

October 19, 2007



Magellan Files Preliminary Proxy Statement With the SEC for Its 2007 Annual Meeting of Stockholders

HARTFORD, Conn., Oct. 19 /PRNewswire-FirstCall/ -- Magellan Petroleum Corporation (Nasdaq: MPET) (ASX: MGN) reported that the Company has today filed its preliminary proxy statement with the U.S. Securities and Exchange Commission related to the Company's 2007 Annual Meeting of Stockholders to be held on December 6, 2007. The Company will also file its preliminary proxy materials with the Australian Stock Exchange.

At the Annual Meeting, stockholders will be asked to elect two directors to the Board of Directors to hold office for three year terms and to ratify the appointment of Deloitte & Touche LLP as the Company's registered independent public accounting firm for the fiscal year ending June 30, 2008. In addition, the Company has included a proposal for stockholders to approve a resolution authorizing the Board of Directors -- in its sole and absolute discretion without further action of the stockholders -- to amend the Company's Restated Certificate of Incorporation to implement a reverse stock split of the Company's common stock, par value \$.01 per share, at a ratio of not less than 1-for-2 and not greater than 1-for-10 at any time prior to December 31, 2009, with the exact ratio to be determined by the Board of Directors.

Magellan's Chairman of the Board, Walter McCann, said that, "the Company's proxy materials will contain an important resolution for stockholders to consider this year, authority for the Board of Directors to declare a reverse split of the Company's common stock. This resolution is a precautionary measure designed to give the Board the authority to act to increase the trading price per share of the Company's common stock, if the Board determines that it is prudent to act quickly to maintain compliance with Nasdaq listing rules and to preserve liquidity for stockholders trading the Company's shares on the Nasdaq Capital Market."

Mr. McCann added "if the stockholders approve this proposal, the Board of Directors will have the authority -- in its sole and absolute discretion and without further action on the part of the stockholders -- to select one of the approved split ratios and implement the approved reverse split. However, the Board is not required to take this action. During the next two years, the Board will carefully consider whether or not to implement a reverse split, and at what split ratio, and make its determination based on what course of action best serves the interests of the Company and its stockholders."

As previously reported, the Board of Directors has scheduled its 2007 Annual Meeting of Stockholders for Thursday, December 6, 2007, to be held at The Goodwin Hotel, One Haynes Street, Hartford, CT 06103 at 1:00 P.M. local time (telephone 860-246-7500).

The Board of Directors has established October 26, 2007 as the record date for determination of stockholders entitled to receive notice of, and vote at, the 2007 Annual Meeting. Magellan anticipates mailing its definitive proxy materials with respect to the 2007 Annual Meeting on or about October 29, 2007, to stockholders of record on October 26, 2007.

Forward Looking Statements

Statements in this release which are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995. These statements about Magellan and MPAL may relate to their business properties and prospects, revenues, expenses, operating cash flows, and other matters that involve a number of uncertainties that may cause actual results to differ materially from expectations. Among these risks and uncertainties are the ultimate outcome of the MPAL tax audit by the ATO, the future outcome of the negotiations for gas sales contracts for the remaining uncontracted reserves at both the Mereenie and Palm Valley gas fields in the Amadeus Basin, pricing and production levels from the properties in which the Company has interests, the extent of the recoverable reserves at Magellan/MPAL properties and the risk that any wells drilled may fail to encounter hydrocarbons in commercially recoverable quantities. Any forward-looking information provided in this release should be considered with these factors in mind. Magellan assumes no obligation to update or revise any forward-looking statements contained in this release, whether as a result of new information, future events or otherwise.

SOURCE Magellan Petroleum Corporation