MURPHY OIL CORPORATION ANNOUNCES PRELIMINARY SECOND QUARTER 2016 FINANCIAL AND OPERATING RESULTS

July 27, 2016

EL DORADO, Arkansas, July 27, 2016 - Murphy Oil Corporation (NYSE: MUR) today announced its preliminary financial and operating results for the second quarter ended June 30, 2016, including net income of $3 million, or $0.02 per diluted share.

Operating and financial highlights for the second quarter 2016 include:

- Closed the divestitures of Syncrude and Montney natural gas processing and sales pipeline assets generating combined proceeds of approximately $1.15 billion
- Completed the company's joint venture entry into the Kaybob Duvernay and Placid Montney plays
- Paid down the entire outstanding amount drawn on the company's revolving credit facility and exited the second quarter with total debt of $2.46 billion and $399 million of cash
- Reduced lease operating expense per barrel by over 23 percent quarter-over-quarter, excluding Syncrude
- Lowered G&A expense by approximately 15 percent quarter-over-quarter

SECOND QUARTER FINANCIAL RESULTS

Net income of $3 million, or $0.02 per diluted share for the second quarter 2016, was mostly attributable to net income tax benefits associated with divestitures of the company's interests in Syncrude and Montney natural gas processing and sales pipeline assets. The company reported an adjusted loss, which excludes both the results of discontinued operations and certain other items that affect comparability of results between periods, of $62 million, or $0.36 per diluted share, in the second quarter of 2016. Details for second quarter can be found in the attached schedules.

Earnings before interest, taxes, depreciation and amortization (EBITDA) from continuing operations in the second quarter 2016 totaled $158 million, or $10.42 per barrel of oil equivalent (boe) sold. Earnings before interest, taxes, depreciation, amortization and exploration expenses (EBITDAX) in the second quarter 2016 totaled $196 million, or $12.86 per boe sold. Both EBITDA and EBITDAX were significantly impacted by a 21 percent decrease in the company's crude oil realizations and a 44 percent decrease in North American natural gas realizations, compared to the second quarter of 2015. Details for second quarter EBITDA and EBITDAX can be found in the attached schedules.

Second quarter 2016 production averaged approximately 168,600 barrels of oil equivalent per day (boepd). Production in the second quarter was lower than anticipated primarily due to downtime from a third party gas operated plant servicing assets in Block K, Malaysia, and downstream natural gas pipeline restrictions in onshore Canada. Additionally, eight completions in the Eagle Ford Shale ("EFS") were rescheduled to the second quarter from the third quarter, which shut-in production from offset wells during completion operations. These new wells were brought online and began producing early in the third quarter. As previously announced, there was also increased downtime at Syncrude, which was divested in the quarter, due to scheduled maintenance and the wildfires near Fort McMurray, which also impacted our new Kaybob Duvernay oil assets.

Second quarter 2016 lease operating expense was reduced 23 percent from the second quarter 2015, excluding Syncrude, to $8.36 per boe. The lower lease operating expense rate is a result of ongoing systematic cost reductions and efficiency initiatives as well as supplier pricing negotiations. This also includes the new tariff applicable to the Tupper Montney assets following the sale of natural gas processing and sales pipeline assets during the quarter. Second quarter 2016 general and administrative costs decreased by 9 percent from first quarter 2016. More importantly, the company has been able to decrease general and administrative costs by 23 percent from the first quarter of 2015.

"During the second quarter, we continued progressing our 2015 repositioning efforts as we closed the Syncrude non-core asset sale, along with the Montney processing assets, and entered into a new North American unconventional play and further strengthened our balance sheet," stated Roger W. Jenkins, President and Chief Executive Officer. "We will continue to focus on costs and capital allocation while pursuing new exploitation efforts in our three significant onshore unconventional plays and maintaining our original capital plan with adjusted production levels accounting for asset purchases and sales," Jenkins added.

ASSET SALES PROCEEDS AND LIQUIDITY

Murphy received approximately $1.15 billion in net proceeds during the quarter from the sale of its interest in Syncrude and its Montney natural gas processing and sales pipeline assets. The divestiture proceeds were used to reduce outstanding borrowings by $971 million during the quarter and to fund $207 million for the Kaybob Duvernay and Placid Montney joint venture (JV) acquisition. These actions significantly improved the company's liquidity profile. At June 30, 2016, the company had zero drawn on its revolving credit facility, which expires in June 2017.

REGIONAL OPERATIONS SUMMARY

North American Onshore

Eagle Ford Shale - Production in the second quarter 2016 averaged over 47 thousand barrels of oil equivalent per day (Mboepd), which includes 87 percent liquids. Drilling and completion costs decreased to an average of $4.0 million per well across our diverse oil weighted areas, representing over a 25 percent decrease from second quarter 2015. As previously mentioned, eight operated EFS wells were completed late in the second quarter. The wells were completed ahead of plan to synchronize completion schedules with offset operators. In addition to the aforementioned wells, there are 22 wells currently scheduled to be brought online during the second half of 2016, including two Austin Chalk wells that will further evaluate the resource. Our original Austin Chalk test well continues to flow above plan. The capital for these wells are within previously announced annual corporate capital expenditures.

