



ENERGY FOR CALIFORNIA BY CALIFORNIANS

Third Quarter 2020 Earnings Review
November 05, 2020

Todd Stevens | President & CEO

Francisco Leon | EVP & CFO



Forward Looking / Cautionary Statements – Certain Terms

The information included herein contains forward-looking statements that involve risks and uncertainties that could materially affect our expected results of operations, liquidity, cash flows and business prospects. Such statements include those regarding our expectations as to our future:

- financial position, liquidity, cash flows and results of operations
- business prospects
- transactions and projects
- operating costs
- Value Creation Index (VCI) metrics, which are based on certain estimates including future production rates, costs and commodity prices
- operations and operational results including production, hedging and capital investment
- budgets and maintenance capital requirements
- reserves
- type curves
- expected synergies from acquisitions and joint ventures

Actual results may differ from anticipated results, sometimes materially, and reported results should not be considered an indication of future performance. While we believe assumptions or bases underlying our expectations are reasonable and make them in good faith, they almost always vary from actual results, sometimes materially. We also believe third-party statements we cite are accurate but have not independently verified them and do not warrant their accuracy or completeness. Factors (but not necessarily all the factors) that could cause results to differ include:

- our ability to execute our business plan post-emergence
- the volatility of commodity prices and the potential for sustained low oil, natural gas and NGL prices
- impact of our recent emergence from bankruptcy on our business and relationships
- debt limitations on our financial flexibility
- insufficient cash flow to fund planned investments or changes to our capital plan
- insufficient capital or liquidity, including as a result of lender restrictions, unavailability of capital markets or inability to attract potential investors
- limitations on transportation or storage capacity and the need to shut-in wells
- inability to enter into desirable transactions, including acquisitions, asset sales and joint ventures
- our ability to utilize our net operating loss carryforwards to reduce our income tax obligations
- limitations on the liquidity of our new common stock and volatility of its market price
- legislative or regulatory changes, including those related to drilling, completion, well stimulation, operation, maintenance or abandonment of wells or facilities, managing energy, water, land, greenhouse gases or other emissions, protection of health, safety and the environment, or transportation, marketing and sale of our products
- joint ventures and acquisitions and our ability to achieve expected synergies
- the recoverability of resources and unexpected geologic conditions
- incorrect estimates of reserves and related future cash flows and the inability to replace reserves
- changes in business strategy
- PSC effects on production and unit production costs
- effect of stock price on costs associated with incentive compensation
- effects of hedging transactions
- equipment, service or labor price inflation or unavailability
- availability or timing of, or conditions imposed on, permits and approvals
- lower-than-expected production, reserves or resources from development projects, joint ventures or acquisitions, or higher-than-expected decline rates
- disruptions due to accidents, mechanical failures, power outages, transportation or storage constraints, natural disasters, labor difficulties, cyber-attacks or other catastrophic events
- pandemics, epidemics, outbreaks or other public health events such as the coronavirus disease (COVID-19)
- factors discussed in Item 1A, Risk Factors in CRC's Annual Report on Form 10-K and third quarter 2020 Form 10-Q available at www.crc.com.

Words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "goal," "intend," "likely," "may," "might," "plan," "potential," "project," "seek," "should," "target," "will" or "would" and similar words that reflect the prospective nature of events or outcomes typically identify forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

See the Investor Relations page at www.crc.com for additional information about 3P reserves and other hydrocarbon resource quantities, PV-10 and standardized measure, finding and development (F&D) costs, recycle ratio calculations, reserve replacement ratios, VCI, debt-adjusted shares calculations, drilling locations and reconciliations of non-GAAP measures to the closest GAAP equivalent.

CRC – New Foundation



“Restructured CRC is well designed to withstand price cycles and continue delivering affordable, sustainable and reliable energy that is so essential to Californians.”

– Todd Stevens, President & CEO

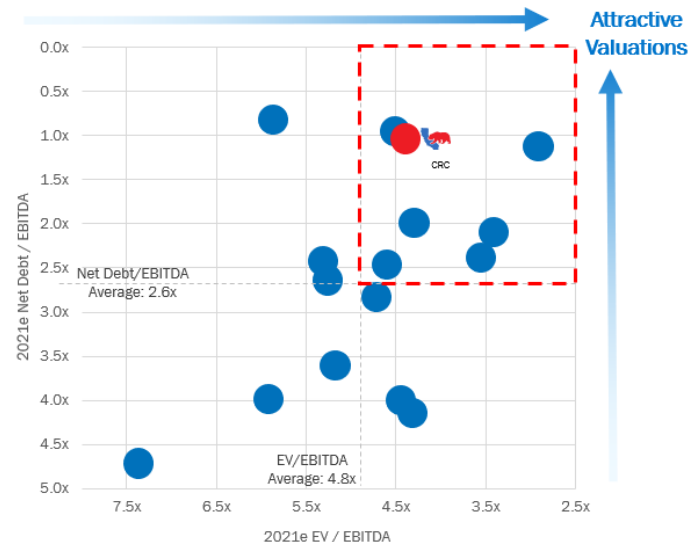
CRC'S SUSTAINABLE FOUNDATION IS EXPECTED TO DELIVER



- Value Focus**
 - Consistent Shareholder Returns
 - VCI Driven Projects
 - Diversified & Broad Energy Portfolio
- Sustainable Operational Excellence**
 - Record Safety Performance
 - Consistent Focus on Controlling Costs
 - Quality Portfolio Built on Technological Innovation
- Strong Financial Fundamentals**
 - Solid Balance Sheet Metrics
 - Disciplined Capital Allocation
 - Margin Maximization to Deliver Free Cash Flow
- ESG Leadership**
 - Culture Supports ESG Principles
 - E&P Leading Sustainability Projects
 - Foster and Emulate our Communities

