

30 April 2008

MARCH 2008 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS:

- **Final Posse drill results released- significant results reported- including 18.9m @ 62.6% Fe**
- **SRK to complete a maiden JORC compliant resource calculation at Posse**
- **Coffey International appointed to head a scoping study on Posse**
- **Results of Manga rock chip assays released- results up to 4.99% Sn and 127ppm In**
- **RC drilling program completed at Manga Tin/Indium project- results awaited**

Posse Iron Ore Project, Minas Gerais, Brazil (CAS 100%)

Crusader's Posse Iron Project is located within the northern part of the Iron Quadrilateral of Minas Gerais state, Brazil. During the quarter the final results of the diamond drill program were released. Significant results included;

27.30m @ 50.49% Fe from 0m in PODH005

18.90m @ 62.58% Fe from 21.15m in PODH009

15.55m @ 57.66% Fe from 27.15m in PODH010

The Posse project is located 30km from Belo Horizonte, the capital city of Minas Gerais state. A national highway runs through the tenement and there is ready access to power and water. Belo Horizonte is a major city providing infrastructure to the well established mining industry in the area.

Crusader completed a total of 11 diamond drill holes for a total of 852 metres late in 2007. Drilling tested a 300 metre long zone of high grade iron mineralisation to depths up to 100 metres below surface. The results of the drilling have been combined with a geological model and will form part of a JORC compliant resource calculation at Posse- to be completed by SRK consulting. The report has been delayed due to internal reporting issues at SRK, however Crusader expects to receive the report in early May.

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Crusader has recently appointed Coffey Mining International to prepare a scoping study on the Posse project. The study will cover all aspects of the economics of the project and includes pit optimizations, an economic model and market analysis. The report is due to be completed during the June quarter.

It is expected that demand for material from the Posse Iron Project will be strong due to the high iron grades, low contaminants and significant local demand. A total of nine large steel mills and over a hundred smaller mills draw feed from the many mines that operate within the Iron Quadrilateral region. During the quarter, several of these establishments were visited in order to further define the demand for the product from Posse.

Other work continues on advancing all other aspects of the project including obtaining necessary mining permits, metallurgical sampling and economic analysis.

Manga Tin/Indium Project, Goias, Brazil (CAS 100%)

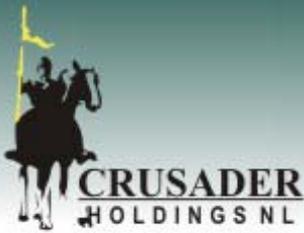
The Manga project is in the Goias tin province, located in the northeast of Goias state, approximately 300km from Brasilia (the capital of Brazil). A number of garimpeiro workings have targeted the alluvial wash as well as the weathered surface regions, to a maximum depth of 4 metres, to extract tin which occurs primarily as cassiterite. The tin mineralisation at Manga also displays very high indium, which has an increasingly significant economic value.

Crusader completed an RC drilling program in late April with a total of 1001m drilled. The drilling targeted the historical garimpo workings and the mineralised greisen zone. All samples have now been sent to the Brazilian lab for preparation after which the samples will be sent to Australia for analysis. Results are expected in the current quarter.

A total of 165 rock chip samples were reported during the quarter. These samples were taken in order to further define the extensive greisen area at Manga which assisted in planning of the drilling described above. Highlights of the rock chip assay results included;

| | |
|----------------|----------------------------------|
| MNRK068 | 4.99% Sn and 70.6 ppm In |
| MNRK227 | 0.17% Sn and 127.0 ppm In |
| MNRK277 | 0.99% Sn and 20.8 ppm In |
| MNRK299 | 0.68% Sn and 83.8 ppm In |

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During recent work at the Manga project and surrounding Ouro Belo areas, several new Garimpo workings were identified and visited. Exploration access for these areas has been arranged and they will be mapped, sampled and interpreted during the current quarter. Crusader views the larger tin province as a highly prospective area- especially in light of recent all time highs in the tin price (recent trading has the spot tin price on the London Metal Exchange at \$24,000/t).

Lake Throssell, Western Australia (CAS 100%)

Results of a recent anthropological survey of areas surrounding Crusader's Lake Throssell tenements have now been received. Negotiations regarding a mineral exploration and land access agreement are now underway with representatives of native title claimants in the area.

Crusader is looking forward to a resolution to these negotiations in order to commence on ground exploration of this prospective area.

Fair Adelaide, Western Australia (CAS 80%)

Mapping and soil sampling for nickel laterites were carried out at Crusader's Fair Adelaide project in Western Australia. Samples are currently at the laboratory for testing. A drilling program designed to test any anomalies generated will be carried out after the results have received and interpreted.

New Project Generation

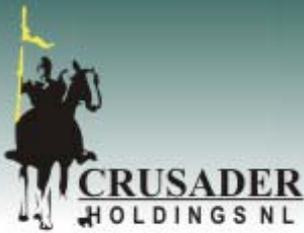
Crusader has applied for two more tenements in Rio Grande do Norte state in northeast Brazil. The tenements are considered to be prospective for gold and have been generated by our team of in house geologists. Crusader continues to examine several different avenues for new projects- including purchasing brown-fields opportunities which should have a positive impact on the value of the company. Crusader's considerable infrastructure and flexibility in Brazil lends itself to quick assessments of new projects.

Company Promotion

Recent instability in worldwide equity markets has caused most junior exploration companies share prices to come under pressure. Crusader's board and employees are aware of the importance of promoting the company and recently visited the PDAC conference in Canada to actively introduce the company to new investors.

