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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): July 14, 2009 (July 9, 2009)

Magellan Petroleum Corporation

(Exact Name of Registrant as Specified in Its Charter)

Delaware	
(State or Other Jurisdiction of Incorporation)	
1-5507	06-0842255
(Commission File Number)	(IRS Employer Identification No.)
10 Columbus Boulevard, Hartford, CT	06106
(Address of Principal Executive Offices)	(Zip Code)

860-293-2006
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 1.01 Entry into a Material Definitive Agreement

Completion of the YEP Strategic Investment

As previously disclosed in a current report filed on February 10, 2009, Magellan Petroleum Corporation (the "Company") entered into a Securities Purchase Agreement (the "Purchase Agreement"), dated February 9, 2009, with YEP under which the Company agreed to sell, and YEP agreed to purchase, 8,695,652 shares (the "Shares") of the Company's common stock, par value $0.01 per share (the "Common Stock") at a purchase price of $1.15 per share, or an aggregate of $10,000,000. On April 3, 2009, the Company and YEP amended the Purchase Agreement to, among other things, extend the outside termination date for the closing of YEP's equity investment from April 30, 2009 to June 30, 2009, in order to complete the YEP equity investment transaction. On June 30, 2009, the Company and YEP agreed to further amend the Purchase Agreement (the "Second Amendment"). Under the Second Amendment, YEP is obligated to initiate a wire transfer of the purchase price for the Shares to an account designated by the Company no later than July 8, 2009. Also, at the request of YEP, the Company and YEP agreed to extend the termination date under the Purchase Agreement for an additional two (2) week period.

On July 9, 2009, the Company and YEP completed the issuance and sale of the Shares to YEP. The Company received gross proceeds of $10 million, which will be used for general corporate and working capital purposes.

Warrant Agreement

On July 9, 2009, the Company executed and delivered to YEP a Warrant Agreement entitling YEP to purchase an additional 4,347,826 shares of the Company's Common Stock (the "Warrant Shares") at an exercise price of $1.20 per Warrant Share. The Warrant has a term of five years. The Warrant contains customary anti-dilution provisions and other adjustments that may have the effect of reducing the Warrant exercise price and/or increasing the number of Warrant Shares. In addition, the Warrant contains a "minimum price" adjustment provision that will be triggered if, at any time during the five-year term of the Warrant, the Company sells or otherwise issues additional shares of its Common Stock (or options, warrants or other convertible securities related to its Common Stock) for a consideration per share of less than $1.15, then the Company must reduce the Warrant exercise price and/or increase the number of Warrant Shares; provided, however, that certain issuances of stock, options or convertible securities by the Company are deemed "excluded issuances" which will not trigger the adjustments. The Warrant also contains a "net issuance exercise" provision, which permits YEP to exercise its Warrant and acquire some or all of the Warrant Shares, and pay the related warrant exercise price to the Company by delivering a "net issue election notice." The Company would deduct from the Warrant Shares delivered to YEP, that number of Warrant Shares having a market value equal to the aggregate exercise price owed to the Company. The First Amendment to the Purchase Agreement provides that, if YEP completes the purchase of the ANS Shares from the ANS Parties under the ANS-YEP Purchase Agreement, as more fully described in Item 8.01 of the Company's Form 8-K filed on April 8, 2009, then the exercise price payable by YEP for the Warrant Shares shall be reduced from $1.20 to $1.15 per share.

A copy of the Warrant Agreement dated July 9, 2009 is attached hereto as Exhibit 10.1 and is hereby incorporated by reference.

Registration Rights Agreement

On July 9, 2009, the Company and YEP entered into a Registration Rights Agreement, pursuant to which the Company granted to YEP certain registration rights with respect to the Shares and the Warrant Shares. The Company agreed to pay all expenses associated with the registration of the Shares and the Warrant Shares, including the fees and expenses of counsel to YEP. The Company also agreed to indemnify YEP, and its officers, directors, members, investor, employees and agents, each other person, if any, who controls YEP within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), against any losses, claims, damages, or liabilities, joint or several, to which they may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages, or liabilities arise out of or are based upon specified violations or failures to comply with applicable federal and state securities laws, rules and regulations.

A copy of the Registration Rights Agreement dated July 9, 2009 is attached hereto as Exhibit 10.2 and is hereby incorporated by reference.

Item 3.02. Unregistered Sales of Equity Securities

The disclosure regarding the completion of the YEP equity investment transaction set forth under Item 1.01 above is hereby incorporated by reference.

The shares sold to YEP in the private placement and the Warrant Shares were not registered under the Securities Act or state securities laws, and may not be resold in the United States in the absence of an effective registration statement filed with the U.S. Securities and Exchange Commission ("SEC") or an available exemption from the applicable federal and state registration requirements.

In the Purchase Agreement, YEP represented to the Company that: (a) it is an accredited investor, as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act; (b) it acquired the Shares and the Warrant as principal for its own account for investment purposes only and not with a view to or for distributing or reselling the Shares and the Warrant or any part thereof, and (c) it is knowledgeable, sophisticated, and experienced in making, and qualified to make, decisions with respect to investments in securities representing an investment decision similar to that involved in the purchase of the Shares and the Warrant. The Company has relied on the exemption from the registration requirements of the Securities Act set forth in Regulation S promulgated thereunder for the purposes of the transaction.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Effectiveness of Election of Two New Directors

In connection with the YEP Purchase Agreement, at a Board meeting held on May 27, 2009, the Company's Board adopted resolutions: (a) conditionally amending the Company's Bylaws to expand the size of the Board; and (b) conditionally electing Messrs. Nikolay Bogachev and J. Thomas Wilson to the Board as Class II directors, each to serve a term of office expiring at the Company's 2011 Annual Meeting of Shareholders.

On July 9, 2009, the Company and YEP completed the equity investment transaction. Accordingly, the elections to the Board of Messrs. Bogachev and Wilson have become effective.

Under the Company's new compensation policy for non-employee directors, each of Messrs. Bogachev and Wilson are entitled to receive the compensation payable by the Company to each of its non-employee directors. In addition, Mr. Wilson entered into a consulting agreement and two non-qualified stock option award agreements with the Company, each dated July 9, 2009, which are described below.

Each of Messrs. Bogachev and Wilson entered into an indemnification agreement dated July 9, 2009 with the Company in the same form as provided to the Company's other directors, as required by the Company's Restated Certificate of Incorporation. See Exhibit 10.1 to the Company's current report on Form 8-K filed on June 2, 2009, which form is filed herewith as Exhibit 10.3 by reference from Item 9.01 below.

As of the date hereof, neither of Messrs. Bogachev or Wilson have been named to any committees of the Board. However, the Purchase Agreement provides that, for so long as Mr. Bogachev and Mr. Wilson are serving on the Board as designees of YEP, (a) Mr. Bogachev may elect to be designated as a member of the Board's Audit Committee, provided that he meets the established requirements for members of such Committee and (b) Mr. Wilson may elect to be designated as a member of the Board's Compensation Committee, provided that he meets the established requirements for members of such Committee.

The Company confirms, as required by regulations under the Securities Exchange Act of 1934, that (1) there is no family relationship between either Mr. Bogachev or Mr. Wilson and any director or executive officer of the Company, (2) other than the requirements of the Purchase Agreement with YEP, there is no arrangement or understanding between Messrs. Bogachev and Wilson and any other person pursuant to which Messrs. Bogachev and Wilson were elected as directors of the Company, and (3) other than the Company's consulting agreement with Mr. Wilson, there is no transaction between either Messrs. Bogachev or Mr. Wilson and the Company that would require disclosure under Item 404(a) of Regulation S-K.

Agreements with J. Thomas Wilson

On July 9, 2009, the Company entered into a three-year consulting agreement with Mr. Wilson on the following terms:

- Mr. Wilson will provide management and geologic expertise and experience in support of the principal activities of the Company's senior management, on an "as needed" non-substantial periodic basis;
- Mr. Wilson will also be available to support special projects of the Company and to devote substantial amounts of time to such special projects;
- other than reimbursement of his reasonable out of pocket expenses in rendering such services, Mr. Wilson shall not receive cash compensation for his non-substantial periodic services. In the event that the Company requests Mr. Wilson to perform substantial services devoted to special projects, he shall receive cash compensation of $1,000 per day for such services; and
- Mr. Wilson has been granted, as of February 2, 2009, non-qualified stock options to purchase 387,500 shares of the Company's Common Stock at an exercise price of $1.20 per share (with a corresponding reduction in the options granted to Mr. William H. Hastings, the Company's President and Chief Executive Officer, on December 11, 2008); of which options to acquire 262,500 shares will vest ratably based on the continued consulting services of Mr. Wilson over a three-year period and 125,000 shares will vest based on the same performance criteria as apply to the options granted by the Company to Mr. Hastings on December 11, 2008.

Mr. Wilson's consulting agreement and two option award agreements, each dated July 9, 2009, are attached hereto as Exhibits 10.4, 10.5 and 10.6, respectively, and are hereby incorporated by reference.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year

Amendments to Our Restated Certificate of Incorporation

Under the YEP Purchase Agreement, the Company agreed to seek shareholder approval to (1) repeal the "per capita" voting requirements of Article 12th and Article 14th of the Company's Restated Certificate of Incorporation (the "Restated Certificate"), which require that any matter to be voted upon at any meeting of shareholders must be approved, not only by a majority of the shares voted at such meeting, but also by a majority of the shareholders present in person or by proxy and entitled to vote thereon; and (2) repeal Article 13th of the Restated Certificate, which generally requires that certain business combinations with interested shareholders within a prescribed 3-year time period after a person becomes an interested shareholder must be approved by a 66 2/3rd % super-majority vote of the shares of the Company's Common Stock and a 66 2/3rd % vote of the Company's shareholders, subject to certain exceptions.

At the Company's Annual Meeting of Shareholders held on May 27, 2009, the Company's shareholders voted to approve (a) an amendment to the Restated Certificate to repeal the "per capita" voting requirements of Article 12th and Article 14th of the Restated Certificate and (b) an amendment to the Restated Certificate to repeal the super-majority voting requirements of Article 13th.

On July 9, 2009, the Company completed the YEP equity investment transaction. The Company intends to file amendments to its Restated Certificate with the Secretary of State of the State of Delaware implementing the repeal of the per capita voting provisions of Article 12th and Article 14th thereof and implementing the repeal of the super-majority voting requirements of Article 13 th thereof, which amendments will become effective as of December 31, 2009.

Amendment and Restatement of Our Bylaws

In connection with the completion of the YEP equity investment transaction, the Board of Directors adopted amended and restated Bylaws. The Amended and Restated Bylaws contain revisions to the Bylaws made in connection with the YEP Purchase Agreement that (a) amend and/or repeal several provisions thereof that implement, and are complimentary to, the per capita voting requirements of Article 12th and Article 14th of the Company's Restated Certificate, and (b) amend Article III, Section 1 of the Company's Bylaws, to expand the size of the Board to consist of seven (7) members from five (5) members. The Bylaw amendment to expand the size of the Board took effect on July 9, 2009.

The Bylaw amendments related to the per capita voting requirements Article 12 th and Article 14th of the Company's Restated Certificate are not yet effective but will take effect on December 31, 2009, the effective date of the amendments to the Company's Restated Certificate to be filed in Delaware, as described above.

A copy of the Amended and Restated Bylaws, dated July 9, 2009, is attached hereto as Exhibit 3.1, and is hereby incorporated by reference.

Item 8.01 Other Events

Company Press Releases

On July 9, 2009, the Company issued a press release announcing the completion of the YEP equity investment transaction. A copy of the Company's July 9, 2009 press release is filed herewith as Exhibit 99.1 and is hereby incorporated by reference.

On July 13, 2009, the Company issued a press release announcing the entry by MPAL into certain agreements. A copy of the Company's July 13, 2009 press release is filed herewith as Exhibit 99.2 and is hereby incorporated by reference.

Award of Shares to Non-Employee Directors

As previously disclosed, on May 27, 2009, the Board adopted a revised compensation policy for the non-employee directors of the Board (the "Compensation Policy"), which includes a provision for the award of shares of the Company's Common Stock as partial payment of the non-employee directors annual retainer fees. In addition, on May 27, 2009, the Board further amended Section 9 of the Company's 1998 Stock Incentive Plan (the "Plan") to conform the Plan to the adoption of the new Compensation Policy.

On June 17, 2009, the Board adopted resolutions that, effective on July 1, 2009, grant to each of the following non-employee directors of the Company an award of shares of the Company's Common Stock pursuant to Section 9 of the Plan (each, a "Share Award"):

Donald V. Basso
Walter McCann
Robert J. Mollah
Ronald Pettirossi

Each Share Award will be in an amount equal to that number of shares equal to $35,000 divided by the Fair Market Value of a share of Common Stock on July 1, 2009 (as calculated under the Plan) and rounded up to the nearest whole share; provided that, the number of shares for each director Share Award will be subject to a maximum annual cap of 15,000 shares.

Pursuant to the Compensation Policy, (a) any difference between the value of each director's Share Award and $35,000 will be added back to the amount of the cash retainer paid each year to such director, spread out over the 12-month period, and (b) each year, the non-employee directors receiving Share Awards described above will be permitted to sell up to 25% of the shares comprising the Share Award to meet applicable tax obligations, subject to the requirements of the Company's insider trading policies.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit No.	Description
3.1	Amended and Restated Bylaws, dated as of July 9, 2009.
10.1	Warrant Agreement, dated July 9, 2009.
10.2	Registration Rights Agreement, dated July 9, 2009.
10.3	Form of Indemnification Agreement, incorporated by reference from Exhibit 10.1 to the Company's current report on Form 8-K filed on June 2, 2009.
10.4	Consulting Agreement between the Company and J. Thomas Wilson, dated July 9, 2009.
10.5	Non-qualified stock option award agreement between the Company and J. Thomas Wilson, dated July 9, 2009.
10.6	Non-qualified stock option performance award agreement between the Company and J. Thomas Wilson, dated July 9, 2009.
99.1	Company press release, dated July 9, 2009.
99.2	Company press release, dated July 13, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

MAGELLAN PETROLEUM CORPORATION

By: /s/ Daniel J. Samela
Name: Daniel J. Samela
Title: Chief Financial Officer, Chief Accounting Officer and Treasurer

Dated: July 14, 2009

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EXHIBIT INDEX

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99.2	Company press release, dated July 13, 2009.

Exhibit 3.1

MAGELLAN PETROLEUM CORPORATION

BY-LAWS, AS AMENDED, JULY 9, 2009

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MAGELLAN PETROLEUM CORPORATION

BY-LAWS

OF

MAGELLAN PETROLEUM CORPORATION

ARTICLE I

Offices

SECTION 1. Registered Office. The registered office of the corporation shall be at Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, Delaware.

SECTION 2. Other Offices. The corporation may also have other offices at such other places within or without the State of Delaware as the board of directors may from time to time determine.

ARTICLE II

Meeting of Stockholders

SECTION 1. Place of Meetings. All meetings of the stockholders of the corporation may be held at the principal office of the corporation in the State of Delaware, or at such other place or places, within or without the State of Delaware, as the board of directors may from time to time determine.

SECTION 2.1. Annual Meeting.

The annual meeting of the stockholders for the election of Directors and for the transaction of such other business as may properly come before the meeting shall be held on such date as the board of directors shall each year fix. The day, place and hour of each annual meeting shall be specified in the notice of annual meeting. The meeting may be postponed or adjourned from time to time and place to place until its business is completed.

At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the board of directors, (b) otherwise properly brought before the meeting by or at the direction of the board of directors, or (c) otherwise properly brought before the meeting by a stockholder. For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the corporation. To be timely, a stockholder’s notice must he delivered to or mailed and received at the principal executive offices of the corporation, not less than sixty (60) nor more than ninety (90) days prior to the meeting; provided, however, that in the event that less than seventy

days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the close of business on the tenth day following the date on which such notice of the date of the annual meeting was mailed or such public disclosure was made. For purposes of this Section 2.1, public disclosure shall be deemed to have been made to stockholders when disclosure of the date of the meeting is first made in a press release reported by the Dow Jones News Services, Associated Press, Reuters Information Services, Inc. or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Securities Exchange Act of 1934, as amended.

