

MAGELLAN PETROLEUM CORP /DE/
Form 424B3
January 13, 2017
[Table of Contents](#)

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Registration No. 333-213923

Magellan Petroleum Corporation

Tellurian Investments Inc.

1775 Sherman Street, Suite 1950

1201 Louisiana Street, Suite 3100

Denver, Colorado 80203

Houston, Texas 77002

JOINT PROXY STATEMENT/PROSPECTUS

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

On August 2, 2016, Magellan Petroleum Corporation, a Delaware corporation ("Magellan"), Tellurian Investments Inc., a Delaware corporation ("Tellurian Investments"), and River Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of Magellan ("Merger Sub"), entered into an Agreement and Plan of Merger (as it may be amended from time to time, the "merger agreement"). Pursuant to the merger agreement, each outstanding share of common stock, par value \$0.001 per share, of Tellurian Investments will be converted into the right to receive 1.300 shares of common stock of Magellan, and Merger Sub will merge with and into Tellurian Investments (the "merger"), with Tellurian Investments continuing as the surviving corporation and a direct subsidiary of Magellan. Except for adjustments made to reflect stock splits, share issuances and similar changes, this exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. Based on the closing price of Magellan common stock on the NASDAQ Capital Market on August 2, 2016, the last trading day before public announcement of the merger, the aggregate value of the merger consideration payable to Tellurian Investments stockholders was approximately \$159.3 million.

Shares of Magellan common stock outstanding before the merger is completed will remain outstanding and will not be exchanged, converted or otherwise changed in the merger. Magellan common stock is currently traded on the NASDAQ Capital Market under the symbol MPET. Tellurian Investments is a private company, and thus Tellurian Investments common stock is not traded on any established market. We urge you to obtain current market quotations of Magellan common stock.

We intend for the merger to qualify as a reorganization and/or a non-taxable exchange under U.S. federal tax law. Accordingly, Tellurian Investments stockholders are not expected to recognize any gain or loss for U.S. federal income tax purposes upon the exchange of shares of Tellurian Investments common stock for shares of Magellan common stock pursuant to the merger.

Based on the estimated number of shares of Magellan and Tellurian Investments common stock expected to be outstanding immediately prior to the closing of the merger, we estimate that, upon such closing, existing Magellan

stockholders will own approximately 3.4% of the Magellan common stock following the merger and former Tellurian Investments stockholders will own approximately 96.3% of the Magellan common stock following the merger.

Magellan and Tellurian Investments believe that the merger will be beneficial to their stockholders. In order to complete the transactions contemplated by the merger agreement, the Magellan stockholders and the Tellurian Investments stockholders must approve the merger and the other transactions contemplated by the merger agreement.

Table of Contents

At a special meeting of Magellan stockholders to be held on February 9, 2017, at 10:00 a.m. local time in the Lobby Conference Room of the Denver Financial Center, located at 1775 Sherman Street, Denver, Colorado 80203, Magellan stockholders will be asked to vote on (1) a proposal to approve the issuance of shares of Magellan common stock to Tellurian Investments stockholders in connection with the merger; (2) a proposal to approve the Magellan Petroleum Corporation 2016 Omnibus Incentive Compensation Plan (the "Magellan 2016 Plan"), including the material terms of the performance goals set forth in the Magellan 2016 Plan for purposes of Section 162(m) of the Internal Revenue Code; (3) a proposal to approve, on a non-binding advisory basis, the compensation that may become payable to Magellan's named executive officers in connection with the completion of the merger; (4) a proposal to approve the adjournment of the Magellan special meeting, if necessary or appropriate, to permit further solicitation of proxies; and (5) a proposal to ratify the appointment of EKS&H LLLP as the independent registered public accounting firm of Magellan for the fiscal year ending June 30, 2017. Approval of Magellan Proposals 1, 2, 3 and 5 requires the affirmative vote of holders of a majority of the shares of Magellan common stock present in person or represented by proxy at the Magellan special meeting and entitled to vote on each respective proposal, assuming that a quorum is present. Approval of Magellan Proposal 4 requires the affirmative vote of holders of a majority of the shares of Magellan common stock present in person or represented by proxy at the Magellan special meeting, regardless of whether there is a quorum. Only stockholders who hold shares of Magellan common stock at the close of business on January 9, 2017, the record date for the Magellan special meeting, are entitled to vote at the meeting.

