

**DIVIDEND AND INCOME FUND
ANNOUNCES APPROVAL OF
INTERIM INVESTMENT MANAGEMENT AGREEMENT**

NEW YORK, NY – June 19, 2012 – Dividend and Income Fund (NYSE: DNI) (NAV: XDNIX) (the “Trust”) today announced the approval of an interim investment management agreement (“Interim Agreement”) between the Trust and Bexil Advisers LLC, its investment manager (“Investment Manager”).

The Board of Trustees of the Trust approved the Interim Agreement because the passing of Bassett S. Winmill on May 15, 2012 may be deemed to have resulted in a change in control of Bexil Corporation (“Bexil”), the parent company of the Investment Manager. Under the Investment Company Act of 1940, as amended (“1940 Act”) such a change in control results in an assignment of the investment management agreement between the Trust and the Investment Manager and its automatic termination.

The Interim Agreement is substantially identical to the investment management agreement that was previously in effect for the Trust (with the exception of different effective and termination dates) and will not result in changes in the management of the Trust, its investment objectives, fees or services provided. The Interim Agreement became effective on May 15, 2012 and will be in effect for a period of up to 150 days. The Trust will seek shareholder approval of a new investment management agreement with the Investment Manager at an upcoming special meeting of the Trust’s shareholders expected to take place prior to October 12, 2012.

About the Trust

The Trust is a diversified, closed end investment company. The Trust’s primary investment objective is to seek high current income. Capital appreciation is a secondary objective. The Trust seeks to achieve its objectives by investing, under normal circumstances, at least 50% of its total assets in income generating equity securities. Investors should consider the Trust’s investment objectives, strategies, risks and expenses carefully before investing. This information, and other information concerning the Trust, can be found on file with the U.S. Securities and Exchange Commission and at www.DividendandIncomeFund.com. An investor should carefully read the Trust’s registration statement before investing.

Bexil Advisers LLC, the Trust’s investment manager, is a wholly owned subsidiary of Bexil Corporation (BXLC), a holding company. To learn more about Bexil Corporation, including Rule 15c2-11 information, please visit www.bexil.com. For Trust shareholder related questions, please call 1-212-785-0400. Certain affiliates of Bexil Corporation are engaged in stock market and gold investing through investment management of equity and gold mutual funds, closed end funds, and proprietary trading.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state, or an exemption therefrom.

Safe Harbor Note

This release contains certain “forward looking statements” made pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Trust, which may cause the Trust’s actual results to be materially different from those expressed or implied by such statements. The forward looking statements made herein are only made as of the date of this announcement, and the Trust undertakes no obligation to publicly update such forward looking statements to reflect subsequent events or circumstances.

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