

# Permian Basin Royalty Trust Financial Statements

## Condensed Statements of Assets, Liabilities and Trust Corpus

	March 31, 2026 <i>(Unaudited)</i>	December 31, 2025
<b>Assets</b>		
Cash and short-term investments .....	\$ 1,596,941	\$ 1,715,167
Net overriding royalty interests in producing oil and gas properties (net of accumulated amortization of \$10,813,082 and \$10,812,650 at March 31, 2026 and December 31, 2025, respectively).....	162,134	162,566
<b>TOTAL ASSETS</b> .....	<b>\$ 1,759,075</b>	<b>\$ 1,877,733</b>
<b>Liabilities and Trust Corpus</b>		
Distribution payable to Unitholders.....	\$ 496,941	\$ 615,167
Commitments and reserves for contingencies .....	1,100,000	1,100,000
Total liabilities .....	1,596,941	1,715,167
Trust corpus – 46,608,796 Units of beneficial interest authorized and outstanding.....	162,134	162,566
<b>TOTAL LIABILITIES AND TRUST CORPUS</b> .....	<b>\$ 1,759,075</b>	<b>\$ 1,877,733</b>

## Condensed Statements of Distributable Income *(Unaudited)*

	Three Months Ended March 31,	
	2026	2025
Royalty income.....	\$ 3,551,082	\$ 3,054,697
Interest income.....	16,876	16,523
	<b>3,567,958</b>	3,071,220
General and administrative expenditures	(541,157)	(475,008)
Distributable income.....	<b>\$ 3,026,801</b>	<b>\$ 2,596,212</b>
Distributable income per Unit (46,608,796 Units) .....	<b>\$ 0.06</b>	<b>\$ 0.06</b>

## Condensed Statements of Changes in Trust Corpus *(Unaudited)*

	Three Months Ended March 31,	
	2026	2025
Trust corpus, beginning of period .....	\$ 162,566	\$ 164,407
Amortization of net overriding royalty interests.....	(432)	(642)
Distributable income.....	3,026,802	2,596,212
Distributions declared.....	(3,026,802)	(2,596,212)
Total Trust Corpus, end of period .....	<b>\$ 162,134</b>	<b>\$ 163,765</b>
Distributions per Unit.....	<b>\$ 0.06</b>	<b>\$ 0.06</b>

# Permian Basin Royalty Trust

1<sup>st</sup>  
Quarter Report  
**2026**

## To Unitholders:

For the quarter ended March 31, 2026, royalty income received by the Trust amounted to \$3,551,082 compared to royalty income of \$3,054,697 during the first quarter of 2025. The royalty income for the three months ended March 31, 2026 includes the \$1,125,000 partial settlement payment from Blackbeard. Pricing information for the Waddell Ranch properties is for December 2025, January and February 2026 (reflecting the period for which proceeds would have been distributed to Unitholders in the first quarter of 2026). For the Waddell Ranch properties, the average realized oil and gas prices were \$59.19 per barrel (Bbl) and \$0.92 per thousand cubic feet (Mcf), respectively for the three months ended March 31, 2026, compared to \$68.83 per barrel (Bbl) and \$1.66 per Mcf for the three months ended March 31, 2025. For the Texas Royalty properties, the average realized oil and gas prices were \$57.58 per Bbl and \$6.70 per Mcf, respectively for the quarter ended March 31, 2026, compared to \$68.96 per Bbl and \$8.61 per Mcf, respectively for the quarter ended March 31, 2025. The higher royalty income reported in the three months ended March 31, 2026, compared to the same time period in 2025 is attributable to a \$1,125,000 partial settlement payment from Blackbeard in the first quarter of 2026.

Interest income for the quarter ended March 31, 2026 was \$16,876 compared to \$16,523 during the first quarter of 2025. The slight increase in interest income is primarily attributable to a small increase in the amount of funds available for investment. Total expenses during the first quarter of 2026 amounted to \$541,157 compared to \$475,008 during the first quarter of 2025. The increase in total expenses can be primarily attributed to the timing of payment of expenses.

These transactions resulted in distributable income for the quarter ended March 31, 2026 of \$3,026,801 or \$0.06 per Unit outstanding of beneficial interest. Distributions of \$0.040056, \$0.014221, and \$0.010662 per Unit were made to Unitholders of record as of January 30, 2026, February 27, 2026, and March 31, 2026, respectively. The January distribution includes the second installment, in the amount of \$1,125,000

of the Settlement Agreement. For the first quarter of 2025, distributable income was \$2,596,212 or \$0.06 per Unit outstanding of beneficial interest.

