

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

DALLAS, Texas, January 20, 2023 – Argent Trust Company, 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 \$0.036797 per unit, payable on February 14, 2023, to unit holders of record on January 31, 2023.

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

WADDELL RANCH

In reporting November production of the Underlying Properties for this month’s press release, production for oil volumes was 198,021 (gross) and was priced at about \$83.04 per bbl. Production for gas volumes (including gas liquids) was 729,987 Mcf (gross) and was priced at about \$2.83 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 \$17,558,006 (gross) for November. Lease Operating Expenses were \$4,690,425 (gross) and Capital Expenditures (CAPEX) were \$12,410,586 (gross) for November, netting to the Net Profit Interest (NPI) of \$456,996. This would put the trust’s proceeds of 75% as a positive \$342,747 (net) for the month of November, to contribute to this month’s distribution. For the month of November, there was a significant increase of CAPEX relating specifically to completing a number of wells in the 2022 budget. With November’s activity, this represent approximately 99% 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 November 2022 wells were as follows: (all net to the Trust), 4.5 new drill wells, including 0.8 horizontal wells, 1.9 recompleted wells. Waiting on completion, as of 11/30/2022, were 4.1 drill wells, including 0.8 horizontal wells and 1.9 recompletion wells. Also, 0.4 wells, plugged and abandoned, were completed.

Blackbeard has advised the Trustee of the projected 2023 capital expenditure budget for the Waddell Ranch Properties to be an estimated \$135 million (net to the Trust) with a projection of about 55.5 new drill wells and 45 recompletions along with about 37.5 plug and abandoned wells. A more detail discussion for the 2023 budget should be available for next month’s press release. A fuller discussion of the 2021/22 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 18,335 barrels of oil and 21,208 Mcf of gas. The production for the Trust’s allocated portion of the Texas Royalties was 18,273 barrels of oil and 21,155 Mcf of gas. The average price for oil was \$85.76 per bbl and for gas was \$6.16 which includes significant NGL pricing per Mcf. This would primarily reflect production and pricing for the month of November for oil and the month of October 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 \$1,697,516. Deducted from these were taxes of \$154,203 resulting in a Net Profit of \$1,543,313 for the month of November. 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 \$1,466,147 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 | 198,021 | 729,987 | 148,516 | 547,490* | \$83.04 | \$2.83** |
| Texas Royalties | 18,335 | 21,208 | 18,273 | 21,155* | \$85.76 | \$6.16** |
| | | | | | | |
| Prior 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** |

*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 \$99,745 resulting in a distribution of \$1,715,089 to 46,608,796 units outstanding, or \$0.036797 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 2022 tax information packets are expected to begin mailing directly to unit holders in early March 2023. A copy of Permian’s 2022 tax information booklet is expected to be posted on Permian’s website by February 28, 2023. In addition to the tax booklet the Permian website also offers two simple calculators for computing the income and expense amounts and the cost depletion. To facilitate unit holder tax preparation, both the income and expense and the depletion calculators are expected to be updated on Permian’s website by late February 2023 for 2022 tax reporting.

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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