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Crystallex Reports 2003 Year End Results

TORONTO, ONTARIO, APRIL 23, 2004 – Crystallex International Corporation (TSX: KRY) (Amex: KRY) reported year-end results for 2003. All dollar figures are in Canadian Dollars unless otherwise indicated.

2003 Highlights

- Positive Feasibility Study for the Las Cristinas gold project completed by SNC - Lavalin Engineers and Constructors Inc. (SNCL).
- Strengthened senior management with the hiring of Todd Bruce as President and Chief Executive Officer and Ken Thomas as Chief Operating Officer. Closed the Vancouver office and consolidated the Company's management and administrative operations at its new Toronto head office.
- Received bids by year end for Engineering, Procurement and Construction Management (EPCM) services for the development of Las Cristinas.
- Reserves at December 31, 2003 of 10.6 million ounces of gold, including 10.2 million ounces at Las Cristinas.
- Common share and special warrant financings in August and September 2003 raised gross proceeds of US\$38.2 million. Cash at December 31, 2003 of \$33.9 million.
- Policy to become hedge free. Reduced gold contracts in 2003 by 25%, or 122,000 ounces. In 2004, plan to buy back additional contracts in an amount at least equivalent to gold production for the year.
- Sold the San Gregorio mining interests and related assets in Uruguay.
- Net loss for the year of \$82.1 million, or (\$0.70) per share, inclusive of a non-hedge derivative loss of \$21.7 million, or (\$0.18) per share and a non-cash write-down of mineral properties of \$23.0 million, or (\$0.20) per share.

Subsequent to Year-End

- In January and February, further strengthened management by recruiting three senior project development executives: Ron Colquhoun as Vice President Technical Services; Barney Burke as Corporate Manager, Projects; and John Binns as Vice President Environment.

- On March 8, received approval of the Las Cristinas Feasibility Study from the Corporacion Venezolana de Guayana (CVG).
- On March 25, awarded an EPCM contract to SNCL to provide services for the construction of Las Cristinas. The EPCM schedule is approximately twenty-four months. Detailed engineering has commenced.
- On April 5, closed a common share financing of 25 million common shares at \$4.00 per share for gross proceeds of \$100 million. Net proceeds received of US\$71.7 million will be used to fund the development of Las Cristinas.
- On April 15, submitted the Environmental Impact Study (EIS) for Las Cristinas to the CVG and the Ministry of the Environment and Natural Resources (MARN). Receipt of all required permits to start construction of Las Cristinas is expected later in 2004.

Commenting on the results, Todd Bruce, Crystallex President and Chief Executive Officer said, “2003 was a watershed year for Crystallex. The Company’s program of strengthening its management team, which it initiated over two years ago, continued to progress with the appointment of Ken Thomas as Chief Operating Officer and myself as President and Chief Executive Officer. The Company produced a full feasibility study for the Las Cristinas project which demonstrated the financial viability of the project and which was submitted to the CVG ahead of schedule. The Company completed a major financing in the fall which transformed the company financially and enabled it to fast track the Las Cristinas project and to recapitalise its existing operations in Venezuela.”

“I am very pleased to note how we have been able to increase the momentum even more in 2004 with the recruiting of Ron Colquhoun, Barney Burke and John Binns, the approval of the Las Cristinas feasibility study by the CVG, the appointment of SNCL as the EPCM contractor, the C\$100 million financing, the appointment of BNP Paribas as our project financing advisor, the submission of the EIS which has triggered the final permitting process and the commencing of the works of exploitation at site with the start of the detailed geo-technical drilling and the refurbishment of the construction camp and supporting infrastructure.”

Todd Bruce further noted, “The C\$18.8 million accounting write down of the La Victoria asset reflects the economic impact of the unoxidised zone of the La Victoria ore body returning, in large part, unsatisfactory gold recoveries of 60% or less from conventional cyanidation treatment due to the refractory character of the ore. However, given the potential that exists to expand resources and reserves of unoxidised ore, and the positive results generated by bench scale bio-oxidation test work on a wide range of unoxidised ore samples, the Company has commenced a drill program to expand resources and reserves, as detailed in our press release dated April 19, 2004, and a bio-oxidation pilot plant program to determine the capital and operating cost parameters for an operational unit at our Revemin central processing facility. Given our current geological interpretation, and the positive bench scale bio-oxidation results, we are confident that the feasibility study scheduled for completion in the fourth quarter of 2004 will re-establish the economic viability of the La Victoria operation with the application of the bio-oxidation process to a larger resource and reserve.”

Management Discussion and Analysis Of Financial and Operating Results

(in Canadian dollars, unless otherwise noted)

Overview

The Company recorded a number of significant achievements during 2003 and continues to make considerable progress in early 2004. A positive feasibility study, which was completed for the Las Cristinas project in September 2003, was approved by the CVG on March 8, 2004. The study confirmed the economic and technical viability of Las Cristinas using conventional open pit mining and carbon-in-leach (CIL) gold processing. Also during 2003, Requests for Proposals (RFPs) were prepared and issued to engineering firms to bid for EPCM services related to the construction of Las Cristinas. After a thorough evaluation process, SNCL was appointed on March 25, 2004 as the EPCM contractor for the Las Cristinas project. The project schedule, from detailed engineering through commissioning of the plant, is estimated to be approximately twenty-four months.

