3Q 2015 FINANCIAL AND OPERATIONAL REVIEW REMARKS

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[Zach Dailey]

Welcome to Marathon Oil Corporation's third quarter 2015 financial and operational review. The synchronized slides that accompany this review can be found on our website, at MarathonOil.com. Additionally, we'll conduct a live question and answer webcast on Thursday, November 5th, 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 has included in its Annual Report on Form 10-K for the year ended December 31, 2014, and other filings with the Securities and Exchange Commission, 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 refer to the quarterly Investor Package on our website for reconciliations of the non-GAAP financial measures discussed in this presentation to their most directly comparable GAAP financial measures.

Also participating on the webcast are Lee Tillman, President and CEO; J.R. Sult, Executive Vice President and CFO; Lance Robertson, Vice President, North America Production Operations; and Mitch Little, Vice President, International and Offshore Exploration and Production Operations. With that, I'll turn the presentation over to Lee Tillman who will begin on slide 3.

[Lee Tillman]

Thanks Zach. I'd like to extend my welcome to those listening, and begin by providing a summary of our performance for the quarter.

Marathon Oil delivered third quarter operational results that reflected consistent execution, efficiency gains and lower costs. Our third quarter capital, investment and exploration program was down 7 percent sequentially at $623 million, and we now expect our full year program to be $200 million lower at $3.1 billion.

Despite the $200 million reduction in our program, we expect to deliver the high end of our total Company 2015 production available for sale growth at 7 percent year-over-year as well as our year-over-year 20 percent growth rate for our U.S. resource plays.

Total company net production available for sale from continuing operations, excluding Libya, averaged 434,000 net oil equivalent barrels per day; a 6 percent increase over the year-ago quarter and a 7 percent increase over the prior quarter. A record quarter of production from Oil Sands Mining and higher production from Equatorial Guinea contributed to the sequential increase.

U.S. resource play net production was up 10 percent over the year-ago-quarter and down 4 percent over the prior quarter. The decrease from the second quarter 2015 was primarily a result of lower Eagle Ford volumes and the disposition of East Texas, North Louisiana and Wilburton, Oklahoma assets, which closed in August.

In this uncertain commodity price environment, we've been laser-focused on rigorous cost control to help protect our margins. Our teams are achieving significant results; Total E&P production expense was down 30% from the year-ago quarter; North America E&P production costs per oil equivalent barrel are down 27 percent over the same period.

Our U.S. resource plays featured strong performance from the early development of the Upper Eagle Ford, encouraging results from our SCOOP Smith infill pilot and continued outperformance from the Bakken's West Myrmidon during the quarter.

Portfolio management continues to move ahead with the close of the previously announced East Texas, North Louisiana and Wilburton, Oklahoma sale and an agreement to sell our East Africa exploration acreage in Ethiopia and Kenya.

We'll add more color to all these highlights as we walk through the rest of this presentation.

The chart on slide 4 illustrates the quarterly progression of our capital, investment and exploration program throughout 2015. After a rapid deceleration in activity from first to second quarter, third quarter came in below our expectations at $623 million, and we've been able to reduce our 2015 capital, investment and exploration program by $200 million to $3.1 billion primarily through a combination of U.S. resource play efficiency gains and phasing in International projects. We expect a modest increase in the fourth quarter mainly due to the timing of development work in the Gulf of Mexico, project activities related to EG compression and certain other non-recurring international activity.

Slide 5 illustrates how we've reduced E&P production expenses and G&A costs, excluding special items, by about $136 million, or 28 percent, for third quarter 2015 compared to the same quarter in 2014.

Similarly, on a year-to-date basis, the savings amount to over $290 million – over 20 percent.

Many of these production and G&A cost savings are sustainable, and will be durable regardless of the forward commodity price. We have driven these absolute costs lower despite growing production over the time periods shown.

Moving to slide 6. As I mentioned earlier, total Company third quarter 2015 production available for sale from continuing operations, excluding Libya, increased 6 percent over the year-ago-quarter averaging 434,000 net oil equivalent barrels per day. Production was positively impacted year-over-year by the U.S. resource plays and record production from Oil Sands Mining. Our 4Q guidance reflects flat sequential production for total E&P and lower production at OSM due to planned maintenance at both mines. We have tightened our full year 2015 total E&P guidance range to 380,000 – 390,000 net oil equivalent barrels per day, excluding Libya, which will deliver 7 percent production growth year-over-year – at the high end of our range – on our reduced $3.1 billion capital, investment and exploration budget.

Moving to slide 7. In the third quarter, U.S. resource play net production averaged 212,000 oil equivalent barrels per day, and remains on track to deliver year-over-year production growth of 20 percent in 2015.

