



“A Different Kind of Energy Company”

Advancing CRC’s Leadership Position in California’s New Energy Economy

January 4, 2023

Forward Looking / Cautionary Statements – Certain Terms

This document contains statements that we believe 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 our 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. Such 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 we believe the expectations and forecasts reflected in our 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 our 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 our actual results to be materially different than those expressed in our forward-looking statements include:

- fluctuations in commodity prices and the potential for sustained low oil, natural gas and natural gas liquids prices;
- equipment, service or labor price inflation or unavailability;
- legislative or regulatory changes, including those related to (i) the location, drilling, completion, well stimulation, operation, maintenance or abandonment of wells or facilities, (ii) the management of energy, water, land, greenhouse gases (GHGs) or other emissions, (iii) the protection of health, safety and the environment, (iv) the availability of and our ability to claim and utilize tax credits or other incentives, or (v) the transportation, marketing and sale of our products and CO₂;
- availability or timing of, or conditions imposed on, permits and approvals necessary for drilling or development activities and carbon management projects;
- changes in business strategy and our capital plan;
- lower-than-expected production, reserves or resources from development projects or acquisitions, or higher-than-expected decline rates;
- incorrect estimates of reserves and related future cashflows and the inability to replace reserves;
- Our ability to achieve similar financial or operational results in the future as in prior periods, including with respect to free cash flow
- the recoverability of resources and unexpected geologic conditions;
- our ability to successfully execute on the construction and other aspects of the infrastructure projects and enter into third party contracts on contemplated terms;
- our ability to realize the benefits contemplated by the business strategies and initiatives related to energy transition, including carbon capture and storage projects and other renewable energy efforts;
- our ability to successfully identify, develop and finance carbon capture and storage projects and other renewable energy efforts, including those in connection with the Carbon TerraVault;
- our ability to finalize definitive documents and reach a final investment decision with respect to the project contemplated by a carbon development management agreement, and our ability to enter into new carbon development management agreements that are under discussion with other counterparties;
- the negotiation of a binding offtake agreement between Grannus and CALAMCO with respect to the Grannus Blue Ammonia and Hydrogen Facility;
- the timing and ability of the Grannus Blue Ammonia and Hydrogen Project to achieve expected production volumes of blue ammonia and hydrogen, and associated CO₂ and the ability of the CTV to sequester such CO₂ volumes;
- global geopolitical, socio-demographic and economic trends and technological innovations;
- changes in our dividend policy and our ability to declare future dividends under our debt agreements;
- changes in our share repurchase program and our capacity to repurchase shares under our debt agreements;
- production-sharing contracts' effects on production and operating costs;
- limitations on our financial flexibility due to existing and future debt;
- insufficient cash flow to fund our capital plan and other planned investments, stock repurchases and dividends;
- insufficient capital or lack of liquidity in the 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 achieve expected synergies from joint ventures and acquisitions;
- our ability to utilize our net operating loss carryforwards to reduce our income tax obligations;
- our ability to successfully gather and verify data regarding emissions, our environmental impacts and other initiatives;
- the compliance of various third parties with our policies and procedures and legal requirements as well as contracts we enter into in connection with our climate-related initiatives;
- the effect of our stock price on costs associated with incentive compensation;
- changes in the intensity of competition in the oil and gas industry;
- effects of hedging transactions;
- climate-related conditions and weather events;
- 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 COVID-19; and
- other factors discussed in Part I, Item 1A – Risk Factors in CRC's Annual Report on Form 10-K and its other SEC filings available at www.crc.com.

We caution you not to place undue reliance on forward-looking statements contained in this document, which speak only as of the filing date, and we undertake 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 we have not independently verified them and do not warrant the accuracy or completeness of such third-party information. Nothing herein is intended to imply or create a legal partnership between Brookfield Global Transition Fund, California Resources Corporation, Carbon TerraVault Holdings, LLC or any of their respective subsidiaries and affiliates.





