

May 12, 2015



Update on Horse Hill, UK General Elections

DENVER, CO -- (Marketwired) -- 05/12/15 -- Magellan Petroleum Corporation (NASDAQ: MPET) ("Magellan" or the "Company") today provided an update on the Horse Hill-1 well ("HH-1") and PEDL 137, in which it owns a 35% direct working interest.

On May 11, 2015, UK Oil & Gas Investments PLC ("UKOG"), an interest owner in HH-1 and PEDL 137, announced that Xodus Group, an international energy consultancy, conducted an independent study of the conventional reservoir in the Upper Portland sandstone in PEDL 137 and concluded that the "best estimate" (P50, with a 50% chance that the actual volume will be greater than the stated estimate, and a 50% chance that the actual volume will be less than the stated estimate) gross oil in place ("OIP") amounted to 21.0 MMbbls. The announcement also clarified that the OIP should not be construed as recoverable resources and that meaningful estimates of recoverable oil from the Upper Portland can only be made following the proposed HH-1 flow test, which is planned for later in 2015.

The estimated OIP in the Upper Portland is incremental to estimated OIP in other formations present at HH-1, including the Kimmeridge, Oxford, and Liassic formations. Pursuant to a farmout agreement executed in 2013, Magellan will be carried for its share of the costs of the HH-1 flow test.

J. Thomas Wilson, President and CEO of Magellan, commented: "We are encouraged by Xodus's technical analysis resulting in an increase to the estimated OIP in the Upper Portland interval. We believe the outcome of the flow test of the Upper Portland is the next critical step, which, if successful, could allow us to move the license into the production period and start producing oil from HH-1. Our strategy is also focused on establishing the potential of the Kimmeridge and Liassic formations in the Weald Basin, which we believe could contain significant hydrocarbon prospects."

UK General Elections

In the UK general elections held on May 7, 2015, the Conservative Party secured a majority of seats in the House of Commons, allowing for the continuation of a government under Prime Minister David Cameron.

Mr. Wilson commented: "We welcome the results of the UK general elections, as they represent a continuation of a government that has been generally favorable to the development of onshore hydrocarbon resources in the UK."

CAUTIONARY INFORMATION ABOUT FORWARD-LOOKING STATEMENTS

Statements in this press release, including forecasts or projections that 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. The words "anticipate",

"assume", "believe", "budget", "estimate", "evaluate", "expect", "forecast", "intend", "should", "initial", "plan", "project", and similar expressions are intended to identify forward-looking statements. These statements about the Company may relate to its businesses and prospects, planned capital projects and expenditures, increases or decreases in oil and gas production and reserves, estimates regarding OIP and recoverable resource potential, revenues, expenses, and operating cash flows, progress in developing the Company's projects, future values of those projects, and other matters that involve a number of risks and uncertainties that may cause actual results to differ materially from expectations. Among these risks and uncertainties are the following: risks and uncertainties inherent in log and other analyses and the conclusions drawn therefrom with respect to the existence and estimated amount of OIP and potential hydrocarbon resources; possible geologic or other obstacles to accessing the anticipated resources or obtaining the anticipated production from the Company's projects; the uncertain nature of the anticipated value and underlying prospects of our UK acreage position; government regulation and oversight of drilling and completion activity in the UK, including possible restrictions on hydraulic fracturing that could affect our ability to develop unconventional resource projects in the UK; the timing of development milestones; possible adverse changes to the oil industry; and other matters discussed in the "Risk Factors" sections of the Company's most recent Annual Report on Form 10K and subsequent Quarterly Reports on Form 10Q. Any forward-looking information provided in this release should be considered with these factors in mind. The Company assumes no obligation to update any forward-looking statements contained in this press release, whether as a result of new information, future events, or otherwise, except as required by securities laws.

CAUTIONARY INFORMATION ABOUT NON-RESERVE INFORMATION

The United States Securities and Exchange Commission (the "SEC") prohibits oil and gas companies from disclosing, in their filings with the SEC, estimates of oil or gas volumes or values other than with respect to "reserves," which are defined by SEC rules to mean estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations (subject to additional conditions). In this press release, the Company refers to a third-party estimate of OIP, which the SEC prohibits from being included in filings with the SEC. Estimated OIP is generally just an indication of the size of a hydrocarbon reservoir and not an indication of reserves or the quantity of oil that is likely to be produced. Estimates of OIP are inherently uncertain, and should not be considered to be comparable to proved, probable, or possible reserves.

ABOUT MAGELLAN

Magellan Petroleum Corporation is an independent oil and gas exploration and production company focused on the development of CO₂-EOR projects in the Rocky Mountain region. Historically active internationally, Magellan also owns significant exploration acreage in the Weald Basin, onshore UK, and an exploration block, NT/P82, in the Bonaparte Basin, offshore Northern Territory, Australia, which the Company currently plans to farmout. Our strategy is to enhance shareholder value by maximizing the value of our CO₂-EOR business and our international projects. We are committed to efficiently investing financial, technical, and management capital in our projects in order to achieve the greatest risk-adjusted value and returns for our shareholders. Magellan routinely posts important information about the Company on its website at www.magellanpetroleum.com.

For further information, please contact:

Matthew Ciardiello

Vice President - CFO, Treasurer, and Corporate Secretary

720.484.2404

IR@magellanpetroleum.com

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