In response to the collapse in commodity prices, we executed a plan to significantly reduce our Company-wide capex which included much lower drilling and completion activities in the U.S. resource plays. With more stabilized D&C activity levels, fourth quarter 2015 production guidance includes flat sequential volumes in the Eagle Ford and continued reduced completion activity in the Bakken.

We expect to continue to focus the majority of our investment in 2016 in these high return areas.

With that, I will hand it over to J.R.

[J.R. Sult]

Thanks Lee. I have just two slides today so I will be brief. Turning to slide 8, adjusted loss from continuing operations was $138 million, or $0.20 per diluted share, in the third quarter, compared to a loss of $155 million, or $0.23 per diluted share, in the prior quarter. Results this quarter were negatively impacted by lower average crude oil and condensate price realizations which were down over 20 percent quarter-over-quarter, offset however by higher sales volumes at Oil Sands Mining and EG as well as lower exploration expenses and DD&A.

Reported net loss from continuing operations was $749 million, or $1.11 per diluted share in the quarter, compared with a loss of $386 million, or $0.57 per diluted share last quarter.

The after-tax adjustments to reported loss from continuing operations for the third quarter 2015 included proved and unproved property and other impairments, and loss on sale of assets totaling $647 million, due primarily to lower forecasted commodity prices and changes in the Company's conventional exploration strategy; an unrealized gain on derivatives of $50 million; a settlement charge of $12 million in connection with the U.S. pension plans; and severance and related expenses of $2 million related to workforce reductions.

Total company cash flow can be seen on Slide 9. For the third quarter of 2015, operating cash flow before changes in working capital was $467 million compared to $520 million in the second quarter of 2015. Lower commodity price realizations were the primary driver for the decrease in operating cash flow before changes in working capital, partially offset by higher sales volumes.

Additions to property, plant and equipment for the period were $595 million as compared to $678 million in the prior quarter. During the quarter, we closed on the first transaction in our non-core asset sale program receiving approximately $100 million for the disposal of our East Texas, North Louisiana, and Wilburton, Oklahoma assets.

At September 30, cash and short-term investments were approximately $2.4 billion which, when combined with amounts available under our revolving credit facility, resulted in total liquidity of $5.4 billion. Subsequent to quarter end, we retired $1 billion of senior notes at maturity.

With that brief summary, I’d like to hand it over to Lance Robertson to review the Company’s North America E&P and Oil Sands Mining financial and operational performance during the quarter.

[Lance Robertson]

Thanks J.R.

Before I take everyone through our operational highlights by asset, I would like to spend a moment to discuss the quarterly financial results for the North America E&P segment.

Turning to slide 10, the North America E&P segment had an after-tax loss of $61 million during the quarter, compared to a loss of $45 million in the prior quarter. The increase in segment loss quarter over the prior quarter was due to lower average crude and condensate price realizations and lower sales volumes. This was partially offset by lower DD&A which benefited from proved reserve adds in the Eagle Ford, and lower exploration expenses.

North America E&P sales volumes averaged 261,000 net barrels of oil equivalent in the third quarter, up from the year ago quarter but down from the prior quarter primarily due to reduced Eagle Ford production as well as the sale of our natural gas assets in East Texas, North Louisiana, and Wilburton, Oklahoma. I'll address the production variance in a later slide.

Slide 11 highlights the quarterly advancement we have made to improve our operating efficiency in the North America E&P segment. The trend is very positive, with a 23 percent decrease in production and other operating costs per BOE in the third quarter 2015 from the year ago quarter, reflecting savings sourced from ongoing internal and commercial improvements. Despite unit costs that edged up slightly sequentially this quarter as a result of lower sales volumes as well as planned seasonal maintenance and workover activity, we still expect to be at the low end of our 2015 guidance. When benchmarking unit operating costs against our peers, recall that nearly 70 percent of Marathon's production is liquids.

With that overview of the North American E&P financial performance, I will move to review the operational activity from our three U.S. resource teams in the third quarter.

Starting with the Eagle Ford on slide 12… as shown in the chart in the upper-left, we produced an average of 128,000 net BOE per day in the third quarter, up 9 percent from the year-ago quarter and down 5 percent from the prior quarter. The production decrease is attributed to timing of wells to sales weighted late in the quarter, lower than anticipated results from a single step-out pad in southern Live Oak County and three Austin Chalk delineation wells testing the western periphery of this play.