At a special meeting of Tellurian Investments stockholders to be held on February 9, 2017, at 3:00 p.m. local time at the offices of Akin Gump Strauss Hauer & Feld LLP located at 1111 Louisiana Street, 44th Floor, Houston, Texas 77002, Tellurian Investments stockholders will be asked to vote on a proposal to approve and adopt the merger agreement and the transactions contemplated by the merger agreement, including the merger. Approval of the proposal requires the affirmative vote of holders of a majority of the outstanding shares of Tellurian Investments common stock entitled to vote thereon. Only stockholders who hold shares of Tellurian Investments common stock at the close of business on January 13, 2017, the record date for the Tellurian Investments special meeting, are entitled to vote at the meeting.

This letter and the enclosed joint proxy statement/prospectus are being furnished to you in connection with the solicitation of proxies by the Magellan board of directors and the Tellurian Investments board of directors. Attached to this letter is an important document, a joint proxy statement/prospectus, containing detailed information about Magellan, Tellurian Investments, the proposed merger and the other transactions contemplated by the merger agreement, as well as the other matters to be considered at the Magellan and Tellurian Investments special meetings of stockholders. We urge you to read this document carefully and in its entirety.

Magellan's board of directors recommends that you vote (1) **FOR** the approval of the issuance of shares of Magellan common stock to Tellurian Investments stockholders in connection with the merger; (2) **FOR** the approval of the Magellan 2016 Plan, including the material terms of the performance goals set forth in the Magellan 2016 Plan for purposes of Section 162(m) of the Internal Revenue Code; (3) **FOR** the approval, on a non-binding advisory basis, of the compensation that may become payable to Magellan's named executive officers in connection with the completion of the merger; (4) **FOR** the proposal to approve the adjournment of the Magellan special meeting, if necessary or appropriate, to permit further solicitation of proxies; and (5) **FOR** the ratification of the appointment of EKS&H LLLP as the independent registered public accounting firm of Magellan for the fiscal year ending June 30, 2017.

Tellurian Investments' board of directors recommends that you vote **FOR** the approval of the merger and the transactions contemplated by the merger agreement, including the merger.

Table of Contents

Your vote is very important. Whether or not you plan to attend the Magellan or Tellurian Investments special meeting of stockholders, please take the time to complete, sign, date, and return the applicable enclosed proxy card. If you hold your shares in street name, you should instruct your broker how to vote in accordance with your voting instruction card.

Please review the joint proxy statement/prospectus carefully. In particular, please carefully consider the matters discussed under Risk Factors beginning on page 32 of the joint proxy statement/prospectus. You can also obtain other information about Magellan and Tellurian Investments from documents Magellan has filed with the U.S. Securities and Exchange Commission.

Sincerely yours,

MAGELLAN PETROLEUM CORPORATION

TELLURIAN INVESTMENTS INC.

/s/ J. Robinson West
J. Robinson West

/s/ Charif Souki
Charif Souki

Chairman of the Board of Directors

Chairman of the Board of Directors

/s/ Antoine J. Lafargue
Antoine J. Lafargue

/s/ Meg A. Gentle
Meg A. Gentle

President and Chief Executive Officer

President and Chief Executive Officer

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under the enclosed joint proxy statement/prospectus or passed upon the adequacy or accuracy of the joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

Table of Contents

Magellan Petroleum Corporation

1775 Sherman Street, Suite 1950

Denver, Colorado 80203

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To be held on February 9, 2017

To the Stockholders of Magellan Petroleum Corporation:

We will hold a special meeting of the stockholders of Magellan Petroleum Corporation, a Delaware corporation (Magellan), on February 9, 2017, at 10:00 a.m. local time in the Lobby Conference Room of the Denver Financial Center, located at 1775 Sherman Street, Denver, Colorado 80203, for the following purposes:

