FOR IMMEDIATE RELEASE
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Dec. 11, 2018

PANHANDLE OIL AND GAS INC.
REPORTS FOURTH QUARTER AND FISCAL 2018 RESULTS

OKLAHOMA CITY – PANHANDLE OIL AND GAS INC., the "Company," (NYSE: PHX), today reported financial and operating results for the fourth quarter and fiscal year ended Sept. 30, 2018.

Paul F. Blanchard Jr., President and CEO commented, "The fourth quarter and fiscal 2018 results reflect the execution of the Company's corporate strategy of maximizing shareholder value, maintaining a strong financial position and generating optimal cash flow. Panhandle generated $26.9 million of operating cash flow in fiscal 2018, of which $11.6 million was reinvested in drilling throughout core resource plays. The 2018 drilling program was primarily in the oil-rich Eagle Ford located in South Texas and the SCOOP and STACK plays located in western Oklahoma. The wells placed on production in 2018 exceeded the Company's internal rate of return threshold as we continue to invest in only the very best participation opportunities. We also invested an additional $11.3 million of operating cash flow acquiring mineral acreage in core resource plays in the Bakken in North Dakota and in the SCOOP and STACK in western Oklahoma. This is consistent with our strategy to acquire mineral acreage in the cores of resource plays with substantial undeveloped opportunities that meet or exceed our corporate return threshold. Even after these investments, the Company generated free cash flow and returned $3.9 million to shareholders through dividend payments and stock repurchases, while also paying down $1.2 million of debt. We are enthusiastic about our ability to generate significant cash flow moving forward given the flexibility that we have within our portfolio of assets and we will continue to be very diligent in our deployment of this cash flow with the focus of achieving the maximum value for our shareholders."

HIGHLIGHTS FOR THE YEAR ENDED SEPT. 30, 2018

- Net income increased to $14.6 million or $0.86 per share in fiscal year 2018 from $3.5 million or $0.21 per share in fiscal year 2017.
- Adjusted pre-tax net income(1) increased 78% to $5.8 million or $0.34 per share in fiscal 2018, as compared to $3.3 million or $0.19 per share in 2017.
- Adjusted EBITDA(1) grew 10% to $26 million in 2018 as compared to 2017.
- Total production increased 11% to 12.3 Bcfe in 2018, as compared to 11.1 Bcfe in 2017. Oil, NGL and natural gas production grew 8%, 47% and 6%, respectively.
- Average sales price per Mcfe in 2018 increased 9% to $3.94 per Mcfe, while the total cost per Mcfe (LOE, production taxes, DD&A, G&A and interest expense) in 2018 decreased 6% to $3.51 per Mcfe as compared to 2017.
- Year-end 2018 total proved oil and NGL reserves grew 9% and 23% respectively, or one million barrels in aggregate, while total proved natural gas reserves declined 1%.
- Estimated future net cash flows of year-end 2018 total proved reserves (at a 10% discount rate and SEC pricing) grew 62% to $204.6 million, from $126.0 million at year-end 2017.
- Year-end 2018 debt was $51 million. Debt to enterprise value and debt to adjusted EBITDA were 14.2% and 1.96, respectively, at year-end 2018.
- Twenty-three rigs are currently drilling on Panhandle acreage, with 125 additional rigs currently drilling within 2 miles of Panhandle acreage.

(1) This is a Non-GAAP measure. Refer to the Non-GAAP Reconciliation section.

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OPERATING HIGHLIGHTS

	Fourth Quarter Ended Sept. 30, 2018	Fourth Quarter Ended Sept. 30, 2017	Year Ended Sept. 30, 2018	Year Ended Sept. 30, 2017
MCFE Sold	2,940,282	3,279,204	12,271,708	11,101,739
Average Sales Price per MCFE	$ 4.09	$ 3.70	$ 3.94	$ 3.60
Barrels of Oil Sold	83,118	93,027	336,565	310,677
Average Sales Price per Barrel	$ 64.74	$ 46.75	$ 61.75	$ 46.27
MCF of Natural Gas Sold	2,088,258	2,330,838	8,721,262	8,194,529
Average Sales Price per MCF	$ 2.52	$ 2.71	$ 2.49	$ 2.70
Barrels of NGL Sold	58,886	65,034	255,176	173,858
Average Sales Price per Barrel	$ 23.53	$ 22.85	$ 23.14	$ 19.87