We had another quarter of strong improvements in operational efficiencies. As indicated in the bottom left hand chart, our Eagle Ford team recorded an average of 2,000 feet per day drilled in the third quarter, an increase of more than 10% from the prior quarter. For the second consecutive quarter, our average was anchored by the fastest rig drilling a well at 3,000 feet per day with 2 rigs averaging more than 2,200 feet per day for the quarter. Of course drilling fast isn't meaningful unless you land in zone, and we successfully geosteered our wells into a 25 foot target window 98 percent of the time. Finally, through a combination of stimulation design improvements and technology applications, we achieved our highest completions efficiency to date, completing 15 percent more stages per month than in the previous quarter.

These are the types of efficiencies that will allow us to do more per dollar spent in the future and, along with reduced service costs, have contributed to a lower current completed well cost that is between $5.2 – 5.4 million, about $600,000 lower than the second quarter.

Turning to slide 13, we highlight co-development well results brought to sales in the third quarter that have 30 days of initial production.

Of our 57 gross operated wells we brought to sales this quarter, 11 were Austin Chalk, 6 were Upper Eagle Ford and 40 were Lower Eagle Ford.

The six Upper Eagle Ford wells had 30 day IP rates that ranged from 1,050 to 1,480 BOE per day. We have a total of 16 Upper Eagle Ford wells online with at least 90 days of cumulative production and they are performing consistent with the Lower Eagle Ford type curves…. a great start as we move to scale co-development of another horizon. This strong performance in the Upper Eagle Ford supports the 2P resource additions and well inventory announced in the third quarter.

During the quarter we tested the western extent of the Austin Chalk horizon in our core Karnes County acreage. As noted on the SCR pads on the map, we found the Austin Chalk productive in this area, but the wells would not deliver a rate of return that would compete for capital today. With this new information, we see limited potential beyond the currently delineated 22,000 net acres in the Austin Chalk.

We continue to develop the Austin Chalk in our core area and the balance of the Austin Chalk wells brought to sales in the third quarter averaged 1,080 BOE per day, 10 percent above the type curve.

Finally, the 4-well Salge Egbert Miller pad successfully tested 30 acre spacing and delivered initial production rates of 1,475 – 1,747 BOE per day. We elected to test higher density spacing in this area due to its reservoir pressure and quality. Early results are very encouraging and we will look for additional opportunities to test 30 acre spacing.

As you can see, our Eagle Ford asset team continues to advance our knowledge and test the boundaries of our core area. We are well positioned to focus on high value, low risk co-development moving forward.

Turning to slide 14 and the Oklahoma Resource Basins, production averaged 23,000 net BOE per day in the third quarter, up more than 20 percent to the year-ago quarter and effectively flat sequentially.

During the third quarter, we brought our operated Smith infill wells in the SCOOP Woodford online, as well as 2 other SCOOP Woodford wells and 2 STACK Meramec wells that were leasehold drilling. The Smith spacing pilot came online late in September and does not currently have 30 days of production. Initial rates and liquids mix indicate performance in-line with expectations and the wells continue to improve as they clean up. Illustrated by the plot in the bottom left, completed well costs improved consistently from beginning to end of this pad development. We view this trend as a very positive sign for what types of efficiencies can be realized when this play ramps to full-scale development mode.

While we've participated in over two thirds of all Springer wells drilled in the SCOOP area, we drilled our first Company-operated Springer well during the quarter. The drilling performance was encouraging and the well is completing now.

Oklahoma remains an exciting growth opportunity for Marathon Oil, and our outside operated program combined with our two rig operated program allows us to continue advancing our technical work to be positioned for full field development as commodity prices improve.

Turning to slide 15, we illustrate the locations of our third quarter activity.

Beginning in the STACK, we participated in three outside operated Meramec wells in the third quarter whose 30-day IPs ranged from 504 – 1,776 BOE per day and were 85-88% liquids. We drilled two STACK Meramec leasehold wells in the quarter. Consistent with early development in other basins, we expect varied well results as we and others continue to delineate the play, test the boundaries of the multiple phase windows, and analyze a growing volume of data to our further advantage all while focusing on lease retention.

In addition to drilling activity, we were the high bidder in two recent lease sales on approximately 7,000 acres focused primarily in the STACK Meramec play in Blaine County all at favorable pricing.

In the SCOOP, we also brought two leasehold wells online during the quarter: the Davenport Ranch well in Stephens County with a 30-day IP rate of 1,380 BOE per day and our first operated updip SCOOP oil well in McClain County that was nearly 90% liquids.

Moving to the Bakken on slide 16. Production averaged 61,000 net BOE per day this quarter, up 9 percent compared to the year-ago quarter. Flat production volumes compared to the prior quarter were driven by continued outperformance from the Doll Pad in West Myrmidon which now has over

100 days of cumulative production, consistent performance from our three downspacing pilots, and sustained improvement in production uptime across the asset base.

