
EDGAR SUBMISSION SUMMARY

Issuer Name	MMEX RESOURCES CORPORATION
Submission Type	10-Q
Live File	On
Return Copy	On
Exchange	NONE
Confirming Copy	Off
Filer CIK	0001440799
Filer CCC	xxxxxxxx
Period of Report	01-31-2024
Smaller Reporting Company	On
Shell Company	Off
Emerging Growth Company	No
Notify via Filing website Only	Off
Emails	file@discountedgar.com

Documents

Form Type	File Name	Description
10-Q	mmex_10q.htm	FORM 10-Q
EX-31.1	mmex_ex311.htm	CERTIFICATION
EX-32.1	mmex_ex321.htm	CERTIFICATION
EX-101.SCH	mmex-20240131.xsd	XBRL TAXONOMY EXTENSION SCHEMA
EX-101.LAB	mmex-20240131_lab.xml	XBRL TAXONOMY EXTENSION LABEL LINKBASE
EX-101.CAL	mmex-20240131_cal.xml	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE
EX-101.PRE	mmex-20240131_pre.xml	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE
EX-101.DEF	mmex-20240131_def.xml	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE

Module and Segment References

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended January 31, 2024

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number: 000-55831

MMEX RESOURCES CORPORATION

(Exact name of Issuer as specified in its charter)

Nevada

(State or other Jurisdiction of
Incorporation or Organization)

26-1749145

(I.R.S. Employer
Identification No.)

**3600 Dickinson
Fort Stockton, Texas 79735**

(Address of principal executive offices, including zip code)

855-880-0400

(Issuer's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐
Non-accelerated filer ☐
(Do not check if a smaller reporting company)

Accelerated filer ☐
Smaller reporting company ☒
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Applicable only to issuers involved in bankruptcy proceedings during the preceding five years:

Indicate by check mark whether the registrant filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

Applicable only to corporate issuers:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of March 15, 2024, there were 9,442,800,957 shares of common stock, \$0.001 par value, issued and outstanding.

MMEX RESOURCES CORPORATION

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PART I – FINANCIAL INFORMATION

ITEM 1. Financial Statements

The accompanying condensed consolidated financial statements of MMEX Resources Corporation and subsidiaries (the “Company”) are unaudited and have been prepared in accordance with generally accepted accounting principles for interim financial information and in accordance with the instructions for Form 10-Q. Accordingly, they do not include all of the information and notes required by generally accepted accounting principles for complete financial statements.

In the opinion of management, the condensed consolidated financial statements contain all material adjustments, consisting only of normal recurring adjustments, necessary to present fairly the financial condition, results of operations, and cash flows of the Company for the interim periods presented.

Operating results and cash flows for any interim period are not necessarily indicative of the results that may be expected for other interim periods or the full fiscal year. These condensed consolidated financial statements and related notes should be read in conjunction with the consolidated financial statements and notes thereto included in the Company’s Form 10-K for the year ended April 30, 2023 filed with the Securities and Exchange Commission (“SEC”).

MMEX RESOURCES CORPORATION
Condensed Consolidated Balance Sheets

	January 31, 2024 (unaudited)	April 30, 2023
Assets		
Current assets:		
Cash	\$ -	\$ 10,363
Prepaid expenses and other current assets	3,000	24,000
Total current assets	3,000	34,363
Property and equipment, net	1,050,507	1,077,803
Total assets	<u>\$ 1,053,507</u>	<u>\$ 1,112,166</u>
Liabilities and Stockholders' Deficit		
Current liabilities:		
Bank overdraft	\$ 10	\$ -
Accounts payable	828,518	733,857
Accrued expenses	966,742	985,751
Accounts payable and accrued expenses – related parties	860,497	465,703
Notes payable, currently in default	211,953	711,953
Notes payable	1,013,570	105,710
Notes payable – related parties	35,236	-
Convertible notes payable, currently in default, net of discount of \$0 at January 31, 2024 and April 30, 2023, respectively	175,000	333,840
Convertible notes payable, net of discount of \$3,384 and \$15,200 at January 31, 2024 and April 30, 2023, respectively	455,571	620,675
Convertible notes payable – related parties, net of discount of \$0 at January 31, 2024 and April 30, 2023, respectively	50,000	20,000
Total current liabilities	<u>4,597,097</u>	<u>3,977,489</u>
Long-term liabilities	-	-
Total liabilities	<u>4,597,097</u>	<u>3,977,489</u>
Commitments and contingencies		
Stockholders' deficit:		
Common stock; \$0.001 par value; 25,000,000,000 shares authorized, 8,874,007,854 and 769,618,295 shares issued and outstanding at January 31, 2024 and April 30, 2023, respectively	8,874,007	769,618
Preferred stock; \$0.001 par value; 1,000,000 shares authorized:		
1,000 Series A preferred shares issued and outstanding at January 31, 2024 and April 30, 2023	1	1
1,063 and 1,144 Series B preferred shares issued and outstanding at January 31, 2024 and April 30, 2023, respectively	2	2
Additional paid-in capital	62,338,635	69,082,490
Non-controlling interest	9,871	9,871
Accumulated deficit	(74,766,106)	(72,727,305)
Total stockholders' deficit	<u>(3,543,590)</u>	<u>(2,865,323)</u>
Total liabilities and stockholders' deficit	<u>\$ 1,053,507</u>	<u>\$ 1,112,166</u>

See accompanying notes to condensed consolidated financial statements.

MMEX RESOURCES CORPORATION
Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2024	2023	2024	2023
Revenues	\$ -	\$ -	\$ -	\$ -
Operating expenses:				
General and administrative expenses	313,937	211,084	950,150	1,379,285
Project costs	5,890	20,520	11,372	96,560
Depreciation and amortization	9,099	9,099	27,296	27,296
Total operating expenses	328,926	240,703	988,818	1,503,141
Loss from operations	(328,926)	(240,703)	(988,818)	(1,503,141)
Other income (expense):				
Interest expense	(89,742)	(67,177)	(297,833)	(193,190)
Gain (loss) on extinguishment of liabilities	-	-	(752,150)	16,540
Total other income (expense)	(89,742)	(67,177)	(1,049,983)	(176,650)
Income (loss) before income taxes	(418,668)	(307,880)	(2,038,801)	(1,679,791)
Provision for income taxes	-	-	-	-
Net income (loss)	(418,668)	(307,880)	(2,038,801)	(1,679,791)
Deemed dividend	-	-	-	2,534,402
Net income (loss) attributable to the common shareholders	\$ (418,668)	\$ (307,880)	\$ (2,038,801)	\$ (4,214,193)
Net income (loss) per common share – basic and diluted	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.15)
Weighted average number of common shares outstanding – basic and diluted	8,263,536,025	34,392,998	6,507,122,563	27,819,443

See accompanying notes to condensed consolidated financial statements.

MMEX RESOURCES CORPORATION
Condensed Consolidated Statement of Stockholders' Deficit
Three and Nine Months Ended January 31, 2023 (Unaudited)

	Common Stock		Series A Preferred Stock		Series B Preferred Stock		Additional	Non-	Accumulated	
	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in	Controlling	Deficit	Total
							Capital	Interest		
Balance, April 30, 2022	21,204,682	\$ 21,205	1,000	\$ 1	1,500	\$ 2	\$ 66,426,364	\$ 9,871	\$ (68,213,423)	\$ (1,755,980)
Shares issued for conversion of convertible notes payable and accrued interest	710,802	711	-	-	-	-	108,966	-	-	109,677
Warrants issued as stock-based compensation	-	-	-	-	-	-	495,000	-	-	495,000
Shares issued for the exercise of warrants	2,494,318	2,494	-	-	-	-	(2,310)	-	-	184
Deemed dividend	-	-	-	-	-	-	2,534,402	-	(2,534,402)	-
Net income	-	-	-	-	-	-	-	-	(863,660)	(863,660)
Balance, July 31, 2022	24,409,802	24,410	1,000	1	1,500	2	69,562,422	9,871	(71,611,485)	(2,014,779)
Shares issued for the exercise of warrants	3,965,345	3,965	-	-	-	-	(3,965)	-	-	-
Shares issued for accrued liability – related party	91,414	91	-	-	-	-	915	-	-	1,006
Shares issued for debt discount	100,000	100	-	-	-	-	5,280	-	-	5,380
Net (loss)	-	-	-	-	-	-	-	-	(508,251)	(508,251)
Balance, October 31, 2022	28,566,561	28,566	1,000	1	1,500	2	69,564,652	9,871	(72,119,736)	(2,516,644)
Shares issued for conversion of convertible notes payable and accrued interest	7,021,914	7,022	-	-	-	-	66,278	-	-	73,300
Shares issued for the exercise of warrants	9,728,601	9,729	-	-	-	-	(9,729)	-	-	-
Preferred stock converted into common stock	2,200,000	2,200	-	-	(19)	(1)	(2,199)	-	-	-
Shares issued for cash	1,373,562	1,374	-	-	-	-	39,835	-	-	41,209
Offering costs	-	-	-	-	-	-	(12,000)	-	-	(12,000)
Net (loss)	-	-	-	-	-	-	-	-	(307,880)	(307,880)
Balance, January 31, 2023	<u>48,890,638</u>	<u>\$ 48,891</u>	<u>1,000</u>	<u>\$ 1</u>	<u>1,481</u>	<u>\$ 1</u>	<u>\$ 69,646,837</u>	<u>\$ 9,871</u>	<u>\$ (72,427,616)</u>	<u>\$ (2,722,015)</u>

See accompanying notes to condensed consolidated financial statements.

