

A landscape photograph showing a dirt road winding through a green field towards an oil drilling rig in the distance. The rig is a tall, black structure with a yellow top, surrounded by various pieces of equipment and containers. The background features rolling green hills under a clear blue sky. The text "THIRD QUARTER 2021" is overlaid in large, white, bold letters across the center of the image.

# THIRD QUARTER 2021

**November 3, 2021**

# Forward-Looking Statements and Other Matters

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This presentation (and oral statements made regarding the subjects of this presentation) contains 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. These are statements, other than statements of historical fact, that give current expectations or forecasts of future events, including, without limitation: the Company's future capital budgets and allocations, future performance, expected free cash flow, emission targets and goals and estimated emission reductions, future debt retirement and the timing thereof, annualized cash interest expense savings, returns to investors (including dividends and share repurchases, and the timing thereof), balance sheet enhancement, reinvestment rates, business strategy, capital expenditure guidance, production guidance and trends, tax rates and equity method investments, E.G. equity method income guidance, capital efficiency, inventory levels, cost reductions, leasing and exploration activities, production, break-evens, free cash flow yields, inventory and other plans and objectives for future operations. Words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "guidance," "intend," "may," "outlook," "plan," "positioned," "project," "seek," "should," "target," "will," "would," or similar words may be used to identify forward-looking statements; however, the absence of these words does not mean that the statements are not forward-looking. This presentation includes certain forward-looking, non-GAAP financial measures, including, free cash flow or FCF, operating cash flow before working capital, reinvestment rate, capital expenditures, and net debt to EBITDAX. Free cash flow, which is free cash flow before dividend, is defined as net cash provided by operating activities adjusted for working capital, capital expenditures, and EG return of capital and other. Management believes this is useful to investors as a measure of the Company's ability to fund its capital expenditure programs, service debt, and other distributions to stockholders. The reinvestment rate is defined as total capital expenditures divided by operating cash flow before working capital. Management believes the reinvestment rate is useful to investors to demonstrate the Company's commitment to generating cash for use towards investor-friendly purposes (which includes balance sheet enhancement, base dividend and other return of capital). Cash flow from operations (CFO) is defined as net cash provided by operations adjusted for operating working capital. Management believes operating cash flow before working capital is useful to demonstrate the Company's ability to generate cash quarterly or year-to-date by eliminating differences caused by the timing of certain working capital items. Capital expenditures is defined as cash additions to property, plant and equipment adjusted for the change in working capital associated with property, plant and equipment, and additions to other assets. Management believes this is useful to investors as an indicator of Marathon's commitment to capital expenditure discipline by eliminating differences caused by the timing of certain working capital and other items. Net debt to EBITDAX is defined as long-term debt less cash and cash equivalents divided by Adjusted EBITDAX (net income excluding net interest expense, taxes, DD&A, and exploration, further adjusted for gains/losses on dispositions, impairments of proved property, goodwill, and equity method investments, unrealized derivative gain/loss on commodity instruments, effects of pension settlement losses and curtailments and other items that could be considered "non-operating" or "non-core" in nature). Management believes net debt to EBITDAX is useful to show the Company's ability to pay off long-term debt. Any such forward-looking measures and estimates are intended to be illustrative only and are not intended to reflect the results that the Company will necessarily achieve for the period(s) presented; the Company's actual results may differ materially from such measures and estimates.

While the Company believes its assumptions concerning future events are reasonable, a number of factors could cause actual results to differ materially from those projected, including, but not limited to: conditions in the oil and gas industry, including supply/demand levels for crude oil and condensate, NGLs and natural gas and the resulting impact on price; changes in expected reserve or production levels; changes in political or economic conditions in the U.S. and Equatorial Guinea, including changes in foreign currency exchange rates, interest rates, inflation rates; actions taken by the members of the Organization of the Petroleum Exporting Countries (OPEC) and Russia affecting the production and pricing of crude oil; and other global and domestic political, economic or diplomatic developments; risks related to the Company's hedging activities; voluntary or involuntary curtailments, delays or cancellations of certain drilling activities; liability or corrective actions resulting from litigation or other proceedings and investigations; capital available for exploration and development; drilling and operating risks; lack of, or disruption in, access to storage capacity, pipelines or other transportation methods; well production timing; availability of drilling rigs, materials and labor, including the costs associated therewith; difficulty in obtaining necessary approvals and permits; non-performance by third parties of contractual or legal obligations, including due to bankruptcy; changes in our credit ratings; hazards such as weather conditions, a health pandemic (including COVID-19), acts of war or terrorist acts and the government or military response thereto; shortages of key personnel, including employees, contractors and subcontractors; security threats, including cybersecurity threats and disruptions to our business and operations from breaches of our information technology systems, or breaches of the information technology systems, facilities and infrastructure of third parties with which we transact business; changes in safety, health, environmental, tax and other regulations, requirements or initiatives, including initiatives addressing the impact of global climate change, air emissions, or water management; other geological, operating and economic considerations; and the risk factors, forward-looking statements and challenges and uncertainties described in the Company's 2020 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other public filings and press releases, available at <https://ir.marathonoil.com/>. Except as required by law, the Company undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise.

This presentation includes non-GAAP financial measures. Reconciliations of the differences between non-GAAP financial measures used in this presentation and their most directly comparable GAAP financial measures are available at <https://ir.marathonoil.com/> in the 3Q21 Investor Packet.

# Delivering Outsized Free Cash Flow and Meaningful Return of Capital

Increased base dividend, executed \$200MM of share repurchases, raised buyback authorization to \$2.5B

*“Third quarter was once again characterized by both strong safety performance and an improving GHG emissions trend. Additionally, through our commitment to capital discipline and our differentiated execution, **we are delivering outsized financial outcomes**, highlighted by over **\$1.3 billion** of year-to-date free cash flow generation.*

*This strong financial performance in combination with the substantial improvement to our balance sheet has enabled us to **dramatically accelerate the return of capital to equity holders**.*

**Consistent with our framework, the shareholder will get the first call on cash flow.**

*We’ve raised our base dividend for the third consecutive quarter, we’ve repurchased **\$200 million** of stock since October 1st, and we are targeting approximately **\$300 million** of additional repurchases before year-end. Through our increased base dividend and share repurchases, **we expect to return around 50% of our fourth quarter cash flow from operations to our equity holders**.*

***Looking ahead to 2022**, with our commitment to capital discipline firmly in place, no material debt maturities, and our upsized share repurchase authorization, **we are well positioned to continue delivering outsized free cash flow generation and return of capital to our shareholders.**”*

Lee Tillman  
Chairman, President, and CEO

# What's New?

## Key takeaways from 3Q21 earnings release



### FINANCIAL

- Now expecting **>\$2B** of **2021 FCF** (strip)
- **Meaningful sequential increase in FCF** expected 4Q21 (higher prices, higher oil volumes, lower capex)



### RETURN OF CAPITAL

- Raised base dividend by **20%**; targeting **~\$500MM** of share repurchases **4Q21** (**\$200MM** already executed)
- Expect to return **~50%** of CFO to shareholders **4Q21**
- Increased share repurchase authorization to **\$2.5B**