From and after May 2024, Blackbeard has provided, and will continue to provide, information to calculate net proceeds during the last week of the month. In accordance with the Trust Indenture, if royalty income is received on or just prior to the record date, it will be included in the following month's distribution, rather than the current month's distribution. As such, royalty income reporting for the Waddell Ranch properties is one month in arrears. Royalty income for the Trust for the first quarter of the calendar year is associated with actual oil and gas production for October, November, and December 2025 for the Waddell Ranch properties from which "Royalties" were carved. Royalty income for the Trust for the first quarter of the calendar year for the Texas Royalty properties is associated with actual oil and gas production from November of 2025, December of 2025 and January of 2026.

Beginning in May 2024, Blackbeard has provided production, product sales, capital expenditure, and development information for the Waddell Ranch properties from which the Trust's Royalties are carved for each distribution month on a quarterly basis, as required in the conveyance, approximately 30 days after the end of each fiscal quarter. On April 30, 2026, Blackbeard provided the Trustee with a quarterly statement showing the production volumes and computation of net proceeds to the Trust for each month of the quarter ended March 31, 2026. Oil and gas sales attributable to the Royalties and the properties from which the Royalties were carved are as follows:

FIRST QUARTER	2026		2025	
	Waddell Ranch	Waddell Ranch	Texas Royalty	Texas Royalty
ROYALTIES:				
Oil sales (Bbls) <sup>(1,2)</sup>	1,150,855	627,801	41,657	43,340
Gas sales (Mcf)	5,166,916	3,406,586	24,492	26,449
PROPERTIES FROM WHICH THE ROYALTIES WERE CARVED:				
OIL:				
Total oil sales (Bbls)	1,534,472	837,068	47,610	48,985
Average per day (Bbls)	17,050	9,301	529	544
Average price per Bbl \$	59.19	\$ 68.83	\$ 57.58	\$ 68.96
GAS:				
Total gas sales (Mcf)	6,888,832	4,542,114	28,012	29,913
Average per day (Mcf)	76,543	50,468	311	332
Average price per Mcf \$	0.92	\$ 1.66	\$ 6.70	\$ 8.61

<sup>1)</sup> Production sales and the average pricing relate to the period December 2025 through February 2026 for Waddell Ranch.

<sup>2)</sup> Please refer to the "Results of Operations" discussion for more details.

For the Waddell Ranch properties, the average realized price of oil decreased to \$59.19 per Bbl for the period December 2025 through February 2026 compared to \$68.83 per Bbl for the period December 2024 through February 2025 due to worldwide market variables. The average realized price of gas decreased to \$0.92 per Mcf for the period December 2025 through February 2026 from \$1.66 per Mcf for the period December 2024 through February 2025.

For the Texas Royalty properties, the average realized price of oil decreased to \$57.58 per Bbl in the first quarter of 2026, compared to \$68.96 per Bbl in the first quarter of 2025 due to worldwide market variables. The average realized price of gas (including natural gas liquids) for the Texas Royalty properties decreased from \$8.61 per Mcf in the first quarter of 2025 to \$6.70 per Mcf in the first quarter of 2026 in part due to change in overall market variables.

Since the oil and gas sales attributable to the Royalties are based on an allocation formula that is dependent on such factors as price and cost (including capital expenditures), the production amounts in the Royalties section of the above table do not always provide a meaningful comparison. However, for the Texas Royalty properties, oil and gas volumes decreased from the Underlying Properties for the applicable period in 2026 compared to 2025, while for the Waddell Ranch properties, oil volumes and natural gas volumes (including plant products) increased for the applicable period in 2026 compared to 2025.

Blackbeard advised the Trustee that capital expenditures for drilling, remedial and maintenance activities on the Waddell Ranch properties during the first quarter of 2026 totaled \$48.8 million (gross) as compared to \$47.9 million (gross) for the first quarter of 2025. Blackbeard does not provide capital expenditures budget information or development information for the Waddell Ranch properties such as well completions, workovers, remedial activities, and plugging and abandonment.

Blackbeard advised the Trustee that lease operating expenses and property taxes totaled \$30.7 million (gross) for the first quarter of 2026, compared to \$21.4 million (gross) for the same period in 2025 on the Waddell Ranch properties.

Argent Trust Company, Trustee  
By:



Nancy Willis  
Director of Royalty Trust Services

