

2019  
**FOURTH QUARTER  
EARNINGS**  
CONFERENCE CALL & WEBCAST  
JANUARY 30, 2020

**ROGER W. JENKINS**  
PRESIDENT & CHIEF EXECUTIVE OFFICER

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Cautionary Note to U.S. Investors – The United States Securities and Exchange Commission (SEC) requires oil and natural gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We may use certain terms in this presentation, such as “resource”, “gross resource”, “recoverable resource”, “net risked PMEAN resource”, “recoverable oil”, “resource base”, “EUR” or “estimated ultimate recovery” and similar terms that the SEC’s rules prohibit us from including in filings with the SEC. The SEC permits the optional disclosure of probable and possible reserves in our filings with the SEC. Investors are urged to consider closely the disclosures and risk factors in our most recent Annual Report on Form 10-K filed with the SEC and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K that we file, available from the SEC’s website.

Forward-Looking Statements – This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified through the inclusion of words such as “aim”, “anticipate”, “believe”, “drive”, “estimate”, “expect”, “expressed confidence”, “forecast”, “future”, “goal”, “guidance”, “intend”, “may”, “objective”, “outlook”, “plan”, “position”, “potential”, “project”, “seek”, “should”, “strategy”, “target”, “will” or variations of such words and other similar expressions. These statements, which express management’s current views concerning future events or results, are subject to inherent risks and uncertainties. Factors that could cause one or more of these future events or results not to occur as implied by any forward-looking statement include, but are not limited to: increased volatility or deterioration in the success rate of our exploration programs or in our ability to maintain production rates and replace reserves; reduced customer demand for our products due to environmental, regulatory, technological or other reasons; adverse foreign exchange movements; political and regulatory instability in the markets where we do business; natural hazards impacting our operations; any other deterioration in our business, markets or prospects; any failure to obtain necessary regulatory approvals; any inability to service or refinance our outstanding debt or to access debt markets at acceptable prices; or adverse developments in the U.S. or global capital markets, credit markets or economies in general. For further discussion of factors that could cause one or more of these future events or results not to occur as implied by any forward-looking statement, see “Risk Factors” in our most recent Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC) and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K that we file, available from the SEC’s website and from Murphy Oil Corporation’s website at <http://ir.murphyoilcorp.com>. Murphy Oil Corporation undertakes no duty to publicly update or revise any forward-looking statements.

Non-GAAP Financial Measures – This presentation refers to certain forward looking non-GAAP measures such as future “Free Cash Flow”. Definitions of these measures are included in the appendix.

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# Executing Our 2019 Plan



## PRODUCING

Oil-Weighted  
Assets

Produced 173 MBOEPD in  
FY 2019, ~60% oil

Increased Gulf of Mexico  
production >200% from  
FY 2018

Increased Eagle Ford Shale  
production >23% from  
4Q 2018

Accelerated oil-weighted growth  
in long-term plan



## GENERATING

High Margin  
Realizations

94% oil volumes sold at  
premium to WTI in FY 2019

Adjusted EBITDA \$404 MM  
4Q 2019

\$23 adj. EBITDA/BOE  
4Q 2019

Generated \$145 MM of free  
cash in FY 2019



## INCREASING

Capital Returns  
to Shareholders

Returned >\$660 MM to  
shareholders in FY 2019

Completed \$500 MM  
share buyback program

Delivered 4% dividend yield

Benefitted shareholders within  
cash flow including sale  
proceeds



## TRANSFORMING

Portfolio for  
Future Value

Closed Gulf of Mexico and  
Malaysia transactions

Transformed into a top 5  
Gulf of Mexico operator  
by production

Issued Inaugural  
Sustainability Report

Added new blocks in Sergipe-  
Alagoas and Potiguar basins  
in Brazil

Drilled successful wells in Gulf  
of Mexico, offshore Mexico  
and Vietnam



## BUILDING

Profitable  
Production

Brought 91 operated wells  
online in Eagle Ford Shale

Sanctioned several Gulf of  
Mexico projects set to deliver  
sustainable FCF

Successfully completed multiple  
workovers and tiebacks in Gulf  
of Mexico on schedule

*Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated  
Free cash generated includes NCI*

# 2019 Production Update

4Q 2019 and FY 2019 Production

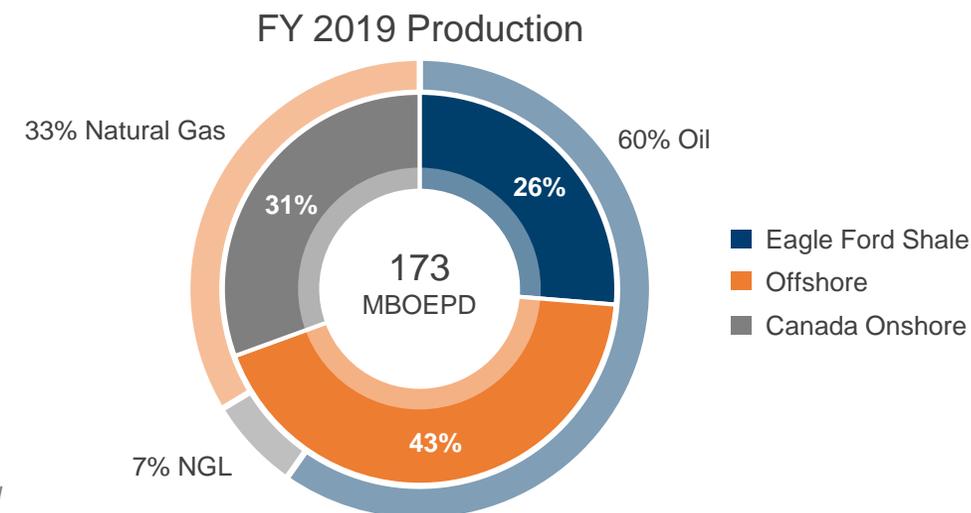
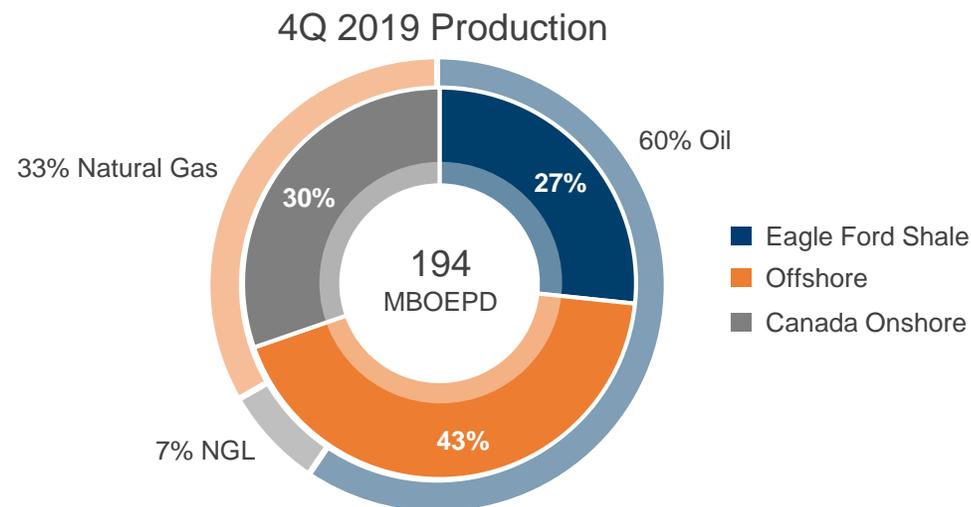
## 4Q 2019 Production 194 MBOEPD, 67% Liquids

- >115,000 BOPD oil production
- Gulf of Mexico (3,500) BOEPD
  - (1,500) BOEPD at Neidermeyer (Mississippi Canyon 209) subsea equipment malfunction
  - (1,900) BOEPD extended non-operated downtime
- Canada offshore (1,000) BOEPD
  - Extended non-operated downtime at Terra Nova
- Eagle Ford Shale (3,600) BOEPD
  - Workover activity on higher rate Catarina wells
  - New East Tilden wells outperforming historical rates but below current corporate forecast

## FY 2019 Production 173 MBOEPD, 67% Liquids

- >103,000 BOPD oil production
- Increased oil volumes 14% from FY 2018
- 57% onshore, 43% offshore

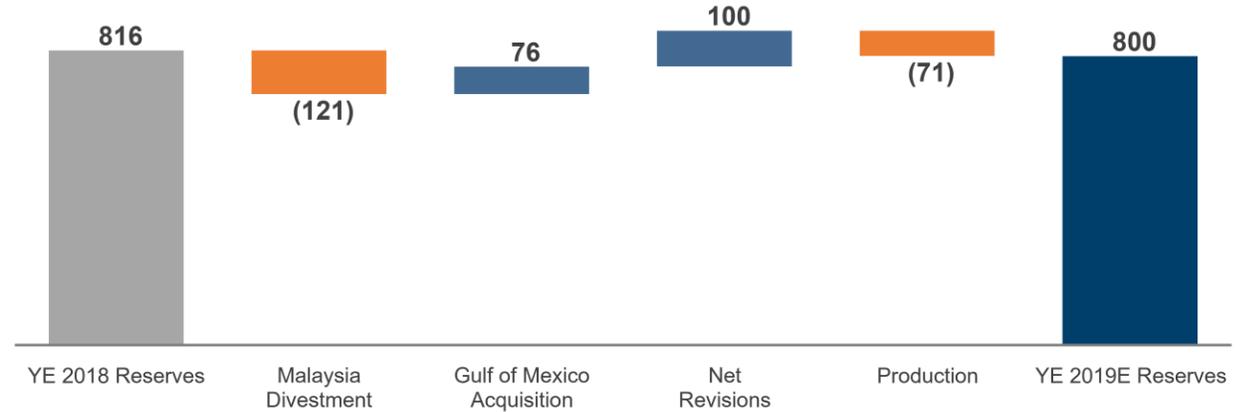
*Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated  
FY 2018 oil volumes include contribution from Malaysia assets*