### OPERATIONAL

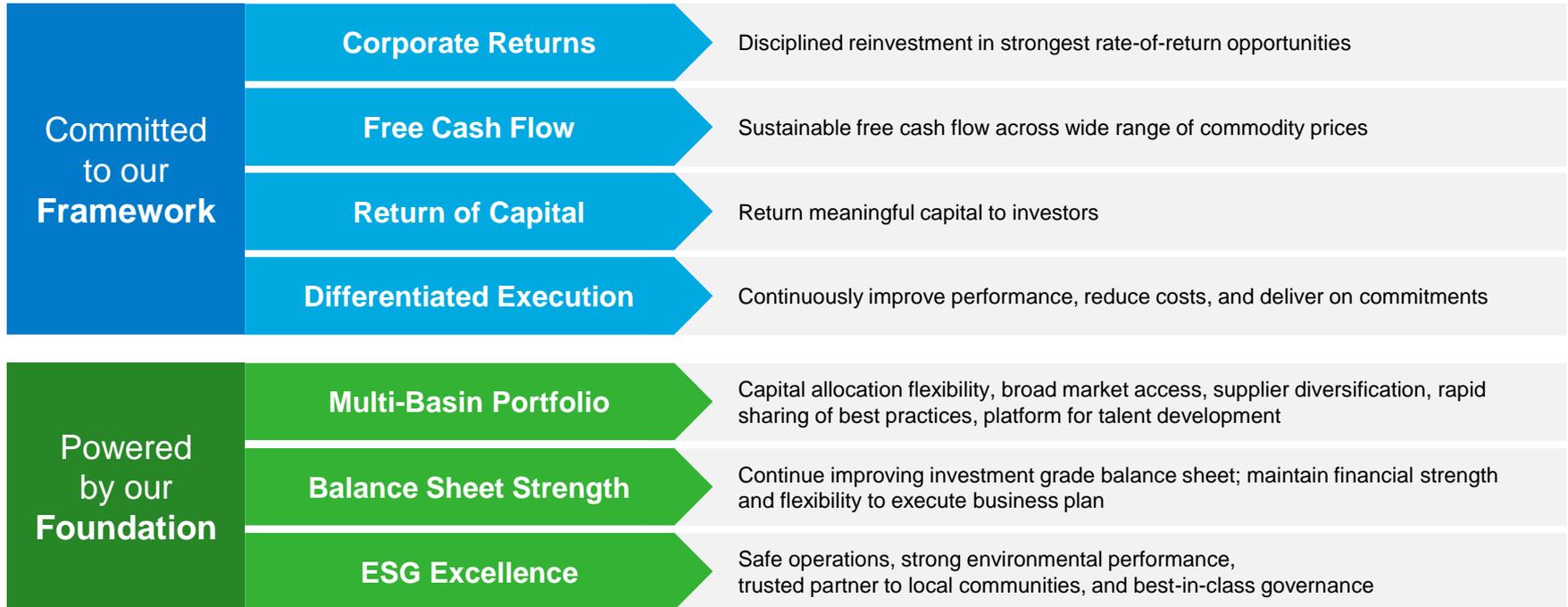
- **No change** to full year **capex** or **total Company production guidance**
- Initial productivity from **Texas Delaware Oil Play** multi-well pad **exceeding expectations**



### 2022 OUTLOOK

- **Core priorities to remain unchanged**
- Successfully positioned for continued **top tier FCF generation** and **leading return of capital profile**

# Framework for Success



# Committed to Sustainability

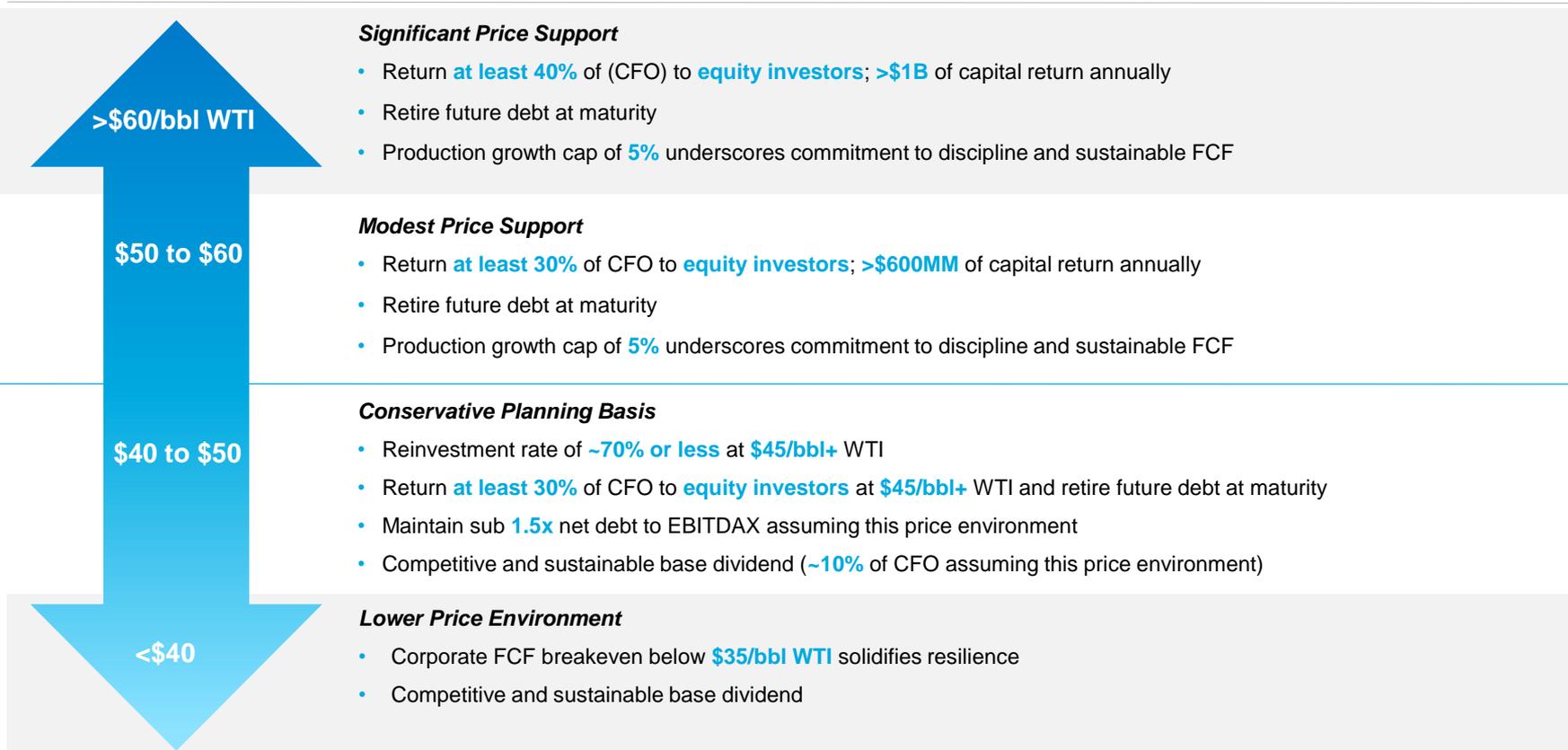
ESG excellence is foundational to long-term financial outperformance

Safety & Environmental <sup>1</sup>	Social Responsibility	Governance
<ul style="list-style-type: none"><li>• <b>2020</b> safety performance best in Company history<sup>2</sup> at <b>0.24</b> TRIR; <b>2021 YTD</b> TRIR of <b>0.31</b></li><li>• Working toward <b>2021</b> GHG emissions intensity target of at least a <b>30%</b> reduction<sup>3</sup> and <b>2025</b> goal of at least a <b>50%</b> reduction<sup>3</sup> – both vs. <b>2019</b> baseline</li><li>• Installing instrument air compression at almost <b>80</b> locations in Permian and Eagle Ford in <b>2021</b> and converting over <b>1,200</b> gas pneumatic pumps and controllers</li><li>• Transitioning to line power from local generation at over <b>20</b> locations in Bakken and Permian in <b>2021</b></li><li>• <b>3Q21</b> Company-wide gas capture<sup>4</sup> <b>&gt;99%</b></li></ul>	<ul style="list-style-type: none"><li>• <b>~20%</b> increase in female leadership and in people of color leadership since 2018</li><li>• Donated <b>&gt;500</b> laptops, printers and other technology resources to core nonprofit partners</li><li>• Provided <b>anti-human trafficking training</b> to more than <b>125</b> Permian and Oklahoma employees</li><li>• Extended <b>13-year</b> partnership with the <b>American Heart Association</b> through 2024</li><li>• Committed <b>\$200,000</b> over 2 years to fund <b>Northern Great Plains grassland restoration program</b> in North Dakota</li><li>• Awarded <b>\$35,000</b> in <b>Unconventional Thinking in Teaching</b> grants to teachers throughout our operating areas</li></ul>	<ul style="list-style-type: none"><li>• <b>Reduced compensation</b> for Board, CEO, and other corporate officers</li><li>• <b>Compensation framework redesigned</b> to further improve alignment with investors</li><li>• <b>7 of 8</b> Directors in 2021 are <b>independent</b>; all committees made up entirely of NYSE independent Directors</li><li>• <b>3</b> Directors are female; <b>2</b> Directors self-identify as ethnicity other than white</li><li>• <b>2</b> new Directors added in 2021</li><li>• Average Director tenure is <b>below S&amp;P 500</b> average while maintaining a <b>diverse mix</b> of short and longer-tenured Directors</li></ul>

See Appendix for definitions and footnotes

# Clear Priorities for Capital Allocation

Return of capital framework uniquely prioritizes equity investors as the first call on cash flow



# Comprehensively Executing Against our Framework

Expect to return ~50% of 4Q21 cash flow from operations to equity holders

## 2021 Outlook

*Strong Financial Performance*

- **\$1B** capital budget expected to deliver **>\$2B** of FCF<sup>1</sup>, with meaningful sequential FCF increase 4Q21
- Reinvestment rate tracking below **35%**
- Corporate FCF breakeven below **\$35/bbl** WTI