FINANCIAL HIGHLIGHTS

	Fourth Quarter Ended Sept. 30, 2018	Fourth Quarter Ended Sept. 30, 2017	Year Ended Sept. 30, 2018	Year Ended Sept. 30, 2017
Oil, NGL and Natural Gas Sales	$ 12,029,200	$ 12,147,894	$ 48,385,335	$ 39,935,912
Working Interest	$ 8,549,466	$ 9,193,709	$ 35,055,167	$ 29,969,017
Royalty Interest	$ 3,479,734	$ 2,954,185	$ 13,330,168	$ 9,966,895
Lease Bonus Income	$ 500,542	$ 1,157,545	$ 1,580,997	$ 5,149,297
Total Revenue	$ 11,564,543	$ 12,896,932	$ 45,034,264	$ 46,335,049
LOE per Mcfe	$ 1.15	$ 0.96	$ 1.10	$ 1.14
Production Tax per Mcfe	$ 0.21	$ 0.13	$ 0.17	$ 0.14
DD&A per Mcfe	$ 1.45	$ 1.45	$ 1.50	$ 1.66
G&A Expense per Mcfe	$ 0.71	$ 0.64	$ 0.60	$ 0.67
Interest Expense per Mcfe	$ 0.16	$ 0.12	$ 0.14	$ 0.11
Total Expense per Mcfe	$ 3.68	$ 3.30	$ 3.51	$ 3.72
Net Income	$ 555,647	$ 1,039,134	$ 14,635,669	$ 3,531,933
Adjusted Pre-Tax Net Income (1)	$ 870,183	$ 2,400,372	$ 5,826,844	$ 3,276,503
Adjusted EBITDA (1)	$ 5,588,487	$ 8,186,064	$ 25,969,985	$ 23,612,179
Cash Flow from Operations	$ 5,285,992	$ 6,436,955	$ 26,943,894	$ 20,758,192
CapEx - Drilling & Equipping	$ 3,847,038	$ 7,796,176	$ 11,590,135	$ 25,807,897
CapEx - Acquisitions	$ 10,361,092	$ -	$ 11,327,371	$ -
Borrowing Base			$ 80,000,000	$ 80,000,000
Debt			$ 51,000,000	$ 52,222,000
Debt/Adjusted EBITDA (1)			1.96	2.21
Debt to Enterprise Value (1)			14.16%	11.63%

(1) This is a Non-GAAP measure. Refer to the Non-GAAP Reconciliation section.

FOURTH QUARTER AND FISCAL YEAR 2018 REVIEW

Total production increased 11% in 2018 as compared to 2017. The increase was driven by strong production growth in early 2018 from several higher than average working interest wells in the southeastern Oklahoma Woodford, STACK and Eagle Ford that began producing in late 2017. Production for the last three quarters of 2018 was essentially flat as new production from royalty and relatively lower working interest wells offset the natural decline of the production base. However, higher value oil and NGL made up 29% of total production in 2018 versus 26% in 2017, as NGL production surged 47% in 2018, primarily from new production in SCOOP and STACK.

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Oil, NGL and natural gas revenue increased 21% year-over-year in 2018 as production increased 11% and product prices increased 9% relative to 2017. Fourth quarter 2018 oil, NGL and natural gas revenue was essentially flat compared to the fourth quarter of 2017, as higher product prices offset lower production. Lease bonus revenue decreased to $1.6 million in 2018 from $5.1 million in 2017 as leasing of the Company's mineral acreage surrounding core resource plays slowed.

The 6% decline in total cost per MCFE in 2018 relative to 2017 was primarily driven by lower DD&A and LOE. New lower cost production put on line in late 2017 and in 2018, as well as the marginal property sales in the last two years, were the primary factors in this decrease. Fourth quarter 2018 total cost per Mcfe increased 12% as compared to fourth quarter 2017. This increase was driven mainly by significant increases in production in the 2017 quarter from lower cost wells (wells that had very high royalty interest in relation to their working interest). These wells had large initial production rates that drove the per Mcfe rate down on most expense categories. In the 2018 quarter, as expected, the production on these wells has declined from their initial rates.

The Company's net income increased $11.1 million in 2018 as compared to 2017. This was materially impacted by the Tax Cuts and Jobs Act enacted in December 2017 and the mark-to-market loss on Panhandle's derivatives. Adjusted pre-tax net income (1) was $5.8 million in 2018, as compared to $3.3 million in 2017.

The Company generated free cash flow and returned $3.9 million to shareholders through dividend payments and stock repurchases while also paying down $1.2 million of debt.