The EIS for Las Cristinas was recently revised in conjunction with the CVG. The permitting process was initiated with the submission of the final EIS to the CVG and the MARN on April 15, 2004. The Company is aiming to obtain interim approval during the summer to begin site preparation work and hopes to receive the final environmental and mining permits necessary to begin construction activities during the fourth quarter of 2004.

The Company has met all the required social commitments in the Las Cristinas Mining Operating Agreement, (MOA) with the CVG. Local infrastructure projects, including building thirty new houses, installing new sewerage and water treatment facilities and road upgrading have been completed. The Company is also upgrading a medical clinic and providing medicine on a monthly basis. As required under the MOA, Crystallex has employed 125 local residents at the project and is providing ongoing job training programs.

Crystallex started an infill drill program at Las Cristinas during the first quarter of 2004 with the aim of upgrading some of the inferred resources to measured and indicated resources, which is expected to add to reserves.

In the third quarter of 2003, the Company sold its San Gregorio mine in Uruguay to Uruguay Mineral Explorations Inc. (UME). The transaction was very positive for the Company, as UME assumed all obligations and liabilities, including closure and environmental obligations, as well as funding the closing of the San Gregorio gold forward sale position of 37,640 ounces. UME will also pay Crystallex sale proceeds of US\$2.0 million during 2004.

The sale of the San Gregorio assets advanced the Company's objective of reducing its gold hedge book. During 2003, the Company reduced its forward sales and call options sold by 122,000 ounces. This was accomplished through the San Gregorio sale, a buyback of 25,000 ounces of forward sales contracts and by delivering gold production into forward contracts. The Company had approximately 350,000 ounces of forward sales and call options sold at the end of 2003 at an average price of US\$304 per ounce. During 2004, the Company intends to close additional contracts through financial settlements.

By the end of the third quarter 2003, the Company had considerably improved its cash position. Gross proceeds of US\$38.2 million were raised in two special warrant financings in August and September. A portion of the proceeds were used for immediate capital investments at our existing Tomi mines and Revemin mill and quickly contributed to the improved operating performance during the fourth quarter of the year. Gold production of 15,200 ounces in the fourth quarter accounted for 43% of total gold

production of approximately 35,200 ounces from the Venezuelan operations in 2003. In 2004, the Company expects to produce about 50,000 ounces of gold.

The Company's cash position was further strengthened with the \$100 million common share financing subsequent to year-end. These proceeds will allow the Company to advance with engineering, equipment purchasing and start development of Las Cristinas during 2004. The total financing requirement for Las Cristinas is estimated at approximately US\$340 million, including US\$39 million of refundable VAT, a cost overrun requirement to support our guarantee of a planned project debt financing, interest during the construction period and various financing fees. Currently, the Company expects to finance the construction of Las Cristinas with a combination of equity and project debt.

Financial Results Overview

	2003	2002	2001
Operating Statistics			
Venezuela Gold Production	35,244	27,791	42,690
Uruguay Gold Production ¹	41,729	66,832	66,957
Total Gold Production (ounces)	76,973	94,623	109,647
Total Cash Cost Per Ounce Sold ^{2,3}	US\$378	US\$346	US\$178
Average Realized Price Per Ounce ³	US\$363	US\$310	US\$242
Average Spot Gold Price Per Ounce	US\$363	US\$310	US\$271
Financial Statistics (C\$ thousands)			
Revenues ³	\$15,567	\$13,318	\$16,006
Cash Flow from Operating Activities ^{3,4}	(\$34,308)	(\$4,549)	\$4,318
Net Loss	(\$82,054)	(\$56,460)	(\$42,552)
Net Loss per Basic Share	(\$0.70)	(\$0.67)	(\$0.62)
Weighted Average Number of Common Shares Outstanding	118,309,198	84,441,287	69,117,738

¹Includes nine months production from San Gregorio in 2003. On the Financial Statements, San Gregorio is accounted for as a Discontinued Operation.

²This is a non-GAAP measure. For an explanation of Total Cash Costs refer to the section of Non-GAAP measures.

³From continuing operations only (excludes San Gregorio).

⁴Includes Working Capital changes, before capital expenditures.

During 2003, the Company incurred a net loss of \$82.1 million, or \$0.70 per share as compared with a net loss of \$56.5 million, or \$0.67 per share in 2002. The larger net loss in 2003 was primarily attributable to a non-cash charge of \$23.0 million for a write-down of mineral properties, (of which \$18.8 million relates to the La Victoria property), an increase in general and administrative expenses from \$9.0 million to \$22.4 million, and a foreign exchange loss of \$4.5 million. The foreign exchange loss was due to the impact of the weakening of the U.S. dollar on the Company's Canadian dollar obligations. These items were partially offset by a reduction in the non-hedge derivative loss to \$21.7 million in 2003 as compared with a \$34.8 million loss in 2002.

