ARC RESOURCES LTD.

# ARC RESOURCES LTD. REPORTS SECOND QUARTER 2026 RESULTS

**NEWS RELEASE**

**Calgary, July 30, 2026 (ARX - TSX)** ARC Resources Ltd. ("ARC" or the "Company") today reported its second quarter 2026 financial and operational results.

## HIGHLIGHTS

### Shell Acquisition

- On April 27, 2026, ARC announced that it entered into an arrangement agreement with Shell plc ("Shell") and Shell Canada Limited ("Shell Canada"), a wholly owned subsidiary of Shell, which agreement was subsequently amended pursuant to an amending agreement dated June 6, 2026 (as amended, the "Arrangement Agreement"), whereby Shell agreed to acquire all of the issued and outstanding common shares of ARC ("ARC Shares") by way of a statutory plan of arrangement in a cash and share transaction valued at approximately $22 billion, including assumed net debt (the "Arrangement").

- On July 14, 2026, at ARC's special meeting (the "Meeting") of holders ("ARC Shareholders") of ARC Shares, ARC Shareholders voted overwhelmingly in favour of the Arrangement.

- Approvals continue to progress related to the proposed Arrangement, which is expected to close in the third quarter of 2026. To date, approvals under the *Competition Act*, the *Canada Transportation Act*, and the *Hart-Scott-Rodino Antitrust Improvements Act of 1976* (United States) have been obtained, and the Alberta Securities Commission has also granted exemptive relief to Shell from applicable requirements in connection with Shell's share buyback programs on the UK and Netherlands markets, each of which approvals and exemptive relief are conditions to the closing of the Arrangement.

- See ARC's press release titled "ARC Resources Announces Agreement to be Acquired by Shell" and the management information circular of ARC dated June 9, 2026 in respect to the Meeting for additional information with respect to the Arrangement.

### Second Quarter Results

- ARC delivered second quarter 2026 average production of 390,465 boe[1] per day (61 per cent natural gas and 39 per cent crude oil and liquids[2]). Production increased nine per cent or 13 per cent on a per share[3] basis compared to the second quarter of 2025.

- ARC generated funds from operations of $816 million[4] ($1.44 per share[4]) and cash flow from operating activities of $872 million ($1.54 per share[4]). Free funds flow was $349 million[4] ($0.62 per share[4]), while net income was $353 million, or $0.62 per share.

    - ARC realized an average natural gas price of $2.52 per Mcf[4], which is 67 per cent or $1.01 greater than the average AECO 7A Monthly Index price.

- Capital expenditures totalled $467 million in the second quarter, with development activity focused mainly at Kakwa.

- ARC declared dividends of $119 million ($0.21 per share[4]).

- On June 30, 2026, ARC's net debt[4] balance was $2.6 billion or 0.8 times funds from operations[4].

- The 2026 capital budget and production guidance remain unchanged. ARC plans to invest between $1.8 billion and $1.9 billion[5], with full-year production expected to average between

405,000 and 420,000 boe per day (61 per cent natural gas and 39 per cent crude oil and liquids).

*ARC's unaudited condensed interim consolidated financial statements and notes thereto (the "financial statements") and Management's Discussion and Analysis ("MD&A") as at and for the three and six months ended June 30, 2026, are available on ARC's website at www.arcresources.com and under ARC's SEDAR+ profile at www.sedarplus.ca. The disclosure under the section entitled "Non-GAAP and Other Financial Measures" in ARC's MD&A as at and for the three and six months June 30, 2026 (the "Q2 2026 MD&A") is incorporated by reference into this news release.*

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(1) ARC has adopted the standard six thousand cubic feet ("Mcf") of natural gas to one barrel ("bbl") of crude oil ratio when converting natural gas to barrels of oil equivalent ("boe"). Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil 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.

(2) Throughout this news release, crude oil ("crude oil") refers to light, medium, and heavy crude oil product types as defined by National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"). Condensate is a natural gas liquid as defined by NI 51-101. Throughout this news release, natural gas liquids ("NGLs") comprise all natural gas liquids as defined by NI 51-101 other than condensate, which is disclosed separately. Throughout this news release, crude oil and liquids ("crude oil and liquids") refers to crude oil, condensate, and NGLs.