OPERATIONS UPDATE

Eagle Ford

There is one drilling rig active on Panhandle's Eagle Ford acreage block. It is currently drilling the sixth well on a seven-well pad. The Company's average working interest in this group of wells is 10.8%, as the wells are located partially on the Company's 16% working interest (12% net revenue) acreage and partially on acreage Panhandle does not own. All seven wells are projected to begin producing simultaneously in March 2019. After this pad is drilled, the operator plans to continue to drill on the Company's 16% working interest acreage with the one-rig continuous program throughout calendar 2019.

Oklahoma

Drilling activity on the Company's Oklahoma mineral acreage continues to be strong, with 22 rigs currently active on royalty interest wells and eight working interest (0.8% average per well) wells currently being completed. The majority of the activity is in SCOOP and STACK with 16 royalty interest wells drilling and the eight working interest wells being completed. The remainder of the activity is in western Oklahoma and the southeastern Oklahoma Woodford. Two 5.9% working interest (4.4% net revenue interest) wells in the southeastern Oklahoma Woodford are scheduled to begin drilling in December 2018.

Bakken

The 20 drilled uncompleted wells that were part of the Company's Bakken mineral acquisition in August have now been completed and are producing 86 Boe per day net to Panhandle. This is significant as the wells are producing at a materially higher rate than projected in our acquisition evaluation and came on more rapidly than we had projected. We currently have no working or royalty interest wells drilling in the Bakken.

ACQUISITION AND DIVESTITURE UPDATE

Panhandle re-entered the mineral acquisition market in 2018 with mineral purchases in the cores of the Bakken in North Dakota and the SCOOP and STACK plays in Oklahoma. The Company acquired a total of 4,306 net mineral acres for $11.3 million or an average of approximately $2,600 per net mineral acre. These acquisitions are consistent with Panhandle's strategy to acquire mineral acreage in the cores of resource plays with substantial undeveloped opportunities that meet or exceed our corporate return threshold.

As part of the Company's program to reduce costs, Panhandle sold 324 marginal properties in 2018. This sale contributed to the reduction in LOE per Mcfe in 2018.

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The Company also closed on the first notable mineral acreage sale in its history on Nov. 30, 2018, with the sale of 206 net mineral acres in Lea and Eddy Counties, N.M. The sale price of $9.3 million (before closing adjustments) is approximately $45,000 per acre. Including the lease bonus, royalty income and sale price, those 206 acres have generated $11,328,000 in revenue, or approximately $55,000 per acre, for Panhandle in total. This sale was consistent with Panhandle's strategy to divest of mineral rights when the amount negotiated exceeds the Company's projected total value. This sale represents 0.08% of the Company's total net mineral acreage position, 0.7% of total production and 0.9% of total revenues for fiscal year 2018. This sale also includes 1.2% of our total proved reserves as of Sept. 30, 2018.

Paul F. Blanchard Jr. commented, "Panhandle's primary goal is to manage its portfolio of mineral and leasehold acreage and use its financial flexibility to maximize shareholder value on a per share basis over the long term while minimizing risks. Assets include perpetual ownership of 259,000 net mineral acres held principally in Oklahoma, New Mexico, Texas, North Dakota and Arkansas, as well as leasehold rights held primarily in the Eagle Ford and Oklahoma. Going forward, each quarter we intend to report on our progress relative to this strategy."

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FINANCIALS

Statements of Operations

	Three Months Ended Sept. 30, 2018	Three Months Ended Sept. 30, 2017	Year Ended Sept. 30, 2018	Year Ended Sept. 30, 2017
Revenues:				
Oil, NGL and natural gas sales	$ 12,029,200	$ 12,147,894	$ 48,385,335	$ 39,935,912
Lease bonuses and rentals	500,542	1,157,545	1,580,997	5,149,297
Gains (losses) on derivative contracts	(965,199)	(408,507)	(4,932,068)	1,249,840
	11,564,543	12,896,932	45,034,264	46,335,049
Costs and expenses:				
Lease operating expenses	3,382,829	3,136,979	13,460,278	12,682,969
Production taxes	617,080	418,614	2,089,050	1,548,399
Depreciation, depletion and amortization	4,258,629	4,743,280	18,395,040	18,397,548
Provision for impairment	-	652,202	-	662,990
Loss (gain) on asset sales and other	(8,174)	7,385	102,685	105,830
Interest expense	459,675	390,210	1,748,101	1,275,138
General and administrative	2,094,857	2,083,128	7,342,441	7,441,242
	10,804,896	11,431,798	43,137,595	42,114,116
Income (loss) before provision (benefit) for income taxes	759,647	1,465,134	1,896,669	4,220,933
Provision (benefit) for income taxes	204,000	426,000	(12,739,000)	689,000
Net income (loss)	$ 555,647	$ 1,039,134	$ 14,635,669	$ 3,531,933
Basic and diluted earnings per common share:				
Net income (loss)	$ 0.04	$ 0.06	$ 0.86	$ 0.21
Weighted average shares outstanding:				
Common shares	16,761,420	16,668,814	16,746,928	16,646,582
Unissued, vested directors' shares	210,310	259,301	205,736	253,603
	16,971,730	16,928,115	16,952,664	16,900,185
Dividends declared per share of common stock and paid in period	$ 0.04	$ 0.04	$ 0.16	$ 0.16

