

March 22, 1998

Crystallex promoter publishes false report.

On Thursday, March 19, 1998 Roy S. Carson of VHeadline/VENews published a report claiming that Rafael Rodriquez Acosta is "to be hauled before an internal disciplinary committee" by Bernardo Alvarez who is the President of the Committee of Energy & Mines. This report is false. However, Mr. Alvarez did lose his office last week. He served for only a brief period. Mr. Alvarez's replacement, who will be a member of an opposing party, may be named early this week. Congressman Omar Barboza is the leading candidate to replace the ousted Mr. Alvarez. Mr. Acosta has been President of Venezuela's Congressional Mining Sub-Committee for 12 years and was a member of the Special Committee that investigated Crystallex International Corporation's (AMEX Trading Symbol: KRY) (Price: \$3.875). Last week, Mr. Acosta accused Crystallex of defrauding investors by claiming it owned the Carabobo mining concessions and by claiming it has a legal action pending against the Las Cristinas 4 and 6 gold mining concessions.

The Venezuelan government at the Federal, State and City level officially opposes Crystallex's Las Cristinas claim. Mr. Alvarez has been unwilling to denounce Crystallex claiming that the dispute is between Crystallex and Placer Dome. This is not true. Mr. Alvarez is aware that the dispute is between Crystallex and his own government. Mr. Alvarez's party formerly called the Radical Cause recently merged with Country for All. Both parties have little support and political power. Combined they hold only 3 of 37 Congressional seats and control no committees. Mr. Alvarez's party may have received support from Crystallex during their attempt to obtain the Carabobo concessions.

Somehow Mr. Alvarez was immediately notified of Mr. Acosta's press conference even though he was traveling. Mr. Alvarez then proceeded to call the press claiming Mr. Acosta has was not President of his Committee. Mr. Acosta's documentation and statement clearly identified him as President of the Mining Sub-Committee not President of the Committee. There was no confusion about Mr. Acosta's title. There was no need or purpose for Mr. Alvarez's actions.

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.