

March 05, 1998

Crystallex transfers \$13.7 million to directors' privately held company.

Certain directors of Crystallex own a privately held company ("Private Co.") that indirectly owns all the outstanding shares of Inversora Mael, C.A. ("Mael"). As of September 1997, Crystallex reports an asset due from related parties in the amount of \$13.7 million. In a footnote to its September 1997 consolidated financial statements, Crystallex discloses that this amount constitutes a loan that was made to enable Private Co. to acquire all shares of Mael on behalf of Crystallex. This loan is non interest bearing and has no stated terms of repayment. Apparently, these funds were removed from Crystallex to pay "expenses" for the fabrication of its falsely alleged Las Cristinas claims. Mael has never held title to Las Cristinas and has executed two definitive release agreements confirming that it has no claim to Las Cristinas.

Crystallex International Corporation (AMEX Symbol: KRY) (Price: \$6.5625)

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.