# Maintaining High-Margin Reserves in 2019

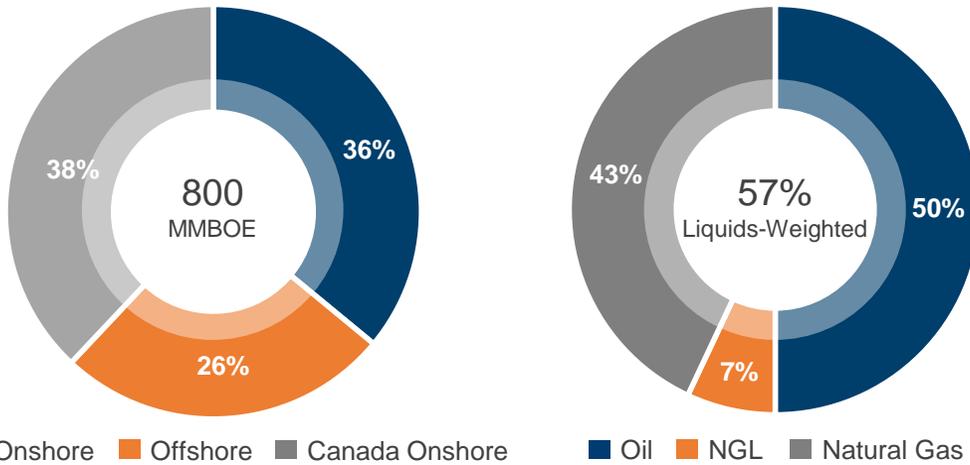
- Sustaining 50% oil-weighted portfolio
- Organic reserves replacement 172%
- Increased proved developed reserves from 50% to 57% year-over-year
- 3-year average total F&D cost of \$12.95/BOE
- Reserve life index of 11.8 years

Proved Reserves *MMBOE*

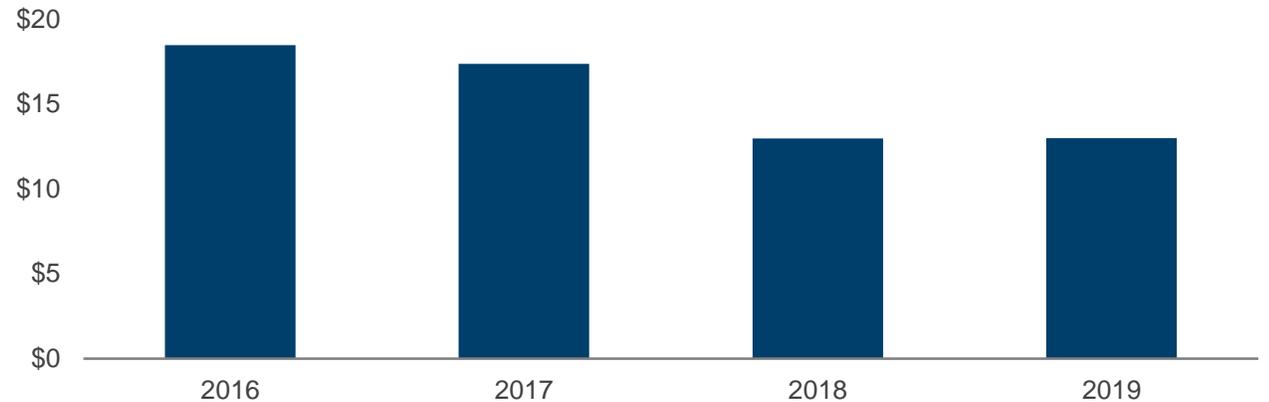


Malaysia divestment of 121 MMBOE excludes 7 MMBOE attributable to production

2019E Proved Reserves



Lowering 3-Year Average Organic F&D Costs *\$/BOE*



Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated  
Reserves are based on preliminary SEC year-end 2019 audited proved reserves and exclude noncontrolling interest

# 4Q 2019 Financial Results

## 4Q 2019 Results

- Net loss \$72 MM
- Adjusted net income \$25 MM

## 4Q 2019 Accounting Adjustments

- One-off income adjustments after-tax:
  - MTM loss on crude oil derivatives \$106 MM
  - MTM loss on contingent consideration \$7 MM
  - Loss on extinguishment of debt \$25 MM

## 4Q 2019 *(\$MM Except Per Share)*

### Net Income Attributable to Murphy

Income (loss)	(\$72)
\$/Diluted share	(\$0.46)

### Adjusted Income from Cont. Ops.

Adjusted income (loss)	\$25
\$/Diluted share	\$0.16

*Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated*

# Maintaining Financial Discipline & Balance Sheet Strength

## 4Q 2019 Cash Flow from Continuing Operations

- Cash flow exceeded property additions and dry hole costs by \$1 MM
- \$57 MM working capital increase
- \$16 MM non-cash long-term compensation

## Other Highlights

- Completed \$500 MM share repurchase program
- Issued \$550 MM of 5.875% senior notes due 2027
  - Proceeds used to repurchase aggregate \$521 MM of senior notes due 2022
- Net debt / annualized adjusted EBITDAX of 1.5x at 4Q 2019

*Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated  
Free cash flow includes NCI*

Cash Flow Attributable to Murphy (\$MM)	4Q 2019	FY 2019
Net cash provided by continuing operations	\$336	\$1,489
Property additions and dry hole costs	(\$335)	(\$1,344)
<b>Free Cash Flow</b>	<b>\$1</b>	<b>\$145</b>

Adjusted EBITDA Attributable to Murphy (\$MM)	4Q 2019	FY 2019
EBITDA attributable to Murphy	\$289	\$2,460
Discontinued operations (income)	(\$37)	(\$1,065)
Mark-to-market loss on crude oil derivatives contracts and contingent consideration	\$142	\$42
Other	\$10	\$77
<b>Adjusted EBITDA</b>	<b>\$404</b>	<b>\$1,514</b>

# Achieving Premium Oil-Weighted Realizations

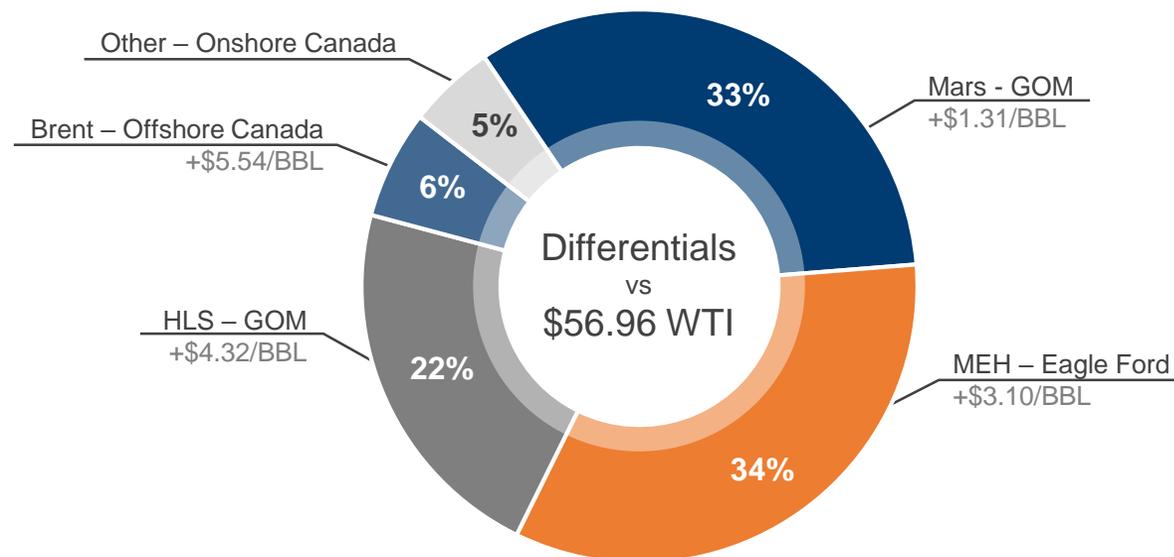


**>112,000** BBLs/Day  
SOLD 4Q 2019

**95% SOLD**  
At Premium  
to \$56.96 WTI

	Eagle Ford Shale	North America Offshore
EBITDA/BOE 4Q 2019 FIELD-LEVEL	<b>\$31</b> /BOE	<b>\$30</b> /BOE

Sales Volumes & Differential Basis  
4Q 2019 Total Company



Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated

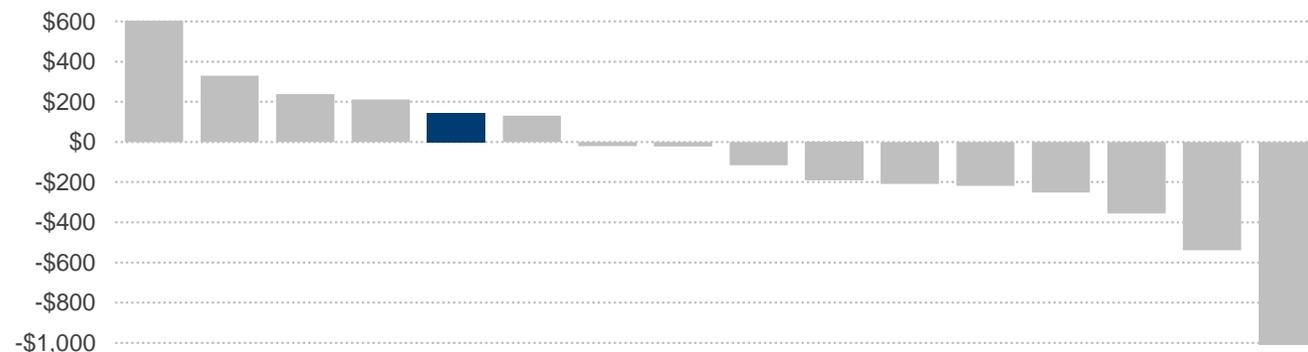
# Accelerating Returns to Shareholders

## Disciplined and Flexible Strategy

- Returned >\$660 MM cash in 2019
  - >\$500 MM in share repurchases
  - Repurchased 12% of shares outstanding
- Generated free cash flow<sup>1</sup> in 2019
- No equity issuances
- Delivered industry leading dividend yield
- Returned >\$3.9 BN cash since 2012
  - Repurchased >\$1.8 BN shares since 2012
  - >22% of shares outstanding
- Continued focus on generating cash flow in excess of capital spending and dividends