(3) Represents average daily production divided by the diluted weighted average common shares outstanding for the three months ended June 30.

(4) This is a specified financial measure. See *"Non-GAAP and Other Financial Measures"* of this news release and in the Q2 2026 MD&A for additional disclosure, which is incorporated by reference.

(5) Refer to the section entitled *"About ARC Resources Ltd."* contained within the Q2 2026 MD&A for historical capital expenditures, which information is incorporated by reference into this news release.

# FINANCIAL AND OPERATIONAL RESULTS

| (Cdn$ millions, except per share amounts[1], boe amounts, and common shares outstanding) | Three Months Ended | | | Six Months Ended | |
|---|---|---|---|---|---|
| | March 31, 2026 | **June 30, 2026** | June 30, 2025 | **June 30, 2026** | June 30, 2025 |
| **FINANCIAL RESULTS** | | | | | |
| Net income | 584.3 | **352.7** | 396.1 | **937.0** | 800.8 |
| Per share | 1.03 | **0.62** | 0.68 | **1.65** | 1.36 |
| Cash flow from operating activities | 1,050.8 | **872.0** | 699.1 | **1,922.8** | 1,712.1 |
| Per share | 1.85 | **1.54** | 1.19 | **3.39** | 2.91 |
| Funds from operations | 967.4 | **816.3** | 682.1 | **1,783.7** | 1,539.1 |
| Per share | 1.70 | **1.44** | 1.17 | **3.14** | 2.62 |
| Free funds flow | 459.3 | **348.9** | 185.8 | **808.2** | 585.7 |
| Per share | 0.81 | **0.62** | 0.32 | **1.42** | 1.00 |
| Dividends declared | 118.9 | **119.0** | 110.9 | **237.9** | 222.2 |
| Per share | 0.21 | **0.21** | 0.19 | **0.42** | 0.38 |
| Cash flow used in investing activities | 632.3 | **407.1** | 471.2 | **1,039.4** | 900.5 |
| Capital expenditures[2] | 508.1 | **467.4** | 496.3 | **975.5** | 953.4 |
| Long-term debt | 2,744.7 | **2,488.2** | 1,990.8 | **2,488.2** | 1,990.8 |
| Net debt | 2,863.2 | **2,633.8** | 1,289.2 | **2,633.8** | 1,289.2 |
| Common shares outstanding, weighted average diluted (millions) | 569.4 | **566.4** | 585.0 | **567.9** | 587.4 |
| Common shares outstanding, end of period (millions) | 565.5 | **565.9** | 582.5 | **565.9** | 582.5 |
| **OPERATIONAL RESULTS** | | | | | |
| Production | | | | | |
| Crude oil and condensate (bbl/day) | 110,954 | **108,546** | 100,399 | **109,743** | 97,384 |
| Natural gas (MMcf/day) | 1,533 | **1,426** | 1,307 | **1,479** | 1,359 |
| NGLs (bbl/day) | 52,083 | **44,338** | 38,999 | **48,189** | 40,899 |
| Total (boe/day) | 418,522 | **390,465** | 357,228 | **404,416** | 364,705 |
| Average realized price | | | | | |
| Crude oil ($/bbl)[3] | 91.66 | **130.03** | 82.56 | **111.50** | 85.00 |
| Condensate ($/bbl)[3] | 95.17 | **127.56** | 85.35 | **111.23** | 92.09 |
| Natural gas ($/Mcf)[3] | 4.51 | **2.52** | 3.19 | **3.55** | 3.71 |
| NGLs ($/bbl)[3] | 18.96 | **25.31** | 20.39 | **21.90** | 26.42 |
| Average realized price ($/boe)[3] | 44.05 | **47.59** | 37.81 | **45.77** | 41.20 |
| Netback per boe | | | | | |
| Commodity sales from production ($/boe)[3] | 44.05 | **47.59** | 37.81 | **45.77** | 41.20 |
| Royalties ($/boe)[3] | (4.34) | **(6.68)** | (3.71) | **(5.48)** | (4.29) |
| Operating expense ($/boe)[3] | (5.57) | **(6.98)** | (5.17) | **(6.25)** | (5.01) |
| Transportation expense ($/boe)[3] | (5.00) | **(4.97)** | (5.36) | **(4.99)** | (5.46) |
| Netback per boe ($/boe)[3] | 29.14 | **28.96** | 23.57 | **29.05** | 26.44 |
| **TRADING STATISTICS[4]** | | | | | |
| High price | 29.84 | **32.59** | 31.56 | **32.59** | 31.56 |
| Low price | 21.14 | **24.37** | 22.63 | **21.14** | 22.63 |
| Close price | 28.95 | **29.80** | 28.71 | **29.80** | 28.71 |
| Average daily volume (thousands of shares) | 8,044 | **12,941** | 3,559 | **10,512** | 3,616 |

