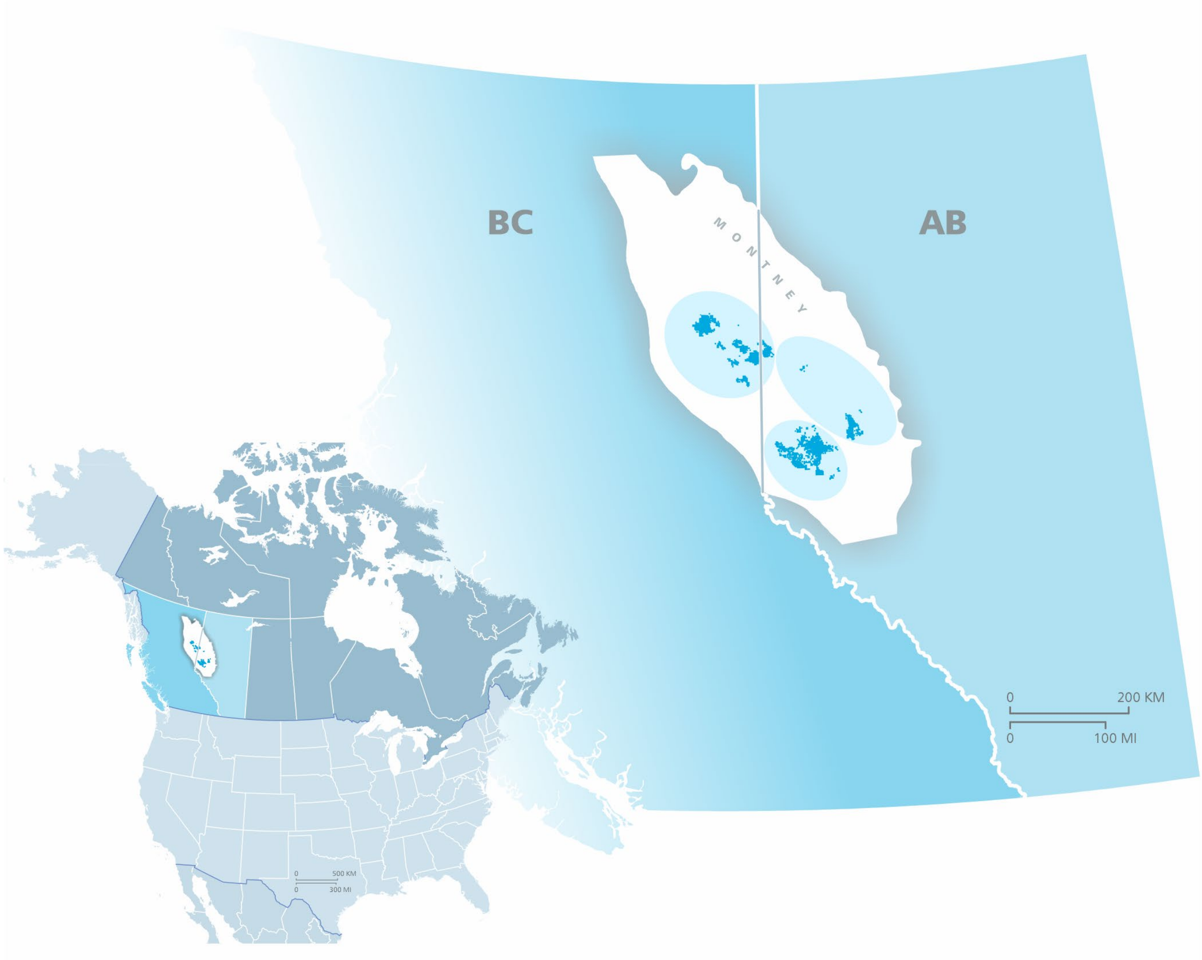
ARC Resources Ltd. Investor Presentation

January 2022

ARC RESOURCES LTD.

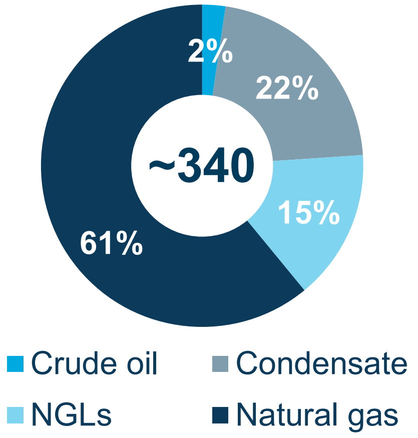
ARC Is the Largest Pure-play Montney Producer

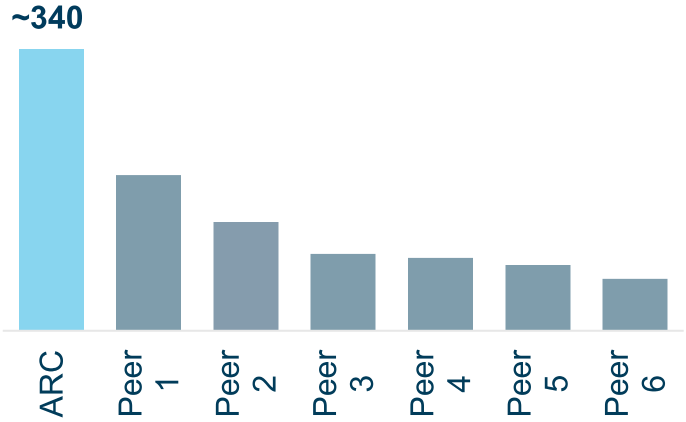


Shares outstanding	695 million
Market capitalization[1]	$8.0 billion
Net debt[2]	$1.9 billion
Enterprise value[1 2]	$9.9 billion
Quarterly dividend[3]	$0.10/share
Dividend yield[4]	3.5%

Montney production[5]

Mboe/day





(1) Market Capitalization as at December 31, 2021.
(2) Net Debt Excluding Lease Obligations as at September 30, 2021. Refer to the Advisory Statements to this presentation.
(3) ARC declared a quarterly dividend of $0.10/share on December 15, 2021, payable on January 17, 2022 to shareholders of record on December 31, 2021.
(4) Dividend yield as at December 31, 2021.
(5) Source: Company reports, estimated operated Montney volumes used in the absence of public disclosure.

ARC is the premium investment opportunity for exposure to the Montney, one of the most profitable plays in North America

ARC's Long-term Strategy

Scale in World-class Assets

Capital Discipline

<u>Profitable Returns</u>

Operational Excellence with Low Costs & Emissions

Balance Sheet Strength

ARC's focus is on long-term profitability and shareholder returns

Why Invest in ARC?

Profitable Assets
Multi-decade inventory of world-class assets supported by company-owned infrastructure

Financial Strength
Investment-grade credit rating and track record of low debt since inception

Disciplined Capital Allocators
Strict investment criteria focused on returns

Global leader in ESG
Top-decile GHG emissions intensity in North America and member of the 30% Club

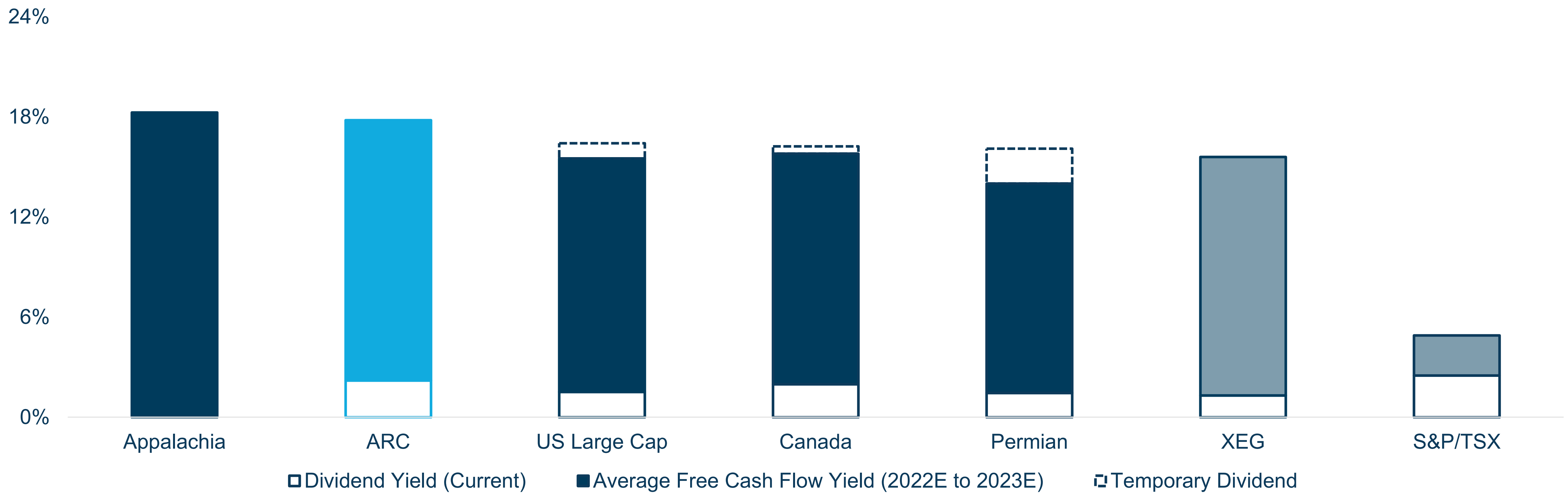
Competitive Returns
>10% return of capital (dividend yield plus share repurchases) and >20% free funds flow yield(1)

(1) Free Funds Flow is a non-GAAP measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Refer to the Advisory Statements to this presentation.

ARC delivers financial strength, free funds flow[1], increasing returns to shareholders, and ESG excellence

Industry-leading Financial Performance amongst Peers

Comparative cash returns for 2022 and 2023[1 2]

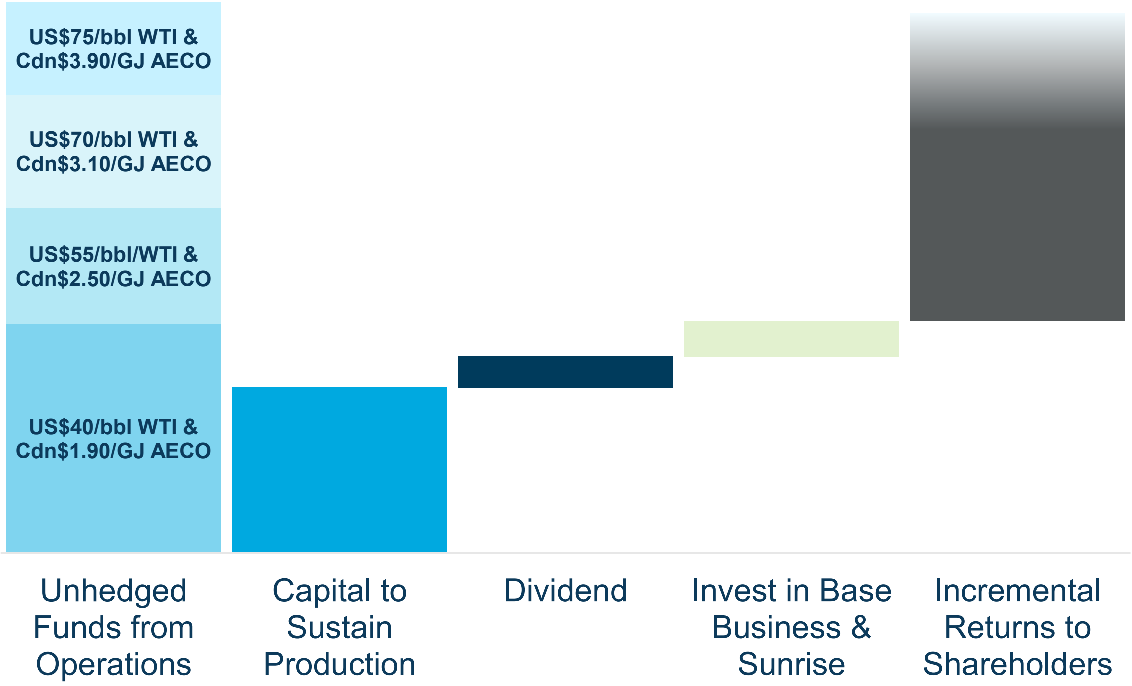


(1) Source: Barclays Capital Markets; FactSet (October 29, 2021). Peer group includes North American E&Ps: APA, AR, CLR, CNQ, CNX, COP, CTRA, CVE, DVN, EOG, EQT, FANG, MRO, OVV, PXD, RRC, SWN, TOU.
(2) Free Cash Flow Yield is calculated as funds from operations less capital expenditures and dividends.