We continued to aggressively attack our costs and successfully lowered direct expense in the quarter from a variety of factors including: water handling cost reductions, moving more oil into pipelines, reductions in contract services, and improved efficiency across workover fleets.

During the quarter we brought online the initial phase of a large scale water gathering system currently handling a quarter of our produced water. A second phase of the system will be brought online next year and we anticipate the system will manage 75 percent of produced water at full scale. This investment in infrastructure, the majority of which was incurred in 2015, will reduce truck traffic and increase our margins on a durable basis.

Our teams continue to test new ways to become even more effective operators. For example, we piloted successfully new artificial lift trials in the third quarter, which could extend reliability on our pumping units. So far, results are very encouraging.

For the second consecutive quarter, we averaged 1,600 ft / day reflecting continued top tier drilling efficiency in the basin.

With these continued efforts to improve cycle time performance, we lowered completed well costs by $800,000 to $5.5 million for wells that are drilled inside the Fort Berthold reservation compared to results in the second quarter.

Turning to slide 17, we brought 5 gross operated wells to sales during the quarter, all on a pad in East Myrmidon and drilled 5 wells to total depth.

Aggregate results are encouraging, with 30-day IPs ranging from almost 600 – 1,478 BOE per day. In our West Myrmidon area that is largely undeveloped, wells on the Doll Pad drilled in the second quarter of 2015 continue to outperform type curve expectations and support maintaining production levels on a reduced activity basis, as illustrated in the cumulative production graph in the bottom left corner. This area is particularly compelling as we believe the first and second benches of Three Forks are prospective and we're seeing both Three Forks benches perform in line or above the Middle Bakken type curve thus far. We recently disclosed distinct West Myrmidon single well economics that are the most competitive in our Bakken portfolio and resilient at low oil prices. We have over 165 gross well locations in West Myrmidon, an area that is largely undeveloped with only one unit that holds more than a single parent well. Due to the undeveloped nature of our position in West Myrmidon, we can apply optimal completion techniques when developing each spacing unit.

The 6 x 6 downspacing pilots are performing as forecast with the Ajax and Hector area wells in line with type curves. The East Myrmidon Brodahl pad included 2 wells that started slow in the early days; but following clean out and installation of artificial lift, these wells are improving to match expectations.

Finishing on slide 18. The Oil Sands Mining segment reported outstanding operational results in the third quarter, recording the highest level of production in the history of the mines as well as the lowest operating costs ever per synthetic barrel before royalty. These results were driven by increased reliability and uptime as well as an intense focus on reducing costs by the operator.

OSM reported a loss of $11 million during the third quarter, compared to a loss of $77 million in the prior quarter. The lower quarterly loss compared to the prior quarter was primarily the result of record sales volumes partially offset by lower realized prices. Recall that Q2 was impacted by a turnaround. Encouraged by the third quarter performance, we continue to work with the operator to further reduce operating costs and sustaining capital.

In the fourth quarter, planned maintenance is scheduled at both mines which is reflected in our production guidance of 40,000 – 45,000 BOE per day of synthetic crude oil.

With that, I'll hand it over to my colleague, Mitch Little, who will review the highlights from our International E&P segment.

[Mitch Little]

Thanks, Lance.

I would like to start on slide 19 with a quick review of quarterly financial results from International E&P. Segment income decreased from the previous quarter to $29 million, reflecting lower average crude oil and condensate price realizations partially offset by higher sales volumes. Higher quarterly sales volumes were driven in part by a successful well work program in Equatorial Guinea, which I will describe more fully on the following slide, and due to second quarter volumes being impacted by planned maintenance activities.

We continue to focus on proactive cost management across our Company-operated assets deriving repeatable savings that help protect margins both within, and through the current commodity price cycle. These efforts combined with increased sales volumes resulted in lower absolute and unit production costs in the third quarter compared to the prior quarter. The Company expects full-year unit production costs, in the International segment, to be at the low end of our guidance of $6.00 to $7.00 per barrel of oil equivalent (excluding Libya) which would represent a decrease of approximately 20 percent from 2014 unit costs. This performance is being driven by our teams through old fashion blocking and tackling where every service contract and every task is being carefully scrutinized for its relevance and/or competitiveness in a lower for longer environment.

Moving now to slide 20 which provides updates from our international producing assets as well as our Gulf of Mexico exploration activity.