## Balance Sheet & Return of Capital

*Accelerating our Objectives*

- Total 2021 gross debt reduction of **\$1.4B** contributes to annualized interest savings of **~\$50MM**
- Raised quarterly base dividend for **third consecutive quarter**; base dividend up **100%** vs. YE 2020
- Targeting **~\$500MM** of share repurchases during 4Q21 (**\$200MM** already executed)
- Board increased share repurchase authorization to **\$2.5B**

## 5 Year Maintenance Case (2021 to 2025)

*Portfolio Strength and Sustainability*

- Cumulative FCF<sup>2</sup> of **>\$8B** at flat **\$60/bbl** WTI and **~40%** reinvestment rate
- Corporate FCF breakeven below **\$35/bbl** WTI throughout period
- Strong financial performance underpinned by **well over a decade** of **high-return inventory**

## ESG Excellence

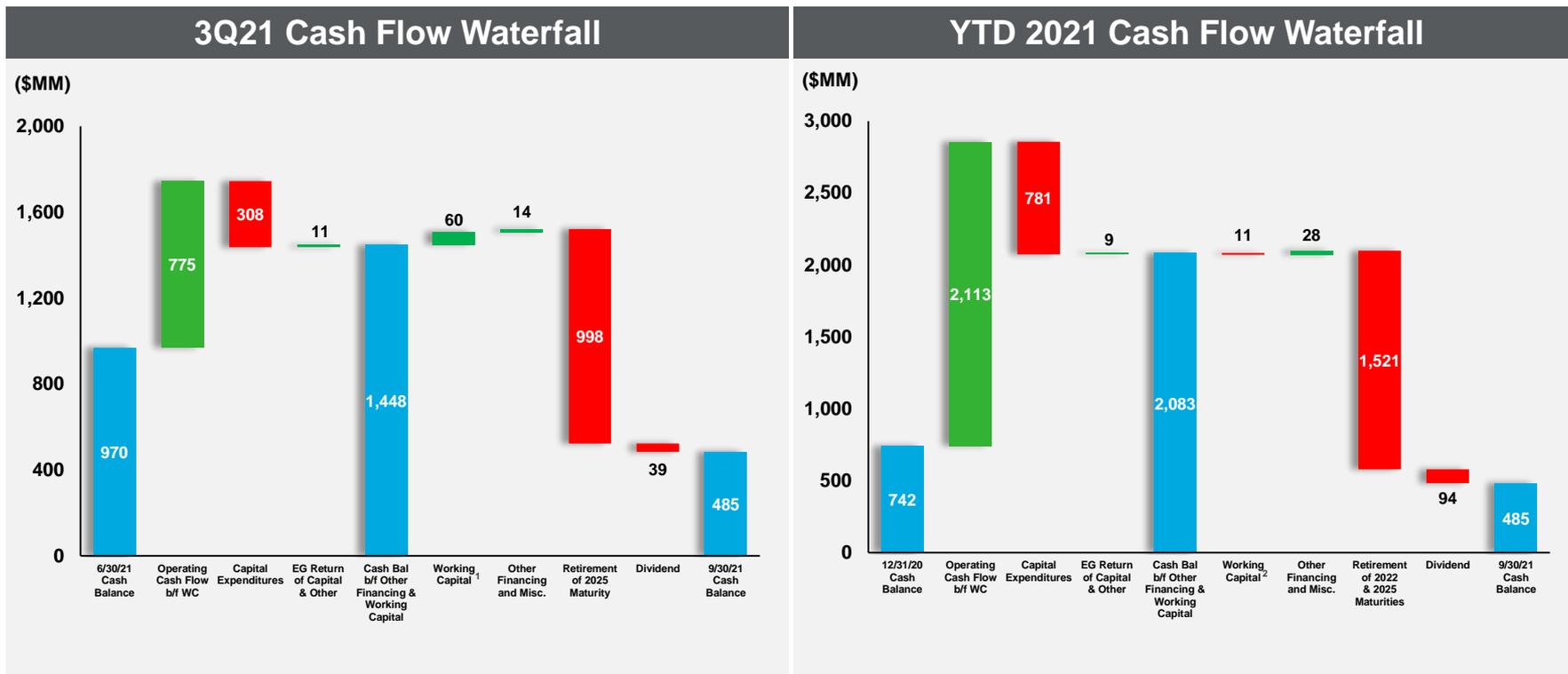
*Displaying Governance and Environmental Leadership*

- **Top quartile safety performance** in 2019 and 2020; year-to-date TRIR of **0.31**
- CEO and Board compensation reduced **25%**<sup>3</sup> and compensation framework optimized and redesigned
- 2021 GHG intensity reduction target of **30%** and 2025 intensity reduction goal of **50%** - both vs. 2019

See Appendix for definitions and footnotes

# Significant Free Cash Flow Generation and Gross Debt Reduction

3Q FCF of ~\$480MM (>\$1.3B YTD); 3Q debt reduction of \$900MM (\$1.4B YTD)



See Appendix for definitions and footnotes and the 3Q21 Investor Packet at <https://ir.marathonoil.com/> for non-GAAP reconciliations of free cash flow, operating cash flow before working capital, capital expenditures and working capital

# 2021 Plan Update: Delivering Outsized Financial Outcomes

No change to full year capital budget or total production guidance

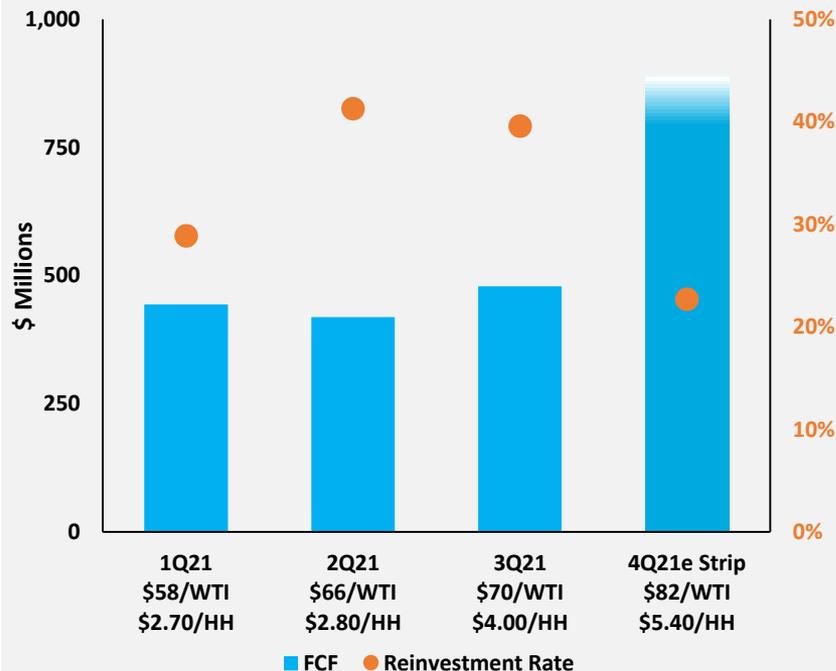
## Delivering Strong Financial Outcomes

- Expect 2021 FCF of **>\$2B** at forward curve pricing
- Meaningful sequential FCF increase expected during 4Q21
  - Higher prices, higher oil volumes, lower capex
- Full year 2021 reinvestment rate tracking **below 35%**
- Corporate FCF break-even below **\$35/bbl WTI**

## Staying Disciplined and Executing our Plan

- No change to **\$1B** full year 2021 capital budget
- No change to midpoint of full year total oil or oil-equivalent production guidance
  - 4Q21 total oil production expected to increase to **176 - 180 MBOPD** vs. **168 MBOPD** during 3Q21
  - 4Q21 total oil-equivalent production expected to be similar to 3Q21 production of **345 MBOED**

## Significant Free Cash Flow Generation<sup>1</sup>



See Appendix for definitions and footnotes

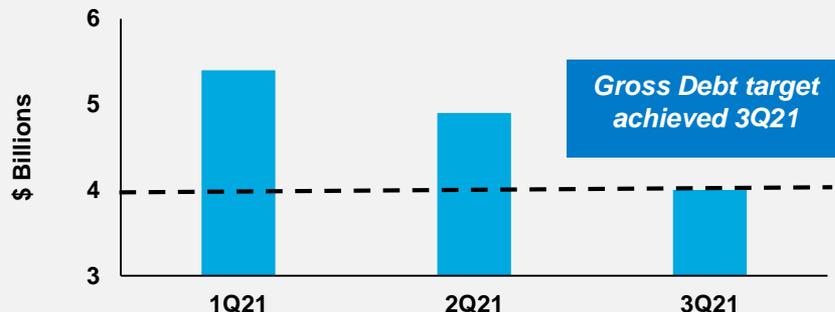
# 2021 Plan Update: Accelerating Return of Capital to Shareholders

