



MMEX Resources Corporation
Shareholder Update

January 29, 2018

Dear Shareholders,

Thank you for your continued support as we progress towards the building of the Pecos County Refinery.

We continue to receive many emails and requests from our shareholders for more details on different elements of the Project. Please know that we are, and will continue, to release as much information as permitted by regulations. If you have not yet done so, please find our most recent presentation on the home page of our website (www.mmexresources.com). This presentation gives a complete company overview and shows our achievements thus far.

To date, MMEX has invested \$2,179,000 so far in the project, so we have “closed” on that portion of the financing for the project and we have started construction at the site by grading our easements and surveying.

Since March 2017, (i) we have purchased the land for the CDU 10,000 BPD Phase 1 (ii) we have filed for and received the permit to build the CDU (iii) we have obtained easements and graded those easements to access our land to the hard-top roads (iv) we have completed the Front End Engineering and Design package that details the cost estimate of \$47 Million for the completed project (we are still using \$50 MM with fees, etc) (v) we have entered into and are continuing negotiations with a lender to debt finance 80% to 85% of the project cost (vi) we continued to meet with various potential equity sources last week in New York (vi) we have selected our EPC contractors to build and guarantee the completion of the Project, for both the CDU and the Rail Package (vii) we are negotiating the operations’ contract for the CDU (viii) last week we filed our amended our S-1 with the SEC, which when effective will permit us to draw down on our \$3 Million line of equity to invest in the Project (vii) we have approved and sent out to shareholders last week our Information Statement to increase our authorized shares.

We made very important advances in the project financing last week. We are in the process of finalizing agreements for the off-take of our products from the CDU. Once executed with these Off-take agreements and the final EPC agreements we can proceed to finalize the financing for the \$50 Million package. Based on where we are today, we expect to be selling our three products to three different purchasers that are well known oil and

products trading institutions: (i) the Diesel is being sold at our plant tailgate (ii) our Naphtha is being sold FOB to a purchaser in the Permian Basin near our plant; we will transport the Naphtha by truck to the customer and we have arranged the truck transport, (ii) our Residual is being sold FOB Port of Houston, which we will transport by railroad on the Texas Pacifico-South Orient RR (which runs across our land) via either the Union Pacific or the BNSF. We have the truck and railroad rate quotes and we are finalizing the truck and rail agreements now.

We have postponed closing on the 2nd piece of land until June 2018 so we don't have to come up with that cash this week and we have released half of the acreage back to the landowner, as we don't need that amount of land to build Phase 2, we have plenty of land. We expect to be making this announcement on or before January 31st. We also entered into another convertible debt deal which funded on Friday January 26 and we announced this in an 8K on Friday. This provides additional working capital for the Project.

To summarize: we have the land, the TCEQ permit, EPC contractor, off-take arrangements, operator, and we are finalizing the rest of the financing and finally we have already invested over \$2 Million of MMEX funding so far. As mentioned in the previous shareholder letter, our goal is to have MMEX own as much of the equity in the project development company as possible.

Thank you again for your support and we look forward to releasing more information as it becomes available.

The following constitutes a "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: Except for the historical information contained herein, the matters discussed in this shareholder letter are forward-looking statements that involve risks and uncertainties, which could cause our actual results to differ materially from those described in the forward-looking statements. These risks include but are not limited to general business conditions, the requirement to obtain financing to pursue our business plan, our history of operating losses and other risks detailed from time to time in the Company's SEC reports. MMEX undertakes no obligation to update forward-looking statements.

Sincerely,

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

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