1Q 2014 EARNINGS REVIEW REMARKS

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Welcome to Marathon Oil Corporation's first quarter 2014 earnings review. The synchronized slides that accompany this review can be found on our website, at MarathonOil.com. We will conduct a live Q&A webcast on Wednesday, May 7, at 8:00 am Central Time / 9:00 am Eastern Time.

Slide 2 contains a discussion of forward-looking statements and other information included in this presentation. Our review will contain forward-looking statements subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.

In accordance with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Marathon Oil Corporation has included in its Annual Report on Form 10-K for the year ended December 31, 2013, and subsequent Forms 8-K, cautionary language identifying important factors, though not necessarily all such factors, that could cause future outcomes to differ materially from those set forth in the forward-looking statements.

Please note that in the appendix to this presentation there is a reconciliation of net income to adjusted net income for the periods presented, as well as operating estimates and other data you may find useful. We'll now move to slide 3 as I turn the call over to Lee Tillman, Marathon Oil President and CEO.

I too would like to extend my welcome to those listening, and begin by reviewing our first quarter highlights.

Adjusted net income per diluted share increased by 73% to 88 cents per share in the first quarter of 2014, compared to the first quarter of 2013.

The strong financial performance was driven primarily by our three high-quality U.S. resource plays that delivered a combined average net production of 154,000 barrels of oil equivalent per day in the first quarter 2014, up 26% over the year-ago quarter. We also benefited from strong price realizations and lower exploration costs.

In the Eagle Ford, the combination of downspacing with improved completion productivity has consistently improved individual well results outperforming the modeled type curves. Notably, we moved from an average of three to four wells per pad, and increased the number of wells with longer laterals. Our aggressive co-development of the lower Eagle Ford and Austin Chalk/Upper Eagle Ford continued on plan with the completion of the first 2014 Austin Chalk/Upper Eagle Ford well, the Children Weston 4H, with a 30-day IP rate of 1,600 BOE per day. This was the sixth Austin Chalk/Upper Eagle Ford producer we've drilled, furthering our appraisal of the Austin Chalk/Upper Eagle Ford's full potential.

The co-development of Bakken and Three Forks is also progressing with high density pilots delivering strong results, testing eight wells per 1,280-acre spacing unit. Further high density pilots with up to 12 wells per 1,280-acre spacing unit are planned by year-end 2014.

Also in the Bakken, we recompleted five wells with favorable results in the Myrmidon area and have recently expanded south into the Hector area.

In Oklahoma, we've accumulated more than 100,000 net acres in the SCOOP, where we reached total depth on five gross Company-operated wells and brought four gross wells to sales. The 30-day IP rates for the two SCOOP extended-reach wells were 990 and 1,550 BOE per day. We also continued to test other horizons in Oklahoma, including the Southern Mississippi Trend and Granite Wash.

Overall, in the first quarter of 2014 we recorded 97% average operational availability across our Company-operated assets.

Shifting to our goal of rigorous portfolio management, the marketing of our North Sea businesses is on schedule with bids due in the second quarter.

During the first quarter we closed on the sales of our working interests in Angola Blocks 31 and 32 for approximately $2 billion. This resulted in an after-tax gain of $576 million, or 83 cents per diluted share.

Lastly, we completed the second phase of the $1 billion share repurchase and initiated an additional $500 million share repurchase which is now substantially complete.

I'll turn the call now to J.R. to review our financial performance for the quarter in more detail.

Thanks Lee. And thanks to you all listening to this webcast.

We've made a change to the usual speaker's lineup starting with today's webcast. I'm very happy to join Lee on this and future updates to not only discuss our financial performance but also how we are executing on our financial strategy to drive long-term shareholder value.

So let's get started on Slide 4.