Revenue on our Statement of Operations represents revenue from the Venezuelan operations only, as San Gregorio is accounted for as a Discontinued Operation. Revenue in 2003 was \$15.6 million, as compared with \$13.3 million in 2002. The increase in revenue is attributable to selling more ounces of gold in Venezuela at a higher average realized price. Gold sales in 2003 were 30,632 ounces at an average realized price of US\$363 per ounce, as compared with 28,088 ounces in 2002 at an average realized price of US\$310 per ounce.

Operating cash flow from continuing operations, before capital expenditures, was a utilization of \$34.3 million in 2003, as compared with a utilization of \$4.5 million in 2002. Higher general and

administrative expenses, cash used to reduce the gold hedge book and a greater use of cash related to working capital changes were the main reasons for a larger operating cash flow deficit in 2003.

Financing activities increased during 2003. The Company raised approximately \$75 million during the year, primarily with special warrant financings. The financings in 2003 and the April 2004 common share financing for gross proceeds of \$100 million have considerably improved the Company's liquidity.

Income Statement

Production and Gold Sales Revenue

	2003	2002
Gold Production (ounces)		
San Gregorio ¹	41,729	66,832
La Victoria	5,564	22,548
Tomi Open Pit	24,360	2,347
Tomi Underground	2,753	0
Purchased Material	2,567	2,896
Total	76,973	94,623
Total Cash Costs (US\$/ounce)		
San Gregorio	\$276	\$237
Venezuela	\$378	\$346
Company Average	\$323	\$269

¹ Figures are for the nine months of 2003 that Crystallex owned San Gregorio.

² Ore from Tomi, La Victoria and Purchased material is processed at the Company's Revemin mill.

In 2003, the Company produced almost 77,000 ounces of gold, about 18,000 ounces less than the 95,000 ounces produced in 2002. The decrease was due to selling the San Gregorio mine at the end of the third quarter of 2003, although this was partially offset by higher gold production in Venezuela. Gold production in Venezuela was approximately 35,000 ounces in 2003, a 25% increase over the 28,000 ounces produced in 2002. There was a considerable improvement in operating performance during the final quarter of 2003, with gold production reaching 15,200 ounces, as compared with 4,300 ounces in the first quarter. This was attributable primarily to increasing mill throughput resulting from capital investments in equipment and spare parts, as well as from higher ore grades and gold recoveries. The Revemin mill operated at 98% of its 1,350 tonne per day capacity during the fourth quarter of 2003, up from only 55% in the first quarter of the year. Gold recovery, which averaged 84% for the year, was 92% in the fourth quarter. The grade of ore processed at the Revemin mill during the fourth quarter averaged 4.2 grams per tonne, as compared with 3.5 grams per tonne for the full year and 3.0 grams per tonne in 2002.

Tomi

Tomi was the Company's main producing concession in 2003, accounting for about 77% of Venezuelan production. Tomi produced 27,113 ounces in 2003, of which 24,360 ounces were from the Milagrito and Mackenzie open pit mines and the balance of 2,753 ounces were from the new Charlie Richards underground mine.

Almost all of the Company's forecast gold production of 50,000 ounces in 2004 will come from the Tomi concession. Mining will be conducted at the Milagrito and Mackenzie open pits and the Charlie Richards underground mine. The open pit reserves at Tomi are forecast to be depleted during 2005.

Production at the Charlie Richards underground mine is expected to reach design levels of about 200 tonnes of ore per day by the third quarter of 2004. At full operation, annual gold production from the underground mine is forecast to range between 10,000 and 17,000 ounces per year for approximately four years at current estimated reserves of 68,000 ounces of gold. Total cash costs are forecast to average US\$175 per ounce.

The Company has forecast capital expenditures of approximately US\$2.0 million for the Tomi concession during 2004.

La Victoria

The La Victoria deposit contains a significant quantity of sulphide refractory ore, which results in low gold recoveries when processed at the Revemin mill, which is a conventional cyanide-in-leach plant. The recovery of gold from La Victoria ore averaged only 54% during the third quarter of 2003 and 68% for the first nine months of the year. As a consequence, the production of ore has been suspended at La Victoria while the Company assesses the viability of treating the refractory ore in a Bio-Oxidation circuit prior to cyanide leaching. The Company is currently conducting a Bio-Oxidation pilot plant test on a twenty tonne sample of ore from La Victoria. Due to a lack of capital in the past, data from previous drilling is insufficient to accurately confirm the full extent of La Victoria's reserve potential. Consequently, an infill drill program is underway to better determine the size and grade of the deposit. Production will resume at La Victoria if the Bio-Oxidation process is technically viable and the project generates an acceptable economic return. A decision will likely be made in the third quarter of 2004.

The Company wrote-down its entire \$18.8 million carrying value of La Victoria in accordance with Canadian Generally Accepted Accounting Principles (GAAP). Nevertheless, based on positive preliminary Bio-Oxidation testwork and geological interpretations, the Company is optimistic that La Victoria can be restored to economic viability.

Gold Sales

The Mining Revenue line on the Statement of Operations of the Company only includes gold sales from our Venezuelan mines, as the San Gregorio mine in Uruguay was sold at the end of the third quarter of 2003 and is accounted for as a Discontinued Operation. Gold sales were 30,362 ounces in 2003 from operations in Venezuela. This is less than production of 35,244 ounces as approximately 4,900 ounces of gold produced in December 2003 were not sold until after year-end. Including gold sales from San Gregorio of 39,562 ounces, total gold sales for the year were 70,194 ounces.