Tupper Montney - Murphy produced over 197 million cubic feet per day (MMcfd) of natural gas in the second quarter 2016. The first half of the year production has been hampered in the region by unpredictable flow restrictions caused by third-party downstream pipeline constraints. Six new wells were brought online during the quarter, including two wells that are testing extended laterals and increased proppant per lateral foot in the completion phase. The wells are still in the early production stages, however, initial results appear encouraging.

Kaybob Duvernay and Placid Montney - Murphy completed the previously announced JV mid-quarter and produced approximately 1.9 Mboepd, which includes 52 percent liquids, during the second quarter. For the remainder of 2016, it is expected that there will be two wells drilled and four wells completed in the Murphy operated Kaybob Duvernay, and twelve wells drilled and four wells completed in the non-operated Placid Montney. The company plans to spend approximately $50 million on drilling, completing and infrastructure for the remainder of 2016 and is expected to produce an average of 2.4 Mboepd for the year.

Global Offshore

Malaysia - Block K and Sarawak oil production in the second quarter was approximately 39 thousand barrels of oil per day, while Sarawak natural gas production was over 96 MMcfd. During the third quarter, the company is planning a topside installation at the South Acis satellite platform. The wells were drilled earlier this year and are expected to commence production during the fourth quarter.

Gulf of Mexico - Production for the second quarter of 2016 was just under 17 Mboepd, comprised of 83 percent liquids. The Kodiak well resumed production during the quarter following facility upgrades. Currently, the well is flowing at 12,500 boepd gross with evaluations taking place to co-mingle an upper zone and offset well opportunities.

2016 AND THIRD QUARTER GUIDANCE

Capital expenditure guidance for full-year 2016 is being maintained at $620 million, excluding $207 million of acquisition costs for the Kaybob Duvernay and Placid Montney JV. Details for capital expenditures for the first six months of 2016 can be found in the attached schedules. The company's third quarter and full-year 2016 production outlook from its retained assets remains unchanged after incorporating the previously announced effects from the sale of Syncrude and the production associated with the purchase of Kaybob Duvernay and Placid Montney assets. Production for the third quarter 2016 is estimated in the range of 167,500 - 169,500 boepd and full-year 2016 is estimated in the range of 173,000 - 177,000 boepd, reflecting the above net changes due to asset sales and purchases. Details for third quarter and full-year 2016 production guidance can be found in the attached schedules.

CONFERENCE CALL AND WEBCAST SCHEDULED FOR JULY 28, 2016

Murphy will host a conference call to discuss second quarter 2016 results on Thursday, July 28, 2016, at 1:00 p.m. EDT. The call can be accessed either via the Internet through the Investor Relations section of Murphy Oil's website at http://ir.murphyoilcorp.com or via the telephone by dialing 1-888-802-2266. The telephone reservation number for the call is 9900445. Replays of the call will be available through the same address on the company's website, and a recording of the call will be available through August 11, 2016, by calling 1-888-203-1112 and referencing reservation number 9900445. A replay of the conference call will also be available on the Murphy website at http://ir.murphyoilcorp.com.

FINANCIAL DATA

Summary financial data and operating statistics for the second quarter and first six months of 2016 with comparisons to the same periods the previous year are contained in the following schedules. Additionally, a schedule indicating the impacts of items affecting comparability of earnings between periods and a schedule comparing EBITDA and EBITDAX between periods are included with these schedules as well as guidance for the third quarter.

ABOUT MURPHY OIL CORPORATION

Murphy Oil Corporation is a global independent oil and natural gas exploration and production company. The company's diverse resource base includes offshore production in Malaysia, Canada and Gulf of Mexico, as well as, North American onshore plays in the Eagle Ford Shale, Kaybob Duvernay and Montney.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Words such as "targets", "expectations", "plans", "forecasts", "projections" and other comparable terminology often identify forward-looking statements. 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 forecasted events not to occur include, but are not limited to, a failure to obtain necessary regulatory approvals, a deterioration in the business or prospects of Murphy, adverse developments in Murphy business' markets, adverse developments in the U.S. or global capital markets, credit markets or economies in general. Factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements include, but are not limited to, the volatility and level of crude oil and natural gas prices, the level and success rate of our exploration programs, our ability to maintain production rates and replace reserves, customer demand for our products, adverse foreign exchange movements, political and regulatory instability, and uncontrollable natural hazards. For further discussion of risk factors, see Murphy's 2015 Annual

Report on Form 10-K, on file with the U.S. Securities and Exchange Commission. Murphy undertakes no duty to publicly update or revise any forward-looking statements.

NON-GAAP MEASURES

This news release also contains certain historical non-GAAP measures of financial performance that management believes are good tools for internal use and the investment community in evaluating Murphy Oil Corporation's overall financial performance. These non-GAAP measures are broadly used to value and compare companies in the crude oil and natural gas industry. Please see the attached schedules for reconciliations of the differences between non-GAAP measures used in this news release and the most directly comparable GAAP financial measures.

RESERVE REPORTING TO THE SECURITIES EXCHANGE COMMISSION

The 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 news release, 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 strictly prohibit us from including in filings with the SEC. The SEC permits the optional disclosure of probable and possible reserves; however, we have not disclosed the Company's 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 and in other reports on file with the SEC, available from Murphy Oil Corporation's offices or website at http://ir.murphyoilcorp.com*.*

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2Q 2016 Schedules