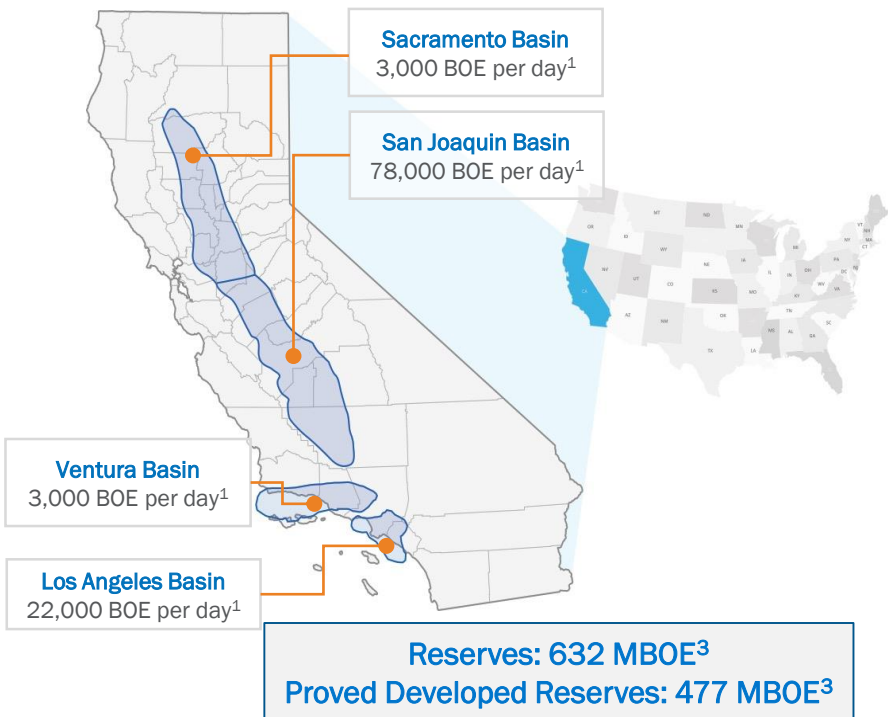


ATTRACTIVE VALUATION METRICS ALONG WITH LOW LEVERAGE



Note: Peers include COG, CPE, DEN, FANG, GPOR, MTRD, MUR, PDCE, PE, QEP, RRC, SWN, WLL, WPX and XEC. FactSet consensus estimates of peers as of 10/1/20. CRC post restructuring net debt is \$35 mm outstanding on RBL (net of unrestricted cash of approximately \$72 million and \$118 million drawn to cash collateralize certain LCs) + \$300mm Ares Secured Notes + \$200mm 2nd Lien for net debt of \$535 million. Metrics reflect CRC estimates set forth in the most recent restructuring support agreement (RSA) found at <https://dm.epiq11.com/case/californiareources/documents> and are based on Brent strip pricing as of 7/23/20 of \$45.81 per barrel for 2021 and NYMEX pricing of \$2.69 per mcf for 2021. CRC's metrics are calculated using 2021 EBITDAX as presented in the RSA.

California's Leading Energy Producer with an Integrated Business Model



Largest Oil & Gas Producer in the State²

- Largest privately-held mineral acreage position in CA
- Predominantly owned and operated asset base allows for significant control
- Decades of development opportunities remain with ~70% of acreage undeveloped
- Asset diversity provides high-return development projects through price cycles
- Lowest base decline rate and top price realizations leading the industry

Integrated Midstream, Power and Water Infrastructure

- Largest Natural Gas Processing System in CA
- Elk Hills Power Plant is one of the largest natural gas power plants in California
- Water and Steam Infrastructure helps reduce OPEX costs
- Gathering Systems provide access to multiple outlets which helps improve pricing
- Oil and NGL Storage helps avoid field shutdowns

Portfolio of Sustainable & Renewable Projects

- Industry leading Carbon Capture and Sequestration Project at Elk Hills Power Plant
- Solar – CRC has Power Purchase Agreements for ~40 MW behind-the-meter solar and 2-MW carport solar in development



¹ CRC net production based on Avg. 3Q20. ² Based on gross production as of YE19. ³ Based on 7/31/20 strip pricing with Brent prices for 2020, 2021, 2022, 2023 and 2024 of \$44.17, \$45.81, \$47.83, \$49.52 and \$50.86 per barrel, respectively, and NYMEX prices for 2020, 2021, 2022, 2023 and 2024 of \$2.03, \$2.69, \$2.53, \$2.47 and \$2.52 per MMBTU, respectively.

CRC is Dedicated to ESG Leadership

Environmental

CRC's 2030 Sustainability Goals align with California's landmark goals as a signatory of the Paris Climate Accord



CRC methane emissions declined by ~63% since 2013

CRC continues to serve the State as a net water supplier by extensively reusing, recycling and reclaiming produced water



Social

Safety performance continues to surpass Industry and National metrics as CRC received 24 National Safety Achievement Awards



Our Diversity & Gender metrics reflect our consistent focus on strengthening our organization

CRC provided in excess of \$9 million over the past 3 years to local communities, organizations and charitable foundations



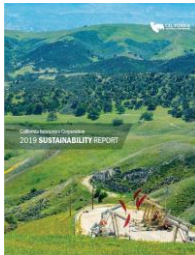
Governance

CRC's new Board of experienced, independent Directors from diverse backgrounds will build on CRC's exemplary ESG performance



CRC's 2020 compensation metrics include specific ESG targets for safety, environmental stewardship, water conservation and sustainability project milestones

CRC is constructively engaged in California's development of legislation, regulation and energy policy



Attained CDP's highest 2019 climate disclosure ranking among all U.S. oil and gas companies with an A-, tying for first with one other U.S.-based E&P

For additional information please refer to CRC's Sustainability Report which references both Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) standards at crc.com/sustainability.