(1) Per share amounts, with the exception of dividends, are based on weighted average diluted common shares.
(2) Refer to the section entitled *"About ARC Resources Ltd."* contained within the Q2 2026 MD&A for historical capital expenditures, which information is incorporated by reference into this news release.
(3) This is a specified financial measure. See "*Non-GAAP and Other Financial Measures*" of this news release and in the Q2 2026 MD&A for additional disclosure, which information is incorporated by reference.
(4) Trading prices are stated in Canadian dollars on a per share basis and are based on intra-day trading on the Toronto Stock Exchange.

# GUIDANCE

ARC's 2026 corporate guidance is based on various commodity price scenarios and economic conditions. Production guidance does not include any assumption for possible natural gas production curtailments due to low natural gas prices. Certain guidance estimates may fluctuate with commodity price changes and regulatory changes. ARC's guidance provides readers with the information relevant to Management's expectations for financial and operational results for 2026. ARC's 2026 annual guidance and a review of 2026 year-to-date results are outlined below:

| | 2026 Guidance | 2026 YTD Actual | % Variance from 2026 Guidance |
|---|---|---|---|
| Production | | | |
| Crude oil and condensate (bbl/day) | 105,000 - 115,000 | **109,743** | — |
| Natural gas (MMcf/day) | 1,500 - 1,520 | **1,479** | (1) |
| NGLs (bbl/day) | 48,000 - 52,000 | **48,189** | — |
| Total (boe/day) | 405,000 - 420,000 | **404,416** | — |
| Expenses ($/boe)[1] | | | |
| Operating | 5.40 - 5.90 | **6.25** | 6 |
| Transportation | 5.25 - 5.75 | **4.99** | (5) |
| General and administrative ("G&A") expense before share-based compensation expense | 1.00 - 1.10 | **1.22** | 11 |
| G&A - share-based compensation expense | 0.25 - 0.35 | **1.14** | 226 |
| Interest and financing[2] | 1.10 - 1.20 | **1.14** | — |
| Current income tax expense as a per cent of funds from operations[1] | 5 - 10 | **10** | — |
| Capital expenditures ($ billions) | 1.8 - 1.9 | **1.0** | n/a |

(1) This is a specified financial measure. See "Non-GAAP and Other Financial Measures" of this news release and in the Q2 2026 MD&A for additional disclosure, which information is incorporated by reference.
(2) Excludes accretion expense.

# FINANCIAL AND OPERATIONAL RESULTS

## Production

- ARC's production averaged 390,465 boe per day during the second quarter of 2026 (61 per cent natural gas and 39 per cent crude oil and liquids), an increase of nine per cent year-over-year, and 13 per cent on a per share basis.
- ARC successfully completed planned turnaround activity across the asset base during the second quarter, on schedule and within budget.

## Funds from Operations, Cash Flow from Operating Activities, and Free Funds Flow

- ARC generated $816 million ($1.44 per share) of funds from operations in the second quarter of 2026. This represents an increase of $134 million ($0.27 per share) compared to the same quarter of the prior year. Cash flow from operating activities was $872 million ($1.54 per share).
- ARC generated free funds flow of $349 million ($0.62 per share) during the second quarter of 2026, a 94 per cent increase on a per share basis compared to the second quarter of 2025.