For the first quarter of 2014, cash flows from continuing operations before changes in working capital were $1.35 billion compared to $1.1 billion in the fourth quarter of 2013. Production growth in our U.S. unconventional resource plays together with higher North America commodity price realizations were the primary contributors to the strong cash flow performance. Changes in working capital from continuing operations contributed $42 million during the quarter. As a reminder, first quarter working capital changes reflect one Norwegian tax payment whereas the second quarter will reflect two payments. Cash flows from our discontinued Angola operations contributed $78 million during the quarter. First quarter results include two liftings in Angola that were completed prior to the sale. Capital expenditures for the quarter, totaled $1.1 billion essentially flat with the level in the fourth quarter of 2013. On the portfolio management front, as Lee indicated, we received proceeds from the sale of our working interests in Angola Blocks 31 and 32 of $2.1 billion during the quarter. Finally, demonstrating our commitment to return capital to our shareholders, we paid dividends of $133 million, or $0.19 per share, and repurchased 16 million shares of common stock using $551 million of the proceeds from the sale of our Angola assets.

We ended the first quarter with just under $2 billion in cash and cash equivalents. As Lee mentioned, subsequent to the end of the quarter, we have used a portion of the cash on-hand to substantially complete the incremental $500 million share repurchase announced in March.

I'm moving now to Slide 5. Adjusted net income for the first quarter of 2014 was $613 million, a 70% increase over the same quarter last year. North America E&P segment, after-tax earnings increased $301 million quarter over quarter driven primarily by higher net sales volumes from the U.S. resource plays and lower exploration expenses. In the first quarter of 2014, North America E&P segment exploration expenses declined to $57 million compared to $435 million in the same period of 2013, due primarily to substantially lower unproved property impairments.

International E&P segment after-tax income was $123 million lower in the quarter from 2013 levels primarily due to lower net sales volumes in Libya, Norway and the U.K. In Libya, there were no liftings during the quarter as a result of ongoing third-party labor strikes at the Es Sider oil terminal. The lower North Sea volumes reflect the natural decline of assets. International production expenses were higher by approximately $60 million due primarily to planned workover activity in Norway and riser repairs in Equatorial Guinea.

Oil Sands Mining contributed an increase of $26 million in after-tax segment earnings as a result of lower contract services and contract labor in the first quarter of 2014 and higher turnaround costs in the same quarter of 2013. The impact of higher commodity price realizations in the first quarter was mostly offset by lower net sales volumes due to reliability issues at both mines.

The first quarter of 2014 had an effective tax rate from continuing operations of 52% compared to 72% in the first quarter of 2013. The lower tax rate reflects the shift in the mix of earnings during the period from higher to lower tax rate jurisdictions.

Let's take a look at our first quarter financial performance versus the fourth quarter of 2013. Slide 6 shows the components of the change in adjusted net income between our fourth quarter 2013 and first quarter 2014. Adjusted net income in the first quarter increased 47% compared to the sequential prior quarter. I'll talk about the operating segments on the slides that follow, but would note on this slide the contributions of lower unallocated income taxes of $82 million, a result of higher taxes in the fourth quarter, and lower corporate and unallocated G&A expenses of $30 million, all partially offset by lower contributions from Discontinued

Operations of $46 million as a result of the sale of our Angola assets during the quarter.

Moving to Slide 7, North America E&P segment earnings increased over 90% from the fourth quarter to $242 million in the first quarter of 2014. The increase was largely a result of higher commodity price realizations, lower exploration expenses and higher net sales volumes from our U.S. unconventional resource plays.

Slide 8 shows the magnitude of the increases in crude oil and condensate price realizations quarter over quarter. As you can see, the North America E&P segment as well as the Oil Sands Mining segment benefited from higher price realizations during the quarter. Both higher index prices and tighter differentials contributed to the improved realizations.

Similarly, Slide 9 shows the higher natural gas liquids price realizations enjoyed across the North America E&P segment during the first quarter.

