



MMEX RESOURCES CORPORATION  
Shareholder Update

February 22, 2021

Dear Shareholders,

We would like to update you on the Company's plans and activities.

*Texas Power, Water and Food Crisis.* Over the past 7 days, most of the entire state of Texas experienced unprecedented devastation from winter storms leading to massive power and water shortages. Many people died. Millions of Texans lost power, water and access to food supplies. Structural changes to generation and transmission of electrical power will surely follow and be implemented. We believe MMEX should be prepared to have a flexible business plan for development of solar power for our proposed facilities.

*Flexibility of the MMEX Solar Business Plan.* On February 8, 2021 we [announced](#) our intention to develop solar energy to distribute power to multiple planned projects producing hydrogen and ultra-low sulfur clean fuels combined with carbon dioxide (CO<sub>2</sub>) capture in Texas. Up until last week, we envisioned larger scale solar power facilities to be developed in and around our proposed clean fuels plants in West Texas. Given the likely changes to the transmission infrastructure, we want to adapt a flexible solar power structure. We propose to develop Phase 1 Solar dedicated to just the first two clean fuels plants. These two clean fuels plants require about 25 MW of power, which we propose to source with solar generation along with battery back-up, a technology which is now available. The proximity of our available land for solar development allows direct power distribution to our plants without reliance on nearby long-haul transmission lines with their potential lack of capacity and transmission issues. Later Phases of our proposed Solar Power development can consider future generation and transmission of power to our other proposed plant locations in Texas as new regulations and transmission accessibility permit. Our solar power sites can easily accommodate expansion of MWs as we continue to develop additional demand.

*Rap on Renewables.* Some of the reports coming out last week erroneously blamed the renewable power industry in Texas for the blackouts. Let us give you some information on the Solar Industry in Texas. We thank the Texas Solar Power Association, Executive Director, Charlie Hemmeline for this information in his e-mail this past week:

“An important point to start with for context: in ERCOT's 2020-21 Seasonal Assessment of Resource Adequacy for this winter season, solar power was being counted on to provide just 0.5% of forecasted peak demand so the unexpected generation shortages experienced this week were not due to solar performance. In fact, solar provided valuable gigawatts every day this week far exceeding the 269 MW of projected output expected from the SARA.”

The Company continues to believe in Solar Power and our Phase 1 Flexibility Program intends to provide solar power to our plants with continuous direct distribution at each plant 24X7 with back-up generation by natural gas and/or clean diesel. With this program we can be in control of our own destiny.

Office. Several shareholders have asked about our offices. We have a physical office in Fort Stockton, Texas at the address of 107-A South Main Street. It is located in the Fort Stockton Historical District and very near the Pecos County Court House and the historical Fort Stockton army fort as its namesake.

<https://www.tshaonline.org/handbook/entries/fort-stockton>

The confusion for those that want to visit our physical office, is that the address of 107-B next to us is an office currently for lease. We leased that space also for one year, but found we did not need the extra office until we start construction. Our Office at 107-A has a reception area, a conference room and an executive office. We have chosen not to have permanent people in the office until we start construction on the projects to avoid the additional overhead. Upon commencement of construction, we will also have the central office in the field at our current site on the land we own.

We propose this, if any shareholder would like to visit Fort Stockton, see the physical office location, have a trip out to our site, see the land and easements and our permitted water source, we will arrange a tour. We want each and every shareholder to have a positive and supportive view and share our commitment in the projects.

As a note. The Midland Reporter Telegram, on this Saturday, February 20, released an article from our interview last week. It is worth a read. “[MMEX reconfigures Pecos Refinery for green fuels](#)”

Please send your requests and comments to [investorrelations@mmexresources.com](mailto:investorrelations@mmexresources.com) and we will continue to update you by news releases, our SEC filings posted on the Investor page and through these shareholder letters. If you have not yet done so, please find our most recent releases and news items on the home page or investor page of our website at [mmexresources.com](http://mmexresources.com).

Thank you again for your support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jack W. Hanks". The signature is fluid and cursive, with the first name "Jack" being the most prominent.

Jack W. Hanks  
President and CEO

*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.*

*This letter to shareholders does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities.*