A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting

(a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting;

(b) the name and address, as they appear on the corporation's books, of the stockholder intending to propose such business;

(c) the class and number of shares of the corporation which are beneficially owned by the stockholder;

(d) a representation that the stockholder is a holder of record of capital stock of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to present such business;

(e) any material interest of the stockholder in such business.

Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 2.1. The presiding officer of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 2.1, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

SECTION 2.2. Notice of Stockholder Nominees.

Only persons who are nominated in accordance with the procedures set forth in these By-Laws shall be eligible for election as directors. Nominations of persons for election to the board of directors of the corporation may be made at a meeting of stockholders (a) by or at the direction of the board of directors or (b) by any stockholder of the corporation entitled to vote for the election of directors at the meeting who complies with the notice procedures set forth in this Section 2.2. Nominations by stockholders shall be made pursuant to timely notice in writing to the Secretary of the corporation. To be timely, a stockholder's notice shall be delivered to or mailed and received at the principal executive offices of the corporation not

less than sixty (60) days nor more than ninety (90) days prior to the meeting; provided, however, that in the event that less than seventy days' (70) notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the close of business on the 10th day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made. For purposes of this Section 2.2, public disclosure shall be deemed to have been made to stockholders when disclosure of the date of the meeting is first made in a press release reported by the Dow Jones News Services, Associated Press, Reuters Information Services, Inc. or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Securities Exchange Act of 1934, as amended.

Each such notice shall set forth:

(a) the name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated;

(b) a representation that the stockholder is a holder of record of stock of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice;

(c) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder; and

(d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the nominee been nominated, or intended to be nominated, by the board of directors.

To be effective, each notice of intent to make a nomination given hereunder shall be accompanied by the written consent of each nominee to being named in a proxy statement and to serve as a director of the corporation if elected.

No person shall be eligible for election as a director of the corporation unless nominated in accordance with the procedures set forth in these By-Laws. The presiding officer of the meeting shall, if the facts warrant, determine and declare to the meeting that nomination was not made in accordance with the procedures prescribed by these By-Laws, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

SECTION 3. Special Meetings; Notice.

Special meetings of the stockholders, other than those required by statute, may be called at any time by the Chairman of the board of directors, or by the President of the corporation, or by the board of directors pursuant to a resolution approved by a majority of the entire board of directors. Notice of every special meeting, stating the time, place and purpose, shall be given by

mailing, postage prepaid, at least ten but not more than sixty days before each such meeting, a copy of such notice addressed to each stockholder of the corporation at his post office address as recorded on the books of the corporation. The board of directors may postpone or reschedule any previously scheduled special meeting.

Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the corporation's notice of meeting. Nominations of persons for election to the board of directors may be made at a special meeting of stockholders at which directors are to be selected pursuant to the notice of meeting (a) by or at the direction of the board of directors or (b) by any stockholder of the corporation who is a stockholder of record at the time of giving of notice provided for in this By-Law, who shall be entitled to vote at the meeting and who complies with the notice procedures set forth in this By-Law. Nominations by stockholders of persons for election to the board of directors may be made at such a special meeting of stockholders if the stockholder's notice required by Article II, Section 2.2 of these By-Laws shall be delivered to the Secretary at the principal executive offices of the corporation not earlier than the 90th day prior to such special meeting and not later than the close of business on the later of the 60th day prior to such special meeting or the 10th day following the day on which public disclosure is first made of the date of the special meeting and of the nominees proposed by the board of directors to be selected at such meeting. For purposes of this Section 3, public disclosure shall be deemed to have been made to stockholders when disclosure of the date of the meeting is first made in a press release reported by the Dow Jones News Services, Associated Press, Reuters Information Services, Inc. or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Securities Exchange Act of 1934, as amended.

SECTION 4. Notice of Meetings.

Notice of the time and place of the annual meeting and of any special meeting of the stockholders shall be mailed or cabled by the Secretary to each stockholder entitled to vote at such meeting, at his last known post office address, at least ten (10) days prior to such meeting. The notice of a special meeting shall also set forth the objects of the meeting. All or any of the stockholders may in writing waive notice of any meeting, before or after the holding of such meeting, and the presence of a stockholder at any meeting, in person or by proxy, shall be deemed waiver of notice thereof by him. Meetings of the stockholders may be held at any time and place and for any purpose, without notice, when all of the stockholders entitled to vote at such meetings are present in person or by proxy, or when all of such stockholders waive such notice in writing and consent to the holding of such meetings.

SECTION 5. Quorum.

The holders for the time being of thirty-three and one third percent (33 1/3 %) of the total number of shares of stock issued and outstanding and entitled to be voted at any meeting, present in person or by proxy, shall constitute a quorum for the transaction of business, unless the representation of a larger number shall be required by law. In the absence of a quorum, the stockholders attending or represented at the time and place at which a meeting shall have been called, may adjourn the meeting from time to time until a quorum shall be present. At any such

adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted by a quorum of the stockholders at the meeting as originally convened.

SECTION 6. Voting at Stockholders' Meetings. [Amended effective December 31, 2009].

At all meetings of the stockholders, each holder of stock of the corporation having the right to vote at such meeting shall be entitled to one vote for each share standing registered in his name on the record date for such meeting.

SECTION 7. Proxies and Voting.

At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this paragraph may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

SECTION 8. Manner of Voting. [Amended effective December 31, 2009].

In the election of directors and in voting on any question on which a vote by written ballot is required by law or is demanded by any stockholder, the voting shall be by written ballot; on all other questions, voting may, but need not, be conducted by written ballot.

SECTION 9. Stock Register.

The officer or agent having charge of the stock register shall keep a complete alphabetical list of the stockholders entitled to vote, together with the residence of each and the number of shares by each, which list and stock register shall be kept on file at any office of the corporation or at the office of any transfer agent or registrar of transfers appointed by the board of directors. The stock register shall be the only evidence as to who are the stockholders entitled to vote at any meeting of the stockholders thereof.

SECTION 10. Presiding Officer and Secretary; Conduct of Business.

Subject to Article IV, Section 2, the president, or in his absence, the vice president, shall call meetings of the stockholders to order and shall act as chairman of the meetings; but in the absence of the president and vice president, the board of directors may appoint any stockholder to act as the chairman of the meeting, and, in default of an appointment by the board of directors of a chairman, the stockholders may elect a chairman to preside at the meeting. The Secretary of the corporation shall act as Secretary of all meetings of the stockholders, but in his absence the presiding officer may appoint any person to act as Secretary of the meeting.

The presiding officer of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him or her in order. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

ARTICLE III

Board of Directors

SECTION 1. Election and Removal of Directors. [(a) Amended effective July 9, 2009].

(a) Number, Election and Terms. The powers of the corporation shall be exercised by the board of directors, except such as are by law or by the Certificate of Incorporation or by the By-Laws of the corporation reserved to the stockholders. The board of directors shall consist of seven (7) members, but such number may be altered from time to time by an amendment of these By-Laws. At the 1985 Annual Meeting of Stockholders, the directors shall be divided into three classes, as nearly equal in number as possible, with the term of office of the first class to expire at the 1986 Annual Meeting of Stockholders, the term of office of the second class to expire at the 1987 Annual Meeting of Stockholders and the term of office of the third class to expire at the 1988 Annual Meeting of Stockholders, or in each case thereafter when their respective successors are elected and have qualified or upon their earlier death, resignation or removal. At each Annual Meeting of Stockholders following such initial classification and election, directors elected to succeed those directors whose terms expire shall be elected for a term of office to expire at the third succeeding Annual Meeting of Stockholders after their election, or in each case thereafter when their respective successors are elected and have qualified or upon their earlier death, resignation or removal.

(b) Newly Created Directorships and Vacancies. Subject to the rights of the holders of any series of Preferred Stock then outstanding, newly created directorships resulting from an increase in the authorized number of directors or any vacancies in the board of directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall only be filled by or in the manner directed by a majority vote of the directors then in office, and directors so chosen shall hold office for a term expiring at the Annual Meeting of Stockholders at which the term of the class to which they have been elected expires. No decrease in the number of directors constituting the board of directors shall shorten the term of any incumbent director.

(c) Removal. Notwithstanding any other provision in these By-Laws to the contrary and subject to the rights of the holders of any series of Preferred Stock then outstanding, any director, or the entire board of directors, may be removed from office at any time, but only for cause and only by the affirmative vote of at least a majority of the votes cast at a stockholders' meeting called to consider such removal. **[(c) Amended effective December 31, 2009].**

SECTION 2. Quorum.

A majority of the total number of directors shall constitute a quorum of the board of directors for the conduct of business of the corporation. In the absence of a quorum the director or directors present in person, at the time and place at which the meeting shall have been called, may adjourn the meeting from time to time, and from place to place until a quorum shall be present. The act of a majority of the directors present in person at a meeting at which a quorum is present, shall be the act of the board of directors, except in situations where the Delaware General Corporation Law imposes a different rule.

SECTION 3. Voting by Proxy.

Directors may not be represented and may not vote by proxy at directors' meetings.

SECTION 4. Regular Meetings.

Regular meetings of the board may be held upon such notice, or without notice, as the board of directors may by resolution from time to time determine.

SECTION 5. Special Meetings.

Special meetings of the board shall be held whenever called by the president, or a majority of the entire board of directors, on two (2) days' notice to each director, either in person or by mail, telephone or by telegraph. Special meetings of the board may be held for any purpose, without notice, whenever all of the directors are present in person, or shall in writing waive notice of and consent to the holding of such meeting.

SECTION 6. Place of Meeting.

Any meeting of the board of directors may be held at such place or places as may from time to time be established by resolution of the board, or as may be fixed in the notice of such meeting, or as may be agreed to in writing by all the directors of the corporation.

SECTION 7. Compensation.

The board of directors shall have authority to fix fees of directors in compensation for their service as directors and as members of special or standing committees of the board of directors, including reasonable allowance of expenses actually incurred in connection with their duties.

SECTION 8. Voting Securities Held by the Corporation.

The directors shall have power to determine who shall be entitled to vote in the name and behalf of the corporation upon, or to assign and transfer, any shares of stock, bonds, or other securities of other companies held by the corporation, and the directors may designate an officer who shall have power to appoint a person or persons to vote, assign or transfer any securities of other companies held by the corporation.

SECTION 9. Indemnification Agreements.

The corporation shall enter into appropriate agreements with its directors and officers (and with such other employees and agents as the board of directors deems appropriate in its sole and exclusive discretion) both to indemnify such directors and officers (and such other employees and agents, if any) and to advance to such directors and officers (and such other employees and agents, if any) the funds for litigation expenses to the fullest extent permitted by the laws of the State of Delaware, as the same presently exist or may hereafter be amended, changed or modified.

Any repeal or modification of the foregoing paragraph shall not adversely affect the rights of any director of officer (or any such employee or agent) of the corporation relating to claims arising in connection with events which took place prior to the date of such repeal or modification.

ARTICLE IV

OFFICERS

SECTION 1. Election, Term and Vacancies.

The officers of the corporation shall be a president, a secretary and a treasurer, all of whom shall be elected by the board of directors. The board may also appoint such other officers and agents as it may deem necessary, who shall have such authority and perform such duties as may from time to time be prescribed by the board. Officers elected by the board shall hold office for one year, or until their successors are elected and qualified, provided, that any officer may be removed at any time by the board. Vacancies occurring among the officers of the corporation shall be filled by the board of directors. No officer need be a director and any person may hold two or more offices, except those of president and vice president.

SECTION 2. President.

The president shall be the chief executive officer of the corporation. He shall preside at all meetings of the directors and stockholders at which he is present. He shall have general management of the business of the corporation, subject to the board of directors, and shall see that all orders and resolutions of the board are carried into effect. He shall execute contracts and other obligations authorized by the board, and may, without previous authority of the board, make such contracts as the ordinary business of the corporation shall require. He shall have the usual powers and duties vested in the office of president of a corporation, but may delegate any of his powers to one or more of the vice presidents. He shall have power to select and appoint all necessary officers and servants of the corporation except the vice presidents, secretary and treasurer, and such other officers as may be selected by the board of directors. He shall have power to remove any officers and servants appointed by him, and to make new appointments to fill vacancies in any such offices.

SECTION 3. Vice Presidents.

The board of directors shall have power at any time to elect one or more vice presidents of the corporation. The vice presidents of the corporation, if any, shall be vested with such powers and duties as the board of directors may from time to time decide. In the absence or inability of the president to serve, the vice president designated by the board of directors shall be vested with all of the powers of the president.

SECTION 4. Secretary.

The Secretary shall attend all meetings of the stockholders, of the board of directors and of any committees of the board of directors, and record the votes and proceedings of such meetings in books to be kept for that purpose. He shall keep the corporate seal in safe custody and affix it to any instrument requiring the same. He shall attend to the giving and serving of notices of meetings, and shall have charge of such books and papers as properly belong to his office, or as may be committed to his care by the board of directors or executive committee. He shall also perform such other duties as pertain to his office or as may be required by the board of directors, or as may be delegated to him from time to time by the president.

SECTION 5. Treasurer.

The treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in banks belonging to the corporation, and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors. He shall disburse the funds of the corporation as may be ordered by the board or the president, taking proper vouchers for such disbursements, and shall render to the president or board of directors, whenever they require it, an account of all his transactions as treasurer and of the financial condition of the company.

SECTION 6. Assistant Secretary and Assistant Treasurer.

The board of directors shall have power at any time to elect an assistant secretary and/or an assistant treasurer of the corporation, or may at any time authorize the president to appoint such officers. The assistant secretary shall perform such duties as may be delegated to him by the Secretary, or as may be required by the board of directors or the president, and shall in the absence of the Secretary perform all the functions and have all the duties and responsibilities of Secretary. The assistant treasurer shall perform such duties as may be delegated to him by the treasurer, and shall also perform such other duties as may be required by the board of directors or by the president. In the absence of the treasurer, the assistant treasurer shall have all the powers and all the duties and responsibilities of the treasurer. One person may hold the officers of assistant secretary and assistant treasurer.

SECTION 7. Oaths and Bonds.

The board of directors may by resolution require any officers, agents or employees of the corporation to give oaths or to furnish bonds for the faithful performance of their respective duties.

SECTION 8. Signatures.

All checks, drafts or orders for the payment of money, and all acceptances, bills of exchange and promissory notes may be signed by any officer or officers of the corporation, or by any other person designated by resolution of the board of directors.

SECTION 9. Delegation of Duties.

In the event of death, resignation, retirement, disqualification, disability, sickness, absence, removal from office or refusal to act of any officer or agent of the corporation, or for any reason that the board of directors may deem sufficient, the board of directors may delegate the powers and duties of such officer or agent to any other officer or agent, or to any director, for the time being.

ARTICLE V

Shares of Stock

SECTION 1. Stock Certificates; Uncertificated Stock.

The shares of the corporation's capital stock may be certificated or uncertificated, as provided under the Delaware General Corporation Law of the State of Delaware. Except as otherwise provided by law, the rights and obligations of the holders of uncertificated shares and the rights and obligations of the holders of certificated shares of the same class and series shall be identical. Each stockholder, upon written request to the corporation, or to the transfer agent or registrar of the corporation, shall be entitled to a certificate of the capital stock of the corporation in such form, not inconsistent with law and the Certificate of Incorporation of the corporation, as may be approved by the board of directors. Certificates shall be signed by or in the name of the corporation by the chairperson or vice-chairperson of the board of directors, or the president or vice-president, and by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the corporation. Any or all the signatures on the certificate may be a facsimile. Certificates shall be consecutively numbered, and the names of the persons owning the shares represented thereby, together with the number of such shares and the date of issue, shall be entered on the books of the corporation. Every certificate for shares of stock which are subject to any restriction on transfer shall contain such legend with respect thereto as is required by law. The corporation shall be permitted to issue fractional shares.

SECTION 2. Registered Stockholders.

