



"A Different Kind of Energy Company"

Introducing Carbon TerraVault Direct & California DAC Hub



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:

- legislative or regulatory changes, including those related to direct air capture and the availability of related tax credits;
- our ability to successfully develop and finance direct air capture projects, including our ability to obtain funding from the federal government and other financing sources;
- availability or timing of, or conditions imposed on, permits and approvals necessary for direct air capture and other carbon management projects;
- changes in business strategy and our capital plan;
- 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 direct air capture;
- global geopolitical, socio-demographic and economic trends and technological innovations;
- our ability to utilize tax credits 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;
- 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.



Carbon TerraVault is forming a DAC Hub consortium to accelerate a Direct Air Capture and storage solution (DAC+S) for California through its wholly owned subsidiary CTV Direct¹

WHAT IS DAC+S?

Direct Air Capture plus Storage (DAC+S) is a technological solution that can remove and then permanently store decades-old atmospheric carbon in underground reservoirs using low carbon emission energy

DAC+S reduces overall levels of CO₂ in the atmosphere and therefore is carbon negative

WHAT IS A CALIFORNIA DAC HUB?

A newly formed consortium, led by CTV Direct¹, EPRI and Kern Community College District (Kern CCD), seeks to bring together like-minded energy transition industry, technology, academia, national labs, community, government, and labor participants with the main goal to create and accelerate the development of the State's first full scale DAC+S hub

WHY FORM A DAC CONSORTIUM IN CALIFORNIA?

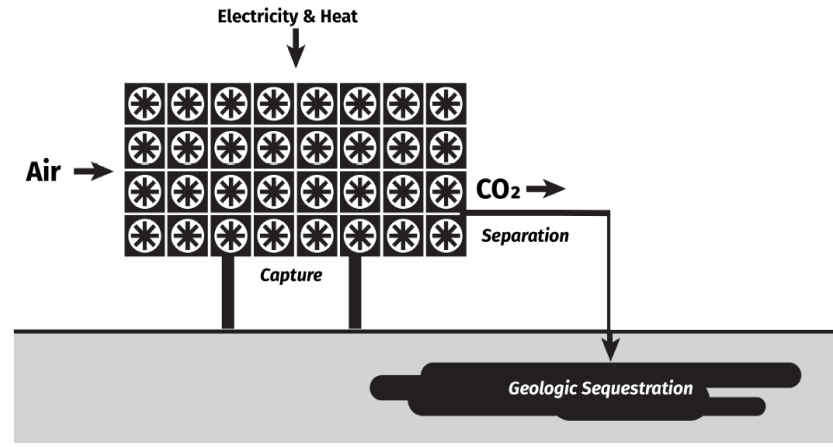
California has ample access to sustainable Carbon Dioxide Removal (CDR) credits², advanced technologies, world-leading research institutions, and supportive government-driven financial incentives

CarbonTerraVault leads in EPA Class VI permit applications for CO₂ non-EOR storage reservoirs in California³ that are supplemented by extensive existing infrastructure that can be repurposed to further advance DAC+S across California

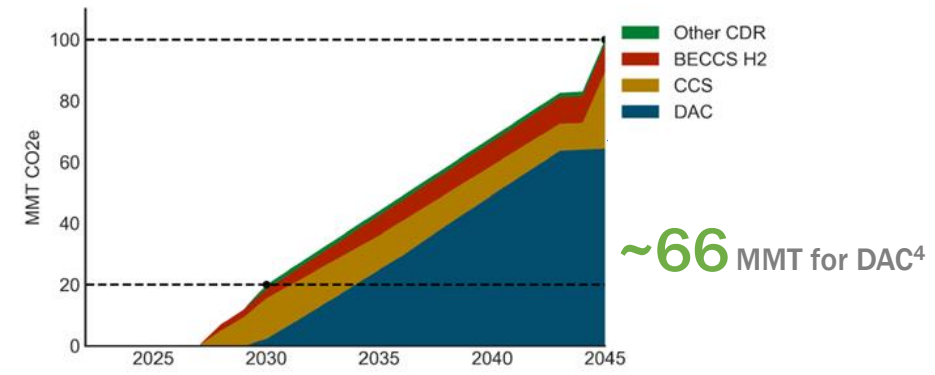
California has ambitious climate targets that require CDR for success⁴

WHY IS IT IMPORTANT?

Acceleration of DAC+S in California can provide positive economic impacts, create high-paying jobs, successfully and sustainably reduce CO₂ emissions, and help the state lead in the energy transition with long-lasting benefits for Californians and our communities



Source: World Resources Institute



Source: CARB



(1) CTV Direct is a wholly owned subsidiary of Carbon TerraVault focused on DAC. (2) Source: "Big Tech's carbon removal scheme announces its first purchases", Protocol, June 2022. (3) Source: EPA. (4) California's leading goal for Carbon Direct Removal of 100 MTPA, of which ~66 MMTPA is projected to be from DAC per CARB Scoping Plan. Source: CARB.

Development Vision

HOW WILL IT BE DEVELOPED?

The first DAC Hub is targeted for Kern County and is expected to store CO₂ at the CTV I reservoir¹. The hub is expected to expand to other locations across the state to store CO₂ in non-EOR reservoirs while providing high-paying energy transition driven jobs and training programs for reskilling workers, and helping California reach its carbon removal goals

HOW WILL THIS BE FUNDED?

