This is the form of material change report required under Section 85(1) of the Securities Act.

BC FORM 53-901F
(formerly Form 27)

Securities Act

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

Item 1. Reporting Issuer

Crystal Graphite Corporation
Suite 1750, 999 West Hastings Street
Vancouver, BC V6C 2W2

Item 2. Date of Material Change

March 28, 2003

Item 3. Press Release

March 31, 2003

Item 4. Summary of Material Change

Issuance of 1,000,000 shares from exercise of stock options

Item 5. Full Description of Material Change

The Company issued 1,000,000 common shares from the exercise of 1,000,000 stock options granted on March 19, 2003.

Item 6. Reliance on Section 85(2) of the Act

N/A

Item 7. Omitted Information

None

Item 8. Senior Officers

The following senior officers of the Issuer are knowledgeable about the material change and may be contacted by the Commission at the address and telephone number:

Gordon J. Sales
President
Suite 1750–999 West Hastings St.
Vancouver, BC V6C 2W2
Telephone: (604) 681-3060

Lana Bea Turner
Corporate Secretary
Suite 1750–999 West Hastings St.
Vancouver, BC V6C 2W2
Telephone: (604) 681-3060

Item 9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATE: March 31, 2003

"Lana Bea Turner"

(signature)

Lana Bea Turner
Name

Corporate Secretary
Position

Vancouver, British Columbia
Place of Declaration

cGc

CRYSTAL GRAPHITE CORPORATION

News Release # 0135
CUSIP #229248109
March 31, 2003

Shares Outstanding: 23,354,714
OTCBB Trading Symbol: "CYTGF"

NEWS RELEASE

Crystal Graphite Corporation (the "Company") wishes to announce as of March 18 and March 19, 2003 the grant of 1,025,000 Employee/Consultant Stock Options as follows; 25,000 at a price of CDN$0.68 per share for a period of three years and 1,000,000 at a price of USD$0.10 per share for a period of one year.

On March 28, 2003, 1,000,000 stock options were exercised increasing the issued and outstanding to 23,354,714. Proceeds will be used for working capital.

For further information please contact our Investor Relations Department at 1-877-509-8877 or visit our web page at: www.crystalgraphite.com.

On Behalf of the Board of Directors

"Gordon Sales"

President

"WARNING: The Company relies on litigation protection for "forward looking" statements. Actual results could differ materially from those described in the news release as a result of numerous factors, some of which are outside the control of the Company.

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