The corporation shall be entitled to treat the holder of record of any share or shares of stock in this company as the holder in fact thereof, and shall not be bound to recognize any equitable or other claim to or interest in such shares on the part of any other person, whether or

not it shall have express or other notice thereof, save as expressly provided by the laws of the State of Delaware.

SECTION 3. Replacement of Certificates; Lost Certificates.

In case of the alleged loss, destruction or mutilation of a certificate of stock, a duplicate certificate may be issued in place thereof, upon such terms as the board of directors may prescribe, provided, however, that if such shares have ceased to be certificated, a new certificate shall be issued only upon written request to the corporation or to the transfer agent or registrar of the corporation. Any person claiming a certificate of stock to be lost or destroyed shall make an affidavit or affirmation of that fact, and shall advertise the same in such manner as the board of directors may require, and shall, if the board of directors so requires, give the corporation a bond of indemnity in such sum as they may direct.

SECTION 4. Transfer of Shares.

Subject to any restrictions on transfer and unless otherwise provided by the board of directors, shares of stock may be transferred only on the books of the corporation, if such shares are certificated, by the surrender to the corporation or its transfer agent of the certificate therefore properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, or upon proper instructions from the holder of uncertificated shares, in each case with such proof of the authenticity of signature as the corporation or its transfer agent may reasonably require.

SECTION 5. Addresses of Stockholders.

Every stockholder shall furnish the Secretary with an address to which notices of meetings and all other notices may be addressed, but in default thereof, such notices may be sent to stockholders at their last known address or at the principal office of the corporation, except as otherwise provided in these By-Laws.

SECTION 6. Transfer Agents; Rules and Regulations.

The board of directors may appoint a transfer agent and one or more co-transfer agents and a registrar and one or more co-registrars and may make, or authorize such agents and registrars to make, all such rules and regulations as they may deem expedient governing the issue, transfer and registration of the certificates for shares of the capital stock of the corporation.

SECTION 7. Record Date.

In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders, or to receive payment of any dividend or other distribution or allotment of any rights or to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the board of directors may fix a record date, which record date shall not precede the date on which the resolution fixing the

record date is adopted and which record date shall not be more than sixty (60) days nor less than ten (10) days before the date of any meeting of stockholders, nor more than sixty (60) days prior to the time for such other action as hereinbefore described; provided, however, that if no record date is fixed by the board of directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the date next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, and, for determining stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or to exercise any rights of change, conversion or exchange of stock or for any other purpose, the record date shall be at the close of business on the day on which the board of directors adopts a resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the board of directors may fix a new record date for the adjourned meeting.

In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the board of directors, and which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the board of directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the board of directors to fix a record date. The board of directors shall promptly, but in all events within ten (10) days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the board of directors within ten (10) days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the board of directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or any officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the board of directors and prior action by the board of directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the board of directors adopts the resolution taking such prior action.

ARTICLE VI

Dividends

SECTION 1. Dividends and Reserves.

Before payment of any dividend or making any distribution of profits, the board of directors may set aside out of the surplus or net profits of the corporation, such sum or sums as in their absolute discretion they may deem proper as a reserve fund for depreciation, renewal, repair and maintenance or for such other purposes as the directors shall think conducive to the interests of the corporation. Dividends upon the issued and outstanding stock of the corporation may be declared at any regular or special meeting of the board of directors.

SECTION 2. Stock Dividends.

When the directors shall so determine, dividends may be paid in stock of the corporation; provided the stock requisite for such purpose shall be authorized and provided, if such stock has not theretofore been issued, there shall be transferred from surplus to the capital of the corporation an amount at least equal to the minimum amount for which such stock could be lawfully issued.

ARTICLE VII

Fiscal Year

The fiscal year of the corporation shall end on the last day of June in each year.

ARTICLE VIII

Seal

The corporate seal is, and until otherwise ordered and directed by the board of directors shall be, an impression upon paper or wax, bearing the name of the corporation, the year of its organization and the words “Corporate Seal Delaware.”

ARTICLE IX

Amendments [Amended effective December 31, 2009].

These By-Laws may be altered, amended or repealed by the vote of a majority of the board of directors at any regular or special meeting of the board; provided notice of such proposed alteration, amendment or repeal shall have been included in the notice of such meeting, or shall have been waived in writing by all the directors, or at any regular or special meeting of the board at which all of the directors are present, without such notice or waiver of notice. Notwithstanding any other provision in these By-Laws to the contrary and subject to the rights of the holders of any series of Preferred Stock then outstanding, these By-Laws may also be altered, amended or repealed by the stockholders at any regular or special meeting called for that purpose by the favorable vote of sixty-six and two-thirds percent (66 2/3 %) of the voting power of all outstanding voting stock of the corporation generally entitled to vote at such meeting.

Exhibit 10.1

THE SECURITIES REPRESENTED HEREBY MAY NOT BE TRANSFERRED UNLESS (I) SUCH SECURITIES HAVE BEEN REGISTERED FOR SALE PURSUANT TO THE SECURITIES ACT OF 1933, AS AMENDED (THE **"SECURITIES ACT"**), OR (II) THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO IT THAT SUCH TRANSFER MAY LAWFULLY BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OR QUALIFICATION UNDER APPLICABLE STATE SECURITIES LAWS.

SUBJECT TO THE PROVISIONS OF SECTION 10 HEREOF, THIS WARRANT SHALL BE VOID AFTER 5:00 P.M. EASTERN TIME ON THE FIFTH ANNIVERSARY OF THE CLOSING DATE (THE **"EXPIRATION DATE"**).

No. 1

MAGELLAN PETROLEUM CORPORATION

WARRANT TO PURCHASE SHARES OF
COMMON STOCK, PAR VALUE $0.01 PER SHARE

For VALUE RECEIVED, Young Energy Prize S.A., a Luxembourg corporation (**"Warrantholder"**), is entitled to purchase, subject to the provisions of this Warrant, from Magellan Petroleum Corporation, a Delaware corporation (the **"Company"**), from and after the Closing Date (the **"Initial Exercise Date"**) and at any time not later than 5:00 P.M., Eastern time, on the Expiration Date (as defined above), at an exercise price per share equal to $1.20 (the exercise price in effect being herein called the **"Warrant Price"**), 4,347,826 shares (**"Warrant Shares"**) of the Company's Common Stock, par value $0.01 per share (**"Common Stock"**). The number of Warrant Shares purchasable upon exercise of this Warrant and the Warrant Price shall be subject to adjustment from time to time as described herein. Terms not otherwise defined herein have the respective meanings ascribed to them in the Securities Purchase

Agreement, dated February 9, 2009 (the **"Purchase Agreement"**), between the Company and the initial holder of this Warrant, as amended from time to time.

Section 1. Registration. The Company shall maintain books for the transfer and registration of the Warrant. Upon the initial issuance of this Warrant, the Company shall issue and register the Warrant in the name of the Warrantholder or its designee.

Section 2. Transfers. As provided herein, this Warrant may be transferred only pursuant to a registration statement filed under the Securities Act of 1933, as amended (the **"Securities Act"**), or an exemption from such registration. Subject to such restrictions, the Company shall transfer this Warrant from time to time upon the books to be maintained by the Company for that purpose, upon surrender hereof for transfer, properly endorsed or accompanied by appropriate instructions for transfer and such other documents as may be reasonably required by the Company, including, if required by the Company, an opinion of its counsel to the effect that such transfer is exempt from the registration requirements of the Securities Act, to establish that such transfer is being made in accordance with the terms hereof, and a new Warrant shall be issued to the transferee and the surrendered Warrant shall be canceled by the Company.

Section 3. Exercise of Warrant. Subject to the provisions hereof, the Warrantholder may exercise this Warrant, in whole or in part, at any time and from time to time prior to its expiration upon surrender of the Warrant, together with delivery of a duly executed Warrant exercise form, in the form attached hereto as Appendix A (the **"Exercise Agreement"**) and payment by cash, certified check, or wire transfer of funds of the aggregate Warrant Price for that number of Warrant Shares then being purchased, to the Company during normal business hours on any business day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Warrantholder). The Warrant Shares so purchased shall be deemed to be issued to the Warrantholder or the Warrantholder's designee, as the record owner of such shares, as of the close of business on the date on which this Warrant shall have been surrendered for exercise (or the date evidence of loss, theft, or destruction thereof and security or indemnity satisfactory to the Company has been provided to the Company in connection with such exercise), the Warrant Price shall have been paid and the completed Exercise Agreement shall have been delivered. Certificates for the Warrant Shares so purchased shall be delivered to the Warrantholder within a reasonable time, not exceeding three (3) business days, after this Warrant shall have been so exercised. The certificates so delivered

shall be in such denominations as may be requested by the Warrantholder and shall be registered in the name of the Warrantholder or such other name as shall be designated by the Warrantholder, as specified in the Exercise Agreement. If this Warrant shall have been exercised only in part, then, unless this Warrant has expired, the Company shall, at its expense, at the time of delivery of such certificates, deliver to the Warrantholder a new Warrant representing the right to purchase the number of shares with respect to which this Warrant shall not then have been exercised. As used herein, "business day" means a day, other than a Saturday or Sunday, on which banks in New York City are open for the general transaction of business. Each exercise hereof shall constitute the re-affirmation by the Warrantholder that the representations and warranties contained in Section 3.2 of the Purchase Agreement are true and correct in all material respects with respect to the Warrantholder as of the time of such exercise.

Section 4. Compliance with the Securities Act of 1933. Except as provided in the Purchase Agreement, the Company may cause the legend set forth on the first page of this Warrant to be set forth on each Warrant, and a similar legend on any security issued or issuable upon exercise of this Warrant, unless counsel for the Company is of the opinion as to any such security that such legend is unnecessary.

Section 5. Payment of Taxes. The Company will pay any documentary stamp taxes attributable to the initial issuance of Warrant Shares issuable upon the exercise of the Warrant; provided, however, that the Company shall not be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificates for Warrant Shares in a name other than that of the Warrantholder in respect of which such shares are issued, and in such case, the Company shall not be required to issue or deliver any certificate for Warrant Shares or any Warrant until the person requesting the same has paid to the Company the amount of such tax or has established to the Company's reasonable satisfaction that such tax has been paid. The Warrantholder shall be responsible for income taxes due under federal, state, or other law, if any such tax is due.

Section 6. Mutilated or Missing Warrants. In case this Warrant shall be mutilated, lost, stolen, or destroyed, the Company shall issue in exchange and substitution of and upon surrender and cancellation of the mutilated Warrant, or in lieu of and substitution for the Warrant lost, stolen, or destroyed, a new Warrant of like tenor and for the purchase of a like number of Warrant Shares, but only upon receipt of evidence reasonably satisfactory to the Company of

such mutilation, loss, theft, or destruction of the Warrant, and with respect to a lost, stolen, or destroyed Warrant, reasonable indemnity or bond with respect thereto, if requested by the Company.

Section 7. Reservation of Common Stock. The Company hereby represents and warrants that there have been reserved, and the Company shall at all applicable times keep reserved until issued (if necessary) as contemplated by this Section 7, out of the authorized and unissued shares of Common Stock, sufficient shares to provide for the exercise of the rights of purchase represented by this Warrant. The Company agrees that all Warrant Shares issued upon due exercise of the Warrant shall be, at the time of delivery of the certificates for such Warrant Shares, duly authorized, validly issued, fully paid, and non-assessable shares of Common Stock of the Company.

Section 8. Adjustments. Subject and pursuant to the provisions of this Section 8, the Warrant Price and number of Warrant Shares subject to this Warrant shall be subject to adjustment from time to time as set forth hereinafter.

(a) If the Company shall, at any time or from time to time while this Warrant is outstanding, pay a dividend or make a distribution on its Common Stock in shares of Common Stock, subdivide its outstanding shares of Common Stock into a greater number of shares or combine its outstanding shares of Common Stock into a smaller number of shares, or issue by reclassification of its outstanding shares of Common Stock any shares of its capital stock (including any such reclassification in connection with a consolidation or merger in which the Company is the continuing corporation), then (i) the Warrant Price in effect immediately prior to the date on which such change shall become effective shall be adjusted by multiplying such Warrant Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such change and the denominator of which shall be the number of shares of Common Stock outstanding immediately after giving effect to such change, and (ii) the number of Warrant Shares purchasable upon exercise of this Warrant shall be adjusted by multiplying the number of Warrant Shares purchasable upon exercise of this Warrant immediately prior to the date on which such change shall become effective by a fraction, the numerator of which shall be the Warrant Price in effect immediately prior to the date on which such change shall become effective and the denominator of which shall be the Warrant Price in effect immediately after giving effect to such change, calculated in accordance with clause (i)

above. Such adjustments shall be made successively whenever any event listed above shall occur.

(b) If any capital reorganization, reclassification of the capital stock of the Company, consolidation or merger of the Company with another corporation in which the Company is not the survivor, or sale, transfer, or other disposition of all or substantially all of the Company's assets to another corporation shall be effected, then, as a condition of such reorganization, reclassification, consolidation, merger, sale, transfer, or other disposition, lawful and adequate provision shall be made whereby each Warrantholder shall thereafter have the right to purchase and receive upon the basis and upon the terms and conditions herein specified and in lieu of the Warrant Shares immediately theretofore issuable upon exercise of the Warrant, such shares of stock, securities, or assets as would have been issuable or payable with respect to or in exchange for a number of Warrant Shares equal to the number of Warrant Shares immediately theretofore issuable upon exercise of the Warrant, had such reorganization, reclassification, consolidation, merger, sale, transfer, or other disposition not taken place, and in any such case appropriate provision shall be made with respect to the rights and interests of each Warrantholder to the end that the provisions hereof (including, without limitation, provision for adjustment of the Warrant Price) shall thereafter be applicable, as nearly equivalent as may be practicable in relation to any shares of stock, securities, or assets thereafter deliverable upon the exercise hereof. The Company shall not effect any such consolidation, merger, sale, transfer, or other disposition unless prior to or simultaneously with the consummation thereof the successor corporation (if other than the Company) resulting from such consolidation or merger, or the corporation purchasing or otherwise acquiring such assets or other appropriate corporation or entity, shall assume the obligation to deliver to the Warrantholder, at the last address of the Warrantholder appearing on the books of the Company, such shares of stock, securities, or assets as, in accordance with the foregoing provisions, the Warrantholder may be entitled to purchase, and the other obligations under this Warrant. The provisions of this paragraph (b) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales, transfers, or other dispositions.

(c) In case the Company shall fix a payment date for the making of a distribution to all holders of Common Stock (including any such distribution made in connection with a consolidation or merger in which the Company is the continuing corporation) of

evidences of indebtedness or assets (other than cash dividends or cash distributions payable out of consolidated earnings or earned surplus or dividends or distributions referred to in Section 8(a)), or subscription rights or warrants, the Warrant Price to be in effect after such payment date shall be determined by multiplying the Warrant Price in effect immediately prior to such payment date by a fraction, the numerator of which shall be the total number of shares of Common Stock outstanding multiplied by the Market Price (as defined below) per share of Common Stock immediately prior to such payment date, less the fair market value (as determined by the Company's Board of Directors in good faith) of said assets or evidences of indebtedness so distributed, or of such subscription rights or warrants, and the denominator of which shall be the total number of shares of Common Stock outstanding multiplied by such Market Price per share of Common Stock immediately prior to such payment date. **"Market Price"** shall mean, as of a particular date (the **"Valuation Date"**), the following: (a) if the Common Stock is then listed on a national stock exchange, the closing sale price of one share of Common Stock on such exchange on the last Trading Day prior to the Valuation Date; (b) if the Common Stock is then quoted on the National Association of Securities Dealers, Inc. OTC Bulletin Board (the **"Bulletin Board"**) or such similar quotation system or association, the closing sale price of one share of Common Stock on the Bulletin Board or such other quotation system or association on the last Trading Day prior to the Valuation Date or, if no such closing sale price is available, the average of the high bid and the low asked price quoted thereon on the last Trading Day prior to the Valuation Date; (c) if the Common Stock is then included in the "pink sheets," the closing sale price of one share of Common Stock on the "pink sheets" on the last Trading Day prior to the Valuation Date or, if no such closing sale price is available, the average of the high bid and the low ask price quoted on the "pink sheets" as of the end of the last Trading Day prior to the Valuation Date; or (d) if the Common Stock is not then listed on a national stock exchange or quoted on the Bulletin Board, the "pink sheets" or such other quotation system or association, the fair market value of one share of Common Stock as of the Valuation Date, as determined in good faith by the Board of Directors of the Company and the Warrantholder. If the Common Stock is not then listed on a national securities exchange or quoted on the Bulletin Board, the "pink sheets" or other quotation system or association, the Board of Directors of the Company shall respond promptly, in writing, to an inquiry by the Warrantholder prior to the exercise hereunder as to the fair market value of a share of Common

Stock as determined by the Board of Directors of the Company. In the event that the Board of Directors of the Company and the Warrantholder are unable to agree upon the fair market value in respect of subpart (d) of this paragraph, the Company and the Warrantholder shall jointly select an appraiser who is experienced in such matters. The decision of such appraiser shall be final and conclusive, and the cost of such appraiser shall be borne equally by the Company and the Warrantholder. Such adjustment shall be made successively whenever such a payment date is fixed.