Moving now to Slide 10, International E&P segment earnings declined 5% during the quarter to $331 million in the first quarter of 2014. The first quarter experienced slightly higher sales volumes that were offset by lower overall commodity price realizations. In addition, lower exploration expenses during the quarter reflected fewer dry well costs. Adjustments to the overall annual segment effective tax rate in the fourth quarter also impacted 2013.

As shown on slide 11, our Oil Sands Mining segment income increased $22 million in the first quarter, primarily due to higher commodity price realizations, partially offset by lower net sales volumes due to reliability issues at both mines.

With that added color on our financial performance, I'll turn the call back to Lee.

On Slide 12, I will concentrate on the progress made in the U.S. unconventional resource plays this quarter.

First the Eagle Ford: Production increased 33% over the first quarter of 2013 and 7% over the fourth quarter of 2013 to 96,000 net BOE per day. Well results continued to consistently outperform the modeled type curves and the average number of wells per pad was increased from 3 in the fourth quarter of 2013 to 4 in the first quarter of 2014. We reached TD on 83 gross operated wells and turned 49 gross wells to sales, with spud-to-TD time averaging 14 days in the first quarter 2014 reflecting the addition and ramp up of three new rigs and an increased number of wells with longer laterals.

Despite individual well results being strong during the quarter, the transition to higher density pad drilling coupled with a period of rebuilding uncompleted well inventory led to a lower number of wells brought to sales than the prior quarter.

We continue to progress the Austin Chalk/Upper Eagle Ford development, with six wells currently drilling in three pilot well groups.

In the Bakken, production increased 16% over the first quarter of 2013 and 7% over the fourth quarter of 2013 to 43,000 net BOE per day. We reached TD on 16 gross operated wells and turned 15 gross wells to sales. Spud-to-TD time averaged 18 days in the first quarter 2014. Extraordinary winter weather was a factor in North Dakota, and impacted both drilling and completion activities.

There are a number of high density pilots planned for 2014 which will test 12 wells per 1,280 spacing units. As I mentioned in my opening remarks, we also completed five Bakken recompletions in the first quarter 2014 with favorable results in the Myrmidon area and have recently expanded south into the Hector area.

In the Oklahoma Resource Basins, production increased 15% over the first quarter of 2013 and 7% over the fourth quarter of 2013 to 15,000 net BOE per day. Liquids volumes have increased approximately 28% over the year-ago period. During the first quarter, we reached TD on five gross Company-operated wells and brought four gross SCOOP wells to sales. The 30-day IP rates for the two SCOOP extended-reach wells were 990 and 1,550 BOE per day, respectively, both with high liquids content. We continued to test other horizons in Oklahoma with two operated wells producing in the Southern Mississippi Trend and the first of two Granite Wash horizontal wells online. Two further Southern Mississippi Trend wells are planned for the second quarter of 2014.

Slide 13 shows our growth in the U.S. unconventional resource plays since the first quarter of 2012. Combined production from the Eagle Ford, Bakken and Oklahoma resource basins has grown by approximately 109,000 net BOE per day over this period and we're on course to post a greater than 30% increase in profitable volumes in 2014.

Slide 14 demonstrates that since the first quarter of 2012, our Lower 48 onshore production has grown by 95,000 net BOE per day. Importantly, liquids increased from 63% to 76% of volumes over this period.

Slide 15 shows both the historical available for sale and sales volumes for the North America and International E&P segments, including Libya, but excluding Alaska and Angola. Libya has been highlighted on both the available for sale and sales columns by quarter.

Production available for sale decreased 2% in the first quarter of 2014 compared to the fourth quarter of 2013, primarily due to significant unplanned downtime at the outside-operated Foinaven field in the U.K. and the AMPCO methanol plant in Equatorial Guinea, as well as natural decline from North Sea assets and production curtailments at Alvheim in Norway due to severe winter weather, partially offset by growth in the North America resource plays.

