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ANNOUNCEMENT TO ASX

Weekly Drilling Report Muthero-7 & Muthero-4 Tunkalilla-1

Nockatunga Fields – Queensland

Magellan Petroleum Corporation (ASX Code: MGN) advises that the Muthero-7 development well in southwest Queensland has been cased and suspended as a future Murta oil producer.

Muthero-7 spudded on 8 February and was drilled to a Total Depth of 1146 metres. Oil shows were recorded in the Murta Member and the well was cased and suspended. The rig was released on 12 February and moved to the Muthero-4 well location.

The Muthero-4 appraisal well spudded on 13 February and was drilled to a depth of 219 metres. Surface casing is being set before drilling ahead to a programmed total depth of 1432 metres. Muthero-4 is designed to appraise the Murta Member and Birkhead Formation oil pools encountered in Muthero 3.

Cooper Basin – South Australia

Tunkalilla-1 exploration well spudded in PEL 94 in South Australia on 13 February. At 06:00 hrs (CST) on 14 February the well was at a depth of 226 metres and drilling ahead to the surface casing point.

Tunkalilla-1 is located on the southern flank of the Cooper Basin, and will test a simple anticlinal structure located on the north-western flank of the Milpera Horst. The primary objective is the Namur Sandstone and the McKinlay Member with secondary potential in the Murta Member. The nearby well, Maslins-1, recovered oil from the Murta Member. Tunkalilla-1 is programmed to a Total Depth of 1405 metres RT.

Muthero-7 Details:

Petroleum Title: PL 51, Queensland
Location: Approximately 50 metres NW of Muthero 3 and 200 metres SE of Muthero-1
Coordinates: Latitude: 27° 42' 43.85" South
Longitude: 142° 36' 44.21" East (GDA 94)

JV Operator: Santos Limited
 Drilling Rig: PDI 721
 Total Depth: 1146 metres RT
 Objectives: Primary – Murta Member
 Operations for period: The well was drilled in 10-5/8" hole to 219 m and 8-5/8" surface casing set. The well was then drilled in 7-7/8" hole to a Total Depth of 1146 m and cased and suspended as Murta oil producer.
 Progress for Period: 1146 metres.

Muthero-4 Details:

Petroleum Title: PL 51, Queensland
 Location: Approximately 240 metres SE of Muthero 3
 Coordinates: Latitude: 27° 42' 46.64" South
 Longitude: 142° 36' 54.43" East (GDA 94)
 JV Operator: Santos Limited
 Drilling Rig: PDI 721
 Total Depth: 1432 metres RT
 Objectives: Primary – Murta Member
 Secondary – Birkhead Formation
 Operations for period: The well was drilled in 10-5/8" hole to 219 m and 8-5/8" surface casing is being set.
 Progress for Period: 219 metres.

Participants in Muthero-7 and Muthero-4 are:

Magellan Petroleum Corporation	38.994%
Santos Limited Group (Operator)	61.006%

Tunkalilla-1 Details:

Petroleum Title: PEL 94 South Australia
 Location: Approximately 3.5 km north of Maslins-1
 Coordinates: Latitude: 28° 50' 55.41" South
 Longitude: 140° 50' 55.41" East (GDA 94)
 JV Operator: Beach Petroleum Ltd
 Drilling Rig: Century Rig 3
 Total Depth: 1405 metres RT
 Objectives: Primary – Namur Sandstone / McKinlay Member
 Secondary – Murta member
 Operations for period: The well spudded at 19:00 hrs (CST) on 13 February 2007 and at 06:00 hr on 14 February was at a depth of 226 m and drilling ahead in 12-1/4" to the proposed surface casing depth of 620 m.
 Progress for Period: 226 metres.

Participants in Tunkalilla-1 are:

Magellan Petroleum Corporation	35%
Beach Petroleum Ltd (Operator)	50%
Victoria Petroleum NL	15%

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 United States Private Securities Litigation Reform Act of 1995. These statements about Magellan may relate to its 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 the extent of the recoverable reserves at those properties and 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.

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