ARC is expected to deliver one of the highest cash returns amongst its peers

Capital Allocation Priorities

Returning 50% to 80% of free funds flow



Return of capital measures

Sustainable Dividend Growth

- Dividend is the core return mechanism
- Designed to grow with profits and not be reduced
- Sustainable at low commodity prices

Share Repurchases

- When below intrinsic value at conservative commodity price assumptions
- Restores per share growth profitably

M&A Activities

Returns do not currently compete with other alternatives, including organic investments and share repurchases

With ARC's debt targets achieved, returns to shareholders accelerates

2022 Plan

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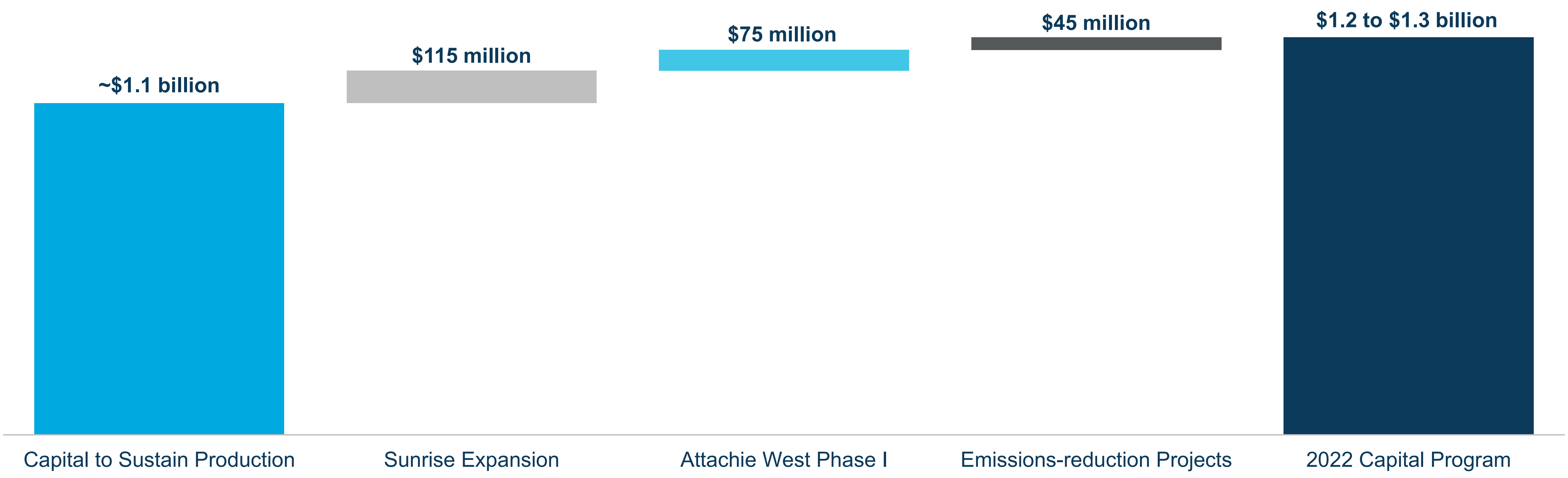
Capital Program of $1.2 Billion to $1.3 Billion

2022 capital program

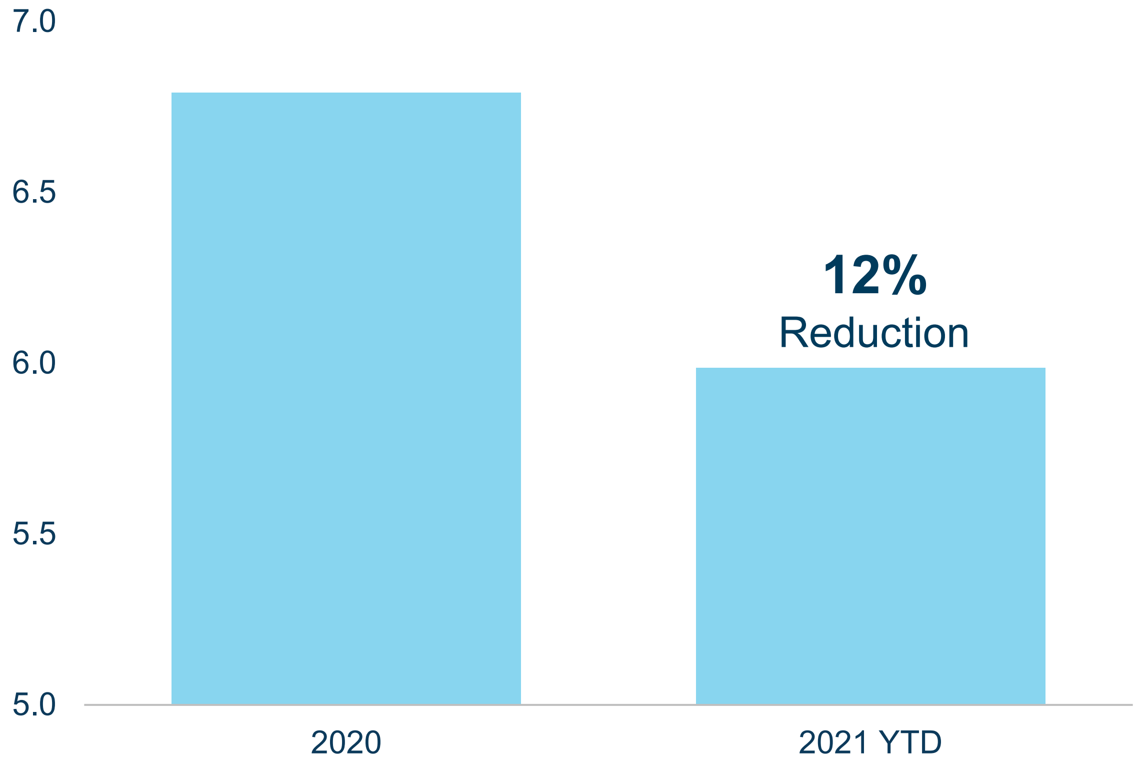


Capital program is designed to sustain production while investing a modest amount of capital to grow future free funds flow

Integration of Seven Generations Complete

Kakwa drilling and completions costs

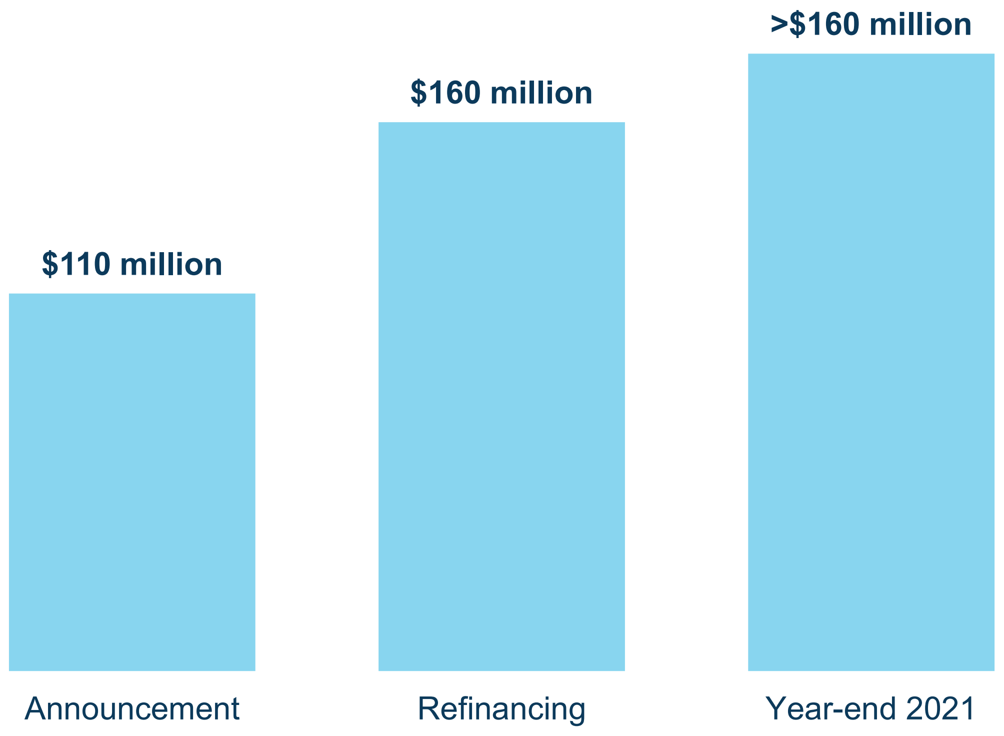
$ millions per well



- 12% reduction in completions costs per lateral metre
- 11% reduction in drilling costs per total metres drilled

Synergies from Seven Generations acquisition

$ millions



- ARC expects to capture more than $160 million of synergies by year-end due to greater-than-expected capital synergies

Combined Montney expertise resulting in greater profitability at Kakwa and increased synergies