CRC Supplies Essential California Energy

ECONOMY

- World's 5th largest economy and biggest contributor to domestic GDP is the second-largest energy consuming state and consumes ~2% of the world's daily crude oil production
- In-state production provides critical state, county and city revenues
- Energy inequality reflected in highest poverty rate in wealthiest state

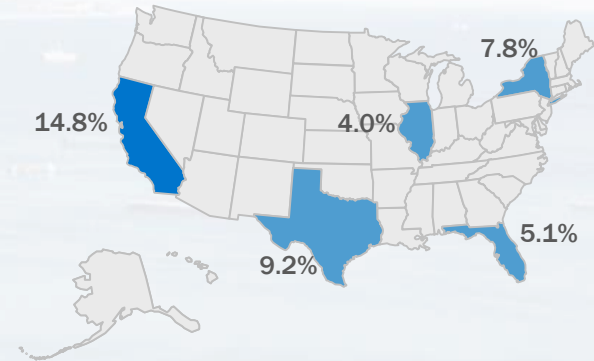
ENERGY

- The State is an energy island importing ~70% of its crude consumption, ~90% of its natural gas and ~30% of its electricity needs
- California accounted for ~11% of total US gasoline consumption and ~19% of total US jet fuel consumption¹
- In-state produced energy helps California combat climate related challenges, mitigate global and local supply disruptions and provide base load power

ENVIRONMENT

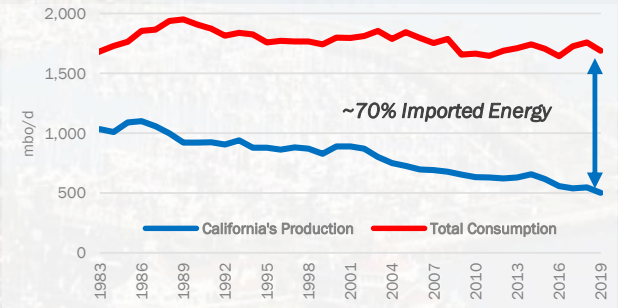
- In-state produced energy meets the most stringent environmental regulations in the world
- Imported energy does not apply California's safety, labor, human rights and environmental standards
- Industry leading CCS Project and renewable expansions will help California achieve its Carbon Neutrality Goals as a signatory to the Paris Accord

CALIFORNIA IS THE LARGEST U.S. GDP CONTRIBUTOR



Note: 5 largest contributors to domestic GDP Source: BEA, Data from 4Q19

CALIFORNIA IS DEPENDENT ON ENERGY IMPORTS



Source: CalGEM



Source: EIA, CalGEM, energy.ca.gov

¹Data reflects 2018, which is the most recently available data.

Quarterly Results



Key Highlights

3rd Quarter 2020

Production

106
Mboe/d
60% Oil



Adj. EBITDAX¹

\$103 Million



Free Cash Flow¹

\$44 Million



Adj. EBITDAX Margin¹

25%



Emerged from Chapter 11



Sustained Operational Excellence



Strengthened our Ability to Generate Free Cash Flow and Maintained Liquidity



Progressed our ESG Leadership



- Revamped the balance sheet
- Reduced operating costs and G&A on an annualized basis by well over \$300 million



- Held operating costs lower while maintaining excellent safety record
- Leveraged technology and innovation to enhance portfolio value



- Retained our dedication to strong capital discipline
- Shut-in wells to enhance cash flow (~ 3 Mboe/d)

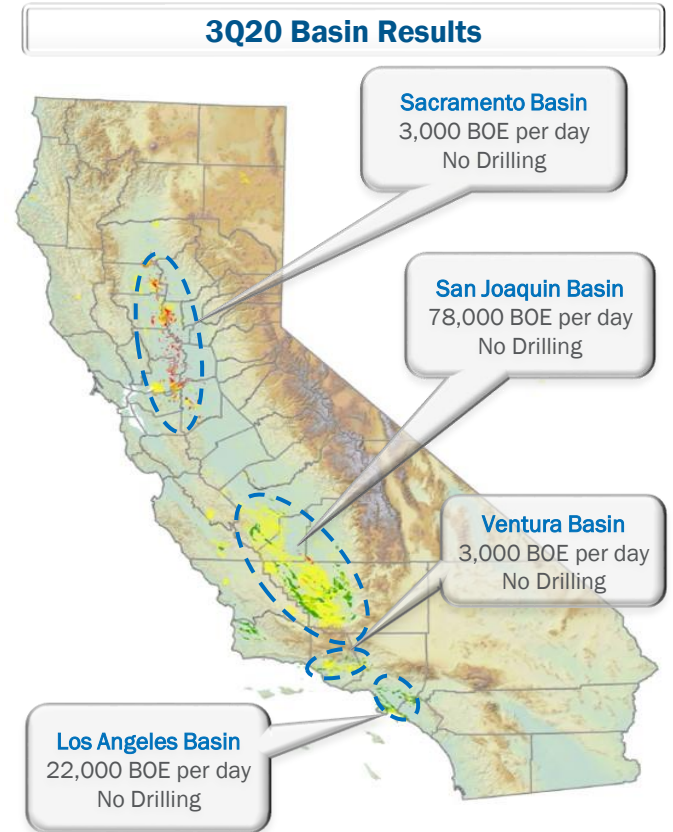


- Published third annual Sustainability Report
- Continued to develop our premier Carbon Capture and Sequestration Project

