business model focuses on our core operations, with little to no capital allocated to the acquisition, exploration, or development of properties with no attributed reserves. Therefore, there are not expected to be any significant factors or uncertainties that would affect such properties at this time and the abandonment and reclamation costs associated with these properties are not expected to be material.

For information with respect to our reclamation and abandonment obligations for our properties to which reserves have been attributed, see the section entitled "*Statement of Reserves Data and Other Oil and Gas Information - Further Information Respecting Abandonment Obligations'* in this Annual Information Form.

Forward Contracts and Transportation Commitments

ARC is exposed to market risks resulting from fluctuations in commodity prices, foreign exchange rates, and interest rates, in the normal course of operations. ARC maintains a risk management program including the use of derivative instruments to reduce the volatility of revenues, increase the certainty of funds from operations, and to protect acquisition and development economics.

The Company may also potentially be exposed to losses in the event of default by the counterparties to our derivative instruments. The risk is managed by diversifying our derivative portfolio amongst a number of investment-grade counterparties, including counterparties within our lending syndicate and by conducting regular credit reviews on all counterparties.

A summary of our financial contracts in respect of hedging activities can be found in Note 17 "*Financial Instruments and Market Risk Management*" in the financial statements and in the section entitled "*Risk Management Contracts*" contained within the MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

A part of our ongoing strategy is to secure transportation capacity to ensure our production moves to market over the short and long term. ARC believes that securing firm takeaway capacity is part of prudent management of our business, and has secured sufficient capacity for existing production and anticipated future growth. Our transportation commitments available for future physical deliveries of crude oil, natural gas, and NGLs exceed ARC's expected related future production of our proved reserves, based on the GLJ Report. The amount and estimated cost of excess firm takeaway capacity as compared to our proved reserves forecast is presented in the table below:

Excess Capacity Above Proved Reserves [1]	Zero to Five Years	Beyond Five Years
Natural Gas (MMcf/d)	631	229
Crude Oil and NGLs (Mbbl/d)	9	18
Estimated Cost ($ millions)	571	1,038

1) Amounts are undiscounted and reflect the total in excess of all proved reserves.

Total proved reserves comprise 63 per cent of total proved plus probable reserves. If ARC's sales volumes were equivalent to the forecast production of proved plus probable reserves, the amount and estimated cost of excess firm takeaway capacity as compared to our expected related production from our proved plus probable reserves is presented in the table below:

Excess Capacity Above Proved Plus Probable Reserves [1]	Zero to Five Years	Beyond Five Years
Natural Gas (MMcf/d)	483	189
Crude Oil and NGLs (Mbbl/d)	—	—
Estimated Cost ($ millions)	391	603

1) Amounts are undiscounted and reflect the total in excess of all proved plus probable reserves.

In cases where ARC holds transportation commitments for volume that exceeds its expected future production from proved and proved plus probable reserves, it has identified contractual opportunities where it may reduce its exposure to negative cash flows arising from the settlements of these contractual obligations. Additionally, ARC expects to fulfill these commitments through ongoing exploration and development activities, subject to our development plans, well performance, and disruptions or constraints at facilities and pipelines.

Additional disclosure related to such commitments, as well as ARC's other financial contracts as at December 31, 2025, are set forth in Note 22 "*Commitments and Contingencies*" in the financial statements, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

Tax Horizon

ARC has accumulated $6.0 billion of income tax pools for federal tax purposes at December 31, 2025. In 2025, ARC recognized a current income tax expense of $260.0 million. For 2026, ARC expects current income tax expense to range from 5 per cent to 10 per cent of funds from operations[1]; however, this will be dependent on the commodity price environment and the amount of capital invested. For more information, please see Note 18 "*Income Taxes*" in the financial statements, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

(1) This is a specified financial measure. See "*Non-GAAP and Other Financial Measures*" contained within this AIF and in the MD&A for additional disclosure, which information is incorporated by reference, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

Costs Incurred

The following table summarizes costs incurred for the year ended December 31, 2025.

($ millions)	Alberta	British Columbia	Total
Property Acquisition (Disposition) Costs, Net [1]			
Proved Properties	0.2	2.9	3.1
Unproved Properties	—	49.7	49.7
Exploration Costs [2]	—	53.6	53.6
Development Costs [3]	1,135.3	699.2	1,834.5
Total	**1,135.5**	**805.4**	**1,940.9**

1) Represents acquisition costs net of disposition proceeds and asset exchanges, and includes costs of land acquired ($56.8 million). Acquisition value is net of post-closing adjustments. Disposition value represents proceeds and adjustments to proceeds from divestitures.
2) Represents asset additions that have been determined by Management to be in the E&E stage and excludes capitalized corporate costs.
3) Represents additions to PP&E and excludes capitalized corporate costs.

Exploration and Development Activities

The following table sets forth the gross and net development wells that ARC participated in during the year ended December 31, 2025.

	Development Wells [1][2]	
Well Type	Gross	Net
Crude Oil	13	13
Natural Gas	128	128
Service Well	3	3
Total	**144**	**144**

1) Based on rig release dates.
2) No exploration wells, dry holes, or stratigraphic test wells were drilled during the year ended December 31, 2025.

Production Estimates

The following table sets out the GLJ forecast of the volume of production estimated for the year ended December 31, 2026, which is reflected in the estimate of gross proved reserves and gross probable reserves disclosed in the tables contained under "*Statement of Reserves Data and Other Oil and Gas Information - Disclosure of Reserves Data*".

	Tight Oil (bbl/d) [1]		NGLs (bbl/d) [2][3]		Shale Gas (Mcf/d) [4]		Total (boe/d)	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
PROVED								
Kakwa	209	179	113,949	98,443	526,187	494,025	201,856	180,960
Other Properties	6,950	5,684	37,139	32,854	891,852	796,420	192,731	171,274
TOTAL PROVED	**7,159**	**5,863**	**151,088**	**131,297**	**1,418,038**	**1,290,445**	**394,587**	**352,234**
PROBABLE								
Kakwa	8	7	10,650	9,296	40,389	38,190	17,390	15,668
Other Properties	705	606	5,399	4,997	78,550	71,905	19,196	17,587
TOTAL PROBABLE	**713**	**612**	**16,049**	**14,293**	**118,939**	**110,094**	**36,586**	**33,255**
PROVED PLUS PROBABLE								
Kakwa	217	185	124,600	107,740	566,575	532,215	219,246	196,628
Other Properties	7,655	6,290	42,538	37,851	970,402	868,324	211,927	188,861
TOTAL PROVED PLUS PROBABLE	**7,872**	**6,475**	**167,138**	**145,590**	**1,536,977**	**1,400,539**	**431,173**	**385,489**

1) Includes non-material amounts of Light Crude Oil, Medium Crude Oil, and Heavy Crude Oil.
2) Includes associated NGLs for both Conventional and Shale/Tight Reservoirs and includes condensate, propane, and butane.
3) Condensate and Pentanes Plus represent 67 per cent of total proved NGLs, 69 per cent of probable NGLs, and 68 per cent of proved plus probable NGLs.
4) Includes a non-material amount of Conventional Natural Gas.

The estimates of reserves for individual properties may not reflect the same confidence level as estimates of reserves for all properties, due to the effects of aggregation.