(d) An adjustment to the Warrant Price shall become effective immediately after the payment date in the case of each dividend or distribution and immediately after the effective date of each other event which requires an adjustment.

(e) In the event that, as a result of an adjustment made pursuant to this Section 8, the Warrantholder shall become entitled to receive any shares of capital stock of the Company other than shares of Common Stock, the number of such other shares so receivable upon exercise of this Warrant shall be subject thereafter to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Warrant Shares contained in this Warrant.

(f) Except as provided in subsection (g) hereof, if and whenever the Company shall issue or sell, or is, in accordance with any of subsections (f)(l) through (f)(7) hereof, deemed to have issued or sold, any Additional Shares of Common Stock (as defined below) for no consideration or for a consideration per share less than 95.8333 percent of the Warrant Price (as the Warrant Price is adjusted from time to time under this Section 8) (the **"Minimum Price"**), then and in each such case (a **"Trigger Issuance"**), the then-existing Warrant Price shall be reduced as of the close of business on the effective date of the Trigger Issuance, to a price determined by the formula set forth below. Such formula is intended to adjust the Warrant Price in a manner which does not reduce the Warrant Price with respect to the difference between the Warrant Price prior to such adjustment and 95.8333 percent of such Warrant Price. The formula is as follows:

$$\text{Adjusted Warrant Price} = \frac{(A \times B) + D}{A+C} + E$$

where

"A" equals the number of shares of Common Stock outstanding, including Additional Shares of Common Stock (as defined below) deemed to be issued hereunder, immediately preceding such Trigger Issuance;

"B" equals the Minimum Price in effect immediately preceding such Trigger Issuance;

"C" equals the number of Additional Shares of Common Stock issued or deemed issued hereunder as a result of the Trigger Issuance;

"D" equals the aggregate consideration, if any, received or deemed to be received by the Company upon such Trigger Issuance; and

"E" equals 4.1667 percent of the Warrant Price in effect immediately preceding such Trigger Issuance;

provided, however, that in no event shall the Warrant Price after giving effect to such Trigger Issuance be greater than the Warrant Price in effect prior to such Trigger Issuance.

For purposes of this subsection (f), "Additional Shares of Common Stock" shall mean all shares of Common Stock issued or sold by the Company or deemed to be issued or sold pursuant to this subsection (f), other than Excluded Issuances (as defined in subsection (g) hereof).

For purposes of this subsection (f), the following subsections (f)(l) to (f)(7) shall also be applicable (subject, in each such case, to the provisions of Section 8(g) hereof):

(f)(1) Issuance of Rights or Options. In case at any time the Company shall in any manner grant (directly and not by assumption in a merger or otherwise) any warrants or other rights to subscribe for or to purchase, or any options for the purchase of, Common Stock or any stock or security convertible into or exchangeable for Common Stock (such warrants, rights, or options being called **"Options"** and such convertible or exchangeable stock or securities being called **"Convertible Securities"**), whether or not such Options or the right to convert or exchange any such Convertible Securities are immediately exercisable, and the price per share for which Common Stock is issuable upon the exercise of such Options or upon the conversion or exchange of such Convertible Securities (determined by dividing (i) the sum (which sum shall constitute the applicable consideration) of (x) the total amount, if any, received or receivable by the Company as consideration for the granting of such Options, plus (y) the aggregate

amount of additional consideration payable to the Company upon the exercise of all such Options, plus (z), in the case of such Options which relate to Convertible Securities, the aggregate amount of additional consideration, if any, payable upon the issuance or sale of such Convertible Securities and upon the conversion or exchange thereof, by (ii) the total maximum number of shares of Common Stock issuable upon the exercise of such Options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such Options) shall be less than the Minimum Price in effect immediately prior to the time of the granting of such Options, then the total number of shares of Common Stock issuable upon the exercise of such Options or upon conversion or exchange of the total amount of such Convertible Securities issuable upon the exercise of such Options shall be deemed to have been issued for such price per share as of the date of the granting of such Options or the issuance of such Convertible Securities and thereafter shall be deemed to be outstanding for purposes of adjusting the Warrant Price. Except as otherwise provided in subsection 8(f)(3), no adjustment of the Warrant Price shall be made upon the actual issuance of such Common Stock or of such Convertible Securities upon exercise of such Options or upon the actual issuance of such Common Stock upon conversion or exchange of such Convertible Securities.

(f)(2) Issuance of Convertible Securities. In case the Company shall in any manner issue (directly and not by assumption in a merger or otherwise) or sell any Convertible Securities, whether or not the rights to exchange or convert any such Convertible Securities are immediately exercisable, and the price per share for which Common Stock is issuable upon such conversion or exchange (determined by dividing (i) the sum (which sum shall constitute the applicable consideration) of (x) the total amount received or receivable by the Company as consideration for the issuance or sale of such Convertible Securities, plus (y) the aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange thereof, by (ii) the total number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities) shall be less than the Minimum Price in effect immediately prior to the

time of such issuance or sale, then the total maximum number of shares of Common Stock issuable upon conversion or exchange of all such Convertible Securities shall be deemed to have been issued for such price per share as of the date of the issuance or sale of such Convertible Securities and thereafter shall be deemed to be outstanding for purposes of adjusting the Warrant Price, provided that (a) except as otherwise provided in subsection 8(f)(3), no adjustment of the Warrant Price shall be made upon the actual issuance of such Common Stock upon conversion or exchange of such Convertible Securities and (b) no further adjustment of the Warrant Price shall be made by reason of the issuance or sale of Convertible Securities upon exercise of any Options to purchase any such Convertible Securities for which adjustments of the Warrant Price have been made pursuant to the other provisions of subsection 8(f).

(f)(3) Change in Option Price or Conversion Rate. Upon the happening of any of the following events, namely, if the purchase price provided for in any Option referred to in subsection 8(f)(l) hereof, the additional consideration, if any, payable upon the conversion or exchange of any Convertible Securities referred to in subsections 8(f)(l) or 8(f)(2), or the rate at which Convertible Securities referred to in subsections 8(f)(l) or 8(f)(2) are convertible into or exchangeable for Common Stock shall change at any time (including, but not limited to, changes under or by reason of provisions designed to protect against dilution), the Warrant Price in effect at the time of such event shall forthwith be readjusted to the Warrant Price which would have been in effect at such time had such Options or Convertible Securities still outstanding provided for such changed purchase price, additional consideration, or conversion rate, as the case may be, at the time initially granted, issued, or sold. On the termination of any Option for which any adjustment was made pursuant to this subsection 8(f) or any right to convert or exchange Convertible Securities for which any adjustment was made pursuant to this subsection 8(f) (including without limitation upon the redemption or purchase for consideration of such Convertible Securities by the Company), the Warrant Price then in effect hereunder shall forthwith be changed to the Warrant Price which would have been in effect at the time of such termination had such Option

or Convertible Securities, to the extent outstanding immediately prior to such termination, never been issued.

(f)(4) Stock Dividends. Subject to the provisions of this Section 8(f), in case the Company shall declare a dividend or make any other distribution upon any stock of the Company (other than the Common Stock) payable in Common Stock, Options, or Convertible Securities, then any Common Stock, Options, or Convertible Securities, as the case may be, issuable in payment of such dividend or distribution shall be deemed to have been issued or sold without consideration; provided, that if any adjustment is made to the Warrant Price as a result of a declaration of a dividend and such dividend is rescinded, the Warrant Price shall be appropriately readjusted to the Warrant Price in effect had such dividend not been declared.

(f)(5) Consideration for Stock. In case any shares of Common Stock, Options, or Convertible Securities shall be issued or sold for cash, the consideration received therefor shall be deemed to be the gross amount received by the Company therefor. In case any shares of Common Stock, Options, or Convertible Securities shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company shall be deemed to be the fair value of such consideration as determined in good faith by the Board of Directors of the Company. In case any Options shall be issued in connection with the issuance and sale of other securities of the Company, together comprising one integral transaction in which no specific consideration is allocated to such Options by the parties thereto, such Options shall be deemed to have been issued for such consideration as determined in good faith by the Board of Directors of the Company. If Common Stock, Options, or Convertible Securities shall be issued or sold by the Company and, in connection therewith, other Options or Convertible Securities (the **"Additional Rights"**) are issued, then the consideration received or deemed to be received by the Company shall be reduced by the fair market value of the Additional Rights (as determined using the Black-Scholes option pricing model or another method mutually agreed to by the Company and the Warrantholder). The Board of Directors of the Company shall

respond promptly, in writing, to an inquiry by the Warrantholder as to the fair market value of the Additional Rights. In the event that the Board of Directors of the Company and the Warrantholder are unable to agree upon the fair market value of the Additional Rights, the Company and the Warrantholder shall jointly select an appraiser who is experienced in such matters. The decision of such appraiser shall be final and conclusive, and the cost of such appraiser shall be borne evenly by the Company and the Warrantholder.

(f)(6) Record Date. In case the Company shall take a record of the holders of its Common Stock for the purpose of entitling them (i) to receive a dividend or other distribution payable in Common Stock, Options, or Convertible Securities, or (ii) to subscribe for or purchase Common Stock, Options, or Convertible Securities, then such record date shall be deemed to be the date of the issuance or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(f)(7) Treasury Shares. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company or any of its wholly-owned subsidiaries, and the disposition of any such shares (other than the cancellation or retirement thereof) shall be considered an issuance or sale of Common Stock for the purpose of this subsection (f).

(g) Anything herein to the contrary notwithstanding, the Company shall not be required to make any adjustment of the Warrant Price in the case of the issuance of (A) capital stock, Options, or Convertible Securities issued to directors, officers, employees, or consultants of the Company in connection with their service as directors or officers of the Company, their employment by the Company, or their retention as consultants by the Company pursuant to an equity compensation program approved by the Board of Directors of the Company or the compensation committee of the Board of Directors of the Company, (B) shares of Common Stock issued upon the conversion or exercise of Options or Convertible Securities issued prior to the date hereof, provided such securities are not amended after the date hereof to increase the number of shares of Common Stock issuable thereunder or to lower the exercise or

conversion price thereof, (C) securities issued pursuant to the Purchase Agreement and securities issued upon the exercise or conversion of those securities, and (D) shares of Common Stock issued or issuable by reason of a dividend, stock split, or other distribution on shares of Common Stock (but only to the extent that such a dividend, split, or distribution results in an adjustment in the Warrant Price pursuant to the other provisions of this Warrant) (collectively, **"Excluded Issuances"**).

(h) Upon any adjustment to the Warrant Price pursuant to Section 8(f) above, the number of Warrant Shares purchasable hereunder shall be adjusted by multiplying such number by a fraction, the numerator of which shall be the Warrant Price in effect immediately prior to such adjustment and the denominator of which shall be the Warrant Price in effect immediately thereafter.

(i) To the extent permitted by applicable law and the listing requirements of any stock market or exchange on which the Common Stock is then listed, the Company from time to time may decrease the Warrant Price by any amount for any period of time if the period is at least twenty (20) days, the decrease is irrevocable during the period, and the Board shall have made a determination that such decrease would be in the best interests of the Company, which determination shall be conclusive. Whenever the Warrant Price is decreased pursuant to the preceding sentence, the Company shall provide written notice thereof to the Warrantholder at least five (5) days prior to the date the decreased Warrant Price takes effect, and such notice shall state the decreased Warrant Price and the period during which it will be in effect.

Section 9. Fractional Interest. The Company shall not be required to issue fractions of Warrant Shares upon the exercise of this Warrant. If any fractional share of Common Stock would, except for the provisions of the first sentence of this Section 9, be deliverable upon such exercise, the Company, in lieu of delivering such fractional share, shall pay to the exercising Warrantholder an amount in cash equal to the Market Price of such fractional share of Common Stock on the date of exercise.

Section 10. Extension of Expiration Date. If the Company fails to cause any Registration Statement covering Registrable Securities (unless otherwise defined herein, capitalized terms are as defined in the Registration Rights Agreement relating to the Warrant Shares (the **"Registration Rights Agreement"**)) to be declared effective prior to the applicable dates set forth therein, or if the effectiveness of a Registration Statement has been delayed or a

Prospectus has been unavailable, and such delay or unavailability (whether alone, or in combination with any other period of delay or unavailability) continues for more than 60 days in any 12 month period, or for more than a total of 90 days, then the Expiration Date of this Warrant shall be extended one day for each day beyond the 60-day or 90-day limits, as the case may be, that such delay or unavailability continues.

Section 11. Benefits. Nothing in this Warrant shall be construed to give any person, firm, or corporation (other than the Company and the Warrantholder) any legal or equitable right, remedy, or claim, it being agreed that this Warrant shall be for the sole and exclusive benefit of the Company and the Warrantholder.

Section 12. Notices to Warrantholder. Upon the happening of any event requiring an adjustment of the Warrant Price, the Company shall promptly give written notice thereof to the Warrantholder at the address appearing in the records of the Company, stating the adjusted Warrant Price and the adjusted number of Warrant Shares resulting from such event and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. Failure to give such notice to the Warrantholder or any defect therein shall not affect the legality or validity of the subject adjustment.

Section 13. Identity of Transfer Agent. The Transfer Agent for the Common Stock is American Stock Transfer & Trust Company, LLC. Upon the appointment of any subsequent transfer agent for the Common Stock or other shares of the Company's capital stock issuable upon the exercise of the rights of purchase represented by the Warrant, the Company will mail to the Warrantholder a statement setting forth the name and address of such transfer agent.

Section 14. Notices. Unless otherwise provided, any notice required or permitted under this Warrant shall be given in writing and shall be deemed effectively given as hereinafter described (i) if given by personal delivery, then such notice shall be deemed given upon such delivery, (ii) if given by telex or facsimile, then such notice shall be deemed given upon receipt of confirmation of complete transmittal, (iii) if given by mail, then such notice shall be deemed given upon the earlier of (A) receipt of such notice by the recipient or (B) three days after such notice is deposited in first class mail, postage prepaid, and (iv) if given by an internationally recognized overnight air courier, then such notice shall be deemed given one business day after delivery to such carrier. All notices shall be addressed as follows: if to the Warrantholder, at its address as set forth in the Company's books and records and, if to the Company, at the address

as follows, or at such other address as the Warrantholder or the Company may designate by ten days' advance written notice to the other:

If to the Company:

Magellan Petroleum Corporation
10 Columbus Boulevard
Hartford, CT 06106
Facsimile: (860) 293-2349
Attention: William H. Hastings, President and CEO

Section 15. Registration Rights. The initial Warrantholder is entitled to the benefit of certain registration rights with respect to the shares of Common Stock issuable upon the exercise of this Warrant as provided in the Registration Rights Agreement, and any subsequent Warrantholder may be entitled to such rights.

Section 16. Successors. All the covenants and provisions hereof by or for the benefit of the Warrantholder shall bind and inure to the benefit of its respective successors and assigns hereunder.