Spot gold prices averaged US\$363 per ounce in 2003, up from US\$310 in 2002. In Venezuela, all our gold is sold to the Central Bank and the Company receives the prevailing spot gold price. During 2003, we received an average price of US\$363 per ounce for our Venezuelan gold sales. This generated revenue on our Statement of Operations of \$15.6 million during 2003.

Most of the gold sales from Uruguay were delivered against forward sales positions and the Company realized an average price of US\$297 per ounce on gold sales from Uruguay.

In 2004, the Company expects to continue to sell all gold production to the Venezuelan Central Bank and realize the spot price of gold on these sales. Gold sales proceeds are received in local currency and will be utilized to fund ongoing operations and capital projects in Venezuela.

Operating Expenses

The Company's total cash costs of production include mining, processing, mine administration, royalties and production taxes and excludes corporate general and administrative expenses, depreciation and depletion, financing costs, capital costs, exploration and reclamation accruals.

The Company's cost of sales for 2003 were \$16.2 million as compared with \$15.2 million in 2002, as more ounces of gold were produced and sold in 2003 than in 2002. Gold sales from continuing operations were 30,632 ounces in 2003, as compared with 28,088 ounces in 2002. The total cash costs per ounce of gold sold from Venezuela was US\$378 per ounce in 2003, however when gold production from discontinued operations (Uruguay) is included, the Company's total cash costs were US\$323 per ounce. Operating costs in Venezuela were high during the first nine months of 2003, particularly in the first quarter when they averaged US\$460 per ounce. The high costs were primarily a result of low gold recoveries at La Victoria. Gold production improved materially by year end as mining was entirely conducted at the Tomi concession, which is higher grade and yields higher gold recoveries than experienced at La Victoria.

General and Administrative Expenses

General and Administrative (G&A) expenses totalled \$22.4 million during 2003, as compared with about \$9.0 million in 2002. Compensation, including salaries and bonuses, comprised the largest component of G&A during 2003, at about \$7.4 million. Other significant G&A expense categories included legal and audit fees of \$3.8 million, advisory and consulting fees of about \$3.0 million, Caracas office G&A of \$2.0 million and insurance of \$1.3 million.

G&A expenses in 2003 were approximately \$13.4 million higher than in 2002. During the year the Company incurred unusual and one-time expenses in respect of: special one-time bonus payments to officers and directors related to the consummation of the Las Cristinas mining agreement; bonus and success fees paid to various Venezuelan litigation and other legal counsels; professional fees related to responding and satisfying questions raised during an ongoing regulatory review; successful completion of several financings and office closures with related consolidation costs. At least \$5 million of such costs represent one-time expenditures. In addition, the Company has significantly added to its senior staff in contemplation of the commencement of the financing and construction of the Las Cristinas project, further increasing G&A expenditures.

The largest component of the \$13.4 million increase was bonus payments, which were \$2.9 million higher in 2003 as compared with 2002. Included in the \$2.9 million increase are \$1.3 million of special bonuses paid in September 2003 to management and directors of the Company and \$1.1 million of success fees paid to the Company's Venezuelan legal counsel, all as one-time payments specifically in recognition of their commitment of time and effort on behalf of the Company, over several years, in successfully consummating the Las Cristinas mining operation agreement. The payments were approved by an independent compensation committee of the Board of Directors.

Advisory fees accounted for \$2.3 million of the increase of G&A expenditures in 2003 as compared with 2002. The two principal advisory fees were related to the engagement of an investment bank to provide corporate advisory services and for the engagement of a project finance debt advisor for Las Cristinas. Other G&A areas that had material increases during 2003 included legal and audit fees, which increased by \$2.1 million and insurance which increased by \$1.1 million.

Forward Sales and Written Call Options

The Company has adopted a policy to become hedge free as we hold the view that the market ascribes a discount to derivatives. The Company plans to eliminate its existing economic derivative commitments, which consist of call options sold and forward sales contracts. This will be accomplished by repurchasing forward sales and call option contracts at opportune times. To facilitate this approach, the Company plans to negotiate with its counterparties to move certain commitments to future periods.

The Company made considerable progress during 2003 in reducing the number of hedged ounces of gold. Commitments under forward sales and call options were reduced from 471,872 ounces to 350,025 ounces, a reduction of almost 122,000 ounces. This was mainly accomplished by delivering gold production into forward sales positions, buying back 25,000 ounces of forward sales (at a net cost of approximately US\$74 per ounce or US\$1.84 million) and by retiring 37,640 ounces of forward sales as part of the sale of the San Gregorio mine. At year-end, the Company's contracted ounces represented just 3% of our reserves.

As tabled below, at December 31, 2003, the Company's derivative position was comprised of 125,856 ounces of fixed forward contracts at an average price of US\$305 per ounce, and 224,169 ounces of call options sold at an average price of US\$303 per ounce.