<sup>1</sup> Free cash flow calculated as cash flow from operations less annual CAPEX, excluding proved property additions and including noncontrolling interest

Free Cash Flow (\$MM) 2019E

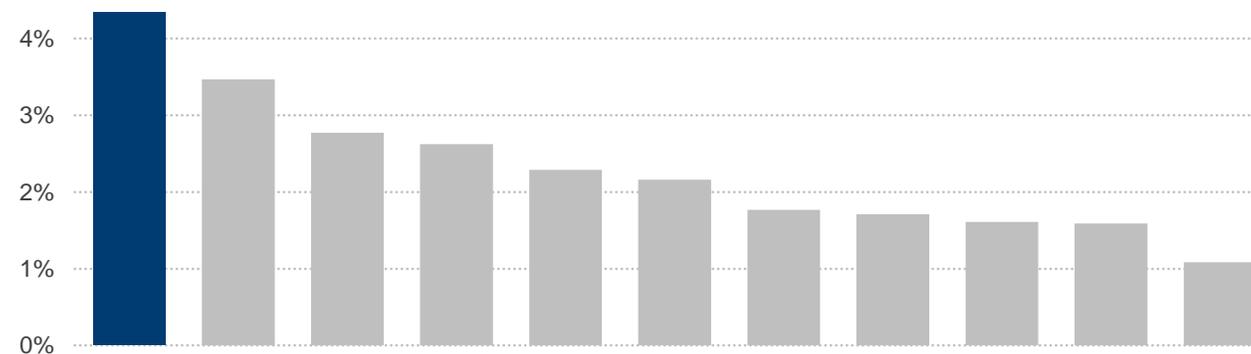


Note: FCF = 2019E Median Consensus Cash Flow from Operations less Annual CAPEX at 1/28/2020

Source: FactSet

Peer Group: APA, CHK, CNX, COG, DVN, ECA, HES, MRO, MTDR, NBL, RRC, SM, SWN, WLL, XEC

Dividend Yield



Source: FactSet at 1/28/2020

Peer Group: APA, CHK, CNX, COG, DVN, ECA, HES, MRO, MTDR, NBL, RRC, SM, SWN, WLL, XEC

Note: No dividend paid by CHK, CNX, MTDR, SWN, WLL

# Effective Governance Supports Long-Term Financial Strength

## Expert and Independent Board



Long-term industry, operating and HSE expertise

Separate CEO and Chairman

12 out of 13 directors are independent

Board of Directors elected with average vote of 99% over past 5 years

## ESG Management



Health, Safety and Environmental Committee established in 1994

- Worldwide HSE policy and management system applied to every employee, contractor and partner

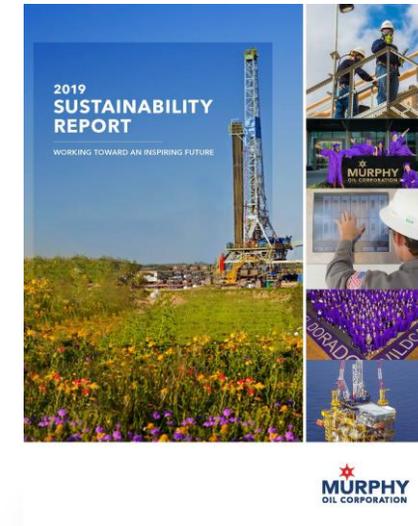
Safety and environmental metrics in annual incentive plan performance since 2008

Climate change focus

- Emissions forecasting in long-term planning improves full-cycle asset management
- Developed guiding principles for climate change

 **75%**

ISS Governance Score  
vs Peer Average



# Mitigating Risk Through Sustainable Environmental Operations

## Safe Operations



0.36 average TRIR over past 5 years (vs 4-year average of 0.38 for US E&P companies\*)

Eagle Ford Shale well work 5.5 years lost time incident free

Gulf of Mexico 7.5 years lost time incident free

## Environmental Management



One IOGP\*\* recordable spill in 2019, equaling rate of 1.2 BBLs per MMBOE

Gulf of Mexico IOGP spill free since 2014

Recycle 100% of produced water in Tupper Montney

## GHG Emissions Reduction



50% reduction in GHG emissions anticipated from 2018 – 2020

Potential for long-term reductions with natural gas-fueled frac pumps in NA Onshore



Proud member of

THE ENVIRONMENTAL PARTNERSHIP

\* Company reported data as of FY 2018, sourced from Bloomberg

\*\* IOGP – International Association of Oil & Gas Producers

**Internal targets for incident rate, spill rate and emissions drive continual improvement**

# Onshore Portfolio Update



**MURPHY**  
OIL CORPORATION



# Eagle Ford Shale

4Q 2019 and FY 2019 Update

## FY 2019 45 MBOEPD, 76% Oil, 89% Liquids

- 91 operated, 9 non-operated wells online
- Increased oil weighting from 73% at FY 2018

## 4Q 2019 50 MBOEPD, 77% Oil, 89% Liquids

- Production increased >23% from 4Q 2018
- 18 wells online
  - 8 Tilden – Lower EFS
  - 10 Catarina – 9 Lower EFS, 1 Upper EFS

## Lowered Drilling and Completions Costs

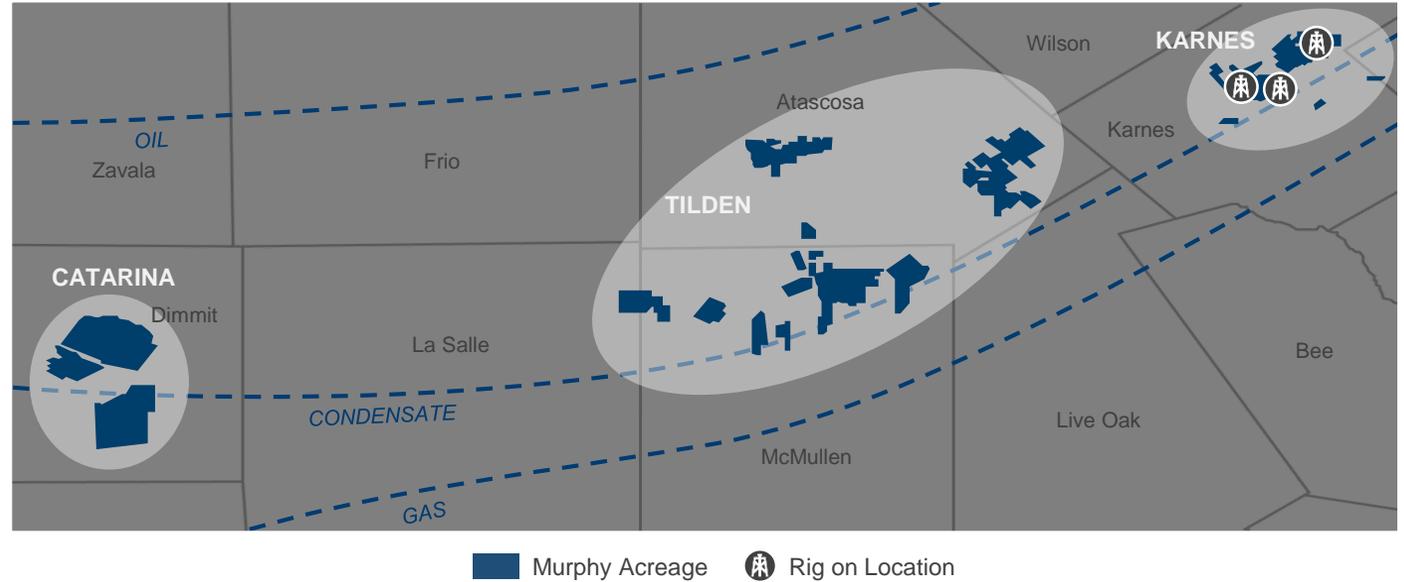
- <\$6 MM average per well in FY 2019

## Improved IP30 Rates in 2019

- Increased median IP30 oil rates >18% from 2018
- Increased median IP30 oil rates >50% from 2016

Note: EFS = Eagle Ford Shale

## Eagle Ford Shale Acreage



## EUR per Well MBOE by Year



Note: Interquartile range shows difference between 75<sup>th</sup> and 25<sup>th</sup> percentile of well EURs

# Kaybob Duvernay

4Q 2019 and FY 2019 Update

## FY 2019 10 MBOEPD, 54% Oil, 65% Liquids

- 16% production increase over FY 2018
- 10 wells online
- Well performance exceeded expectations by 17%

