



Carbon TerraVault Provides First Quarter 2026 Update

May 5, 2026

LONG BEACH, Calif., May 05, 2026 (GLOBE NEWSWIRE) -- Carbon TerraVault Holdings, LLC (CTV), a carbon management subsidiary of California Resources Corporation (NYSE: CRC), today provided a first quarter 2026 update on its financial and operating results.

"The injection of CO₂ at California's first carbon capture and storage project will be a defining moment, not just for CTV, but for California's energy future," said Francisco Leon, CRC's President and Chief Executive Officer. "This project will demonstrate to regulators, partners, and the market that carbon storage works here, at scale, and in a way that is safe, reliable, and commercially viable. CTV was built on this foundation, and is positioned to advance the next steps in California's decarbonization. We look forward to delivering on the significant long-term value this business represents for our shareholders and for California."

Highlights

- Preparing for first carbon dioxide (CO₂) injection at California's inaugural carbon capture and storage (CCS) project at CRC's Elk Hills cryogenic gas plant, positioning CRC to be one of only two U.S. oil and gas companies that will be storing CO₂ through EPA permitted Class VI geologic sequestration wells¹
- The U.S. Environmental Protection Agency (EPA) selected CTV VII as the sole Region 9 project under its expedited Class VI permit review program, reflecting the agency's effort to accelerate carbon storage permitting
- Department of Energy (DOE) reaffirmed federal support for EPA Class VI well characterization work at Elk Hills by reopening negotiations for the "Elk Hills CO₂ Storage (EHStore)" project, in partnership with the California State University Bakersfield, under the Carbon Storage Assurance Facility Enterprise (CarbonSAFE) initiative
- Expecting the receipt of at least two additional EPA Class VI draft permits in 2026
- Engaging in multiple customer discussions to supply power from the Elk Hills power plant, including pathways to integrate CTV's CO₂ storage reservoirs and CRC's power partner ecosystem to deliver a scaled, decarbonized energy solution

Carbon Management Business (CMB) First Quarter 2026 Results

Selected Financial Statement Data and non-GAAP measures: (\$ in millions)	1st Quarter 2026	4th Quarter 2025
<u>Selected Expenses</u>		
Other operating expenses, net ²	\$ 5	\$ 12
General and administrative expenses	\$ 3	\$ 3
Capital investments	\$ 12	\$ 11
Adjusted EBITDAX ³	\$ (8)	\$ (15)

Guidance

The following table provides key CMB second quarter and full year 2026 financial and operating guidance.

CRC Guidance (\$ in millions)	2Q26E	Total Year 2026E
Capital	\$2 - \$5	\$12 - \$20
Other operating expenses, net ²	\$2 - \$10	\$20 - \$30
General and administrative expenses	\$2 - \$4	\$6 - \$12

¹ Source: Enverus.

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

³ See Attachment 3 of CRC's 1Q26 earnings release for the non-GAAP financial 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 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 advancing the 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

Information set forth in this communication, including financial estimates and statements as to the effects of the Berry Merger, constitute "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other securities laws. All statements other than historical facts are forward-looking statements, and include statements regarding the benefits of the Berry Merger, CRC's future financial position, business strategy, projected revenues, earnings, costs, capital expenditures and plans and objectives and intentions 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 based upon the current beliefs and expectations of the management of CRC and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in, projected 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 SEC. 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 synergies and other benefits in connection with the Berry 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 or prevent oil and gas activities or the development of CRC's carbon management segment; changes in business strategy and the ability and financial resources to execute our capital plan in a timely manner; 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; delays from government approvals and otherwise that could affect the timing of first injection of CO₂; 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 date hereof, and CRC is under no obligation, and expressly disclaims any obligation to update, alter or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise. This communication 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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