Section 17. Governing Law; Consent to Jurisdiction; Waiver of Jury Trial. This Warrant shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without reference to the choice of law provisions thereof. The Company and, by accepting this Warrant, the Warrantholder, each irrevocably submits to the exclusive jurisdiction of the courts of Delaware for the purpose of any suit, action, proceeding, or judgment relating to or arising out of this Warrant and the transactions contemplated hereby. Service of process in connection with any such suit, action, or proceeding may be served on each party hereto anywhere in the world by the same methods as are specified for the giving of notices under this Warrant. The Company and, by accepting this Warrant, the Warrantholder, each irrevocably consents to the jurisdiction of any such court in any such suit, action, or proceeding, and to the laying of venue in such court. The Company and, by accepting this Warrant, the Warrantholder, each irrevocably waives any objection to the laying of venue of any such suit, action, or proceeding brought in such courts and irrevocably waives any claim that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum. **EACH OF THE COMPANY AND, BY ITS ACCEPTANCE HEREOF, THE WARRANTHOLDER HEREBY WAIVES ANY RIGHT TO REQUEST A TRIAL BY JURY IN ANY**

LITIGATION WITH RESPECT TO THIS WARRANT AND REPRESENTS THAT COUNSEL HAS BEEN CONSULTED SPECIFICALLY AS TO THIS WAIVER.

Section 18. Cashless Exercise. Notwithstanding any other provision contained herein to the contrary, the Warrantholder may elect at any time and from time to time to receive, without the payment by the Warrantholder of the aggregate Warrant Price in respect of the shares of Common Stock to be acquired, shares of Common Stock of equal value to the value of this Warrant, or any specified portion hereof, by the surrender of this Warrant (or such portion of this Warrant being so exercised) together with a Net Issue Election Notice, in the form annexed hereto as Appendix B, duly executed, to the Company. Thereupon, the Company shall issue to the Warrantholder such number of fully paid, validly issued, and nonassessable shares of Common Stock as is computed using the following formula:

$$X = \frac{Y\ (A - B)}{A}$$

where

X = the number of shares of Common Stock to which the Warrantholder is entitled upon such cashless exercise;

Y = the total number of shares of Common Stock covered by this Warrant for which the Warrantholder has surrendered purchase rights at such time for cashless exercise (including both shares to be issued to the Warrantholder and shares as to which the purchase rights are to be canceled as payment therefor);

A = the Market Price of one share of Common Stock as at the date the net issue election is made; and

B = the Warrant Price in effect under this Warrant at the time the net issue election is made.

Section 19. No Rights as Stockholder. Prior to the exercise of this Warrant, the Warrantholder shall not have or exercise any rights as a stockholder of the Company by virtue of its ownership of this Warrant.

Section 20. Amendment; Waiver Any term of this Warrant may be amended or waived (including the adjustment provisions included in Section 8 of this Warrant) upon the written consent of the Company and the Warrantholder.

Section 21. Section Headings. The section headings in this Warrant are for the convenience of only and in no way alter, modify, amend, limit, or restrict the provisions hereof.

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed, as of the 9th day of July, 2009.

MAGELLAN PETROLEUM CORPORATION

By: /s/ William H. Hastings
Name: William H. Hastings
Title: President and CEO

APPENDIX A
MAGELLAN PETROLEUM CORPORATION
WARRANT EXERCISE FORM

To Magellan Petroleum Corporation:

The undersigned hereby irrevocably elects to exercise the right of purchase represented by the within Warrant (**"Warrant"**) for, and to purchase thereunder by the payment of the Warrant Price and surrender of the Warrant, _____ shares of Common Stock (**"Warrant Shares"**) provided for therein, and requests that certificates for the Warrant Shares be issued as follows:

Name: _____

Address: _____

_____

Federal Tax ID
Or Social Security No.: _____

and delivered by

____ (certified mail to the above address, or

____ (electronically (provide DWAC Instructions:_____), or

____ (other (specify): _____).

and, if the number of Warrant Shares shall not be all the Warrant Shares purchasable upon exercise of the Warrant, that a new Warrant for the balance of the Warrant Shares purchasable upon exercise of this Warrant be registered in the name of the undersigned Warrantholder or the undersigned's Assignee as below indicated and delivered to the address stated below.

Note: The signature must correspond with the name of the Warrantholder as written on the first page of the Warrant in every particular, without alteration or enlargement or any change whatever, unless the Warrant has been assigned.

Dated: _____, ___

Signature: _____

_____
Name (please print)

_____

_____
Address

_____
Federal Identification or
Social Security No.

Assignee:

_____

_____

_____

APPENDIX B
MAGELLAN PETROLEUM CORPORATION
NET ISSUE ELECTION NOTICE

To: Magellan Petroleum Corporation

Date:_____

The undersigned hereby elects under Section 18 of this Warrant to surrender the right to purchase _____ shares of Common Stock pursuant to this Warrant and hereby requests the issuance of _____ shares of Common Stock. The certificate(s) for the shares issuable upon such net issue election shall be issued in the name of the undersigned or as otherwise indicated below.

_____
Signature

_____
Name for Registration

_____
Mailing Address

Exhibit 10.2

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (the **"Agreement"**) is made and entered into as of this 9th day of July, 2009, by and between Magellan Petroleum Corporation, a Delaware corporation (the **"Company"**), and Young Energy Prize S.A., a Luxembourg corporation (the **"Investor"**).

The parties hereby agree as follows:

1. Certain Definitions.

As used in this Agreement, the following terms shall have the following meanings:

"Affiliate" means, with respect to any person, any other person which directly or indirectly controls, is controlled by, or is under common control with, such person.

"Business Day" means a day, other than a Saturday or Sunday, on which banks in New York City are open for the general transaction of business.

"Common Stock" shall mean the Company's common stock, par value $0.01 per share, and any securities into which such shares may hereafter be reclassified.

"Prospectus" shall mean (i) the prospectus included in any Registration Statement, as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference in such prospectus, and (ii) any "free writing prospectus" as defined in Rule 163 under the 1933 Act.

"Purchase Agreement" shall mean the Securities Purchase Agreement dated as of February 9, 2009 by and between the Company and the Investor.

"Register," "registered," and **"registration"** refer to a registration made by preparing and filing a Registration Statement or similar document in compliance with the 1933 Act (as defined below), and the declaration or ordering of effectiveness of such Registration Statement or document.

"Registrable Securities" shall mean (i) the Shares, (ii) the Warrant Shares, and (iii) any other securities issued or issuable with respect to or in exchange for Registrable Securities; provided, that, a security shall cease to be a Registrable Security upon (A) sale pursuant to a

Registration Statement or Rule 144 under the 1933 Act, or (B) such security becoming eligible for sale by the Investor without restriction pursuant to Rule 144.

"Registration Statement" shall mean any registration statement of the Company filed under the 1933 Act that covers the resale of any of the Registrable Securities pursuant to the provisions of this Agreement, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference in such Registration Statement.

"Shares" means the shares of Common Stock issued to the Investor at the Closing pursuant to the Purchase Agreement.

"Trading Day" means (i) if the relevant stock or security is listed or admitted for trading on The New York Stock Exchange, Inc., the Nasdaq Global Market, the Nasdaq Capital Market, or any other national securities exchange, a day on which such exchange is open for business; (ii) if the relevant stock or security is quoted on a system of automated dissemination of quotations of securities prices, a day on which trades may be effected through such system; or (iii) if the relevant stock or security is not listed or admitted for trading on any national securities exchange or quoted on any system of automated dissemination of quotation of securities prices, a day on which the relevant stock or security is traded in a regular way in the over-the-counter market and for which a closing bid and a closing asked price for such stock or security are available, shall mean a day, other than a Saturday or Sunday, on which The New York Stock Exchange, Inc. is open for trading.

"Warrant Shares" means the shares of Common Stock issuable upon the exercise of the Warrant.

"Warrant" means the warrant to purchase shares of Common Stock issued to the Investor at the Closing pursuant to the Purchase Agreement, the form of which is attached to the Purchase Agreement as Exhibit A thereto.

"1933 Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"1934 Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

2. Registration.

(a) Registration Statement. Following the closing of the purchase and sale of the securities contemplated by the Purchase Agreement (the **"Closing"**), the Investor shall have the right to require the Company, within forty-five days of the Investor's written request therefor, to prepare and file with the U.S. Securities and Exchange Commission (the **"SEC"**) a Registration Statement on Form S-3 (or, if Form S-3 is not then available to the Company, on such form of registration statement as is then available to effect a registration for resale of the Registrable Securities), covering the resale of the Registrable Securities. Subject to any SEC comments, each Registration Statement filed pursuant to Section 2(a) shall include the plan of distribution attached hereto as Exhibit A; provided however, that the Investor shall not be named as an "underwriter" without the Investor's prior written consent. The Registration Statement also shall cover, to the extent allowable under the 1933 Act and the rules promulgated thereunder (including Rule 416), such indeterminate number of additional shares of Common Stock resulting from stock splits, stock dividends, or similar transactions with respect to the Registrable Securities to which such Registration Statement relates. Such Registration Statement (and each amendment or supplement thereto, and each request for acceleration of effectiveness thereof) shall be provided in accordance with Section 3(c) to the Investor and/or its counsel prior to its filing or other submission.

(b) Expenses. The Company will pay all expenses associated with each registration, including filing and printing fees, the Company's counsel and accounting fees and expenses, costs associated with clearing the Registrable Securities for sale under applicable state securities laws, listing fees, fees and expenses of counsel to the Investor, and the Investor's reasonable expenses in connection with the registration, but excluding discounts, commissions, fees of underwriters, selling brokers, dealer managers, or similar securities industry professionals with respect to the Registrable Securities being sold.

(c) Effectiveness.

(i) The Company shall use best efforts to have the Registration Statement covering the resale of the Registrable Securities declared effective by the SEC as soon as practicable and prior to the earlier of (x) ten (10) Business Days after the SEC shall have informed the Company that no review of the Registration Statement will be made or that the SEC has no further comments on the Registration Statement or (y) the 90th day after the

Registration Statement is filed. The Company shall notify the Investor by facsimile or e-mail as promptly as practicable, and in any event, within forty-eight (48) hours, after (A) the Registration Statement is declared effective and (B) the filing of any related Prospectus under Rule 424(b), at which time the Company shall also provide the Investor with a copy of such related Prospectus. After the Registration Statement has been declared effective by the SEC, the Company shall take all actions, including without limitation updating the Registration Statement as necessary, so that the Registrable Securities may be sold pursuant to the Registration Statement without restriction except as provided pursuant to subparagraph (ii) below.

(ii) For not more than forty-five (45) consecutive days or for a total of not more than ninety (90) days in any twelve (12) month period without the approval of the Investor, which approval shall not be unreasonably withheld, the Company may delay the disclosure of material non-public information concerning the Company and thereby suspend its obligations under paragraphs (a) and (c) of this Section 2 (as well as the right of the Investor to use any Prospectus included in any Registration Statement contemplated by this Section) if the disclosure of such material non-public information is not, in the good faith opinion of the Company, in the best interests of the Company (an **"Allowed Delay"**); provided, that the Company shall promptly (a) notify the Investor in writing of the existence of (but in no event, without the prior written consent of the Investor, shall the Company disclose to the Investor any of the facts or circumstances regarding) material non-public information giving rise to an Allowed Delay, (b) advise the Investor in writing to cease all sales under the Registration Statement until the end of the Allowed Delay, and (c) use commercially reasonable efforts to terminate an Allowed Delay as promptly as practicable.

(d) Notwithstanding any other provision of this Agreement to the contrary, the Company shall not be in breach of this Section 2 if a Registration Statement has not been filed, the effectiveness of a Registration Statement has been delayed, or a Prospectus has been unavailable as a result of (i) a failure by the Investor to promptly provide on request by the Company any information required by this Agreement or requested by the SEC, (ii) the provision of inaccurate or incomplete information by the Investor, or (iii) a statement or determination of the SEC that any provision of the rights of the Investor under this Agreement are contrary to the provisions of the 1933 Act.

3. Company Obligations. The Company will use commercially reasonable efforts to effect the registration of the Registrable Securities in accordance with the terms hereof, and pursuant thereto the Company will, as expeditiously as practicable:

(a) use commercially reasonable efforts to cause the Registration Statement to become effective after 4:00 p.m. E.S.T. (the date the Registration Statement is declared effective shall be referred to as the **"Effective Date"**) and to remain continuously effective for a period that will terminate upon the earlier of (i) the date on which all Registrable Securities covered by such Registration Statement, as amended from time to time, have been sold, and (ii) the date on which all Registrable Securities covered by such Registration Statement may be sold without restriction pursuant to Rule 144 (the **"Effectiveness Period"**) and advise the Investor in writing when the Effectiveness Period has expired;

(b) prepare and file with the SEC such amendments and post-effective amendments to the Registration Statement and the Prospectus as may be necessary to keep the Registration Statement effective for the Effectiveness Period and to comply with the provisions of the 1933 Act and the 1934 Act with respect to the distribution of all of the Registrable Securities covered thereby;

(c) provide copies to and permit counsel designated by the Investor, if any, in the selling securityholder questionnaire attached hereto as Exhibit B (the **"Selling Securityholder Questionnaire"**) to review the Registration Statement and all amendments and supplements thereto no fewer than seven (7) days prior to their filing with the SEC and not file any document to which such counsel reasonably objects;

(d) furnish to the Investor and its legal counsel, if any, designated in the Selling Securityholder Questionnaire (i) promptly after the same is prepared and publicly distributed, filed with the SEC, or received by the Company (but not later than two (2) Business Days after the filing date, receipt date, or sending date, as the case may be) one (1) copy of the Registration Statement and any amendment thereto, each preliminary prospectus and Prospectus and each amendment or supplement thereto, and each letter written by or on behalf of the Company to the SEC or the staff of the SEC, and each item of correspondence from the SEC or the staff of the SEC, in each case relating to such Registration Statement (other than any portion of any thereof which contains information for which the Company has sought confidential treatment), and (ii) such number of copies of a Prospectus, including a preliminary prospectus,

and all amendments and supplements thereto and such other documents as each Investor may reasonably request in order to facilitate the disposition of the Registrable Securities owned by the Investor that are covered by the related Registration Statement;

(e) use commercially reasonable efforts to (i) prevent the issuance of any stop order or other suspension of effectiveness and, (ii) if such order is issued, obtain the withdrawal of any such order at the earliest possible moment;

(f) prior to any public offering of Registrable Securities, use commercially reasonable efforts to register or qualify or cooperate with the Investor and its legal counsel, if any, designated in the Selling Securityholder Questionnaire in connection with the registration or qualification of such Registrable Securities for offer and sale under the securities or blue sky laws of such jurisdictions requested by the Investor and do any and all other commercially reasonable acts or things necessary or advisable to enable the distribution in such jurisdictions of the Registrable Securities; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (i) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(f), (ii) subject itself to general taxation in any jurisdiction where it would not otherwise be so subject but for this Section 3(f), or (iii) file a general consent to service of process in any such jurisdiction;

(g) use commercially reasonable efforts to cause all Registrable Securities to be listed on each securities exchange, interdealer quotation system, or other market on which similar securities issued by the Company are then listed;

(h) immediately notify the Investor, at any time prior to the end of the Effectiveness Period, upon discovery that, or upon the happening of any event as a result of which, the Prospectus includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and promptly prepare, file with the SEC, and furnish to such holder a supplement to or an amendment of such Prospectus as may be necessary so that such Prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing; and

(i) otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the SEC under the 1933 Act and the 1934 Act, including,

without limitation, Rule 172 under the 1933 Act, file any final Prospectus, including any supplement or amendment thereof, with the SEC pursuant to Rule 424 under the 1933 Act prior to 9:30 a.m. E.S.T. on the Trading Day immediately following the Effective Date, promptly inform the Investors in writing if, at any time during the Effectiveness Period, the Company does not satisfy the conditions specified in Rule 172 and, as a result thereof, the Investor is required to deliver a Prospectus in connection with any disposition of Registrable Securities and take such other actions as may be reasonably necessary to facilitate the registration of the Registrable Securities hereunder; and make available to its security holders, as soon as reasonably practicable, but not later than the Availability Date (as defined below), an earnings statement covering a period of at least twelve (12) months, beginning after the effective date of each Registration Statement, which earnings statement shall satisfy the provisions of Section 11(a) of the 1933 Act, including Rule 158 promulgated thereunder. For the purpose of this subsection 3(i), **"Availability Date"** means the 45th day following the end of the fourth fiscal quarter that includes the effective date of such Registration Statement, except that, if such fourth fiscal quarter is the last quarter of the Company's fiscal year, **"Availability Date"** means the 90th day after the end of such fourth fiscal quarter.