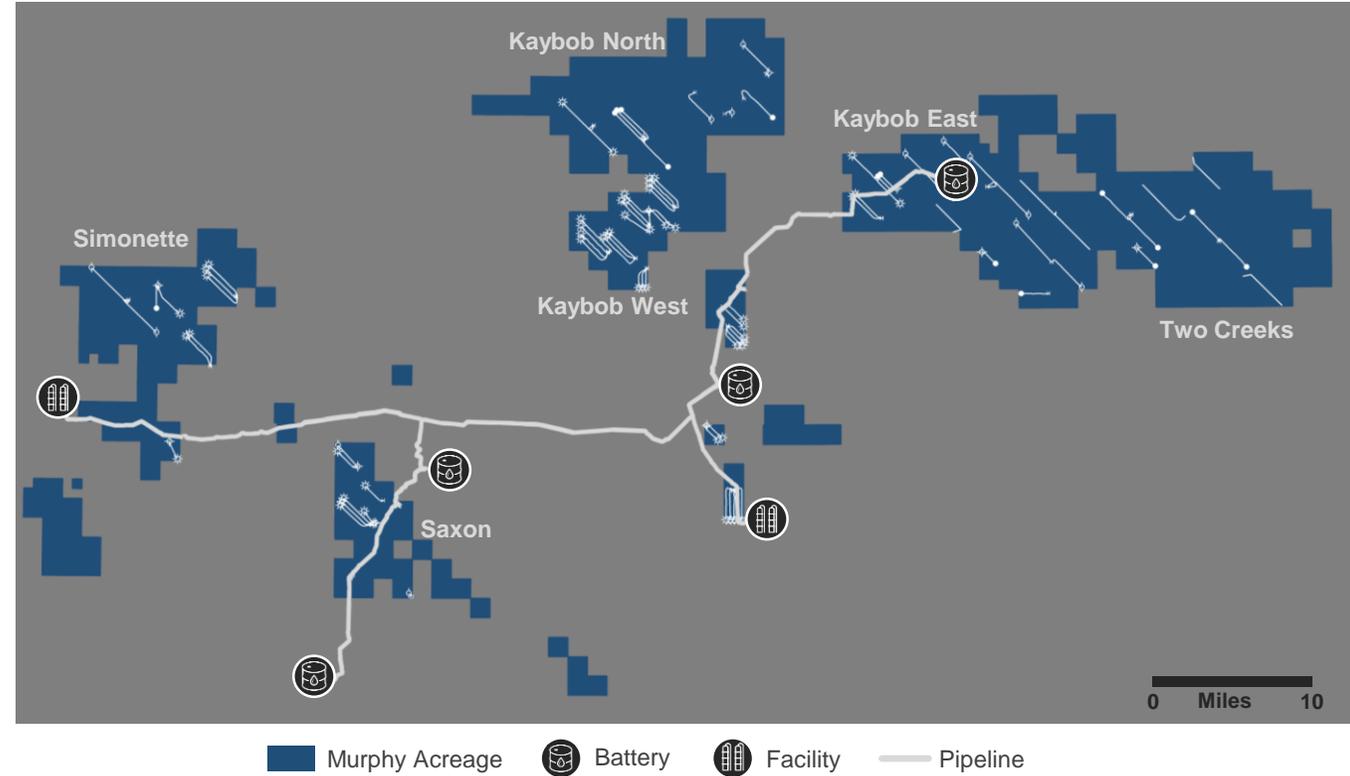
## 4Q 2019 9 MBOEPD, 55% Oil, 68% Liquids

- 8 wells drilled for lease retention

## Strong Results in 2019

- Drilled and completed lowest cost well <\$6.3 MM
- Drilled longest lateral to-date >13,600'
- Drilled fastest well to-date <12 days
- Utilizing bi-fuel to reduce diesel costs and greenhouse gas emissions
  - Achieved >30% CO<sub>2</sub> reduction in emissions
  - Resulted in CAPEX savings

Kaybob Duvernay Acreage



# Tupper Montney

4Q 2019 and FY 2019 Update

## FY 2019 243 MCFD

- 8 wells online
- Generated positive free cash for the year

## 4Q 2019 260 MCFD

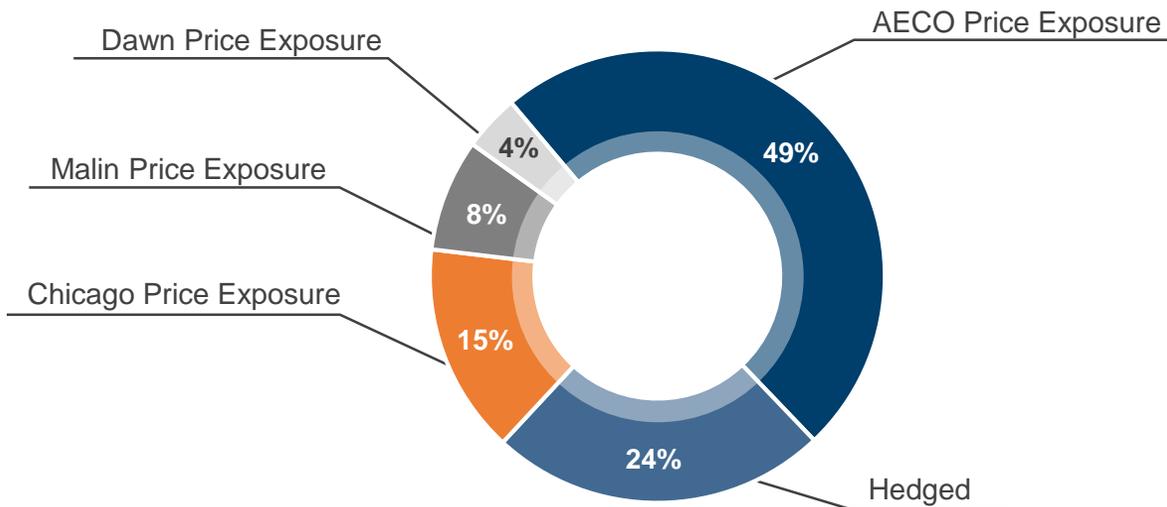
- New wells trending in line with 24 BCF type curve

## Successful AECO Price Mitigation

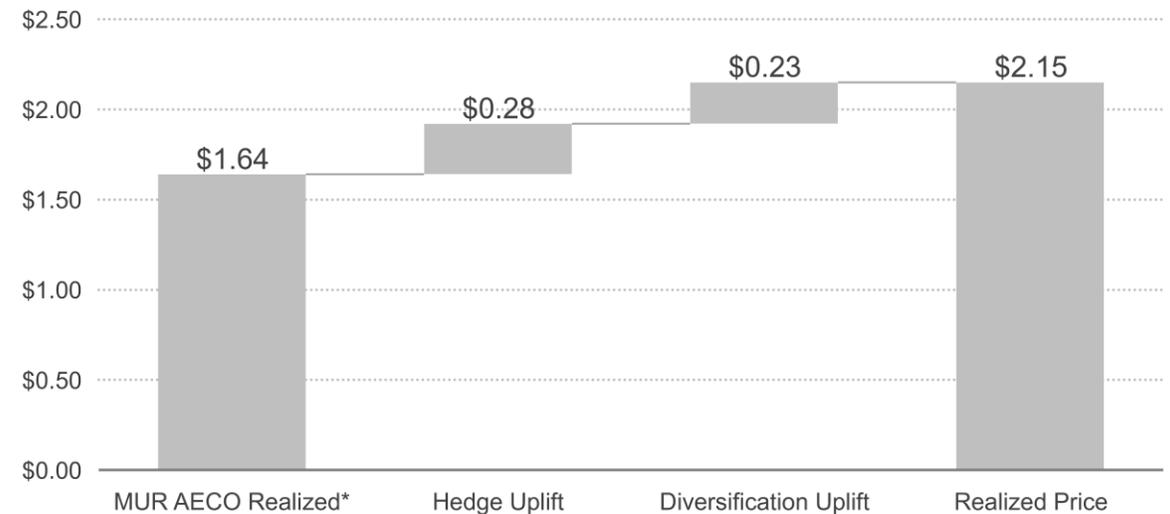
- Realized FY19 C\$2.15/MCF\* vs AECO realized average of C\$1.64/MCF

