

February 26, 1997

Solv-Ex fires the entire crew that was to have started-up the plant. Mr. Rendall confirms his prior statements were false and untrue.

We have confirmed reports that Solv-Ex continues to lay off employees after announcing a dismissal of 240 workers. We have obtained official confirmation from Solv-Ex that the company has laid off its Process Planner and his crew. The Process Planner was developing all of the procedures, job functions, training materials and head counts required to operate Solv-Ex's plant. The Process Planner is an essential manager if Solv-Ex were actually planning to start the plant. The Process Planner was not involved in construction and was working under the assumption that the plant would actually be built and be operational. The plant is not built and is not operational. Among the others reported to have been laid off are the carpentry supervisor, the chief of security, the warehouse manager, the special projects superintendent, and the heads of contracting, camp maintenance and the warehouse. Mr. Rendall laid off the pipefitter foreman and while admitting the plant's piping work has not even commenced.

Yesterday John S. Rendall, Solv-Ex's Chairman held an investor conference call. On that call Mr. Rendall stated that "all pre-production activity in the mine area has been completed, we have stockpiled 4,000 tons of oil sand oil black gold" and that "the completion of activities in areas such as the mine has resulted in a lay off of about 240 workers". We estimate that Solv-Ex laid off 180 plant workers and only 60 mine workers. We believe that Mr. Rendall moved 4,000 tons of tar sand from the field to the side of the plant to take pictures. This required only a truck and a shovel. We believe that Mr. Rendall purposely made these statements to mislead investors.

On February 10th Mr. Rendall stated that the "whole plant was ready" for production but that "it was best for the plant" to wait until March to start it up. On February 19th we issued a report stating that we had pictures showing that these statements are false and untrue. Mr. Rendall denied that the aerial photos referred to in our report show that the plant was unfinished. In response, on February 25th we issued a detailed description of the plant's condition and status, which we believe proves Mr. Rendall's representations false and untrue. Commenting on this detailed confirmed report Mr. Rendall admitted that if the plant was working "I would turn the switch and be running", and that we have to "wire of the cables to the motors" and that "we have to put these pipes in and connect them all up". Mr. Rendall finally admits "a lot of work remains". Unfortunately, we believe that the only work Mr. Rendall knows is stock manipulation, and misleading and defrauding investors.

Solv-Ex Corporation (Trading Symbol: SOLVQ) (Price: \$12.375)

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.