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Balance Sheets

	Sept. 30, 2018	Sept. 30, 2017
Assets		
Current Assets:		
Cash and cash equivalents	$ 532,502	$ 557,791
Oil, NGL and natural gas sales receivables, net of allowance for uncollectable accounts	7,101,629	7,585,485
Refundable income taxes	33,165	489,945
Derivative contracts, net	-	544,924
Assets held for sale	-	557,750
Other	578,880	253,480
Total current assets	8,246,176	9,989,375
Properties and equipment at cost, based on successful efforts accounting:		
Producing oil and natural gas properties	427,448,584	434,571,516
Non-producing oil and natural gas properties	12,563,519	7,428,927
Other	1,529,770	1,067,894
	441,541,873	443,068,337
Less accumulated depreciation, depletion and amortization	(243,257,472)	(246,483,979)
Net properties and equipment	198,284,401	196,584,358
Investments	219,109	170,486
Total assets	$ 206,749,686	$ 206,744,219
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	$ 881,130	$ 1,847,230
Derivative contracts, net	3,064,046	-
Accrued liabilities and other	1,791,950	1,690,789
Total current liabilities	5,737,126	3,538,019
Long-term debt	51,000,000	52,222,000
Deferred income taxes	18,088,007	31,051,007
Asset retirement obligations	2,809,378	3,196,889
Derivative contracts, net	349,970	28,765
Stockholders' equity:		
Class A voting common stock, $0.0166 par value; 24,000,000 shares authorized; 16,896,881 issued at Sept. 30, 2018; 16,863,004 issued at Sept. 30, 2017	281,502	280,938
Capital in excess of par value	2,824,691	2,726,444
Deferred directors' compensation	2,950,405	3,459,909
Retained earnings	125,266,945	113,330,216
	131,323,543	119,797,507
Treasury stock, at cost; 145,467 shares at Sept. 30, 2018; 184,988 shares at Sept. 30, 2017	(2,558,338)	(3,089,968)
Total stockholders' equity	128,765,205	116,707,539
Total liabilities and stockholders' equity	$ 206,749,686	$ 206,744,219

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Condensed Statements of Cash Flows

	Year ended Sept. 30, 2018	Year ended Sept. 30, 2017
Operating Activities		
Net income (loss)	$ 14,635,669	$ 3,531,933
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation, depletion and amortization	18,395,040	18,397,548
Impairment	-	662,990
Provision for deferred income taxes	(12,963,000)	375,000
Gain from leasing fee mineral acreage	(1,520,262)	(5,147,957)
Proceeds from leasing fee mineral acreage	1,564,225	5,194,290
Net (gain) loss on sales of assets	660,597	94,889
Common stock contributed to ESOP	382,174	312,380
Common stock (unissued) to Directors' Deferred Compensation Plan	301,715	358,658
Fair value of derivative contracts	3,930,175	(944,430)
Restricted stock awards	655,414	597,940
Other	6,326	(5,783)
Cash provided (used) by changes in assets and liabilities:		
Oil, NGL and natural gas sales receivables	483,856	(2,298,256)
Refundable income taxes	456,780	(406,071)
Other current assets	57,752	165,557
Accounts payable	(140,600)	(103,389)
Other non-current assets	(62,295)	-
Accrued liabilities	100,328	(27,107)
Total adjustments	12,308,225	17,226,259
Net cash provided by operating activities	26,943,894	20,758,192
Investing Activities		
Capital expenditures, including dry hole costs	(11,590,135)	(25,807,897)
Acquisition of minerals and overrides	(11,327,371)	-
Investments in partnerships	3,354	(23,563)
Proceeds from sales of assets	1,085,137	723,700
Net cash used in investing activities	(21,829,015)	(25,107,760)
Financing Activities		
Borrowings under debt agreement	29,017,800	27,809,185
Payments of loan principal	(30,239,800)	(20,087,185)
Purchases of treasury stock	(1,219,228)	(601,853)
Payments of dividends	(2,698,940)	(2,684,001)
Net cash provided by (used in) financing activities	(5,140,168)	4,436,146
Increase (decrease) in cash and cash equivalents	(25,289)	86,578
Cash and cash equivalents at beginning of year	557,791	471,213
Cash and cash equivalents at end of year	$ 532,502	$ 557,791

