

May 02, 1997

New Solv-Ex lawsuit clearly proves that particularly all its investor representations are completely false and fraudulent.

New documents and photographs have been entered in a lawsuit dated April 25, 1997 against Solv-Ex Corporation, John S. Rendall and W. Jack Butler. According to the new lawsuit Solv-Ex's plant is not even close to completion and hardly approximates the type of sophisticated, complex and advanced oil production facility that investors were led to expect will soon be in operation. Solv-Ex's very own Alberta Energy and Utilities Board ("AEUB") license application (registered application number 950993) acknowledges and admits that it "did not plan to schedule commercial production to begin until July 2002." In fact, Solv-Ex admits in writing that it has no plans to apply for a new permit for a commercial project until 2002. The AEUB has confirmed that Solv-Ex has not been issued any "new" approvals. Solv-Ex's April 30, 1997 release is completely and totally false and untrue.

The lawsuit provides highly detailed proof of Solv-Ex's fraudulent and gross misrepresentations concerning its ability to produce oil at a substantially lower cost than Suncor and Syncrude; the size, recoverability and value of its so-called "reserves" and the false importance of its disclosed "relationships" with ITC Inc., Leducor Industries Limited, Gibson Petroleum Company, Ltd., Glencore Ltd., Charter Oak Capital, Richard Geist's Strategic Investor and Pace Consultants. The new shareholder lawsuit shows that particularly all material statements made by John S. Rendall and W. Jack Butler concerning Solv-Ex are fraudulent misrepresentations stated to deceive and defraud investors.

Fourteen years ago, in 1983, Solv-Ex sold shares in an initial public offering based on the promises of a "new process to extract bitumen" and its claims to possess huge amounts of rich tar sand deposits. After the offering it was discovered that Mr. Rendall had overstated the quality and quantity of its mineral resources and that the entire project was unfeasible. In fact, Mr. Rendall was openly accused by Representative Mike Synar, Chairman of the U.S. House Government Operations Subcommittee of selling the stock to the public despite Mr. Rendall knowing of problems that made the project unfeasible.

Solv-Ex claims that its work at its Albuquerque Pilot Plant has demonstrated that its claimed "Oil sands processing technology" is commercially viable. In fact, the lawsuit reveals that the Alberta Oil Sands Technology and Research Authority, Suncor, Syncrude and Shell Canada have all evaluated Solv-Ex's process and found it of no commercial value. To this date, Solv-Ex still has not produced and profitably sold any oil and has no ability whatsoever to produce any oil or any mineral in a profitable, economically viable manner.

Solv-Ex Corporation (Trading Symbol: SOLVQ) (Price: \$10.50)

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.