



FOR IMMEDIATE RELEASE
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PANHANDLE OIL AND GAS INC.
**Announces Dividend Payment and
Sets Annual Shareholder Meeting Date**

OKLAHOMA CITY, Oct. 31, 2011- PANHANDLE OIL AND GAS INC. (NYSE-PHX) announced that its Board of Directors, at its Oct. 26, 2011 meeting, approved a regular 7 cents per share quarterly dividend payment to be paid on Dec. 8, 2011, to shareholders of record on Nov. 22, 2011.

Further, the Board of Directors set the date of its annual meeting of shareholders for March 8, 2012. The meeting will be held at the Waterford Marriott, 6300 Waterford Boulevard, Oklahoma City, Oklahoma, at 9:00 a.m. local time. Shareholders of record at the close of business on Jan. 23, 2012, shall be entitled to vote at the meeting.

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 at www.panhandleoilandgas.com.

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