A letter of Intent has been submitted by California DAC Hub for funding under the U.S. DOE \$3.5B Regional DAC Hubs Initiative²

California Direct Air Capture HUB



Potential total funding amount of
~\$875MM²

Under the U.S. Department of Energy (DOE)
Regional DAC Hubs Initiative



45Q

\$180 Value (per MT of CO₂) for Carbon Storage³

LCFS

~\$86 Est. Value (per MT of CO₂)⁴

CDR Credits

Voluntary CDR Credits Market

California DAC
DIRECT AIR CAPTURE HUB
Permanently Store Atmospheric CO₂ Using Low Carbon Energy



(1) CRC has applied for EPA Class VI permits and the environmental review has begun for two initial permanent carbon capture and storage (CCS) vaults at the Elk Hills Field – which are collectively referred to as Carbon TerraVault I. (2) DOE is establishing a program under which the Secretary of Energy shall provide funding (total funding amount of \$3.5B) for eligible projects that contribute to the development of four regional direct air capture hubs. Potential total funding amount for California DAC Hub was estimated by dividing the total funding between four potential hubs. Total funding amount might vary based on DOE grants. Source: DOE (<https://www.energy.gov/oced/regional-direct-air-capture-hubs>). (3). DOE. (4). Source: LCFS December 2022 weighted average price of \$86 per MT of CO₂ - The California Air Resources Board.

Together We Can Achieve Bigger and “DAC” Things



Lead DOE Applicant Represents a Public-Private Partnership of Leading CA Community, Academic, DAC, and Carbon Storage Organizations



INDUSTRY



DAC TECHNOLOGY



ACADEMIA



NATIONAL LABS



COMMUNITY



GOVERNMENT



LABOR





“This project is more than a shared DAC infrastructure project; it serves as a hub model that delivers community benefits and jobs for other parts of the U.S. that also face climate change induced challenges.”

- Fiona Ma, California State Treasurer, February 2023

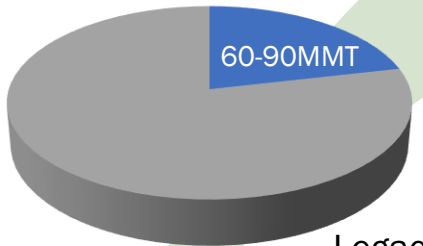
New Technologies Expand Opportunities for CCS



Carbon TerraVault

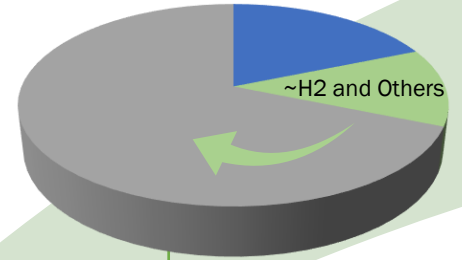
Positioned to Be California's Premier Carbon Management Provider

Current Legacy CA Annual Emissions¹



Legacy Emissions
Direct Decarbonization of Stationary Point Source Emissions - 60 to 90 MMTPA
 Ex: - Refiners
 - Industrials/Manufacturing (Cement)
 - Natural Gas Fired Power Plants

Expanded Evolution of CA's Emissions²

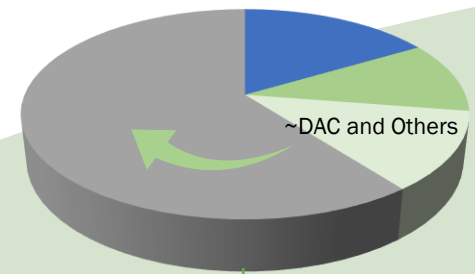


Transitional Fuels/ Replacement Sources

Indirect Decarbonization of Non-Stationary Point Source Emissions Through Transition Fuel Technology Generation

- Ex: - Ethanol
 - Hydrogen - Est. CA's CO₂ emissions from Hydrogen production in the range of ~28 to 55 MMTPA⁴ by 2045³
 - Renewable Diesel
 - Biodiesel

Future Evolution of CA's Emissions²



Evolving Technologies

- Direct Carbon Dioxide Removal**
 Ex: - Direct Air Capture (DAC) - ~66MMTPA by 2045³
 - Other Technologies in Development



~150 - 210

MMTPA or more
California's Potential Addressable CCS Market Size by 2045⁵

- Addressable With CCS Today
- Addressable Indirectly
- Addressable In The Future
- Other



Note: Graphic intended for illustrative purposes only. (1) Source: Energy Futures Initiative and Stanford University. "An Action Plan for Carbon Capture and Storage in California: Opportunities, Challenges, and Solutions." October 2020; EPA; NATCARB; CARB; Internal estimates. (2) Includes Brownfield and Greenfield opportunities. Internal estimates. (3) CARB Scoping Plan: AB32 Source Emissions Final Modeling Results, October 28, 2022. (4) Department of Energy Hydrogen Program Plan, U.S. Department of Energy, November 2020. Converted from CARB's estimated 13% of U.S. hydrogen demand of 21 - 44 MMTPA. (5) Internal estimates.



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