Near-term gross debt and leverage targets achieved; future debt expected to be retired at maturity

## Achieved Balance Sheet Objectives

- Total 2021 gross debt reduction of **\$1.4B**, including **\$900** million during third quarter
- 2021 debt reduction contributes to **~\$50MM** of annualized interest savings
- Achieved **\$4B** gross debt and **sub 1.5x** net/debt EBITDAX objectives (at **\$45** to **\$50/bbl** WTI planning basis)
- Retiring future debt at maturity; no material 2022 maturities

## Gross Debt Progression



## Accelerating Return of Capital to Equity Investors

- Raised quarterly base dividend to **\$0.06/share**; up **100%** from YE 2020
- Targeting total 4Q21 share repurchases of **~\$500** million (**\$200** million already executed)
- 4Q21 total return of capital (base dividend + buybacks) of **~50%** of CFO, **exceeding minimum 40% target**

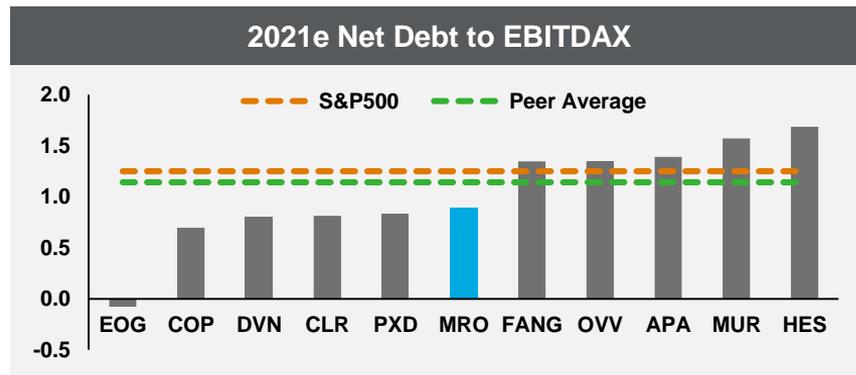
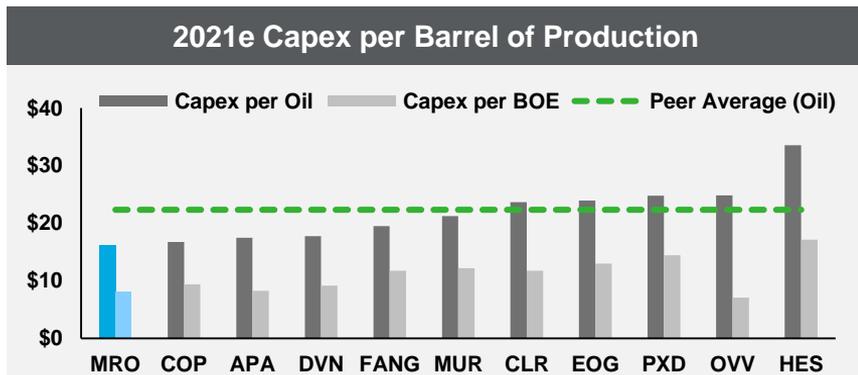
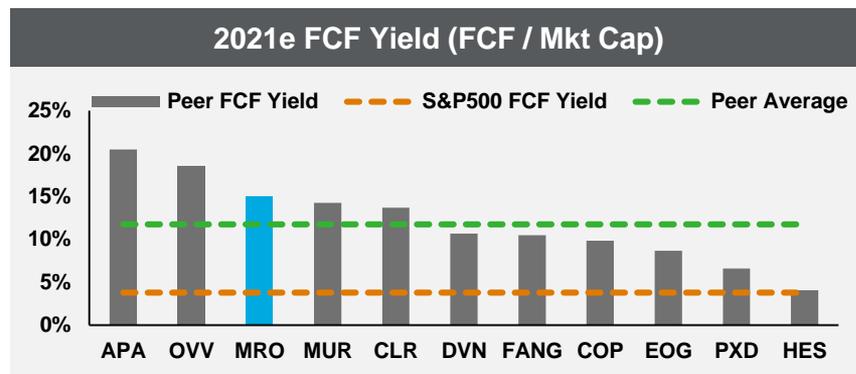
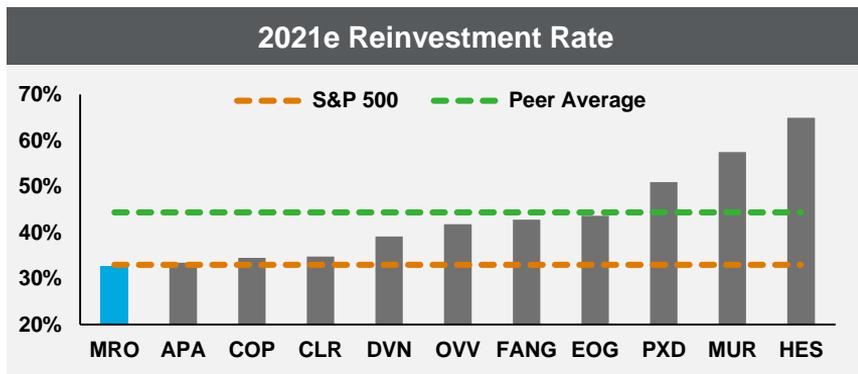
## 4Q21 Cash Flow from Operations & Return of Capital



See Appendix for definitions and footnotes

# 2021 Plan Update: Outperforming E&P Peers and S&P 500

Top tier capital efficiency, free cash flow, and balance sheet



Analysis based on FactSet Consensus values as of 10/27/2021

# U.S. Resource Play Update

## Eagle Ford

- 3Q21 production of **95** net MBOED with **29** gross operated wells to sales
- 3Q21 CWC<sup>1</sup> of **~\$575** per lateral foot, outperforming target
- **3Q21 capital efficiency** (oil IP30 / well cost) **best in asset history**; **>50%** of 3Q wells to sales outside of Karnes County
- Expect **~20** gross operated wells to sales during 4Q21

## Oklahoma

- 3Q21 production averaged **55** net MBOED with **4** gross operated wells to sales
  - **1** Springer well achieved IP30 of **2,160** BOED (**83%** oil)
- Expect **4** gross operated wells to sales during 4Q21

## Bakken

- 3Q21 production of **107** net MBOED with **27** gross operated wells to sales
- 3Q21 production exceeded sales by **~3** MBOPD due to previously disclosed DAPL expansion line-fill
- 3Q21 CWC of **~\$390** per lateral foot, outperforming target
- Expect **~25** gross operated wells to sales during 4Q21

## Permian

- 3Q21 Northern Delaware production averaged **21** net MBOED with **3** gross operated wells to sales
- Completed 2021 Resource Play Exploration drilling program with **first multi-well pad** in **Texas Delaware Oil Play**

See Appendix for definitions and footnotes

# Resource Play Exploration Update: Texas Delaware Oil Play

Strong early results from initial multi-well pad

## Early Rates Outperforming Best of Delaware Basin

- Recently brought online **first multi-well pad** in play
- Initial production rates are exceeding expectations** in both the **Woodford** and **Meramec**
  - 2,080 BOPD IP30** best ever in industry for the Woodford formation

Well	Lateral Length	IP24 BOPD	IP24 BOED	IP30 BOPD	IP30 BOED	Water Oil Ratio
Woodford #1	7,500	2,330	3,520	2,080	3,140	0.5
Woodford #2	7,500	1,890	2,990	TBD	TBD	0.5
Meramec	7,500	1,220	1,910	TBD	TBD	0.7

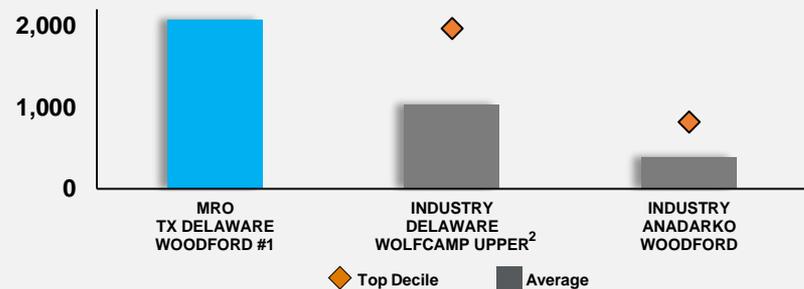
- Total of **9** wells (**6** Woodford, **3** Meramec) now brought online since play entry
- 6** wells with longer history have demonstrated 180-day oil productivity comparable to industry Upper Wolfcamp, oil cut of **>60%**, water oil ratio **<1**, and shallow decline