Third Quarter 2020 Results Comparison

	3Q19	2Q20	3Q20
Net Oil Production	79 MBbl/d	70 MBbl/d	64 MBbl/d
Total Net Production	128 MBoe/d	112 MBoe/d	106 MBoe/d
Realized Oil Price w/ Hedge (\$/Bbl)	\$68.41	\$30.82	\$42.15
Realized NGL Price (\$/Bbl)	\$23.55	\$21.05	\$25.16
Realized Natural Gas Price (\$/Mcf)	\$2.73	\$1.65	\$2.22
Adjusted Net Income (loss) ¹ per Share – Diluted	\$0.35	(\$4.08)	\$1.68
Adjusted EBITDAX ¹	\$278 MM	\$19 MM	\$103 MM
Internally Funded Capital Investments	\$117 MM	\$3 MM	\$4 MM
Cash Provided (Used) by Operating Activities	\$268 MM	(\$135 MM)	\$48 MM
Free Cash Flow ¹	\$151 MM	(\$138 MM)	\$44 MM

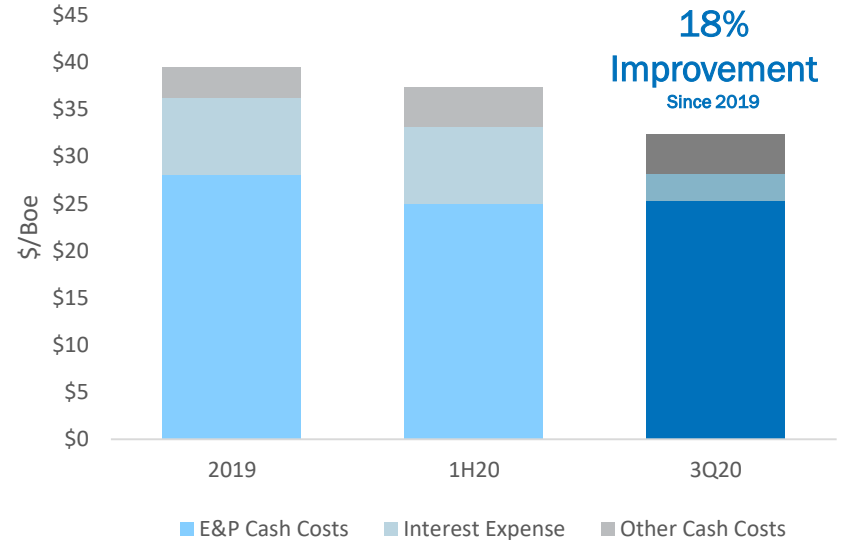
¹See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other additional information. Adjusted net income (loss) per diluted share for the three months ended September 30, 2020 includes \$138 million related to the deemed redemption of noncontrolling interest of the Ares JV.



Third Quarter 2020 Cost Comparison

	3Q19	2Q20	3Q20
Production costs (\$/Boe)	\$18.82	\$12.42	\$14.52
Production costs excluding PSC effects ¹ (\$/Boe)	\$17.44	\$12.00	\$13.37
Adjusted G&A ¹ (\$/Boe)	\$5.54	\$6.36	\$6.59
Taxes other than on income (\$MM)	\$42	\$38	\$42
Exploration expense (\$MM)	\$5	\$2	\$2
Interest expense (\$MM)	\$95	\$85	\$28
DD&A (\$MM)	\$118	\$88	\$89
Additional expenses (\$MM) ³	\$81	\$67	\$84

Per Barrel All-In Cost Comparison²



CRC maintained positive FCF with very limited investment focusing on maximizing liquidity during restructuring

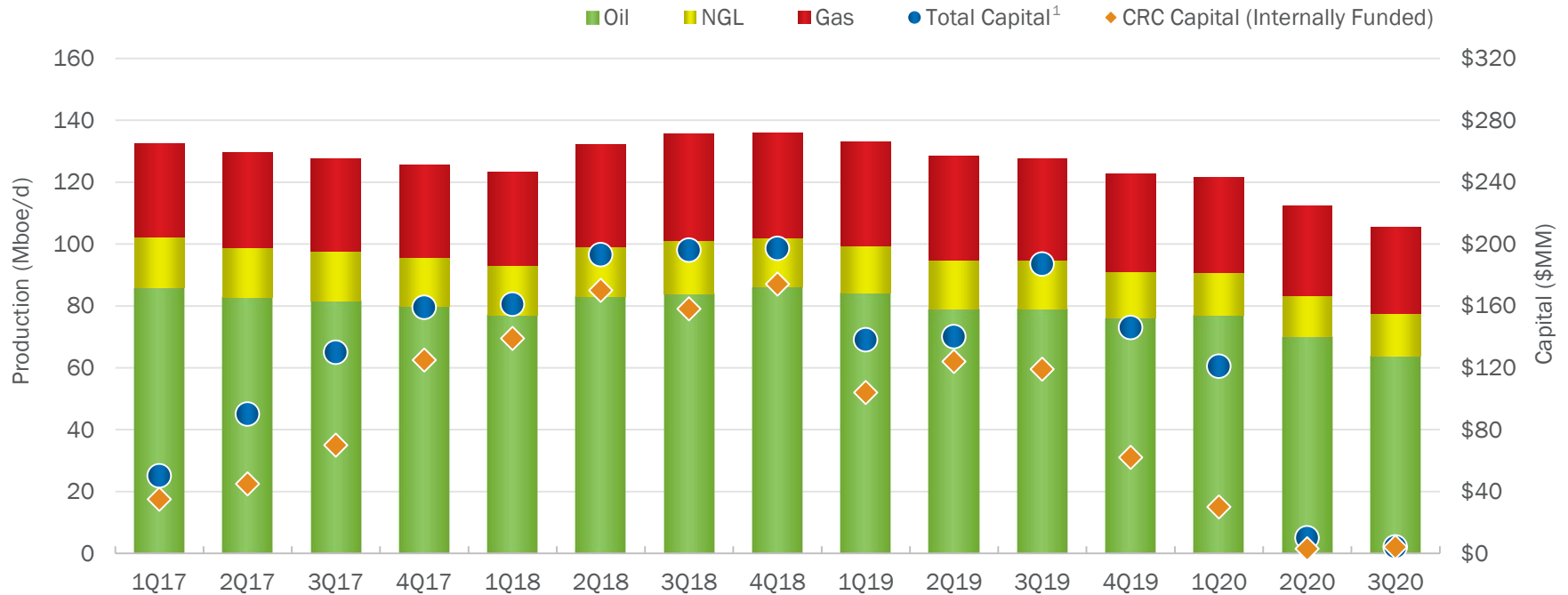
¹ See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other additional information.