2022 Guidance – Capital Expenditures & Production

Attachie

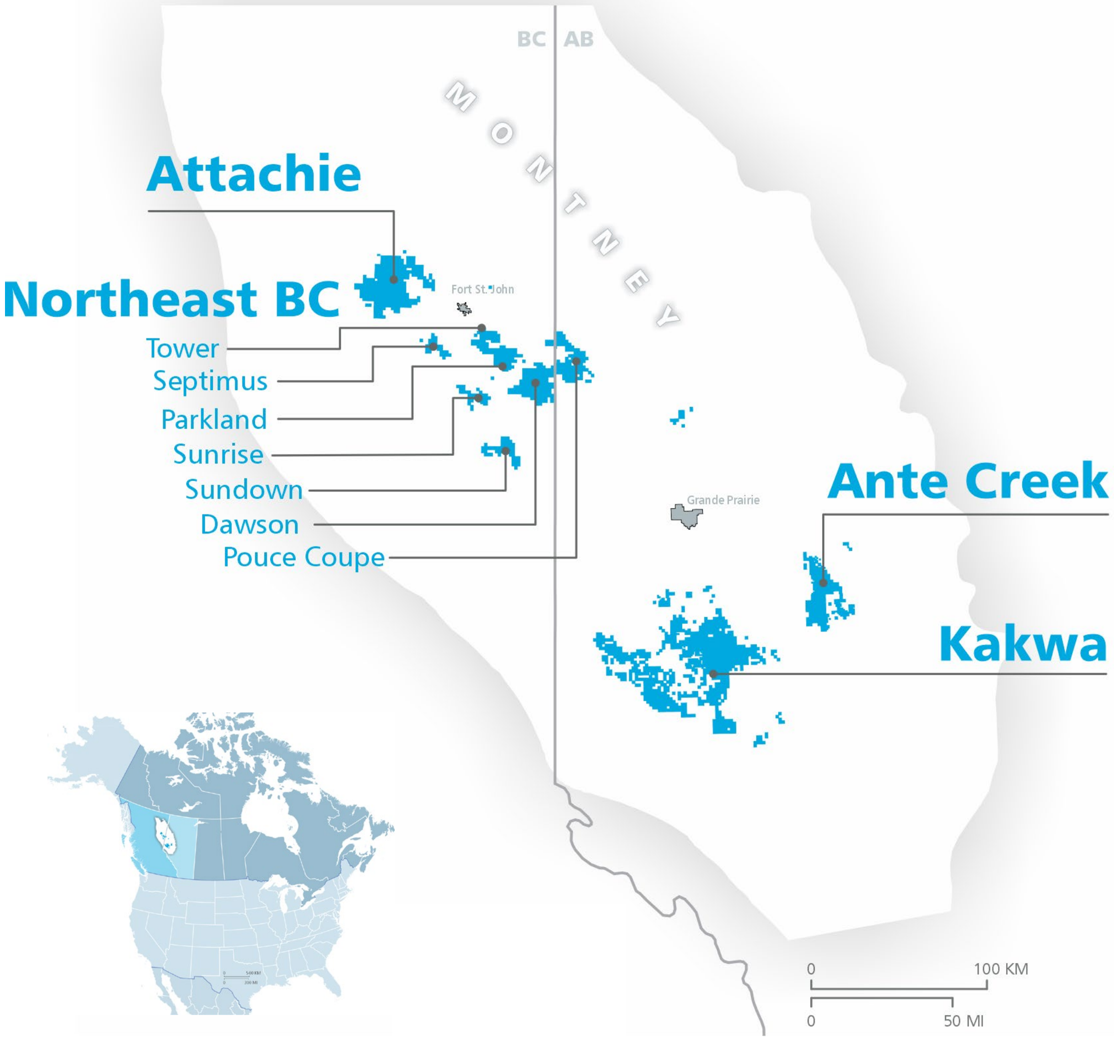
~$75MM
~2,500 boe/day

Greater Dawson

$230MM - $250MM
37 wells
~96,000 boe/day

Sunrise

$180MM - $200MM
31 wells
~49,000 boe/day



Ante Creek

~$70MM
17 wells
~19,000 boe/day

Kakwa

$600MM - $700MM
67 wells
~180,000 boe/day

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

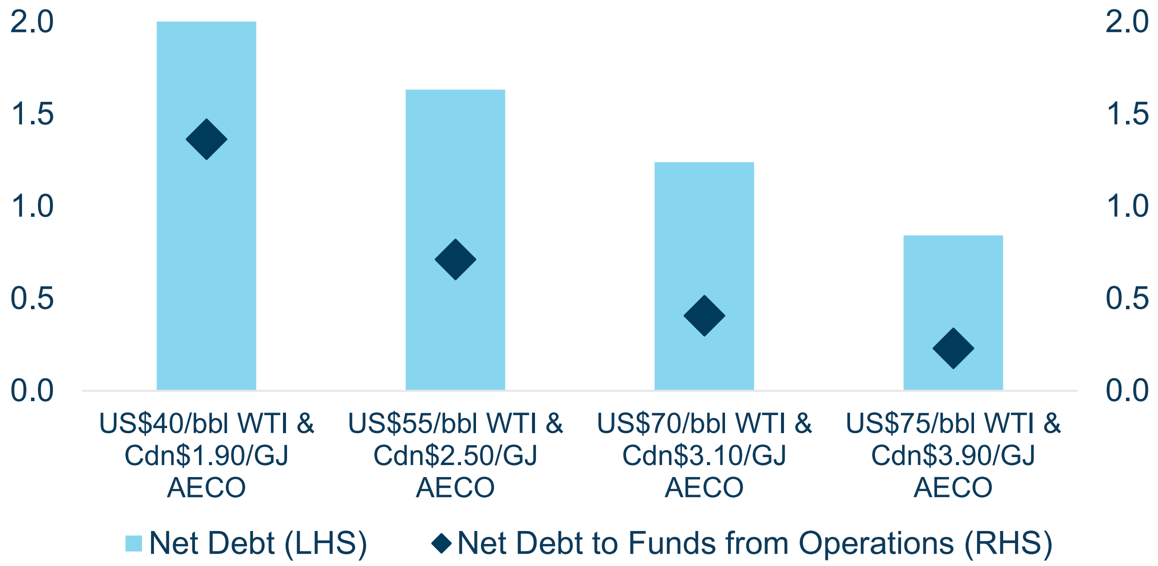
2022 Guidance – Production & Expenses

	2022 Guidance
Production	
Crude oil (bbl/day)	7,000 - 9,000
Condensate (bbl/day)	72,000 - 78,000
Crude oil and condensate (bbl/day)	79,000 - 87,000
Natural gas (MMcf/day)	1,240 - 1,280
NGLs (bbl/day)	49,000 - 51,000
Total production (boe/day)	335,000 - 350,000
Expenses ($/boe)	
Operating	4.00 - 4.50
Transportation	4.50 - 5.00
G&A expense before share-based compensation expense	0.80 - 0.90
G&A - share-based compensation expense	0.30 - 0.40
Interest and financing	0.55 - 0.65
Current income tax expense as a per cent of funds from operations	1 - 6
Capital expenditures before land and net property acquisitions (dispositions) ($ billions)	1.2 - 1.3

Strong Financial Position

2022 forecasted net debt sensitivities[1 2]

$ billions, ratio

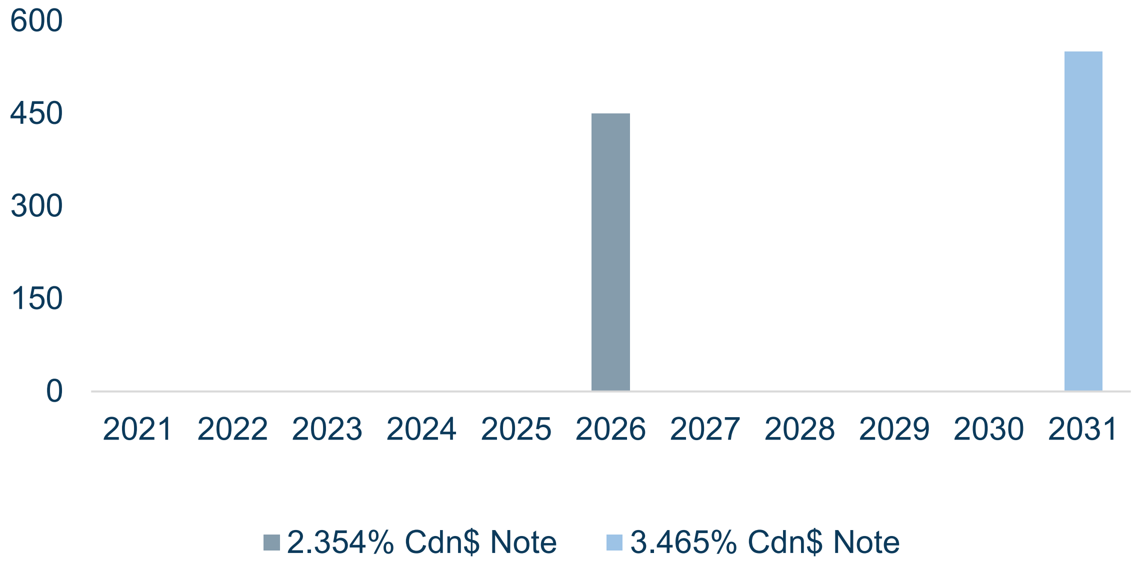


Net debt to funds from operations

- Currently targeting to be at the lower end of the range of 1.0x to 1.5x
- Ensures ample flexibility and opportunity at low points in the cycle

Long-term notes repayment schedule

Cdn$ millions



Simple capital structure with investment-grade credit rating

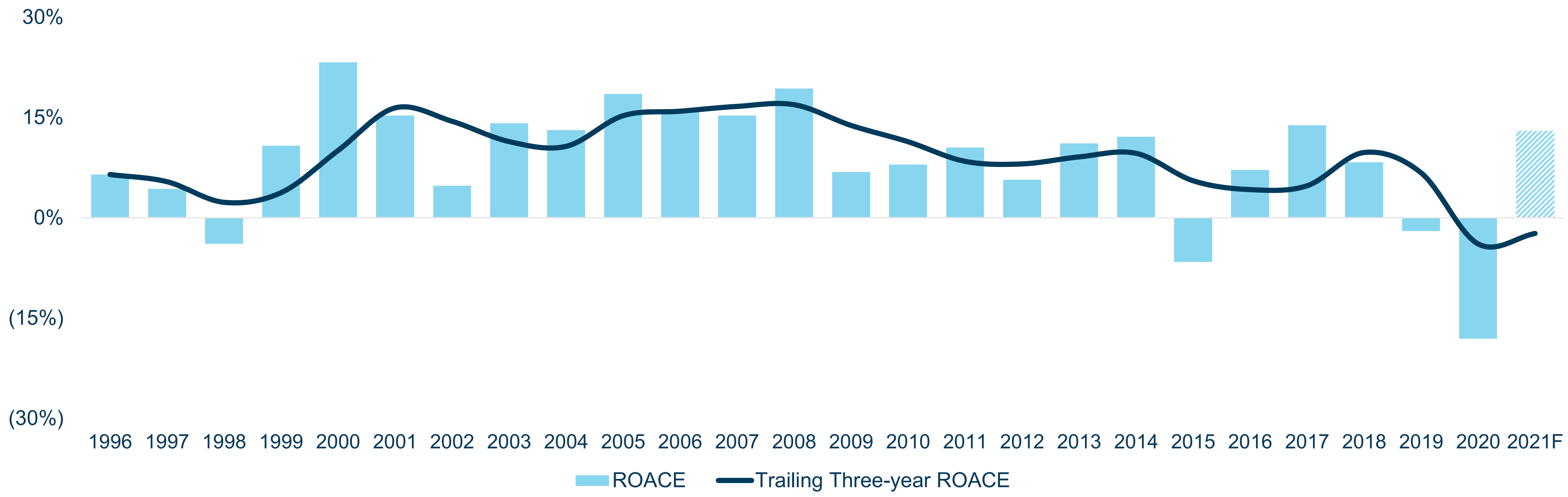
- $2.0 billion unsecured extendible revolving credit facility
- Private senior notes repaid in Q3 2021
- $1.2 billion of available liquidity

(1) Net Debt Excluding Lease Obligations. Refer to the Advisory Statements to this presentation.
(2) Unhedged Funds from Operations.

Strong financial position has been a foundation of ARC for 25 years

Long-term Corporate Profitability

Return on average capital employed[1]

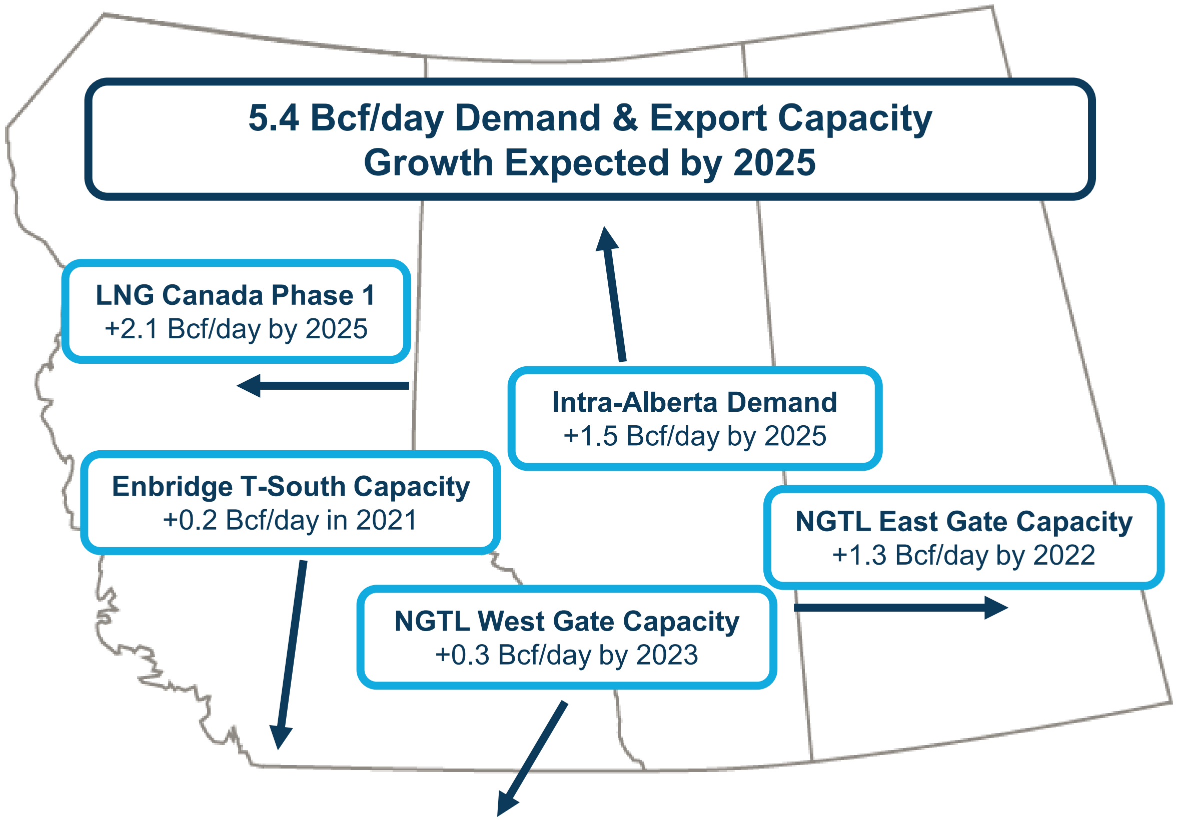


(1) Return on Average Capital Employed is a non-GAAP measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Refer to the Advisory Statements to this presentation.