MMEX RESOURCES CORPORATION
Condensed Consolidated Statement of Stockholders' Deficit
Three and Nine Months Ended January 31, 2024 (Unaudited)

	Common Stock		Series A Preferred Stock		Series B Preferred Stock		Additional	Non-	Accumulated	
	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in	Controlling	Deficit	Total
							Capital	Interest		
Balance, April 30, 2023	769,618,295	\$ 769,618	1,000	\$ 1	1,144	\$ 2	\$ 69,082,490	\$ 9,871	\$ (72,727,305)	\$(2,865,323)
Shares issued for conversion of convertible notes payable and accrued interest	356,708,619	356,709	-	-	-	-	(327,320)	-	-	29,389
Shares issued for accrued liabilities	279,120,377	279,120	-	-	-	-	(195,384)	-	-	83,736
Shares issued for accrued liabilities – related parties	3,174,187,995	3,174,188	-	-	-	-	(2,282,055)	-	-	892,133
Consideration with debt	-	-	-	-	-	-	44,367	-	-	44,367
Consideration with debt – related parties	-	-	-	-	-	-	20,323	-	-	20,323
Shares of preferred stock converted into common stock	301,724,139	301,724	-	-	(35)	-	(301,724)	-	-	-
Stock-based compensation	-	-	-	-	-	-	28,200	-	-	28,200
Net (loss)	-	-	-	-	-	-	-	-	(1,185,572)	(1,185,572)
Balance, July 31, 2023	4,881,359,425	4,881,359	1,000	1	1,109	2	66,068,897	9,871	(73,912,877)	(2,952,747)
Shares issued for conversion of convertible notes payable and accrued interest	2,400,554,308	2,400,554	-	-	-	-	(2,225,942)	-	-	174,612
Consideration with debt	-	-	-	-	-	-	42,043	-	-	42,043
Shares of preferred stock converted into common stock	350,909,091	350,909	-	-	(19)	-	(350,909)	-	-	-
Net (loss)	-	-	-	-	-	-	-	-	(434,561)	(434,561)
Balance, October 31, 2023	7,632,822,824	7,632,822	1,000	1	1,090	2	63,534,089	9,871	(74,347,438)	(3,170,653)
Shares issued for conversion of convertible notes payable and accrued interest	788,457,758	788,458	-	-	-	-	(742,727)	-	-	45,731
Shares of preferred stock converted into common stock	452,727,272	452,727	-	-	(27)	-	(452,727)	-	-	-
Net (loss)	-	-	-	-	-	-	-	-	(418,668)	(418,668)
Balance, January 31, 2024	<u>8,874,007,854</u>	<u>\$ 8,874,007</u>	<u>1,000</u>	<u>\$ 1</u>	<u>1,063</u>	<u>\$ 2</u>	<u>\$ 62,338,635</u>	<u>\$ 9,871</u>	<u>\$ (74,766,106)</u>	<u>\$(3,543,590)</u>

See accompanying notes to condensed consolidated financial statements.

MMEX RESOURCES CORPORATION
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Nine Months Ended January 31,	
	2024	2023
Cash flows from operating activities:		
Net income (loss)	\$ (2,038,801)	\$ (1,679,791)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization expense	27,296	27,296
Amortization of debt discount	100,372	37,212
Warrants issued as stock-based compensation	28,200	495,000
Note recorded for loan penalties and financing costs	25,000	16,500
(Gain) loss on extinguishment of liabilities	752,150	(16,540)
(Increase) decrease in prepaid expenses and other current assets	21,000	22,500
Increase (decrease) in liabilities:		
Accounts payable	94,661	115,394
Accrued expenses	17,709	166,479
Accounts payable and accrued expenses – related party	599,557	196,101
Net cash used in operating activities	<u>(372,856)</u>	<u>(619,849)</u>
Cash flows from investing activities:		
Purchase of property and equipment	-	-
Net cash used in investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities:		
Overdraft advance	10	-
Proceeds from notes payable	395,000	-
Proceeds from convertible notes payable	50,000	502,500
Repayments of notes payable	(11,127)	-
Repayments of convertible notes payable	(158,790)	(41,209)
Proceeds from convertible notes payable – related parties	50,000	-
Proceeds from notes payable – related parties	37,400	-
Proceeds from the sale of common stock and prefunded warrants	-	41,209
Offering costs	-	(12,000)
Net cash provided by financing activities	<u>362,493</u>	<u>490,500</u>
Net increase (decrease) in cash	(10,363)	(129,349)
Cash at the beginning of the period	10,363	136,867
Cash at the end of the period	<u>\$ -</u>	<u>\$ 7,518</u>
Supplemental disclosure:		
Interest paid	\$ 144,904	\$ -
Income taxes paid	\$ -	\$ -
Non-cash investing and financing activities:		
Common stock issued in conversion of debt	\$ 249,732	\$ 189,977
Common stock issued for accrued liability	\$ 17,808	\$ -
Exercise of warrants for an accrued liability	\$ -	\$ 184
Related party convertible note for note payable	\$ 20,000	\$ -
Cashless exercise of warrants	\$ -	\$ 14,343
Deemed dividend	\$ -	\$ 2,534,402
Common stock issued for accrued liability – related party	\$ 204,763	\$ 1,006
Shares issued for debt discount	\$ -	\$ 5,380
Warrants issued for debt discount – related party	\$ 20,323	\$ -
Warrants issued for debt discount – related party	\$ 86,410	\$ -
Note payable classified to note payable, currently in default	\$ -	\$ 136,952
Preferred stock converted into common stock	\$ 1,105,361	\$ 2,200

See accompanying notes to condensed consolidated financial statements.

MMEX RESOURCES CORPORATION
Notes to Condensed Consolidated Financial Statements
Nine Months Ended January 31, 2024
(Unaudited)

NOTE 1 – BACKGROUND, ORGANIZATION AND BASIS OF PRESENTATION

MMEX Resources Corporation (the “Company” or “MMEX”) was formed as a Nevada corporation in 2005. The current management team lead an acquisition of the Company (then named Management Energy, Inc.) through a reverse merger completed on September 23, 2010 and changed the Company’s name to MMEX Mining Corporation on February 11, 2011 and to MMEX Resources Corporation on April 6, 2016.

Since 2021 MMEX has expanded its focus to the development, financing, construction and operation of clean fuels infrastructure projects powered by renewable energy.

The accompanying consolidated financial statements include the accounts of the following entities, all of which the Company maintains control through a majority ownership or through common ownership:

<u>Name of Entity</u>	<u>%</u>	<u>Form of Entity</u>	<u>State of Incorporation</u>	<u>Relationship</u>
MMEX Resources Corporation (“MMEX”)	-	Corporation	Nevada	Parent
Pecos Clean Fuels & Transport (formerly Pecos Refining & Transport, LLC)	100%	LLC	Texas	Subsidiary
MMEX Solar Resources, LLC	100%	LLC	Texas	Subsidiary
Hydrogen Global, LLC	100%	LLC	Texas	Subsidiary
Clean Energy Global, LLC (formerly Hydrogen Ultra, LLC)	100%	LLC	Texas	Subsidiary

All significant inter-company transactions have been eliminated in the preparation of the consolidated financial statements.

The Company has adopted a fiscal year end of April 30.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Our significant accounting policies are described in our Annual Report on Form 10-K for the year ended April 30, 2023 filed with the SEC on July 17, 2023.

Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its aforementioned subsidiaries and entities under common ownership. All significant intercompany accounts and transactions have been eliminated in consolidation. The ownership interests in subsidiaries that are held by owners other than the Company are recorded as non-controlling interest and reported in our consolidated balance sheets within stockholders’ deficit. Losses attributed to the non-controlling interest and to the Company are reported separately in our consolidated statements of operations.

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Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment

Property and equipment is recorded at the lower of cost or estimated net recoverable amount, and is depreciated using the straight-line method over the estimated useful life of the related asset as follows:

Office furniture and equipment	10 years
Computer equipment and software	5 years
Land improvements	15 years
Land easements	10 years

The land easements owned by the Company have a legal life of 10 years.

Maintenance and repairs are charged to expense as incurred. Significant renewals and betterments will be capitalized. At the time of retirement or other disposition of equipment, the cost and accumulated depreciation will be removed from the accounts and the resulting gain or loss, if any, will be reflected in operations.

The Company will assess the recoverability of property and equipment by determining whether the depreciation and amortization of these assets over their remaining life can be recovered through projected undiscounted future cash flows. The amount of equipment impairment, if any, will be measured based on fair value and is charged to operations in the period in which such impairment is determined by management.

Derivative Liabilities

We estimate the fair value of the derivatives using multinomial lattice models that value the derivative liabilities based on a probability weighted cash flow model using projections of the various potential outcomes. These estimates are based on multiple inputs, including the market price of our stock, interest rates, our stock price volatility and management's estimates of various potential equity financing transactions. These inputs are subject to significant changes from period to period and to management's judgment; therefore, the estimated fair value of the derivative liabilities will fluctuate from period to period, and the fluctuation may be material.

Fair Value of Financial Instruments

Under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, and ASC 825, *Financial Instruments*, the FASB establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. This Statement reaffirms that fair value is the relevant measurement attribute. The adoption of this standard did not have a material effect on the Company's consolidated financial statements as reflected herein. The carrying amounts of cash, prepaid expense and other current assets, accounts payable, accrued expenses and notes payable reported on the accompanying consolidated balance sheets are estimated by management to approximate fair value primarily due to the short-term nature of the instruments.