The following table details the change in funds from operations for the second quarter of 2026 relative to the first quarter of 2026.

| Funds from Operations Reconciliation | $ millions | $/share(1) |
|---|---|---|
| Funds from operations for the three months ended March 31, 2026 | 967.4 | 1.70 |
| Production volumes | | |
| Crude oil and liquids | (22.9) | (0.04) |
| Natural gas | (37.2) | (0.07) |
| Commodity prices | | |
| Crude oil and liquids | 350.1 | 0.62 |
| Natural gas | (257.9) | (0.45) |
| Sales of third-party purchases | 262.9 | 0.46 |
| Interest and other income | (0.9) | — |
| Realized gain on risk management contracts | (1.6) | — |
| Royalties | (74.2) | (0.13) |
| Expenses | | |
| Operating | (38.2) | (0.07) |
| Transportation | 11.7 | 0.02 |
| Third-party purchases | (276.2) | (0.49) |
| G&A | (69.8) | (0.12) |
| Interest and financing | 1.2 | — |
| Realized gain on foreign exchange | 5.6 | 0.01 |
| Current income tax | (5.0) | (0.01) |
| Other | 1.3 | — |
| Weighted average shares, diluted | — | 0.01 |
| Funds from operations for the three months ended June 30, 2026 | 816.3 | 1.44 |

(1) Per share amounts are based on weighted average diluted common shares.

The following table details the change in funds from operations for the second quarter of 2026 relative to the second quarter of 2025.

| Funds from Operations Reconciliation | $ millions | $/share[1] |
|---|---|---|
| Funds from operations for the three months ended June 30, 2025 | **682.1** | **1.17** |
| Production volumes | | |
| Crude oil and liquids | **73.4** | **0.13** |
| Natural gas | **34.6** | **0.06** |
| Commodity prices | | |
| Crude oil and liquids | **440.9** | **0.75** |
| Natural gas | **(86.9)** | **(0.15)** |
| Sales of third-party purchases | **413.1** | **0.71** |
| Interest and other income | **(1.2)** | **—** |
| Realized gain on risk management contracts | **(43.1)** | **(0.07)** |
| Royalties | **(116.8)** | **(0.20)** |
| Expenses | | |
| Operating | **(79.9)** | **(0.14)** |
| Transportation | **(2.5)** | **—** |
| Third-party purchases | **(392.7)** | **(0.67)** |
| G&A | **(74.6)** | **(0.13)** |
| Interest and financing | **(17.0)** | **(0.03)** |
| Realized gain on foreign exchange | **14.8** | **0.02** |
| Current income tax | **(30.0)** | **(0.05)** |
| Other | **2.1** | **—** |
| Weighted average shares, diluted | **—** | **0.04** |
| Funds from operations for the three months ended June 30, 2026 | **816.3** | **1.44** |

(1) Per share amounts are based on weighted average diluted common shares.

# Operating, Transportation, and General and Administrative Expense

## *Operating Expense*

- ARC’s second quarter 2026 operating expense of $6.98 per boe was 25 per cent higher than the first quarter of 2026. The increase on a per boe basis compared to the first quarter was driven by planned turnaround activity across the asset base.

## *Transportation Expense*

- ARC's second quarter 2026 transportation expense per boe of $4.97 decreased by $0.39 per boe compared to the same period in the prior year.

## *General and Administrative Expense*

- ARC's second quarter 2026 general and administrative expense per boe of $3.41 per boe increased by $1.98 per boe year-over-year due to one-time costs related to the Arrangement.

## Capital Expenditures and Cash Flow Used in Investing Activities

- Cash flow used in investing activities was $407 million during the second quarter of 2026. ARC invested $467 million into capital expenditures to drill 34 wells and complete 39 wells, primarily at Kakwa and Greater Dawson.
- During the six months ended June 30, 2026, cash flow from investing activities was $1.0 billion and capital expenditures were $976 million.