Production History

The following tables summarize certain information in respect of our production, product prices received, royalties paid, operating expense, transportation expense, and the resulting netback for the periods indicated below:

Production History	Three Months Ended 2025				Year Ended
	March 31	June 30	September 30	December 31	2025
Average Daily Production [1]					
Tight Oil (bbl/d) [2]	8,038	9,405	7,977	7,872	8,322
Shale Gas (MMcf/d) [3]	1,411	1,307	1,172	1,410	1,324
NGLs (bbl/d) [4]	129,117	129,993	155,996	165,526	145,287
Condensate (bbl/d)	86,296	90,994	105,982	111,026	98,662
Other NGLs (bbl/d) [5]	42,821	38,999	50,014	54,500	46,625
Total (boe/d)	372,265	357,228	359,236	408,382	374,336
Average Net Production Prices Received					
Tight Oil ($/bbl) [2]	87.90	82.56	82.75	73.63	81.75
Shale Gas ($/Mcf) [3]	4.19	3.19	2.75	3.77	3.51
NGLs ($/bbl) [4]	76.96	65.86	63.12	58.87	65.54
Condensate ($/bbl)	99.28	85.35	84.66	78.45	86.21
Other NGLs ($/bbl) [5]	31.98	20.39	17.47	18.97	21.81
Total ($/boe)	44.48	37.81	38.23	38.30	39.68
Royalties Paid					
Tight Oil ($/bbl) [2]	15.05	10.24	16.01	33.44	18.31
Shale Gas ($/Mcf) [3]	0.03	(0.06)	(0.15)	(0.01)	(0.04)
NGLs ($/bbl) [4]	12.74	10.11	9.93	6.06	9.48
Condensate ($/bbl)	17.57	13.48	13.92	8.37	13.03
Other NGLs ($/bbl) [5]	3.02	2.26	1.46	1.37	1.95
Total ($/boe)	4.86	3.71	4.18	3.07	3.93
Operating Expense [6]					
Tight Oil ($/bbl) [2]	7.83	7.14	7.70	11.87	8.57
Shale Gas ($/Mcf) [3]	0.72	0.74	0.98	0.74	0.79
NGLs ($/bbl) [4]	5.66	6.28	6.95	5.92	6.22
Condensate ($/bbl)	5.87	6.29	7.25	5.84	6.33
Other NGLs ($/bbl) [5]	5.24	6.25	6.30	6.09	5.99
Total ($/boe)	4.85	5.17	6.36	5.18	5.39
Transportation Expense					
Tight Oil ($/bbl) [2]	4.29	6.25	3.68	3.78	4.57
Shale Gas ($/Mcf) [3]	1.03	0.94	0.79	0.91	0.92
NGLs ($/bbl) [4]	4.44	4.81	4.13	4.02	4.32
Condensate ($/bbl)	4.96	5.17	4.43	4.57	4.76
Other NGLs ($/bbl) [5]	3.40	3.97	3.47	2.89	3.39
Total ($/boe)	5.55	5.36	4.46	4.83	5.04

Production History - continued	Three Months Ended 2025				Year Ended
	March 31	June 30	September 30	December 31	2025
Netback Received					
Tight Oil ($/bbl) [2]	60.73	58.93	55.36	24.54	50.30
Shale Gas ($/Mcf) [3]	2.41	1.57	1.13	2.13	1.84
NGLs ($/bbl) [4]	54.12	44.66	42.11	42.87	45.52
Condensate ($/bbl)	70.88	60.41	59.06	59.68	62.09
Other NGLs ($/bbl) [5]	20.32	7.91	6.24	8.62	10.48
Total ($/boe)	29.22	23.57	23.23	25.22	25.32

1) Before deduction of royalties and including royalty interests.
2) Includes non-material amounts of Light Crude Oil, Medium Crude Oil, and Heavy Crude Oil.
3) Includes a non-material amount of Conventional Natural Gas.
4) NGLs as defined by GLJ which includes condensate, butane, ethane, and propane.
5) Other NGLs as defined by ARC includes butane, ethane, and propane but excludes condensate.
6) Operating expense is comprised of direct costs incurred to operate both crude oil and natural gas wells. A number of assumptions have been made in allocating these costs between crude oil, natural gas, condensate, and NGLs production.

Alberta and British Columbia account for approximately 55 per cent and 45 per cent, respectively, of the total production disclosed above. For more information, see the section entitled "*Statement of Reserves Data and Other Oil and Gas Information*" of this Annual Information Form.

DIVIDENDS

Dividend Policy

The Board of Directors of ARC Resources has established a dividend policy of paying a quarterly dividend to shareholders on or about the 15th day of the month following the end of each quarter.

It is expected that the dividends declared and paid will be "eligible dividends" for the purposes of the Tax Act, and thus qualify for the enhanced gross-up and tax credit regime available to certain shareholders. However, no assurances can be given that all dividends will be designated as "eligible dividends" or qualify as "eligible dividends".

Notwithstanding the foregoing, ARC's future shareholder distributions, including but not limited to the payment of dividends, if any, and the level thereof is uncertain. Any decision to pay dividends on ARC's shares (including the actual amount, the declaration date, the record date, and the payment date in connection therewith) will be subject to the discretion of the Board of Directors and may depend on a variety of factors, including, without limitation, ARC's business performance, financial condition, financial requirements, growth plans, expected capital requirements, and other conditions existing at such future time including, without limitation, contractual restrictions and satisfaction of the solvency tests imposed on ARC under applicable corporate law.

In certain circumstances, the payment of dividends may be restricted by our borrowing agreements. For more information see "*Other Information Relating to Our Business - Borrowing*."

Dividend History

ARC declared the following dividends per common share:

Dividends	2025	2024	2023
Q1	$0.19	$0.17	$0.15
Q2	$0.19	$0.17	$0.17
Q3	$0.19	$0.17	$0.17
Q4	$0.21	$0.19	$0.17
Total	**$0.78**	**$0.70**	**$0.66**

CAPITAL STRUCTURE

The authorized capital of ARC Resources is an unlimited number of common shares without nominal or par value and 50,000,000 preferred shares without nominal or par value issuable in series of which 570,625,882 common shares and no preferred shares were outstanding as at December 31, 2025.

Common Shares

Shareholders are entitled to notice of, to attend, and to one vote per share held at any meeting of the shareholders of the Corporation (other than meetings of a class or series of shares of the Corporation other than the common shares as such).

Shareholders are entitled to receive dividends as and when declared by the Board of Directors of the Corporation on the common shares as a class, subject to prior satisfaction of all preferential rights to dividends attached to shares of other classes of shares of the Corporation ranking in priority to the common shares in respect of dividends.

Shareholders are entitled in the event of any liquidation, dissolution, or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, and subject to prior satisfaction of all preferential rights to return of capital on dissolution attached to all shares of other classes of shares of the Corporation ranking in priority to the common shares in respect of return of capital on dissolution, to share rateably, together with the holders of shares of any other class of shares of the Corporation ranking equally with the common shares in respect of return of capital on dissolution, in such assets of the Corporation as are available for distribution.

Preferred Shares

Preferred shares may at any time or from time to time be issued in one or more series. Before any shares of a particular series are issued, the Board of Directors shall, by resolution, fix the number of shares that will form such series and shall, subject to the limitations set out in ARC Resources' articles, by resolution fix the designation, rights, privileges, restrictions, and conditions to be attached to the preferred shares of such series, including, but without in any way limiting or restricting the generality of the foregoing, the rate, amount or method of calculation of dividends thereon, the time and place of payment of dividends, the consideration for and the terms and conditions of any purchase for cancellation, retraction or redemption thereof, conversion or exchange rights (if any), and whether into or for securities of ARC Resources or otherwise, voting rights attached thereto (if any), the terms and conditions of any share purchase or retirement plan or sinking fund, and restrictions on the payment of dividends on any shares other than preferred shares or payment in respect of capital on any shares in the capital of ARC Resources or creation or issue of debt or equity securities. Notwithstanding the foregoing, other than in the case of a failure to declare or pay dividends specified in any series of preferred shares, the voting rights attached to the preferred shares shall be limited to one vote per preferred share at any meeting where the preferred shares and common shares vote together as a single class.