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An entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value using a hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The hierarchy prioritized the inputs into three levels that may be used to measure fair value:

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in markets that are not active.

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

Revenue Recognition

The Company has adopted ASC 606, Revenue from Contracts with Customers, as amended, using the modified retrospective method, which requires the cumulative effect of adoption to be recognized as an adjustment to opening retained earnings in the period of adoption. To date, the Company has no operating revenues; therefore, there was no cumulative effect of adopting the new standard and no impact on our consolidated financial statements. The new standard provides a single comprehensive model to be used in the accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance, including industry-specific guidance. The standard's stated core principle is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this core principle, ASC 606 includes provisions within a five-step model that includes identifying the contract with a customer, identifying the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations, and recognizing revenue when, or as, an entity satisfies a performance obligation.

Project Costs

All project costs incurred, including acquisition of refinery rights, planning, design and permitting, have been recorded as project costs and expensed as incurred.

Basic and Diluted Income (Loss) per Share

Basic net income or loss per share is calculated by dividing net income or loss (available to common stockholders) by the weighted average number of common shares outstanding for the period. Diluted income or loss per share reflects the potential dilution that could occur if securities or other contracts to issue common stock, such as stock options, warrants, convertible debt and convertible preferred stock, were exercised or converted into common stock. For the nine months ended January 31, 2024 and January 31, 2023 all potentially dilutive securities had an anti-dilutive effect and basic net loss per common share is the same as diluted net loss per share.

Stock-based Compensation

Pursuant to FASBASC 718, the Company accounts for the issuance of equity instruments, including grants of stock options and warrants, to acquire goods and/or services based on the fair value of the goods and services or the fair value of the equity instrument at the time of issuance, whichever is more reliably determinable. The measurement date for the fair value of the equity instruments issued is determined as the earlier of (i) the date at which a commitment for performance is reached or (ii) the date at which the performance is complete. In the case of equity instruments issued for services to be performed over time, the fair value of the equity instrument is recognized over the service period. For the nine months ended January 31, 2024 and 2023, the Company recorded stock-based compensation of \$28,200 and \$495,000, respectively.

Recently Issued Accounting Pronouncements

The Company has reviewed all new accounting pronouncements issued or proposed by the FASB and does not believe any of the accounting pronouncements has had, or will have, a material impact on its consolidated financial position or results of operations.

NOTE 3 – GOING CONCERN

Our consolidated financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern, which contemplate the realization of assets and liquidation of liabilities in the normal course of business. We have incurred continuous losses from operations, have an accumulated deficit, and have reported negative cash flows from operations since inception. Additionally, we have a working capital deficit, therefore there is a question of whether or not we have the cash resources to meet our operating commitments for the next twelve months and have, or will obtain, sufficient capital investments to implement our business plan. Our ability to continue as a going concern must be considered in light of the problems, expenses and complications frequently encountered by entrance into established and emerging markets and the competitive environment in which we operate.

Since inception, our operations have primarily been funded through private debt and equity financing, and we expect to continue to seek additional funding through private or public equity and debt financing. Our ability to continue as a going concern is dependent on our ability to generate sufficient cash from operations to meet our cash needs and/or to raise funds to finance ongoing operations and repay debt. However, there can be no assurance that we will be successful in our efforts to raise additional debt or equity capital or that amounts will be adequate to meet our needs. These factors, among others, raise substantial doubt that we will be able to continue as a going concern for a reasonable period of time.

The consolidated financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. The consolidated financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 4 – RELATED PARTY TRANSACTIONS

Accounts Payable and Accrued Expenses – Related Parties

Accounts payable and accrued expenses to related parties, consisting primarily of consulting fees and expense reimbursements payable, totaled \$860,497 and \$465,703 as of January 31, 2024 and April 30, 2023, respectively.

Effective April 30, 2023, the Company amended the July 1, 2019 and March 1, 2021 consulting agreement with Maple Resources Corporation (“Maple Resources”), a related party controlled by our President and CEO, that provides for a monthly payment of consulting fees of \$20,000 and expense reimbursement related to business development, financing, other corporate activities, medical, automobile, and travel expenses. During the nine months ended January 31, 2024, we incurred consulting fees and expense reimbursement to Maple Resources totaling \$197,647 and we made payments to Maple Resources of \$75,795 and converted \$58,119 of accrued liabilities into 910,958,934 shares of common stock, which were valued at \$273,288 based on the closing market price of the Company’s stock on the day of conversion, therefore a loss of \$215,169 was recognized.

In addition, the consulting agreement provides for the issuance to Maple Resources of shares of our common stock each month with a value of \$5,000, with the number of shares issued based on the average closing price of the stock during the prior month. During the nine months ended January 31, 2024 we recorded \$45,000 for accrued consulting fees and we issued no shares for payment.

During the nine months ended January 31, 2024, Maple Resources made advances of \$5,815 to assist the Company with cash flow challenges, resulting in \$9,725 still owed as of January 31, 2024.

Amounts included in accounts payable and accrued expenses – related parties due to Maple Resources totaled \$299,902 (\$125,000 payable in stock) and \$184,776 (\$45,000 payable in stock) as of January 31, 2024 and April 30, 2023, respectively.

During the nine months ended January 31, 2024 and year ended April 30, 2023, Jack Hanks, our President and CEO, made advances of \$478 and \$2,190 to assist the Company with cash flows challenges, therefore the amount was included in accounts payable and accrued expenses – related parties as January 31, 2024 and April 30, 2023, resulting in \$2,668 still owed as of January 31, 2024.

Effective October 1, 2018, we entered into a consulting agreement with Leslie Doheny-Hanks, the wife of our President and CEO, to issue shares of our common stock each month with a value of \$2,500, with the number of shares issued based on the average closing price of the stock during the prior month. The related party consultant provides certain administrative and accounting services and is reimbursed for expenses paid on behalf of the Company. During the nine months ended January 31, 2024 we recorded \$22,500 for the amount payable in stock under the consulting agreement and recorded expense reimbursements owed to Mrs. Hanks of \$58,952. During the nine months ended January 31, 2024 we made repayments of \$21,000 to Mrs. Hanks for reimbursable expenses. During the nine months ended January 31, 2024 Mrs. Hanks converted \$40,614 of accrued liabilities into 636,588,339 shares of common stock, which were valued at \$190,976 based on the closing market price of the Company’s stock on the day of conversion, therefore a loss of \$150,362 was recognized.

Amounts included in accounts payable and accrued expenses – related parties due to Mrs. Hanks totaled \$128,894 (\$62,500 payable in stock) and \$128,246 (\$30,000 payable in stock) as of January 31, 2024 and April 30, 2023, respectively.

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Effective February 1, 2021 the Company entered into consulting agreements with three children of our President and CEO, which were amended as of December 31, 2021 to continue on a month-to-month basis. During the nine months ended January 31, 2024 we incurred \$75,196 for fees and expense reimbursements to the children, we made repayments of \$3,000 and converted \$30,709 of accrued liabilities into 446,063,449 shares of common stock, which were valued at \$119,712 based on the closing market price of the Company's stock on the day of conversion, therefore a loss of \$89,003 was recognized. Amounts included in accounts payable and accrued expenses – related parties due to the children totaled \$86,884 and \$45,397 as of January 31, 2024 and April 30, 2023, respectively.

Effective September 1, 2021, we entered into a consulting agreement with BNL Family Trust, a related party to Bruce Lemons, Director, to issue shares of our common stock each month with a value of \$2,500, with the number of shares issued based on the average closing price of the stock during the prior month. During the nine months ended January 31, 2024 we recorded \$22,500 for the amount payable in stock under the consulting agreement and made no payments. Amounts included in accounts payable and accrued expenses – related parties due to BNL Family Trust totaled \$62,500 (all payable in stock) and \$40,000 (all payable in stock) as of January 31, 2024 and April 30, 2023, respectively.

Effective November 1, 2020, we entered into a consulting agreement with Nabil Katabi, a shareholder of more than ten percent, to provide for monthly consulting fees of \$10,000 and to issue shares of our common stock each month with a value of \$2,000, with the number of shares issues based on the average closing price of the stock during the prior month. Effective April 30, 2023 the consulting agreement was amended to provide for monthly consulting fees of \$20,000 and to issue shares of our common stock each month with a value of \$5,000, with the number of shares issues based on the average closing price of the stock during the prior month. During the nine months ended January 31, 2024 we recorded \$257,000 (\$77,000 payable in stock), we made repayments of \$18,694 and converted \$75,321 of accrual liabilities into 1,180,577,273 shares of common stock, which were valued at \$308,157 based on the closing market price of the Company's stock on the day of conversion, therefore a loss of \$232,836 was recognized.

During the nine months ended January 31, 2024, Nabil Katabi made advances of \$16,220 to assist the Company with cash flow challenges, resulting in \$16,220 still owed as of January 31, 2024.

Amounts included in accounts payable and accrued expenses - related parties due to Nabil Katabi totaled \$279,648 and \$97,885 as of January 31, 2024 and April 30, 2023, respectively.