ARC targets to deliver double-digit ROACE over the long term

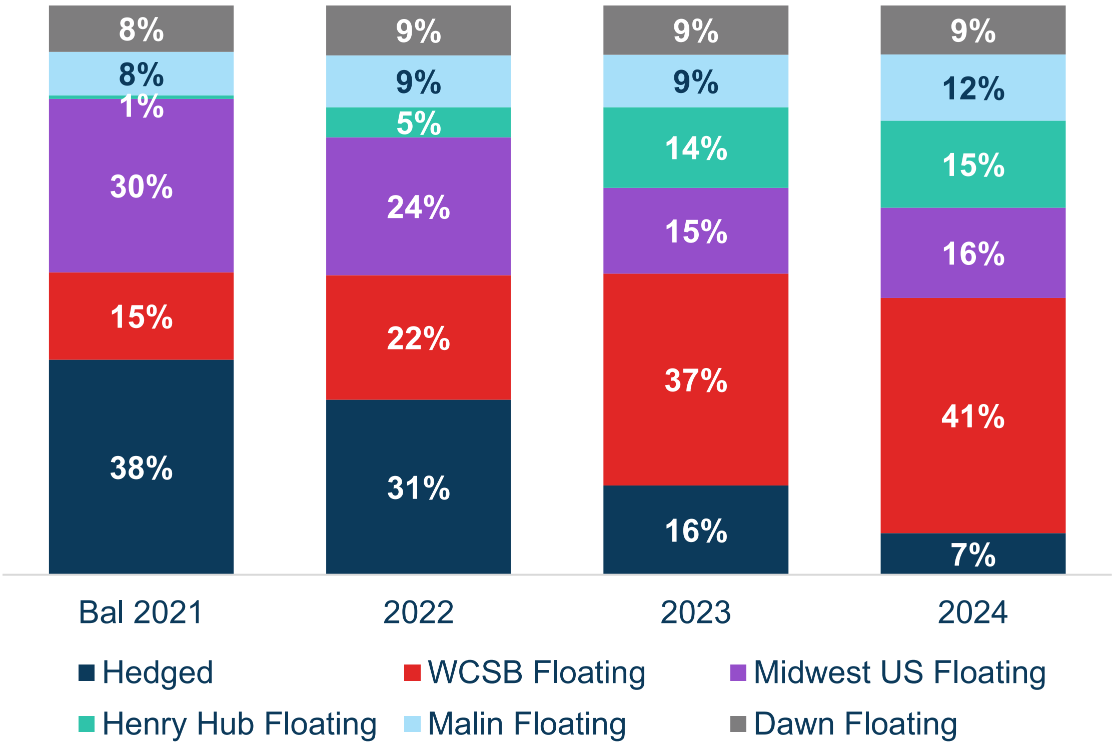
Natural Gas Financial and Physical Price Management

WCSB demand and export capacity growth[1]



Natural gas diversification[2 3]

% of total production



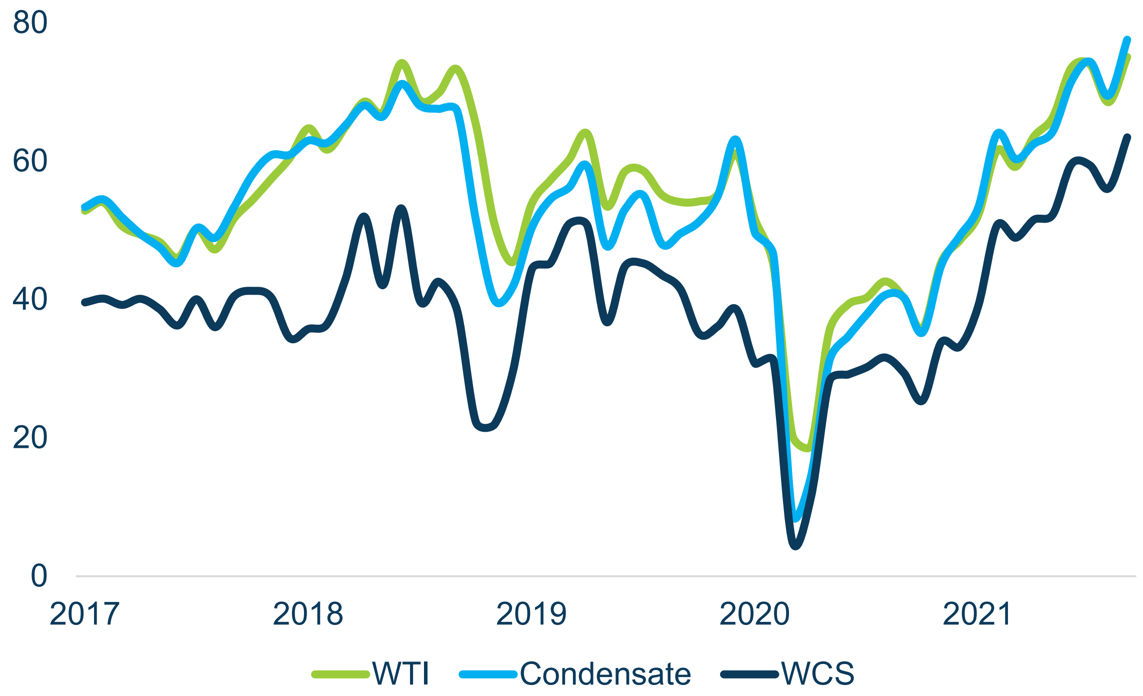
(1) Source: ARC Risk Research, TC Energy, Enbridge Inc., company reports.
(2) Diversification based on internal volume and marketing assumptions, adjusted for ARC's heat content.
(3) "Hedged" includes all physical and financial fixed price swaps, collars, and 3-ways.

Well-diversified North American natural gas exposure

Canadian Condensate Market

Crude oil and condensate pricing[1]

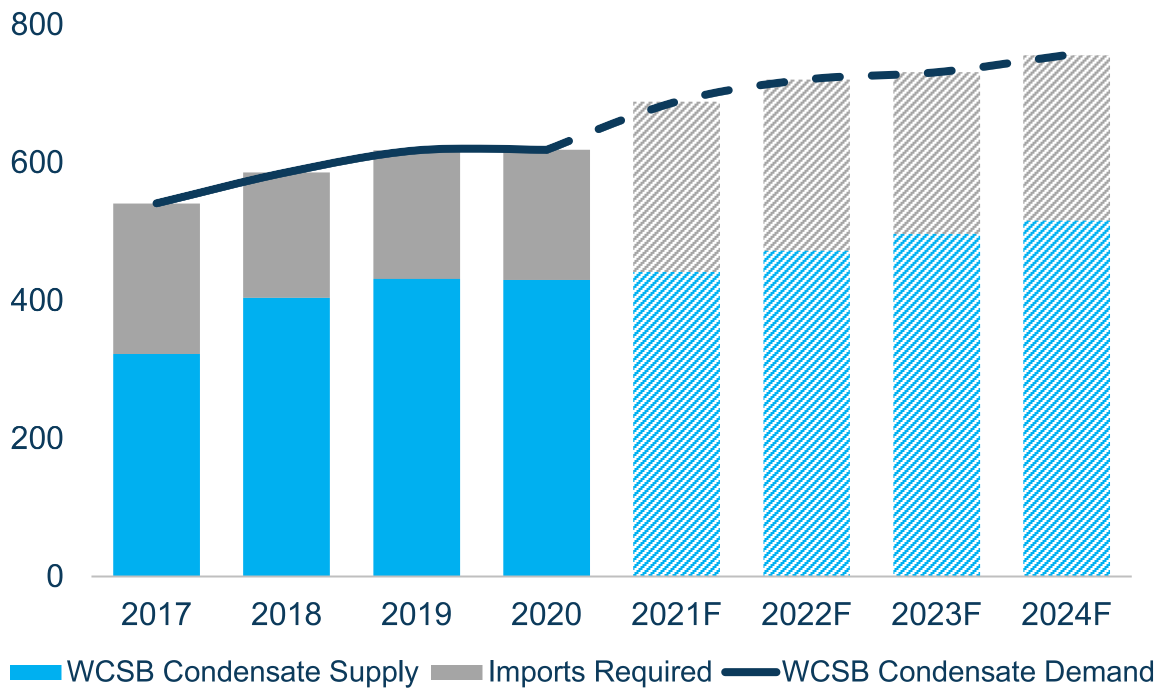
US$/bbl



- Heavy reliance on imported volumes from the US results in Canadian condensate trading within a very tight range to WTI

WCSB condensate supply and demand[2 3]

Mbbl/day



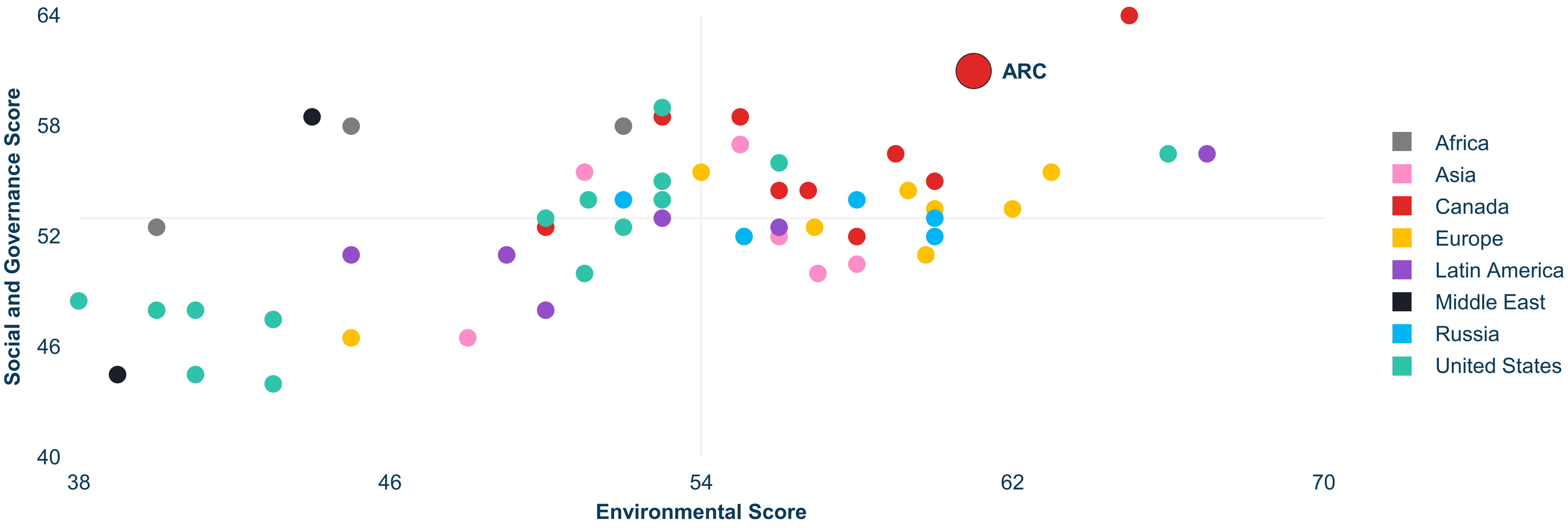
- WCSB condensate demand is expected to stay well in excess of local supply for the foreseeable future

(1) Source: Bloomberg.
(2) Source: ARC Risk Research, Alberta Energy Regulator, BC Oil and Gas Commission, Crude Oil Logistics Committee.
(3) Forecast includes the impact of GEI/USD Diluent Recovery Unit assuming 2021 on-stream date.

Continued reliance on imported condensate volumes is constructive for Canadian condensate pricing

ARC's ESG Excellence

Global oil and gas companies' relative ESG rankings[1 2]



(1) Source: BMO Capital Markets; CSRHub; Bloomberg (January 2021).
(2) ARC scores represented are prior to the acquisition of Seven Generations, which closed on April 6, 2021.

ARC scores amongst the best in the world for environmental, social, and governance performance

ARC's Leading Emissions Profile

Emissions-reduction targets

relative to 2019 baseline[1]

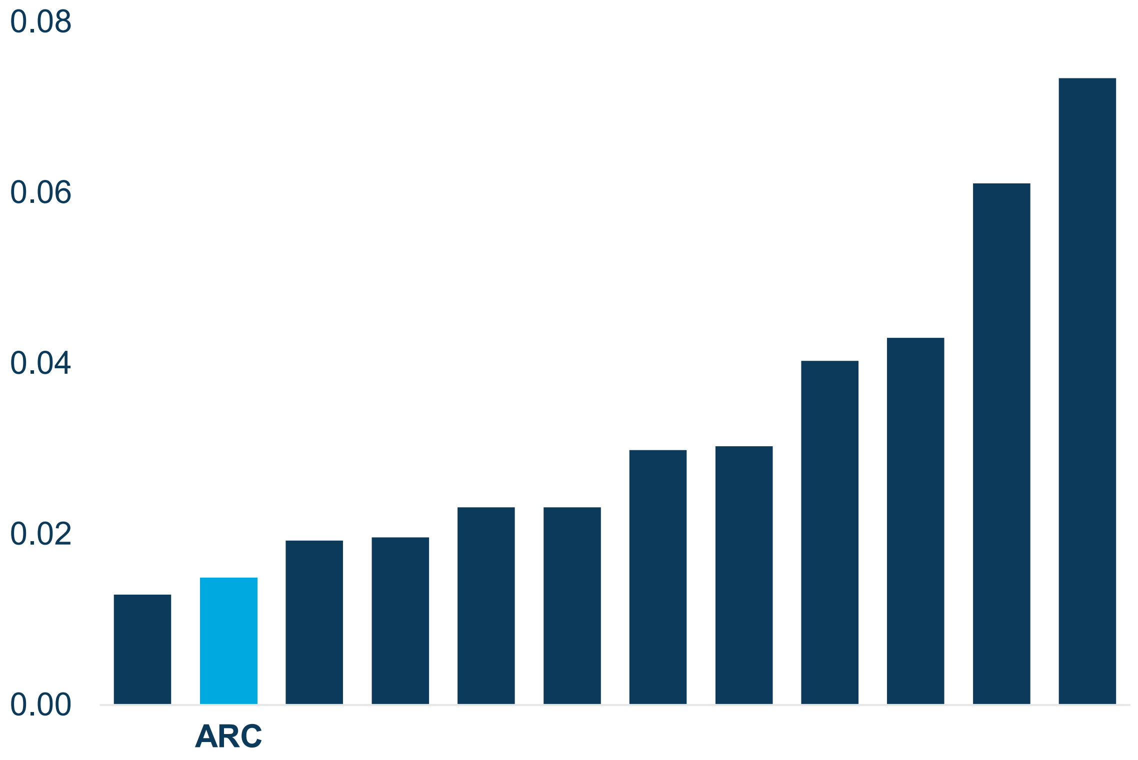
Reduce Scope 1 & 2 emissions intensity by **20%** by 2025

Reduce absolute Scope 1 & 2 emissions by **70,000 tCO_2e** by 2025

Reduce methane emissions intensity by **20%** by 2025

Comparative 2020 GHG emissions intensity[2 3]

tCO_2e/boe



(1) 2019 baseline is the combined 2019 emissions profile for ARC and Seven Generations, adjusted to remove emissions associated with ARC's Pembina asset, which was disposed of in Q2 2021 and emitted approximately 165,000 metric tCO_2e in 2019.
(2) Performance data for 2020 GHG emissions intensity comes from company reports and other publicly available data sources. Peer group includes: BIR, CNQ, CPG, CVE, NVA, OVV, PEY, POU, TOU, VET, WCP.
(3) ARC's 2020 emissions profile is the combined 2020 emissions profiles for ARC and Seven Generations, adjusted to remove emissions associated with ARC's Pembina asset, which was disposed of in Q2 2021 and emitted approximately 139,000 metric tCO_2e in 2020.