\* C\$0.29 transportation cost to AECO not subtracted

Mitigating AECO Exposure  
FY 2019 Tupper Montney Natural Gas Sales



Tupper Montney Natural Gas Realizations FY 2019 \$CAD/MCF



\* C\$0.29 of transportation cost not subtracted

# Offshore Portfolio Update



# Gulf of Mexico

4Q 2019 Update

## 4Q 2019 Production 82 MBOEPD, 85% Liquids

### Nearly Headless Nick (Mississippi Canyon 387)

- Tie-in activities completed, online 4Q 2019
- Peak gross rate 6,900 BOEPD

### Chinook #5 (Walker Ridge 425)

- Workover completed, online 4Q 2019
- Peak gross rate 13,000 BOEPD

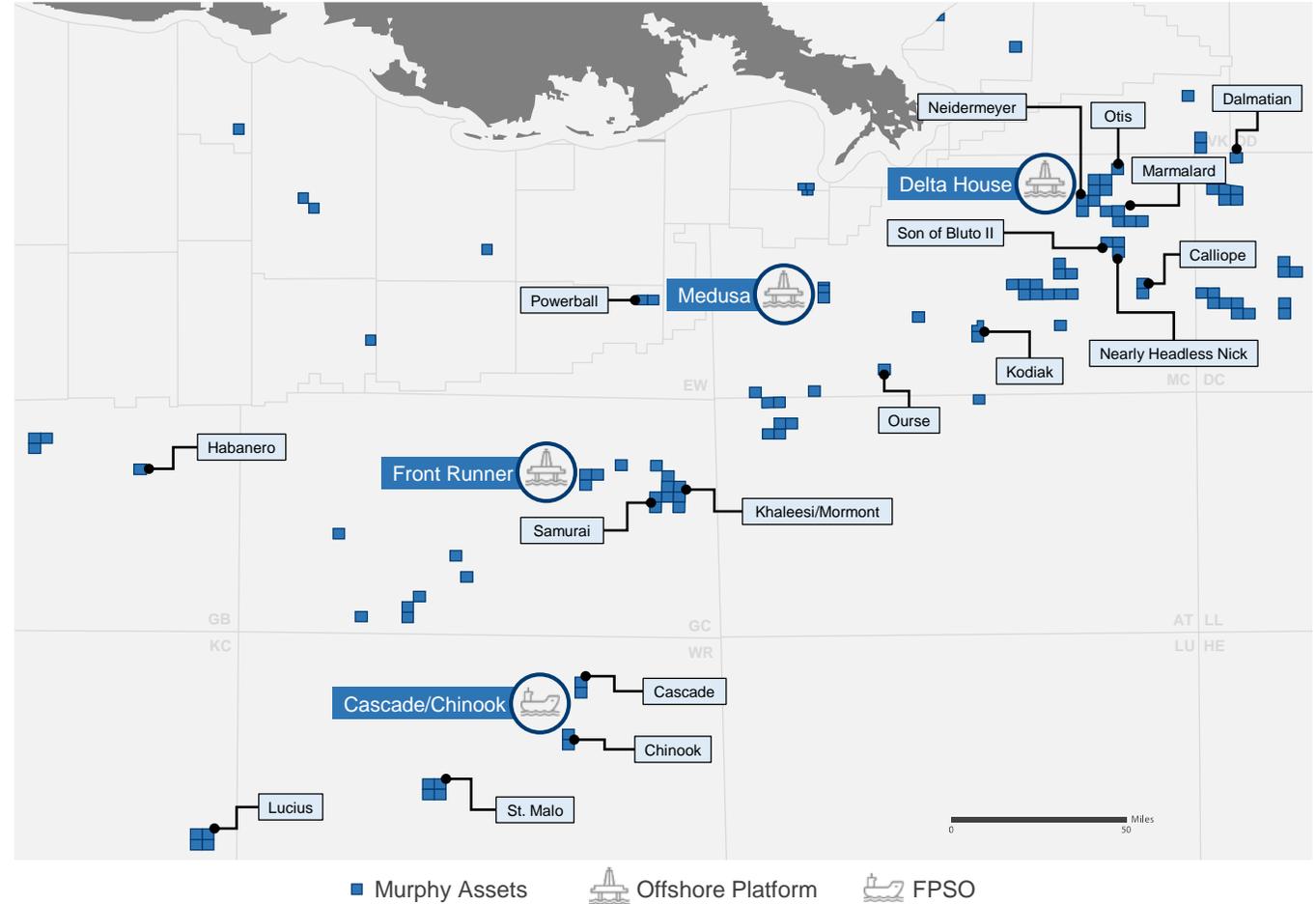
### Medusa A6 (Mississippi Canyon 582)

- Workover completed, online 4Q 2019
- Peak gross rate 1,600 BOEPD

### King's Quay Floating Production System

- Executed memorandum of understanding with ArcLight Capital Partners, LLC
- Negotiating final agreements detailing assumption of future capital requirements, as well as reimbursement of ~\$125 MM previous capital outlay
- Closing anticipated late 1Q to early 2Q 2020

## Gulf of Mexico Assets



Note: Production volumes and financial amounts exclude noncontrolling interest, unless otherwise stated



### Tieback & Workover Projects

- Multiple projects to sustain long-term production
- Timely execution of project schedule
- Platform and workover rigs currently on location

### Major Project Update

#### Khaleesi / Mormont

- FEED engineering work complete
- Subsea engineering and construction contracts awarded

#### Samurai

- Pre-FEED engineering work complete
- Subsea engineering and construction contracts awarded

### Tieback & Workover Projects

Project	Planning & Engineering	Drilling & Completions	Subsea Tie-In	First Oil
Front Runner Rig Program – 3 Wells	✓	1Q –3Q 2020	n/a	2Q – 4Q 2020
Cascade #4 workover	✓	1Q 2020 <sup>1</sup>	n/a	2Q 2020
Dalmatian 134 #2 workover	✓	1Q 2020 <sup>1</sup>	n/a	2Q 2020
Calliope	Ongoing	✓	3Q 2020	4Q 2020
Ourse	Ongoing	2H 2021 <sup>2</sup>	2H 2021	4Q 2021
Son of Bluto II	Ongoing	2H 2021	2H 2021	4Q 2021

### Major Projects

Project	Planning & Engineering	Drilling & Completions	Subsea Tie-In	First Oil
Khaleesi / Mormont	Ongoing	4Q 2020 – 4Q 2021 <sup>2</sup>	2021	1H 2022
Samurai	Ongoing	4Q 2020 – 4Q 2021	2021	1H 2022
St. Malo Waterflood	Ongoing	2Q 2020 – 2Q 2021	2022	2023

<sup>1</sup> Well workover. No drilling/completions activities.

<sup>2</sup> Completion only. Well previously drilled. Khaleesi / Mormont 4 of 5 wells previously drilled.

# Looking Ahead



# 2020 Capital Program



**2020  
GUIDANCE**

Production  
1Q 2020 **181 - 193 MBOEPD**

Production  
FY 2020 **190 - 202 MBOEPD**

CAPEX  
FY 2020 **\$1.4 - \$1.5 Billion**

## Focusing CAPEX on High Margin Assets

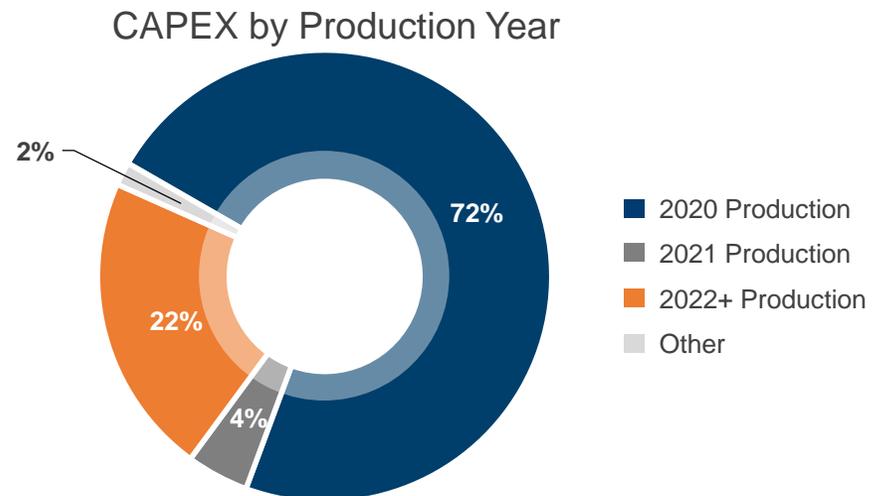
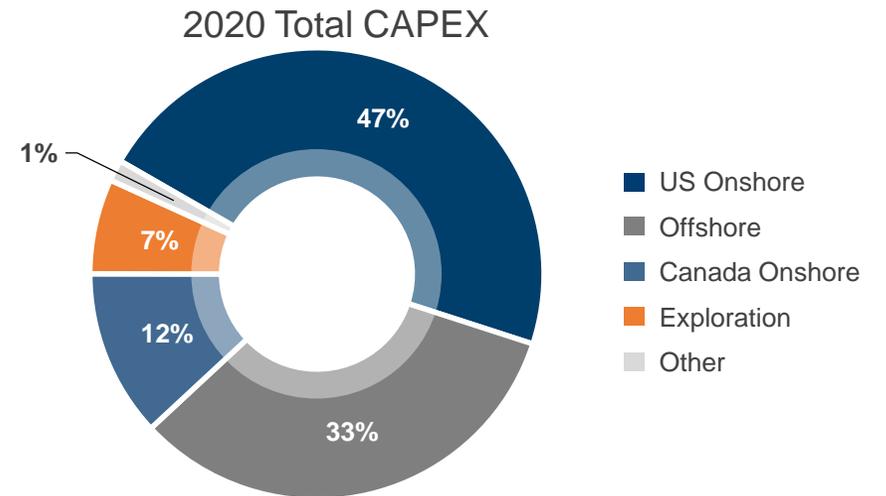
- \$1.2 BN allocated to Eagle Ford Shale and offshore
- 92% allocated to field development and development drilling

## Producing from our Oil-Weighted Portfolio

- 60% oil-weighted production in 2020
- 95% of oil forecasted at premium to WTI

## Generating Free Cash to Cover Dividend at \$55 WTI

*Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated*



*Note: 2022+ production includes exploration and St. Malo waterflood, Khaleesi, Mormont and Samurai projects*