The following table details ARC's first six months of 2026 drilling and completions activities by area.

| | Six months ended June 30, 2026 | |
|---|---|---|
| **Area** | **Wells Drilled** | **Wells Completed** |
| Kakwa | **47** | **51** |
| Greater Dawson | **7** | **16** |
| Sunrise | **13** | **5** |
| Attachie | **3** | **4** |
| Ante Creek | **—** | **6** |
| **Total** | **70** | **82** |

## Physical Natural Gas Marketing

- ARC's infrastructure ownership and committed takeaway capacity to Eastern Canadian and U.S. markets played a critical role in capturing higher realized natural gas prices relative to local benchmarks.
- In the second quarter, ARC's average realized natural gas price was $2.52 per Mcf, which was $1.01 per Mcf greater than the average AECO 7A Monthly Index price.

## Net Debt

- As at June 30, 2026, ARC's long-term debt balance was $2.5 billion, and its net debt balance was $2.6 billion, or 0.8 times funds from operations.
- ARC holds an investment-grade credit rating, which allows the Company to access capital and manage a low-cost capital structure. ARC is committed to maintaining its strong financial position.

## Net Income

- ARC recognized net income of $353 million ($0.62 per share) during the second quarter of 2026, a nine per cent decrease per share compared to the same quarter in the prior year.

# NON-GAAP AND OTHER FINANCIAL MEASURES

Throughout this news release and in other materials disclosed by the Company, ARC employs certain measures to analyze its financial performance, financial position, and cash 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 generally accepted accounting principles ("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.

# 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 or disposition activities as well as the accounting impact of any accrual changes and payments under certain lease arrangements. The most directly comparable GAAP measure to capital expenditures is cash flow used in investing activities. The following table details the composition of capital expenditures and its reconciliation to cash flow used in investing activities.

| **Capital Expenditures** ($ millions) | **Three Months Ended** | | | **Six Months Ended** | |
|---|---|---|---|---|---|
| | March 31, 2026 | **June 30, 2026** | June 30, 2025 | **June 30, 2026** | June 30, 2025 |
| Cash flow used in investing activities | 632.3 | **407.1** | 471.2 | **1,039.4** | 900.5 |
| Business combinations[(1)] | (164.1) | **12.2** | — | **(151.9)** | — |
| Acquisition of assets | — | **(0.3)** | (0.8) | **(0.3)** | (4.8) |
| Disposal of assets | — | **—** | 4.0 | **—** | 4.0 |
| Long-term investments | (1.1) | **0.2** | (0.9) | **(0.9)** | (1.2) |
| Change in non-cash investing working capital | 31.3 | **38.5** | 14.7 | **69.8** | 38.3 |
| Capitalized right-of-use asset depreciation | 9.7 | **9.7** | 8.1 | **19.4** | 16.6 |
| Capital expenditures | 508.1 | **467.4** | 496.3 | **975.5** | 953.4 |

(1) Refer to Note 5 "Business Combinations" in the financial statements.

## *Free Funds Flow*

ARC uses free funds flow as an indicator of the efficiency and liquidity of ARC's business, measuring its funds after capital investment available 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. The following table details the calculation of free funds flow and its reconciliation to cash flow from operating activities.

| **Free Funds Flow** ($ millions) | **Three Months Ended** | | | **Six Months Ended** | |
|---|---|---|---|---|---|
| | March 31, 2026 | **June 30, 2026** | June 30, 2025 | **June 30, 2026** | June 30, 2025 |
| Cash flow from operating activities | 1,050.8 | **872.0** | 699.1 | **1,922.8** | 1,712.1 |
| Net change in other liabilities | 22.1 | **1.8** | 7.7 | **23.9** | 55.1 |
| Change in non-cash operating working capital | (105.5) | **(57.5)** | (24.7) | **(163.0)** | (228.1) |
| Funds from operations | 967.4 | **816.3** | 682.1 | **1,783.7** | 1,539.1 |
| Capital expenditures | (508.1) | **(467.4)** | (496.3) | **(975.5)** | (953.4) |
| Free funds flow | 459.3 | **348.9** | 185.8 | **808.2** | 585.7 |

# 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.

## Capital Management Measures

Funds from operations, net debt, and net debt to funds from operations are capital management measures. See Note 11 "Capital Management" in the financial statements and "Non-GAAP and Other Financial Measures" in the Q2 2026 MD&A for information additional disclosures, which information is incorporated by reference into this news release.