² E&P cash costs include production costs excluding PSC effects¹, adjusted general and administrative expense¹, transportation costs and taxes other than on income. Other cash costs include electricity cost of sales, exploration and other expenses while excluding marketing and trading costs due to CRC's marketing and trading revenue generation which offsets these costs.

³ Additional expenses includes marketing and trading costs, electricity cost of sales, transportation costs and other expenses.

Flexible Capital Allocation

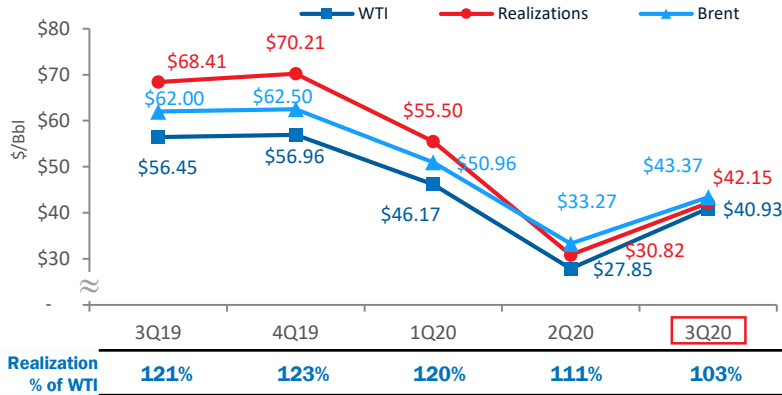
Net Production By Commodity (Mboe/d)



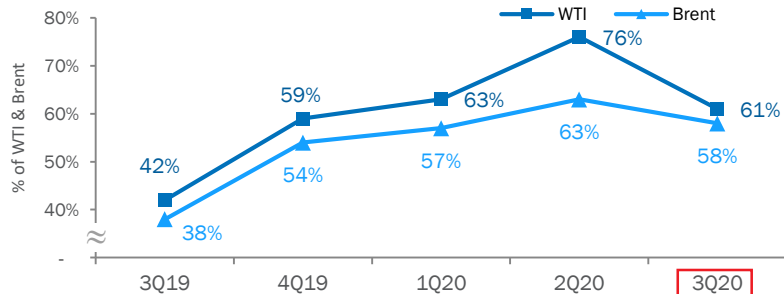
¹Total Capital reflected in the graph includes the capital investment of internal CRC capital as well as JV partners BSP, MIRA, and Alpine. Our condensed consolidated financial statements include BSP's investment and exclude MIRA's and Alpine's investment based on the accounting treatment of each venture.

CRC Price Realizations – Strong Brent Realizations

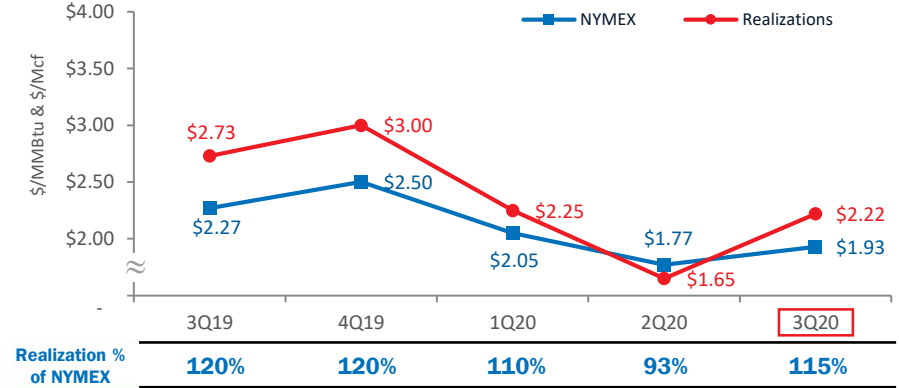
Oil Price Realization (with Hedges)