However, sales volumes were higher at 410,000 net BOE per day in the first quarter compared to 402,000 net BOE per day in the fourth quarter of 2013. This increase was driven by North America E&P sales, with International E&P liftings essentially flat quarter-over-quarter.

At the end of the first quarter of 2014 we had a cumulative underlift of 2.6 million BOE. Of that, 1.7 million barrels of oil equivalent was natural gas in Libya.

Turning to slide 16, the pie chart on the left shows total company actual liquid hydrocarbon sales volumes, excluding Libya and Angola, for the first quarter of 2014. On the right are our estimated second quarter 2014 sales volumes, which reflect a planned turnaround at the outside-operated Foinaven field and mine maintenance for Oil Sands Mining.

As shown on slide 17, North America E&P costs per BOE were lower quarter-over-quarter as a result of lower exploration expense.

Slide 18 shows our international E&P quarterly cost structure per BOE excluding Angola. Costs were lower in the first quarter primarily as a result of lower exploration expenses. Production operating expenses were higher than the fourth quarter primarily as a result of workovers in Norway and expenses related to the riser repair in Equatorial Guinea.

Slide 19 depicts the same International E&P cost per BOE trend, but excluding Libya and Angola from all periods.

Slide 20 shows the 2014 exploration drilling schedule for our global exploration portfolio. In December we spud the Jisik-1 exploration well on the Company's operated Harir Block in the Kurdistan Region of Iraq. We expect the well to reach TD of 13,100 feet in the second quarter of 2014. Although not shown on this schedule, the Mirawa-2 appraisal well, which follows the successful Mirawa-1 discovery, is expected to spud in the third quarter of 2014. We hold a 45% working interest in the Harir Block.

The Sala-1 exploration well in Kenya was spud in February on the eastern side of Block 9, where previous wells drilled in the sub-basin confirmed a working petroleum system. We expect the Sala-1 well to reach a TD of approximately 11,300 feet in the second quarter. We have a 50% non-operated working interest in Block 9, with the option to operate any commercial development.

The Shimela-1 exploration well in Ethiopia was spud in March. The well is expected to reach a total depth of 8,850 feet in the second quarter. We hold a 20% non-operated working interest in the South Omo Block.

We increased our acreage in Ethiopia through a farm-in to the Rift Basin Area Block with 10.5 million gross acres. We hold a 50% working interest in the block with the option to operate any commercial development.

The inboard paleogene Key Largo prospect, located on Walker Ridge Block 578 in the Gulf of Mexico, is anticipated to spud in the third quarter. It will be the first well with a new-build deepwater drillship. We are the operator and hold a 60% working interest.

We farmed into the norphlet Perseus prospect located on Desoto Canyon Blocks 143, 187, 188, 230 and 231 in the Gulf of Mexico. As indicated on the drill schedule, a well is anticipated to spud in the second half of 2014. We hold a 30% non-operated working interest.

Slide 21 revisits our priorities for 2014, as outlined at our Analyst Day in December 2013.

We've already ramped up to our 28-rig program; made progress on our North Sea marketing effort and closed on the sale of our working interests in Angola Blocks 31 & 32 during the first quarter. We also completed the second phase of our $1 billion share repurchase, and initiated and substantially completed an additional $500 million share repurchase.

And lastly, moving to slide 22, I've previously outlined what we view as a strong investment case for Marathon Oil. Our focus is driven by seven strategic imperatives.

Not only achieving, but excelling across these imperatives is our corporate strategy, and the roadmap for how we plan to become the premier independent E&P company.

The investment case for Marathon Oil remains sound and is predicated on demonstrated execution, profitable volumes growth, rigorous portfolio management and disciplined capital allocation, all contributing to deliver competitive long-term shareholder value. Consistent with the aim of delivering long-term shareholder value, we have increased our dividend each year since becoming an independent E&P in 2011 and registered a near double digit compounded average dividend growth rate over this time period.

That concludes our prepared remarks and we look forward to your questions during the live Q&A call tomorrow morning. Thank you.