1. To vote on a proposal to approve the issuance of shares of Magellan common stock, par value \$0.01 per share, to stockholders of Tellurian Investments Inc., a Delaware corporation (Tellurian Investments), contemplated by the Agreement and Plan of Merger, dated as of August 2, 2016, by and among Magellan, Tellurian Investments and River Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of Magellan (Merger Sub), as that agreement may be amended from time to time (the merger agreement), a copy of which is included as Annex A to the joint proxy statement/prospectus of which this notice is a part;
2. To vote on a proposal to approve the Magellan Petroleum Corporation 2016 Omnibus Incentive Compensation Plan (the Magellan 2016 Plan), including the material terms of the performance goals set forth in the Magellan 2016 Plan for purposes of Section 162(m) of the Internal Revenue Code, a copy of which plan is included as Annex C to the joint proxy statement/prospectus of which this notice is a part;
3. To vote on a proposal to approve, on a non-binding advisory basis, the compensation that may become payable to Magellan's named executive officers in connection with the completion of the merger;
4. To vote on a proposal to approve the adjournment of the Magellan special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the Magellan special meeting to approve the other proposals contained in this notice; and
5. To vote on a proposal to ratify the appointment of EKS&H LLLP as the independent registered public accounting firm of Magellan for the fiscal year ending June 30, 2017.

Only holders of record of Magellan common stock at the close of business on January 9, 2017, the record date for the Magellan special meeting, are entitled to notice of and to vote at the meeting or any adjournment or postponement of the meeting. The merger and the other proposed transactions contemplated by the merger agreement cannot be

completed unless Magellan stockholders approve the merger agreement.

Approval of Magellan Proposals 1, 2, 3 and 5 requires the affirmative vote of holders of a majority of the shares of Magellan common stock present in person or represented by proxy at the

Table of Contents

Magellan special meeting and entitled to vote on each respective proposal, assuming that a quorum is present. Approval of Magellan Proposal 4 requires the affirmative vote of holders of a majority of the shares of Magellan common stock present in person or represented by proxy at the Magellan special meeting, regardless of whether there is a quorum.

Magellan's board of directors recommends that you vote (1) FOR the approval of the issuance of shares of Magellan common stock to Tellurian Investments stockholders in connection with the merger; (2) FOR the approval of the Magellan 2016 Plan, including the material terms of the performance goals set forth in the Magellan 2016 Plan for purposes of Section 162(m) of the Internal Revenue Code; (3) FOR the approval, on a non-binding advisory basis, of the compensation that may become payable to Magellan's named executive officers in connection with the completion of the merger; (4) FOR the proposal to approve the adjournment of the Magellan special meeting, if necessary or appropriate, to permit further solicitation of proxies; and (5) FOR the ratification of the appointment of EKS&H LLP as the independent registered public accounting firm of Magellan for the fiscal year ending June 30, 2017.

To ensure your representation at the Magellan special meeting, please complete and promptly mail your proxy card in the return envelope enclosed, or authorize the individuals named on your proxy card to vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction card. This will not prevent you from voting in person, but will help to secure a quorum for the Magellan special meeting and avoid added solicitation costs. If your shares are held in street name by your broker or other nominee, only that holder can vote your shares, and the vote cannot be cast on any matter other than the proposal to ratify the appointment of EKS&H as the independent registered public accounting firm of Magellan, unless you provide instructions to your broker. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Your proxy may be revoked at any time before it is voted. Please review the joint proxy statement/prospectus accompanying this notice for more complete information regarding the Magellan special meeting.

By Order of the Board of Directors,

/s/ Antoine J. Lafargue
Antoine J. Lafargue, Corporate Secretary
January 13, 2017

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger agreement, the merger or the other transactions contemplated by the merger agreement or passed upon the fairness or merits of the merger agreement, the merger or the other transactions contemplated by the merger agreement or upon the accuracy or adequacy of the information contained in this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

YOUR VOTE IS IMPORTANT.

