

August 6, 2009



Magellan Petroleum Announces Production and Exploration Activities for the Quarter Ended June 30, 2009

PORTLAND, Maine, Aug. 6 /PRNewswire-FirstCall/ -- Magellan Petroleum Corporation (NCM: MPET; ASX: MGN) ("Magellan") announced its production and exploration activities for the quarter ended June 30, 2009.

OIL & GAS SALES

Natural Gas

The Company's share of natural gas sales during the quarter ended June 30, 2009 decreased by 7 percent from the June 2008 quarter, as detailed below:

Field (Magellan Share)	Million Cubic Feet		Terajoules	Variance
	Total	Daily		
Mereenie	1,123	12	1,315	-6%
Palm Valley	338	4	385	-10%
=====	====	====	====	====
Total Gas	1,461	16	1,700	-7%
=====	=====	=====	=====	=====

Crude Oil and Condensate

The Company's share of crude oil and condensate sales during the quarter ended June 30, 2009 decreased by 20 percent from the June 2008 quarter, as detailed below:

Fields (Magellan Share)	Barrels		Kilolitres	Variance
	Total	Daily		
Mereenie	29,252	322	4,651	+16%
Nockatunga	13,014	143	2,069	-49%
Kiana	223	2	35	-86%
Aldinga	-	-	-	-100%
=====	====	====	====	=====
Total Crude Oil and Condensate	42,489	467	6,755	-20%
=====	=====	=====	=====	=====

PRODUCTION AND DEVELOPMENT ACTIVITIES

AUSTRALIAN PRODUCTION

Palm Valley Gas Field (PL 3) - Amadeus Basin NT (52.023% Interest)

The Palm Valley gas field which is operated by Magellan produced an average of approximately 7.1 million cubic feet per day (MMcf/D) of natural gas for sale during the quarter. The Palm Valley Joint Venture's objective is to maximise gas production from the existing facilities while maintaining a safe and efficient operation, conducted in accordance with good oil field practice.

Mereenie Oil and Gas Field (PL 4 & 5) - Amadeus Basin NT (35% Interest)

The Mereenie oil and gas field which is operated by Santos Ltd produced an average of approximately 35 MMcf/D of natural gas and 701 barrels of oil and condensate per day for sale during the June quarter.

Nockatunga Oil Fields (PLs 33, 50, 51, 244, 245 & ATP 276P) - Cooper Basin Qld (40.936% Interest)

The Nockatunga oil fields which are operated by Santos Ltd produced an average of approximately 407 barrels of oil per day (BOPD) for sale during the June quarter.

Processing of data acquired by the Maxwell-Kaos 3D seismic survey during the previous period is in progress. The 254 square kilometre survey covered PL 50 & PL 245 over the Maxwell field and Noccundra lease as well as a significant portion of the ATP-267-P exploration block.

Kiana Oil Field (PPL 212) - Cooper Basin SA (30% Interest)

Production from the Kiana-1 well averaged 6 BOPD during the quarter which is below normal as the well was offline for a significant part of the period, waiting on repairs. The well produces from both the upper and lower Patchawarra Formation zones.

Aldinga Oil Field (PPL 210) - Cooper Basin SA (50% Interest)

Aldinga-1 well was shut-in during the period, waiting on repairs. There are no current plans to develop the field further.

CANADIAN PRODUCTION

Kotaneelee Gas Field, YT (2.67% interest)

Magellan has a 2.67% carried interest in the Kotaneelee gas field in the Yukon Territory of Canada. Devon Canada Corporation is operator of this partially developed field which is connected to a major pipeline system.

EXPLORATION ACTIVITIES

AUSTRALIAN EXPLORATION

Exploration evaluation of ATP 267P (Magellan 40.936% - refer above), PEL 94 (Magellan 35% interest), PEL 95 (Magellan 50% interest), PEL 107 (Magellan 20% interest) and PEL 110 (Magellan 60% interest) is ongoing. Cooper Energy was appointed as operator of the PEL 110 joint venture.

In ATP 613P, ATP Application 674P and ATP Application 733P in the Maryborough Basin of Queensland, evaluation of the coal seam gas potential of the Burrum Coal Measures in the Burrum Syncline farmin area is being undertaken by Eureka Petroleum, a wholly owned subsidiary of Blue Energy Limited. Eureka Petroleum has a 75% interest and is Operator in the farmin area. Work on the tenements is delayed pending completion of current native title negotiations relating to the grant of the two ATPs.

UNITED KINGDOM EXPLORATION

In the Weald Basin, Magellan (40% interest) will participate in the Markwells Wood-1 exploration well in PEDL 126 in late 2009. Northern Petroleum, operator of the PEDL 126 Joint Venture, has completed site construction for the well. The Markwells Wood-1 well will target a prospect that is interpreted to be an eastward extension of the currently producing Horndean oil field.

Northern Petroleum, operator of the PEDL 155 Joint Venture (Magellan 40%), has also received planning approval from the Hampshire County Council to drill the Havant-1 well, which will target an oil prospect in the Great Oolite Formation. The operator plans to commence site construction for the well in the fourth quarter of 2009. The Horndean oil field to the north of the Havant prospect produces from the Great Oolite Formation.

Magellan (40% interest) and its joint venturers were granted PEDL 256 over an area which was formerly held under PEDL 099 which expired in September 2008. Northern Petroleum is operator of the area. The licence is adjacent to PEDL 155 and covers the possible western extension of the Havant prospect.

Magellan holds interests (ranging from 22.5% to 50%) in six other exploration licences in the Weald-Wessex Basin (PEDLs 098, 125, 152, 153, 154, and 240), which are also operated by Northern Petroleum. Elsewhere in the Weald Basin, PEDLs 135, 136, 137, 242 and 246 are held and operated by Magellan with a 100% interest. Well sites have been selected and applications for local council planning consents for the drilling of two prospects, one in PEDL 135 and one in PEDL 137 are being progressed. Magellan also operates PEDLs 231, 232, 234 and 243 in the central Weald Basin area with a 50% interest.

EXPENDITURES

Expenditures incurred on exploration, appraisal and development activities during the June 2009 quarter, totalled US\$ 1,460,000. All figures are unaudited.

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 businesses 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 pricing and production levels from the properties in which Magellan and MPAL have interests, the extent of the recoverable reserves at those properties, 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, including the likelihood of success of other potential suppliers of gas to the current customers of Mereenie and Palm Valley production. In addition, MPAL has a large number of exploration permits and faces 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 any forward-looking statements contained in this release, whether as a result of new information, future events or otherwise.

SOURCE Magellan Petroleum Corporation