

January 11, 2005

Similarities between KFx and the classic Wall Street scam Solv-Ex are striking!

Yesterday KFx, Inc. (AMEX: KFX, \$13.21) issued a press release announcing that it had appointed Dr. Robert S. Kaplan to the company's Board of Directors. Dr. Kaplan is the Marvin Bower Professor of Leadership Development at the Harvard Business School. The failure of KFx's alleged technology is a well established public fact. K-Fuel's inventor was reportedly developing KFx's technology more than 29 years ago. To date KFx has not generated a single dollar in revenues or profits from a single commercial sale of K-Fuel or operated a working commercial plant.

Solv-Ex Corporation (OTC: SVXC.PK, \$0.0001) is a defunct company whose alleged technology was supposed to help solve America's energy problems. Like KFx Solv-Ex claimed it was building a plant capable of producing commercial quantities of its product. Dr. Richard Geist who received his undergraduate degree and doctorate in Psychology from Harvard University promoted Solv-Ex in his market letter called "Strategic Investing." On April 12, 1997 The Financial Post reported on some of Dr. Geist's writings, "The potential [for Solv-Ex] on the mineral side is quite astounding. At \$200 per ton, Solv-Ex would be generating \$400 million in revenues [from alumina production] with operating costs of about \$50 per ton."

Solv-Ex was a fraudulent energy stock promotion that was prosecuted by the Securities & Exchange Commission ("SEC"). On December 22, 2004 the SEC News Digest reported that one of Solv-Ex's leaders Herbert M. Campbell II, Esq. was "permanently disqualified from appearing or practicing before the Commission" for "making material misrepresentations and omissions in public statements and Commission filings." Solv-Ex is the second on Asensio & Company, Inc.'s list of 28 consecutive successful short sales compiled between 1996 and 2003.

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