	2004	2005	2006	Total
Fixed Forward Gold Sales (ounces)	43,430	42,430	39,996	125,856
Average Price (US\$/ounce)	\$300	\$305	\$310	\$305
Written Gold Call Options (ounces)	127,237	94,932	2,000	224,169
Average Exercise Price (US\$/ounce)	\$298	\$309	\$348	\$303
Total (ounces)	170,667	137,362	41,996	350,025
Average Price (US\$/ounce)	\$299	\$308	\$312	\$304

Accounting for Derivative Instruments

The Company's existing forward sales and call options are designated as derivatives so they do not qualify for the normal sales exemption, (or hedge accounting) for accounting treatment. The Company's metal trading contracts are recorded on the Balance Sheet at fair market value. Crystallex has no off-balance sheet gold contracts. Changes in the fair value of derivatives recorded on the Balance Sheet are recorded in earnings as an unrealized non-hedge derivative (loss) gain in the Statement of Operations. The gains and losses occur because of changes in commodity prices and interests rates.

The variation in the fair market value of options and forwards from period to period can cause significant volatility in earnings; however, this fair market value adjustment is a non-cash item that will not impact the Company's cash flow. For the year, the total unrealized mark-to-market loss on the non-hedge derivative positions was \$19.4 million. In addition, realized losses of \$2.3 million arising from financial settlement of contracts were also recognized.

Mark-to-Market (Fair Value)

At December 31, 2003, the unrealized mark-to-market value of the Company's gold forward sales and call options, calculated at a year end spot price of US\$415 per ounce was negative \$52.6 million. This fair value is recorded on the Balance Sheet as a liability (Deferred Credit) and represents the replacement value of these contracts based upon the spot gold price at year-end and does not represent an obligation for payment. The Company's obligations under the forward sales contracts are to deliver an agreed upon quantity of gold at a predetermined price by the maturity date of the contract, while delivery obligations under the call options sold are contingent upon the price of gold and will take effect if the gold price is

above the strike price of the relevant contract at its maturity date and the option is exercised by the option holder.

In circumstances where the Company is unable to meet the obligations under the fixed forward sales or call options, the Company may negotiate with the counterparty to defer the expiry date of the forward sale or call option, or purchase gold in the market, or settle the positions financially. If the Company were to purchase gold in the market or settle the contracts financially, it would result in a reduction of the Company's cash. The table below illustrates the cash requirement if the Company had to financially settle contract positions in excess of planned production. The analysis assumes the Company proceeds with a Bio Oxidation operation at La Victoria, the Albino mine is developed on schedule and excludes future Las Cristinas production. It also assumes the Company is unable to roll existing contracts to future periods. The December 31, 2003 spot gold price of US\$415 per ounce is used.

US\$ millions	2004	2005	2006	Total
Total ounces Committed	170,667	137,362	41,996	350,025
Planned Production	50,000	75,000	65,000	190,000
Excess Committed Ounces	120,667	62,362	nil	183,029
Average Committed Price (US\$/oz)	\$299	\$308	\$312	\$302 ¹
Average Assumed Spot Price (US\$/oz)	\$415	\$415	\$415	\$415
Cash Required to Settle Excess Positions	\$14.0	\$6.7	nil	\$20.7

¹Represents the average price for the years 2004 and 2005 in which there are excess committed ounces.

The Company cautions readers not to place undue reliance on the projected production figures illustrated above. As noted under "Forward Looking Statements" in the Annual Report, predictions and forecasts involve inherent risks and uncertainties. A number of factors could cause actual results to differ from plans.

Write-down of Mineral Properties

The Company annually performs property evaluations to assess the recoverability of its mining properties. Impairment evaluations compare the undiscounted forecast future cash flow from each operation with its carrying value and where the cash flows are less, a write-down to estimated fair value is recorded. In 2003, Crystallex incurred mineral property write-downs of \$23.0 million. Management concluded that the undiscounted cash flow from currently estimated reserves at the La Victoria property, determined using a US\$325 per ounce gold price and preliminary capital and operating cost estimates for a Bio-Oxidation plant, would be insufficient to recover the carrying value of the property. In accordance with Canadian GAAP, the Company wrote-down the value of the La Victoria property by \$18.8 million, reducing the carrying value to zero. A lack of capital in the past prevented the Company from undertaking a comprehensive drill program to determine the full extent of La Victoria's reserve potential. The Company is presently drilling at La Victoria and expects to have a revised reserve estimate during the third quarter of 2004. In addition, the Company will soon be conducting a Bio-Oxidation pilot plant test to confirm the amenability of the La Victoria ore to the Bio-Oxidation process.

The remaining \$4.2 million balance of the \$23.0 million of mineral property write-downs is related to various exploration properties, principally the Santa Elena property in Venezuela.

Liquidity and Capital Resources

Historically, the Company's principal source of liquidity has been equity and equity-equivalent forms of financings as the Company's operations have not generated sufficient cash to meet its operating requirements and planned capital expenditures. The Company anticipates capital needs of approximately US\$350 million over the next two years, related to developing Las Cristinas and for capital projects at

existing operations. In addition, over the same period, the Company forecasts cash requirements of between US\$30 million to US\$40 million to cover general and administrative requirements, debt service and operating cash flow deficits. Crystallex will continue to rely on the equity markets for meeting its commitments and planned expenditures and also intends to access the project debt finance market to meet a portion of the expected capital expenditures for the development of Las Cristinas.