NGL Price Realization - % of WTI & Brent



Gas Price Realization

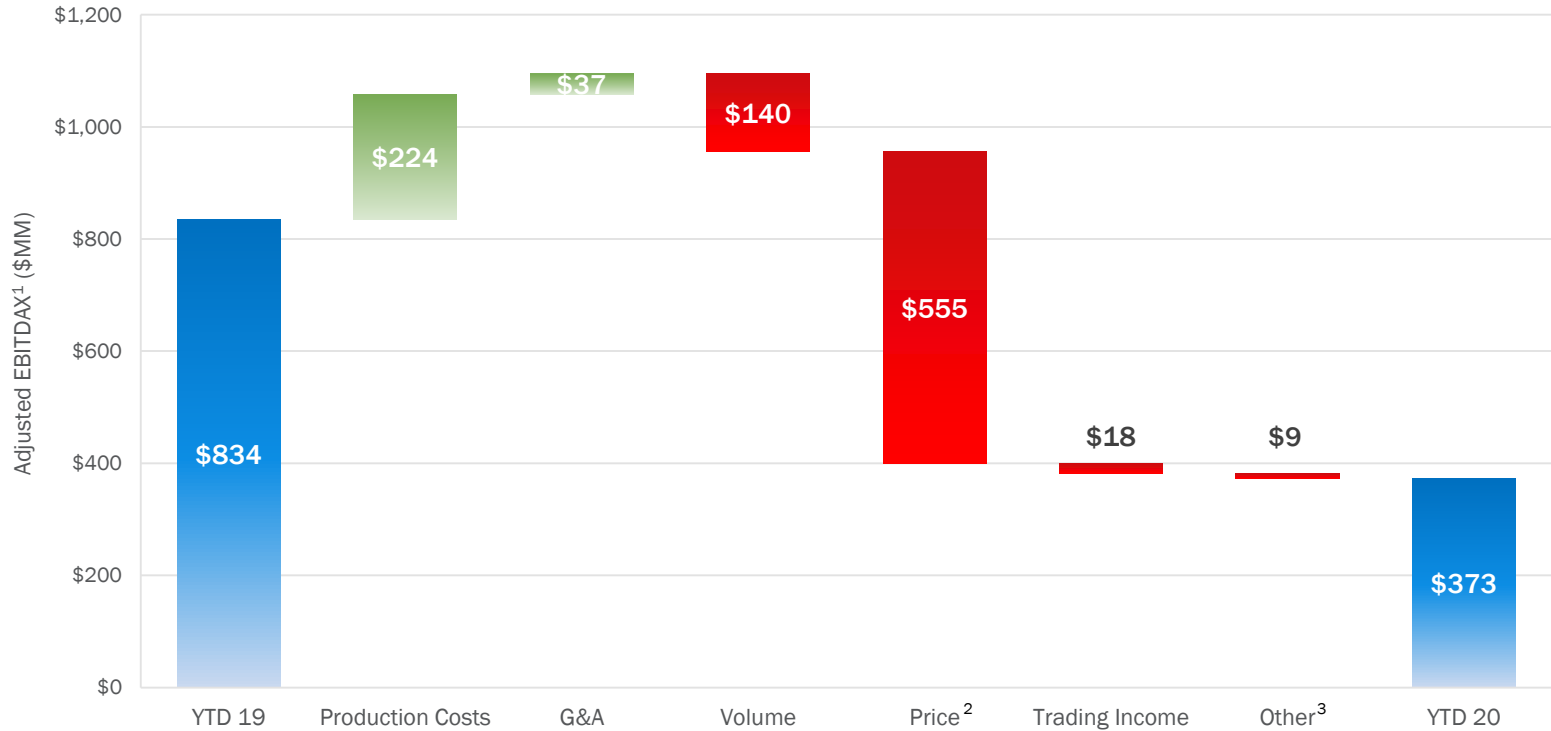


- California refiners continue to prioritize California native crude, which enjoys a premium over WTI due to Brent based pricing
- Realized natural gas prices were affected by multiple heat events throughout CA, driving large demand increases
- NGL price realizations normalized as demand and supply began to tighten



CRC believes its realizations for all hydrocarbon streams will remain strong vs U.S. benchmarks