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Condensed Statements of Cash Flows (continued)

	Year ended Sept. 30, 2018	2017
Supplemental Disclosures of Cash Flow Information		
Interest paid (net of capitalized interest)	$ 1,730,461	$ 1,212,878
Income taxes paid (net of refunds received)	$ (232,782)	$ 720,072
Supplemental schedule of noncash investing and financing activities:		
Additions and revisions, net, to asset retirement obligations	$ 17,216	$ 624,893
Gross additions to properties and equipment	$ 21,711,279	$ 25,406,894
Net (increase) decrease in accounts payable for properties and equipment additions	1,206,227	401,003
Capital expenditures, including dry hole costs	$ 22,917,506	$ 25,807,897

Hedge Position as of Nov. 20, 2018

Period	Product	Volume Mcf/Bbl	Swap Price	Collar Average Floor Price	Collar Average Ceiling Price
2018	Natural Gas	130,000		$ 2.77	$ 3.26
2018	Natural Gas	390,000	$ 2.95		
2019	Natural Gas	2,950,000	$ 3.11		
2018	Crude Oil	18,000		$ 49.00	$ 55.22
2018	Crude Oil	22,000	$ 53.56		
2019	Crude Oil	78,000		$ 58.46	$ 68.34
2019	Crude Oil	102,000	$ 57.51		
2020	Crude Oil	24,000		$ 62.50	$ 71.58

Non-GAAP Reconciliation

This news release includes certain “non-GAAP financial measures” under the rules of the Securities and Exchange Commission, including Regulation G. These non-GAAP measures are calculated using GAAP amounts in our financial statements.

Adjusted EBITDA Reconciliation

Adjusted EBITDA is defined as net income (loss) plus interest expense, provision for impairment, depreciation, depletion and amortization of properties and equipment (which includes amortization of other assets), provision (benefit) for income taxes and unrealized (gains) losses on derivative contracts. We recognize that certain investors consider adjusted EBITDA a useful means of measuring our ability to meet our debt service obligations and evaluating our financial performance. Adjusted EBITDA has limitations and should not be considered in isolation or as a substitute for net income, operating income, cash flow from operations or other consolidated income or cash flow data prepared in accordance with GAAP. Because not all companies use identical calculations, this presentation of adjusted EBITDA may not be comparable to a similarly titled measure of other companies. The following table provides a reconciliation of net income (loss) to adjusted EBITDA for the periods indicated.

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	Fourth Quarter Ended Sept. 30, 2018	Fourth Quarter Ended Sept. 30, 2017	Fiscal Year Ended Sept. 30, 2018	Fiscal Year Ended Sept. 30, 2017
Net Income (Loss)	$ 555,647	$ 1,039,134	$ 14,635,669	$ 3,531,933
Plus:				
Unrealized (gains) losses on derivatives	110,536	935,238	3,930,175	(944,430)
Income Tax Expense (Benefit)	204,000	426,000	(12,739,000)	689,000
Interest Expense	459,675	390,210	1,748,101	1,275,138
DD&A	4,258,629	4,743,280	18,395,040	18,397,548
Impairment	-	652,202	-	662,990
Adjusted EBITDA	$ 5,588,487	$ 8,186,064	$ 25,969,985	$ 23,612,179

Adjusted Pre-Tax Net Income Reconciliation

Adjusted pre-tax net income is defined as net income (loss) plus provision (benefit) for income taxes and unrealized (gains) losses on derivative contracts. We recognize that certain investors consider adjusted pre-tax net income a useful means of evaluating our financial performance. Adjusted pre-tax net income has limitations and should not be considered in isolation or as a substitute for net income, operating income, cash flow from operations or other consolidated income or cash flow data prepared in accordance with GAAP. Because not all companies use identical calculations, this presentation of adjusted pre-tax net income may not be comparable to a similarly titled measure of other companies. The following table provides a reconciliation of net income (loss) to adjusted pre-tax net income for the periods indicated.