ARC has one of the lowest emissions profiles within its peer group of Canadian E&P companies

Asset Overview

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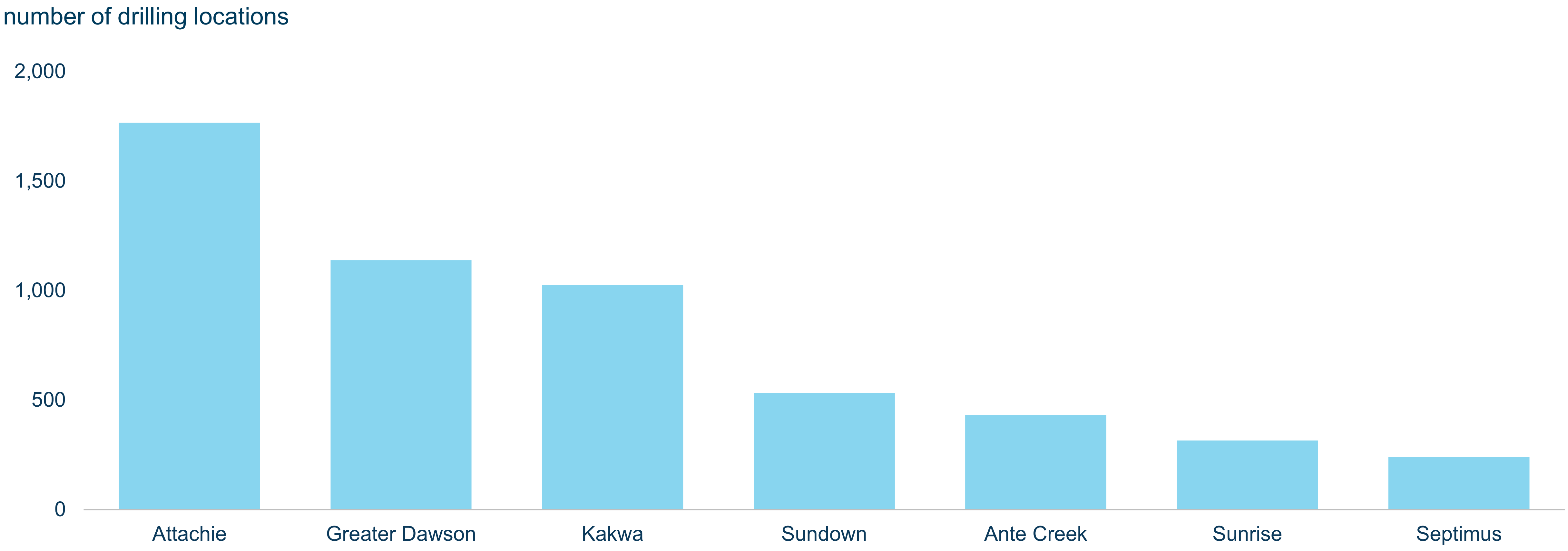
ARC's Resource and Scalability Potential

Depth of inventory[1 2]

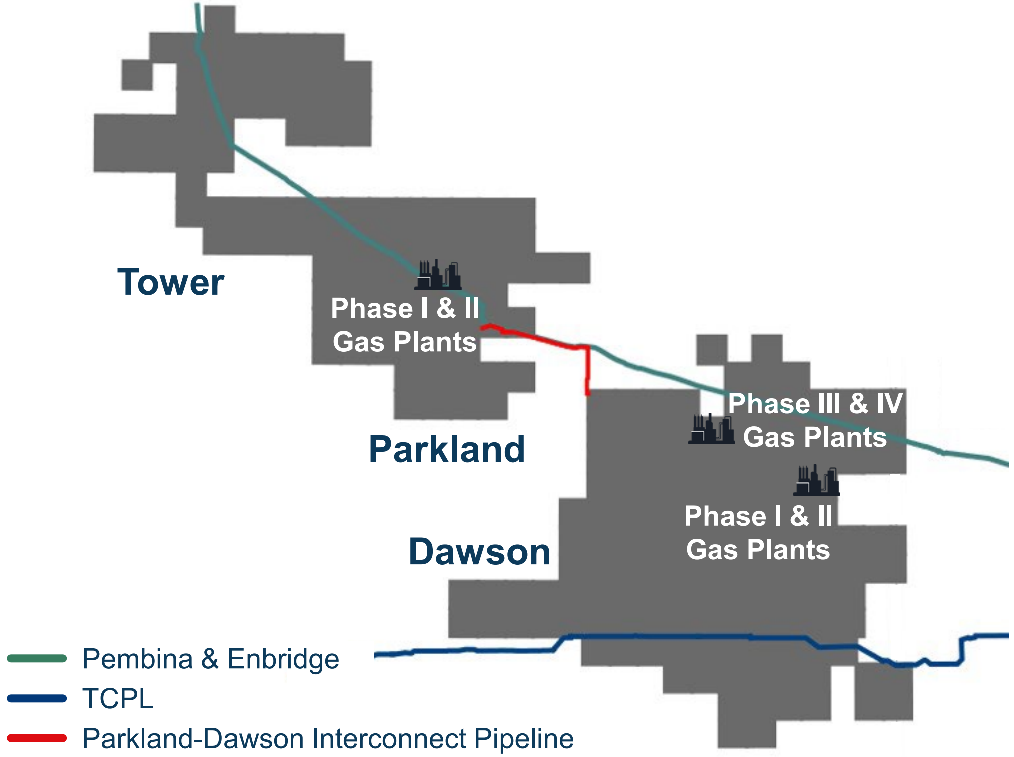


(1) Comprises 2P booked undeveloped locations and internal inventory estimates.
(2) Subject to change based on technology and economic environment.

ARC has decades' worth of premium drilling locations with commodity and geographic optionality

Greater Dawson Overview

Snapshot



Land position[1]

149,800 net acres

97% W.I.

Production[2]

96 Mboe/day

20% crude oil and liquids

2022 objective

Electrify Dawson Phase III & IV to lower area emissions

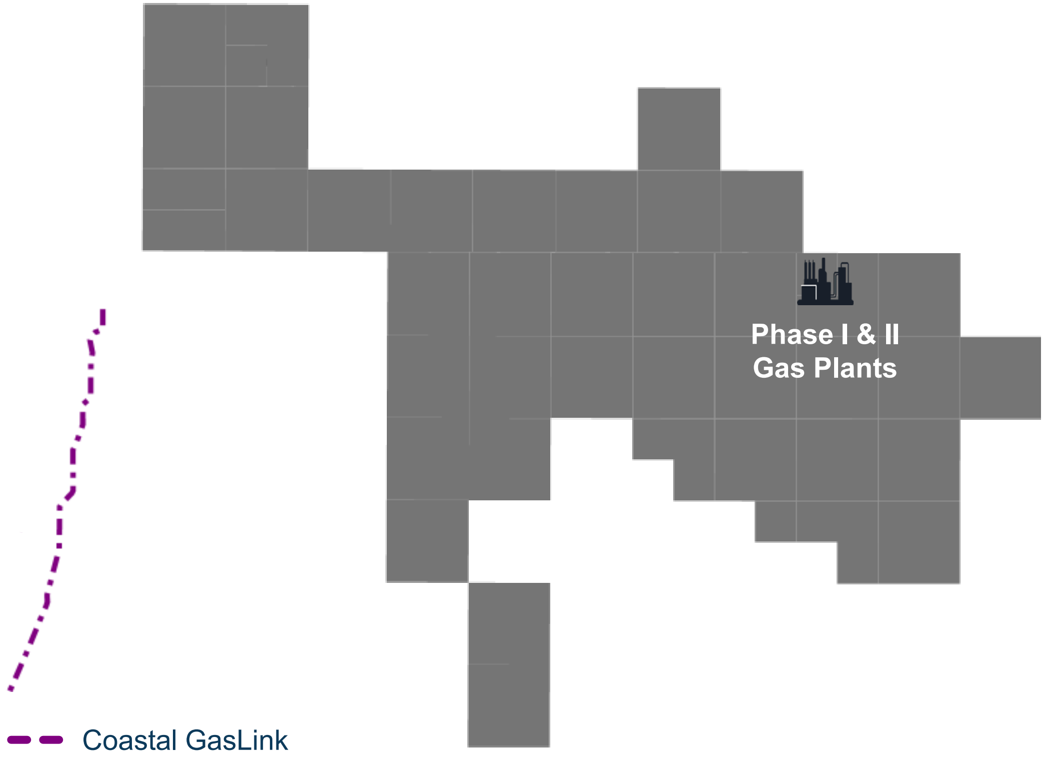
Sustain production to maximize free funds[3] flow generation

(1) Represents Montney acreage and working interest only.
(2) Represents results for the three months ended September 30, 2021.

Low reinvestment rates and strong lower Montney liquids performance driving significant free funds flow generation

Sunrise Overview

Snapshot



Land position[1]

23,100 net acres

93% W.I.

Production[2]

286 MMcf/day

100% natural gas

2022 objective

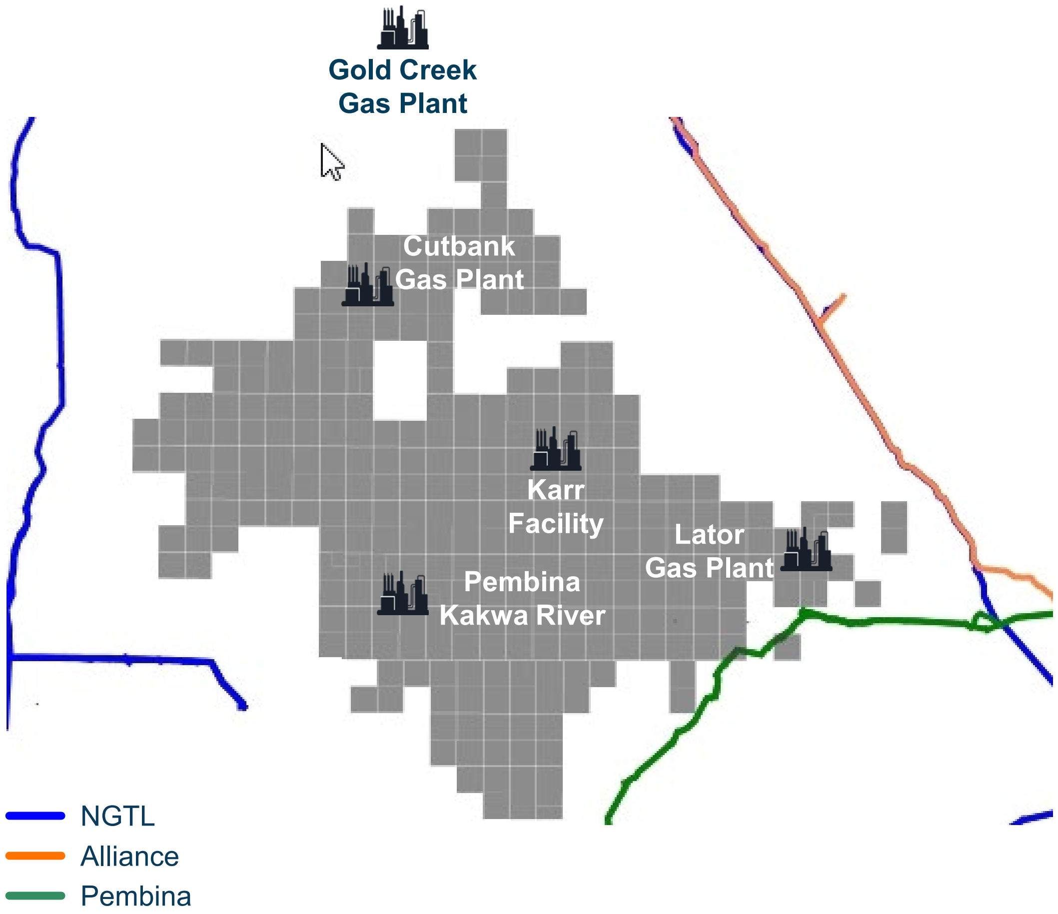
Expand Sunrise Phase I & II by 80 MMcf/day to grow low-cost, low-emission production

(1) Represents Montney acreage and working interest only.
(2) Represents results for the three months ended September 30, 2021.