The Company intends to finance the development of Las Cristinas with a combination of equity and project finance debt. On April 5, 2004, Crystallex closed an offering of 25 million shares priced at \$4.00 per share for gross proceeds of \$100 million. The proceeds will primarily be used to fund the development of Las Cristinas. To advance the Las Cristinas project to commercial production, the Company currently expects to issue equity or arrange other forms of financing later this year or in early 2005 and expects to close a project finance debt agreement with a syndicate of commercial banks and possibly export credit agencies during 2005. There can be no assurance that these financing arrangements will be available, or available on terms acceptable to the Company.

Working Capital

At December 31, 2003, the Company's working capital position improved significantly to \$4.7 million from negative \$19.5 million at December 31, 2002. The increase was due to common share and warrant financings during the third quarter of 2003, which raised aggregate gross proceeds of US\$38.2 million. The Company's cash position at December 31, 2003 was \$33.9 million. Furthermore, the recent \$100 million common share financing has considerably enhanced the Company's liquidity.

Cash Flow from Operations

Operating cash flow (after working capital changes and before capital expenditures) was a utilization of \$34.3 million in 2003. A cash flow deficit was incurred as revenues from gold sales were offset by direct operating costs of production, consequently there was no cash flow to provide for general and administrative expenses, interest expenses and working capital changes.

The deficit of \$34.3 million in 2003 was \$29.8 million higher than the deficit of \$4.5 million in 2002. The increase was mainly due to an \$11.4 million increase in General and Administrative cash expenditures (a portion of G&A expenses in 2003 were paid in shares and warrants of the Company) and a \$9.5 million increase in cash used for changes in working capital items. Also, the Company spent \$2.3 million on reducing its gold forward sales positions during the year, including a buyback of 25,000 ounces of forward sales contracts at a spot price of US\$372 per ounce.

The Company expects to have a cash flow deficit of approximately US\$15 million in 2004 as cash flow from the operations will be insufficient to fund general and administrative expenses, debt service and cash obligations related to the Company's gold hedge book.

Investing Activities

The Company's principal investing activities are for capital expenditures at its operations.

Capital expenditures during 2003 totalled \$12.3 million, as compared with \$42.2 million in 2002. The reduction in capital spending was largely due to reduced expenditures at Las Cristinas. Expenditures at Las Cristinas were \$37.4 million in 2002 and included a US\$15.0 million payment to the CVG under the terms of the Mining Operating Agreement. The investments in 2003 were principally for the Las Cristinas project (\$9.9 million), including the costs for the Feasibility Study, maintaining the camp and completing the social development infrastructure programs. The balance of the capital expenditures were related to the operating mines in Venezuela.

The Company is planning significant capital expenditures in 2004 and 2005, mainly for the development of the Las Cristinas project. The timing of these expenditures will be determined by our ability to raise both equity and debt financing. Capital expenditures during 2004 are estimated at approximately US\$88 million as follows: Las Cristinas US\$80 million; Tomi US\$2 million; Revemin Mill US\$3 million and Albino US\$3 million.

If the Company proceeds with the construction of a Bio Oxidation plant at Revemin for processing La Victoria ore, it is presently estimated that capital expenditures of approximately \$15 million will be required for the plant and for development work at the La Victoria mine. These expenditures would largely be incurred in 2005.

It is expected that the projected operating deficit and capital expenditure requirements for 2004 will be funded with the proceeds from the \$100 million equity financing and from cash on hand of \$33.8 million at December 31, 2003. As noted, to complete the development of Las Cristinas, the Company currently expects to issue equity or arrange other forms of financing later in 2004, or in early 2005 and anticipates closing a project finance debt transaction in 2005.

The Company expects to realize cash proceeds of US\$2.0 million from the sale of the San Gregorio mine in 2004. The first instalment of US\$1.0 million was received by the Company on April 14, 2004.

Financing Activities

During 2003, the Company raised net financing proceeds of \$75.1 million, of which \$61.7 million were proceeds from five special warrant financings throughout the year, \$9.4 million were proceeds from the issuance of common stock and \$4.1 million were proceeds from a convertible note financing. The convertible notes were converted into common shares during the fourth quarter of 2003. Refer to Note 8 of Notes to the Financial Statements for details of the special warrant financings.

In addition, common shares were issued during the year for the following main activities: on the exercise of warrants and special warrants (22.1 million shares); upon the conversion of convertible notes (17.0 million shares); for bank loan repayments (2.3 million shares); for legal fees (1.3 million shares) and for financial advisory fees (350,000 shares). The Company also issued warrants and special warrants during 2003 for the following main activities: 13.9 million warrants and special warrants issued for cash; 900,000 common share warrants issued for consulting fees and 450,000 warrants issued as part of the convertible note financing noted above. Payment of various fees in common shares during the first nine months of 2003 reflects the Company's previous lack of liquidity. Equity financings during the past six months (including the recent \$100 million common share financing) have significantly improved the Company's liquidity and it is now the Company's intention to use cash rather than common shares to meet its obligations.