WHETHER OR NOT YOU PLAN TO ATTEND THE MAGELLAN SPECIAL MEETING, PLEASE VOTE ALL PROXIES YOU RECEIVE. STOCKHOLDERS OF RECORD CAN VOTE ANY ONE OF THREE WAYS:

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BY TELEPHONE: CALL THE TOLL-FREE NUMBER ON YOUR PROXY CARD TO VOTE BY
PHONE;

Table of Contents

VIA INTERNET: VISIT THE WEBSITE ON YOUR PROXY CARD TO VOTE VIA THE INTERNET; OR

BY MAIL: MARK, SIGN, DATE, AND MAIL YOUR PROXY CARD IN THE ENCLOSED POSTAGE-PAID ENVELOPE.

THE METHOD BY WHICH YOU DECIDE TO VOTE WILL NOT LIMIT YOUR RIGHT TO VOTE AT THE MAGELLAN SPECIAL MEETING. IF YOU LATER DECIDE TO ATTEND THE MAGELLAN SPECIAL MEETING IN PERSON, YOU MAY VOTE YOUR SHARES EVEN IF YOU HAVE PREVIOUSLY SUBMITTED A PROXY.

IF YOU HOLD YOUR SHARES THROUGH A BANK, BROKER OR OTHER NOMINEE, YOU MUST FOLLOW THE VOTING INSTRUCTIONS PROVIDED BY THE NOMINEE. IN ADDITION, YOU MUST OBTAIN A PROXY, EXECUTED IN YOUR FAVOR, FROM THE NOMINEE TO BE ABLE TO VOTE AT THE MAGELLAN SPECIAL MEETING. YOU MAY BE ABLE TO VOTE VIA THE INTERNET OR BY TELEPHONE IN ACCORDANCE WITH THE INSTRUCTIONS THE NOMINEE PROVIDES.

Table of Contents

Tellurian Investments Inc.

1201 Louisiana Street, Suite 3100

Houston, Texas 77002

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To be held on February 9, 2017

To the Stockholders of Tellurian Investments Inc.:

We will hold a special meeting of the stockholders of Tellurian Investments Inc., a Delaware corporation ("Tellurian Investments"), on February 9, 2017, at 3:00 p.m. local time at the offices of Akin Gump Strauss Hauer & Feld LLP located at 1111 Louisiana Street, 44th Floor, Houston, Texas 77002, for the following purposes:

1. To vote on a proposal to approve the merger contemplated by the Agreement and Plan of Merger, dated as of August 2, 2016, by and among Magellan Petroleum Corporation ("Magellan"), Tellurian Investments and River Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of Magellan ("Merger Sub"), as that agreement may be amended from time to time (the "merger agreement"), a copy of which is included as Annex A to the joint proxy statement/prospectus of which this notice is a part; and

2. To approve any adjournments or postponements of the meeting.

Only holders of record of Tellurian Investments common stock at the close of business on January 13, 2017, the record date for the Tellurian Investments special meeting, are entitled to notice of and to vote at the meeting or any adjournment or postponement of the meeting. The merger and the other proposed transactions contemplated by the merger agreement cannot be completed unless Tellurian Investments stockholders approve the merger agreement. Tellurian Investments stockholders are entitled to appraisal rights under Section 262 of the General Corporation Law of the State of Delaware, which we refer to as the DGCL or Delaware law, provided they satisfy the special criteria and conditions set forth in Section 262 of the DGCL. Tellurian Investments common stock held by stockholders that do not vote for approval of the merger and make a demand for appraisal in accordance with Delaware law will not be converted into Magellan stock, but will be converted into the right to receive from the combined company consideration determined in accordance with Delaware law. For more information regarding appraisal rights, see "The Merger Appraisal Rights" beginning on page 108 of the joint proxy statement/prospectus of which this notice is a part. In addition, a copy of Section 262 of the DGCL is attached to such joint proxy statement/prospectus as Annex D.

Approval of Tellurian Investments Proposal 1 requires the affirmative vote of holders of a majority of the outstanding shares of Tellurian Investments common stock entitled to vote thereon.

Tellurian Investments' board of directors recommends that you vote **FOR** the approval of the merger and the transactions contemplated by the merger agreement, including the merger.