See Appendix for definitions and footnotes

## Texas Delaware Acreage Overview (~50K net acres)



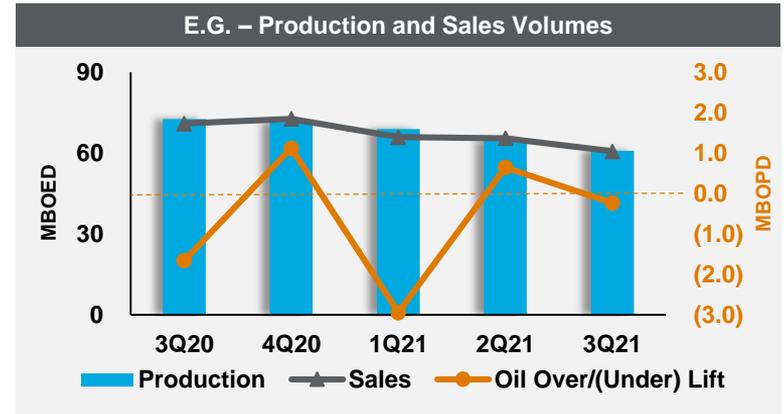
## Woodford Benchmarking – Recent IP30 Oil<sup>1</sup> (bopd)



# Equatorial Guinea Update

World class gas development generates significant FCF

- 3Q21 production of **61** net MBOED with production costs of **\$2.17** per BOE
- 3Q21 equity earnings of **\$86MM** vs. cash dividends of **\$47MM**
- 2021 equity income guidance raised to **\$235MM** to **\$255MM**<sup>1</sup>; **~30%** increase from prior guidance
- Unplanned outage experienced late 3Q; operations resumed November 1st



See Appendix for definitions and footnotes

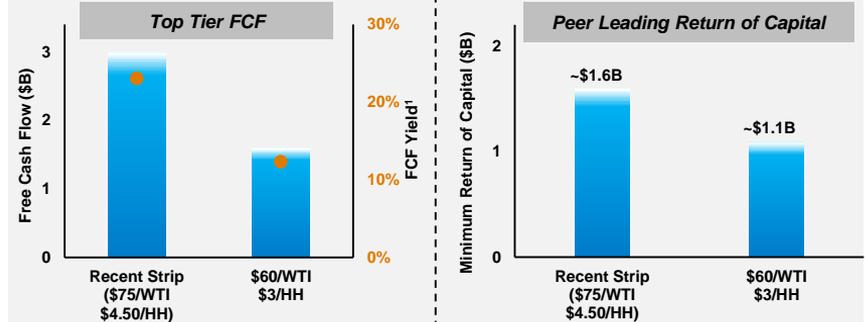
# 2022 Outlook: Priorities Unchanged, Peer Leading Return of Capital

Capital allocation framework prioritizes the shareholder as the first call on cash flow generation

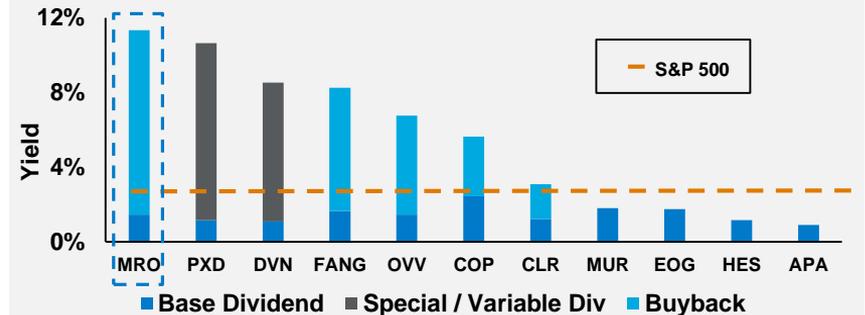
## Positioned for Top Tier FCF & Return of Capital in 2022

- Core financial priorities to remain unchanged: disciplined **reinvestment rate**, strong **corporate returns**, sustainable **free cash flow**, meaningful **return of capital**
- Differentiated return of capital framework means **the shareholder gets the first call on cash flow**
- 2022 Maintenance Scenario is case to beat; prioritizes **top tier FCF** over growth capital
- Target to return **at least 40%** of CFO to equity investors at **\$60/bbl** or higher WTI provides a **peer leading return of capital profile**
  - 2022 minimum return to equity holders of **~\$1.6B** at **recent strip** and **~\$1.1B** at **\$60/bbl WTI**
  - With price support above \$60/bbl WTI, **additional capacity to exceed** minimum 40% of CFO target
- Share repurchase authorization increased to **\$2.5B** and no material debt maturities in 2022

## 2022E Maintenance Scenario Financial Outcomes



## 2022E Cash Distributions Yields per Frameworks & Consensus<sup>2</sup>



See Appendix for definitions and footnotes



# APPENDIX

# Competitively Advantaged Multi-Basin Portfolio

High quality U.S. assets complemented by FCF generative integrated E.G. business

## Bakken

~255k net acres



## SCOOP / STACK

~250k net acres



## Permian

~135k net acres



## Eagle Ford

~160k net acres

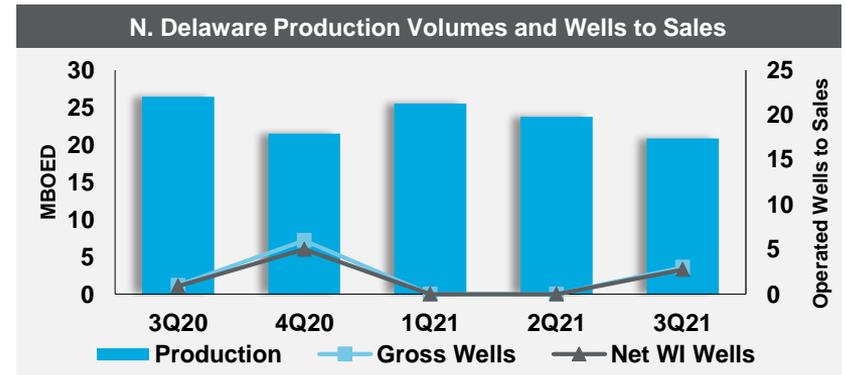
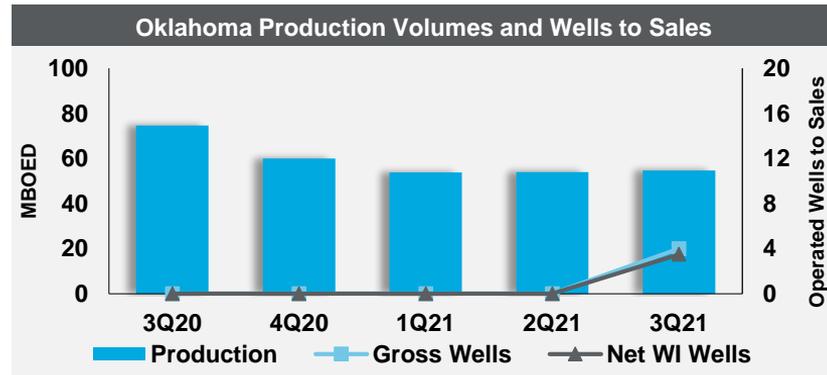
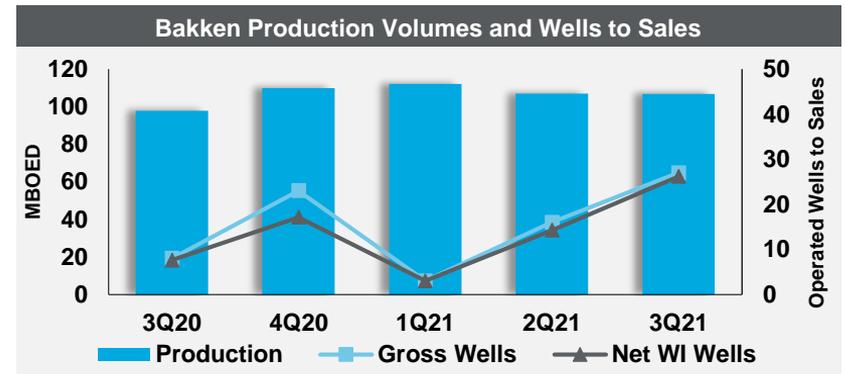
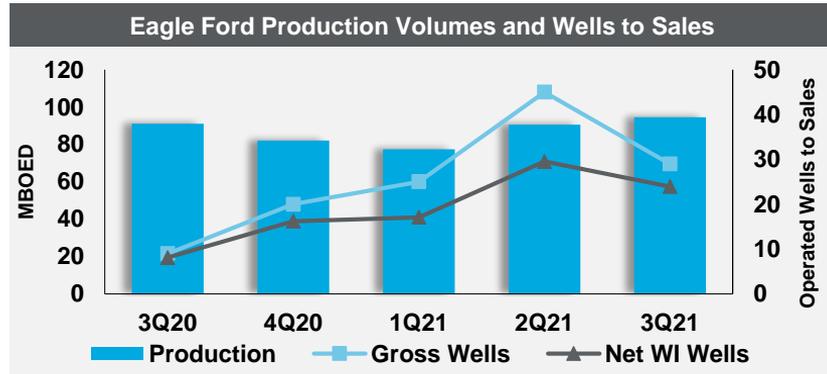