(j) With a view to making available to the Investor the benefits of Rule 144 (or its successor rule) and any other rule or regulation of the SEC that may at any time permit the Investor to sell shares of Common Stock to the public without registration, the Company covenants and agrees to: (i) make and keep public information available, as those terms are understood and defined in Rule 144, until the earlier of (A) six months after such date as all of the Registrable Securities may be sold without restriction by the holders thereof pursuant to Rule 144 or any other rule of similar effect or (B) such date as all of the Registrable Securities shall have been resold; (ii) file with the SEC in a timely manner all reports and other documents required of the Company under the 1934 Act; and (iii) furnish to the Investor upon request, as long as the Investor owns any Registrable Securities, (A) a written statement by the Company that it has complied with the reporting requirements of the 1934 Act, (B) a copy of the Company's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q, and (C) such other information as may be reasonably requested in order to avail the Investor of any rule or regulation of the SEC that permits the selling of any such Registrable Securities without registration.

4. Due Diligence Review; Information. The Company shall make available, during normal business hours, for inspection and review by the Investor, advisors to and representatives of the Investor (who may or may not be affiliated with the Investor and who are reasonably acceptable to the Company), all financial and other records, all SEC Filings (as defined in the Purchase Agreement) and other filings with the SEC, and all other corporate documents and properties of the Company as may be reasonably necessary for the purpose of such review, and cause the Company's officers, directors and employees, within a reasonable time period, to supply all such information reasonably requested by the Investor or any such representative, advisor or underwriter in connection with such Registration Statement (including, without limitation, in response to all questions and other inquiries reasonably made or submitted by any of them), prior to and from time to time after the filing and effectiveness of the Registration Statement for the sole purpose of enabling the Investor and its representatives, advisors, and underwriters and their respective accountants and attorneys to conduct initial and ongoing due diligence with respect to the Company and the accuracy of such Registration Statement.

The Company shall not disclose material nonpublic information to the Investor, or to advisors to or representatives of the Investor, unless prior to disclosure of such information the Company identifies such information as being material nonpublic information and provides the Investor, such advisors and representatives with the opportunity to accept or refuse to accept such material nonpublic information for review and the Investor enters into an appropriate confidentiality agreement with the Company with respect thereto.

5. Obligations of the Investor.

(a) The Investor has furnished to the Company a Selling Securityholder Questionnaire and shall furnish in writing to the Company such additional information regarding itself, the Registrable Securities held by it, and the intended method of disposition of the Registrable Securities held by it, as shall be reasonably required to effect the registration of such Registrable Securities, and shall execute such documents in connection with such registration as the Company may reasonably request. At least five (5) Business Days prior to the first anticipated filing date of a Registration Statement, the Company shall notify the Investor of the information the Company requires from the Investor, to the extent not included in the Selling Securityholder Questionnaire, if the Investor elects to have any of the Registrable

Securities included in the Registration Statement. The Investor shall provide such information to the Company at least two (2) Business Days prior to the first anticipated filing date of such Registration Statement if the Investor elects to have any of the Registrable Securities included in the Registration Statement.

(b) The Investor, by its acceptance of the Registrable Securities agrees to cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of a Registration Statement hereunder, unless the Investor has notified the Company in writing of its election to exclude all of its Registrable Securities from such Registration Statement.

(c) The Investor agrees that, upon receipt of any notice from the Company of either (i) the commencement of an Allowed Delay pursuant to Section 2(c)(ii), or (ii) the happening of an event pursuant to Section 3(h) hereof, the Investor will immediately discontinue disposition of Registrable Securities pursuant to the Registration Statement covering such Registrable Securities, until the Investor is advised by the Company that such dispositions may again be made.

6. Indemnification.

(a) Indemnification by the Company. The Company will indemnify and hold harmless the Investor and its officers, directors, members, investors, employees and agents, successors and assigns, and each other person, if any, who controls the Investor within the meaning of the 1933 Act, against any losses, claims, damages, or liabilities, joint or several, to which they may become subject under the 1933 Act or otherwise, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon: (i) any untrue statement or omission or alleged untrue statement or omission of any material fact in any Registration Statement, any preliminary Prospectus or final Prospectus, or any amendment or supplement thereof required to be stated therein or necessary to make the statements therein not misleading; (ii) any blue sky application or other document executed by the Company specifically for that purpose or based upon written information furnished by the Company filed in any state or other jurisdiction in order to qualify any or all of the Registrable Securities under the securities laws thereof (any such application, document or information herein called a **"Blue Sky Application"**); (iii) any violation by the Company or its agents of any rule or regulation promulgated under the 1933 Act applicable to the Company or its agents and relating to action

or inaction required of the Company in connection with such registration; or (iv) any failure to register or qualify the Registrable Securities included in any such Registration in any state where the Company or its agents has affirmatively undertaken or agreed in writing that the Company will undertake such registration or qualification on an Investor's behalf and will reimburse such Investor and each such indemnified party for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the Company will not be liable in any such case if and to the extent that any such loss, claim, damage or liability arises out of or is based upon (i) the Investor's failure to comply with the prospectus delivery requirements of the Securities Act at any time when the Company does not meet the conditions for use of Rule 172, has advised the Investor in writing that the Company does not meet such conditions and that therefore the Investor is required to deliver a Prospectus in connection with any sale or other disposition of Registrable Securities and has provided the Investor with a current Prospectus for such use, (ii) an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished by the Investor or any such controlling person in writing specifically for use in such Registration Statement or Prospectus, or (iii) the use by the Investor of an outdated or defective Prospectus after the Company has notified the Investor that such Prospectus is outdated or defective and the use of a corrected or updated Prospectus would have avoided such losses, claims, damages, liabilities, or expenses.

(b) Indemnification by the Investor. The Investor agrees to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors, officers, employees, stockholders and each person who controls the Company (within the meaning of the 1933 Act) against any losses, claims, damages, liabilities and expense (including reasonable attorney fees) resulting from (i) the Investor's failure to comply with the prospectus delivery requirements of the Securities Act at any time when the Company does not meet the conditions for use of Rule 172, has advised the Investor in writing that the Company does not meet such conditions and that therefore the Investor is required to deliver a Prospectus in connection with any sale or other disposition of Registrable Securities and has provided the Investor with a current Prospectus for such use, (ii) the use by the Investor of an outdated or defective Prospectus after the Company has notified the Investor that such Prospectus is outdated or defective and the use of a corrected or updated Prospectus would have avoided such losses,

claims, damages, liabilities or expenses, and (iii) any untrue statement of a material fact or any omission of a material fact required to be stated in the Registration Statement or Prospectus or preliminary Prospectus or amendment or supplement thereto or necessary to make the statements therein not misleading, to the extent, but only to the extent, that such untrue statement or omission is contained in any information furnished in writing by the Investor to the Company specifically for inclusion in such Registration Statement or Prospectus or amendment or supplement thereto. In no event shall the liability of the Investor be greater in amount than the dollar amount of the proceeds (net of all expense paid by the Investor in connection with any claim relating to this Section 6 and the amount of any damages the Investor has otherwise been required to pay by reason of such untrue statement or omission) received by the Investor upon the sale of the Registrable Securities included in the Registration Statement giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. Any person entitled to indemnification hereunder shall (i) give prompt notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided that any person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such person unless (a) the indemnifying party has agreed to pay such fees or expenses, or (b) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such person, or (c) in the reasonable judgment of any such person, based upon written advice of its counsel, a conflict of interest exists between such person and the indemnifying party with respect to such claims (in which case, if the person notifies the indemnifying party in writing that such person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such person); and provided, further, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations hereunder, except to the extent that such failure to give notice shall materially adversely affect the indemnifying party in the defense of any such claim or litigation. It is understood that the indemnifying party shall not, in connection with any proceeding in the same jurisdiction, be liable for fees or expenses of more than one separate

firm of attorneys at any time for all such indemnified parties. No indemnifying party will, except with the consent of the indemnified party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation.

(d) Contribution. If for any reason the indemnification provided for in the preceding paragraphs (a) and (b) is unavailable to an indemnified party or insufficient to hold it harmless, other than as expressly specified therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such loss, claim, damage, or liability in such proportion as is appropriate to reflect the relative fault of the indemnified party and the indemnifying party, as well as any other relevant equitable considerations. No person guilty of fraudulent misrepresentation within the meaning of Section 11(f) of the 1933 Act shall be entitled to contribution from any person not guilty of such fraudulent misrepresentation. In no event shall the contribution obligation of a holder of Registrable Securities be greater in amount than the dollar amount of the proceeds (net of all expenses paid by such holder in connection with any claim relating to this Section 6 and the amount of any damages such holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission) received by it upon the sale of the Registrable Securities giving rise to such contribution obligation.

7. Miscellaneous.

(a) Amendments and Waivers. This Agreement may be amended only by a writing signed by the Company and the Investor. The Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company shall have obtained the written consent of the Investor to such amendment, action, or omission to act.

(b) Notices. All notices and other communications provided for or permitted hereunder shall be made as set forth in the Purchase Agreement.

(c) Assignments and Transfers by the Investor. The provisions of this Agreement shall be binding upon and inure to the benefit of the Investor and its respective successors and assigns. The Investor may transfer or assign, in whole or from time to time in part, to one or more persons its rights hereunder in connection with the transfer of Registrable

Securities by the Investor to such person, provided that the Investor complies with all laws applicable thereto and provides written notice of assignment to the Company promptly after such assignment is effected.

(d) Assignments and Transfers by the Company. This Agreement may not be assigned by the Company (whether by operation of law or otherwise) without the prior written consent of the Investor, provided, however, that the Company may assign its rights and delegate its duties hereunder to any surviving or successor corporation in connection with a merger or consolidation of the Company with another corporation, or a sale, transfer, or other disposition of all or substantially all of the Company's assets to another corporation, without the prior written consent of the Investor, after notice duly given by the Company to the Investor.

(e) Benefits of the Agreement. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective permitted successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

(f) Counterparts; Faxes. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may also be executed via facsimile, which shall be deemed an original.

(g) Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

(h) Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof but shall be interpreted as if it were written so as to be enforceable to the maximum extent permitted by applicable law, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the parties hereby waive any provision of law which renders any provisions hereof prohibited or unenforceable in any respect.

(i) Further Assurances. The parties shall execute and deliver all such further instruments and documents and take all such other actions as may reasonably be required to carry out the transactions contemplated hereby and to evidence the fulfillment of the agreements herein contained.

(j) Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

(k) Governing Law; Consent to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware without regard to the choice of law principles thereof. Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the courts of Delaware for the purpose of any suit, action, proceeding, or judgment relating to or arising out of this Agreement and the transactions contemplated hereby. Service of process in connection with any such suit, action, or proceeding may be served on each party hereto anywhere in the world by the same methods as are specified for the giving of notices under this Agreement. Each of the parties hereto irrevocably consents to the jurisdiction of any such court in any such suit, action, or proceeding and to the laying of venue in such court. Each party hereto irrevocably waives any objection to the laying of venue of any such suit, action, or proceeding brought in such courts and irrevocably waives any claim that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum. **EACH OF THE PARTIES HERETO WAIVES ANY RIGHT TO REQUEST A TRIAL BY JURY IN ANY LITIGATION WITH RESPECT TO THIS AGREEMENT AND REPRESENTS THAT COUNSEL HAS BEEN CONSULTED SPECIFICALLY AS TO THIS WAIVER.**

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement or caused their duly authorized officers to execute this Agreement as of the date first above written.

COMPANY:

MAGELLAN PETROLEUM CORPORATION

By: /s/ William H. Hastings
Name: William H. Hastings
Title: President and CEO

INVESTOR:

YOUNG ENERGY PRIZE S.A.

By: /s/ Nikolay V. Bogachev
Name: Nikolay V. Bogachev
Title: CEO, President and Chairman

Plan of Distribution

The selling stockholders, which as used herein includes donees, pledgees, transferees, or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution, or other transfer, may, from time to time, sell, transfer, or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market, or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales effected after the date the registration statement of which this Prospectus is a part is declared effective by the SEC;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted by applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledges, or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering. Upon any exercise of the Warrants by payment of cash, however, we will receive the exercise price of the Warrants.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act of 1933, as amended, provided that they meet the criteria and conform to the requirements of that rule.

Any underwriters, broker-dealers, or agents that participate in the sale of the common stock or interests therein may be "underwriters" within the meaning of Section 2(11) of the Securities Act. Any discounts, commissions, concessions, or profit they earn on any resale of the shares may be underwriting discounts and commissions under the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agent, dealer, or underwriter, any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

We have advised the selling stockholders that the anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, to the extent applicable we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholders against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

We have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (1) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement or (2) the date on which the shares may be sold without restriction pursuant to Rule 144 of the Securities Act.

Exhibit B

Magellan Petroleum Corporation

Selling Securityholder Questionnaire

The undersigned beneficial owner (the "Selling Securityholder") of common stock (the "Common Stock"), of Magellan Petroleum Corporation (the "Company") understands that the Company has filed or intends to file with the Securities and Exchange Commission (the "Commission") one or more Registration Statements for the registration and resale of the Registrable Securities, in accordance with the terms of the Registration Rights Agreement, dated as of July 8, 2009 (the "Registration Rights Agreement"), among the Company and the Investors named therein. A copy of the Registration Rights Agreement is available from the Company upon request at the address set forth below. All capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Registration Rights Agreement.

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate:

QUESTIONNAIRE

1. Name.

(a) Full legal name of Selling Securityholder:

(b) Full legal name of registered Holder (if not the same as (a) above) through which Registrable Securities listed in Item 3 below are held:

(c) Full legal name of Natural Control Person (which means a natural person who directly or indirectly alone or with others has power to vote or dispose of the securities covered by the questionnaire):

(d) State of organization or domicile of Selling Securityholder:

2. Address for Notices to Selling Securityholder:

Telephone:
Fax:
Contact Person:
Email:

Note: By providing an email address, the undersigned hereby consents to receipt of notices by email.

Any such notice shall also be sent to the following address (which shall not constitute notice):

Telephone:
Fax:
Contact Person:
Email:

3. Beneficial Ownership of Registrable Securities:

Type and principal amount of Registrable Securities beneficially owned:

If applicable, provide the information required by Items 1 and 2 for each beneficial owner.

_____

_____

_____

_____

4. Broker-Dealer Status:

(a) Are you a broker-dealer?

Yes ☐ No ☐

Note: If yes, the Commission's staff has indicated that you should be identified as an underwriter in any Registration Statement filed pursuant to the Registration Rights Agreement.

(b) Are you an affiliate of a broker-dealer?

Yes ☐ No ☐

(c) If you are an affiliate of a broker-dealer, do you certify that you bought the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, you had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes ☐ No ☐

Note: If no, the Commission's staff has indicated that you should be identified as an underwriter in any Registration Statement filed pursuant to the Registration Rights Agreement.

If you checked "Yes" to either of the questions in Item 4(a) or Item 4(b) above, please state (a) the name of any such broker-dealer, (b) the nature of your affiliation or association with such broker-dealer, (c) information as to such broker-dealer's participation in any capacity in the offering or the original placement of the Securities, (d) the number of shares of equity securities or face value of debt securities of the Company owned by you, (e) the date such securities were acquired and (f) the price paid for such securities.

5. Beneficial Ownership of Other Securities of the Company Owned by the Selling Securityholder.

Except as set forth below in this Item 5, the undersigned is not the beneficial or registered owner of any securities of the Company other than the Registrable Securities listed above in Item 3.

