



MMEX Resources Corporation
Shareholder Update

December 2017

Dear Shareholders,

The MMEX team sends our greetings for the Holiday Season and best wishes for 2018.

We wanted to provide our shareholders with a general presentation that we've made to our stakeholders as we develop this project. We have added the presentation to the MMEX home page and we encourage you to download and review it to get a complete overview of what we as a company do and our achievements to date.

We have said in many public releases and project updates that we are involved in project development requiring certain elements to be in place for financing and construction.

Below is a summary of the elements we have put in place in 2017:

- ◆ Divided the project into two distinct phases in order to achieve permitting, construction and cash flow to add shareholder value much faster. Phase 1 is a 10,000 BPD Crude Distillation Unit, a simplified refinery that allows for distillation of crude into low-octane naphtha, diesel and residual fuels. Phase 2 is a full scale refinery which we will now expand to process 100,000 BPD of crude oil. We plan to file for the large scale refinery permit in Q1 2018.
- ◆ Entered into a crude supply letter of intent. Purchased the site location for the CDU. Selected the EPC contractors for the CDU to guarantee the completion of the CDU at a fixed price contract. Obtained the TCEQ permit to construct the CDU. Opened the office in Fort Stockton/Pecos County near the project site. Secured a term sheet for the debt financing of the CDU. Obtained off-take agreement letters of intent for the three principal refined products. Secured the easements from the University of Texas Lands to access hard top roads for crude supply and markets. Graded in roads to our site. Held our ground breaking on November 17. Completed the Front End Engineering and Design package ("FEED") with our EPC contractors.
- ◆ The FEED study estimates the CDU capex to be \$47 Million. We plan to finance 80% to 85% of this amount as debt and 20% to 15% of this as equity.

- ◆ On the regulatory front, we up-listed to the OTCQB and became a reporting company under SEC regulations. Both of these proactive events provide more transparency to our shareholders.
- ◆ To date we have invested over \$2.17 million in operating and finance costs in developing the projects.
- ◆ We plan to raise equity in Q1 2018 through our equity line set out in the S-1 and through other equity raises. We plan on filing our S-1 3rd round of comments to the SEC prior to year-end. Once approved by the SEC, anticipated in Q1 2018, we plan to invest more equity in the project. Our goal is to have MMEX own as much of the equity in the project development company as possible.

We continue to receive many requests from our shareholders and other interested parties for information and details on a more frequent basis. We will continue to release as much information as quickly as we are permitted by regulations under the SEC. Thank you for bearing with us on this point.

Finally, our business plan is a work in progress which we are completing on an expedited basis insuring our commitment to adding value to the Company for our shareholders. We appreciate your support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jack W. Hanks".

Jack W. Hanks, Chief Executive Officer & Director
MMEX Resources Corporation