



For Immediate Release

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## **Crystallex updates Shareholders on Note Holder Legal Action**

**TORONTO, ONTARIO, DECEMBER 11, 2008 – CRYSTALLEX INTERNATIONAL CORPORATION (TSX: KRY) (NYSE Alternext US: KRY)** today reported that it has now been served with a Notice of Application by Computershare Trust Company of Canada (“Computershare”) in its capacity as Trustee for the holders of certain senior unsecured notes of Crystallex due December 23, 2011. Computershare, on behalf of the debenture holders, is seeking a declaration from the Court that there has been a “Project Change of Control” event as defined in the First Supplemental Indenture made as of December 23, 2004 thereby requiring Crystallex to purchase all of the notes of each note holder who has so requested at a price equal to 102% of the principal amount of the notes, together with accrued and unpaid interest to the date of purchase.

A “Project Change of Control” is defined as “the occurrence of any transaction as a result of which Crystallex ceases to beneficially own, directly or indirectly, at least a majority interest in the Las Cristinas project asset.” No such transaction has occurred and Crystallex will accordingly vigorously defend itself. In particular, the claim relies upon press reports and similar non-official communications which attribute comments to the Government of Venezuela suggesting they intend to take control over the Las Cristinas project from Crystallex. As previously disclosed Crystallex is in frequent communication with Venezuelan government officials and has received no official communication concerning changes to the control of Las Cristinas or the Mine Operating Contract. Crystallex believes this legal action is an attempt by note holders to remove control of the corporation from its shareholders.

In the alternative, Computershare is seeking permission from the Court to commence a derivative action in the name of and on behalf of Crystallex. The proposed derivative action is one which would require Crystallex to bring an action against its entire Board of Directors. The essence of the proposed derivative action is that the Board of Directors pursued the Las Cristinas project in Venezuela for longer than it ought to have pursued it and that the directors have allegedly mismanaged certain aspects of Crystallex’s operations in Venezuela.

Crystallex will review and analyse the materials the note holders have served to support their claim to a derivative action. Once this analysis is complete, Crystallex will further advise its shareholders and stakeholders on its next steps with regard to this claim.

For Further Information:

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