Type and amount of other securities beneficially owned by the Selling Securityholder:

6. Relationships with the Company:

Except as set forth below, neither the undersigned nor any of its affiliates, officers, directors or principal equity holders (owners of 5% of more of the equity securities of the undersigned) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

7. Plan of Distribution:

Except as set forth below, the undersigned intends to distribute the Registrable Securities listed above in Item 3 only as set forth in Exhibit B to the Registration Rights Agreement (if at all):

The undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof and prior to the effective date of any applicable Registration Statement filed pursuant to the Registration Rights Agreement.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to Items 1 through 7 and the inclusion of such information in each Registration Statement filed pursuant to the Registration Rights Agreement and each related prospectus. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of any such Registration Statement and the related prospectus.

By signing below, the undersigned acknowledges that it understands its obligation to comply, and agrees that it will comply, with the provisions of the Exchange Act and the rules and regulations thereunder, particularly Regulation M. The undersigned also acknowledges that it understands that the answers to this Questionnaire are furnished for use in connection with Registration Statements filed pursuant to the Registration Rights Agreement and any amendments or supplements thereto filed with the Commission pursuant to the Securities Act.

I confirm that, to the best of my knowledge and belief, the foregoing statements (including without limitation the answers to this Questionnaire) are correct.

[Signature Page Follows.]

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated: _____ Beneficial Owner: _____

By: _____

Name:

Title:

PLEASE FAX A COPY OF THE COMPLETED AND EXECUTED QUESTIONNAIRE, AND RETURN THE ORIGINAL BY OVERNIGHT MAIL, TO:

Magellan Petroleum Corporation
10 Columbus Boulevard
Hartford, CT 06106
Fax No.: (860) 293-2349
Attn: William H. Hastings, President and CEO

with a copy to:

Murtha Cullina LLP
CityPlace I
185 Asylum Street, 29th Floor
Hartford, CT 06103
Fax No.: (860) 240-6150
Attn: Edward B. Whittemore, Esq.

Exhibit 10.4

J. Thomas Wilson
720 Emerson Street
Denver, CO 80218

Re: **Consulting Agreement**

Dear Tom:

I am pleased to confirm our mutual agreement ("Agreement") regarding your retention as a consultant to Magellan Petroleum Corporation, a Delaware corporation and its wholly-owned subsidiaries (collectively, the "Company") to provide consulting services to the Company on the following terms:

1. *Term*. This Agreement shall commence on July 8, 2009 (the "Effective Date") and run for a period of three years, ending on July 8, 2012, unless earlier terminated by the parties under Section 9 hereof (the "Term"). This Agreement may be renewed or extended for any period as may be agreed by the parties.

2. *Consulting Services; Other Consulting Services or Employment*.

(a) The Company hereby retains you to render consulting services to the Company on the terms and subject to the conditions of this Agreement. During the Term, you shall perform your duties efficiently and to the best of your ability and at such locations as may be reasonably necessary or appropriate to fulfill your duties and responsibilities hereunder.

(b) You shall not be required to follow any formal schedule of duties or assignments and will be responsible for managing your own time.

(c) Subject to the restrictions of Sections 5 and 6 hereof, it is understood that you will engage in other business activities and employment during the Term (including the performance of consulting services for third parties concurrently with your performance of the duties hereunder), provided such activities and/or employment do not unreasonably conflict with the performance of your duties to the Company hereunder.

(d) You represent and warrant to the Company that you are under no contractual or other restrictions or obligations which are inconsistent with the execution of this Agreement, or which will interfere with the performance of your duties hereunder. You also represent and warrant that your execution and performance of this Agreement will not violate any policies or procedures of any

other person or entity for which you performs services concurrently with those performed for the Company hereunder.

3. *Duties and Responsibilities.*

(a) During the Term, you will provide your management and geologic expertise and experience in support of the principal activities of the Company and its senior management. You shall make yourself available on an "as needed" non-substantial periodic basis, with consideration given to reasonable advance notice to you to the extent practicable of the times such services are needed and given to your other activities and responsibilities. You shall perform such duties and have such responsibilities as may be mutually agreed from time-to-time. In addition, you agree to provide a brief written report of your consulting services whenever I shall request such a report.

(b) Subject to the foregoing, you shall also be available to support "special projects" of the Company and to devote substantial amounts of time to such special projects. The Company will determine with you on a mutually agreed basis what assignments shall be considered to involve "special projects" for purposes of this Agreement.

(c) Upon your election to the Board of Directors, you shall perform the duties required of a director of the Company, for which you shall receive compensation to the same extent as other non-employee members of the Board.

4. *Compensation; Expenses*.

(a) Other than reimbursement of your reasonable out-of-pocket expenses in rendering such services, you shall not receive cash compensation for your non-substantial periodic services. In the event that the Company requests that you perform substantial services devoted to special projects, you shall receive cash compensation of one thousand dollars ($1,000) per day (to be pro-rated for work performed for less than a day), which amounts shall be aggregated on a monthly basis and payable within fifteen (15) days after the end of each successive month following the Effective Date of this Agreement.

(b) On February 2, 2009, you were granted two non-qualified stock options (the "Stock Options") under the Company's 1998 Stock Incentive Plan, which Stock Options entitle you to purchase an aggregate of three hundred and eighty-seven thousand five hundred (387,500) shares of Common Stock of the Company. The Stock Options are evidenced by two non-qualified stock option award agreements entered into as of the date hereof.

(c) The Company shall reimburse you for your normal and customary out-of-pocket expenses (such as lodging, meals, travel and transportation costs to and from the Company's offices including its offices in Brisbane, Australia or other Australian locations) in connection with your provision of services under this Agreement, provided that any such expenses which in the aggregate would exceed $1,000 shall require the Company's prior approval. The Company shall promptly reimburse you for your lodging expenses, but shall have the option of providing mutually acceptable Company-leased lodging to you at Company's sole costs and expense. All reimbursements shall be made by the Company promptly, but not later than twenty (20) days

after the Company has received from you an acceptable expense report and request for reimbursement.

(d) In your performance of services hereunder, you shall keep such records as the Company may reasonably require. Compensation for services under Section 4(a) above shall be gross payments, and the Company shall provide you with related information for tax purposes annually within the time provided by law for any calendar year coming within the term of this Agreement.

(e) You shall be responsible for all income, sales or other taxes of any nature whatsoever pertaining to your compensation under this Agreement. The Company shall not have any liability whatsoever for withholding, collection or payment of income taxes or for taxes of any other nature on your behalf.

5. *Confidentiality*.

(a) In your position as a consultant to the Company, you acknowledge that you will be exposed to confidential or proprietary information and trade secrets ("Proprietary Information") pertaining to, or arising from, the business of the Company, that such Proprietary Information is unique and valuable to the business of the Company and that the Company would suffer irreparable injury if this information were divulged to those in competition with the Company. Therefore, you agree to keep in strict secrecy and confidence, both during and after the Term, any and all Proprietary Information which you acquire, or to which you have access, during the Term, that has not been publicly disclosed by the Company or that is not a matter of common knowledge by the Company's competitors, except as required by law.

(b) Except with prior written approval of the Company, you will neither, directly or indirectly, disclose any Proprietary Information to any person except authorized personnel of the Company nor use Proprietary Information in any way other than in the course of your duties under this Agreement. Upon termination of this Agreement, you will, upon the Company's request, promptly return to the Company all documents, records or other memorializations including copies of documents and any notices which you have prepared, that contain Proprietary Information or relate to the Company's business, that are in your possession or under your control.

6. *Non-Competition; Non-Solicitation.* You hereby agree that, during the Term of this Agreement and for a period of one (1) calendar year after the termination of your service to the Company hereunder, for any reason whatsoever, you shall not, and shall not permit any entity or business enterprise of which you are an executive, agent, officer, promoter, director, shareholder, partner, trustee or consultant to, directly or indirectly:

(a) engage in, enter into or participate in any business or commercial activity within the geographic areas in which the business of the Company is conducted which does or is reasonably likely to compete with or adversely affect any of the oil and gas exploration and development businesses of the Company as conducted in such geographic areas during the Term of this Agreement, it being understood that the discrete geographic areas shall be identified by the energy resource basins involved, not the country or political subdivision, and shall cover only those areas where the Company or its subsidiaries (i) own or otherwise hold oil, gas or other mineral resources or assets; (ii) are otherwise actively engaged in the business of extracting and

selling oil, gas or other mineral resources or assets, or (iii) have definitive plans for (i) or (ii) within the twelve (12) months following the date of your termination of service to the Company.

(b) solicit or accept business from, or otherwise interfere with the business relationships (whether formed heretofore or hereafter) between the Company and, any of its customers or suppliers, which actions could directly or indirectly divert business from or adversely affect the business of the Company; or

(c) solicit (or attempt to solicit) or encourage to leave the employment of the Company or employ in any capacity or retain as a consultant any person who was employed or retained in any capacity, including without limitation as a consultant, by the Company during the term of the Consultant's employment with the Company.

7. Right to Injunctive Relief. You acknowledge that in the event of a breach of this Agreement, the Company will be irreparably and immediately harmed and could not be made whole by monetary damages alone, and that in addition to any other remedy to which the Company might be entitled, the Company shall be entitled to injunctive relief to prevent breaches of this Agreement. To the extent permissible by law, you hereby waive any requirement that the Company post a bond in order to secure an injunction. No failure or delay by the Company to enforce its rights under this Agreement shall be deemed a waiver of any of those rights.

8. *Independent Contractor; Code of Conduct.* In the performance of your consulting services under this Agreement, you shall at all times be acting and performing as an independent contractor and not as an employee of the Company. It is specifically understood that the Company shall not, with respect to the consulting services to be rendered by you, exercise such control over you as is contrary to its relationship with you as an independent contractor. During the Term hereof, you shall adhere to the requirements of the Company's Standards of Conduct (as of August 2004).

9. *Termination.*

(a) The Company may terminate this Agreement immediately upon notice to you upon the occurrence of any of the following:

(i) your commission of any deliberate and premeditated act involving moral turpitude, regardless of whether such crime is related to your duties under this Agreement;

(ii) your conviction, or the entry of a plea of *nolo contendere* by you, of a felony;

(iii) your continued failure or refusal to perform consulting services hereunder when and as reasonably requested by the Company which is not cured within ten (10) business days after written notice from the Company to you describing the failure, or your gross negligence in connection with the performance of such services;

(iv) your breach of any provision of this Agreement, which is not cured within ten (10) business days after written notice from the Company to you describing the breach; or

(v) upon your death or disability.

(b) For purposes of Section 9(a)(v) hereof, the term "disability" shall mean your incapacity that prevents you from performing your duties hereunder with or without reasonable accommodation for a period in excess of two hundred forty (240) days (whether or not consecutive), or one hundred eighty (180) days consecutively, as the case may be, during any twelve (12) month period.

(c) Upon mutual agreement of the parties, you may terminate this Agreement due to disability or other illness which make it impossible for you to continue.

(d) Upon termination of this Agreement, the parties shall be relieved of any further obligations hereunder except for the obligations set forth in Sections 5 and 6 hereof and any then-outstanding payment obligations of the Company for services rendered by you prior to termination of this Agreement.

10. *Securities Laws.* You hereby acknowledge that you are aware of the restrictions imposed by U.S. and Australian securities laws on the purchase or sale of securities by any person who has received material, non-public information from the issuer of such securities and on the communication of such information to any other person when it is reasonably foreseeable that such other person is likely to purchase or sell such securities in reliance upon such information. You hereby confirm that you will take any action reasonably necessary to prevent the use of any information about the Company in any way that might violate any applicable securities laws or regulations.

11. *Governing Law.* The validity and interpretation of this Agreement shall be governed by the law of the State of Delaware applicable to agreements made and to be fully performed therein without regard to the conflicts of law principles of such state.

12. *Assignability.* The rights and obligations of the Company under this Agreement shall inure to the benefit of and be binding upon its successors and assigns. Except as otherwise provided herein, your rights and obligations hereunder may not be assigned or alienated and any attempt to do so by you will be void.

13. *Notices*. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail return receipt requested, postage prepaid, addressed as follows:

If to the Consultant

J. Thomas Wilson
720 Emerson Street
Denver, CO 80218

If to the Company:

Magellan Petroleum Corporation
2 Thurston Lane

Falmouth, Maine 04105
Attention: William H. Hastings, President and CEO

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

14. *Miscellaneous*. For the convenience of the parties, any number of counterparts of this Agreement may be executed by the parties hereto. Each such counterpart shall be, and shall be deemed to be, an original instrument, but all such counterparts taken together shall constitute one and the same Agreement. You represent that you are free to enter into this Agreement that you have not made and will not make any agreement in conflict with this Agreement. This Agreement may not be modified or amended except in writing signed by the parties hereto. This Agreement states the entire understanding of the parties with respect to its subject matter and may be amended only by a writing signed by both parties. Any waiver of any of the rights of a party may only be made in a writing signed by the party waiving its rights.

* * * * * *

If the foregoing correctly sets forth our agreement, I would appreciate your signing the enclosed copy of this letter in the space provide and returning it to me.

Very truly yours,

MAGELLAN PETROLEUM CORPORATION

By: /s/ William H. Hastings
Name: William H. Hastings
Title: President and CEO

Confirmed and agreed to
this 9th day of July 2009

/s/ J. Thomas Wilson
J. Thomas Wilson

cc: Walter McCann
Edward B. Whittemore

Exhibit 10.5

MAGELLAN PETROLEUM CORPORATION

NONQUALIFIED STOCK OPTION AWARD AGREEMENT

This Agreement, made as of the grant date indicated in Section 3 below (the "Grant Date"), by and between Magellan Petroleum Corporation, a Delaware corporation (the "Company"), and the undersigned individual (the "Optionee"), pursuant to the Magellan Petroleum Corporation 1998 Stock Option Plan, as amended on October 24, 2007, as further amended and renamed the "1998 Stock Incentive Plan" on December 11, 2008 and as further amended on March 19, 2009 and May 27, 2009 (the "Plan"). Terms used but not defined herein shall have the same meaning as in the Plan).

Whereas, the Optionee commenced service to the Company as a consultant as of the date hereof;

Whereas, the Company wishes to (a) recognize Optionee's extensive experience and proven leadership in the oil and gas business; (b) acknowledge Optionee's potential to contribute to the success of the Company; and (c) provide a proper long-term equity-based incentive for Optionee to expend his maximum effort for the growth and success of the Company; and

Whereas, the Company, acting through the Compensation Committee and the full Board of Directors has previously approved the award of Nonqualified Stock Options ("Options") under the Plan to the Optionee ("Award").

Now, Therefore, in consideration of the terms and conditions of this Agreement and pursuant to the Plan, the parties agree as follows:

1. **Grant of Options**. The Company hereby grants to the Optionee the right and option to purchase from the Company, at the exercise price set forth in Section 3 below, all or any part of the aggregate number of shares of common stock, par value $0.01 per share, of the Company, as such common shares are presently constituted (the "Stock"), set forth in said Section 3.

2. **Terms and Conditions**. It is understood and agreed that the Options evidenced hereby shall at all times be subject to the provisions of the Plan (which are incorporated herein by reference) and the following terms and conditions:

   (a) **Expiration Date**. The Options evidenced hereby shall expire on the date specified in Section 3 below, or earlier as provided in Section 7 of the Plan.

   (b) **Exercise of Option**. The Options evidenced hereby shall be exercisable from time to time by (i) providing written notice of exercise ten (10) days prior to the date of exercise specifying the number of shares for which the Options are being exercised, addressed to the Company at its principal place of business, and (ii) either:

(A) Cash Only Exercise — submitting the full cash purchase price of the exercised Stock; or

(B) Cashless Exercise — submitting appropriate authorization for the sale of Stock in an amount sufficient to provide the full purchase price in accordance with Section 5(d) of the Plan, or

(C) Combination — tendering a combination of (i) and (ii) above.

(c) **Withholding Taxes**. Without regard to the method of exercise and payment, the Optionee shall pay to the Company, upon notice of the amount due, any withholding taxes payable with respect to such exercise, which payment may be made with shares of Stock which would otherwise be issued pursuant to the Options.