Cost Improvements Help Offset Price Decline

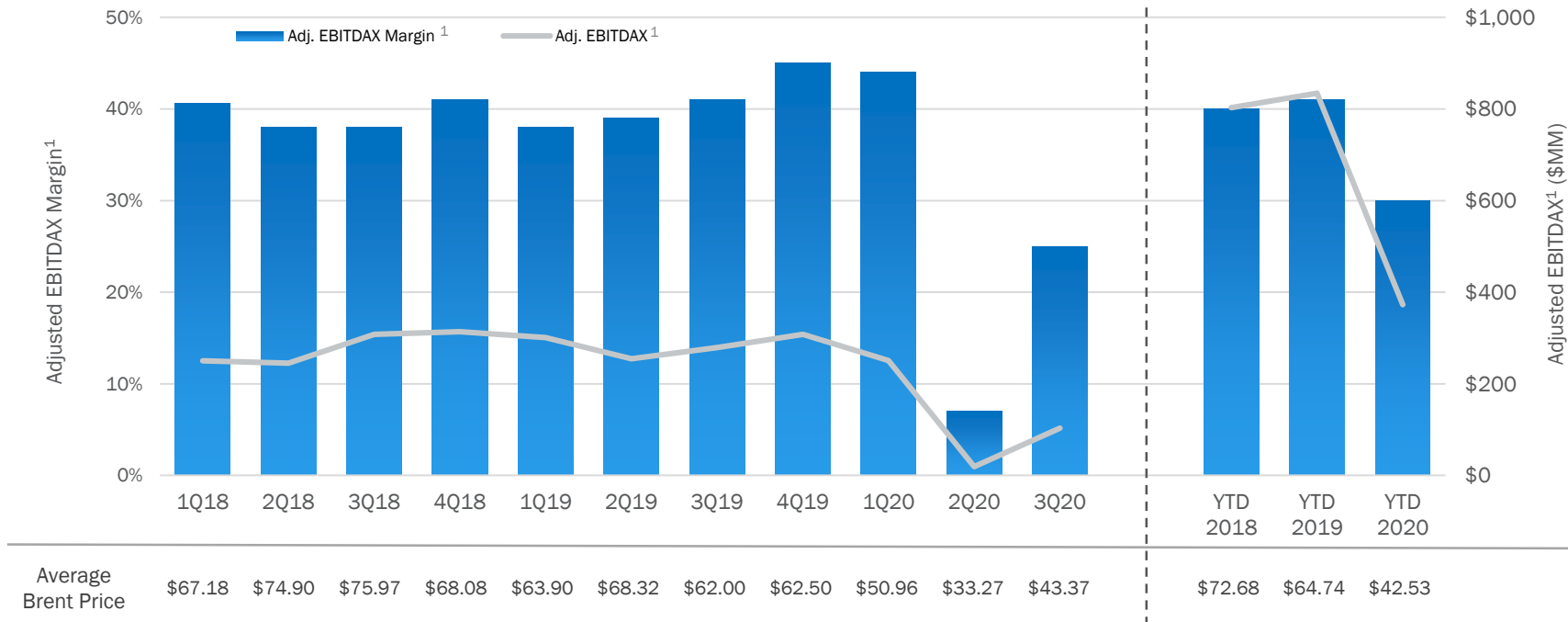


¹ See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other additional information.

² Price change includes settled hedges, including \$63M of proceeds received in Q1 2020 for the sale of derivative contracts prior to their maturity.

³ Other predominantly includes charges relating to the planned maintenance of the Elk Hills power plant which occurred in the first quarter of 2020, as well as changes in taxes.

CRC Delivers Stable Adjusted EBITDAX¹ Margins



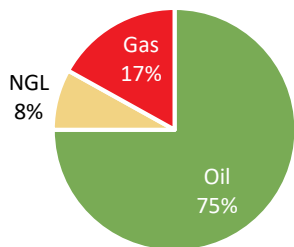
Focus on protecting strong EBITDAX Margins

Reserves Summary: SEC 2019 and Strip Pricing

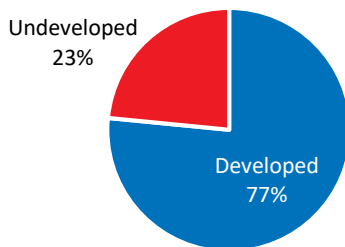
SEC YE 2019 Reserves	Oil (MMBbl)	NGLs (MMBbl)	Natural Gas (Bcf)	Total (MMBoe)
Proved developed reserves:	357	45	543	493
Proved undeveloped reserves:	126	7	111	151
Total proved reserves:	483	52	654	644
PV-10 (\$MM)				\$6,849

Business Plan Reserves - 7/31/2020 Strip	Oil (MMBbl)	NGLs (MMBbl)	Natural Gas (Bcf)	Total (MMBoe)
Proved developed reserves:	355	41	489	477
Proved undeveloped reserves:	114	12	174	155
Total proved reserves:	469	53	663	632
PV-10 (\$MM)				\$4,725

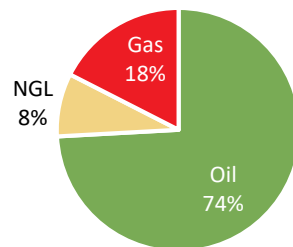
Volumes by Hydrocarbon



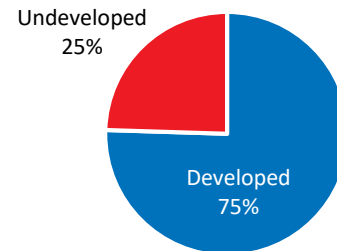
MMBoe by Reserve Class



Volumes by Hydrocarbon



MMBoe by Reserve Class

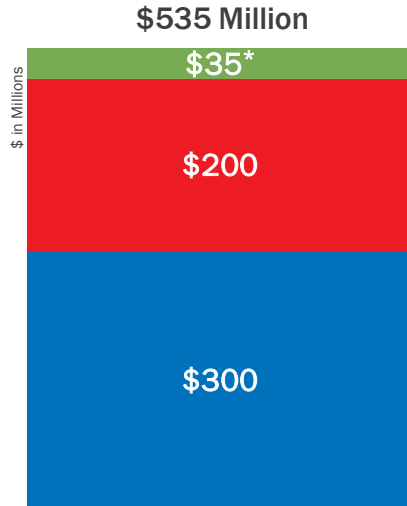


Notes: Business plan reserves contemplate a 12/1/2020 effective date. For our 2019 reserves estimates, the average benchmark Brent oil price was \$63.15 per barrel and the average NYMEX gas price was \$2.58 per MMBTU. The average realized prices used for our 2019 reserves were \$63.50 per barrel for oil, \$30.91 per barrel for NGLs and \$2.88 per mcf for natural gas. Our 7/31/20 reserve estimates are based on 7/31/20 Strip pricing with Brent prices for 2020, 2021, 2022, 2023 and 2024 of \$44.17, \$45.81, \$47.83, \$49.52 and \$50.86 per barrel, respectively, and NYMEX prices for 2020, 2021, 2022, 2023 and 2024 of \$2.03, \$2.69, \$2.53, \$2.47 and \$2.52 per MMBTU, respectively.