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To ensure your representation at the Tellurian Investments special meeting, please complete and promptly mail your proxy card in the return envelope enclosed, or authorize the individuals named

Table of Contents

on your proxy card to vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction card. This will not prevent you from voting in person, but will help to secure a quorum for the Tellurian Investments special meeting and avoid added solicitation costs. Your proxy may be revoked at any time before it is voted. Please review the joint proxy statement/prospectus accompanying this notice for more complete information regarding the Tellurian Investments special meeting.

By Order of the Board of Directors,

/s/ Christopher Daniels
Christopher Daniels, Corporate Secretary
January 13, 2017

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger agreement, the merger or the other transactions contemplated by the merger agreement or passed upon the fairness or merits of the merger agreement, the merger or the other transactions contemplated by the merger agreement or upon the accuracy or adequacy of the information contained in this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

YOUR VOTE IS IMPORTANT.

WHETHER OR NOT YOU PLAN TO ATTEND THE TELLURIAN INVESTMENTS SPECIAL MEETING, PLEASE VOTE ALL PROXIES YOU RECEIVE. STOCKHOLDERS OF RECORD CAN VOTE ANY ONE OF THREE WAYS:

BY TELEPHONE: CALL THE TOLL-FREE NUMBER ON YOUR PROXY CARD TO VOTE BY PHONE:

VIA INTERNET: VISIT THE WEBSITE ON YOUR PROXY CARD TO VOTE VIA THE INTERNET: OR

BY MAIL: MAIL, MARK, SIGN, DATE, AND MAIL YOUR PROXY CARD IN THE ENCLOSED POSTAGE-PAID ENVELOPE.

IF YOU LATER DECIDE TO ATTEND THE TELLURIAN INVESTMENTS SPECIAL MEETING IN PERSON, YOU MAY VOTE YOUR SHARES EVEN IF YOU HAVE PREVIOUSLY SUBMITTED A PROXY BY NOTIFYING THE CORPORATE SECRETARY IN WRITING PRIOR TO THE VOTING OF THE PROXY.

Table of Contents

ADDITIONAL INFORMATION

Pursuant to Rule 411 under the Securities Act of 1933, as amended (the "Securities Act"), this joint proxy statement/prospectus incorporates by reference the complete terms of particular portions of certain documents that are summarized in this joint proxy statement/prospectus. You can obtain complete copies of the documents incorporated by reference into this joint proxy statement/prospectus free of charge by requesting them in writing or by telephone from Magellan at the following address and telephone number:

Antoine J. Lafargue, Corporate Secretary

Magellan Petroleum Corporation

1775 Sherman Street, Suite 1950

Denver, Colorado 80203

Telephone: (720) 484-2400

Investors may also consult Magellan's or Tellurian Investments' website for more information about Magellan or Tellurian Investments, respectively. Magellan's website is www.magellanpetroleum.com. Tellurian Investments' website is www.tellurianinvestments.com. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

If you would like to request any documents, please do so by February 2, 2017 in order to receive them before the respective special meetings of stockholders. If you request any documents, Magellan or Tellurian Investments will mail them to you by first class mail, or another equally prompt means, after receipt of your request.

For a more detailed description of the information incorporated by reference into this joint proxy statement/prospectus and how you may obtain it, see "Where You Can Find More Information" beginning on page 170.

Table of Contents

ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission (the "SEC") by Magellan, constitutes a prospectus of Magellan under the Securities Act, with respect to the shares of Magellan common stock to be issued to Tellurian Investments stockholders in connection with the merger. This joint proxy statement/prospectus also constitutes a proxy statement for Magellan under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). It also constitutes a notice of meeting with respect to the special meeting of Magellan stockholders and a notice of meeting with respect to the special meeting of Tellurian Investments stockholders.

You should rely only on the information contained in or incorporated by reference into this joint proxy statement/prospectus. Neither Magellan nor Tellurian Investments has authorized anyone to give any information or make any representation about the merger, Magellan or Tellurian Investments that is different from, or in addition to, that contained in this joint proxy statement/prospectus or in any of the materials that have been incorporated by reference into this joint proxy statement/prospectus. Therefore, if anyone distributes this type of information, you should not rely on it. This joint proxy statement/prospectus is dated January 10, 2017. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any date other than that date. Neither our mailing of this joint proxy statement/prospectus to Magellan stockholders or Tellurian Investments stockholders nor the issuance by Magellan of shares of common stock pursuant to the merger agreement will create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation. Information contained in this joint proxy statement/prospectus regarding Magellan has been provided by Magellan and information contained in this joint proxy statement/prospectus regarding Tellurian Investments has been provided by Tellurian Investments.