(d) **Vesting**. The shares covered by the Options shall vest as follows:

(i) eighty-seven thousand, five hundred (87,500) Option shares shall vest in full on February 2, 2010;

(ii) eighty-seven thousand, five hundred (87,500) Option shares shall vest in full on February 2, 2011; and

(iii) eighty-seven thousand, five hundred (87,500) Option shares shall vest in full on February 2, 2012.

(e) **Acceleration.** The Options evidenced hereby shall immediately be accelerated and vest in full upon a "change of control" of the Company as defined in Section 15 of the Plan or upon a termination by the Company without cause of Optionee's service as a consultant under Optionee's Consulting Agreement with the Company.

(f) **Compliance with Laws and Regulations**. The Options evidenced hereby are subject to restrictions imposed at any time on the exercise or delivery of shares in violation of the By-Laws of the Company or of any law or governmental regulation that the Company may find to be valid and applicable.

(g) **Interpretation**. Optionee hereby acknowledges that this Agreement is governed by the Plan, a copy of which Optionee hereby acknowledges having received, and by such administrative rules and regulations relative to the Plan and not inconsistent therewith as may be adopted and amended from time by the Committee (the "Rules"). Optionee agrees to be bound by the terms and provisions of the Plan and the Rules.

3. Option Data.

Optionee's Name: J. Thomas Wilson

Number of shares of Stock

Subject to this Option:	262,500 (two hundred sixty-two thousand, five hundred)
Grant Date:	February 2, 2009
Exercise Price Per Share:	$1.20 per share
Expiration Date:	February 2, 2019

4. **Award of Options Contingent Upon Shareholder Approval and Completion of the Equity Financing**.

(a) **Conditions.** The award of the Options to the Optionee hereby are expressly conditioned upon, and shall only take effect, if

(i) the Company's shareholders approve an amendment and restatement of the Plan at either (X) the Company's 2008 annual meeting of shareholders to be held in the near future, or (Y) at any subsequent annual or special meeting of shareholders of the Company held on or before December 31, 2009, which approval is required under the terms of the Plan and the listing requirements of the Nasdaq Stock Market, Inc.; and

(ii) the Company completes the proposed equity investment by Young Energy Prize Fund, S.A. ("YEP") in the Company pursuant to that Securities Purchase Agreement, dated February 9, 2009 between the Company and YEP, as amended.

(b) **Acknowledgement**. Optionee acknowledges and agrees that, should the conditions described in Sections 4(a)(i) and 4(a)(ii) above not be satisfied, then the Award of Options evidenced hereby shall be null and void and of no further force and effect.

5. **Miscellaneous**. This Agreement and the Plan (a) contains the entire Agreement of the parties relating to the subject matter of this Agreement and supersedes any prior agreements or understandings with respect thereto; and (b) shall be binding upon and inure to the benefit of the Company, its successors and assigns and the Optionee, his heirs, devisees and legal representatives. In the event of the Optionee's death or a judicial determination of his incompetence, reference in this Agreement to the Optionee shall be deemed to refer to his legal representative, heirs or devisees, as the case may be.

* * * * * *

In Witness Whereof, the Company has caused this instrument to be executed by its authorized officer, as of the Grant Date identified in Section 3.

Agreed to:

/s/ J. Thomas Wilson
Optionee: J. Thomas Wilson

MAGELLAN PETROLEUM CORPORATION

By: /s/ William H. Hastings
Name: William H. Hastings
Title: President and CEO

Date: July 9, 2009

Exhibit 10.6

MAGELLAN PETROLEUM CORPORATION

NONQUALIFIED STOCK OPTION

PERFORMANCE AWARD AGREEMENT

This Agreement, made as of the grant date indicated in Section 3 below (the "Grant Date"), by and between Magellan Petroleum Corporation, a Delaware corporation (the "Company"), and the undersigned individual (the "Optionee"), pursuant to the Magellan Petroleum Corporation 1998 Stock Option Plan, as amended on October 24, 2007, as further amended and renamed the "1998 Stock Incentive Plan" on December 11, 2008 and as further amended on March 19, 2009 and May 27, 2009 (the "Plan"). Terms used but not defined herein shall have the same meaning as in the Plan).

Whereas, the Optionee has commenced service to the Company as a consultant as of the date hereof;

Whereas, the Company wishes to (a) recognize Optionee's extensive experience and proven leadership in the oil and gas business; (b) acknowledge Optionee's potential to contribute to the success of the Company; and (c) provide a proper long-term equity-based incentive for Optionee to expend his maximum effort for the growth and success of the Company; and

Whereas, the Company, acting through the Compensation Committee and the full Board of Directors has previously approved the award of Nonqualified Stock Options ("Options") under the Plan to the Optionee ("Award").

Now, Therefore, in consideration of the terms and conditions of this Agreement and pursuant to the Plan, the parties agree as follows:

1. **Grant of Options**. The Company hereby awards to the Optionee the right and option to purchase from the Company, at the exercise price set forth in Section 3 below, all or any part of the aggregate number of shares of common stock, par value $0.01 per share, of the Company, as such common shares are presently constituted (the "Stock"), set forth in said Section 3.

2. **Terms and Conditions**. It is understood and agreed that the Options evidenced hereby shall at all times be subject to the provisions of the Plan (which are incorporated herein by reference) and the following terms and conditions:

   (f) **Expiration Date**. The Options evidenced hereby shall expire on the date specified in Section 3 below, or earlier as provided in Section 7 of the Plan.

   (g) **Exercise of Option**. The Options evidenced hereby shall be exercisable from time to time by (i) providing written notice of exercise ten (10) days prior to the date of

exercise specifying the number of shares for which the Options are being exercised, addressed to the Company at its principal place of business, and (ii) either:

(A) Cash Only Exercise — submitting the full cash purchase price of the exercised Stock; or

(B) Cashless Exercise — submitting appropriate authorization for the sale of Stock in an amount sufficient to provide the full purchase price in accordance with Section 5(d) of the Plan, or

(C) Combination — tendering a combination of (i) and (ii) above.

(h) **Withholding Taxes**. Without regard to the method of exercise and payment, the Optionee shall pay to the Company, upon notice of the amount due, any withholding taxes payable with respect to such exercise, which payment may be made with shares of Stock which would otherwise be issued pursuant to the Options.

(i) **Vesting**. The shares covered by the Options shall vest in full upon the attainment of either of the following mutually acceptable performance goals: (i) upon monetizing the uncontracted gas reserves held by Magellan Petroleum Australia Limited, the Company's wholly-owned subsidiary) at the Amadeus Basin fields, or (ii) upon the Closing Price of the Company's Stock being at or above $1.50 per share of Stock for a period of sixty (60) consecutive trading days. For purposes of this Section 2(d), the term "Closing Price" shall mean either: (i) if the Stock is listed on a national securities exchange or quoted on the NASDAQ National Market or NASDAQ Capital Market, then the Closing Price per share of the Stock shall be the last sale price per share of the Common Stock in the principal trading market for the Common Stock on such date, as reported by the exchange or NASDAQ, as the case may be; (ii) if the Stock is not listed on a national securities exchange or quoted on the NASDAQ National Market or NASDAQ Capital Market, but is traded in the over-the-counter market, then the "Closing Price" per share of the Stock shall be the closing bid price per share for the Stock on such date, as reported by the OTC Bulletin Board or the National Quotation Bureau, Incorporated or similar publisher of such quotations.

(j) **Acceleration.** The Options evidenced hereby shall immediately be accelerated and vest in full upon a "change of control" of the Company as defined in Section 15 of the Plan or upon a termination by the Company without cause of Optionee's service as a consultant under Optionee's Consulting Agreement with the Company.

(h) **Compliance with Laws and Regulations**. The Options evidenced hereby are subject to restrictions imposed at any time on the exercise or delivery of shares in violation of the By-Laws of the Company or of any law or governmental regulation that the Company may find to be valid and applicable.

(i) **Interpretation**. Optionee hereby acknowledges that this Agreement is governed by the Plan, a copy of which Optionee hereby acknowledges having received, and by such administrative rules and regulations relative to the Plan and not inconsistent

therewith as may be adopted and amended from time by the Committee (the "Rules"). Optionee agrees to be bound by the terms and provisions of the Plan and the Rules.

3. **Option Data.**

Optionee's Name:	J. Thomas Wilson
Number of shares of Stock Subject to this Option:	125,000 shares
Grant Date:	February 2, 2009
Exercise Price Per Share:	$1.20 per share
Expiration Date:	February 2, 2019

4. **Award of Options Contingent Upon Shareholder Approval and Completion of the Equity Financing**.

(a) Conditions. The award of the Options to the Optionee hereby are expressly conditioned upon, and shall only take effect, if

(i) the Company's shareholders approve an amendment and restatement of the Plan at either (X) the Company's 2008 annual meeting of shareholders to be held in the near future, or (Y) at any subsequent annual or special meeting of shareholders of the Company held on or before December 31, 2009, which approval is required under the terms of the Plan and the listing requirements of the Nasdaq Stock Market, Inc.; and

(ii) the Company completes the proposed equity investment by Young Energy Prize Fund, S.A. ("YEP") in the Company pursuant to that Securities Purchase Agreement, dated February 9, 2009 (as amended) between the Company and YEP, as amended.

(b) Acknowledgement. Optionee acknowledges and agrees that, should the conditions described in Sections 4(a)(i) and 4(a)(ii) above not be satisfied, then the Award of Options evidenced hereby shall be null and void and of no further force and effect.

5. **Miscellaneous**. This Agreement and the Plan (a) contains the entire Agreement of the parties relating to the subject matter of this Agreement and supersedes any prior agreements or understandings with respect thereto; and (b) shall be binding upon and inure to the benefit of the Company, its successors and assigns and the Optionee, his heirs, devisees and legal representatives. In the event of the Optionee's death or a judicial determination of his incompetence, reference in this Agreement to the Optionee shall be deemed to refer to his legal representative, heirs or devisees, as the case may be.

* * * * * *

In Witness Whereof, the Company has caused this instrument to be executed by its authorized officer, as of the Grant Date identified in Section 3.

Agreed to:

/s/ J. Thomas Wilson
Optionee: J. Thomas Wilson

MAGELLAN PETROLEUM CORPORATION

By: /s/ William H. Hastings
Name: William H. Hastings
Title: President and CEO

Date: July 9, 2009

Exhibit 99.1

MAGELLAN ANNOUNCES COMPLETION
OF $10 MILLION STRATEGIC INVESTMENT

PORTLAND, Maine, July 9, 2009 — Magellan Petroleum Corporation (NASDAQ: MPET) (ASX: MGN) today announced that it has completed the previously announced equity investment in the Company by the Company's strategic investor, Young Energy Prize S.A. ("YEP"), through the issuance to YEP of 8,695,652 shares of the Company's common stock, $0.01 par value per share (the "Common Stock") and warrants to acquire an additional 4,347,826 shares of Common Stock (the "Warrants"). The Company received gross proceeds of $10 million, which will be used for general corporate and working capital purposes.

On May 27, 2009 the Company's Board of Directors amended the Company's Bylaws to increase the size of the Board of Directors to seven (7) members and to fill two vacancies created thereby with the Investor's two designees, Nikolay Bogachev and J. Thomas Wilson, subject to the completion of the investment transaction. With the completion of the investment today, the elections of each of Messrs. Bogachev and Wilson to the Board have become effective. Messrs. Bogachev and Wilson were added to the class of directors whose terms expire in 2011.

The Warrants entitle YEP to purchase an additional 4,347,826 shares of the Company's Common Stock (the "Warrant Shares") at an exercise price of $1.20 per Warrant Share, subject to certain adjustments. In addition, the Company has granted to YEP certain registration rights with respect to the shares sold at the Closing and the Warrant Shares.

In connection with the Closing, the Company intends to file an amendment to its Restated Certificate of Incorporation with the Delaware Secretary of State implementing the repeal of the per capita voting provisions of Article 12th and Article 14th thereof and the repeal of the super-majority voting requirements of Article 13th thereof. These amendments, and certain related amendments to the Company's Bylaws, will become effective as of December 31, 2009.

Magellan's President and Chief Executive Officer, William H. Hastings said, "We are very pleased to announce our successful completion of the YEP investment particularly in current market conditions. This financing will further enhance the Company's financial position as we seek to pursue our strategic objectives: the sale of our existing, but uncommitted, natural gas reserves, the operational reorganization of our producing fields in the Amadeus Basin to improve efficiencies and reduce expenses and the pursuit of undervalued reserves in the Australia energy marketplace."

Walter McCann, Magellan's Chairman of the Board, stated, "YEP's investment in Magellan represents the beginning of a new chapter in the Company's history. We believe the closing of YEP's investment

demonstrates a vote of confidence in Magellan and its strategic plan. The entire Board looks forward to working with Nikolay Bogachev and Tom Wilson in the future as we pursue our stated objectives to grow the Company and increase value for our shareholders."

* * * * * *

For further information, please contact:

William H. Hastings, President and CEO of Magellan, at (207) 776-5616
Daniel J. Samela, Chief Financial Officer of Magellan, at (860) 293-2006

About Magellan

Magellan's common stock is quoted on the NASDAQ Capital Market (symbol: MPET) and on the Australian Stock Exchange in the form of CDI's (symbol: MGN). The Company is engaged in the sale of oil and gas resulting from the exploration for and development of oil and gas reserves. Magellan's most significant asset is its 100% equity ownership interest in Magellan Petroleum Australia Limited ("MPAL"). Headquartered in Brisbane, Australia, MPAL is engaged in the sale of oil and gas resulting from the exploration for and development of oil and gas reserves. MPAL's oil and gas production assets are principally located in the Amadeus Basin of the Northern Territory in Australia, where MPAL operates the Palm Valley gas field. Other reserves and prospects are located elsewhere in Australia and the United Kingdom.

About YEP

YEP was founded in 2007 by recognized entrepreneur Nikolay V. Bogachev, who has had partnerships with Enterprise Oil (now Shell), Marathon Oil, and other major oil companies in developing earlier investments. YEP is building a portfolio of energy investments worldwide with current efforts within the Western United States, in West Africa, and now, in Australia.

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.

Exhibit 99.2

MAGELLAN ANNOUNCES HEADS OF AGREEMENT AND EXCLUSIVITY AGREEMENT

PORTLAND, Maine, July 13, 2009 — Magellan Petroleum Corporation (NASDAQ: MPET) (ASX: MGN) announced that its wholly owned subsidiary, Magellan Petroleum Australia Limited ("MPAL"), has signed a Heads of Agreement and Exclusivity Agreement with a major methanol producer to study the feasibility of building and operating a methanol plant in the Darwin area, Northern Territory, Australia.

Under the Agreements, MPAL will undertake to identify natural gas reserves suitable to supply the proposed plant. Magellan would also have exclusive rights to supply natural gas to the plant from a broad exclusivity area that the Parties have established to encompass both onshore and offshore areas in the Northern Territory and Western Australia. Although there is no assurance that the parties will reach a final accord, the Agreements establish timelines to allow good faith completion of preliminary feasibility studies by both Parties and a definitive Gas Supply Agreement.

* * * * * *

For further information, please contact:

William H. Hastings, President and Chief Executive Officer — Magellan at +1 (207) 776-5616
Daniel J. Samela, Chief Financial Officer — Magellan at +1 (860) 293-2006

About Magellan

Magellan's common stock is quoted on the NASDAQ Capital Market (symbol: MPET) and on the Australian Stock Exchange in the form of CDI's (symbol: MGN). The Company is engaged in the sale of energy arising from exploration and development of oil and gas reserves. Currently, MPAL's oil and gas production assets are located in the Amadeus Basin of the Northern Territory in Australia, where MPAL operates the Palm Valley gas field and maintains an interest in the Mereenie oil & gas field as well as the unconnected Dingo gas field. Other reserves and prospects are located elsewhere in Australia and in the United Kingdom.

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, both MPET and MPAL have existing or may acquire new exploration permits and face the risk that any wells drilled on those existing or new permits 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.