Our employees across the business did a terrific job of managing our operated production while delivering year to date HES performance at record company, and industry-leading levels. In EG, the successful well intervention and development program contributed to a material uplift in production totaling approximately 4,000 net oil equivalent barrels per day in the quarter, while continued focus on cost management and delivering operational availability at nearly 100 percent demonstrates the focus that our mature asset teams have on doing everything we can to protect margins in this more challenging commodity price environment. The Alba C-21 well continues to perform above pre-drill estimates. Acquisition and analysis of post-completion data allowed us to optimize our production strategy for the well, where the liquid rich Basal Lower Massive interval was safely commingled with the main Massive Interval gas zones. This strategy allows us to accelerate resource recovery from the combined zones, and improves overall project returns by capturing the maximum resource for the minimum cost.

Sticking with EG for just a moment longer, the compression project recently achieved mechanical completion at the Netherlands fabrication yard. This is a significant milestone, with the project now over 80% complete, and it remains on schedule to be operational in mid-2016.

In our U.K. business, production available for sale averaged 15,000 net oil equivalent barrels per day in the third quarter, down from prior quarter levels due to planned maintenance at the Company-operated Brae field and the non-operated Foinaven field. The Brae activities were completed on time and on budget during the quarter. Maintenance work at the non-operated Foinaven field is ongoing and will continue to impact volumes in the fourth quarter. We remain focused on our diligent cost management across our UK operations, and realized additional savings during the quarter from an equal time rota change, associated logistics cost reductions, and reduced contractor and supplier costs across several areas.

Shifting now to our Gulf of Mexico exploration and appraisal activities.

Our operated Solomon prospect, an inboard Paleogene test at Walker Ridge Block 225, is drilling below 29,000 feet and expected to reach total depth in the fourth quarter, with results to follow.

The outside-operated Shenandoah-4 appraisal well encountered more than 620 feet of net oil pay in the third quarter, extending the lowest known oil column downdip. The well provided valuable information on the western extension of the discovery, and will be integrated with existing well data from the field, as the operator and co-lessees determine next steps to move this significant discovery towards a Final Investment Decision. As a reminder, Marathon Oil has a 10 percent working interest in this prospect.

Finally, we announced during a third quarter investor conference that we are materially scaling back our conventional exploration activity. As the success of our U.S. resource plays has continued to raise the bar for capital allocation, it has become increasingly difficult for new conventional exploration opportunities to compete from a cost, quality and risk perspective.

Our focus within the conventional exploration space is limited to capturing value from our existing commitments in the Gulf of Mexico and Gabon; as a reminder, we do not plan to drill any conventional exploration wells in 2016. Consistent with our strategic shift, during the third quarter we signed a sale and purchase agreement to divest all of our exploration interests in East Africa and that transaction is expected to close before year end.

Though this strategic shift is undeniably constructive in today's low crude oil price environment, it is largely driven by a comprehensive evaluation of conventional exploration's ability to compete for capital against other resource capture opportunities available to us. We remain committed to quality and material resource capture, as a strategic imperative, and will continue to pursue resource additions in our unconventional exploration and exploitation efforts as well as through ongoing business development activities.

With that, I'd like to turn it back to Lee for final comments.

[Lee Tillman]

Thanks Mitch.

We continue to take decisive action in this challenging macro environment to reduce costs, enhance productivity, and remain flexible to continue adapting as business conditions warrant while advancing our U.S. resource plays.

We've reduced our full year 2015 capital budget $200 million to $3.1 billion. We've announced a preliminary 2016 capital program of up to $2.2 billion which would give us the flexibility to deliver 2016 annual average production in the U.S. resource plays flat to 2015 exit rate.

Balance sheet strength remains a top priority. Last week we announced a reduction in our quarterly dividend from 21 cents per share to 5 cents per share. This adjustment is expected to increase annual free cash flow by more than $425 million.

Portfolio management remains an evergreen process, and we closed on our sale of our assets in East Texas, North Louisiana, and Wilburton, Oklahoma. Consistent with our strategic decision around conventional exploration, we signed an agreement to divest our interest in East Africa.

We're on track to deliver yearly production growth at the high end of our guidance, despite our reduced capital budget.

Oil Sands Mining delivered a record quarter for both production and costs. EG's C21 well and wireline program are producing excellent results.

E&P production and G&A expense continue on a downward trend. Completed well costs in the U.S. resource plays continue to fall with an incremental savings of 10 percent quarter on quarter.

In conclusion, we are not opportunity limited today, with abundant inventory that has compelling rates of return, even with "lower for longer" commodity prices; however, as we prepare for 2016, we continue to prioritize capital discipline, cost reductions and balance sheet strength.

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