## Equatorial Guinea

- Operated interest in Alba field PSC
- Equity interests in world-class integrated gas infrastructure uniquely positioned for continued gas aggregation



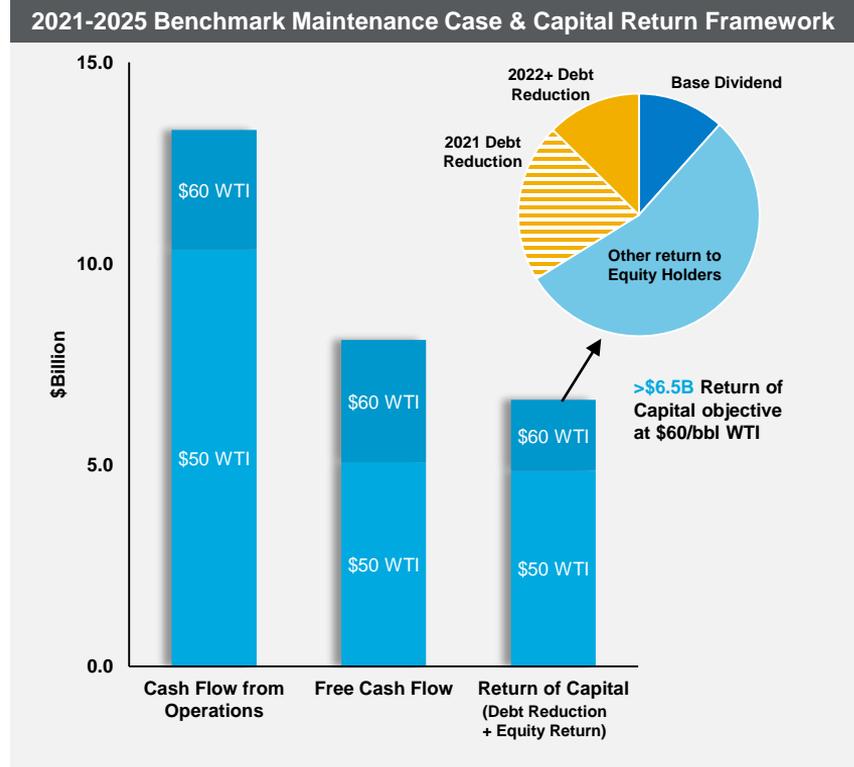
# 3Q21 U.S. Resource Play Production and Wells to Sales



# Five Year Benchmark Maintenance Scenario

## Integrating our capital allocation priorities with our Maintenance Scenario

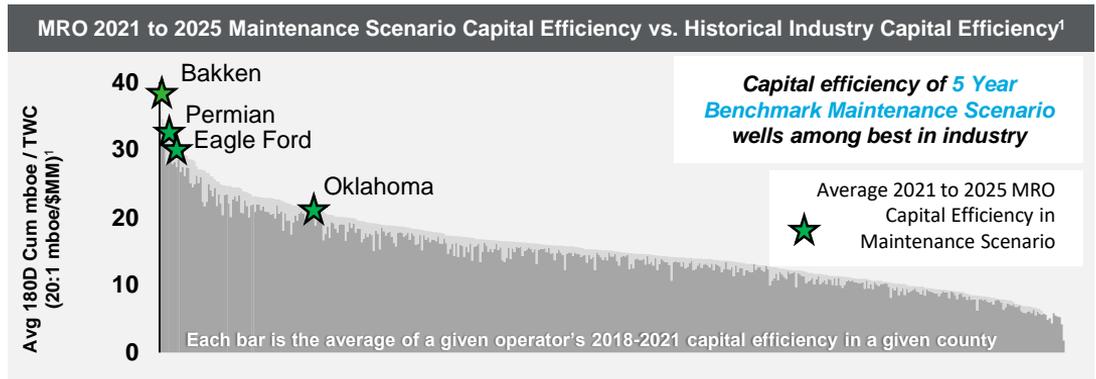
- Material and sustainable free cash flow generation
  - Cumulative FCF of **~\$8B**, reinvestment rate of **~40%**, at flat **\$60/bbl** WTI and **\$3/MMBtu** Henry Hub
  - Cumulative FCF of **~\$5B**, reinvestment rate of **~50%**, at flat **\$50/bbl** WTI and **\$3/MMBtu** Henry Hub
- Maintenance Scenario and Return of Capital Framework highlight potential for material return of capital to investors
  - Targeting **>\$1B** per annum to equity holders at **\$60/bbl**
  - Beyond 2021, anticipate retiring debt at maturity
- Corporate FCF breakeven below **\$35/bbl** WTI, capital allocation across multi-basin portfolio, and **~\$100MM** of cumulative GHG reduction spend
  - Permian and Oklahoma comprise **20% to 30%** of annual Resource Play capital beyond 2021



# Top Tier Portfolio Drives Sustainability

Positioned for continued industry leading capital efficiency

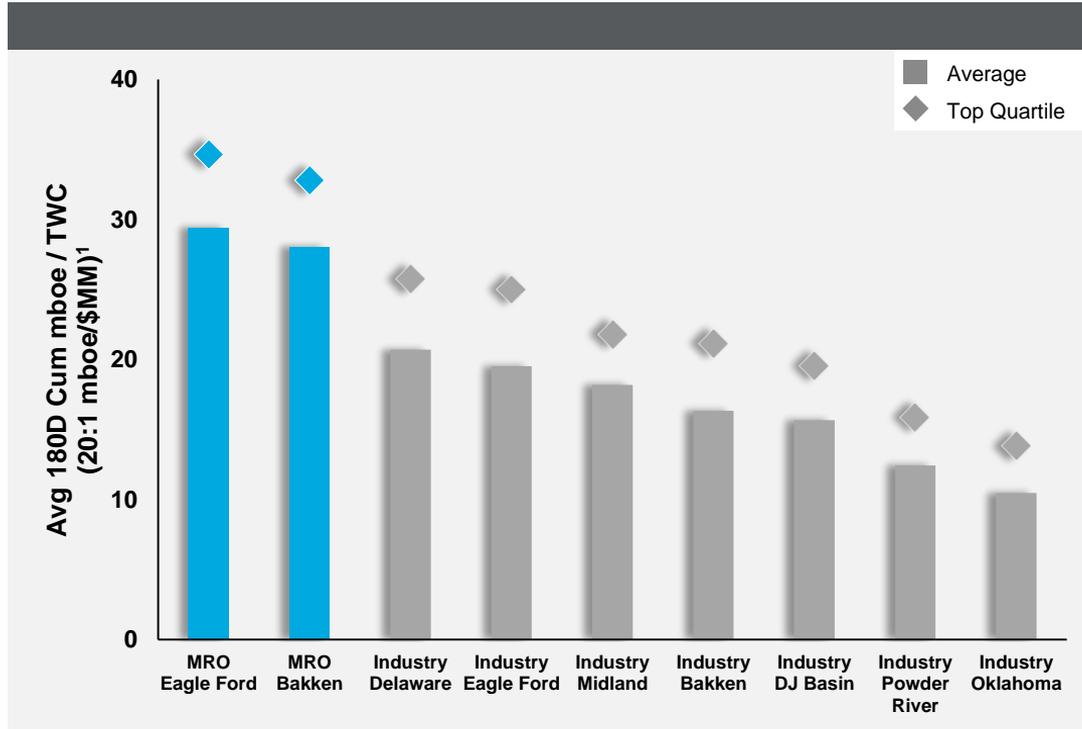
- Established track record of top tier **capital efficiency** across broader Bakken and Eagle Ford positions per independent third party data
- Sustainability** of capital efficiency advantage demonstrated by 5 Year Benchmark Maintenance Scenario
- High quality inventory** across multi-basin portfolio underpins delivery of consistently strong financial outcomes