Any preferred shares of ARC Resources are intended to provide future financing flexibility and are not intended to be used to block any takeover bid for ARC Resources. ARC Resources confirms that it will not, without prior shareholder approval, issue any preferred shares for any anti-takeover purpose.

Normal Course Issuer Bid

ARC renewed its NCIB on September 6, 2024, allowing the Company to purchase 59.4 million of its outstanding common shares, representing 10 per cent of its public float at the time, over a 12-month period ending September 5, 2025. Subsequently, ARC further renewed its NCIB on September 8, 2025, allowing the Company to purchase up to 58.0 million of its outstanding common shares, representing 10 per cent of its public float at the time, over a 12-month period ending September 7, 2026. Under the NCIB, common shares may be purchased in open market transactions on the TSX and other alternative trading platforms in Canada and in accordance with the TSX rules for NCIBs. Any common shares that are purchased under the NCIB are cancelled. For the 12-month period ending December 31, 2025, ARC had repurchased a total of 19.7 million common shares pursuant to the NCIB.

Borrowing

ARC borrows funds periodically for capital expenditures, to finance the purchase of assets, or for other financial obligations or expenditures in respect of assets held by us or for working capital purposes. ARC manages its capital structure for the long term, with the objective of having its net debt to funds from operations ratio below 1.5 times. The level of borrowing is assessed regularly by Management and is subject to quarterly reviews by the Board of Directors of ARC Resources.

Our borrowings comprise of a bank credit facility, a term loan and unsecured notes. We may choose to repay a portion of our debt from one source and borrow from other parties in order to reduce borrowing costs and provide more financial flexibility.

As at December 31, 2025, ARC had a $2.0 billion unsecured credit facility with a syndicate of major chartered banks, a $500.0 million drawn term loan with a syndicate of major chartered banks, a $40.0 million working capital facility with our agent bank, a $15.0 million letter of credit facility with our agent bank, a $45.0 million letter of credit facility with another major chartered bank and member of the syndicate, a third letter of credit facility for $30.0 million with another major chartered bank and member of the syndicate, and $2.0 billion of senior notes outstanding. ARC had a net debt balance of $2.9 billion outstanding at December 31, 2025, comprised of $2.9 billion of long-term debt less a working capital surplus of $12.0 million.

In February 2026, ARC issued two senior unsecured notes for aggregate principal amount of $950.0 million, repaid its term loan in the amount of $500.0 million, and redeemed its senior note maturing on March 10, 2026 in the amount of $450.0 million.

Borrowings under the credit facility bear interest at Canadian bank prime or U.S. base rate, or Canadian Overnight Repo Rate Average or Secured Overnight Financing Rate, plus applicable margin and stamping fees, which are based on ARC's credit rating. During the year ended December 31, 2025, the maturity date of the credit facility was extended to March 2029 and the capacity was increased to $2.0 billion from $1.7 billion. Subsequent to December 31, 2025, the maturity date of the facility was extended to March 2030. In the event the credit facility is not extended at any time before the maturity date, the loan will become repayable on the maturity date.

The senior notes outstanding were issued in multiple tranches with maturity dates of June 17, 2028, February 25, 2029, March 10, 2031, June 17, 2032, and February 25, 2033 and bear interest at a fixed rate.

ARC has always been, and continues to be, in compliance in all material respects with the terms of the agreements governing the credit facilities and senior notes described above.

The credit facilities, term loan, and senior notes rank equally and contain provisions which restrict the payment of dividends to shareholders, in the event of the occurrence of certain events of default. For more information, refer to Note 13 "*Long-term Debt*" in the financial statements, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca.

Credit Ratings

Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. Credit ratings are not recommendations to purchase, hold, or sell securities and do not address the market price or suitability of a specific security for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

DBRS

The DBRS long-term debt rating scale provides an opinion on the risk of default, meaning the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued. Ratings are based on quantitative and qualitative considerations relevant to the issuer, and the relative ranking of claims. All rating categories, other than AAA and D, contain subcategories "(high)" or "(low)". The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category.

As of December 31, 2025, DBRS has assigned ARC a BBB issuer rating (stable trend). DBRS has also assigned a BBB rating (stable trend) on ARC's outstanding senior unsecured notes.

Payments to Credit Rating Organizations

ARC has made payments to, and reasonably expects, from time to time, to continue to make customary payments to DBRS for the provision of the related ratings and other services.

MARKET FOR SECURITIES

ARC's common shares commenced trading on the TSX on January 6, 2011 following its conversion from a royalty trust. The trading symbol for the common shares is ARX.

The following table sets forth the high and low closing prices and the aggregate volume of trading in 2025 of ARC's common shares on the TSX for the periods indicated (as quoted by Bloomberg).

Toronto Stock Exchange	High ($)	Low ($)	Volume
January	27.45	24.89	43,350,316
February	27.51	24.65	35,786,434
March	28.93	24.96	39,527,532
April	29.80	23.88	46,248,441
May	29.81	25.11	34,981,456
June	31.29	28.71	37,994,103
July	28.05	26.72	35,793,654
August	27.66	26.14	35,826,024
September	26.55	24.03	94,088,062
October	26.78	24.85	56,474,657
November	26.17	23.89	79,087,030
December	27.14	24.82	56,448,833

DIRECTORS AND EXECUTIVE OFFICERS

Directors

The name, municipality, province and country of residence, positions held, period during which such positions have been held, and principal occupation during the past five years of each current director of ARC Resources as at March 5, 2026 are set out below.

Directors		
Name and Municipality of Residence	**Director Since** [1]	**Principal Occupation During Past Five Years**
Harold N. Kvisle Calgary, Alberta, Canada	2009 (Chair) Independent	Mr. Kvisle is an independent businessperson.
Carol T. Banducci Mississauga, Ontario, Canada	2021 Independent	Ms. Banducci is an independent businessperson.
David R. Collyer Calgary, Alberta, Canada	2016 Independent	Mr. Collyer is an independent businessperson.
Hugh H. Connett The Woodlands, Texas, USA	2024 Independent	Mr. Connett is an independent businessperson.
Michael R. Culbert Calgary, Alberta, Canada	2024 Independent	Mr. Culbert is an independent businessperson.
Denise S. Man Calgary, Alberta, Canada	2025 Independent	Ms. Man has held the position of Chief Technology Officer at AIMCo since 2022. Prior to 2022, she was the Chief Technology Officer at ATB Financial.
Michael G. McAllister Calgary, Alberta, Canada	2020 Independent	Mr. McAllister is an independent businessperson.
Marty L. Proctor Calgary, Alberta, Canada	2021 Independent	Mr. Proctor is an independent businessperson.
M. Jacqueline Sheppard Calgary, Alberta, Canada	2021 Independent	Ms. Sheppard is an independent businessperson.
Leontine van Leeuwen-Atkins Calgary, Alberta, Canada	2021 Independent	Ms. Atkins is an independent businessperson.
Jonathan A. Wright Calgary, Alberta, Canada	2026 Independent	Mr. Wright is an independent businessperson. Prior to 2025, he held the position of President and Chief Executive Officer of NuVista Energy Ltd.
Terry M. Anderson Calgary, Alberta, Canada	2020 Management Director	Mr. Anderson is the President and Chief Executive Officer of ARC Resources.