All references in this joint proxy statement/prospectus to "Magellan" refer to Magellan Petroleum Corporation, a Delaware corporation; all references in this joint proxy statement/prospectus to "Merger Sub" refer to River Merger Sub, Inc., a Delaware corporation and direct wholly owned subsidiary of Magellan formed for the sole purpose of effecting the merger; all references in this joint proxy statement/prospectus to "Tellurian Investments" refer to Tellurian Investments Inc., a Delaware corporation; unless otherwise indicated or as the context requires, all references in this joint proxy statement/prospectus to "we," "our" and "us" refer to Magellan and Tellurian Investments collectively; and, unless otherwise indicated or as the context requires, all references to the "merger agreement" refer to the Agreement and Plan of Merger, dated as of August 2, 2016, as amended, by and among Magellan Petroleum Corporation, Tellurian Investments Inc. and River Merger Sub, Inc., which is incorporated by reference into this joint proxy statement/prospectus and a copy of which is included as Annex A to this joint proxy statement/prospectus. Magellan and Tellurian Investments, subject to and following completion of the merger, are sometimes referred to in this joint proxy statement/prospectus as the "combined company."

Table of Contents

TABLE OF CONTENTS

<u>QUESTIONS AND ANSWERS ABOUT VOTING PROCEDURES AND THE MEETINGS</u>	Page 1
<u>SUMMARY</u>	14
<u>POST-MERGER BUSINESS STRATEGY</u>	26
<u>MARKET PRICE INFORMATION</u>	28
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	29
<u>RISK FACTORS</u>	32
<u>Risks Relating to the Merger</u>	32
<u>Risks Relating to Magellan's Business and Common Stock</u>	37
<u>Risks Relating to Tellurian Investments' Business</u>	52
<u>Risks Relating to the Combined Company Relating to the Merger</u>	62
<u>THE COMPANIES</u>	64
<u>Magellan Petroleum Corporation</u>	64
<u>River Merger Sub, Inc.</u>	65
<u>Tellurian Investments Inc.</u>	66
<u>THE MAGELLAN MEETING</u>	69
<u>Date, Time and Place</u>	69
<u>Purpose of the Magellan Meeting</u>	69
<u>Recommendation of the Magellan Board of Directors</u>	69
<u>Record Date and Voting</u>	70
<u>Quorum; Voting</u>	70
<u>Voting by Magellan Directors and Executive Officers</u>	71
<u>Required Vote</u>	71
<u>Adjournment and Postponement</u>	71
<u>Voting Methods</u>	71
<u>Revocability of Proxies</u>	72
<u>Solicitation of Proxies</u>	73
<u>No Exchange of Certificates</u>	73
<u>Assistance</u>	73
<u>THE TELLURIAN INVESTMENTS MEETING</u>	74
<u>Date, Time and Place</u>	74
<u>Purpose of the Tellurian Investments Meeting</u>	74
<u>Recommendation of the Tellurian Investments Board of Directors</u>	74
<u>Record Date and Voting</u>	74
<u>Quorum; Voting</u>	75
<u>Voting by Tellurian Investments Directors and Executive Officers</u>	75
<u>Required Vote</u>	75
<u>Adjournment and Postponement</u>	75