Announcing a CDMA for a Blue Ammonia and Hydrogen Facility CO₂ Storage Project

Signed CDMA for 370,000 MTPA CO₂ storage project with Grannus at CTV III in Northern California



Decarbonizing California's Agricultural Sector

Project's blue ammonia is expected to be supplied to California's agricultural sector through a long-term sales agreement¹ with CALAMCO²



Expanding CTV Footprint to Northern California

Northern expansion of CTV's CO₂ storage vaults to help address >30% of California's legacy³ and new energy economy emissions




The Carbon Dioxide Management Agreement (CDMA) Outlines Material Economics and Key Terms and Provides a Clear Path for the Parties to Negotiate Definitive Documents and Reach Final Investment Decision

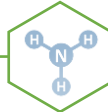


Note: CCS = Carbon Capture and Storage. MTPA = metric tons per annum. MMTPA = million metric tons per annum. MMT = million metric tons. CTV = Carbon TerraVault. CTV III = CTV's storage reservoir located in Northern California with expected total storage capacity of ~71 MMT (subject to receipt of necessary permits). Blue ammonia is ammonia produced with near zero, or minimal carbon emissions. (1) Grannus has entered into a master ammonia sales agreement with CALAMCO in an amount up to its total ammonia requirements. A binding offtake agreement with respect to this project is subject to the finalization and approval by Grannus and CALAMCO. (2) CALAMCO is a California-based cooperative made up of approximately 900 grower-members and is an investor in Grannus. (3) Source: CARB 2020, represents legacy emissions within 100 miles of CTV III CO₂ storage vault.









CDMA DETAILS FOR CTV's FIRST BLUE AMMONIA & H₂ PROJECT

- Grannus to construct a **150,000 MTPA blue ammonia & 10,000 MTPA hydrogen facility at the CTV III location** using its patented process design
- CTV will provide **permanent storage for 370,000 MTPA** using its CTV III storage vault, including the CO₂ pipeline and the lease of land for the blue ammonia and hydrogen facility
- Grannus has a **master sales agreement¹ for up to CALAMCO's total ammonia requirements for a maximum of 30-years**. CALAMCO is a California-based cooperative made up of approximately 900 dealer and grower members and an investor in Grannus
- While project FID and commercial operational dates are being further refined, at the latest **the project is expected to be commercial by the end of 2027**
- CTV will receive an **injection fee** to be paid on a per ton basis that **fits** within our previously disclosed **economic type curve² for storage only projects** that do not require capture capital or significant transportation costs
- Combination of CTV III's storage project and Grannus' blue ammonia and hydrogen facility will be **eligible for 45Q tax credits as well as LCFS credits³**
- CTV will have the right to **take a majority stake in the total outstanding equity of the project company** that holds the Grannus Blue Ammonia and Hydrogen Project
- CTV will have **an option to purchase equity in Grannus as well as a right of first refusal (ROFR) to provide storage services** for subsequent Grannus ammonia and hydrogen projects in California





PROJECT DETAILS

	<p>CO₂ INJECTION RATE (MTPA)</p>		<div style="display: flex; align-items: center;"> <div style="width: 100px; height: 15px; background-color: #4CAF50; margin-right: 5px;"></div> 370,000 MTPA </div> <p style="font-size: small; margin-top: 5px;">■ Planned</p>
	<p>PROJECT EST. CAPITAL REQUIREMENTS (\$/MT)</p>		<p>LIMITED DUE TO PROJECT'S LOCATION AND INTEGRATED CARBON CAPTURE SYSTEM</p>
	<p>PROJECT EST. EBITDA⁴ (\$/ MT)</p>		<p>WITHIN OUR PREVIOUSLY DISCLOSED TYPE CURVE¹ OF \$50 TO \$75 OF EBITDA⁴ PER MT OF CO₂ FOR A STORAGE-ONLY SOLUTION</p>
	<p>OFFTAKE INTEREST</p>		<p>GRANNUS HAS ENTERED INTO A MASTER AMMONIA SALES AGREEMENT WITH CALAMCO IN AN AMOUNT UP TO ITS TOTAL AMMONIA REQUIREMENTS¹</p>