1) The term of each director is until the next annual meeting of shareholders.

As at December 31, 2025, the directors and officers of ARC Resources, as a group, beneficially owned or controlled 1,404,336 common shares or approximately 0.3 per cent of the outstanding common shares.

Executive Officers

The name, municipality, province and country of residence, position held, and principal occupation during the past five years of each executive officer of ARC Resources as at March 5, 2026 are set out below.

Officers [1]	
Name and Municipality of Residence	**Office Held and Principal Occupation During Past Five Years**
Terry M. Anderson Calgary, Alberta, Canada	**President and Chief Executive Officer** Mr. Anderson is the President and Chief Executive Officer.
Kristen J. Bibby Calgary, Alberta, Canada	**Senior Vice President and Chief Financial Officer** Mr. Bibby is the Senior Vice President and Chief Financial Officer.
Armin Jahangiri Calgary, Alberta, Canada	**Senior Vice President and Chief Operating Officer** Mr. Jahangiri is the Senior Vice President and Chief Operating Officer. From April 2021 to January 2022, he was the Senior Vice President, Capital Projects. From March 2017 to April 2021, he held the position of Vice President, Operations.
Ryan V. Berrett Calgary, Alberta, Canada	**Senior Vice President, Marketing** Mr. Berrett is the Senior Vice President, Marketing. Prior to January 2022, he was the Vice President, Marketing.
Lisa A. Olsen Calgary, Alberta, Canada	**Senior Vice President, People and Corporate** Ms. Olsen is the Senior Vice President, People and Corporate. From April 2021 to January 2022, she held the position of Vice President, People and Corporate. Prior to April 2021, she was the Vice President, Human Resources.
Sean R. A. Calder Calgary, Alberta, Canada	**Vice President, Field Operations** Mr. Calder is the Vice President, Field Operations. Prior to September 2022, he was the Vice President, Production.
Michael C. Capon Calgary, Alberta, Canada	**Vice President, Information Technology** Mr. Capon is the Vice President, Information Technology. Prior to February 2024, he was the Manager, Information Technology.
Kristin L. Cerny Calgary, Alberta, Canada	**Vice President, Finance** Ms. Cerny is the Vice President, Finance. Prior to April 2021, she was the Manager, Treasury and Risk Management.
Brian R. Groundwater Calgary, Alberta, Canada	**Vice President, Engineering and Geoscience** Mr. Groundwater is the Vice President, Engineering and Geoscience. Prior to March 2022, he was the Vice President, Engineering. From January 2018 to April 2021, he held the position of Manager, Engineering.
Tejay D. Haugen Calgary, Alberta, Canada	**Vice President, Operations Planning** Mr. Haugen is the Vice President, Operations Planning. Prior to September 2022, he was Manager, Operations Planning.
Sean W. Stuart Calgary, Alberta, Canada	**Vice President, Capital Operations** Mr. Stuart is the Vice President, Capital Operations. From April 2017 to September 2021, he held the position of Manager, Completions.
Grant A. Zawalsky [2] Calgary, Alberta, Canada	**Corporate Secretary** Mr. Zawalsky is the Vice Chairman and Partner at Burnet, Duckworth & Palmer LLP (law firm). Prior to February 2022, he was the Managing Partner.

1) Larissa M. Conrad was the Senior Vice President and Chief Development Officer until her departure in April 2025.
2) Mr. Zawalsky is not considered to be an “executive officer” of ARC as defined by NI 51-102 as he does not perform a policy-making function in respect of the Corporation.

Membership of Board Committees

The following chart sets out the membership of the committees of the Board of Directors as at March 5, 2026. All committees are comprised of independent directors.

Name of Director	Audit	Human Resources & Compensation	Policy & Board Governance	Safety, Reserves & Operational Excellence
Harold N. Kvisle (Board Chair)				
Carol T. Banducci	√		√	
David R. Collyer		Chair	√	
Hugh H. Connett	√			√
Michael R. Culbert		√	√	
Denise S. Man	√			√
Michael G. McAllister		√		√
Marty L. Proctor				Chair
M. Jacqueline Sheppard		√	Chair	
Leontine van Leeuwen-Atkins	Chair			√
Jonathan A. Wright				√

Officer Biographies

The following comprises a brief description of the background of the current executive officers of ARC Resources.

Terry M. Anderson, B.Sc., P.Eng.

PRESIDENT AND CHIEF EXECUTIVE OFFICER, DEPENDENT

Mr. Anderson was appointed President and Chief Executive Officer of ARC Resources Ltd. in 2020. In his role, Mr. Anderson has overall accountability for the Company's strategy and delivery of strong financial, operational, and ESG performance. He was appointed to the Board of Directors in May 2020.

Mr. Anderson has more than 30 years of experience working in the North American energy industry. He joined ARC in 2000 and has held progressively senior roles including Senior Vice President, Engineering and Land and Senior Vice President, Operations. In 2005, he led the technical team credited with unlocking the value of the highly profitable Montney formation by successfully drilling the first horizontal well in the play.

From 2015 to 2020, he was ARC's Senior Vice President and Chief Operating Officer where he led the Company's Montney development and production activities in northeast British Columbia and northern Alberta. During his tenure at ARC, Mr. Anderson has played a key role in the Company's transformation from a widespread royalty trust to a highly focused Montney developer. As President and Chief Executive Officer, he led a transformational business combination with Seven Generations, which resulted in the Company becoming the largest pure-play Montney producer and one of Canada's largest natural gas producers.

He holds a Bachelor of Science degree in Petroleum Engineering from the University of Wyoming. He is a member of the Association of Professional Engineers and Geoscientists of Alberta ("APEGA") and British Columbia ("EGBC").

Kristen J. Bibby, B. Comm, CPA, CA

SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

As Senior Vice President and Chief Financial Officer, Mr. Bibby oversees the Company's financial, risk management, capital markets, legal and external communications activities in support of ARC's strategic priorities. He was appointed as CFO in February 2020 and has played a instrumental role in ensuring ARC's financial strength and continued focus on shareholder returns.

Mr. Bibby has more than 20 years' experience in finance and accounting roles within the energy industry. He joined ARC in 2014 as Vice President, Finance where he led the finance, accounting, tax, treasury and risk management functions. Previously, he was Chief Financial Officer at several crude oil and natural gas companies with international operations.

He has a Bachelor of Commerce degree from the University of Saskatchewan and is a member of the Alberta Chartered Professional Accountants ("CPA").

Armin Jahangiri, B.Sc., M.Eng., P.Eng.
SENIOR VICE PRESIDENT AND CHIEF OPERATING OFFICER

As Senior Vice President and Chief Operating Officer, Mr. Jahangiri is responsible for ARC's capital operations, production, and subsurface development activities, ensuring the Company's ongoing commitment to operational excellence. In addition, he has accountability for ARC's safety, environmental sustainability, regulatory, government relations, surface land, and Indigenous relations functions.

Mr. Jahangiri has more than 28 years of domestic and international experience in the energy industry with a focus in major project planning, development, and execution. He joined ARC in 2014 and has held increasingly senior roles with an operations and engineering focus. He was appointed as Chief Operating Officer in 2021, and in 2025 added oversight of the Company's geosciences, reservoir and development engineering, and strategic planning and reserves functions. Before joining ARC, he held various positions in development, operations, and production engineering with a major Canadian crude oil and gas producer, as well as field engineering and operations management positions both onshore and offshore for a global oilfield services company.