# FORWARD-LOOKING INFORMATION AND STATEMENTS

This news release contains certain forward-looking statements and forward-looking information (collectively referred to as "forward-looking information") within the meaning of applicable securities legislation about current expectations regarding the future based on certain assumptions made by ARC. Although ARC believes that the expectations represented by such forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Forward-looking information in this news release is identified by words such as "anticipate", "believe", "ongoing", "may", "expect", "estimate", "plan", "will", "project", "continue", "target", "strategy", "upholding", or similar expressions, and includes suggestions of future outcomes. In particular, but without limiting the foregoing, this news release contains forward-looking information with respect to: the anticipated value and closing date of the Arrangement; ARC's 2026 guidance including, among others, planned capital expenditures, anticipated average annual production in 2026 and the components thereof, operating expenses, transportation expenses, G&A expenses before share-based compensation expense, G&A expenses – share-based compensation expense, interest and financing expenses and current income tax expense as a per cent of funds from operations; ARC's commitment to maintaining its strong financial position; and other similar statements. Further, statements relating to reserves and resources are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described can be profitably produced in the future. In addition, forward-looking information may include statements attributable to third-party industry sources. There can be no assurance that the plans, intentions, or expectations upon which these forward-looking statements are based will occur.

Readers are cautioned not to place undue reliance on forward-looking information as ARC's actual results may differ materially from those expressed or implied. ARC undertakes no obligation to update or revise any forward-looking information except as required by law. Developing forward-looking information involves reliance on a number of assumptions and consideration of certain risks and uncertainties, some of which are specific to ARC and others that apply to the industry generally. The material assumptions on which the forward-looking information in this news release are based, and the material risks and uncertainties underlying such forward-looking information, include: the satisfaction of the conditions the Arrangement is subject to; Shell's ability to finance the Arrangement; regulatory and government approvals for the Arrangement; the risk that the Arrangement may be varied, accelerated or terminated in certain circumstances; risks relating to the outcome of the Arrangement; the risk that the conditions to the Arrangement may not be satisfied, or to the extent permitted, waived, including the risk that remaining required regulatory approvals may not be received in a timely manner or at all; the ability to shift capital allocation among ARC's assets; forward pricing assumptions; risks and assumptions related to potential natural gas curtailments due to low natural gas prices; volatility of commodity prices; adverse economic conditions; political uncertainty; lack of capacity in, and/or regulatory constraints and uncertainty regarding, gathering and processing facilities, pipeline systems, and railway lines; indigenous land and rights claims; compliance with environmental regulations; risks relating to climate change, including transition and physical risks; ARC's ability to recruit and retain a skilled workforce and key personnel; development and production risks; project risks; risks relating to failure to obtain regulatory approvals; reputational risks; risks relating to a changing investor sentiment; asset concentration; risks relating to information technology systems and cyber security; risks related to hydraulic fracturing (including risks with respect to water production and disposal); liquidity; inflation, cost management and interest rates;

