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PLEASE CONTACT:
Michael C. Coffman
405.948.1560

PANHANDLE OIL AND GAS INC.
Announces Quarterly Dividend Payment

OKLAHOMA CITY, OK, May 20, 2011 – PANHANDLE OIL AND GAS INC. (NYSE: PHX) announced that its Board of Directors, at its May 18, 2011, meeting approved its regular 7 cents per share quarterly dividend. The dividend will be payable on June 13, 2011, to shareholders of record on Tuesday, May 31, 2011.

Panhandle Oil and Gas Inc. (NYSE-PHX) is engaged in the exploration for and production of natural gas and oil. Additional information on the Company can be found on the internet at www.panhandleoilandgas.com.

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