

**PERMIAN BASIN ROYALTY TRUST
ANNOUNCES DECEMBER CASH DISTRIBUTION**

DALLAS, Texas, December 19, 2022 – Simmons Bank, as Trustee of the Permian Basin Royalty Trust (NYSE: PBT) (“Permian”) today declared a cash distribution to the holders of its units of beneficial interest of \$0.037639 per unit, payable on January 17, 2023, to unit holders of record on December 30, 2022.

This month’s distribution decreased from the previous month as the result of primarily a decrease in pricing for gas for the Waddell Ranch and Texas Royalty Properties during the month of October. Also, an increase in CAPEX for the Waddell Ranch as year-end activity to complete the 2022 budgeted projects reduced the amount of NPI for the month of October.

WADDELL RANCH

In reporting October production of the Underlying Properties for this month’s press release, production for oil volumes was 213,936 (gross) and was priced at about \$85.44 per bbl. Production for gas volumes (including gas liquids) was 728,401 Mcf (gross) and was priced at about \$3.90 per Mcf, which now includes the value received from plant products and natural gas liquids. Net revenue for the underlying properties of the Waddell ranch was \$19,994,621 (gross) for October. Lease Operating Expenses were \$4,204,328 (gross) and Capital Expenditures (CAPEX) were \$15,283,436 (gross) for October, netting to the Net Profit Interest (NPI) of \$506,857. This would put the trust’s proceeds of 75% as a positive \$380,143 (net) for the month of October, to contribute to this month’s distribution. For the month of October, there was a significant increase of CAPEX relating specifically to completing a number of wells in the 2022 budget. With October’s activity, this represent approximately 90% of the 2022 budget to be expended. Given that if current oil and gas pricing continues, Waddell Ranch should continue to contribute to the distribution in the foreseeable future.

First sales received for the month of October 2022 wells were as follows: (all net to the Trust), 4.5 new drill wells, including 1.1 horizontal wells, 1.9 recompleted wells. Waiting on completion, as of 10/31/2022, were 3.4 drill wells, including 0.4 horizontal wells and 1.9 recompletion wells. Also, 0.8 wells, plugged and abandoned, were completed.

Blackbeard has advised the Trustee of the projected 2022 capital expenditure budget for the Waddell Ranch Properties to be an estimated \$92 million (net to the Trust) with a projection of about 47 new drill wells and 45 recompletions along with about 19 plug and abandoned wells. Of the new drill wells, about 13 will be horizontal drills and about 34 vertical drill wells. The 2023 budget should be available for next month’s press release. A fuller discussion of the 2022 budget and results will be provided in the annual 10-K filing in March.

TEXAS ROYALTY PROPERTIES

Production for the underlying properties at the Texas Royalties was 18,261 barrels of oil and 8,274 Mcf of gas. The production for the Trust’s allocated portion of the Texas Royalties was 16,455 barrels of oil and 7,448 Mcf of gas. The average price for oil was \$84.99 per bbl and for gas was \$8.79 which includes significant NGL pricing per Mcf. This would primarily reflect production and pricing for the month of October for oil and the month of September for gas. These allocated volumes were impacted by the pricing of both oil and gas. This production and pricing for the underlying properties resulted in revenues for the Texas Royalties of \$1,624,757. Deducted from these were taxes of \$151,527 resulting in a Net Profit of \$1,473,230 for the month of October. With the Trust’s Net Profit Interest (NPI) of 95% of the Underlying Properties, this would result in net contribution by the Texas Royalties of \$1,399,568 to this month’s distribution.

	Underlying Properties		Net to Trust Sales		Average Oil (per bbl)	Price Gas (per Mcf)
	Volumes		Volumes			
	Oil (bbls)	Gas (Mcf)	Oil (bbls)	Gas (Mcf)		
Current Month						
Waddell Ranch	213,936	728,401	160,452	546,301*	\$85.44	\$3.90**
Texas Royalties	18,261	8,274	16,455	7,448*	\$84.99	\$8.79**
Prior Month						
Waddell Ranch	193,588	717,133	145,191	537,850*	\$84.39	\$7.42**
Texas Royalties	17,441	4,152	15,725	3,740*	\$89.18	\$20.59**

*These volumes are the net to the trust, after allocation of expenses to Trust’s net profit interest, including any prior period adjustments.

**This pricing includes sales of gas liquid products.

General and Administrative Expenses deducted for the month were \$33,882 resulting in a distribution of \$1,754,344 to 46,608,796 units outstanding, or \$0.037639 per unit.

The worldwide market conditions continue to affect the pricing for domestic production. It is difficult to predict what effect these conditions will have on future distributions.

The 2021 Annual Report with Form 10-K and the January 1, 2022 Reserve Summary is now available on Permian’s website. Permian’s cash distribution history, current and prior year financial reports, tax information booklets, and a link to filings made with the Securities and Exchange Commission, all can be found on Permian’s website at <http://www.pbt-permian.com/>. Additionally, printed reports can be requested and are mailed free of charge.

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