



California Resources Corporation and Capital Power to Explore Decarbonized Power Solutions in California

November 4, 2025

CRC's Carbon TerraVault and Capital Power Sign MOU to Explore Transportation and Sequestration of up to 3 Million Metric Tons of CO₂ Emissions Per Year

New MOU Demonstrates Rising Interest in Carbon TerraVault's Power-to-CCS Solution

LONG BEACH, Calif., Nov. 04, 2025 (GLOBE NEWSWIRE) -- California Resources Corporation (NYSE: CRC) and its carbon management business, Carbon TerraVault (CTV), today announced a Memorandum of Understanding¹ (MOU) with Capital Power (TSX: CPX) to provide carbon management services for CPX's La Paloma generation facility in Kern County, California.

Highlights:

- CTV and CPX plan to jointly evaluate and develop carbon capture and sequestration ("CCS") solutions for the La Paloma facility — a 1.1 gigawatts (GW) natural gas combined cycle generation facility in Kern County
- CTV intends to evaluate serving as the exclusive transportation and sequestration services provider for up to 3 million metric tons per annum (MMTPA) of captured carbon dioxide ("CO₂"), supporting California's broader decarbonization goals
- CTV and CPX plan to jointly evaluate potential data center sites, power infrastructure needs, regulatory permitting, and further integration opportunities

"This MOU with Capital Power represents a promising opportunity to advance California's decarbonization goals and demonstrates the growing demand for reliable, scalable carbon management solutions," said Francisco Leon, CRC's President and Chief Executive Officer. "By supplementing Capital Power's generation capabilities with CRC's strategically located storage infrastructure and technical expertise, we can help accelerate low-carbon power generation across the Golden State."

"Partnering with Carbon TerraVault highlights our commitment to practical, technology-driven solutions that accelerate the transition to a lower-carbon energy future," said Avik Dey, President and Chief Executive Officer of Capital Power. "Together, we hope to drive innovation that makes sustainable energy more achievable."

¹ An MOU is a non-binding agreement. The projects and transactions described in an MOU are subject to certain conditions precedent, typically including the negotiation of definitive documents, a final investment decision by the parties and receipt of EPA Class VI permits and other regulatory approvals.

About California Resources Corporation

California Resources Corporation (CRC) is an independent energy and carbon management company committed to energy transition. CRC is committed to environmental stewardship while safely providing local, responsibly sourced energy. CRC is also focused on maximizing the value of its land, mineral ownership, and energy expertise for decarbonization by developing CCS and other emissions reducing projects. For more information about CRC, please visit www.crc.com.

About Carbon TerraVault

Carbon TerraVault (CTV), CRC's carbon management business, is developing services to capture, transport and permanently store CO₂ for its customers. CTV is engaged in a series of proposed CCS projects to inject CO₂ captured from industrial sources into depleted reservoirs deep underground for permanent sequestration. For more information, visit carbonterravault.com.

About Capital Power

Capital Power is a growth-oriented power producer with approximately 12 GW of power generation at 32 facilities across North America. Capital Power prioritizes safely delivering reliable and affordable power communities can depend on, building lower-carbon power systems, and creating balanced solutions for our energy future. Capital Power is Powering Change by Changing Power™. For more information, visit capitalpower.com.

Forward-Looking Statements

This document contains statements that CRC believes to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than historical facts are forward-looking statements, and include statements regarding CRC's future financial position, business strategy, projected revenues, earnings, costs, capital expenditures and plans and objectives of management for the future. Words such as "expect,"

“could,” “may,” “anticipate,” “intend,” “plan,” “ability,” “believe,” “seek,” “see,” “will,” “would,” “estimate,” “forecast,” “target,” “guidance,” “outlook,” “opportunity” or “strategy” or similar expressions are generally intended to identify forward-looking statements. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, such statements.

Although CRC believes the expectations and forecasts reflected in its forward-looking statements are reasonable, they are inherently subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond its control. No assurance can be given that such forward-looking statements will be correct or achieved or that the assumptions are accurate or will not change over time. Particular uncertainties that could cause CRC’s actual results to be materially different than those expressed in its forward-looking statements are described in its most recent Annual Report on Form 10-K and its other periodic filings with the Securities and Exchange Commission. These factors include, but are not limited to: fluctuations in commodity prices; production levels and/or pricing by OPEC, OPEC+ or U.S. producers; government policy, war and political conditions and events; divestitures and joint ventures; regulatory actions and changes that affect the oil and gas industry generally and us in particular; the efforts of activists to delay prevent oil and gas activities or the development of CRC’s carbon management segment; changes in business strategy and capital plan; lower-than-expected production; changes to estimates of reserves and related future cash flows; the recoverability of resources and unexpected geologic conditions; general economic conditions and trends; results from operations and competition in the industries in which it operates; CRC’s ability to realize the anticipated benefits from prior or future efforts to reduce costs; environmental risks and liability; the benefits contemplated by its energy transition strategies and initiatives; CRC’s ability to successfully identify, develop and finance carbon capture and storage projects, power projects and other renewable energy efforts; future dividends and share repurchases and de-leveraging efforts; and natural disasters, accidents, mechanical failures, power outages, labor difficulties, cybersecurity breaches or attacks or other catastrophic events. For a discussion of important factors that could cause actual results to differ materially, please see CRC’s Form 10-K for the year ended December 31, 2024, and subsequent reports on Form 10-Q filed with the SEC.

CRC cautions you not to place undue reliance on forward-looking statements contained in this document, which speak only as of the date hereof, and CRC undertakes no obligation to update this information. This document may also contain information from third party sources. This data may involve a number of assumptions and limitations, and CRC has not independently verified them and does not warrant the accuracy or completeness of such third-party information.

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