Mr. Jahangiri is a professional engineer with both APEGA and EGBC. He holds a Bachelor of Science in Mechanical Engineering from the Sharif University of Technology, and a Master of Engineering in Chemical and Petroleum Engineering with specialization in Reservoir Characterization from the University of Calgary.

Ryan V. Berrett, B. Mgmt, MBA
SENIOR VICE PRESIDENT, MARKETING

As Senior Vice President, Marketing, Mr. Berrett is responsible for ARC's commodity marketing and business development strategies in support of ARC's long-term plan.

Mr. Berrett joined ARC in 2001. During his tenure, he has developed a deep understanding for ARC's business, holding roles in accounting, finance, and marketing, where he progressed into roles with increasing responsibility. Most recently, he was Vice President, Marketing from 2017 to 2021, where he was responsible for leading ARC's marketing activities including commodity marketing, commercial operations, and downstream market development.

Mr. Berrett has a Bachelor of Management degree from the University of Lethbridge and an Executive MBA in Global Energy from the University of Calgary.

Lisa A. Olsen, B.A.
SENIOR VICE PRESIDENT, PEOPLE AND CORPORATE

As Senior Vice President, People and Corporate, Ms. Olsen oversees the Company's corporate functions including governance, human resources, information technology, internal communications, and office services.

With more than 25 years of human resources and corporate experience, Ms. Olsen brings expertise from the domestic and international energy and global consumer industries. Most recently, she served as ARC's Vice President, Human Resources from 2016 to 2021. She joined ARC in 2008 as the Manager of Human Resources and has taken on roles of increasing responsibility since. Prior to joining ARC, she spent more than 10 years leading the human resources functions in both a Canadian crude oil and natural gas company with international operations, as well as for a major international consumer brand.

Currently, she serves as a Board member for the Canadian Mental Health Association, Calgary. Ms. Olsen has a Bachelor of Communications from Simon Fraser University and a Certificate of Management Excellence from Harvard Business School, Executive Education.

Sean R. A. Calder, P.L. (Eng.), R.E.T.
VICE PRESIDENT, FIELD OPERATIONS

Mr. Calder is ARC's Vice President, Field Operations. In his role, he is responsible for all aspects of field production operations, including field engineering, maintenance, and asset integrity. He has more than 30 years of energy industry experience including field operations, drilling and completions, and facility management. Mr. Calder joined ARC in 2005, and since this time has taken on roles of increasing responsibility. Prior to joining ARC, he worked at a major crude oil and natural gas company. He is a Professional Licensee (Eng.) under APEGA, and a Registered Engineering Technologist with the Association of Science and Engineering Technology Professionals in Alberta. Mr. Calder has a Bachelor of Applied Technology Petroleum Engineering degree from the Southern Alberta Institute of Technology ("SAIT").

Michael C. Capon, B.Sc. (CIS)
VICE PRESIDENT, INFORMATION TECHNOLOGY

Mr. Capon is the Vice President, Information Technology of ARC. In his role, Mr. Capon is responsible for oversight of the Company's technology strategy, critical information technology infrastructure, application services and solutions, cybersecurity program, and the delivery of strategic data analytics. With more than 20 years' experience in the technology and energy industries, Mr. Capon has extensive expertise in developing technology strategy to maximize the value of technology investments and delivering large-scale digital solutions and programs that enable the business. Most recently, he served as Manager, Information Technology at ARC, where he led the technology integration to support the Seven Generations business combination, and oversaw the evaluation of an enterprise resource planning platform. Mr. Capon is a Certified Information Systems Security Professional and holds a Bachelor of Science, Computer Information Systems from DeVry Institute of Technology.

Kristin L. Cerny, B.B.A, MSA, CFA
VICE PRESIDENT, FINANCE

Ms. Cerny is ARC's Vice President, Finance, and is responsible for the Company's treasury, tax, corporate finance, insurance, risk management, and market fundamentals analysis functions. She has more than 20 years of finance experience in capital markets and the energy industry. Ms. Cerny has been with ARC since 2011 in roles of increasing responsibility, most recently serving as Manager of Treasury and Risk Management. Prior to joining ARC Resources, she worked for two global investment banks in institutional equities in the U.S. for eight years. Currently, she serves as a director for WinSport and the Lion Heart Foundation. She holds a Bachelor of Business Administration in Finance from the University of Notre Dame, a Master of Science in Accounting from DePaul University, and is a CFA charterholder.

Brian R. Groundwater, B.Eng., P.Eng.
VICE PRESIDENT, ENGINEERING AND GEOSCIENCE

Mr. Groundwater is the Vice President, Engineering and Geoscience of ARC Resources. In his role, he manages the development engineering, reservoir engineering, and geoscience teams. He has more than 25 years of domestic and international experience in the energy industry, with a depth of technical knowledge of production, facilities, completions, development, and reservoir engineering. Mr. Groundwater joined ARC in 2018, serving as Manager, Engineering for the Company's Alberta and North Montney assets. Since then, he has taken on roles of increasing responsibility. Earlier in his career, he held leadership roles at an international energy company, working in western Canada and western Europe. Mr. Groundwater is a professional engineer with both APEGA and EGBC, and he holds a Bachelor of Engineering degree in Chemical Engineering from the University of Calgary.

Tejay D. Haugen, P.L. (Eng.), P. Tech (Eng.)
VICE PRESIDENT, OPERATIONS PLANNING

Mr. Haugen is the Vice President, Operations Planning of ARC Resources. In his role, Mr. Haugen is responsible for the Company's long-term production and infrastructure planning, facilities design, water and emissions management, and planning of our capital program. With more than 20 years' experience in the energy industry, he has extensive technical and commercial knowledge of both production and operations. Most recently, he served as Manager, Operations Planning where he led planning, scheduling, and procurement for ARC's capital and production operations. Mr. Haugen joined ARC in 2006, and has held several progressively senior roles within the operations and capital planning functions. Currently, he serves on the Board of Directors for Energy Safety Canada. Mr. Haugen is a Professional Licensee (Eng.) with APEGA, and a Professional Technologist (Eng.) with the Association of Science and Engineering Technology Professionals in Alberta (ASET). He has a diploma in Petroleum Engineering Technology from SAIT.

Sean W. Stuart, B.A.Sc., P.Eng.
VICE PRESIDENT, CAPITAL OPERATIONS

Mr. Stuart is the Vice President, Capital Operations of ARC Resources and is responsible for the drilling, completions, civil construction, surface land, and Indigenous relations teams. With more than 25 years' experience in the energy industry, he has extensive knowledge of all technical aspects of subsurface development and well operations. Most recently, he served as Manager, Completions overseeing assets in Alberta and British Columbia. Mr. Stuart joined ARC in 2014, holding several leadership roles with increasing responsibility within the operations function. Prior to joining ARC, he worked at an intermediate energy company as a Team Lead for drilling, completions, and well servicing. Mr. Stuart is a member of APEGA and EGBC, and he has a Bachelor of Applied Science in Civil Engineering from the University of Waterloo.

Grant A. Zawalsky, B. Comm, LL.B
CORPORATE SECRETARY

Mr. Zawalsky acts as Corporate Secretary for ARC Resources. He is a Vice Chair and Partner at the law firm of Burnet, Duckworth & Palmer LLP, and has more than 30 years of experience in securities and corporate law including securities offerings, mergers and acquisitions, and corporate governance. Mr. Zawalsky acts a director or corporate secretary of several public and private energy companies.

