

March 7, 1997

Asensio & Company's correspondence with Deutsche Bank.

VIA FAX (212) 469-8602 AND HAND DELIVERY

March 7, 1997

Deutsche Bank
North American Holding Corp.
31 West 52nd Street
New York, NY 10019
Attention: Robert Lynch, Esq.
Compliance Officer

Dear Gentlemen:

Asensio & Company, Inc. ("Asensio") is an investment bank and securities dealer registered with the Securities and Exchange Commission ("SEC") and the National Association of Securities Dealers. Asensio has conducted extensive due diligence, fundamental research and technical analysis of Solv-Ex Corporation ("Solv-Ex" or "SOLV"), its Alberta plant and business plans. Based on this review we issued a strong sell recommendation on shares of SOLV's common stock. Further, due to its excessive market valuation and overwhelming evidence of fraudulent securities activities, we also recommend that Solv-Ex shares be sold short. Enclosed are Asensio's eight (8) published research reports.

We have obtained and reviewed Deutsche Bank North American Holding Corp.'s ("Deutsche") Solv-Ex Schedule 13D filed under the Securities Exchange Act of 1934 on October 17, 1996 concerning the events that occurred on September 17, 1996 ("Schedule 13D"). Deutsche has admitted knowledge of the subject transactions since before August 30, 1996. In several instances, Deutsche states that its Schedule 13D is incomplete and qualified due to Deutsche's on-going investigation. Under U.S. securities law Deutsche is obligated to maintain a current and accurate Schedule 13D Solv-Ex filing with the SEC. The Deutsche investigation has progressed for at least 141 days with no amendment to its filing. We possess information that is known by Deutsche that we believe should be disclosed on an amended Schedule 13D. This information includes confirmed public domain reports of a Pounds Sterling 350,000 payment by Russ Oil & Technology, S.A. ("Russ") used to pay for Mr. Peter W. Young's Amersham house. Deutsche is in

possession of Russ's books, records and assets, and acknowledges its right to assert beneficial ownership of Russ's Solv-Ex holdings. Mr. Young is the former affiliated employee referred to in the Schedule 13D filing. This event, which Deutsche has not included in its Schedule 13D, is significant to investors. Solv-Ex management repeatedly refers to a Deutsche affiliate funding as evidence of the company's economic viability. It is very reasonable to assume that Deutsche has undisclosed overwhelming evidence that this inference is totally untrue.

Deutsche's Schedule 13D discloses that it had initiated discussions with bank regulators concerning a plan to dispose of certain shares of Solv-Ex Common Stock and securities convertible into Solv-Ex Common Stock to conform with banking regulations limiting such ownership to five percent. Deutsche Bank has indicated that it owns 12.4% of Solv-Ex, which would require it to dispose of approximately 1.7 million Solv-Ex shares. We believe that Deutsche Bank must amend its Schedule 13-D to include a current, accurate account of these discussions.

We have also conducted an examination of Solv-Ex Corporation's Form 10Q dated December 31, 1996 and the Convertible Loan Agreement between PheMex Establishment ("PheMex") and Solv-Ex dated July 16, 1996 filed as a part of Deutsche's Schedule 13D, and a similar agreement dated April 18, 1996 filed by Solv-Ex ("Loan Agreement") as Exhibit 10.14 to its 1996 Form 10K. Deutsche believes that PheMex was used by Mr. Young, purportedly acting on behalf of a Deutsche affiliate, to obtain the funds it used to lend Solv-Ex from the affiliate's investment management accounts. Deutsche has acknowledged that it may be deemed to be the beneficial owner of this loan. Solv-Ex is in default and has been for at least 67 consecutive days. Based upon our examination, we believe that SOLV is in unremediable default of at least five (5) covenants, including a minimum net worth requirement, contained in this Loan Agreement. Under the Loan Agreement, Deutsche must and is required to give Solv-Ex notice of such default. Absent a waiver, which has not been disclosed and for which we see no merit or basis, this default automatically accelerates payment of the entire Loan Agreement outstanding together with interest, making all amounts immediately due and payable. Further, the Loan Agreement allows Deutsche to immediately sell 1,016,000 shares of SOLV's common stock to use as partial repayment. We believe such an event of default to be of material importance and that it requires disclosure by Deutsche.