Level 2, 35 Havelock St, West Perth WA 6005
PO Box 9023, Nicholson Rd, Subiaco WA 6008
Phone +618 9320 7500
Fax +618 9320 7501
www.crusaderholdings.com

Avenida Cajazeiras - 108
Manaira, 58038-040
Joao Pessoa, Paraiba, Brazil
Tele/fax +55 83 3227 0589
ACN: 106 641 963



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Crusader has a portfolio of projects in strategic commodities in Brazil and is continually looking to broaden this portfolio through acquisitions and the application of geological and market strategic thinking. Crusader firmly believes that this strategy will provide maximum value to shareholders at a time of historic high prices for most commodities.

Crusader maintains a cash backing of \$4.16m, a tight company structure and a relatively low rate of expenditure. Our exploration strategy will ensure that success at any of our projects can deliver a significant impact on the company.

About Crusader

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

The company's most mature project is the Posse Iron Project which is located in the Iron Quadrilateral in the state of Minas Gerais, 30km from the regional capital and iron ore mining centre of Belo Horizonte. Crusader has recently completed a resource definition drilling program on the property and is working towards production of iron ore during 2008.

The Manga Tin-Indium project is in the Goias Tin province, located in the northeast of Goais state approximately 300km from the national capital of Brasilia. The project is highly anomalous in indium, an emerging "new metal" with particular application in flat screen displays.

Crusader also has an extensive portfolio of gold properties located in the state of Paraiba in the northeast of Brazil. These projects include significant historic production (to 150,000ozs) and display regional structural settings that are highly favourable for significant gold mineralisation.

In Australia, Crusader retains a portfolio of projects prospective for palaeochannel uranium and Archaean gold and nickel.

Crusader Holdings NL has 44,560,749 ordinary shares on issue.

For further information contact:

Mr Rob Smakman
Managing Director
Mobile: +55 83 8881 8608
Email: rob@crusaderholdings.com

Ms Katina Law
Commercial Manager
Mobile: +61 4 1819 4887
Email: katina@crusaderholdings.com

Level 2, 35 Havelock St, West Perth WA 6005
PO Box 9023, Nicholson Rd, Subiaco WA 6008
Phone +618 9320 7500
Fax +618 9320 7501
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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Crusader Holdings NL

ABN

94 106 641 963

Quarter ended ("current quarter")

31 March 2008

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|----------------------------|------------------------------------|
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 Payments for (a) exploration and evaluation | (362) | (1,058) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (225) | (515) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 68 | 199 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Other | - | - |
| Net Operating Cash Flows | (519) | (1,374) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a) exploration | - | - |
| (b) mining tenements | - | (3,324) |
| (c) other fixed assets | (93) | (106) |
| 1.9 Proceeds from sale of: | | |
| (a) tenements | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | - | - |
| 1.10 Loans to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other (provide details if material) | - | - |
| Net investing cash flows | (93) | (3,430) |
| 1.13 Total operating and investing cash flows (carried forward) | (612) | (4,804) |

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| | | | |
|------|--|-------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (612) | (4,804) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc. | - | 7,175 |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Capital raising costs | - | (428) |
| | Net financing cash flows | - | 6,747 |
| | Net increase (decrease) in cash held | (612) | 1,943 |
| 1.20 | Cash at beginning of quarter/year to date | 4,788 | 2,233 |
| 1.21 | Exchange rate adjustments to item 1.20 | (12) | (12) |
| 1.22 | Cash at end of quarter | 4,164 | 4,164 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 7 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | |

1.25 Explanation necessary for an understanding of the transactions

Payments of benefits provided to managing director. Payment for geological services provided by director.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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|--|

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

| |
|--|
| |
|--|

Financing facilities available

Add notes as necessary for an understanding of the position.

| | | Amount available \$A'000 | Amount used \$A'000 |
|-----|-----------------------------|-----------------------------|------------------------|
| 3.1 | Loan facilities | - | - |
| 3.2 | Credit standby arrangements | - | - |

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Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 300 |
| 4.2 Development | - |
| Total | 300 |

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 2,106 | 4,783 |
| 5.2 Deposits | 2,058 | - |
| 5.3 Bank overdraft | - | - |
| 5.4 Other | - | - |
| Total: cash at end of quarter (item 1.22) | 4,164 | 4,783 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|-----|---|---------------------------------------|--|----------------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | | | |
| 6.2 | Interests in mining tenements acquired or increased | Currais Novos – Brazil 848072/2008 | 0% | 100% |

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|--|------------------|---|--|
| 7.1 Preference +securities <i>(description)</i> | | | | |
| 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 +Ordinary securities | 44,560,749 | 44,560,749 | | |
| 7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs | | | | |
| 7.5 +Convertible debt securities <i>(description)</i> | | | | |
| 7.6 Changes during quarter (a) Increases (b) Decreases | | | | |
| 7.7 Options <i>(description and conversion factor)</i> | 6,800,000 1,000,000 4,950,000 1,000,000 | - - - - | <i>Exercise price</i> 25 cents 30 cents \$1.00 28 cents | <i>Expiry date</i> 22 August 2011 21 January 2010 12 September 2010 22 August 2011 |
| 7.8 Issued during quarter | - | - | | |
| 7.9 Exercised during quarter | - | - | | |
| 7.10 Expired during quarter | | | | |
| 7.11 Debentures <i>(totals only)</i> | | | | |
| 7.12 Unsecured notes <i>(totals only)</i> | | | | |

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