Conflicts of Interest

During the year ended December 31, 2025, ARC did not have any existing or potential material conflicts of interest between the Company or a subsidiary of the Company and any director or officer of the Company or of a subsidiary of the Company.

AUDIT COMMITTEE DISCLOSURES

National Instrument 52-110 *Audit Committees* ("NI 52-110") has mandated certain disclosures for inclusion in this Annual Information Form. The text of the Audit Committee's mandate is attached as Appendix C to this Annual Information Form.

Members of the Audit Committee

As of March 5, 2026, the members of the Audit Committee are Leontine van Leeuwen-Atkins (Chair), Carol T. Banducci, Hugh H. Connett and Denise Man; each is independent and financially literate within the meaning of NI 52-110.

The following comprises a brief summary of each member's education and experience:

Leontine van Leeuwen-Atkins

Ms. Atkins has more than 35 years of international experience working across the energy value chain with expertise in business strategy, mergers and acquisitions, finance, and sustainability. Currently, she serves on the boards of Cameco Corporation and EPCOR Utilities Inc. and serves as Technical Committee Chair of Cameco and Audit Committee Chair of EPCOR.

From 2006 to 2019, she was a partner with KPMG LLP. During her tenure, she led the European Energy & Natural Resources practice, the Netherlands' Industrial Markets practice and Europe's Chemical & Pharmaceutical practice, focusing on strategic investments and initiatives. Ms. Atkins also served on KPMG Canada's National Board of Directors and was Audit Committee Chair for Points International (sold in 2022 to LeCaisse/Plusgrade) and Seven Generations Energy Ltd. Ms. Atkins is a past member of the Advisory Council of the Calgary Chapter of the Institute of Corporate Directors.

She holds a Bachelor of Business Administration in Finance from Acadia University, and a Master of Business Administration from Dalhousie University. Ms. Atkins holds CPA and CA designations, as well as the ICD.D designation from the Institute of Corporate Directors. Ms. Atkins was awarded the FCPA/FCA in 2022 by the Canadian Institute of Chartered Accountants.

Carol T. Banducci

Ms. Banducci has more than 30 years of international experience with a focus in operational, corporate, and senior leadership roles. She has extensive expertise in strategy development and implementation, and has considerable experience overseeing finance, accounting, risk management, tax, internal audit, and information technology. She also serves as a Director with Citibank Canada.

Ms. Banducci was Executive Vice President and Chief Financial Officer of IAMGOLD Corporation. She also served as Chair of Niobec Inc. and as a Director of Hudbay Mineral Inc. Previously, she was a senior leader with a major plastics and polymer producer and was Chief Financial Officer of Orica Explosives North America and ICI Explosives Canada & Latin America, a global business with sales in 35 countries.

Ms. Banducci is a member of the Institute of Corporate Directors and is a past member of the Canadian Board Diversity Council. Ms. Banducci holds a Bachelor of Commerce from the University of Toronto.

Hugh H. Connett

Mr. Connett has 40 years of energy industry experience with extensive experience working across various sectors of the global energy value chain including natural gas, pipelines and LNG. He has expertise in the development and execution of global natural gas strategies inclusive of supply, marketing, logistics, optimization, risk management, commercial, and business development.

Mr. Connett spent 23 years at Chevron where he held several executive roles including his most recent role as President, Chevron Global Gas. Prior to that, Mr. Connett held the positions of President, Global Power and President, Global Pipeline. Before joining Chevron, he held various technical and leadership roles with Mitchell Energy Corporation. Mr. Connett is involved in several non-profit organizations serving as President of the Board of Directors for a Municipal Utility District and Trustee Member for the Woodlands Water Agency. He also serves as a guest speaker at Pennsylvania State University, speaking on topics related to the energy value chain.

He holds a Bachelor of General Arts and Sciences and a Bachelor of Science in Petroleum and Natural Gas Engineering from Pennsylvania State University.

Denise Man

Ms. Man has more than 25 years of experience in technology and engineering, with a focus on leveraging data to drive strategic value and innovation. Since 2022, she has led AIMCo's Global Technology and Data team as Chief Technology Officer, where her responsibilities include delivering systems and insights to achieve superior risk adjusted net return on behalf of AIMCo's clients.

Prior to joining AIMCo, Ms. Man held several executive roles, including Chief Technology Officer at both a major financial institution and a global energy infrastructure company. In these roles, she was responsible for overseeing technology, innovation, engineering, infrastructure, operations, and architecture. She has also worked on artificial intelligence research, the development of the 64-bit Itanium microprocessor, intellectual property licensing, and technology transformations.

Ms. Man is the owner of seven patents and several publications with the U.S. Patent Office. She is actively involved in several community organizations serving on the Board of Directors of Coril Holdings Ltd. and the VersaFi Advisory Council. She holds a Bachelor of Science degree in Electrical Engineering with a minor in Computer Engineering and is a member of APEGA.

Principal Accountant Fees and Services

The Audit Committee approves all audit and non-audit services performed by ARC's external auditors. Specific audit-related and non-audit services in the amount of $50,000 or less may be pre-approved by the Chair of the Audit Committee in accordance with the committee's policies and procedures.

PricewaterhouseCoopers LLP acted as ARC's external auditor for the fiscal years ended December 31, 2025 and 2024. The following is a summary of the external audit and non-audit service fees paid to PricewaterhouseCoopers LLP.

Summary of External Audit and Non-audit Service Fees		2025		2024
Audit Fees	$	1,602,860	$	1,882,130
All Other Fees [1]	$	41,785	$	18,427

1) Includes the assessment fee billed by the Canadian Public Accountability Board (the "CPAB") per the National Instrument 52-108 *Auditor Oversight* mandate for reporting issuers to have an audit completed by a CPAB participant firm, fees for services related to debt issuances, and fees for a research subscription.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There is no material interest, direct or indirect, of any director or executive officer, or to our knowledge any person or company that beneficially owns, or who exercises control or direction over, directly or indirectly, more than 10 per cent of outstanding common shares, or any associate or affiliate of any of the foregoing, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to affect the Corporation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for ARC's common shares is Computershare Trust Company of Canada at its principal offices in Calgary and Toronto.

MATERIAL CONTRACTS

During the year ended December 31, 2025, ARC has not entered into any contracts, nor are there any contracts still in effect, that are material to ARC, other than contracts entered into in the ordinary course of business.

INTEREST OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by us during, or related to, our most recently completed financial year other than GLJ, our independent qualified reserves evaluator, and PricewaterhouseCoopers LLP, our independent external auditor for the year ended December 31, 2025. As at the date hereof, the designated professionals of GLJ, as a group, beneficially owned, directly or indirectly, less than one per cent of our outstanding securities, including the securities of our associates and affiliates.

The Corporation's auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have prepared an independent auditor's report dated February 5, 2026, in respect of the Corporation's consolidated financial statements as at December 31, 2025 and December 31, 2024 and for the years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Corporation within the meaning of the Rules of Professional Conduct of Chartered Professional Accountants of Alberta.

In addition, none of the aforementioned persons or companies, nor any director or officer of any of the aforementioned persons or companies, is or is expected to be elected, appointed, or employed as a director or officer, of ARC Resources or of any of our associate or affiliate entities. Grant A. Zawalsky, the Corporate Secretary of ARC Resources, is a partner of Burnet, Duckworth & Palmer LLP, which law firm renders legal services to ARC Resources.