# Gulf of Mexico

## Sustaining Production Through Short-Cycle Projects

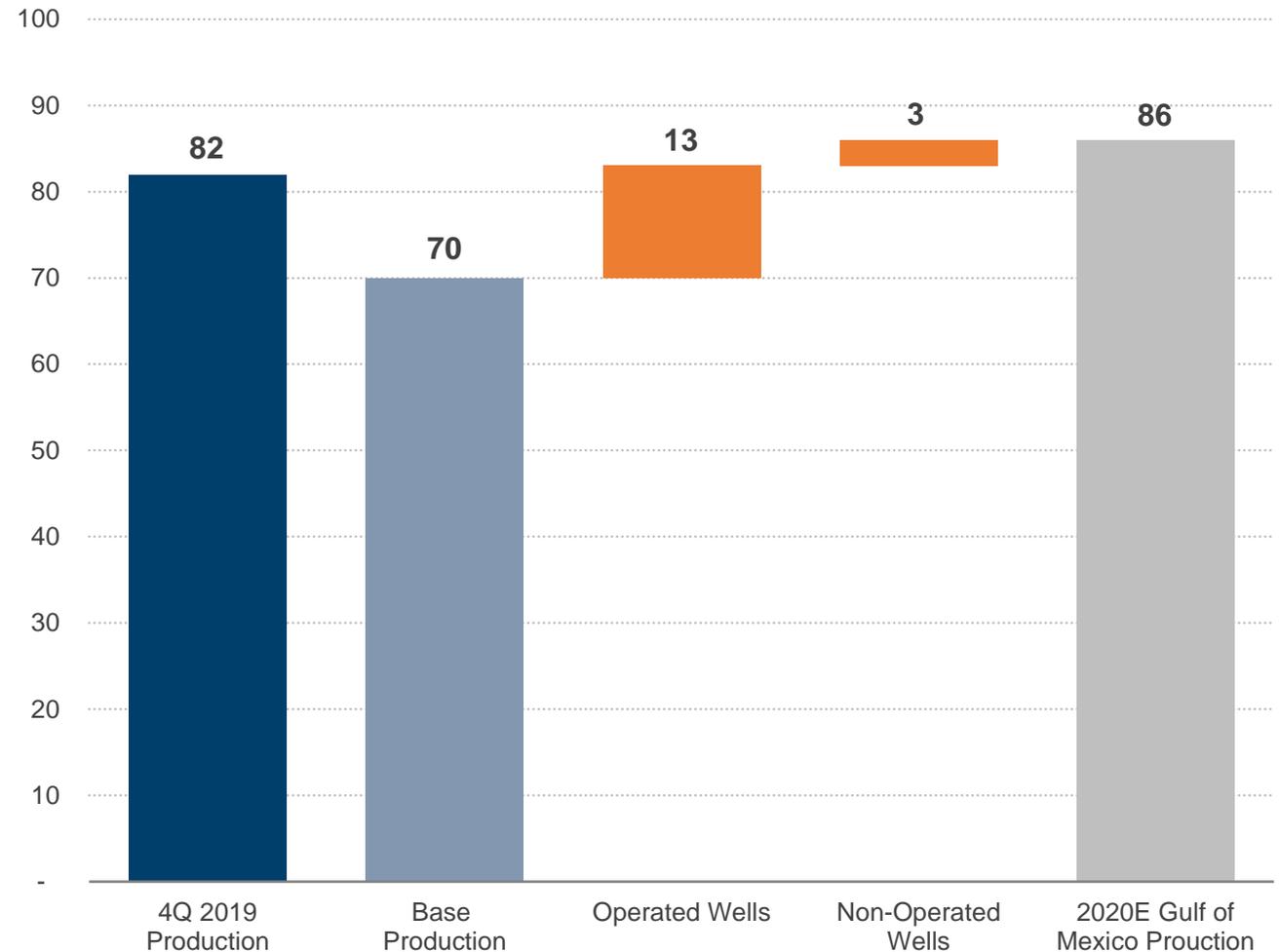
### Delivering Free Cash Flow with Efficient Capital Spending

- Producing 86 MBOEPD in 2020
- \$440 MM CAPEX in 2020
- Generating ~\$1 BN in operating cash flow

### Executing 2020 Gulf of Mexico Projects

- 6 operated wells online
  - 3 platform-rig wells
  - 2 workovers
  - 1 subsea tieback
- 5 non-operated wells online

2020 Estimated Gulf of Mexico Production *MBOEPD*



Note: Assumes WTI \$55/BBL

Operated Wells includes Chinook 5 well online 4Q 2019

Production Volumes & Financial Amounts Exclude Non-Controlling Interest, Unless Otherwise Stated

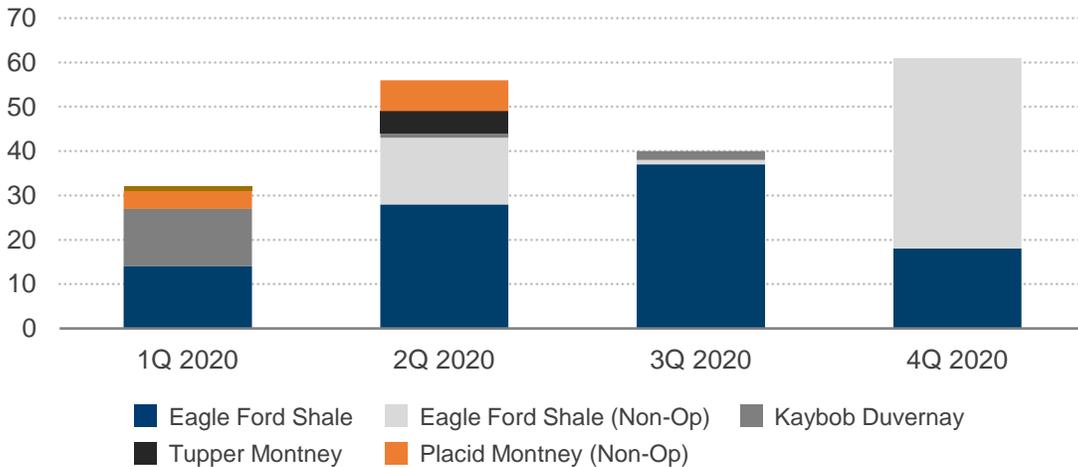
# North America Onshore

Growing Eagle Ford Shale With Continued Investment

## 2020 Onshore Capital Budget \$855 MM

- \$680 MM Eagle Ford Shale
  - 97 operated wells + 59 non-operated wells online
- \$125 MM Kaybob Duvernay
  - 16 operated wells online
- \$35 MM Tupper Montney
  - 5 operated wells online
- \$15 MM Placid Montney
  - 11 non-operated wells online

### 2020 Wells Online



Note: Non-op well cadence subject to change per operator plans  
Average 24% WI for Eagle Ford Shale non-operated wells

## Eagle Ford Shale Well Locations

Area	Net Acres	Reservoir	Inter-Well Spacing (ft)	Remaining Wells
Karnes	10,101	Lower EFS	300	99
		Upper EFS	800	155
		Austin Chalk	1,200	102
Tilden	64,756	Lower EFS	500	354
		Upper EFS	500	140
		Austin Chalk	600	100
Catarina	48,384	Lower EFS	450	272
		Upper EFS	900	349
		Austin Chalk	1,200	149
<b>Total</b>	<b>123,241</b>			<b>1,720</b>

## Kaybob Duvernay Well Locations

Area	Net Acres	Inter-Well Spacing (ft)	Remaining Wells
Two Creeks	34,784	984	137
Kaybob East	37,744	984	158
Kaybob West	25,984	984	106
Kaybob North	27,328	984	135
Simonette	33,459	984	115
Saxon	12,746	984	55
<b>Total</b>	<b>172,045</b>		<b>706</b>

# 2020 Exploration Plan

Focusing on Core Growth Areas

## Targeting >500 MMBOE in Annual Program

- \$100 MM 2020 CAPEX

### Mt. Ouray, US Gulf of Mexico

- Murphy 20% WI, non-operated
- Green Canyon 767
- Expected spud 2Q 2020

### Cholula-2DEL Appraisal Well, Offshore Mexico

- Murphy 40% WI, operator
- Targeting 3Q-4Q 2020

### Batopilas Prospect, Offshore Mexico

- Murphy 40% WI, operator
- Targeting 4Q 2020
- Targeting new, sub-salt play

### Sergipe-Alagoas Basin, Brazil

- Murphy 20% WI, non-operated
- >1.2 BN BOE reserves discovered nearby
- Several prospects of material volume identified
- Well planning ongoing in 2020; drilling planned early 2021



# Overview of Long Range Strategic Plan 2020 – 2024

Positioning Company for Long-Term Value Creation

## Generates ~\$1.4 BN in Free Cash Flow Over 5 Years After Dividend

## Delivering Consistent Oil-Weighted Production

- Maintain ~60% oil-weighting from 2020 – 2024

## Average Annual CAPEX ~\$1.3 BN

- 2020 is peak CAPEX in 5-year plan

## Balancing Onshore / Offshore Portfolio

- Increasing US onshore production by 10-12% CAGR through organic growth
- Sustaining production levels through multiple offshore development projects

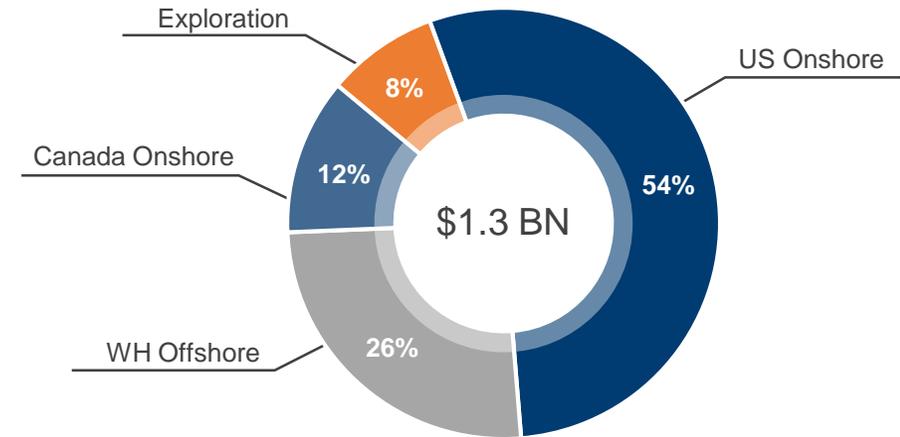
## Exploration – Focused Strategy

- CAPEX ~\$100 MM per year, flexible as needed
- Ongoing plan of 3-5 wells annually