Convertible Notes Payable – Related Parties

Convertible notes payable - related parties consist of the following:

	January 31, 2024	April 30, 2023
Convertible note payable with Maple Resources Corporation, matures on February 25, 2024, with interest at 5%, convertible into common shares of the Company [1]	\$ -	\$ 20,000
Convertible note payable with Maple Resources Corporation, matures on October 13, 2024, with interest at 5%, convertible into common shares of the Company [2]	50,000	-
Less discount	-	-
Total	<u>\$ 50,000</u>	<u>\$ 20,000</u>

[1] This convertible note was entered into on February 25, 2023 in exchange for cash of \$20,000 and is convertible into common shares of the Company at a conversion price equal to 110% of the lowest price at which the shares of common stock were issued by the Company during the twenty prior trading days, including the day upon which a notice of conversion is received by the Company. During the three months ended July 31, 2023 the Company transferred the loan to a non-related party. As of January 31, 2024 and April 30, 2023 accrued interest on the convertible note was \$0 and \$175, respectively.

[2] This convertible note was entered into on October 13, 2023 in exchange for cash of \$50,000 and is convertible into common shares of the Company at a conversion price equal to 110% of the lowest price at which the shares of common stock were issued by the Company during the twenty prior trading days, including the day upon which a notice of conversion is received by the Company. As of January 31, 2024 and April 30, 2023 accrued interest on the convertible note was \$753 and \$0, respectively.

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Notes Payable – Related Parties

Notes payable – related parties consist of the following at:

	January 31, 2024	April 30, 2023
Note payable to a related party with an issue date of May 7, 2023 with interest at 18% [1]	\$ 11,800	\$ -
Note payable to a related party with an issue date of May 16, 2023 with interest at 18% [2]	4,720	-
Note payable to a related party with an issue date of May 31, 2023 with interest at 18% [3]	7,552	-
Note payable to a related party with an issue date of June 6, 2023 with interest at 18% [4]	5,900	-
Note payable to a related party with an issue date of July 3, 2023 with interest at 18% [5]	5,900	-
Note payable to a related party with an issue date of November 3, 2023 with interest at 18% [6]	8,260	-
Total	44,132	-
Less discount	(8,896)	-
Net	\$ 35,236	\$ -

- [1] Effective May 7, 2023, the Company entered into a promissory note with Lake of Silver, LLC, a related party, through its wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. The note has a principal amount of \$10,000 and a maturity date of May 7, 2024. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$1,800 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 156,739,812 warrants, thus \$7,265 of the \$10,000 in note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.

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- [2] Effective May 16, 2023, the Company entered into a promissory note with Alpenglow Consulting, LLC, a related party, through its wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. The note has a principal amount of \$4,000 and a maturity date of May 16, 2024. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$720 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 62,695,925 warrants, thus \$3,198 of the \$4,000 in note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.
- [3] Effective May 31, 2023, the Company entered into a promissory note with BNL Family Trust, a related party, through its wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. The note has a principal amount of \$6,400 and a maturity date of May 31, 2024. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$1,152 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 100,313,480 warrants, thus \$5,386 of the \$6,400 in note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.
- [4] Effective June 6, 2023, the Company entered into a promissory note with Nabil Katabi, a related party, through its wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. The note has a principal amount of \$5,000 and a maturity date of June 6, 2024. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$900 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 78,369,906 warrants, thus \$4,474 of the \$5,000 in note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.
- [5] Effective July 3, 2023, the Company entered into a promissory note with Alpenglow Consulting, LLC, a related party. The note has a principal amount of \$5,000 and a maturity date of July 3, 2024. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$900 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with \$5,000 consulting fee under a subscription agreement.
- [6] Effective November 3, 2023, the Company entered into a promissory note with Alpenglow Consulting, LLC, a related party. The note has a principal amount of \$7,000 and a maturity date of November 3, 2024. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$1,260 was recorded as a debt discount at the notes inception to be recognized over the term of the note.

Equity Activity – Related Parties

During the nine months ended January 31, 2024, Maple Resources, Nabil Katabi and BNL Family Trust terminated 3,000,000 warrants each and the Company issued with 50,000,000 warrants to each entity as a replacement award. The Company accounted for this transaction as a cancellation of the previous award and issuance of a new award and recorded \$28,200 worth of stock-based compensation to capture the difference in fair market value. In addition, and as specified above, the Company converted \$204,763 of accrued liabilities into 3,174,187,995 shares of common stock valued at \$892,133 and issued 398,119,123 warrants in consideration of debt; therefore, a \$687,370 loss on extinguishment of debt was recognized and \$20,323 of note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8).

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at:

	January 31, 2024	April 30, 2023
Office furniture and equipment	\$ 13,864	\$ 13,864
Computer equipment and software	6,555	6,555
Refinery land	721,828	721,828
Refinery land improvements	468,615	468,615
Refinery land easements	37,015	37,015
	<u>1,247,877</u>	<u>1,247,877</u>
Less accumulated depreciation and amortization	<u>(197,370)</u>	<u>(170,074)</u>
	<u>\$ 1,050,507</u>	<u>\$ 1,077,803</u>

Depreciation and amortization expense totaled \$27,296 for the nine months ended January 31, 2024 and 2023, respectively.

NOTE 6 – ACCRUED EXPENSES

Accrued expenses consisted of the following at:

	January 31, 2024	April 30, 2023
Accrued payroll	\$ 30,090	\$ 30,090
Accrued consulting	22,000	48,000
Accrued interest and penalties	820,478	813,487
Other	94,174	94,174
	<u>\$ 966,742</u>	<u>\$ 985,751</u>

NOTE 7 – NOTES PAYABLE
Note Payable, Currently in Default

Note payable, currently in default, consists of the following at:

	January 31, 2024	April 30, 2023
Note payable to an unrelated party, matured March 18, 2014, with interest at 10%	\$ 75,001	\$ 75,001
Note payable to an unrelated party with an issue date of March 11, 2021 with interest at 10% [1]	136,952	136,952
Note payable to an unrelated party with an issue date of February 22, 2021 with interest at 10% [2]		
\$250,000 draw on March 5, 2021	-	250,000
\$200,000 draw on March 26, 2021	-	200,000
\$50,000 draw on April 13, 2022	-	50,000
Total	<u>\$ 211,953</u>	<u>\$ 711,953</u>

- [1] Effective March 11, 2021 the Company entered into a promissory note with Vista Capital Investments, Inc with a principal amount of \$250,000. The maturity date of the note was March 11, 2022 which was amended on February 23, 2021 to extend the due date to December 31, 2022. The note has an interest rate of 10% per annum from the date of funding. On February 23, 2022 the Company made a payment of \$113,048 to pay down the note principal and effective January 1, 2023 the note went into default as the due date had passed with no extension.
- [2] Effective February 22, 2021 the Company entered into a promissory note with GS Capital Partners, LLC, with a principal amount of \$1,000,000, which is subject to drawdown requests by the Company. The original maturity date of the note was the earlier of (i) December 31, 2021 or (ii) the consummation by the Company of an equity or equity-based financing providing net proceeds to the Company sufficient to retire the outstanding indebtedness under the note. On December 30, 2021 the Company entered into an amendment to the notes to extend the maturity date to March 31, 2022 and on April 12, 2022 the Company entered into an amendment to the notes to extend the maturity date to March 31, 2023. The note has an interest rate of 10% per annum from the date of each drawdown. On April 1, 2023 the note went into default as the due date had passed with no extension. On October 30, 2023 the Company entered into an extension agreement to extend the maturity date to December 31, 2024, therefore is no longer in default in 2024.

Notes Payable

Notes payable consist of the following at:

	January 31, 2024	April 30, 2023
Note payable to an unrelated party with an issue date of February 28, 2022 with interest at 10% [1]	\$ 91,373	\$ 102,500
Note payable to an unrelated party with an issue date of April 25, 2023 with interest at 18% [2]	17,700	17,700
Note payable to an unrelated party with an issue date of June 2, 2023 with interest at 18% [3]	23,600	-
Note payable to an unrelated party with an issue date of July 14, 2023 with interest at 18% [4]	66,300	-
Note payable to an unrelated party with an issue date of August 15, 2023 with interest at 18% [5]	38,350	-
Note payable to an unrelated party with an issue date of September 14, 2023 with interest at 18% [6]	38,350	-
Note payable to an unrelated party with an issue date of February 22, 2021 with interest at 10% [7]		
\$250,000 draw on March 5, 2021	250,000	-
\$200,000 draw on March 26, 2021	200,000	-
\$50,000 draw on April 13, 2022	50,000	-
\$295,000 draw on December 18, 2023	295,000	-
Total	1,070,673	120,200
Less Discount	(57,103)	(14,490)
Net	<u>\$ 1,013,570</u>	<u>\$ 105,710</u>

- [1] Effective February 28, 2022 the Company entered into a promissory note with Oscar and Ilda Gonzales with a principal amount of \$102,500. The maturity date of the note is February 28, 2026 and repayments on the note are to begin on March 1, 2023 in the amount of \$3,309 per month. The note has an interest rate of 10% per annum.