Lowest-cost dry natural gas play in North America

Kakwa Overview

Snapshot



Land position[1]

488,000 net acres

99% W.I.

Production[2]

186 Mboe/day

57% crude oil and liquids

2022 objective

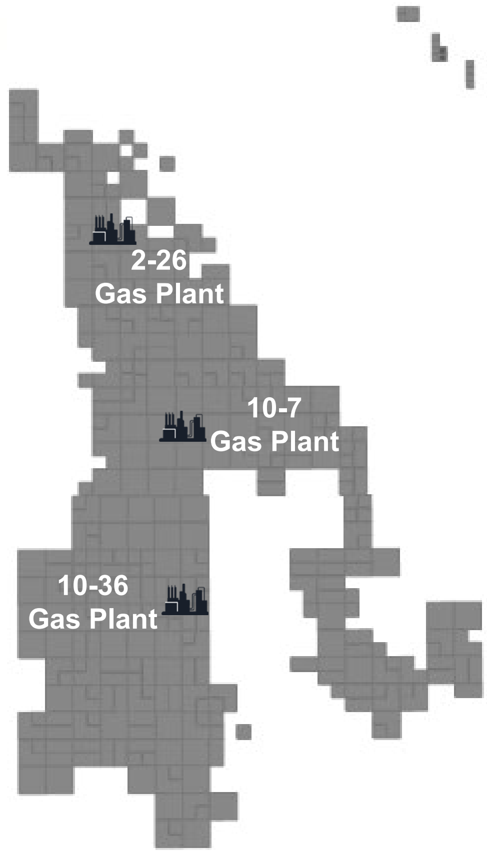
Continue to drive capital efficiency improvements and moderate decline rate to maximize free funds flow

(1) Represents Montney acreage and working interest only.
(2) Represents results for the three months ended September 30, 2021.

Premium condensate-rich and high-deliverability natural gas play that generates significant free funds flow

Ante Creek Overview

Snapshot



Land position[1]

122,000 net acres

100% W.I.

Production[2]

19 Mboe/day

46% crude oil and liquids

2022 objective

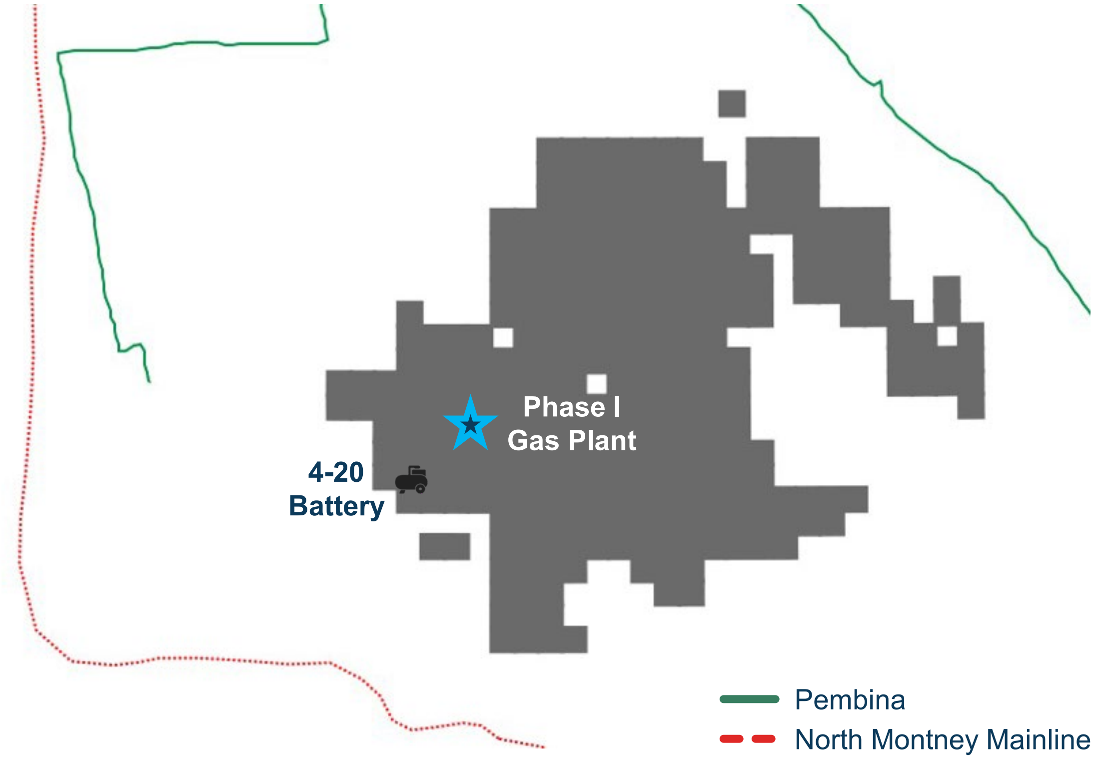
Leverage 2020 facility expansion to harvest free funds flow

(1) Represents Montney acreage and working interest only.
(2) Represents results for the three months ended September 30, 2021.

Highly profitable, stable light oil development generating significant free funds flow

Attachie Overview

Snapshot



Land position[1]

202,500 net acres

100% W.I.

Pilot production[2]

4 Mboe/day

54% crude oil and liquids

2022 objective

Invest in long-lead items to advance Attachie West Phase I ahead of sanctioning

(1) Represents Montney acreage and working interest only.
(2) Represents results for the three months ended September 30, 2021.

Attachie is the leading development opportunity within ARC's portfolio

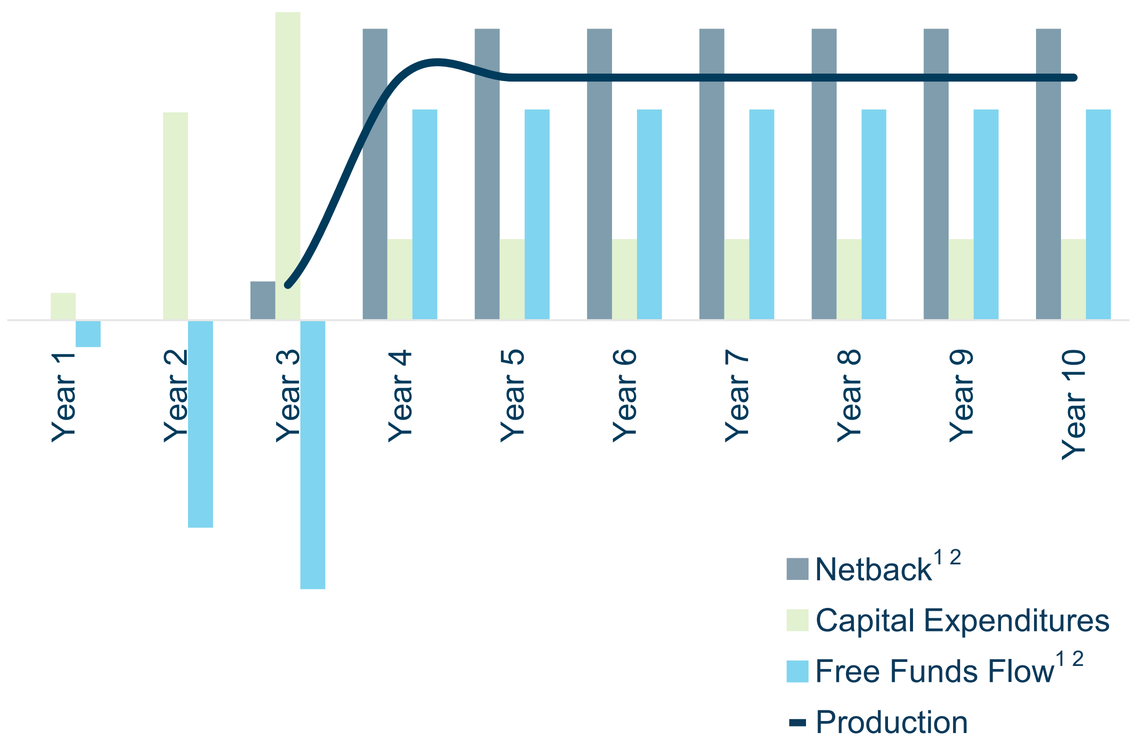
Attachie West Phase I

Project overview

Processing capacity	
Total	40 Mboe/day
Condensate and NGLs	25 Mbbl/day
Natural gas	90 MMcf/day

Cash flow profile	
Capital to build and fill facility	~$600MM
Capital to sustain production	$100MM - $150MM/year
Netback[1 2]	$450MM - $500MM/year

Forecasted cash flow profile



(1) Economics run at US$60/bbl WTI and Cdn$2.65/GJ AECO flat pricing.
(2) Netback and Free Funds Flow are non-GAAP measures that do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Refer to the Advisory Statements to this presentation.

Attachie West Phase I is expected to generate significant free funds flow once on-stream

Appendix

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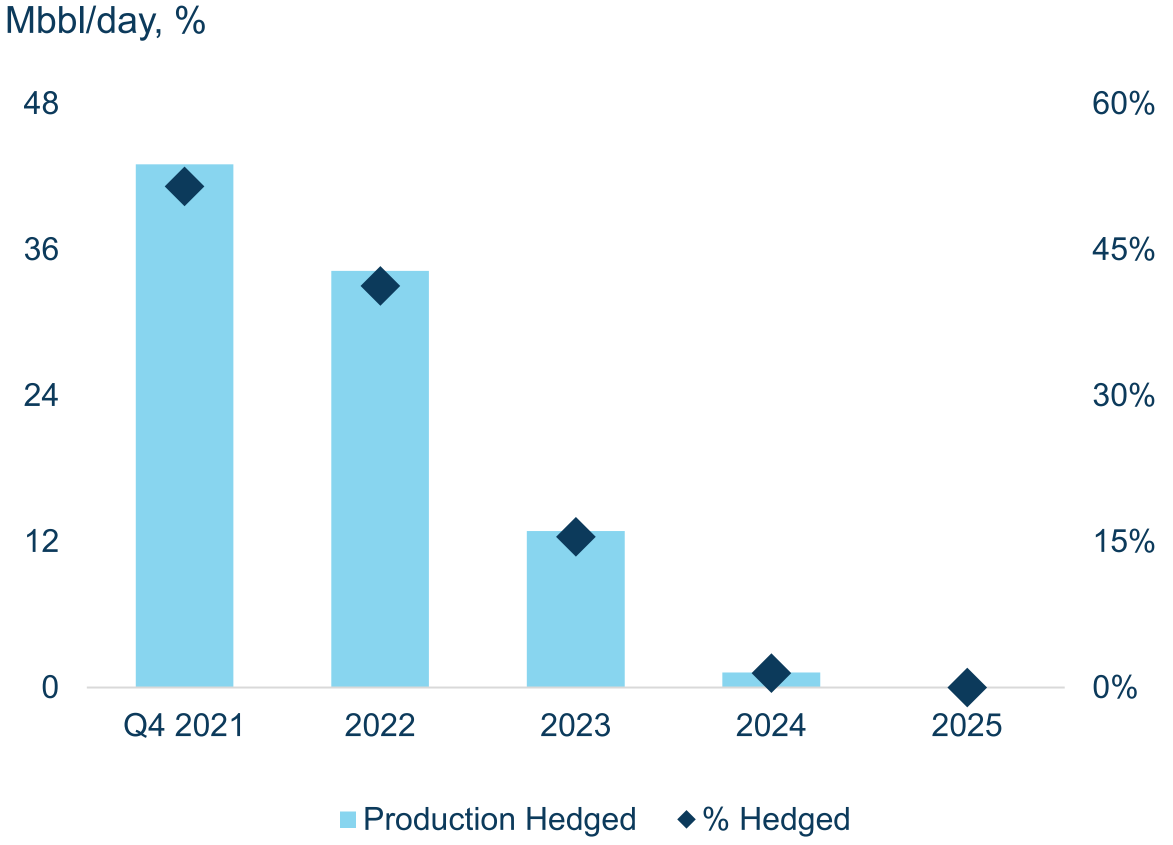
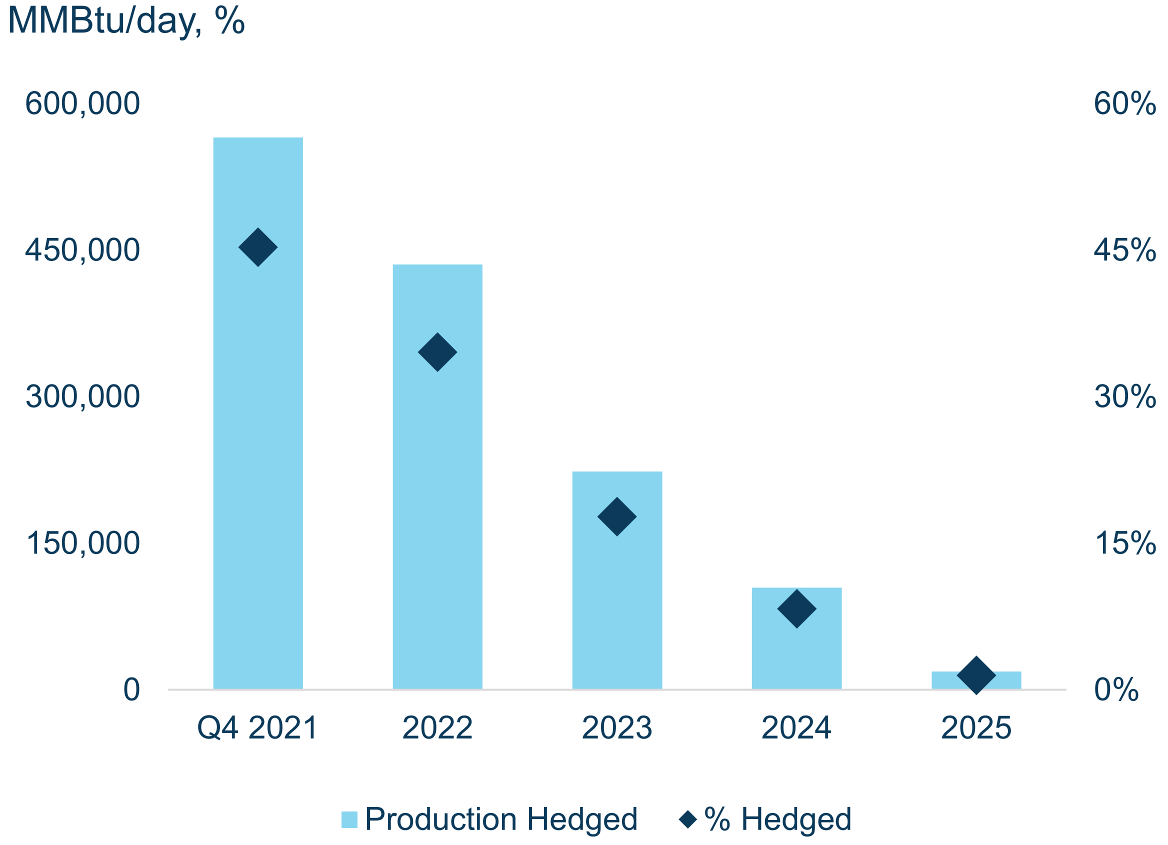
Cash Flow Protection