third-party credit risks; variations in foreign exchange rates; risks relating to royalty regimes; the impact of competitors; risks related to potential or ongoing litigation; lack of adequate insurance coverage; inaccurate estimation of ARC's reserve volumes; risks related to derivative risk management contracts; limited, unfavorable or a lack of access to capital markets; market access constraints or transportation interruptions, unanticipated operating results or production declines; increased debt levels or debt service requirements; increased costs; potential regulatory and industry changes stemming from the results of court actions affecting regions in which ARC holds assets; 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; the risk that (i) the tariffs that are currently in effect on goods exported from or imported into Canada continue in effect for an extended period of time, the tariffs that have been threatened are implemented, that tariffs that are currently suspended are reactivated, the rate or scope of tariffs are increased, or new tariffs are imposed, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed or threatened to be imposed by the U.S. on other countries and retaliatory tariffs imposed or threatened to be imposed by other countries on the U.S., will trigger a broader global trade war which could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Company, including by decreasing demand for (and the price of) oil and natural gas, disrupting supply chains, increasing costs, causing volatility in global financial markets, and limiting access to financing; 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; forecast commodity prices and other pricing assumptions with respect to ARC's 2026 capital expenditure budget; that the previously announced LNG agreements will commence on the timelines anticipated and maintain volumes and pricing as expected; that counterparties to ARC's various agreements will comply with their contractual obligations; expectations and projections made in light of ARC's historical experience; data contained in key modeling statistics; forecast production volumes based on business and market conditions; the accuracy of outlooks and projections contained herein; that future business, regulatory, and industry conditions will be within the parameters expected by ARC, including with respect to prices, margins, demand, supply, product availability, supplier agreements, availability, and cost of labour and interest, exchange, and effective tax rates; projected capital investment levels, the flexibility of capital spending plans, and associated sources of funding; the ability of ARC to complete capital programs and the flexibility of ARC's capital structure; opportunity for ARC to pay dividends and the approval and declaration of such dividends by the board of directors (the "Board"); the existence of alternative uses for ARC's cash resources which may be superior to payment of dividends or effecting repurchases of outstanding common shares; cash flows, cash balances on hand, and access to ARC's credit facility and other long-term debt being sufficient to fund capital investments; the ability of ARC's existing pipeline commitments and financial risk management transactions to partially mitigate a portion of ARC's risks against wider price differentials; business interruption, property and casualty losses, or unexpected technical difficulties; estimates of quantities of crude oil, natural gas, and liquids from properties and other sources not currently classified as proved; future use and development of technology and associated expected future results; the successful and timely implementation of capital projects or stages thereof; the ability to generate sufficient cash flow to meet current and future obligations; estimated abandonment and reclamation costs, including associated levies and regulations applicable thereto; the retention of key assets; the continuance of existing tax, royalty, and regulatory regimes; estimates with respect to commodity pricing; and other assumptions, risks, and uncertainties described from time to time in the filings made by ARC with securities regulatory authorities, including those risks contained under the heading "Risk Factors" in the Q2 2026 MD&A.

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 and any special dividends) will be subject to the discretion of the Board 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. Further, the actual amount, the declaration date, the record date and the payment date of any dividend are subject to the discretion of the Board. There can be no assurance that ARC will pay dividends in the future.

The forward-looking information in this news release also includes financial outlooks and other related forward-looking information (including production and financial-related metrics) relating to ARC, including, but not limited to: production, capital expenditures, operating expenses, transportation expenses, G&A expenses before share-based compensation expense, G&A expenses – share based compensation expense, interest and financing expenses, current income tax as a per cent of funds from operations and free funds flow. The internal projections, expectations, or beliefs are based on the 2026 capital budget, which is subject to change in light of ongoing results, prevailing economic conditions, commodity prices, and industry conditions and regulations. The financial outlook and other related forward-looking statements are also subject to the same assumptions, risk factors, limitations, and qualifications as set forth above. Any financial outlook and forward-looking information implied by such forward-looking statements are described in the Q2 2026 MD&A, and ARC's most recent annual information form, which are available on ARC's website at www.arcresources.com and under ARC's SEDAR+ profile at www.sedarplus.ca and are incorporated by reference herein.

The forward-looking information contained herein is expressly qualified in their entirety by this cautionary statement. The forward-looking information included in this news release is made as of the date of this news release and, except as required by applicable securities laws, ARC undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise.

## About ARC

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

ARC RESOURCES LTD.

Please visit ARC's website at www.arcresources.com or contact Investor Relations:
E-mail: IR@arcresources.com
Telephone: (403) 503-8600
Fax: (403) 509-6427
Toll Free: 1-888-272-4900
ARC Resources Ltd.
Suite 1500, 308 - 4 Avenue SW
Calgary, AB  T2P 0H7