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- [2] Effective April 25, 2023, the Company entered into a promissory note with Poppy, LLC through its wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. The note has a principal amount of \$15,000 and a maturity date of April 25, 2024. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$2,700 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 235,109,718 warrants, thus \$11,991 of the \$15,000 in note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.
- [3] Effective June 2, 2023, the Maple Resources Corporation, the Company's wholly owned subsidiary entered into an exchange agreement with Seeta Zieger Trust and a subscription agreement through the Company's wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. Seeta Zieger Trust acquired, through the exchange agreement, the rights to the "Maple Note" (a convertible note was entered into on February 25, 2023 in exchange for cash of \$20,000 and is convertible into common shares of the Company at a conversion price equal to 110% of the lowest price at which the shares of common stock were issued by the Company during the twenty prior trading days, including the day upon which a notice of conversion is received by the Company). The note has a principal amount of \$20,000 and a maturity date of June 2, 2024. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$3,600 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 313,479,624 warrants, thus \$15,988 of the \$20,000 in the note converted were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.
- [4] Effective July 14, 2023, the Company entered into a promissory note with Eduardo Alberto Maldonado through its wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. The note has a principal amount of \$60,000 and a maturity date of July 14, 2024. The Company received \$35,000 cash with an additional \$25,000 financing fees. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$6,300 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 300,000,000 warrants, thus \$28,379 of the \$35,000 in note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.
- [5] Effective August 15, 2023, the Company entered into a promissory note with Eduardo Alberto Maldonado through its wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. The note has a principal amount of \$32,500 and a maturity date of August 15, 2024. The Company received \$32,500 cash. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$5,850 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 325,000,000 warrants, thus \$16,250 of the \$32,500 in note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.
- [6] Effective September 14, 2023, the Company entered into a promissory note with Eduardo Alberto Maldonado through its wholly owned subsidiary, Pecos Clean Fuels & Transport, LLC. The note has a principal amount of \$32,500 and a maturity date of September 14, 2024. The Company received \$32,500 cash. In lieu of interest the Company is to pay the lender 18% of the principal amount, in addition to the principal payment, on the maturity date. Accordingly, \$5,850 was recorded as a debt discount at the notes inception to be recognized over the term of the note. In addition, the note was issued with 625,000,000 warrants, thus \$25,794 of the \$32,500 in note proceeds were allocated to the warrants with an increase in additional paid-in capital (see Note 8) and an increase in debt discount.
- [7] Effective February 22, 2021 the Company entered into a promissory note with GS Capital Partners, LLC, with a principal amount of \$1,000,000, which is subject to drawdown requests by the Company. The original maturity date of the note was the earlier of (i) December 31, 2021 or (ii) the consummation by the Company of an equity or equity-based financing providing net proceeds to the Company sufficient to retire the outstanding indebtedness under the note. On December 30, 2021 the Company entered into an amendment to the notes to extend the maturity date to March 31, 2022 and on April 12, 2022 the Company entered into an amendment to the notes to extend the maturity date to March 31, 2023. On October 30, 2023 the Company entered into an extension agreement to extend the maturity date to December 31, 2024. The note has an interest rate of 10% per annum from the date of each drawdown. During the nine months ended January 31, 2024, \$295,000 was drawn down against the note.

Convertible Note Payable, Currently in Default

Convertible notes payable, currently in default, consist of the following at:

	January 31, 2024	April 30, 2023
Note payable to an unrelated party, matured December 31, 2010, with interest at 10%, convertible into common shares of the Company [1]	\$ 50,000	\$ 50,000
Note payable to an unrelated party, matured January 27, 2012, with interest at 25%, convertible into common shares of the Company [2]	25,000	25,000
Extension fee added to note payable to an accredited investor issued, with interest at 18%, convertible into common shares of the Company at a defined variable exercise price [3]	-	158,790
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at \$0.10 per share [4]	-	100,050
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at \$0.01 per share [5]	100,000	-
Total	175,000	333,840
Less discount	-	-
Net	\$ 175,000	\$ 333,840

- [1] On March 8, 2010, the Company closed a note purchase agreement with an accredited investor pursuant to which the Company sold a \$50,000 convertible note in a private placement transaction. In the transaction, the Company received proceeds of \$35,000 and the investor also paid \$15,000 of consulting expense on behalf of the Company. The convertible note was due and payable on December 31, 2010 with an interest rate of 10% per annum. The note is convertible at the option of the holder into our common stock at a fixed conversion price of \$3.70, subject to adjustment for stock splits and combinations.
- [2] On January 28, 2011 and February 1, 2011, the Company closed a Convertible Note Agreement totaling \$514,900 in principal amount of 25% Convertible Note (the "Notes") due on the first anniversary of the date of the Note, to a group of institutional and high net worth investors. The Notes are convertible into the Company's common stock at the holders' option at \$1.00 per common share. All but \$25,000 of the promissory notes plus interest were paid in full on March 23, 2011.
- [3] Effective March 31, 2020, the Company entered into a second amendment to certain convertible notes with GS Capital Partners, LLC ("GS") (\$110,000 note dated September 13, 2018, \$70,000 note dated September 18, 2018, \$600,000 note dated October 5, 2018, and \$110,000 note dated February 20, 2019) to extend the notes due dates to November 30, 2020. In consideration of the extension of the maturity dates of the notes the Company was to pay an extension fee of \$200,000, which was added to the principal amount owed and would incur interest at 18% per annum. The extension fee is payable in cash at the earlier of (1) in connection with, and at the time of repayment of the Notes, or (2) on November 20, 2020, which was extended to March 31, 2023. GS, at its option, may convert the unpaid principal balance of, and accrued interest on, the note into shares of common stock at a 40% discount from the lowest trading price during the 20 days prior to conversion (with a floor of \$3.00 per share during the first six months after issuance.) During the year ended April 30, 2023 and the nine months ended January 31, 2024, the Company made repayments of \$41,210 and \$19,590 on the note principal, respectively and on April 1, 2023 the note went into default as the due date had passed with no extension. On October 30, 2023, the note was amended to extend the due date to December 31, 2024 and was reclassified out of default, see convertible notes payable [7].
- [4] Effective April 12, 2022, the Company issued and delivered to GS a 10% convertible note in the principal amount of \$165,000. The note was issued at a discount and the Company received net proceeds of \$155,000 after payment of \$10,000 of fees and expenses of the lender and its counsel. GS, at its option, can convert the unpaid principal balance of, and accrued interest on, the note into shares of common stock at a price of \$0.10 per share. The Company can prepay the note with prepayment penalties ranging from 105% to 125% during the first 180 days after issuance. During the nine months ended January 31, 2024 the Company converted \$41,250 into 823,771,549 shares of common stock in accordance with the terms of the agreement and based on the variable conversion prices in effect on the date of the conversions, therefore no gain or loss was recorded. On April 13, 2023 the note went into default as the due date had passed with no extension.
- [5] Effective September 15, 2022, the Company entered into a convertible promissory note with a principal amount of \$100,000 with Boot Capital, LLC. The Company received \$91,250 after payment of \$8,750 in fees and expenses of the lender and its counsel. The note has an interest rate of 10% per annum and a maturity date of September 15, 2023. The note can be converted into shares of common stock at a 42% discount from the lowest trading price during the 10 days prior to conversion. On September 15, 2023 the note went into default as the due date had passed with no extension.

Convertible Notes Payable

Current convertible notes payable consisted of the following at:

	January 31, 2024	April 30, 2023
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at \$0.005 per share [1]	\$ -	\$ 200,000
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at \$0.01 per share [2]	-	100,000
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at \$0.11 per share [3]	-	54,750
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at \$0.11 per share [4]	-	54,250
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at a defined variable exercise price [5]	183,955	226,875
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at a defined variable exercise price [6]	55,000	-
Extension fee added to note payable to an accredited investor issued, with interest at 18%, convertible into common shares of the Company at a defined variable exercise price [7]	-	-
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at \$0.10 per share [8]	20,000	
Note payable to an accredited investor, with interest at 10%, convertible into common shares of the Company at \$0.005 per share [9]	200,000	-
Total	458,955	635,875
Less discount	(3,384)	(15,200)
Net	\$ 455,571	\$ 620,675

[1] Effective July 26, 2022, the Company issued and delivered to GS a 10% convertible note in the principal amount of \$200,000, which was not funded until August 1, 2022. The note was issued at a discount and the Company received net proceeds of \$185,000 after payment of \$5,000 of fees and expenses of the lender and its counsel. GS, at its option, can convert the unpaid principal balance of, and accrued interest on, the note into shares of common stock at a price of \$0.055 per share, subject to adjustment if there are future financings with more favorable rates. The Company can prepay the note with prepayment penalties ranging from 105% to 125% during the first 180 days after issuance.

[2] Effective September 15, 2022, the Company entered into a convertible promissory note with a principal amount of \$100,000 with Boot Capital, LLC. The Company received \$91,250 after payment of \$8,750 in fees and expenses of the lender and its counsel. The note has an interest rate of 10% per annum and a maturity date of September 15, 2023. The note can be converted into shares of common stock at a 42% discount from the lowest trading price during the 10 days prior to conversion.