Crude oil and condensate production hedged[1]



Natural gas production hedged[1]



(1) Positions as at September 30, 2021.

Well-hedged with a long-term focus on reducing downside risk in funds from operations and creating certainty in cash flows

Risk Management Contracts Positions

As at September 30, 2021[1 2]	Q4 2021		2022		2023		2024		2025	
Crude Oil – WTI	US$/bbl	bbl/day	US$/bbl	bbl/day	US$/bbl	bbl/day	US$/bbl	bbl/day	US$/bbl	bbl/day
Ceiling	53.31	23,000	60.52	23,767	62.35	12,000	55.82	1,243	-	-
Floor	45.62	23,000	49.42	23,767	51.25	12,000	50.00	1,243	-	-
Sold Floor	40.84	8,000	41.55	13,767	45.00	5,000	-	-	-	-
Swap	48.07	20,000	46.90	10,479	48.99	863	-	-	-	-
Total Crude Oil Volumes (bbl/day)		**43,000**		**34,247**		**12,863**		**1,243**		**-**

Natural Gas – NYMEX Henry Hub[3]	US$/MMBtu	MMBtu/day	US$/MMBtu	MMBtu/day	US$/MMBtu	MMBtu/day	US$/MMBtu	MMBtu/day	US$/MMBtu	MMBtu/day
Ceiling	3.11	200,109	3.13	119,932	3.02	60,000	2.74	10,000	-	-
Floor	2.59	200,109	2.60	119,932	2.55	60,000	2.50	10,000	-	-
Sold Floor	2.13	140,000	2.19	85,000	2.17	30,000	2.10	10,000	-	-
Swap	2.55	185,000	2.53	144,959	2.53	52,068	-	-	-	-
Natural Gas – AECO 7A	Cdn$/GJ	GJ/day	Cdn$/GJ	GJ/day	Cdn$/GJ	GJ/day	Cdn$/GJ	GJ/day	Cdn$/GJ	GJ/day
Ceiling	2.41	120,000	2.52	160,000	2.47	107,589	2.40	90,000	2.73	20,000
Floor	1.95	120,000	1.99	160,000	1.91	107,589	1.87	90,000	2.00	20,000
Sold Floor	-	-	1.75	20,000	-	-	-	-	-	-
Swap	2.26	70,109	2.23	20,000	2.06	10,000	2.06	10,000	-	-
Sold Call	4.58	19,891	4.58	7,397	-	-	-	-	-	-
Sold Swaption	-	-	2.00	20,000	-	-	-	-	-	-
Total Natural Gas Volumes (MMBtu/day)		**565,297**		**435,497**		**223,521**		**104,782**		**18,956**

Natural Gas – AECO Basis (Differential to NYMEX Henry Hub)	US$/MMBtu	MMBtu/day	US$/MMBtu	MMBtu/day	US$/MMBtu	MMBtu/day	US$/MMBtu	MMBtu/day	US$/MMBtu	MMBtu/day
Sold Swap	(0.87)	63,315	(0.85)	33,767	(0.91)	70,000	(0.91)	70,000	(0.65)	50,000
Total AECO Basis Volumes (MMBtu/day)		**63,315**		**33,767**		**70,000**		**70,000**		**50,000**

Natural Gas – Other Basis (Differential to NYMEX Henry Hub)		MMBtu/day		MMBtu/day		MMBtu/day		MMBtu/day		MMBtu/day
Sold Swap		**160,000**		**152,438**		**89,918**		**4,973**		**-**

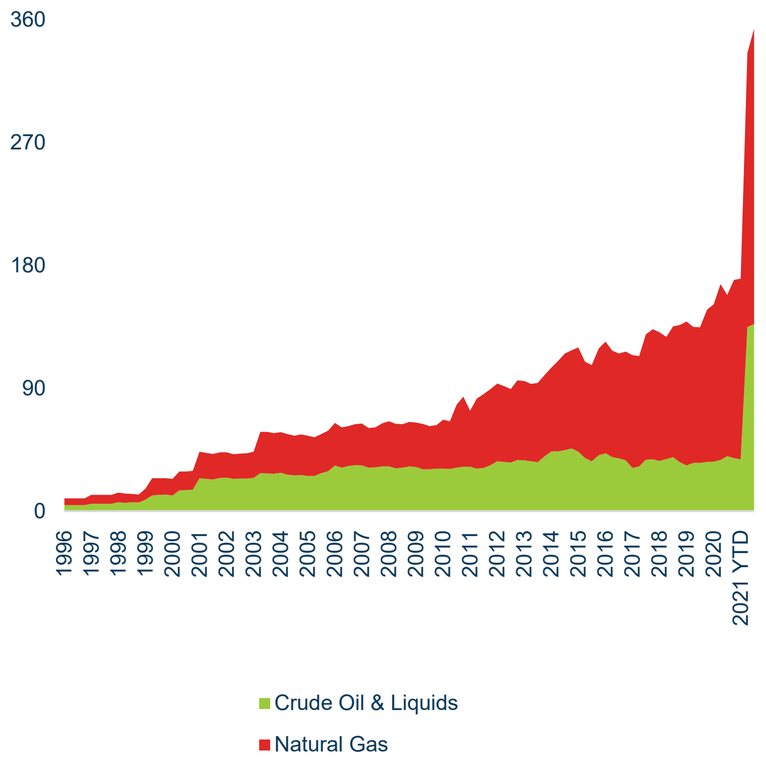
Foreign Exchange	Notional (US$ millions)	Rate (Cdn$/US$)	Notional (US$ millions)	Rate (Cdn$/US$)	Notional (US$ millions)	Rate (Cdn$/US$)	Notional (US$ millions)	Rate (Cdn$/US$)	Notional (US$ millions)	Rate (Cdn$/US$)
Swap	128.6	1.3351	116.1	1.3165	-	-	-	-	-	-
Ceiling	30.8	1.3093	69.9	1.3078	48.0	1.3070	-	-	-	-
Floor	30.8	1.3441	69.9	1.3562	48.0	1.3602	-	-	-	-

(1) The prices and volumes in this table represent averages for several contracts representing different periods. The average price for the portfolio of options listed above does not have the same payoff profile as the individual option contracts. Viewing the average price of a group of options is purely for indicative purposes. All positions are financially settled against the benchmark prices.
(2) ARC has also entered into crude oil differential swaps with a fair value deficiency of $(7.7) million and NGLs location differential swaps with a fair value deficiency of $(0.1) million.
(3) Natural gas prices referenced to NYMEX Henry Hub Last Day Settlement.

Historical Performance

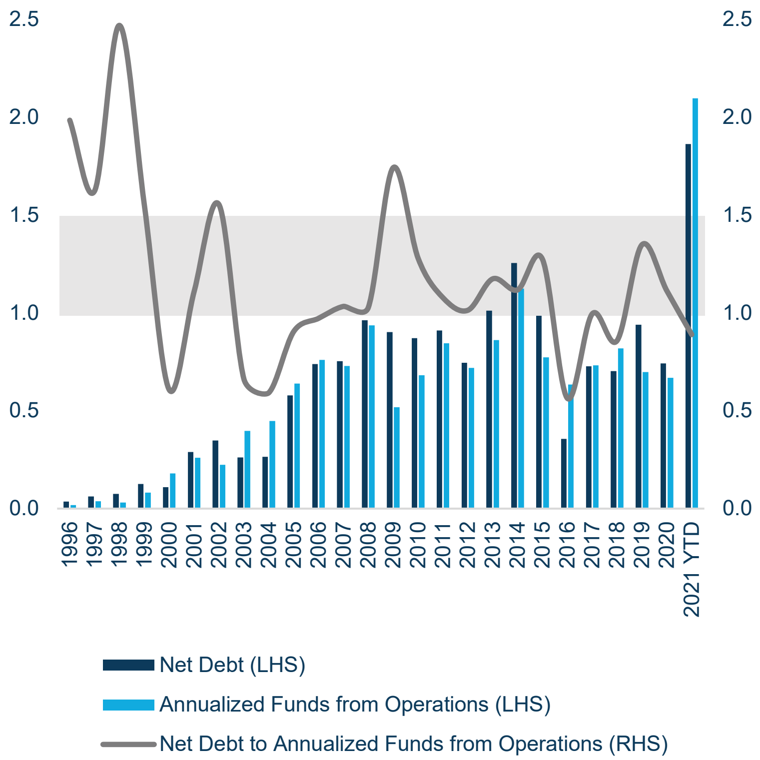
Production

Mboe/day



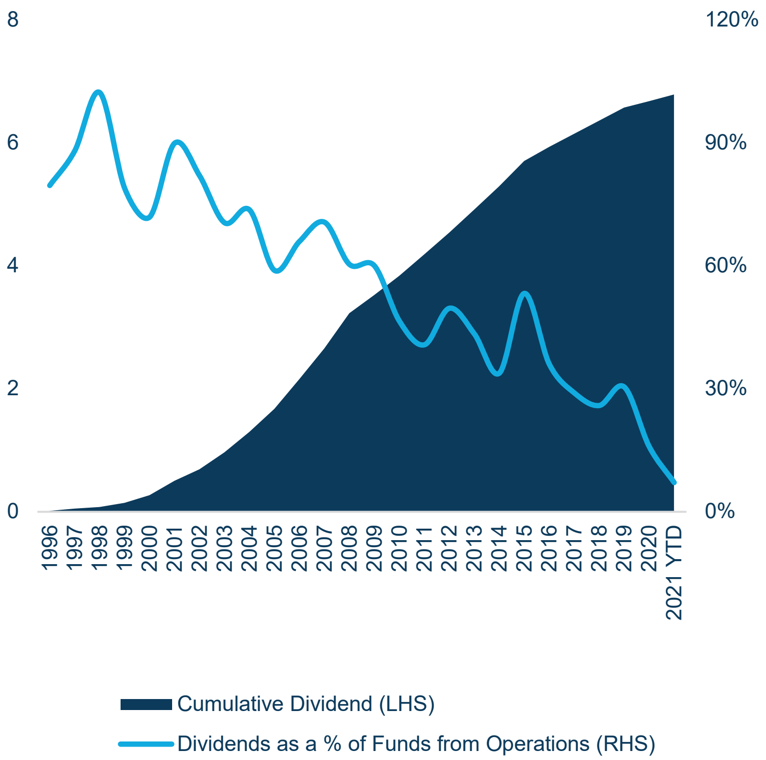
Net debt[1] to FFO

$ billions, ratio



Dividends[2]

$ billions, % of FFO



(1) Net Debt presented for 2021 onwards excludes lease obligations. Refer to the *"Capital Management"* note in ARC's financial statements.
(2) Dividends as a per cent of funds from operations calculated as dividends before Dividend Reinvestment Plan and Stock Dividend Program.