See Appendix for definitions and footnotes

# Eagle Ford and Bakken Capital Efficiency Best of U.S. Shales

MRO's average results exceed industry top quartile of all U.S. Basins

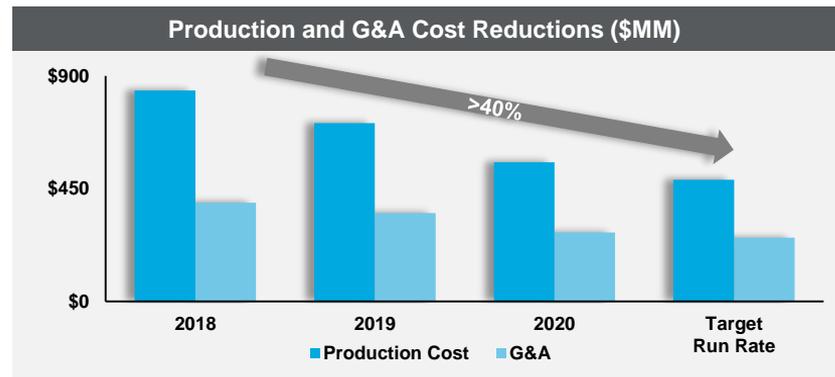
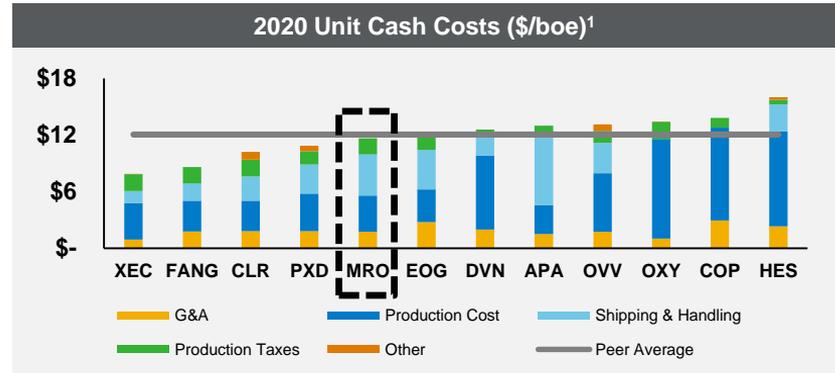


See Appendix for definitions and footnotes

# 2021 Plan: Continuously Optimizing our Cost Structure

Additional action taken to continue multi-year cost reduction trend

- All-in 2020 unit cash cost structure **~7%** below peer average; top quartile among multi-basin peers
- Multi-year track record of cash cost reductions
  - Achieved **>20%** reduction to production and G&A costs in 2020 vs. 2019
  - Achieved G&A reduction of **23%** in 2020 vs 2019
- Additional action taken in 2021 to continue cost reduction trend
  - Targeting **~30%** reduction to production and G&A costs vs. 2019 (**~40%** reduction vs. 2018)
  - **25%** reduction to CEO & Board compensation; **10% to 20%** reduction to other corporate officer compensation
  - Workforce reduction, corporate aircraft termination, various other cost reduction initiatives



See Appendix for definitions and footnotes

# ESG Excellence: Safety & Environmental Performance

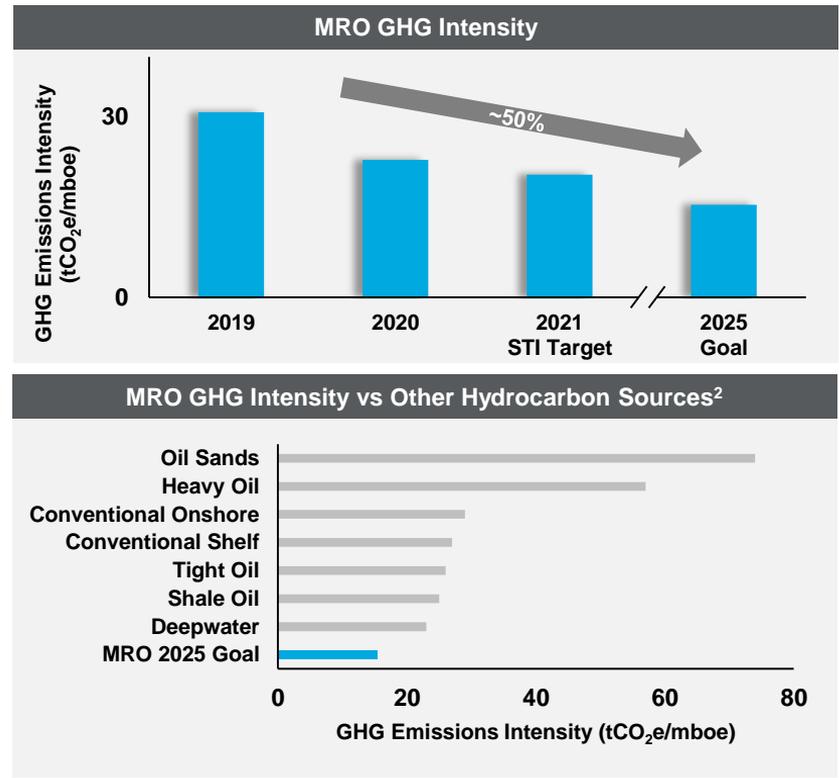
Driving continuous improvement in GHG emissions intensity

## Significant Progress to Date

- **Top quartile** safety performance in 2019 and 2020
- **0.31** TRIR YTD following record annual safety performance in 2020 (**0.24** TRIR)
- **2020** GHG emissions intensity reduced by **25%** vs. **2019**
- 3Q21 total Company gas capture<sup>1</sup> of **>99%**

## Committed to Continuous Improvement

- 2021 GHG emissions intensity target of **30%** reduction included in STI scorecard
- Medium-term goal to reduce GHG emissions intensity by at least **50%** by 2025
- Identified **~\$100MM** of GHG projects to assist in achieving 2025 goal



See Appendix for definitions and footnotes

# ESG Excellence: Executive Compensation Reduced and Redesigned

Continuing to enhance alignment with shareholders; growth metrics eliminated

## Executive & Board Compensation Reduced

- CEO and Board total compensation reduced by **25%**<sup>1</sup>
- Board compensation mix shifted more toward equity
- CEO compensation mix further aligned with broader industry norms; long-term incentive (LTI) reward reduced **35%**
- Compensation for other senior officers reduced by **10%** to **20%**

## Compensation Framework Redesigned

- Short-term incentive (STI) scorecard simplified to better reflect MRO **financial and ESG framework**
- All production and growth metrics **eliminated** from bonus scorecard
- LTI framework promotes strong performance vs. broader market and incentivizes FCF generation; all LTI vehicles denominated in shares

STI Scorecard Consistent with Financial and ESG Framework	
Key Focus Area	Compensation Metric
Safety	TRIR
ESG Excellence	GHG Emissions Intensity
Capital Efficiency / FCF	Corporate FCF Breakeven
Capital Discipline / FCF	Reinvestment Rate
Financial Returns / Balance Sheet	Cash Flow per Debt Adjusted Share

Key Changes to LTI Framework	
Key Change	Objective
Three LTI Vehicles (RSUs, TSR PSUs, FCF PSUs), all denominated in shares <sup>2</sup>	Further diversifies LTI Metrics; tied to share performance & ownership
S&P 500 and S&P Energy added to peer group for TSR PSUs	Mitigates overreliance on TSR vs. E&P peers; promotes strong performance vs. broader market
Introduction of FCF PSUs	Underscores commitment to sustainable FCF

See Appendix for definitions and footnotes

# 2021 Production Guidance & Capital Budget

Midpoint of 2021 total Company oil and oil-equivalent production unchanged; 2021 capex unchanged

Net Production	Oil Production (MBOPD)				Equivalent Production (MBOED)			
	2021 Guidance	3Q21	2Q21	1Q21	2021	3Q21	2Q21	1Q21
United States	158 – 162	157	159	160	282 – 288	284	283	276
International	11 – 13	11	11	12	58 – 62	61	65	69
<b>Total Net Production</b>	<b>169 – 175</b>	<b>168</b>	<b>170</b>	<b>172</b>	<b>340 – 350</b>	<b>345</b>	<b>348</b>	<b>345</b>