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- [3] Effective January 22, 2023, the Company entered into a convertible promissory note with a principal amount of \$54,750 with 1800 Diagonal Lending, LLC. The Company received \$50,000 after payment of \$4,750 in fees and expenses of the lender and its counsel. The note has an interest rate of 10% per annum and a maturity date of January 18, 2024. The note can be converted into shares of common stock at a price of \$0.11 per share for the first 180 days and after that can be converted into shares of common stock at a variable exercise price that is equal to a 42% discount to the lowest trading price during the 10 days prior to conversion. During the nine months ended January 31, 2024 the Company converted \$54,750 into 581,379,310 shares of common stock in accordance with the terms of the agreement and based on the variable conversion prices in effect on the date of the conversions, therefore no gain or loss was recorded.
- [4] Effective March 7, 2023, the Company entered into a convertible promissory note with a principal amount of \$54,250 with 1800 Diagonal Lending, LLC. The Company received \$50,000 after payment of \$4,250 in fees and expenses of the lender and its counsel. The note has an interest rate of 10% per annum and a maturity date of March 7, 2024. The note can be converted into shares of common stock at a price of \$0.11 per share for the first 180 days and after that can be converted into shares of common stock at a variable exercise price that is equal to a 42% discount to the lowest trading price during the 10 days prior to conversion. During the nine months ended January 31, 2024 the Company converted \$54,250 into 982,112,068 shares of common stock in accordance with the terms of the agreement and based on the variable conversion prices in effect on the date of the conversions, therefore no gain or loss was recorded.
- [5] Effective February 28, 2023, the Company entered into a convertible promissory note with a principal amount of \$226,875 with Sabby Volatility Warrant Master Fund, Ltd. This note was in exchange for a prior promissory note dated March 3, 2022 with principal due of \$181,500 and accrued interest of \$8,749, wherein the Company also incurred \$36,626 worth of financing fees for the exchange. The note has an interest rate of 10% per annum and a maturity date of May 1, 2024. The note can be converted into shares of common stock at a variable exercise price that is equal to a 42% discount to the lowest trading price during the 10 days prior to conversion.
- [6] Effective August 24, 2023 the Company issued and delivered to GS a 10% convertible note in the principal amount of \$55,000. The note was issued at a discount and the Company received net proceeds of \$50,000 after payment of \$2,000 of fees and expenses of the lender and its counsel. GS, at its option, can convert the unpaid principal balance of, and accrued interest on, the note into shares of common stock at a price of \$0.00007 per share. The Company can prepay the note with prepayment penalties ranging from 105% to 125% during the first 180 days after issuance.
- [7] Effective March 31, 2020, the Company entered into a second amendment to certain convertible notes with GS Capital Partners, LLC ("GS") (\$110,000 note dated September 13, 2018, \$70,000 note dated September 18, 2018, \$600,000 note dated October 5, 2018, and \$110,000 note dated February 20, 2019) to extend the notes due dates to November 30, 2020. In consideration of the extension of the maturity dates of the notes the Company was to pay an extension fee of \$200,000, which was added to the principal amount owed and would incur interest at 18% per annum. The extension fee is payable in cash at the earlier of (1) in connection with, and at the time of repayment of the Notes, or (2) on November 20, 2020, which was extended to December 31, 2024. GS, at its option, may convert the unpaid principal balance of, and accrued interest on, the note into shares of common stock at a 40% discount from the lowest trading price during the 20 days prior to conversion (with a floor of \$3.00 per share during the first six months after issuance.) During the year ended April 30, 2023 and the nine months ended January 31, 2024, the Company made repayments of \$80,050 and \$158,790 on the note principal, respectively. As of April 30, 2023 and January 31, 2024, the note had an outstanding balance of \$158,790 and \$0, respectively.
- [8] Effective April 12, 2022, the Company issued and delivered to GS a 10% convertible note in the principal amount of \$165,000. The note was issued at a discount and the Company received net proceeds of \$155,000 after payment of \$10,000 of fees and expenses of the lender and its counsel. GS, at its option, can convert the unpaid principal balance of, and accrued interest on, the note into shares of common stock at a price of \$0.10 per share. The Company can prepay the note with prepayment penalties ranging from 105% to 125% during the first 180 days after issuance. During the nine months ended January 31, 2024 the Company converted \$41,250 into 823,771,549 shares of common stock in accordance with the terms of the agreement and based on the variable conversion prices in effect on the date of the conversions, therefore no gain or loss was recorded. On October 30, 2023 the Company entered into an extension agreement to extend the maturity date to December 31, 2024.
- [9] Effective July 26, 2022, the Company issued and delivered to GS a 10% convertible note in the principal amount of \$200,000, which was not funded until August 1, 2022. The note was issued at a discount and the Company received net proceeds of \$185,000 after payment of \$5,000 of fees and expenses of the lender and its counsel. GS, at its option, can convert the unpaid principal balance of, and accrued interest on, the note into shares of common stock at a price of \$0.055 per share, subject to adjustment if there are future financings with more favorable rates. The Company can prepay the note with prepayment penalties ranging from 105% to 125% during the first 180 days after issuance. On October 30, 2023 the Company entered into an extension agreement to extend the maturity date to December 31, 2024.

NOTE 8 – STOCKHOLDERS’ DEFICIT

Authorized Shares

As of January 31, 2024, the Company has authorized 25,001,000,000 shares of capital stock, consisting of 25,000,000,000 shares of common stock and 1,000,000 shares of preferred stock.

Common Stock Issuances

During the nine months ended January 31, 2024, the Company issued a total of 8,104,389,559 shares of its common stock: 1,105,360,502 shares converted from Series B preferred stock; 3,545,720,685 shares valued at \$249,732 in conversion of convertible notes principal of \$231,970, accrued interest payable of \$16,142, gain on settlement of \$1,148 and conversion fees of \$1,620; 279,120,377 shares for accrued liabilities of \$17,808 which were valued at \$83,736 based on the closing market price of the Company’s stock on the day of conversions and therefore a loss of \$65,928 was recognized; and 3,174,187,995 shares for accrued liabilities – related parties of \$204,763 which were valued at \$892,133 based on the closing market price of the Company’s stock on the day of conversion and therefore a loss of \$687,370 was recognized (see Note 4).

During the nine months ended January 31, 2023, the Company issued a total of 27,685,956 shares of its common stock: 7,732,716 shares valued at \$182,977 in conversion of convertible notes principal of \$163,300 and accrued interest payable of \$19,677; 16,188,264 shares issued for the exercise of warrants; 91,414 shares issued for an accrued liability with a related party of \$1,006 (see Note 4); 100,000 shares issued for a debt discount valued at \$5,380; 1,373,562 shares and 686,281 warrants (see *Warrants* below) issued for cash proceeds of \$41,210, which was offset by \$12,000 in offering costs; and 2,200,000 shares issued for the conversion of 19 shares of Series B preferred stock.

Series A Preferred Stock

The Series A preferred stock has no redemption, conversion or dividend rights; however, the holders of the Series A preferred stock, voting separately as a class, have the right to vote on all shareholder matters equal to 51% of the total vote.

During the nine months ended January 31, 2024 and 2023 the Company did not issue any shares of its Series A preferred stock.

Series B Preferred Stock

The Series B preferred stock has a stated value equal to \$1,000, has no redemption or voting rights, and are entitled to receive dividends on preferred stock equal, on an as-of-converted-to-common-stock basis, to and in the same form as the dividends paid on shares of the common stock. The Series B preferred stock is convertible, at the option of the holder, into the number of shares of common stock determined by dividing the stated value of such share of Preferred Stock by the initial fixed Conversion Price of \$0.10, which was adjusted to a fixed conversion price of \$0.05 per share effective June 7, 2022. The conversion price is to be further adjusted to any lower price that the Company sells, or grants any option to purchase, or sells or grants any right to reprice, or otherwise disposes of or issues, any shares of the Company’s common stock. As of January 31, 2024, the conversion price was reset to \$0.000058 per share.

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During the nine months ended January 31, 2024 and 2023 the Company did not issue any shares of its Series B preferred stock. During the nine months ended January 31, 2024, 82 shares of Series B preferred stock were converted into 1,105,360,502 shares of common stock in accordance with the terms set forth in the certificate of designation, therefore no gain or loss was recorded.

Warrants

A summary of warrant activity during the nine months ended January 31, 2024 is presented below:

	<u>Shares</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Life (Years)</u>
Outstanding, April 30, 2023	264,058,999	\$ 0.01	5.03
Granted	2,111,598,747	\$ 0.00014	
Cancelled / Expired	(9,000,000)	\$ 0.20	
Outstanding, January 31, 2024	<u>2,366,657,746</u>	\$ 0.000271	4.74

During the nine months ended January 31, 2024 the Company terminated 3,000,000 warrants each to three entities affiliated with the Company's two board members and shareholder (consultant) of more than ten percent (see Note 4). The Company accounted for this modification as a cancellation of the previous award and issuance of a new award in its place (50,000,000 warrants each or 150,000,000 total), and recorded \$28,200 worth of stock-based compensation to capture the difference in fair market value.

During the nine months ended January 31, 2024 the Company issued warrants with debt arrangements that were recorded as debt discounts: 398,119,123 warrants to related parties valued at \$20,323 (see Note 4) and 1,563,479,624 warrants to third parties valued at \$98,403 (see Note 7).

Common Stock Reserved

Combined with the 8,874,007,854 common shares outstanding as of January 31, 2024, all authorized common shares had been issued or reserved for issuance of outstanding warrants, stock options, and convertible notes payable and no common shares were available for share issuances other than those shares included in the reserves.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Legal

In the ordinary course of business, we may be, or have been, involved in legal proceedings from time to time.

Sabby Volatility Warrant Master Fund, Ltd. (“Sabby”) commenced litigation against us in a New York State Court, alleging the Company’s breach of contract, fraud, and failure to maintain and deliver shares under the convertible note previously issued by the Company to Sabby. Sabby also holds the Company’s Series B Preferred Stock and substantial warrants to purchase shares of our Common Stock. During September 2023, the court granted Sabby’s request for an order (i) granting specific performance of Sabby’s past and future requests for conversion, (ii) enjoining the Company from issuing shares of its Common Stock until it has complied with the order and (iii) directing the Company’s transfer agent to take all actions necessary to enforce the order, including reserving shares issuable upon Sabby’s conversion of its outstanding note payable.