NON-GAAP AND OTHER FINANCIAL MEASURES

Throughout this document and in other materials disclosed by the Company, ARC employs certain measures to analyze its financial performance, financial position, and cash flow including "capital expenditures" and "free funds flow". These non-GAAP and other financial measures are not standardized financial measures under IFRS Accounting Standards and may not be comparable to similar financial measures disclosed by other issuers. The non-GAAP and other financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS Accounting Standards, such as net income, cash flow from operating activities, and cash flow used in investing activities, as indicators of ARC's performance. See the section entitled "*Non-GAAP and Other Financial Measures*" in the 2025 MD&A for additional disclosures of these non-GAAP and other financial measures, which information is incorporated by reference into this Annual Information Form.

Non-GAAP Financial Measures

Capital Expenditures

ARC uses capital expenditures to monitor its capital investments relative to those budgeted by the Company on an annual basis. ARC's capital budget excludes acquisition and disposition activities as well as the accounting impact of any accrual changes or payments under certain lease arrangements. The most directly comparable GAAP measure for capital expenditures is cash flow used in investing activities.

Free Funds Flow

ARC uses free funds flow as an indicator of the efficiency and liquidity of ARC's business, measuring its funds available after capital expenditures to manage debt levels and return capital to shareholders through dividends and share repurchases. ARC computes free funds flow as funds from operations generated during the period less capital expenditures. Capital expenditures is a non-GAAP financial measure. By removing the impact of current period capital expenditures from funds from operations, Management monitors its free funds flow to inform its capital allocation decisions. The most directly comparable GAAP measure to free funds flow is cash flow from operating activities.

Non-GAAP Ratios

Free Funds Flow per Share

ARC presents free funds flow per share by dividing free funds flow by the Company's diluted or basic weighted average common shares outstanding. Free funds flow is a non-GAAP financial measure. Management believes that free funds flow per share provides investors an indicator of funds generated from the business that could be allocated to each shareholder's equity position.

Return on Average Capital Employed

ARC calculates ROACE, expressed as a percentage, as adjusted EBIT divided by the average capital employed. The components adjusted EBIT and average capital employed are non-GAAP financial measures. ARC uses ROACE as a measure of long-term financial performance, to measure how effectively Management utilizes the capital it has been provided and to demonstrate to shareholders the returns generated over the long term.

Capital Management Measures

Funds from operations, net debt, and net debt to funds from operations are capital management measures. See Note 16 "*Capital Management"* in the financial statements and "*Non-GAAP and Other Financial Measures"* in the MD&A.

ADDITIONAL INFORMATION

Additional information including remuneration and indebtedness of directors and officers of ARC Resources, principal holders of the common shares and options to purchase common shares, will be contained in the Information Circular - Proxy Statement of the Corporation which relates to the Annual Meeting of Shareholders. Additional financial information is provided in the financial statements and MD&A, available on ARC's website at www.arcresources.com and on SEDAR+ at www.sedarplus.ca. Other additional information relating to us may be found on SEDAR+ at www.sedarplus.ca.

APPENDIX A

REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR FORM 51-101F2

To the Board of Directors of ARC Resources Ltd. (the "Company"):

1. We have evaluated the Company's reserves data as at December 31, 2025. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2025, estimated using forecast prices and costs.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

3. We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the "COGE Handbook") maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).

4. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

5. The following table shows the net present value of future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 per cent, included in the reserves data of the Company evaluated for the year ended December 31, 2025, and identifies the respective portions thereof that we have evaluated and reported on to the Company's Board of Directors:

			Net Present Value of Future Net Revenue (before income taxes, 10% discount rate - $MM)			
Independent Qualified Reserves Evaluator or Auditor	Effective Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Audited	Evaluated	Reviewed	Total
GLJ Ltd.	December 31, 2025	Canada	—	22,088	—	**22,088**

6. In our opinion, the reserves data, evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

7. We have no responsibility to update our report referred to in paragraph 5 for events and circumstances occurring after the effective date of our reports.

8. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

GLJ Ltd., Calgary, Alberta, Canada, February 3, 2026.

/s/ Chad P. Lemke

Chad P. Lemke, P. Eng.
Executive Vice President and COO

APPENDIX B

REPORT OF MANAGEMENT AND DIRECTORS ON RESERVES DATA AND OTHER INFORMATION FORM 51-101F3

Management of ARC Resources Ltd. (the “Company”) are responsible for the preparation and disclosure of information with respect to the Company's crude oil and natural gas activities in accordance with securities regulatory requirements. This information includes reserves data.

An independent qualified reserves evaluator has evaluated the Company's reserves data. The report of the independent qualified reserves evaluator is presented below.

The Safety, Reserves and Operational Excellence Committee of the Board of Directors of the Company has

a) reviewed the Company's procedures for providing information to the independent qualified reserves evaluator;

b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation; and

c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The Safety, Reserves and Operational Excellence Committee of the Board of Directors has reviewed the Company's procedures for assembling and reporting other information associated with crude oil and natural gas activities and has reviewed that information with Management. The Board of Directors has, on the recommendation of the Safety, Reserves and Operational Excellence Committee, approved

a) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other crude oil and natural gas information;

b) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluator on the reserves data; and

c) the content and filing of this report.

Because the reserves data is based on judgments regarding future events, actual results will vary and the variations may be material.

/s/ Terry M. Anderson
Terry M. Anderson
President and Chief Executive Officer

/s/ Armin Jahangiri
Armin Jahangiri
Senior Vice President and Chief Operating Officer

/s/ Marty L. Proctor
Marty L. Proctor
Director and Chair of the Safety, Reserves and Operational Excellence Committee

/s/ Michael G. McAllister
Michael G. McAllister
Director and Member of the Safety, Reserves and Operational Excellence Committee

March 5, 2026

APPENDIX C

MANDATE OF THE AUDIT COMMITTEE

Mandate of the Audit Committee (February 5, 2026)

Role and Objective

The primary responsibility for the financial reporting, information systems and security, risk management and internal and disclosure controls of the Corporation is vested in management and overseen by the Board of Directors (the "Board"). The Audit Committee (the "Committee") is a committee of the Board of ARC Resources Ltd. (the "Corporation") to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, cybersecurity, financial reporting and statements and recommending, for Board approval, the audited financial statements, and other mandatory disclosure releases containing financial information.

The objectives of the Committee are as follows:

- To assist the Board in its oversight of the Corporation's financial reporting and risk associated with financial disclosure, including management's preparation and disclosure of the financial statements.
- To review Management's implementation and maintenance of an effective system of internal controls over financial reporting and disclosure control over financial reporting.
- To review the external auditor's independence, including the facilitation of in-depth discussions between Committee Directors, Management and external auditors and review of the external auditor's compensation and performance.

Mandate and Responsibilities of Committee

Financial Reporting and Related Public Disclosure

1. It is a primary responsibility of the Committee to review and recommend for approval to the Board the annual and quarterly financial statements of the Corporation. The Committee is also to review and recommend to the Board for approval the financial statements and related information included in prospectuses, Management Discussion and Analysis, financial news releases, Information Circular-Proxy Statements and Annual Information Forms. The process should include but not be limited to:

    a. reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;

    b. reviewing significant management judgments and estimates that may be material to financial reporting including alternative treatments and their impacts;

    c. reviewing the presentation and impact of any significant risks and uncertainties that may be material to financial reporting including alternative treatments and their impacts;

    d. reviewing accounting treatment of significant, unusual, or non-recurring transactions;

    e. reviewing adjustments and/or disclosure matters raised by the external auditors, whether or not included in the financial statements;

    f. reviewing unresolved differences between Management and the external auditors;

    g. reviewing the Corporation's public disclosure regarding non-GAAP and other financial measures;

    h. review and/or discuss the Corporation's disclosure, including disclosure controls, contained in the financial statements or other financial reporting documents relating to environmental, social and governance;

    i. determining through inquiry if there are any related party transactions and ensuring the nature and extent of such transactions are properly disclosed; and

    j. reviewing all financial reporting relating to risk exposure including the identification, monitoring, and mitigation of business risks and their disclosure.

