

May 13, 1997

***SEC conducts discovery in its investigation of Solv-Ex and Mr. Rendall.***

Three officials from the U.S. Securities and Exchange Commission's Division of Enforcement ("SEC") and two from the British Serious Fraud Office conducted an on-site investigation of Solv-Ex Corporation's plant last week. The interviews and plant inspection were conducted under an SEC Formal Order that authorizes members of its Enforcement Division to commence discovery in its investigation of Solv-Ex and certain persons related to Solv-Ex. The SEC has stated that its Solv-Ex investigation concerns possible Solv-Ex violations of anti-fraud laws, misrepresentations, failure to disclose material information, and certain transactions involving unregistered stock. The SEC has also disclosed that it believes that a restrictive legend was illegally removed from Mr. Rendall's Solv-Ex stock certificate.

Solv-Ex is claiming that the SEC's plant inspection was related to an investigation of Solv-Ex short sellers. As all of the above shows this is totally untrue. There is no evidence or any indication that any investor that is short Solv-Ex stock is under any investigation concerning Solv-Ex. We have spoken to three Solv-Ex union officials who met with the investigators before and after their visit to Solv-Ex's plant. The union officials stated that the SEC investigators were concerned with Solv-Ex's actual construction expenditures, reserves, and inoperative plant. The investigators also asked questions concerning Solv-Ex's failed attempt to produced bitumen. The SEC officials did not ask any questions concerning short selling or any short sellers.

SEC court documents, which are available to public, clearly establish that Solv-Ex and Mr. Rendall are the subject of the SEC's investigation. Mr. Rendall has already acknowledged knowing that the SEC is investigating his Solv-Ex stock dealings and Solv-Ex's transactions with Peter Young. For Mr. Rendall to continue to insinuated that the SEC investigation concerns Solv-Ex short sellers is fraudulent and absurd. Solv-Ex's claims that the SEC has privately refuted statements made by Solv-Ex union officials and that the SEC has approved its press releases would be even more ludicrous if they were not so seriously fraudulent. In light of the plain facts known about the SEC investigation, Solv-Ex and Mr. Rendall's statements can be very reasonable described as intentionally fraudulent.

Solv-Ex Corporation (Trading Symbol: SOLVQ) (Price: \$9.50)

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.