Sabby subsequently sought and obtained a default order of contempt, entered on October 20, 2023, which among other matters cited the Company’s failure to transfer shares without restriction and to reserve a sufficient number of shares of Common Stock to honor Sabby’s potential conversions of its convertible note, Series B Preferred Stock and warrants. Upon the Company’s motion to vacate the contempt order, the court vacated the contempt order on December 5, 2023.

NOTE 10 – SUBSEQUENT EVENTS

In accordance with ASC 855-10, all subsequent events have been reported through the filing date as set forth below.

On February 7, 2024 the Company entered into a promissory note with a principal amount of \$6,100 with a related party.

On February 12, 2024 the Company entered into a promissory note with a principal amount of \$1,700 with a related party.

On February 22, 2024, the Company approved the issuance of 568,793,103 shares of common stock in exchange for the conversion of 32.99 shares of Series B Preferred stock.

On February 28, 2024, the Company entered into a 10% convertible note with a principal amount of \$65,000. The note was issued at a discount and the Company received net proceeds of \$60,000 after payment of \$5,000 of fees and expenses of the lender and its counsel. The lender, at its option, can convert the unpaid principal balance of, and accrued interest on, the note into shares of common stock at a price of \$0.00007 per share. The Company can prepay the note with prepayment penalties ranging from 105% to 125% during the first 180 days after issuance.

On March 1, 2024, the Company entered a consulting agreement with a third-party on a month-to-month basis for consulting services at a rate of \$5,000 per month.

ITEM 2 Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis constitute forward-looking statements for purposes of the Securities Act and the Exchange Act and as such involves known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. The words "expect", "estimate", "anticipate", "predict", "believes", "plan", "seek", "objective" and similar expressions are intended to identify forward-looking statements or elsewhere in this report. Important factors that could cause our actual results, performance or achievement to differ materially from our expectations are discussed in detail in Item 1 above. All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by such factors. We undertake no obligation to publicly release the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. Notwithstanding the foregoing, we are not entitled to rely on the safe harbor for forward looking statements under 27A of the Securities Act or 21E of the Exchange Act as long as our stock is classified as a penny stock within the meaning of Rule 3a51-1 of the Exchange Act. A penny stock is generally defined to be any equity security that has a market price (as defined in Rule 3a51-1) of less than \$5.00 per share, subject to certain exceptions.

The following discussion should be read in conjunction with the Condensed Consolidated Financial Statements, including the notes thereto.

Overview

Company Information and Business Plan

MMEX Resources Corporation ("MMEX") was formed as a Nevada corporation in 2005. The current management team lead an acquisition of the Company (then named Management Energy, Inc.) through a reverse merger completed in 2010 and thereafter changed the Company's name to MMEX Mining Corporation.

MMEX is focused on the development, financing, construction and operation of clean fuels infrastructure projects powered by renewable energy. We have formed two operating sub-divisions of the Company - one sub-division to transition from legacy refining transportation fuels by producing them as ultra clean fuels with carbon capture or as stand-alone renewable or clean fuels projects, and the second sub-division which plans to produce green and/or blue hydrogen with the option of hydrogen conversion to ammonia or methanol. These two sub-divisions will be operating respectively as Clean Energy Global, LLC and Hydrogen Global, LLC. The planned projects are designed to be powered by solar and wind renewable energy.

Our portfolio contains the following pipeline of planned projects:

Clean Energy Global, LLC

Project 1: Pecos Clean Fuels & Transport, LLC -Ultra Clean Fuels Refining-Pecos County, Texas

We have teamed with Polaris Engineering to develop an ultra-clean transportation fuel, up to 11,600 barrel per day feedrate crude oil refining facility at our Pecos County, Texas site to produce 87° gasoline, ultra-low sulphur diesel and low-sulphur fuel oil, utilizing the Polaris Ultra Fuels™ patented concept, which removes over 95% emissions of a standard refinery. The planned carbon capture features of the project will be owned, financed, constructed and operated by an independent third-party. The Ultra Fuels™ concept, with capex and technical details completed in the Front-End Load-2 ("FEL-2") study, features small size facilities to take advantage of proximity to smaller markets and/or locate directly near crude oil production areas near the Company's owned 126-acre site. Because equipment is fabricated in modular units and shipped to site, this allows for an 18-month project completion time and more rapid implementation than traditional facilities. The smaller size and footprint, as well as lower emissions, also allows for faster permitting which we obtained for this facility from the Texas Commission on Environmental Quality on February 18, 2022.

Project 2: Arroyo Cabral, Cordoba Province Argentina Solar Power Project.

The Company along with its international partners have entered a proposal with EPEC, the local utility in Cordoba Province to build potentially the Arroyo Cabral 48 MWe solar park for local power demand following the Company's completion of a confidential information memorandum and pre-feasibility study for the project completed in June 2021. The local utility, EPEC, has proposed a Build Own Transfer structure with EPEC contributing 15% of the project costs as an equity contribution. The financing of the project potentially is to be provided by the Company's international partners and other third parties.

Hydrogen Global, LLC

Project 3: Hydrogen Global- Pecos County, Texas- Green Hydrogen Project

This planned project to utilize the proprietary electrolyzer technology of Siemens Energy, a major international technology provider to the Company, plans to convert water to hydrogen through electrolysis. The facility will utilize solar power, with the Company's water supply to produce up to 55 tons of hydrogen production per day. The Company and Siemens have completed the Front-End Engineering and Design ("FEED") study in April 2022, which outlines the capex of the electrolyzer complex on the Company's 321-acre site. The Company is in discussions with several renewable power developers to become the technology provider for 160 MWe solar power component. In addition, the Company is in discussions with two potential product off-takes (i) with a technology provider for the Ammonia complex, for conversion of the hydrogen to ammonia to facilitate transportation of the finished product for the export market in either Europe or Asia and (ii) international partners to provide turn-key mobility markets to include hydrogen fueling stations and buses utilizing hydrogen fuel cells. The potential markets would be the major metropolitan areas in the U.S. and Texas to include Austin, Dallas, Houston, and San Antonio.

Project 4: Hydrogen Global- Tierra del Fuego Province Argentina-Green Hydrogen Project

On April 28, 2022, the Province of Tierra del Fuego and the Company announced the potential joint development of a green hydrogen project in the Río Grande, Tierra del Fuego area powered by wind energy. The Company has signed an amendment with Siemens Energy to adapt the Green H2 electrolyzer FEED Study completed for Pecos County to this Project. In addition, the Company has a preliminary understanding with Siemens Gamesa as the technology provider for the wind energy. The Company estimates the land requirement of up to 10,000 hectares for the wind farm and the Green H2 facilities. The Company is in discussions with the same technology provider for the Ammonia complex as for Pecos County. The potential market for the Ammonia is Europe or Asia and the project location is ideal for ocean borne shipping east or west.

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Project 5: Hydrogen Global- Southern Coast of Peru-Green Hydrogen Project

The Company has entered advanced discussions with Peru's principal electric power distribution company to develop potentially a Green Hydrogen project to produce up to 55 tons per day of hydrogen, requiring 160 MWe of constant and certified renewable power load. The Company plans to use its Siemens Energy Electrolyzer FEED template and adapt it for Peru. The Peru distribution company will also provide the land area as part of the transaction - approximately 5 hectares, by the sea to facilitate exports of green Hydrogen/Ammonia/Methanol to Asia and the U.S. West Coast. Peru's mining industry with its use of heavy extraction and transportation equipment has significant market potential for the Company's hydrogen production.

Project 6: Hydrogen Global- Pecos County, Texas-Blue Hydrogen Project

The Company is in planning discussions with a super major oil company (the "Super Major") to develop jointly a Blue Hydrogen project at the Company's Pecos County, Texas site. The Project plans to utilize potentially a portion of the Super Major's 2 billion cubic feet per day natural gas production and transportation from the area to produce hydrogen utilizing an autothermal reformer ("ATR") technology, in turn, the hydrogen will be used in Siemens Energy turbines and generator sets to produce up to 365 MWe of electric power which are projected to utilize initially a 75% hydrogen-25% natural gas feed and moving to a 100% hydrogen feed. The Company has entered into non-binding commercial terms with a second super major oil company for sequestration of the project's CO₂ production for its EOR purposes and with the same company for purchase of 100 MW of the power production.. Solar and wind power will be utilized in the ATR and the Company has accepted non-binding commercial terms proposed by a third super major energy company for the renewable power of all three of its Pecos County, Texas projects.

Completion of these projects is dependent upon our obtaining the necessary capital for planning, construction and start-up costs. There is no assurance that such financing can be obtained on favorable terms.

Results of Operations

Revenues

We have not yet begun to generate revenues.

General and Administrative Expenses

Our general and administrative expenses increased to \$313,937 for the three months ended January 31, 2024 from \$211,084 for the three months ended January 31, 2023, resulting from an increase in legal fees, consulting fees, and travel fees incurred in our increased pursuit of financing in the current period. Our general and administrative expenses decreased to \$950,150 for the nine months ended January 31, 2024 from \$1,379,285 for the nine months ended January 31, 2023. The decrease was a result of no due diligence fees in the current period as compared to the prior period, as well as the Company issuing 3,000,000 shares each to two entities affiliated with the Company's two board members and a consultant and recognizing \$495,000 as stock-based compensation during the nine months ended January 31, 2023, versus \$28,200 recognized during the nine months ended January 31, 2024.

