

13 August 2010

Crusader SPP exceeds expectations

Shareholders of Crusader Resources Limited have strongly supported the company's Share Purchase Plan (SPP) with applications for A\$1.857 million received, well above the company's original target of \$1 million.

Initially Crusader offered 2.857 million new shares at 35 cents each to raise a total of A\$1 million under the SPP, but demand from shareholders for the new shares on offer resulted in A\$1.857 million being applied for under the SPP.

Under the announced terms of the SPP the directors of Crusader reserved the right to change the terms of the SPP. The directors have concluded that it was in the interests of all shareholders to accept the applications for the extra A\$0.857 million worth of shares.

The cash raised in the SPP is an important source of low-cost capital to allow the company to explore and develop its projects with confidence and help transform Crusader from an exploration company into a mineral producer in its own right.

The additional cash will be used to accelerate the exploration and development of Crusader's iron ore, gold and uranium assets.

Crusader managing director, Rob Smakman, said, *"The strong support of our shareholders is very important to the company as we enter the transition phase from explorer to producer. The additional cash raised from the successful SPP will enable Crusader to deliver results faster than previously expected."*

"The Posse iron project will be a key source of revenue for the company while the recently announced acquisition of the Borborema gold project has presented Crusader with a very exciting opportunity to develop a potentially very substantial gold project."

"Importantly, the success of the SPP allied with the highly successful institutional placement, gives Crusader the financial flexibility it needs in its corporate development"

"The board of Crusader offers its thanks to our shareholders for their support."

The additional cash raised in the SPP will also be used, (in part) for an accelerated drilling program at the Lake Throssell uranium project. A land access agreement was recently signed by the native title claimants and 'on-ground' exploration work is currently being planned.

About Crusader

Crusader Resources Ltd (ASX:CAS) is a minerals exploration company focussed on the identification, acquisition and development of projects in Brazil and Australia. The company has a diverse portfolio of projects including iron ore, tin, gold, tungsten and uranium. Crusader applies leading edge exploration skills to the discovery of new assets and continues to utilise its strong networks in Brazil, Australia and around the world to identify new opportunities.

Crusader will become Australia's newest iron ore producer when production begins at the Posse Iron project (100%) later this quarter. The Posse Iron project is located in the Iron Quadrilateral region of Minas Gerais state, Brazil and will be a low capital cost project with no infrastructure bottlenecks and simple logistics. Posse contains an Indicated Mineral Resource of 4.83Mt at 47.39% Fe and an Inferred Mineral Resource of 31.18Mt at 42.89% Fe. (Refer to announcement made 11 May 2009).

Crusader has two gold projects in Brazil, Borborema and Juru Belem. The Borborema gold project is the most important gold mine in the NE of Brazil with historical production of ~300,000 ounces. Previous explorers have also defined significant non-JORC complaint resources (which can be accessed). Crusader recently exercised its option to acquire the Borborema gold project. Work to define a JORC complaint resource estimate are currently underway.

Crusader also has an extensive portfolio of gold, tin, indium and tungsten projects within Brazil.

In Australia, Crusader has a portfolio of projects prospective for uranium, gold and nickel. The Lake Throssell uranium project is 100% CAS owned. The company holds highly prospective leases over more than 2,500 km² located 200km to the north east of Laverton in Western Australia.

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