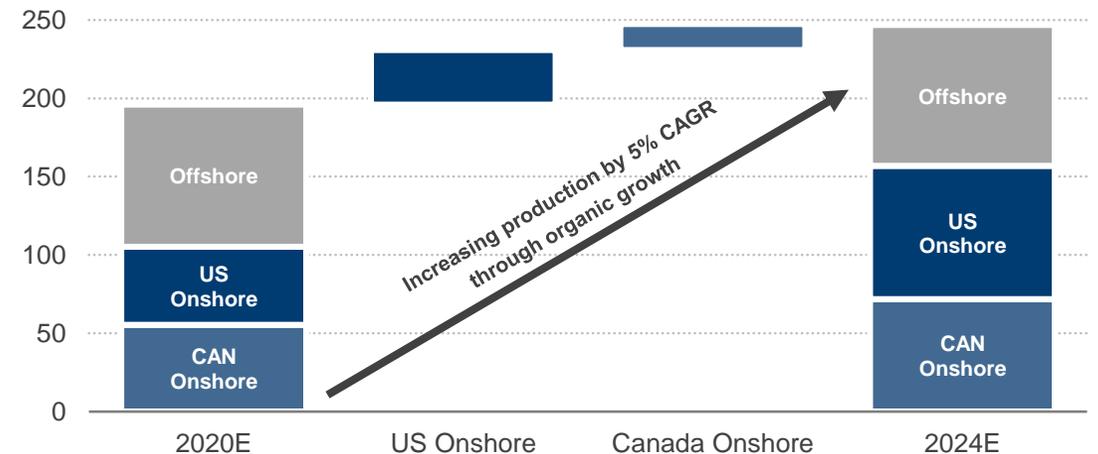
Note: Assumes WTI \$55/BBL

Production Volumes & Financial Amounts Exclude Non-Controlling Interest, Unless Otherwise Stated

Annual Average Capital Spend  
2020 - 2024



2020E – 2024E Production Growth MBOEPD



# Positioning Company for Long-Term Value Creation



## TRANSFORMING

Portfolio by adding oil-weighted, high-margin assets



## PRODUCING

Oil-weighted assets that realize premium pricing



## RAMPING

High value Eagle Ford Shale production



## EXECUTING

Short cycle Gulf of Mexico field development projects



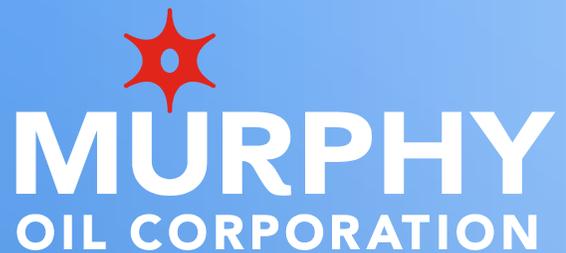
## OFFERING

Investors exploration upside



## FOCUSING

On sustainable future



2019  
**FOURTH QUARTER  
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CONFERENCE CALL & WEBCAST  
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# Appendix

# Appendix

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**Non-GAAP Reconciliation**

**Abbreviations**

**Guidance**

**Hedging Positions**

**Current Financial Position**

**Environmental, Social and Governance**

# Non-GAAP Financial Measure Definitions & Reconciliations

The following list of Non-GAAP financial measure definitions and related reconciliations is intended to satisfy the requirements of Regulation G of the Securities Exchange Act of 1934, as amended. This information is historical in nature. Murphy undertakes no obligation to publicly update or revise any Non-GAAP financial measure definitions and related reconciliations.

# Non-GAAP Reconciliation

## ADJUSTED EARNINGS

Murphy defines Adjusted Earnings as net income attributable to Murphy<sup>1</sup> adjusted to exclude discontinued operations and certain other items that affect comparability between periods.

Adjusted Earnings is used by management to evaluate the company's operational performance and trends between periods and relative to its industry competitors.

Adjusted Earnings, as reported by Murphy, may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). Adjusted Earnings has certain limitations regarding financial assessments because it excludes certain items that affect net income. Adjusted Earnings should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

<i>\$ Millions, except per share amounts</i>	Three Months Ended – Dec 31, 2019	Three Months Ended – Dec 31, 2018
Net income (loss) attributable to Murphy (GAAP)	(71.7)	103.4
Discontinued operations loss (income)	(36.9)	(64.1)
(Loss) income from continuing operations	(108.6)	39.3
Mark-to-market (gain) loss on crude oil derivative contracts	105.5	(27.6)
Loss on extinguishment of debt	25.4	-
Impact of tax reform	(4.2)	(15.7)
Tax benefits on investments in foreign areas	-	(14.7)
Mark-to-market (gain) loss on contingent consideration	6.5	(3.8)
Foreign exchange losses (gains)	-	(8.8)
Impairment of assets	-	15.8
<b>Adjusted Income (loss) attributable to Murphy (Non-GAAP)</b>	<b>24.6</b>	<b>(15.5)</b>
<b>Adjusted income (loss) from continuing operations per diluted share</b>	<b>0.16</b>	<b>(0.09)</b>

<sup>1</sup> 'Attributable to Murphy' represents the economic interest of Murphy excluding a 20% noncontrolling interest in MP GOM.

# Non-GAAP Reconciliation

## EBITDA and EBITDAX

Murphy defines EBITDA as net income attributable to Murphy<sup>1</sup> before interest, taxes, depreciation and amortization (DD&A). Murphy defines EBITDAX as net income attributable to Murphy before interest, taxes, depreciation and amortization (DD&A) and exploration expense.

Management believes that EBITDA and EBITDAX provides useful information for assessing Murphy's financial condition and results of operations and it is a widely accepted financial indicator of the ability of a company to incur and service debt, fund capital expenditure programs, and pay dividends and make other distributions to stockholders.

EBITDA and EBITDAX, as reported by Murphy, may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). EBITDA and EBITDAX have certain limitations regarding financial assessments because they excludes certain items that affect net income and net cash provided by operating activities. EBITDA and EBITDAX should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

<i>\$ Millions</i>	Three Months Ended – Dec 31, 2019	Three Months Ended – Dec 31, 2018
Net income (loss) attributable to Murphy (GAAP)	(71.7)	103.4
Income tax expense (benefit)	(24.0)	(35.0)
Interest expense, net	74.2	47.3
DD&A expense	310.1	199.6
<b>EBITDA attributable to Murphy (Non-GAAP)</b>	<b>288.6</b>	<b>315.3</b>
Exploration expense	19.5	32.5
<b>EBITDAX attributable to Murphy (Non-GAAP)</b>	<b>308.1</b>	<b>347.8</b>

<sup>1</sup> 'Attributable to Murphy' represents the economic interest of Murphy excluding a 20% noncontrolling interest in MP GOM.

# Non-GAAP Reconciliation

## ADJUSTED EBITDA

Murphy defines Adjusted EBITDA as income from continuing operations attributable to Murphy<sup>1</sup> before interest, taxes, depreciation and amortization (DD&A), impairment expense, foreign exchange gains and losses, mark-to-market loss on crude oil derivative contracts, accretion of asset retirement obligations and certain other items that management believes affect comparability between periods.

Adjusted EBITDA is used by management to evaluate the company's operational performance and trends between periods and relative to its industry competitors.

Adjusted EBITDA may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). Adjusted EBITDA has certain limitations regarding financial assessments because it excludes certain items that affect net income and net cash provided by operating activities. Adjusted EBITDA should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

<i>\$ Millions, except per BOE amounts</i>	Three Months Ended – Dec 31, 2019	Three Months Ended – Dec 31, 2018
<b>EBITDA attributable to Murphy (Non-GAAP)</b>	288.6	315.3
Discontinued operations loss (income)	(36.9)	(64.2)
Mark-to-market (gain) loss on crude oil derivative contracts	133.5	(35.0)
Accretion of asset retirement obligations	10.7	7.9
Foreign exchange losses (gains)	-	(10.2)
Mark-to-market (gain) loss on contingent consideration	8.2	(4.8)
Impairment of assets	-	20.0
<b>Adjusted EBITDA attributable to Murphy (Non-GAAP)</b>	<b>404.1</b>	<b>229.0</b>
Total barrels of oil equivalents sold from continuing operations attributable to Murphy (thousands of barrels)	17,617	11,814
<b>Adjusted EBITDA per BOE (Non-GAAP)</b>	<b>22.94</b>	<b>19.39</b>

<sup>1</sup> 'Attributable to Murphy' represents the economic interest of Murphy excluding a 20% noncontrolling interest in MP GOM.

# Non-GAAP Reconciliation

## ADJUSTED EBITDAX

Murphy defines Adjusted EBITDAX as income from continuing operations attributable to Murphy<sup>1</sup> before interest, taxes, depreciation and amortization (DD&A), exploration expense, impairment expense, foreign exchange gains and losses, mark-to-market loss on crude oil derivative contracts, accretion of asset retirement obligations and certain other items that management believes affect comparability between periods.

Adjusted EBITDAX is used by management to evaluate the company's operational performance and trends between periods and relative to its industry competitors.

Adjusted EBITDAX may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). Adjusted EBITDAX has certain limitations regarding financial assessments because it excludes certain items that affect net income and net cash provided by operating activities. Adjusted EBITDAX should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

<i>\$ Millions, except per BOE amounts</i>	Three Months Ended – Dec 31, 2019	Three Months Ended – Dec 31, 2018
<b>EBITDAX attributable to Murphy (Non-GAAP)</b>	308.1	347.8
Discontinued operations loss (income)	(36.9)	(64.2)
Accretion of asset retirement obligations	10.7	7.9
Mark-to-market loss (gain) on crude oil derivative contracts	133.5	(35.0)
Mark-to-market loss (gain) on contingent consideration	8.2	(4.8)
Foreign exchange losses (gains)	-	(10.2)
Impairment of assets	-	20.0
<b>Adjusted EBITDAX attributable to Murphy (Non-GAAP)</b>	<b>423.6</b>	<b>261.5</b>
Total barrels of oil equivalents sold from continuing operations attributable to Murphy (thousands of barrels)	17,617	11,814
<b>Adjusted EBITDAX per BOE (Non-GAAP)</b>	<b>24.05</b>	<b>22.14</b>

<sup>1</sup> 'Attributable to Murphy' represents the economic interest of Murphy excluding a 20% noncontrolling interest in MP GOM.