2. The Committee shall satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information, including from the Corporation's financial statements and periodically assess the adequacy of those procedures.

Internal Controls over Financial Reporting and Information Systems

3. It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the adequacy of the Corporation's internal controls over financial reporting and information systems. The process should include but not be limited to:

    a. inquiring as to the adequacy and effectiveness of the Corporation's system of internal controls over financial reporting, including treasury, hedging and market transactions, and review Management's report on internal controls over financial reporting;

    b. reviewing the existence of procedures for the confidential, anonymous submission by employees of the Corporation of concerns relating to accounting, internal controls over financial reporting, auditing or Code of Business Conduct and Ethics matters and periodically reviewing a summary of complaints and their related resolution; and

    c. establishing procedures for the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters.

External Auditors

4. With respect to the appointment of external auditors by the Board, the Committee shall:

    a. be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review, or attest services for the Corporation, and upon completion of such services, their reports upon the financial statements of the Corporation and its subsidiaries;

    b. addressing, and overseeing the resolution of any disagreements between Management and the external auditor regarding financial reporting;

    c. recommending to the Board a firm of chartered public accountants, and their compensation, to be recommended to the shareholders of the Corporation to be appointed as the external auditors;

    d. reviewing the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;

    e. reviewing and evaluating annually the external auditors' performance, and periodically, (at least every five years) conducting a comprehensive review of the external auditor;

    f. when there is to be a change in auditors, reviewing the issues related to the change and the information to be included in the required notice to securities regulators of such change;

    g. reviewing and approving any non-audit services to be provided by the external auditors' firm and considering the impact on the independence of the auditors in accordance with policies and procedures adopted by the Committee from time to time;

    h. inquiring quarterly as to the independence of the external auditors and obtaining, at least annually, a formal written statement delineating all relationships between the external auditors and the Corporation as contemplated by Independence Standards Board No. 1;

    i. reviewing the Annual Report of the Canadian Public Accountability Board ("CPAB") concerning audit quality in Canada and discussing implications for the Corporation;

    j. review inspection and other reports issued by CPAB regarding the audit of the Corporation;

    k. discussing with the external auditors, without the presence of Management, the quality of the Corporation's financial and accounting personnel, and the completeness and accuracy of the Corporation's financial statements; and

    l. annually reviewing the Corporation's hiring policies regarding (former) partners and employees of the external audit firm.

5. The Committee shall review with the external auditors (and the internal auditor if one is appointed by the Corporation) their written report containing recommendations for improvement of internal control over financial reporting and other suggestions as appropriate, and Management's response and follow-up to any identified significant control deficiencies.

6. The Committee shall also review and approve annually, with the external auditors, their audit plan.

Compliance

7. It is the responsibility of the Committee to review Management's process for the certification of annual and interim financial reports in accordance with required securities legislation.

8. It is the responsibility of the Committee to ascertain compliance with covenants under loan agreements.

9. The Committee shall review the Corporation's compliance with all legal and regulatory requirements as it pertains to financial reporting, taxation, internal controls over financial reporting, *Extractive Sector Transparency Measure Act* (Canada) and any other area the Committee considers to be appropriate relative to its mandate or as may be requested by the Board.

10. Review compliance with the Corporation's Hedging Policy, as approved by the Board of Directors, and review the accounting treatment, financial measurement and disclosure of derivatives and financial instruments. Periodically review and discuss "lookbacks" of derivatives results with management.

Other Risk Management

11. Review the accounting treatment, financial measurement, and disclosure of new or amended long-term lease and other contracts.

12. Monitor ongoing financial risks to the Corporation, including market risk, counterparty risk, credit risk and risk to credit rating.

13. Periodically review ongoing transactions and contractual arrangements conducted for the purpose of expanding sales margins and/or reducing unused transportation capacity and their financial results.

14. Regularly discuss with Management, their review of information technology, information systems and cybersecurity risks of the Corporation, including business continuity plans and management's risk ranking and plan for mitigation of significant risks.

15. Review management's assessment and mitigation plans as it relates to fraud risk within the organization. Discuss, at least annually, management's fraud risk assessment and conduct enquiries with the external auditor.

16. Annually review the insurance program including coverage for property damage, business interruption and liabilities.

17. Review any other significant financial exposures of the Corporation to the risk of a material financial loss including legal claims or other activities, including appropriate accounting treatment, financial measurement and disclosure, if any.

Other Matters

18. Direct and oversee the work completed by the internal audit function, and if there is no such function, consider periodically the need for such a function and its mandate.

19. The Committee may also review any other matters that the Audit Committee feels are important to its mandate or that the Board chooses to delegate to it.

20. Annual discussion with the CFO regarding the accounting and finance function's technical resourcing and competencies in fulfilling the duties of the functions.

21. The Committee shall undertake annually a review of this mandate and make recommendations to the Policy and Board Governance Committee as to proposed changes.

Composition

22. This Committee shall be composed of at least three individuals appointed by the Board from amongst its members, all of which members will be independent (within the meaning of Section 1.4 and 1.5 of *National*

Instrument 52-110 Audit Committees (“NI 52-110”)) unless the Board determines to rely on an exemption in NI 52-110. “Independent” generally means free from any business or other direct or indirect material relationship with the Corporation that could, in the view of the Board, be reasonably expected to interfere with the exercise of the member's independent judgment.

23. The Chair of the Committee is appointed by the Board.

24. The Secretary to the Board or another individual selected by the Committee shall act as the Committee’s Secretary.

25. A quorum shall be a majority of the members of the Committee.

26. All of the members must be financially literate within the meaning of NI 52-110 unless the Board has determined to rely on an exemption in NI 52-110. Being “financially literate” means members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements.

Meetings

27. The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee Chair.

28. At each meeting, the Committee may meet separately with management and will meet in separate, closed session with the external auditors and internal auditors, if relevant, and/or other internal control or information systems advisors, as appropriate, and then with the independent directors in attendance.

29. The Committee shall meet not less than quarterly with the auditors, independent of the presence of Management.

30. Agendas, with input from Management, shall be circulated to Committee members and relevant Management personnel along with background information on a timely basis prior to the Committee meetings.

31. Minutes of the Committee meeting shall be prepared by the Committee’s Secretary and distributed on a timely basis.

32. The Chief Executive Officer and the Chief Financial Officer or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.

33. The Controller and such other staff as appropriate to provide information to the Committee shall attend meetings upon invitation by the Committee.

Reporting/Authority

34. Following the Committee meeting the Committee Chair provides a verbal report to the Board. The Committee will then review the draft meeting minutes which will be finalized and approved at the next meeting of the Committee. Meeting minutes are posted for all Board members on Diligent.

35. Supporting schedules and information reviewed by the Committee shall be available for examination by any Director.

36. The Committee shall have the authority to investigate any financial activity of the Corporation and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.

37. The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Corporation.

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