Debt repayments were \$2.1 million during 2003. At year end, the Company's total debt outstanding was \$9.7 million. The debt is a term loan with Standard Bank London Limited secured by certain of the Company's assets (excluding Las Cristinas). The loan bears interest at approximately 2.5% over Libor with principal payments due semi-annually until 2006. Total debt was reduced from \$34 million at year end 2002, principally by issuing common shares upon the conversion of convertible notes.

Contractual Obligations and Commitments

The Company's contractual obligations and commitments are tabled below:

	2004	2005	2006
Scheduled Debt Repayments	US\$1,030,000	US\$4,400,000	US\$2,058,000
Operating Lease Obligations	\$204,000	\$208,000	\$198,000
Precious Metal Contracts:			
Fixed Forward Contracts	43,430 oz @ an average of US\$300/oz	42,430 oz @ an average of US\$305/oz	39,996 oz @ an average of US\$310/oz
Call Options Sold	127,237 oz @ an average of US\$298/oz	94,932 oz @ an average of US\$309/oz	2,000 oz @ an average of US\$348/oz

In addition, the Company has royalty commitments that are only payable if gold is produced. There is no obligation to make payments if gold is not produced. Currently, the Company's only gold production is from the Tomi concession, which is subject to a 1.75% royalty on gold revenue. All gold production in Venezuela is subject to an exploitation tax, established under the Mining Law, which is payable to the Republic. The exploitation tax is presently 3% of gold revenue.

Related Party Transactions

During 2003, Crystallex entered into the following material transactions with related parties:

Legal Fees

- Gomez Cottin & Tejera-Paris: Gomez Cottin & Tejera-Paris are the Company's Venezuelan legal counsel. For a portion of 2003, Gomez Cottin & Tejera-Paris were considered a related party as Enrique Tejera-Paris, a principal of Gomez Cottin & Tejera-Paris, was a member of the Board of Directors of Crystallex. For the portion of the year that Gomez-Cottin & Tejera was a related party they were paid \$3,895,582 for providing legal advice to Crystallex.
- McMillan Binch LLP: McMillan Binch LLP provides legal services to the Company. David Matheson is counsel to McMillan Binch LLP and is a member of the Board of Directors of Crystallex. During 2003, McMillan Binch LLP was paid \$484,896 for providing corporate legal services to Crystallex.

Management and Consulting Fees

- Orion Securities Inc.: Orion Securities Inc. is an investment dealer that provided advisory services to the Company during 2003, and of which Mr. Robert Fung is an employee. He is Chairman of the Board of Directors of Crystallex. During 2003, Orion was paid \$1,196,000 for advisory services, (the payment was made in shares and warrants of the Company).
- Osprey Capital Partners: During 2003, Crystallex paid \$520,000 to Osprey Capital Partners, a partnership in which Robert Fung is a minority partner. The payments to Osprey Capital Partners by Crystallex were for investment banking counselling provided by other partners of Osprey Capital Partners and Mr. Fung, which advice was unrelated to his role as Chairman of Crystallex.
- Riccio Consulting: Dr. Luca Riccio is the Vice President, Exploration for Crystallex. He is paid under a consulting arrangement for his services and in 2003 his company, Riccio Consulting, received payments of \$214,018.
- Capital Markets Advisory Inc.: Michael Brown is the principal of Capital Markets Advisory Inc. and he is a member of the Board of Directors of Crystallex. During 2003, Crystallex paid \$160,000 to Capital Markets Advisory Inc. for providing investor relations and other corporate advisory services to the Company.

Directors Remuneration

- Robert Fung: During 2003 Mr. Fung was paid \$561,800, which was a one-time special bonus in recognition of Mr. Fung's contribution over the years to successfully securing the Las Cristinas properties.
- Harry Near: Harry Near is a member of the Board of Directors of Crystallex. During 2003 Mr. Near was paid \$145,000, which was a one-time special bonus in recognition of Mr. Near's contribution over the years to successfully securing the Las Cristinas properties.
- David Matheson: David Matheson is a member of the Board of Directors of Crystallex. During 2003, Mr. Matheson was paid \$75,000 for additional time and services as Chairman of the Audit Committee.

Outstanding Share Data

At April 12, 2004, 175,583,492 of common shares of Crystallex were issued and outstanding. In addition, at April 12, 2004 options to purchase 10,234,000 common shares of Crystallex were outstanding under the Company's option plan and warrants to purchase 18,334,905 common shares of Crystallex were issued and outstanding.

Critical Accounting Policies and Estimates

Use of Estimates

The preparation of financial statements in conformity with accounting principals generally accepted in Canada requires management to make estimates and assumptions that affect the reported amount of asset and liabilities and disclosure of contingent assets at the date of the consolidated financial statements. Significant estimates used herein include those relating to gold prices, recoverable proven and probable reserves, available resources, fair values of commodity derivative contracts, (principally fixed forward contracts and written call options) available operating capital and required reclamation costs. Among other things, these estimates each affect management's evaluation of asset impairment and the recorded balances of inventories, site closure and reclamation and remediation obligations. It is reasonably possible that actual results could differ in the near term from those and other estimates used in preparing these financial statements and such differences could be material.