ARC has managed a profitable business through all commodity price cycles with its efficient Montney assets, capital discipline, and strong balance sheet

ESG Recognitions and Rankings[1 2]

MSCI

Member of MSCI Global Sustainability Index
MSCI ESG Rating: AAA

JSI
JANTZI SOCIAL INDEX

Member of Sustainalytics' Jantzi Social Index

CDP
DRIVING SUSTAINABLE ECONOMIES

Voluntary participant since 2007
2020 Climate Change Score: A-
2020 Water Security Score: B

FTSE4Good

Member of FTSE Russell's FTSE4Good Index Series since 2018

ISS

Environment Score: 4
Social Score: 3
Governance Score: 7

30% Club
GROWTH THROUGH DIVERSITY

Member of the 30% Club since 2018

SUSTAINALYTICS

Score: 31 – High (60th Percentile)

Bloomberg
Gender-Equality Index
2021

Member of Bloomberg's Gender-Equality Index since 2021

(1) ARC recognitions and rankings represented are prior to the acquisition of Seven Generations, which closed on April 6, 2021.
(2) ESG recognitions and rankings as of April 30, 2021.

View ARC's ESG performance and highlights at www.arcresources.com/responsibility

Advisory Statements

ARC RESOURCES LTD.

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Notes Regarding Forward-looking Information

This presentation 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 about 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 presentation 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 presentation contains forward-looking information with respect to: estimated production amounts and quantities thereof; the anticipated investments in an expansion at Sunrise and in Attachie West Phase I; the planned returns to shareholders and the expected ranges of such returns; emissions-reduction targets and the associated timelines; planned ESG initiatives, priorities, and targets, and the anticipated success and timing thereof; ARC's intended approach to emissions-reduction targets and expected results thereof; the continued assessment of dividends and the payment thereof; statements with respect to the 2022 capital budget including the planned investment and allocation of the 2022 capital budget; the estimated total capital expenditures with respect to Attachie West Phase I; the anticipated ability of ARC to remain flexible in adjusting its capital budget and production guidance; ARC's plans to maintain its net debt excluding lease obligations to annualized funds from operations at the lower end of its targeted range; the expectation that ARC will fully fund the capital program and dividend with internally generated funds from operations; the expectation that interest and financing expenses will exceed full-year 2021 guidance due to ARC's private senior note repayments; intentions and strategies regarding free funds flow allocation; ARC's plans to repurchase its shares under the NCIB and the timing and anticipated benefits thereof; adjusting the capital budget based on the outcome of negotiations between Blueberry River First Nations and the Government of BC; plans to accelerate and increase the return-of-capital component or its total return proposition; ARC's 2021 and 2022 guidance estimates; plans to evaluate return of capital measures with excess free funds flow; and other statements.

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 presentation is based, and the material risks and uncertainties underlying such forward-looking information, include: ARC's ability to successfully integrate and realize the anticipated benefits of the Business Combination as well as other completed or future acquisitions and divestitures; access to sufficient capital to pursue any development plans; ARC's ability to issue securities; ARC's ability to meet and maintain certain targets, including with respect to emissions-related and ESG performance; expectations and projections made in light of ARC's historical experience; data contained in key modeling statistics; the potential implementation of new technologies and the cost thereof; the successful implementation and use of the NCIB; forecast commodity prices and other pricing assumptions with respect to ARC's 2022 capital budget; continuing uncertainty of the impact of the June 29, 2021 BC Supreme Court ruling in Blueberry First River Nations (Yahey) v. Province of British Columbia on BC and/or federal laws or policies affecting resource development in northeast BC and potential outcomes of the ongoing negotiations between Blueberry River First Nations and the Government of BC; assumptions with respect to global economic conditions and the accuracy of ARC's market outlook expectations for 2021, 2022, and in the future; suspension of or changes to guidance, and the associated impact to production; the assumption that ARC will be able to proceed with Attachie West Phase I; 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; achievement of further cost reductions and sustainability thereof; applicable royalty regimes, including expected royalty rates; future improvements in availability of product transportation capacity; opportunity for ARC to pay dividends and the approval and declaration of such dividends by the board of directors of ARC; 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 being sufficient to fund capital investments; foreign exchange rates; near-term pricing and continued volatility of the market; the ability of ARC's existing pipeline commitments and financial hedge 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; accounting estimates and judgments; future use and development of technology and associated expected future results; ARC's ability to obtain necessary regulatory approvals; potential regulatory and industry changes stemming from the results of court actions affecting regions in which ARC holds assets; risks and uncertainties related to oil and gas interests and operations on Indigenous lands; 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; ARC's ability to obtain and retain qualified staff and equipment in a timely and cost-efficient manner; ARC's ability to carry out transactions on the desired terms and within the expected timelines; forecast inflation and other assumptions inherent in the guidance of ARC; the retention of key assets; the continuance of existing tax, royalty, and regulatory regimes; the accuracy of the estimates of each of ARC's and Seven Generations' reserve volumes; ARC's ability to access and implement all technology necessary to efficiently and effectively operate its assets; the ongoing impact of COVID-19 on commodity prices and the global economy; and other assumptions, risks, and uncertainties described from time to time in the filings made by ARC with securities regulatory authorities.

The forward-looking information in this presentation also includes certain financial outlooks relating to net debt excluding lease obligations and net debt excluding lease obligations to annualized funds from operations. Any financial outlook contained in this presentation regarding prospective financial position is based on reasonable assumptions about future events, including those described above, based on an assessment by Management of the relevant information that is currently available. The actual results will likely vary from the amounts set forth herein and such variations may be material. Readers are cautioned that any such financial outlook contained herein should not be used for purposes other than those for which it is disclosed herein. Such information was made as of the date of this presentation and ARC disclaims any intention or obligation to update or revise any such information, whether as a result of new information, future events, or otherwise, unless required pursuant to applicable law.

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Basis of Preparation

All financial figures and information have been prepared in Canadian dollars (which includes references to “dollars” and “$”), except where another currency has been indicated, and in accordance with International Financial Reporting Standards (“IFRS” or “GAAP”) as issued by the International Accounting Standards Board. Production volumes are presented on a before royalties basis.

Non-GAAP Measures

Certain financial measures in this presentation do not have a standardized meaning as prescribed by IFRS, such as free funds flow, free funds flow yield, return on average capital employed (“ROACE”), and netback, and therefore are considered non-GAAP measures. See the *“Capital Management”* note of ARC's unaudited condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2021 for further information on other measures contained in this presentation including funds from operations and net debt. These measures may not be comparable to similar measures presented by other issuers. These measures have been described and presented in order to provide shareholders, potential investors, and analysts with additional measures for analyzing ARC. This additional information should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.

Free Funds Flow and Free Funds Flow Yield

Management uses free funds flow as a measure of the efficiency and liquidity of its business, measuring its funds available for capital investment to manage debt levels, pay dividends, and return capital to shareholders. The Company computes free funds flow as funds from operations generated during the period less capital expenditures before undeveloped land purchases and property acquisitions and dispositions and free funds flow yield by dividing free funds flow per share by the market price per share. By removing the impact of current period capital expenditures from funds from operations, Management believes this measure provides an indication to investors and shareholders of the funds the Company has available for future capital allocation decisions.

Netback

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

Return on Average Capital Employed

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

Barrels of Oil Equivalent

Natural gas volumes have been converted to barrels of oil equivalent (“boe”) on the basis of six thousand cubic feet (“Mcf”) to one barrel (“bbl”). Boe may be misleading, particularly if used in isolation. A 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 value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil compared with natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is not an accurate reflection of value.

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

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

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Information Regarding Disclosure on Oil and Gas Reserves, Resources, and Other Oil and Gas Metrics

Unless otherwise specified, all reserves estimates disclosed in this presentation are derived from ARC's independent reserve evaluation prepared by GLJ Ltd. (“GLJ”) dated January 29, 2021, evaluating the crude oil, natural gas, natural gas liquids, and sulphur reserves attributable to ARC's properties as of December 31, 2020 (the “Reserves Report”), and all resources estimates disclosed in this presentation are derived from ARC's independent evaluation prepared by GLJ of ARC's lands in the Montney region, including Dawson, Parkland/Tower, Sunrise/Sunset, Sundown, Septimus, Attachie, Red Creek, and Mica in northeast British Columbia, and Pouce Coupe and Ante Creek in Alberta as of December 31, 2018. The reserve and resource estimates contained herein are estimates only and there is no guarantee that the estimated reserves or resources will be recovered. Actual crude oil, natural gas, and natural gas liquids reserves may be greater than or less than the estimates that are provided herein. ARC's belief that it will establish additional reserves over time with conversion of resources into reserves and probable undeveloped reserves into proved reserves are forward-looking statements and are based on certain assumptions and is subject to certain risks, as discussed under the heading “*Notes Regarding Forward-looking Information*” and in ARC's annual information form for the year ended December 31, 2018, dated March 14, 2019.

This presentation references “Total Petroleum Initially-In-Place” or “TPIIP”. TPIIP, as defined in the COGE Handbook, is that quantity of petroleum that is estimated to exist in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered. A portion of the TPIIP is considered undiscovered and there is no certainty that any portion of such undiscovered resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of such undiscovered resources. With respect to the portion of the TPIIP that is considered discovered resources, there is no certainty that it will be commercially viable to produce any portion of such discovered resources. A significant portion of the estimated volumes of TPIIP will never be recovered.

This presentation discloses ARC's expectations of future drilling inventory or locations. While certain of these estimated drilling locations may be consistent with “booked” drilling locations identified in the Reserves Report, as having associated proved and/or probable reserves, other locations are considered “unbooked” as they have no associated proved and/or probable reserves in the Reserves Report or any associated resources other than reserves. All drilling locations have been presented on a net basis. Unbooked locations are generated by internal estimates of Management based on prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Unbooked locations have been identified by Management as an estimation of the multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, historic drilling, production, commodity price assumptions, and reserves information. There is no certainty that all unbooked drilling locations will be drilled, and if drilled, there is no certainty that such locations will result in additional oil and gas reserves, resources, or production. The drilling locations on which wells are actually drilled will ultimately depend upon the capital allocation decisions of royalty payors who have working interests in respect of such drilling locations and a number of other factors including, without limitation, availability of capital, regulatory approvals, crude oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained, and other factors. While certain of the unbooked drilling locations have been de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells, where Management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations, and if drilled, there is more uncertainty that such wells will result in additional crude oil and natural gas reserves, resources, or production.

This presentation contains certain oil and gas metrics, including finding and development costs (or “F&D costs”) and reserves life index (or “years to sustain”) which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. These metrics have been included herein to provide readers with additional measures to evaluate the Company's performance; however, such measures are not reliable indicators of the future performance of the Company and future performance may not compare to the performance in previous periods and therefore such metrics should not be unduly relied upon. F&D costs are calculated by dividing the sum of the total capital expenditures for the year, in dollars, by the change in reserves within the applicable reserves category, in boe. F&D costs, including future development costs (“FDC”), includes all capital expenditures in the year as well as the change in FDC required to bring the reserves, within the specified reserves category, on production. F&D costs take into account reserves revisions and capital expenditure revisions during the year. The aggregate of the costs incurred in the financial year and changes during that year in estimated FDC may not reflect total F&D costs related to reserves additions for that year. Management uses F&D costs as a measure of its ability to execute its capital program, the success in doing so, and of ARC's asset quality. Reserves life index or “years to sustain” are calculated by dividing the reserves (in boe) in the referenced category by the midpoint of the production guidance (in boe) for the following year. Management uses this measure to determine how long the booked reserves will last at current production rates if no further reserves were added

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Advisory – 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 the rating agency in the future if, in its judgment, circumstances so warrant.

Third-party Information

This presentation includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by ARC to be true. Although ARC believes it to be reliable, it has not independently verified any of the data from third party sources referred to in this presentation or analyzed or verified the underlying reports relied upon or referred to by such sources or ascertained the underlying economic and other assumptions relied upon by such sources. ARC believes that its market, industry and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry and economic data used throughout this presentation are not guaranteed and ARC makes no representation as to the accuracy of such information.

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