# Glossary of Abbreviations

**BBL:** Barrels (equal to 42 US gallons)

**BCF:** Billion cubic feet

**BCFE:** Billion cubic feet equivalent

**BN:** Billions

**BOE:** Barrels of oil equivalent (1 barrel of oil or 6,000 cubic feet of natural gas)

**BOEPD:** Barrels of oil equivalent per day

**BOPD:** Barrels of oil per day

**CAGR:** Compound annual growth rate

**D&C:** Drilling & completion

**DD&A:** Depreciation, depletion & amortization

**EBITDA:** Income from continuing operations before taxes, depreciation, depletion and amortization, and net interest expense

**EBITDAX:** Income from continuing operations before taxes, depreciation, depletion and amortization, net interest expense, and exploration expenses

**EFS:** Eagle Ford Shale

**EUR:** Estimated ultimate recovery

**F&D:** Finding & development

**G&A:** General and administrative expenses

**GOM:** Gulf of Mexico

**LOE:** Lease operating expense

**MBOE:** Thousands barrels of oil equivalent

**MBOEPD:** Thousands of barrels of oil equivalent per day

**MCF:** Thousands of cubic feet

**MCFD:** Thousands cubic feet per day

**MM:** Millions

**MMBOE:** Millions of barrels of oil equivalent

**MMCF:** Millions of cubic feet

**MMCFD:** Millions of cubic feet per day

**NA:** North America

**NGL:** Natural gas liquid

**ROR:** Rate of return

**R/P:** Ratio of reserves to annual production

**TCF:** Trillion cubic feet

**TCPL:** TransCanada Pipeline

**TOC:** Total organic content

**WI:** Working interest

**WTI:** West Texas Intermediate (a grade of crude oil)

# 1Q 2020 Guidance

Producing Asset	Oil (BOPD)	NGLs (BOPD)	Gas (MCFD)	Total (BOEPD)
US – Eagle Ford Shale	32,100	5,400	30,400	42,600
– Gulf of Mexico excluding NCI <sup>1</sup>	69,600	5,500	77,000	87,900
Canada – Tupper Montney	–	–	240,000	40,000
– Kaybob Duvernay and Placid Montney	6,200	1,600	22,200	11,500
– Offshore	4,500	–	–	4,500
Other	500	–	–	500

1Q Production Volume (BOEPD) <i>excl. NCI</i> <sup>1</sup>	181,000 – 193,000
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1Q Exploration Expense (\$MM)	\$28
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Full Year 2020 CAPEX (\$BN) <i>excl. NCI</i> <sup>2</sup>	\$1.4 – \$1.5
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Full Year 2020 Production (BOEPD) <i>excl. NCI</i> <sup>3</sup>	190,000 – 202,000
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<sup>1</sup> Excludes noncontrolling interest of MP GOM of 12,800 BOPD oil, 600 BOPD NGLs and 5,200 MCFD gas

<sup>2</sup> Excludes noncontrolling interest of MP GOM of \$62 MM and \$3 MM for assets held for sale

<sup>3</sup> Excludes noncontrolling interest of MP GOM of 12,600 BOPD oil, 600 BOPD of NGLs, and 5,600 MCFD gas

# 2020 Hedging Positions

## United States

Commodity	Type	Volumes (BBL/D)	Price (BBL)	Start Date	End Date
WTI	Fixed Price Derivative Swap	45,000	\$56.42	1/1/2020	12/31/2020

## Montney, Canada

Commodity	Type	Volumes (MMCF/D)	Price (MCF)	Start Date	End Date
Natural Gas	Fixed Price Forward Sales at AECO	97	C\$2.71	1/1/2020	3/31/2020
Natural Gas	Fixed Price Forward Sales at AECO	59	C\$2.81	4/1/2020	12/31/2020

\* As of January 29, 2020

# Current Financial Position

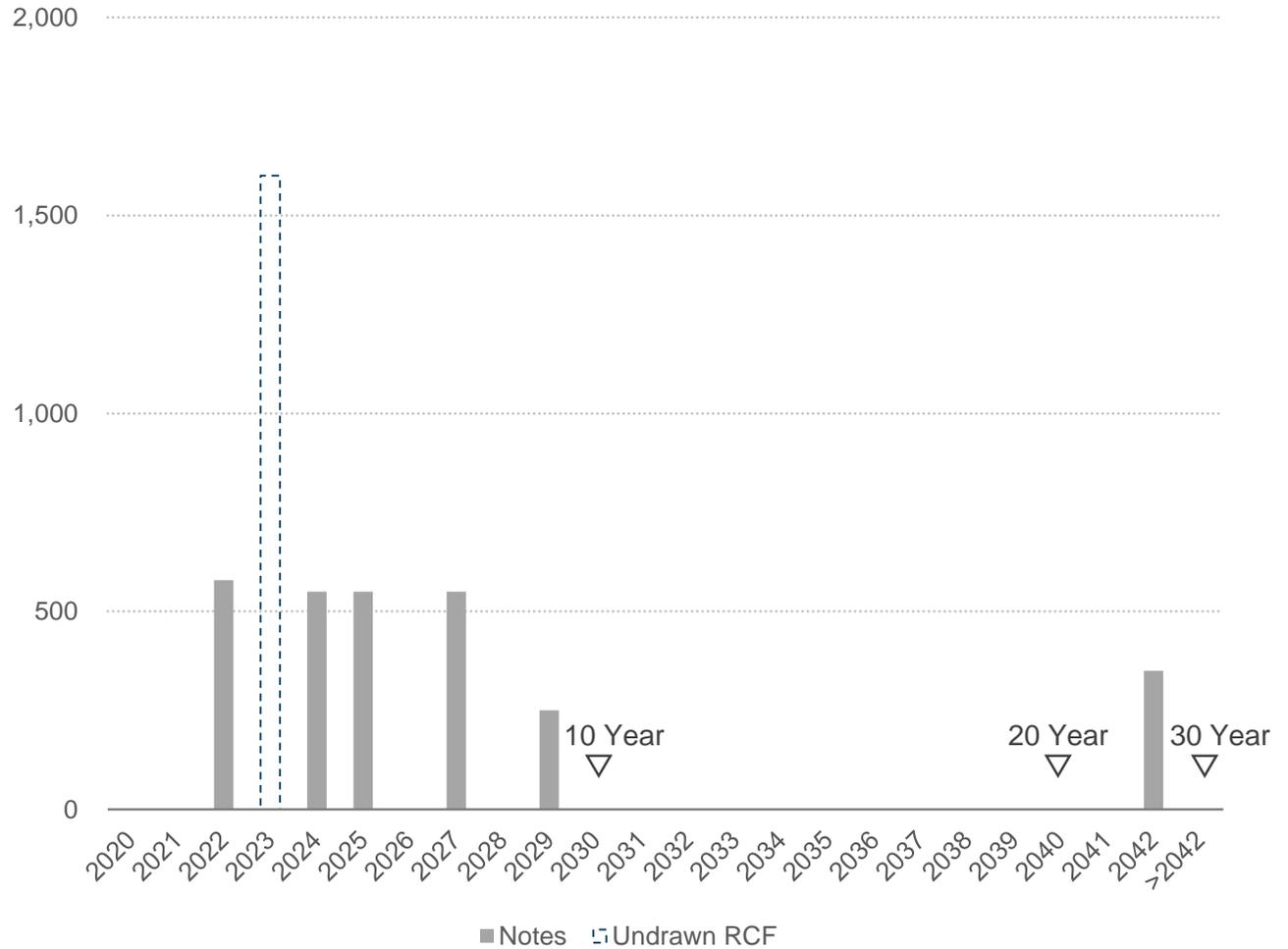
As of December 31, 2019

- \$2.8 BN total debt, excluding capital leases
- Total liquidity \$1.9 BN
- \$307 MM of cash and cash equivalents
- Undrawn \$1.6 BN unsecured senior credit facility
- 34% total debt to cap
- 31% net debt to cap

## Maturity Profile\*

Total Bonds Outstanding \$BN	\$2.8
Weighted Avg Fixed Coupon	5.8%
Weighted Avg Years to Maturity	7.7

Note Maturity Profile \$MM



\* As of December 31, 2019

# Employee and Community Investments Support Stable Operations

## In the Workplace



### Human Capital Initiatives

- Reviewing pay equity annually across employee groups and the organization
- Offering training and development through a variety of platforms to empower employees individually and professionally
- Partnering with external organizations to target diverse talent pools

### Employee Engagement

- Solicit ongoing feedback and increase employee engagement through Ambassador program
- Ongoing review of benefit enhancements to attract and retain top talent
- Support employee communications with company-wide quarterly town halls

### Culture Assimilation

- Corporate culture affirmed through internal Mission, Vision, Values and behaviors program
- Employee performance reviews include alignment with corporate behavior policies

## In the Community

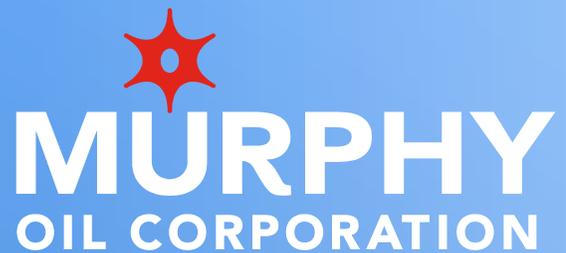


### United States & Canada

- EI Dorado Promise
  - Tuition scholarship provided to EI Dorado High School graduates
  - Benefitted more than 2,600 students since inception
  - College enrollment rate surpasses state and national levels
- United Way
  - Partners for more than 50 years
  - Over \$13 MM contributed in past 20 years across multiple locations
  - >90% employee participation company-wide

### International

- Process in place for new country entry
  - Includes assessment of ESG risks and social impact
- Community consultation processes
- Supporting local suppliers and initiatives
- Threshold investment targets for local content



2019  
**FOURTH QUARTER  
EARNINGS**  
CONFERENCE CALL & WEBCAST  
JANUARY 30, 2020

**ROGER W. JENKINS**  
PRESIDENT & CHIEF EXECUTIVE OFFICER