

June 13, 2016



Magellan Sells Its Weald Basin Acreage and Settles Litigation

DENVER, CO -- (Marketwired) -- 06/13/16 -- Magellan Petroleum Corporation (NASDAQ: MPET) ("Magellan" or the "Company") today announced the sale of the Company's 50% interests in Petroleum Exploration and Development License ("PEDL") 234 in the Weald basin in the UK to UK Oil and Gas Investments PLC ("UKOG") and the settlement of its litigation with Celtique Energie Weald Limited ("Celtique") for approximately \$1.8 million.

On June 10 2016, Magellan Petroleum (UK) Limited ("MPUK"), a wholly owned subsidiary of Magellan, entered into i) an Asset Transfer Agreement relating to the sale to UKOG of MPUK's 50% interests in PEDLs 231, 234, and 243 (the "Weald ATA"), ii) an Asset Transfer Agreement relating to the sale to UKOG of MPUK's 22.5% interests in the Offshore Petroleum Licence P1916 (the "loW ATA"), and iii) a Settlement Agreement with Celtique. The consideration payable by UKOG to MPUK for the Weald ATA amounts to £1.75 million in a combination of cash and shares in UKOG. The consideration for the loW ATA is the assumption of MPUK's outstanding payables related to its interests in the Offshore Petroleum Licence P1916. Pursuant to the terms of the Settlement Agreement, MPUK will pay Celtique £500 thousand, in a combination of cash and shares in UKOG pro rata to the consideration payable to MPUK for the ATA Weald. The consideration payable to MPUK net of the terms of the Settlement Agreement amounts to approximately £446 thousand in cash and approximately 50.9 million shares of UKOG worth approximately £804 thousand at the time of the execution of the agreements.

The Weald ATA is subject to customary conditions and the approval by the Oil and Gas Authority of, amongst other things, an extension of the term of PEDL234, the approval of which is expected to be received by the end of June 2016. The completion of Weald ATA, loW ATA, and Settlement Agreement are conditional upon each other and also subject to the completion of the acquisition by UKOG of the entire issued share capital in Celtique, the terms of which acquisition are based on an equivalent consideration to the Weald ATA. Contemporaneously with these transactions, MPUK and Celtique have initiated the process of relinquishing their interests in PEDLs 231 and 243.

J. Thomas Wilson, President and CEO of the Company, commented, "These transactions represent another important step in the strategic alternatives review process the Company is conducting. Considering that PEDL234 is due to expire at the end of June 2016, we are pleased to have been able to monetize this asset. Moreover, by resolving the dispute with Celtique and following the Exchange Agreement with One Stone, Magellan should be a debt-free and litigation-free company, which we believe are important factors in our ability to attract valuable partners, with which we may enter into a business combination transaction. The proceeds from this transaction will also contribute to satisfy the Company's short term liquidity needs and supplement the cash balance the Company is building from the

monetization of its international assets. The Company continues to hold its 35% interest in the Horse-Hill-1 well."

CAUTIONARY INFORMATION ABOUT FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of securities laws. The words "believe", "expect", "intend", "plan", "potential", and similar expressions are intended to identify forward-looking statements. These statements involve a number of known and unknown risks which may cause actual results to differ materially from expectations expressed or implied in the forward-looking statements. These risks include factors such as the uncertain nature of future liquidity needs, the duration of the strategic alternatives review process and other matters discussed in the "Risk Factors" section of the Company's 2015 Form 10-K and any updates thereto in subsequent reports filed with the SEC. The forward looking statements in this press release speak as of the date of this release. Although the Company may from time to time voluntarily update its prior forward-looking statements, it disclaims any commitment to do so except as required by securities laws.

ABOUT MAGELLAN

Magellan Petroleum Corporation is an independent oil and gas exploration and production company historically focused on CO2-enhanced oil recovery ("CO2-EOR") projects in the Rocky Mountain region. Upon the anticipated closing of the transactions contemplated by the Exchange Agreement that the Company entered into with its preferred stockholder on March 31, 2016, which are primarily subject to the approval of the Company's stockholders, the Company will have disposed of its CO2-EOR activities. Historically active internationally, Magellan also owns exploration acreage in the Weald Basin, onshore UK, and an exploration block, NT/P82, in the Bonaparte Basin, offshore Northern Territory, Australia. Magellan routinely posts important information about the Company on its website at www.magellanpetroleum.com.

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