- Midpoint of full year 2021 total Company oil and oil-equivalent production guidance unchanged; midpoint of 2021 U.S. oil-equivalent production raised by 5 MBOED; midpoint of 2021 international oil-equivalent production reduced by 5 MBOED
- 4Q21 total Company oil production expected to increase to 176 to 180 MBOPD in comparison to 3Q21 production of 168 MBOPD
- 4Q21 total Company oil-equivalent production expected to be similar to 3Q21 production of 345 MBOED

Capital Budget Reconciliation (\$MM)	2021 Budget/ Guidance	2021 YTD	3Q21	2Q21	1Q21
Cash additions to Property, Plant and Equipment (PPE)		772	289	274	209
Working Capital associated with PPE		9	19	15	(25)
<b>Total Capital Expenditures</b>	<b>1,000</b>	<b>781</b>	<b>308</b>	<b>289</b>	<b>184</b>

- 3Q21 represents the peak quarter for 2021 capital expenditures

See the 3Q21 Investor Packet at <https://ir.marathonoil.com/> for non-GAAP reconciliations of total capital expenditures

# 2021 Cost, Tax Rate, and Equity Method Guidance

EG equity income guidance raised by ~30%

	2021 Guidance
<b>United States Cost Data (\$ per BOE)</b>	
Production Operating	\$4.25 – 4.75
DD&A	\$19.00 – 20.00
S&H and Other <sup>1</sup>	\$4.75 – 5.75
<b>International Cost Data (\$ per BOE)</b>	
Production Operating	\$2.25 – 3.00
DD&A	\$2.50 – 3.50
S&H and Other <sup>1</sup>	\$0.75 – 1.25
<b>Expected Tax Rates by Jurisdiction:</b>	
United States and Corporate Tax Rate	–
Equatorial Guinea Tax Rate	25%
<b>Equity Method Investments:</b>	
Equatorial Guinea – Net Income from Equity Method Investments <sup>2</sup>	\$235 – 255MM

- Increased guidance range for S&H and Other for the International segment due to higher net profit expense associated with higher commodity prices and E.G. profitability

See Appendix for definitions and footnotes

# U.S. Crude Oil Derivatives as of November 1, 2021

	4Q21	1Q22	2Q22	3Q22	4Q22
<b>NYMEX WTI Three-Way Collars</b>					
Volume (Bbls/day)	40,000	40,000	40,000	20,000	20,000
Ceiling	\$78.05	\$91.13	\$91.13	\$92.80	\$92.80
Floor	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Sold put	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
<b>NYMEX WTI Two-Way Collars</b>					
Volume (Bbls/day)	40,000	-	-	-	-
Ceiling	\$58.92	-	-	-	-
Floor	\$39.25	-	-	-	-
<b>NYMEX Roll Basis Swaps</b>					
Volume (Bbls/day)	40,000	45,000	45,000	45,000	45,000
Weighted Avg Price per Bbl	\$1.15	\$0.56	\$0.56	\$0.56	\$0.56

# U.S. Natural Gas Derivatives as of November 1, 2021

	4Q21	1Q22
<b>Natural Gas</b>		
<b>Henry Hub (“HH”) Two-Way Collars</b>		
Volume (MMBtu/day)	200,000	-
<b>Weighted Avg Price per MMBtu</b>		
Ceiling	\$3.05	-
Floor	\$2.50	-
<b>Henry Hub (“HH”) Three-Way Collars</b>		
Volume (MMBtu/day)	-	50,000
<b>Weighted Avg Price per MMBtu</b>		
Ceiling	-	\$5.14
Floor	-	\$3.60
Sold Put	-	\$2.60
<b>HH Fixed Price Swaps</b>		
Volume (MMBtu/day)	50,000	-
Weighted average price per MMBtu	\$2.88	-

# NGL Derivatives as of November 1, 2021

	4Q21
<b>NGL</b>	
<b>Fixed Price Ethane Swaps<sup>1</sup></b>	
Volume (Bbls/day)	5,000
Weighted average price per Bbl	\$10.92
<b>Fixed Price Propane Swaps<sup>2</sup></b>	
Volume (Bbls/day)	5,000
Weighted average price per Bbl	\$23.19

See Appendix for definitions and footnotes

# Definitions and Footnotes

## Slide 6

- 1) Methodology and definitions based on information from online 2020 MRO Sustainability Report
- 2) Based on Total Recordable Incident Rate; TRIR measures combined employee and contractor workforce incidents per 200,000 work hours
- 3) Greenhouse Gas (GHG) intensity: as measured by metric tonnes carbon dioxide equivalent (CO<sub>2</sub>e) emissions per thousand barrels of oil equivalent of hydrocarbons produced from Marathon Oil-operated facilities. Reductions are relative to 2019 GHG emissions intensity
- 4) Gas Capture Percentage: the percentage by volume of wellhead natural gas captured upstream of low pressure separation and/or storage equipment such as vapor recovery towers and tanks

## Slide 8

- 1) >\$2.0B of expected 2021 FCF at \$68/bbl WTI, \$3.80/MMBtu, and U.S. NGL realizations at 44% of WTI comprised of approximately \$3.2B of net cash provided by operating activities adjusted for working capital and EG return of capital and other less approximately \$1.0B of capital expenditures
- 2) Cumulative FCF of approximately \$8.0 billion for 5 Year Benchmark Scenario at flat \$60/bbl WTI, \$3.00/MMBtu and U.S. NGL realizations at 28% of WTI comprised of approximately \$13.0B to \$13.5B of cumulative net cash provided by operating activities adjusted for working capital and EG return of capital and other less approximately \$5.0 to \$5.5B of cumulative capital expenditures
- 3) Relative to 2020 before temporary reductions

## Slide 9

- 1) Includes \$41MM of changes in operating working capital and \$19MM of working capital changes associated with investing activities
- 2) Includes \$(20)MM of changes in operating working capital and \$9MM of working capital changes associated with investing activities

## Slide 10

- 1) Assumes U.S. NGL 4Q21 realizations at 45% of WTI

## Slide 11

- 1) CFO: Cash Flow from Operations + E.G. Return of Capital and Other

## Slide 13

- 1) CWC: completed well cost

## Slide 14

- 1) IP30s sourced from Enverus peak oil month using 2018+ TILs completed in the Anadarko and Wolfcamp Upper
- 2) Wolfcamp Upper inclusive of Third Bone Spring Sand, Wolfcamp XY, Wolfcamp A Upper, and Wolfcamp A Lower

## Slide 15

- 1) Assumes 2021 average prices of \$69/bbl WTI, \$3.75/MMBtu HH, and \$360/MT methanol

## Slide 16

- 1) Based on market capitalization as of 10/27/2021
- 2) Consensus cash flow, capex, and market capitalization estimates sourced from FactSet as of 10/27/2021. Cash distribution calculations based on Peer disclosed capital return frameworks; cash distribution yield equates to (dividends + buybacks) / market capitalization

## Slide 21

- 1) Capital efficiency defined as cumulative 6 month 20:1 mboe per total well cost (TWC) estimate from Enverus. Based on >26,000 US L48 horizontal oil wells with first production in 2018 or later, 6 months of production data and a TWC estimate from Enverus, and lateral length of >2000 ft. Wells grouped by operator then by county into sub-groups; sub-groups with <10 wells removed leaving >440 sub-groups with 10 or more wells

## Slide 22

- 1) Capital efficiency defined as cumulative 6 month 20:1 mboe per total well cost (TWC) estimate from Enverus. Population includes 26,000 wells from Anadarko, Delaware, DJ, Eagle Ford, Midland, Powder River, and Williston basins with first production since 2018, at least 6 months of production data, lateral length of at least 2000 ft, and TWC estimate available.

## Slide 23

- 1) 2020 unit cash costs based on 2020 disclosures per 10K – adjusted for severance and restructuring costs

## Slide 24

- 1) Gas Capture Percentage: the percentage by volume of wellhead natural gas captured upstream of low pressure separation and/or storage equipment such as vapor recovery towers and tanks
- 2) WoodMac: The Edge: Big Oil's Leaders Take on the Climate Challenge, 10/10/19

## Slide 25

- 1) Relative to 2020 before temporary reductions
- 2) RSUs are restricted stock units; TSR PSUs are relative total shareholder returns performance stock units; FCF PSUs are free cash flow performance stock units

## Slide 27

- 1) Excludes G&A expense
- 2) Equity Method Investment 2021 net income guidance based on \$69/bbl WTI, \$3.75/MMBtu HH, and \$360/MT Methanol

## Slide 30

- 1) The fixed price ethane swap is priced at OPIS Mont Belvieu Purity Ethane
- 2) The fixed price propane swap is priced at OPIS Mont Belvieu Non-TET Propane