

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

DALLAS, Texas, February 16, 2024 – Argent Trust Company, as Trustee of the Permian Basin Royalty Trust (NYSE: PBT) (“Permian” or the “Trust”) today declared a cash distribution to the holders of its units of beneficial interest of \$0.045460 per unit, payable on March 14, 2024, to unit holders of record on February 29, 2024.

This month’s distribution increased from the previous month due to a slight increase in production and in the pricing of oil and gas, as well as a slight decrease in capital costs on the Waddell Ranch Properties. There was a slight increase in oil volumes produced on the Texas Royalty Properties, offset by a decrease in the price of oil. The gas pricing for the Texas Royalty Properties increased slightly, with gas volumes remaining flat for the month.

WADDELL RANCH

In reporting December production of the Underlying Properties for this month’s press release, production for oil volumes was 252,265 (gross) with average pricing of approximately \$70.25 per bbl. Production for gas volumes (including gas liquids) was 861,361 Mcf (gross) with average pricing of approximately \$0.93 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 \$17,695,081 (gross) for December. Lease Operating Expenses were \$6,462,164 (gross) and Capital Expenditures (CAPEX) were \$9,641,860 (gross) for December, netting a positive Net Profit Interest (NPI) of \$1,591,057. This would put the Trust’s proceeds of 75% as a positive \$1,193,293 (net) to contribute to this month’s distribution. For December, revenue was flat compared to the previous month. Oil products saw a decrease in pricing, offset by a slight increase in volumes, as the result of one additional day of production, and an increase in gas prices. CAPEX decreased due to the timing of horizontal frac costs. If current oil and gas pricing continues or declines, the Waddell Ranch Properties may or may not be able to continue to contribute to the distribution in the foreseeable future, after covering the ongoing CAPEX budget. The Waddell Ranch Properties NPI contributed to this month’s distribution.

First sales received for the month of December 2023 wells were as follows: (all net to the Trust), 3.4 new drill wells, including 1.5 horizontal wells, 3.8 recompleted wells. Waiting on completion, as of December 31, 2023, were 1.1 drill wells, including 0.4 horizontal wells and 1.9 recompletion wells. Also, 1.9 wells, plugged and abandoned, were completed.

Blackbeard has estimated the projected 2023 capital expenditure budget for the Waddell Ranch Properties to be \$96.8 million (net to the Trust) with a projection of about 30.75 new drill wells and 45 recompletions, along with about 37.5 plug and abandoned wells. Approximately 90% of that budget has been incurred and is related to January through December activity.

TEXAS ROYALTY PROPERTIES

Production for the underlying Texas Royalty Properties was 17,227 barrels of oil and 9,520 Mcf of gas. The production for the Trust’s allocated portion of the Texas Royalty Properties was 15,348 barrels of oil and 8,483 Mcf of gas. The average price for oil was \$73.43 per bbl and for gas was \$7.93 which includes significant NGL pricing per Mcf. This would mainly reflect production and pricing for November for oil and 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 Royalty Properties of \$1,340,504. Deducted from these revenues were taxes of \$145,919, resulting in a Net Profit of \$1,194,585 for December. With the Trust’s Net Profit Interest (NPI) of 95% of the Underlying Properties, this would result in a net contribution by the Texas Royalty Properties of \$1,134,856 to this month’s distribution.

	Underlying Properties		Net to Trust Sales		Average	Price
	Volumes		Volumes			
	Oil (bbls)	Gas (Mcf)	Oil (bbls)	Gas (Mcf)	Oil (per bbl)	Gas (per Mcf)
Current Month						
Waddell Ranch	252,265	861,361	189,199	646,021*	\$70.25	\$0.93**
Texas Royalties	17,227	9,520	15,348	8,483*	\$73.43	\$7.93**
Prior Month						
Waddell Ranch	243,384	855,733	182,538	641,800*	\$76.54	\$0.11**
Texas Royalties	16,739	9,503	14,965	8,510*	\$80.33	\$7.67**

*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 \$221,552 resulting in a distribution of \$2,118,864 to 46,608,796 units outstanding, or \$0.045460 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.

Trust Litigation. On December 18, 2023, Argent Trust Company, as Trustee (the “Trustee”) of the Trust, filed its Original Complaint against defendant Blackbeard Operating, LLC (“Blackbeard”). The Trustee seeks to recover more than \$15 million in damages resulting from Blackbeard’s alleged failure to properly calculate and pay royalties due and owing to the Trust. The Trustee will provide material updates as they become available.

The 2023 tax information packets are expected to begin mailing directly to unit holders in early March 2024. A copy of Permian’s 2023 tax information booklet has been posted on Permian’s website. 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 have been updated on Permian’s website for 2023 tax reporting.

The 2022 Annual Report with Form 10-K and the December 31, 2022 Reserve Summary are posted 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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