Property Evaluations

The Company reviews and evaluates the recoverability of the carrying amounts of all its producing properties and related plant and equipment annually or when events and changes in circumstances indicate that the carrying value may not be recoverable. Estimated net future cashflows, on an undiscounted basis, are calculated using estimated recoverable ounces of gold (considering current proven and probable reserves), estimated future commodity price realization (considering historical and current prices, price trends and related factors) and, operating costs, future capital expenditures, project financing costs, reclamation costs and income taxes. Reductions in the carrying amount of property, plant and equipment, with corresponding charges to earnings, are recorded to the extent that the estimated future undiscounted net cashflows are less than the carrying amount.

Capitalization of Exploration and Development Costs

Mineral exploration costs such as topographical, geochemical, and geophysical studies are capitalized and carried at cost until the properties to which they relate are placed into production, sold, or where management has determined there to be a permanent impairment in value. Development costs incurred to access ore bodies identified in the current mining plan are expensed as incurred after production has

commenced. Development costs necessary to extend a mine beyond those areas identified in the current mining plan and which are incurred to access additional reserves are deferred until the incremental reserves are mined. Mineral properties and development costs, including the mineral acquisition and direct mineral exploration costs relating to the current mining plan are depleted and amortized using the units-of-production method over the estimated life of the ore body based on proven and probable reserves.

Commodity Derivative Contracts

The Company uses commodity derivative contracts, principally fixed forward contracts and written call options, to economically hedge exposure to fluctuations in the market price of gold. These instruments are not designated as hedges for accounting purposes and are carried on the balance sheet under the captions deferred credit and deferred charge, at estimated fair market value.

Premiums received at the inception of written call options are initially recognized on the balance sheet as a liability. Unrealized gains or losses arising from changes in the fair market value of the liability related to both fixed forward contracts and written call options and realized gains/losses on commodity derivative contracts which are either settled financially or through physical delivery, are recognized in the statement of operations in the period of the change or settlement as an unrealized non-hedge derivative loss/gain.

Non GAAP Measures

Total cash costs per ounce are calculated in accordance with the Gold Institute Production Cost Standard, (the "Standard"). The total cash cost per ounce data are presented to provide additional information and are not prepared in accordance with Canadian or U.S. GAAP. The data should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The measures are not necessarily indicative of operating profit or costs of operations as determined under Canadian or U.S. GAAP. The total cash cost per ounce calculation is derived from amounts included in the Operating Expense line on the Statement of Operations. As this line item is unchanged under US GAAP, the total cash cost per ounce figure is similarly unchanged using US GAAP results of operations.

Data used in the calculation of total cash costs per ounce may not conform to other similarly titled measures provided by other precious metals companies. Management uses the cash cost per ounce data to access profitability and cash flow from Crystallex's operations and to compare it with other precious metals producers. Total cash costs per ounce are derived from amounts included in the Statement of Operations and include mine site operating costs such as mining, processing, administration, royalties and production taxes but exclude amortization, reclamation, capital expenditures and exploration costs.

Total cash costs per ounce sold may be reconciled to our Statement of Operations as follows:

C\$,000	2003	2002	2001
Operating Costs per Financial Statements	16,240,363	15,191,619	11,696,769
By-Product Credits	---	---	---
Reclamation and Closure Costs	---	---	---
Operating Costs for Per Ounce Calculation	16,240,363	15,191,619	11,696,769
Ounces Sold	30,632	28,088	42,690
Total Cash Cost Per Ounce C\$	C\$530	C\$541	C\$274
Average Annual C\$/US\$ F/X Rate	1.40	1.57	1.55
Total Cash Cost Per Ounce Sold US\$	US\$378	US\$346	US\$178

About Crystallex

Crystallex International Corporation is a Canadian based gold producer with significant operations and exploration properties in Venezuela. The Company's principal asset is the Las Cristinas property in Bolivar State that is currently under development. Other key assets include the Tomi Mine, the La Victoria Mine and the Revemin Mill. Crystallex shares trade on the TSX (symbol: KRY) and AMEX (symbol: KRY) Exchanges.

For Further Information:

Investor Relations Contact: A. Richard Marshall, VP at (800) 738-1577

Visit us on the Internet: <http://www.crystallex.com> or Email us at: info@crystallex.com

NOTE: This may include certain "forward-looking statements" within the meaning of the United States Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included in this presentation, including, without limitation, statements regarding potential mineralization and reserves, exploration results, and future plans and objectives of Crystallex, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed under the heading "Risk Factors" and elsewhere in documents, including but not limited to its annual information form ("AIF") and its annual report on Form 20-F, filed from time to time with the Canadian provincial securities regulators, the United States Securities and Exchange Commission ("SEC"), and other regulatory authorities.

Cautionary Note to Investors - We use certain terms in this release, such as "resource," "measured resource", "indicated resource" and "inferred resource," that the SEC guidelines strictly prohibit us from including in our filings with the SEC. Furthermore, reserves have been calculated in accordance with NI 43-101, as required by Canadian securities regulatory authorities. For United States reporting purposes, however, a full feasibility study is required in order to classify mineral deposits as reserves, since the SEC permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. Therefore, the amount of reserves may differ for Canadian and US reporting purposes.

The Toronto Stock Exchange has not reviewed this release and does not accept responsibility for the adequacy or accuracy of this news release.