CRC's Refreshed and Simplified Capital Structure

Net Debt at Emergence

October 27, 2020



■ EHP Secured Notes ■ 2L Term Loan ■ Revolving Credit Facility



CRC has ample liquidity of \$350MM¹ for our operations upon emergence

\$540 Million RBL Facility	<ul style="list-style-type: none"> • \$1.2 Billion Borrowing Base • Semi-annual redetermination starting in April, 2021 • Cash interest of L+3.0% - L+4.0% based on utilization with 1.0% LIBOR floor • Term: 3.5 years • Covenants: <ul style="list-style-type: none"> ▪ Leverage Ratio: Less than or equal to 3.0x ▪ Current Ratio: Greater than or equal to 1.00x
\$200 Million 2nd Lien Term Loan due 2025	<ul style="list-style-type: none"> • Cash interest of L+9.0% or PIK interest of L+10.50% for two years then L+9.0% with 1.0% LIBOR floor
Elk Hills Power \$300 Million Secured Notes due 2027	<ul style="list-style-type: none"> • Cash interest rate of 6.0% in years 1 - 4; 7.0% in year 5; 8.0% thereafter
Equity	<ul style="list-style-type: none"> • 83.3 million shares issued • Tier 1 & 2 Warrants to acquire up to 2% & 3% of CRC Common Stock, respectively, at a “strike price” to be calculated using a \$3 billion aggregate equity value

Hedging Program Supports Cash Flows



Strategy

CRC will hedge 75% of oil PDP volumes for years 1 & 2

Allocation

- 12.5% of total anticipated crude production required to be swaps at strip pricing
- 37.5% of total anticipated crude production must provide an effective floor price of no less than the lesser of (i) \$40 Brent and (ii) ICE Brent strip
- 25% of total anticipated crude production may take any form of hedge



Execution

All the required hedges with respect to production through June 30, 2022 to be made within 30 days of the Closing Date, and the remainder within 45 days of the Closing Date with respect to all other production described above

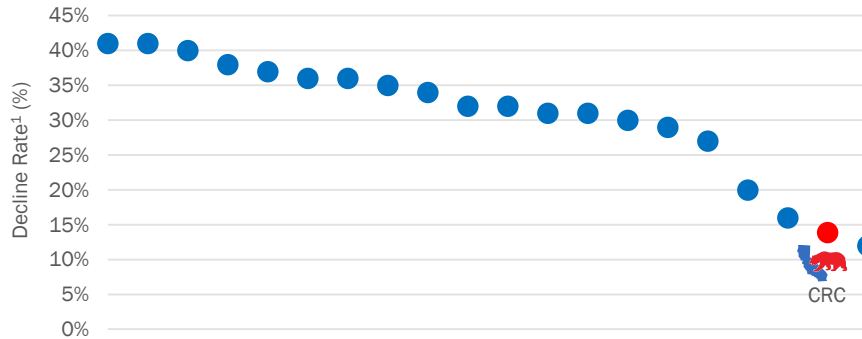
CURRENT HEDGE PROTECTION

		4Q20	1Q21	2Q21	July 2021
Sold Calls	Barrels per Day	4,800	4,500	4,500	4,200
	Weighted Average Price per Barrel	\$48.05	\$48.05	\$48.05	\$48.05
Purchased Puts	Barrels per Day	18,600	18,000	9,000	8,400
	Weighted Average Price per Barrel	\$44.84	\$45.00	\$40.00	\$40.00
Sold Puts	Barrels per Day	13,800	13,500	4,500	4,200
	Weighted Average Price per Barrel	\$36.52	\$36.67	\$30.00	\$30.00
Swaps	Barrels per Day	6,400	6,000	6,000	5,600
	Weighted Average Price per Barrel	\$44.75	\$44.75	\$44.75	\$44.75
Percentage Hedged Against 3Q20 Net Oil Production		39%	38%	23%	22%

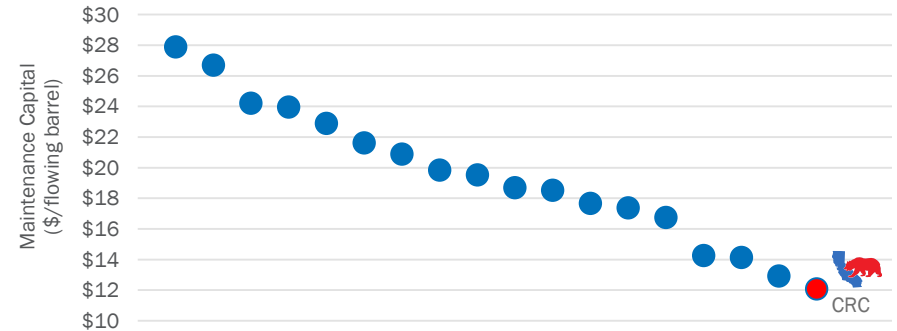
Best in Class Assets Provide Optionality

- **Low Decline Assets** provide further operational flexibility & differentiate CRC from its peers
- **Low Maintenance Capital** requirements defend liquidity needs in low price environment
- Additional operational optimizations and cost controls are expected to further support our margins while contributing to the bottom line

Low Corporate Decline Rate¹



Low Liquids Maintenance Capital¹



CRC's Stable Foundation Supports Sustainable Value Growth

We Are A California Resource
California Resources Corporation



Portfolio of world-class assets investable throughout the commodity cycle



Disciplined capital allocation in a robust inventory of conventional low-decline projects to deliver FCF



Integrated and complementary infrastructure



ESG Focus with Stable and Sustainable Foundation