	Fourth Quarter Ended Sept. 30, 2018	Fourth Quarter Ended Sept. 30, 2017	Fiscal Year Ended Sept. 30, 2018	Fiscal Year Ended Sept. 30, 2017
Net Income (Loss)	$ 555,647	$ 1,039,134	$ 14,635,669	$ 3,531,933
Plus:				
Unrealized (gains) losses on derivatives	110,536	935,238	3,930,175	(944,430)
Income Tax Expense (Benefit)	204,000	426,000	(12,739,000)	689,000
Adjusted Pre-Tax Net Income	$ 870,183	$ 2,400,372	$ 5,826,844	$ 3,276,503

Enterprise Value Calculation

	Fourth Quarter Ended Sept. 30, 2018	Fourth Quarter Ended Sept. 30, 2017	Fiscal Year Ended Sept. 30, 2018	Fiscal Year Ended Sept. 30, 2017
Market Value	$ 309,063,588	$ 396,936,781	$ 309,063,588	$ 396,936,781
Debt	51,000,000	52,222,000	51,000,000	52,222,000
Enterprise Value	$ 360,063,588	$ 449,158,781	$ 360,063,588	$ 449,158,781

Panhandle Oil and Gas Inc. (NYSE: PHX) Oklahoma City-based, Panhandle Oil and Gas Inc. is an oil and natural gas mineral and leasehold acreage-focused capital allocator seeking the highest per share returns while maintaining a conservative net leverage ratio to ensure survivability and prosperity in all business and mineral commodity price cycles. The capital allocation tools include: (i) selective participation in working interest wells on its existing holdings in the highest quality, low-risk projects that are projected to exceed our corporate return threshold; (ii) aggressive leasing of its mineral holdings outside of areas of potential working interest participation; (iii) acquisition of mineral acreage, in the cores of resource plays, with substantial undeveloped opportunities that meet or exceed our corporate return threshold; (iv) divestiture of minerals with limited optionality and mineral rights when the amount

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negotiated exceeds our projected total value; (v) payment of quarterly dividends, with optionality for special dividends when available capital exceeds operational requirements and has no other higher shareholder return option for an extended time period; and (vi) repurchase of common shares when the share price trades at a material discount to the Company's estimated intrinsic value.

Panhandle's principal properties are located in Oklahoma, Arkansas, Texas, New Mexico and North Dakota. Additional information on the Company can be found at www.panhandleoilandgas.com.

Forward-Looking Statements and Risk Factors – This report includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include current expectations or forecasts of future events. They may include estimates of oil and gas reserves, expected oil and gas production and future expenses, projections of future oil and gas prices, planned capital expenditures for drilling, leasehold acquisitions and seismic data, statements concerning anticipated cash flow and liquidity, and Panhandle's strategy and other plans and objectives for future operations. Although Panhandle believes the expectations reflected in these and other forward-looking statements are reasonable, we can give no assurance they will prove to be correct. They can be affected by inaccurate assumptions or by known or unknown risks and uncertainties. Factors that could cause actual results to differ materially from expected results are described under "Risk Factors" in Part 1, Item 1 of Panhandle's 2018 Form 10-K filed with the Securities and Exchange Commission. These "Risk Factors" include the worldwide economic recession's continuing negative effects on the natural gas business; Panhandle's hedging activities may reduce the realized prices received for oil and natural gas sales; the volatility of oil and gas prices; the Company's ability to compete effectively against strong independent oil and gas companies and majors; the availability of capital on an economic basis to fund reserve replacement costs; Panhandle's ability to replace reserves and sustain production; uncertainties inherent in estimating quantities of oil and gas reserves and projecting future rates of production and the amount and timing of development expenditures; uncertainties in evaluating oil and gas reserves; unsuccessful exploration and development drilling; decreases in the values of our oil and gas properties resulting in write-downs; the negative impact lower oil and gas prices could have on our ability to borrow; drilling and operating risks; and our inability to control activities on our properties as the Company is a non-operator.

Do not place undue reliance on these forward-looking statements, which speak only as of the date of this release, as Panhandle undertakes no obligation to update this information. Panhandle urges you to carefully review and consider the disclosures made in this presentation and Panhandle's filings with the Securities and Exchange Commission that attempt to advise interested parties of the risks and factors that may affect Panhandle's business.

*****END*****