

July 6, 2015



Magellan Announces Formation of Special Committee to Review Strategic Alternatives

DENVER, CO -- (Marketwired) -- 07/06/15 -- Magellan Petroleum Corporation (NASDAQ: MPET) ("Magellan" or the "Company") today announced the formation of a special committee of independent members of the Board of Directors of the Company (the "Special Committee") to consider various strategic alternatives potentially available to the Company. The formation of the Special Committee is not in response to any proposal received by the Company or an approach by a third party.

The Special Committee is authorized to identify, consider, negotiate, and potentially implement all strategic alternatives reasonably available to the Company, including, but not limited to, sales of some or all of the assets of the Company, joint ventures, a recapitalization, and a sale or merger of the Company. There can be no assurance that any transaction will occur.

The Company also announced that the Special Committee has engaged Petrie Partners, LLC ("Petrie") as financial advisor. Petrie will advise the Company as regards to the strategic alternatives review process.

J. Thomas Wilson, President and CEO of the Company, commented, "As we continue to implement the CO₂-enhanced oil recovery ("CO₂-EOR") pilot program at Poplar over the next few months and develop a comprehensive economic model for the project, we believe that it is time to start considering the Company's options. Preliminary results from the pilot are encouraging and we believe that approximately up to 100 MMboe may be recovered from the B intervals of the Charles formation at Poplar through full field development using CO₂-EOR techniques. We also believe that CO₂-EOR is likely to enable the recovery of additional volumes of hydrocarbons from the A and C intervals of the Charles formation at Poplar. The complete development of the field using CO₂-EOR is a major project, which will require a significant investment program."

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 "believe", "estimate", "evaluate", "expect", "forecast", "initial", "intend", "plan", "potential", "project", "should", "tend", "will", 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 recoverable resource potential, revenues,

expenses, and operating cash flows, progress in developing the Company's projects, future values of those projects, the strategic alternatives review process and other matters that involve a number of risks and uncertainties that may cause actual results to differ materially from expectations expressed or implied in the forward-looking statements. Among these risks and uncertainties are the following: uncertainties associated with our planned CO₂-EOR program at Poplar, including uncertainties about the technical and economic viability of CO₂-EOR techniques at Poplar, the drilling results from the pilot project, the results of CO₂ injection, including the ability to sustain CO₂ pressures at sufficient effective levels to sweep the oil across the formation to production wells, the Company's ability to acquire a long term CO₂ supply for the program, possible adverse changes to the CO₂-EOR industry, possible geologic or other obstacles to the further development of the Company's Poplar project, possible geologic or other obstacles to obtaining the anticipated production from the Company's CO₂-EOR projects and the timing of development milestones, uncertainties inherent in projecting future rates of production from CO₂-EOR activities, and whether enhanced production expected from CO₂-EOR will be comparable to other CO₂-EOR projects or otherwise meet the Company's expectations; risks and uncertainties inherent in estimates of amounts of potentially recoverable hydrocarbon resources and OIP; the uncertain nature of oil and gas prices, including uncertainties about the duration of the currently depressed oil commodity price environment and the related impact on the Company's revenues, project developments, and ability to obtain financing; uncertainties regarding the fulfillment of the conditions to completion of Central's acquisition agreement with Santos; uncertainties regarding the Company's ability to maintain sufficient liquidity and capital resources to implement the Company's projects; and other matters discussed in the "Risk Factors" sections of the Company's most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. In addition, at this time, no decision on any particular strategic alternative or transaction has been reached and there is no guarantee that any future sale or other strategic transaction will occur. 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 estimates of recoverable volumes of oil, which the SEC prohibits from being included in filings with the SEC. Estimates of recoverable volumes of oil are 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 recoverable volumes of oil and 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:

Antoine Lafargue
Senior Vice President -- CFO, Treasurer, and Corporate Secretary
720.484.2404
IR@magellanpetroleum.com

or

Jacob Nagy
Petrie Partners
Jacob@petrie.com

Source: Magellan Petroleum Corporation