As stated first above, we have performed a thorough evaluation of Solv-Ex. Among the issues that we reviewed are certain reported delinquent payments, its construction plans, and its labor relations. We also confirmed reports that Solv-Ex's "plant" is built around a used, poorly converted gravel-washer, has no working electrical controls, motors or connections, and no steam pipes, water or natural gas system. As a result, we believe that SOLV possesses no plans, rights or other assets of any material value. Therefore, we believe that Deutsche's entire Solv-Ex involvement was caused by gross negligence and a failure of its compliance requirements. In fact, Deutsche has acknowledged that it believes Mr. Young diverted money from funds under its affiliate's management for his own benefit. Unfortunately, Deutsche's lack of timely, accurate and complete disclosure has been wrongfully used by Solv-Ex management to support their fraudulent stock

activities. We urge you to immediately comply with Deutsche's U. S. regulatory disclosure requirements. We respectfully request an immediate and detailed response. Thank you.

Sincerely,

ASENSIO & COMPANY, INC.

Manuel P. Asensio
Chairman, President and
Chief Executive Officer

cc: Richard M. Humes, Associate General Counsel
U.S. Securities & Exchange Commission
Fax: (202) 942-9625

Fred L. Chavez, Senior Special Counsel
Andra C. Ozols, Staff Attorney
U.S. Securities & Exchange Commission
Fax: (303) 844-1010

John L. Lafond, Assistant Director
NASD Regulation, Inc.
Fax: (212) 858-4189

Michael M. Dobson, Chief Executive Officer
Deutsche Morgan Grenfell
Fax: (011) 44-171-545-6133

Rolf-E. Breuer, Member of the Vorstandt
Deutsche Bank A.G.
Fax: (011) 49-69-910-35512
MPA:cmp

Deutsche Bank

North America



VIA FACSIMILIE: 212 702-8807

March 11, 1997

Deutsche Bank
North America Holding Corp.
31 West 52nd Street
New York, N.Y. 10019
Telephone: 212-474-6800
Facsimile: 212-474-8802

Asensio & Company Inc.
555 Madison Avenue
New York, NY 10022

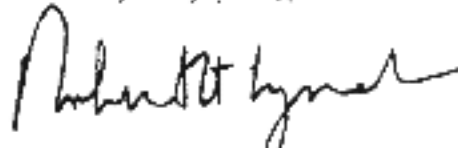
Attn: Mr. Manuel P. Asensio
Chairman, President and
Chief Executive Officer

Dear Sirs:

This will acknowledge receipt of your letter of March 7, 1997 sent via fax. Unfortunately, your hand delivery, apparently with attachments, has not yet been received by the undersigned.

Deutsche Bank AG is fully aware of its obligations under Section 13(d) of the Securities Exchange Act of 1934 and related regulations. Deutsche Bank and its advisors have reviewed and will continue to review all facts relevant to the Bank's filing under Section 13(d) to ensure that the Bank's obligations under such section are fully complied with.

Very truly yours,



Robert H. Lynch
Managing Director

cc: Richard M. Humes, Associate General Counsel
Securities and Exchange Commission

Fred L. Chavez, Senior Special Counsel
Andra C. Ozols, Staff Attorney
Securities and Exchange Commission

John L. Lafond, Assistant Director
NASD Regulation, Inc.

March 11, 1997

Deutsche Bank
North American Holding Corp.
31 West 52nd Street
New York, N.Y. 10019
Attention: Robert Lynch, Esq.
Compliance Officer
Dear Gentlemen:

I am in receipt of your letter dated March 11, 1997. The material you lost is available on the internet at our home page. I am very disappointed, but not surprised, by your response. Now is not the time to attempt to perpetuate a cover-up. Now is the time to be open and candid. By failing to act appropriately Deutsche Bank is aiding and abetting a \$300 million securities fraud, which has cost and will continue to create hundreds of millions in losses to innocent investors. We will disseminate the event of Solv-Ex's default as soon as possible.

Sincerely,

Manuel P. Asensio
Chairman, President and
Chief Executive Officer

cc: Richard M. Humes, Associate General Counsel U.S. Securities & Exchange Commission Fax: (202) 942-9625 Fred L. Chavez, Senior Special Counsel Andra C. Ozols, Staff Attorney U.S. Securities & Exchange Commission Fax: (303) 844-1010 John L. Lafond, Assistant Director NASD Regulation, Inc. Fax: (212) 858-4189 Michael M. Dobson, Chief Executive Officer Deutsche Morgan Grenfell Fax: (011) 44-171-545-6133 Rolf-E. Breuer, Member of the Vorstandt Deutsche Bank A.G. Fax: (011) 49-69-910-35512