Voting Methods

75

Revocability of Proxies

77

Table of Contents

<u>Exchange of Certificates</u>	77
<u>Assistance</u>	77
<u>THE MERGER</u>	78
<u>Effects of the Merger</u>	78
<u>Background of the Merger</u>	78
<u>Magellan's Reasons for the Merger; Recommendation of the Magellan Board of Directors and Special Committee</u>	85
<u>Opinion of Magellan's Financial Advisor</u>	87
<u>Interests of Magellan Directors and Executive Officers in the Merger</u>	96
<u>Tellurian Investments' Reasons for the Merger; Recommendation of the Tellurian Investments Board of Directors</u>	98
<u>Interests of Tellurian Investments Directors and Executive Officers in the Merger</u>	98
<u>Combined Company's Board of Directors and Management Following the Merger</u>	98
<u>Pension/Retirement Benefits</u>	106
<u>Additional Benefit Programs</u>	106
<u>Equity-Based Compensation</u>	106
<u>Regulatory Clearances Required for the Merger</u>	106
<u>Treatment of Magellan Equity Awards</u>	107
<u>Treatment of Tellurian Investments Equity Awards</u>	107
<u>Dividend Policies</u>	107
<u>Listing of Shares of Magellan Common Stock</u>	108
<u>Appraisal Rights</u>	108
<u>THE MERGER AGREEMENT</u>	113
<u>Terms of the Merger; Merger Consideration</u>	113
<u>Completion of the Merger</u>	114
<u>Exchange of Shares in the Merger</u>	114
<u>Representations and Warranties</u>	115
<u>Conduct of Business by Magellan and Tellurian Investments Pending Closing</u>	117
<u>No Solicitation</u>	118
<u>Indemnification and Insurance</u>	118
<u>Additional Covenants</u>	118
<u>Conditions to the Completion of the Merger</u>	119
<u>Summary of Employment Contract Term Sheet of Mr. Lafargue</u>	119
<u>Termination of the Merger Agreement</u>	120
<u>Termination Fee</u>	121
<u>Reverse Termination Fee</u>	121
<u>Amendment of the Merger Agreement</u>	122
<u>Officers of the Combined Company</u>	122
<u>Proposed Directors of the Combined Company</u>	125
<u>PROPOSALS FOR THE MAGELLAN SPECIAL MEETING</u>	128
<u>Magellan Proposal 1: Issuance of Shares of Magellan Common Stock</u>	128
<u>Magellan Proposal 2: Approval of the Magellan 2016 Plan</u>	128
<u>Magellan Proposal 3: Advisory (Non-Binding) Vote on Golden Parachute Compensation</u>	140
<u>Magellan Proposal 4: Possible Adjournment of the Magellan Special Meeting</u>	140
	141

Magellan Proposal 5: Ratification of Appointment of EKS&H LLP as the Independent Registered Public Accounting Firm of Magellan

Table of Contents

<u>PROPOSAL FOR THE TELLURIAN INVESTMENTS SPECIAL MEETING</u>	143
<u>Tellurian Investments Proposal 1: Approval of Merger Agreement</u>	143
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER</u>	144
<u>ACCOUNTING TREATMENT</u>	146
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND EXECUTIVE MANAGEMENT OF MAGELLAN</u>	147
<u>Security Ownership of Management</u>	147
<u>Other Security Holders</u>	148
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND EXECUTIVE MANAGEMENT OF TELLURIAN INVESTMENTS</u>	149
<u>Security Ownership of Management</u>	149
<u>Other Security Holders</u>	150
<u>PRO FORMA BENEFICIAL OWNERSHIP OF MAGELLAN UPON COMPLETION OF THE MERGER</u>	151
<u>MARKET PRICE, DIVIDEND AND OTHER INFORMATION</u>	154
<u>Stock Prices</u>	154
<u>Number of Stockholders</u>	154
<u>Dividends</u>	154
<u>Reverse Stock Split</u>	155
<u>Equity Compensation Plan Information</u>	155
<u>DESCRIPTION OF MAGELLAN CAPITAL STOCK</u>	157
<u>Authorized Common Stock</u>	157
<u>Voting Rights</u>	157
<u>Dividend and Distribution Rights</u>	157
<u>No Pre-emptive, Conversion, or Redemption Rights</u>	157
<u>Registrar and Transfer Agent</u>	157
<u>Magellan Preferred Stock and Tellurian Investments Preferred Stock</u>	158
<u>Anti-Takeover Provisions in Magellan's Certificate of Incorporation and Bylaws</u>	159
<u>Anti-Takeover Provisions of Delaware Law</u>	159