Project Costs

We expense the direct costs incurred on our projects, including acquisition of rights, planning, design and permitting. Our project costs have decreased to \$5,890 for the three months ended January 31, 2024 from \$20,520 for the three months ended January 31, 2023 and decreased to \$11,372 for the nine months ended January 31, 2024 from \$96,560 for the nine months ended January 31, 2023. The decrease is a result of not having funding available to invest in our projects during the periods presented.

Depreciation and Amortization Expense

Our depreciation and amortization expense results from the depreciation of land improvements and amortization of land easements and totaled \$9,099 for the three months ended January 31, 2024 and 2023, respectively, and totaled \$27,296 for the nine months ended January 31, 2024 and 2023, respectively.

Other Income (Expense)

Our interest expense includes interest accrued on debt, amortization of debt discount and penalties assessed on debt. Interest expense totaled \$89,742 and \$67,177 for the three months ended January 31, 2024 and 2023, respectively and totaled \$297,833 and \$193,190 for the nine months ended January 31, 2024 and 2023, respectively. The increase in interest expense is due to higher levels of new non-related party notes payable and related party notes payable in the current period as a result of borrowing funds to assist with cash flows. Additionally, the higher levels of debt also resulted in more amortization of debt discount to interest expense incurred in the period.

We did not report a net gain (loss) on extinguishment of liabilities for the three months ended January 31, 2024 and 2023, respectively, and \$(752,150) and \$16,540 for the nine months ended January 31, 2024 and 2023, respectively. The gain in the prior period was due to a lender converting a note payable and forgiving certain amounts of accrued interest, while the loss in the current period was due to accrued liabilities being converted into common shares that were valued in excess of the liabilities being extinguished. The small gain during the current three months was a result of waived accrued interest on converted debt.

Net Income (Loss)

As a result of the above, we reported net income (loss) of \$(418,668) and \$(307,880) for the three months ended January 31, 2024 and 2023, respectively and \$(2,038,801) and \$(1,679,791) for the nine months ended January 31, 2024 and 2023, respectively.

Deemed Dividend

Effective June 7, 2022 we reduced the conversion price of our Series B preferred stock from \$0.10 to \$0.05. This resulted in the recognition of a deemed dividend of \$2,534,402 during the nine months ended January 31, 2023 in order to account for the change in fair value of the Series B preferred stock.

Net Income (Loss) Attributable to Common Shareholders

As a result of the deemed dividend, our net loss attributed to common shareholders was \$(4,214,193) for the nine months ended January 31, 2023. We had no similar activity during the nine months ended January 31, 2024 or the three months ended January 31, 2024 and 2023, therefore net income (loss) attributed to the Company was the same as net income (loss) of \$(2,038,801), \$(418,668) and \$(307,880), respectively.

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Liquidity and Capital Resources

Working Capital

As of January 31, 2024, we had current assets of \$3,000, comprised of prepaid expenses, and current liabilities of \$4,597,097, resulting in a working capital deficit of \$4,594,097.

Sources and Uses of Cash

Our sources and uses of cash for the nine months ended January 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Cash, beginning of period	\$ 10,363	\$ 136,867
Net cash used in operating activities	(372,856)	(619,849)
Net cash used in investing activities	-	-
Net cash provided by financing activities	362,493	490,500
Cash, end of period	<u>\$ -</u>	<u>\$ 7,518</u>

We used net cash of \$372,856 in operating activities for the nine months ended January 31, 2024 as a result of our net loss of \$2,038,801, offset by non-cash net expense totaling \$933,018, a decrease in prepaid expenses of \$21,000, and increases in accounts payable, accrued expenses, and accounts payable and accrued expenses - related party of \$711,947.

We used net cash of \$619,849 in operating activities for the nine months ended January 31, 2023 as a result of our net loss of \$1,679,791, offset by non-cash net expense totaling \$559,468, an increase in prepaid expenses of \$22,500, and increases in accounts payable, accrued expenses, and accounts payable and accrued expenses - related party of \$477,974.

Net cash used in investing activities for the nine months ended January 31, 2024 and 2023 was \$0.

Net cash provided by financing activities for the nine months ended January 31, 2024 was \$362,493, comprised of overdraft advance of \$10, proceeds from notes payable of \$395,000, proceeds from convertible notes payable of \$50,000, proceeds from notes payable – related parties \$37,400 and proceeds from convertible notes payable – related parties of \$50,000 offset by repayments of note payable of \$11,127 and repayments of convertible notes payable of \$158,790.

Net cash provided by financing activities for the nine months ended January 31, 2023 was \$490,500, comprised of proceeds of \$502,500 from convertible notes payable and \$41,209 from the sale of common stock, offset by offering costs of \$12,000 and repayments of convertible notes payable of \$41,209.

Going Concern Uncertainty

Our financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern, which contemplate the realization of assets and liquidation of liabilities in the normal course of business. We have incurred continuous losses from operations, have an accumulated deficit, and have reported negative cash flows from operations since inception. Additionally, we have a working capital deficit, therefore there is a question of whether or not we have the cash resources to meet our operating commitments for the next twelve months and have, or will obtain, sufficient capital investments to implement our business plan. Our ability to continue as a going concern must be considered in light of the problems, expenses and complications frequently encountered by entrance into established and emerging markets and the competitive environment in which we operate.

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Since inception, our operations have primarily been funded through private debt and equity financing, and we expect to continue to seek additional funding through private or public equity and debt financing. Our ability to continue as a going concern is dependent on our ability to generate sufficient cash from operations to meet our cash needs and/or to raise funds to finance ongoing operations and repay debt. However, there can be no assurance that we will be successful in our efforts to raise additional debt or equity capital and/or that our cash generated by our operations will be adequate to meet our needs. These factors, among others, raise substantial doubt that we will be able to continue as a going concern for a reasonable period of time.

The financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. The financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Critical Accounting Policies

Our results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to inventories, investments, intangible assets, income taxes, financing operations, and contingencies and litigation. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

For further information on our significant accounting policies see the notes to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended April 30, 2023 filed with the SEC and Note 2 to our condensed consolidated financial statements included in this quarterly report. There were no changes to our significant accounting policies during the nine months ended January 31, 2024.

ITEM 3 Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, we are not required to provide the information required by this Item.

ITEM 4 Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (as defined) in Exchange Act Rules 13a – 15(c) and 15d – 15(e). Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered in this report, our disclosure controls and procedures were effective to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934 (“Securities Exchange Act”) is recorded, processed, summarized and reported within the required time periods and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all error or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Securities Exchange Act, as amended. Our management assessed the effectiveness of our internal control over financial reporting as of January 31, 2024. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) in 2013 Internal Control-Integrated Framework. Based on our evaluation, management concluded that we maintained effective internal control over financial reporting as of January 31, 2024, based on the COSO framework criteria. Management believes our processes and controls are sufficient to ensure the that the consolidated financial statements included in this report fairly present in all material respects our financial condition, results of operations and cash flows for the periods presented in accordance with U.S. GAAP.

(b) Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1 Legal Proceedings

See Note 9 to Notes to Condensed Consolidated Financial Statements

ITEM 1A Risk Factors

Not applicable.

ITEM 2 Unregistered Sales of Equity Securities and Use of Proceeds

On May 26, 2023 the Company issued 370,000,000 shares of common stock in exchange for the conversion of \$42,920 of principal associated with convertible debt.

On August 21, 2023 the Company issued 150,909,091 shares of common stock in exchange for the conversion of 8 shares of Series B Preferred stock.

On September 28, 2023 the Company issued 200,000,000 shares of common stock in exchange for the conversion of 11 shares of Series B Preferred stock.

On September 28, 2023 the Company issued 352,248,965 shares of common stock in exchange for the conversion of \$17,600 of principal and \$2,560 of accrued interest associated with convertible debt.

On November 6, 2023 the Company issued 369,445,000 shares of common stock in exchange for the conversion of \$18,300 of principal and \$2,858 of accrued interest associated with convertible debt.

On December 29, 2023 the Company issued 452,727,272 shares of common stock in exchange for the conversion of 27 shares of Series B Preferred stock.

On January 4, 2024 the Company issued 419,012,758 shares of common stock in exchange for the conversion of \$20,500 of principal and \$3,533 of accrued interest associated with convertible debt.

ITEM 3 Defaults Upon Senior Securities

There is no information required to be disclosed by this Item.

ITEM 4 Mine Safety Disclosures

There is no information required to be disclosed by this Item.

ITEM 5 Other Information

There is no information required to be disclosed by this Item.

ITEM 6 Exhibits

31.1*	Certification by Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a)
32.1*	Certification by Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).
*	Filed herewith.
**	Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933 or Section 18 of the Securities Act of 1934 and otherwise are not subject to liability.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MMEX Resources Corporation

Dated: March 15, 2024

By: /s/ Jack W. Hanks
Chief Executive Officer (Principal Executive Officer),
President and Chief Financial Officer (Principal Financial
and Accounting Officer)

Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer and Chief Financial Officer

I, Jack W. Hanks, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of MMEX Resources Corporation.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exhibit Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 15, 2024

/s/ Jack W. Hanks
By: Jack W. Hanks
Chief Executive Officer and Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 USC, SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of MMEX Resources Corporation (the "Company") on Form 10-Q for the quarter ended January 31, 2024, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Jack W. Hanks, Chief Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 15, 2024

/s/ Jack W. Hanks
By: Jack W. Hanks
Chief Executive Officer and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to MMEX Resources Corporation and will be retained by MMEX Resources Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

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