



Carbon TerraVault Provides Third Quarter 2025 Update

November 4, 2025

Expands Power-To-CCS Story: Signs Carbon Management MOU with Capital Power for Up to 3 Million Metric Tons Per Annum of CO₂ Emissions

LONG BEACH, Calif., Nov. 04, 2025 (GLOBE NEWSWIRE) -- Carbon TerraVault Holdings, LLC (CTV), a carbon management subsidiary of California Resources Corporation (NYSE: CRC), today provided an update on third quarter 2025 operating and financial results.

"We are encouraged by and commend the state's recent actions to advance CCS development in California and support decarbonization across hard-to-abate industries," said Francisco Leon, President and Chief Executive Officer of CRC. "CTV is moving closer to first injection from California's first CCS project, a major step toward achieving the state's climate goals. This momentum is driving new commercial opportunities, including our MOU with Capital Power, and reinforces CTV's ability to deliver decarbonized power solutions for Californians."

Highlights

- The enactment of SB 614 by the California government authorizes the safe transport of captured carbon dioxide (CO₂) by pipeline and represents a pivotal step in advancing carbon capture and storage development across the Golden State
- Signed memorandum of understanding¹ (MOU) with Capital Power to provide carbon management services for CPX's La Paloma generation facility in Kern County, California. *See California Resources Corporation and Capital Power to Explore Decarbonized Power Solutions in California for additional information*
- On track for completion of construction of California's first carbon capture and storage (CCS) project at CRC's Elk Hills cryogenic gas plant at or around year-end 2025 and first CO₂ injection in early 2026, pending the receipt of final regulatory approvals
- Ongoing discussions with multiple counterparties to supply power from the Elk Hills Power Plant with pathway to leverage CTV's CO₂ storage reservoirs for a decarbonized energy solution
- Plan to submit additional Class VI permits applications to the Environmental Protection Agency (EPA) for ~100 million metric tons of CO₂ storage in Central California

Carbon Management Business (CMB) Third Quarter 2025 Comparative Financial Results

Selected Financial Statement Data and Non-GAAP Measures: (\$ in millions)	3rd Quarter 2025	2nd Quarter 2025
<u>Selected Expenses</u>		
Other operating expenses, net ²	\$ 10	\$ 14
General and administrative expenses	\$ 4	\$ 3
<u>Capital and Non-GAAP Measures</u>		
Capital investments	\$ 15	\$ 5
Adjusted EBITDAX ³	\$ (14)	\$ (17)

Guidance

The following table provides key CMB fourth quarter 2025 financial and operating guidance.

	4Q25E
Capital	\$15 - \$20
Other operating expenses, net ²	\$12 - \$16
General and administrative expenses	\$2 - \$4
Adjusted EBITDAX ³	(\$19) - (\$15)

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.

² Other operating expenses, net includes lease cost for sequestration easements, advocacy, and other startup related costs.

³ See Attachment 3 of CRC's 3Q25 earnings release for the non-GAAP financial measure of adjusted EBITDAX, including a reconciliation to its most directly comparable GAAP measure. See Attachment 2 of CRC's 3Q25 earnings release for the 4Q25 estimates of the non-GAAP measure of adjusted EBITDAX, including a reconciliation to its most directly comparable GAAP measure.

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 Carbon TerraVault Joint Venture

Carbon TerraVault Joint Venture (CTV JV) is a carbon management partnership focused on CCS development formed between Carbon TerraVault I, LLC, a subsidiary of CRC, and Brookfield, to develop both infrastructure and storage assets required for CCS development in California. CRC owns 51% of CTV JV with Brookfield owning the remaining 49% interest.

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.

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; integration efforts and projected benefits in connection with the Aera Merger and other acquisitions, 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.

CRC cautions you not to place undue reliance on forward-looking statements contained in this document, which speak only as of the filing date, 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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