Note: MTPA = metric tons per annum. The exact Grannus Blue Ammonia and Hydrogen Project location within CTV III is TBD. IRR = Internal Rate of Return. Blue ammonia is ammonia produced with near zero, or minimal carbon emissions. (1) A binding offtake agreement with respect to the Grannus Blue Ammonia and Hydrogen Project related to CTV III is subject to finalization and approval by Grannus and CALAMCO. (2) See slides 27, 28, 30 and 38 of CRC's 3Q22 earnings deck for the latest details on the CTV project economic type curve. (3) This project would qualify for LCFS credits to the extent it sells the blue ammonia/hydrogen to the mobility market (e.g., hydrogen powered vehicles). (4) Earnings before interest, taxes, depreciation and amortization (EBITDA) is a non-GAAP measure. EBITDA estimates include 45Q tax credits.



BLUE AMMONIA – ENERGY TRANSITION MIX IN CALIFORNIA

- **U.S. is the world's third largest producer of ammonia**, consuming ~ 19.5 MMTPA of ammonia which is mainly used in the agricultural sector¹ (~88% of U.S. ammonia consumption was for fertilizer use²)
- **CALAMCO represents the majority of agricultural ammonia demand in California³ where most of it is imported into Stockton, Sacramento⁴** and other entry points from other U.S. states and countries such as Trinidad and Tobago
 - CALAMCO's terminal at the Port of Stockton, the only ammonia marine import terminal in California, currently hosts 40,000 tons of ammonia storage tanks⁵
- **California produced low carbon blue ammonia can replace imported grey ammonia to create local employment, lower the carbon intensity of fertilizers** used in the agricultural sector (~9% of CA's 2020 total GHG emissions⁶) and further **drive the technological evolution of the energy transition in California**

“As a next generation clean-tech company, we are excited to partner with such a knowledgeable carbon management provider as Carbon TerraVault due to their unique vault positioning in the heart of Northern California's industrial sectors, strong subsurface expertise, and their leadership in CA's new energy economy and carbon management.”

