

TAX INFORMATION PER UNIT

Second Quarter Report 2021

	MONTHLY DISTRIBUTIONS PAID ON: <i>(\$/UNIT EXCEPT COST DEPLETION FACTORS)</i>		
	May 14, 2021	June 14, 2021	July 15, 2021
Gross income.....	\$ 0.116681	\$ 0.102904	\$ 0.122982
Less severance taxes.....	(0.015903)	(0.015260)	(0.012793)
Interest income	0.000002	0.000001	0.000001
Less administration expenses.....	(0.004295)	(0.009941)	(0.006136)
Reconciling items.....	0.000000	0.000000	0.000000
Net cash distribution	<u>\$ 0.096485</u>	<u>\$ 0.077704</u>	<u>\$ 0.104054</u>
Cost depletion factors:			
Texas - 90%.....	0.003798	0.003971	0.003311
Oklahoma - 90%.....	0.015369	0.000691	0.009182
New Mexico - 90%.....	0.005641	0.003875	0.002208
Texas - 75%.....	0.000000	0.000000	0.000000
Oklahoma - 75%.....	0.462515	0.288232	0.249253
			0.011080
			0.025242
			0.011724
			0.000000
			<u>1.000000</u>
			<u>\$ 0.342567</u>
			(0.043956)
			0.000004
			(0.020372)
			<u>0.000000</u>
			<u>\$ 0.278243</u>

Unit holders owning units in nominee name may obtain monthly tax information from the Trustee upon request or from the Trust's web site at www.crt-crossstimbers.com.

Cross Timbers Royalty Trust 2911 Turtle Creek Blvd, Ste 850, Dallas, TX 75219
855.588.7839 ■ Simmons Bank, Trustee ■ www.crt-crossstimbers.com



TO UNITHOLDERS:

For the quarter ended June 30, 2021, net profits income was \$1,791,664 compared to \$1,255,092 for second quarter 2020. This 43% increase in net profits income is primarily the result of increased oil and gas prices (\$1.7 million), partially offset by decreased oil and gas production (\$0.7 million), and net excess costs on the Texas and Oklahoma working interest properties (\$0.5 million).

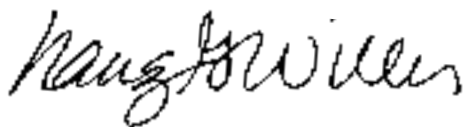
After considering interest income of \$29 and administration expense of \$122,235, distributable income for the quarter ended June 30, 2021 was \$1,669,458, or \$0.278243 per unit of beneficial interest. Administration expense for the quarter decreased \$25,215 from the prior year quarter, primarily related to the timing of receipt and payment of Trust expenses and terms of professional services. Changes in interest income are attributable to fluctuations in net profits income and interest rates. For second quarter 2020, distributable income was \$1,108,992, or \$0.184832 per unit. Distributions to unitholders for the quarter ended June 30, 2021 were:

Record Date	Payment Date	Distribution Per Unit
April 30, 2021	May 14, 2021	\$ 0.096485
May 28, 2021	June 14, 2021	0.077704
June 30, 2021	July 15, 2021	0.104054
		<u>\$ 0.278243</u>

This letter, and all communications to unitholders, includes information provided to the Trustee by XTO Energy Inc.

Cross Timbers Royalty Trust

By: Simmons Bank, Trustee



By: Nancy Willis

Vice President

CROSS TIMBERS ROYALTY TRUST FINANCIAL STATEMENTS

CONDENSED STATEMENTS OF ASSETS, LIABILITIES AND TRUST CORPUS (UNAUDITED)

	June 30, 2021	December 31, 2020
ASSETS		
Cash and short-term investments	\$ 1,624,314	\$ 1,372,799
Interest to be received	10	23
Net profits interests in oil and gas properties – net	<u>3,339,402</u>	<u>7,523,065</u>
	<u>\$ 4,963,726</u>	<u>\$ 8,895,887</u>
LIABILITIES AND TRUST CORPUS		
Distribution payable to unitholders	\$ 624,324	\$ 372,822
Expense reserve ^(a)	1,000,000	1,000,000
Trust corpus (6,000,000 units of beneficial interest authorized and outstanding)	<u>3,339,402</u>	<u>7,523,065</u>
	<u>\$ 4,963,726</u>	<u>\$ 8,895,887</u>

^(a) Expense reserve allows the Trustee to pay its obligations should it be unable to pay them out of the net profits income. The reserve is currently funded at \$1,000,000.

CONDENSED STATEMENTS OF DISTRIBUTABLE INCOME (UNAUDITED)

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Net profits income	\$ 1,791,664	\$ 1,255,092	\$ 3,147,105	\$ 3,278,611
Interest income	29	1,350	92	5,643
Total income	<u>1,791,693</u>	<u>1,256,442</u>	<u>3,147,197</u>	<u>3,284,254</u>
Administration expense	<u>122,235</u>	<u>147,450</u>	<u>438,389</u>	<u>366,328</u>
Distributable income	<u>\$ 1,669,458</u>	<u>\$ 1,108,992</u>	<u>\$ 2,708,808</u>	<u>\$ 2,917,926</u>
Distributable income per unit (6,000,000 units)	<u>\$ 0.278243</u>	<u>\$ 0.184832</u>	<u>\$ 0.451468</u>	<u>\$ 0.486321</u>

CONDENSED STATEMENTS OF CHANGES IN TRUST CORPUS (UNAUDITED)

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Trust corpus, beginning of period	\$ 7,422,911	\$ 7,858,632	\$ 7,523,065	\$ 8,161,795
Amortization of net profits interests	(4,083,509)	(125,118)	(4,183,663)	(428,281)
Distributable income	1,669,458	1,108,992	2,708,808	2,917,926
Distributions declared	(1,669,458)	(1,108,992)	(2,708,808)	(2,917,926)
Trust corpus, end of period	<u>\$ 3,339,402</u>	<u>\$ 7,733,514</u>	<u>\$ 3,339,402</u>	<u>\$ 7,733,514</u>

These Condensed Financial Statements should be read in conjunction with the Condensed Financial Statements and notes thereto included in the Trust's quarterly report on Form 10-Q for the quarter ended June 30, 2021.