- Matthew Cox

Chief Executive Officer of Grannus



ABOUT GRANNUS



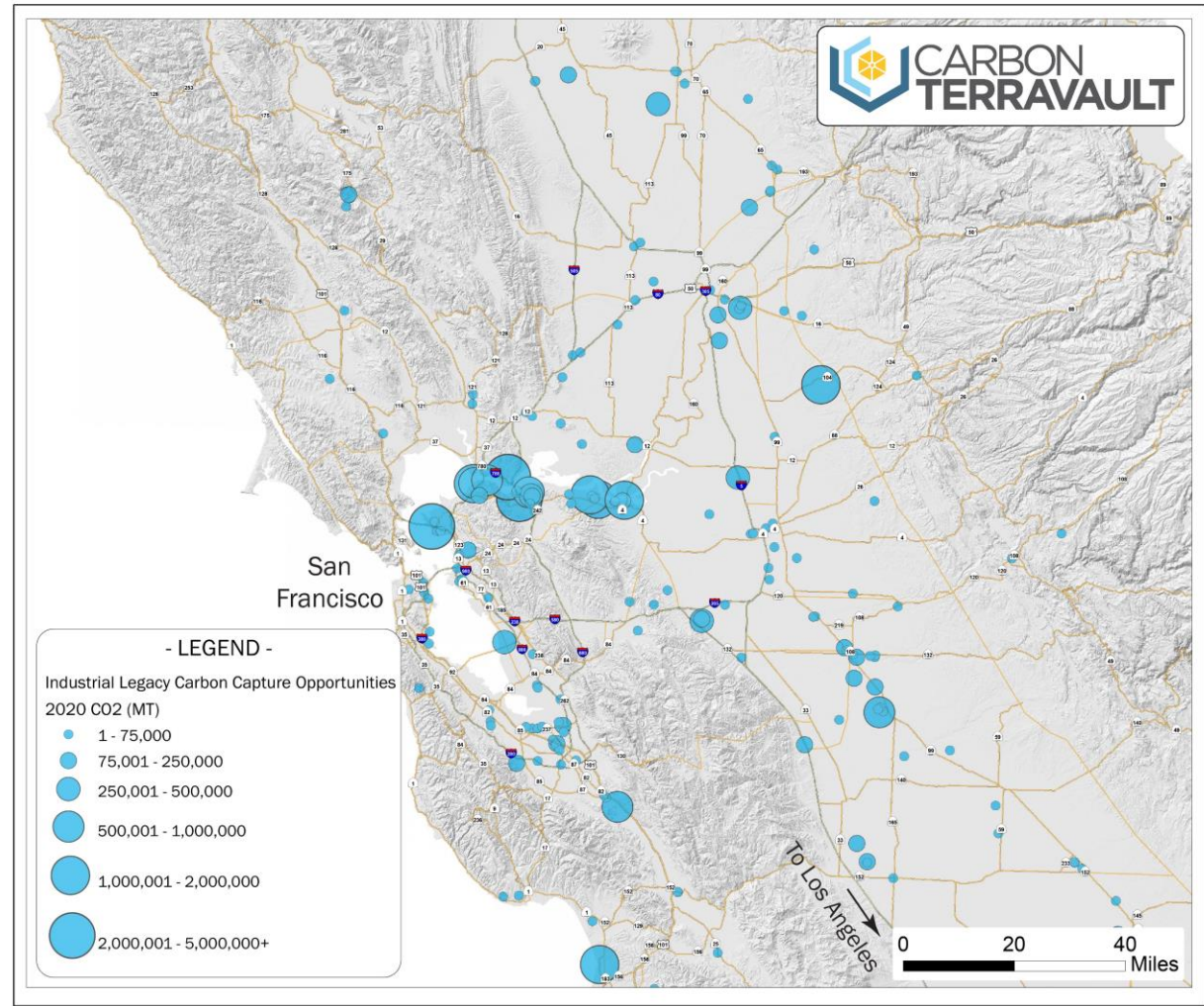
- Grannus is an independent clean-tech company that is building a portfolio of blue ammonia and hydrogen production facilities to supply the agriculture, mobility and marine fuel markets
- Grannus is using patented technologies that produce effectively no emissions and exceed the conversion efficiencies of today's best in class blue ammonia and hydrogen production facilities' designs
- Headquartered in Tucson, AZ, Grannus offers a full suite of technology-enabled project development, project management and engineering solutions in the U.S. and North America



CTV Storage Vaults in Northern California

- **~100 MMT of CO₂ storage capacity vaults¹**, or 2.5 MMTPA expected injection rate, **submitted by CRC to EPA for Class VI permits in Northern California**
- **Northern California has ~34% of California's existing emissions²** with most of them from hard to abate industrial sectors
- **Oakland is home to the ninth busiest container port in the United States** where San Francisco Bay ranks among the four largest Pacific Coast ports for container cargo³
- **Agribusiness & Food Manufacturing represents a ~\$3B industry in the Sacramento region⁴** with ~\$1B of annual industrial dollar volume surrounding Sacramento⁵
- **Port of Stockton carries ~4MM tons of cargo every year and sits in the heart of the agricultural center of California⁶**

CTV's CO₂ storage assets are located in close proximity to the majority of existing emission sources in Northern California as well as potential to serve an emerging new energy economy



(1) Includes CTV II and CTV III. (2) Source: CARB 2020, represents legacy emissions within 100 miles of CTV III CO₂ storage vault. (3) Source: Oakland Sea Port. (4) Source: City of Sacramento. (5) Source: Colliers. (6) Source: Port of Stockton.



Joanna Park (Investor Relations)

818-661-3731

Joanna.Park@crc.com

Richard Venn (Media)

818-661-6014

Richard.Venn@crc.com