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ASX RELEASE

Initial Resource for Posse Iron Project

- An Inferred Resource of 7.7 million tonnes at an average grade of 45% iron has been estimated at the Posse iron deposit in Brazil.
- Tests show that the mineralisation can be easily upgraded to better than 62% Fe via simple screening and washing.
- International consultant Coffey Mining has been appointed to prepare a Scoping Study for completion during the current quarter.

An initial Mineral Resource of 7.7 million tonnes at an average grade of 45% iron with low associated contaminants has been estimated for Crusader Holdings NL (ASX:CAS) 100% owned Posse Iron Project in the Iron Quadrilateral region of Minas Gerais state, Brazil.

SRK Consulting (UK) Limited, part of the international SRK Group, estimated the Mineral Resource based on both hematite and itabirite mineralisation using a 30% Fe cut-off grade (Table 1. below).

Preliminary metallurgical sampling has confirmed that both the hematite and itabirite mineralisation at Posse can be easily upgraded to a high grade iron product. Four samples were collected from existing surface quarry pits, sieved to +8mm and washed in water. These samples were analysed at Geosol Laboratories in Belo Horizonte, Brazil. The results demonstrated that mineralisation at Posse (with grades as low as 40% Fe) can be upgraded, via a simple screen and wash, to produce concentrates with high iron (62% - 69% Fe), low silica (0.84% to 11.5% SiO₂) and low alumina (0.71% to 1.54% Al₂O₃) - see Table 2. below.

As previously highlighted by Crusader, the Mineral Resource study confirms the low levels of deleterious elements in the mineralisation, which is especially low in phosphorous (P <= 0.02%) and alumina (Al₂O₃ <= 1.1%). This characteristic is expected to contribute to a price premium and demand for products from Posse.

The completion of the initial Mineral Resource is an integral step in Crusader's plans to fast track Posse to production. Efforts are continuing to accelerate work required prior to approval for mining.

International consultancy Coffey Mining, the largest independent minerals consulting group in Brazil, has been appointed to prepare a Scoping Study which is due for completion during the June quarter of 2008.

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The final report necessary for the upgrading of the current licence to a mining lease has been submitted to the Mines Department. A response from the Department is expected to take around six weeks after which an environmental impact study can commence.

Negotiations are on-going with steel mills and small pig-iron plants that are potential buyers of Posse product. Demand for product is expected to remain strong due to the current shortage of feed to the nine large steel mills and over a hundred smaller mills operating within the Iron Quadrilateral region.

For and on behalf of
CRUSADER HOLDINGS NL

Rob Smakman
Managing Director

Table 1.

Mineral Resource Estimate								
Posse Iron Project								
May 2008								
	Mineralisation Type	Cut-off Fe%	Tonnes (millions)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	Mn%	P (%)
Inferred	Hematite	30%	0.11	64.4	4	1.8	0.3	0.029
Inferred	Itabirite	30%	7.56	44.6	32.1	1.1	0.2	0.019
Inferred	Combined		7.67	44.9	31.7	1.1	0.2	0.02

Interpolation of Fe grades was calculated by ordinary kriging, and for SiO₂, Al₂O₃, Mn and P by inverse distance weighting (power 2). Grade was estimated within a mineralised envelope based on geological interpretation, measure bulk density values and assay results from Geosol Laboratories in Belo Horizonte.

The information in this report that relates to Mineral Resources is based on and accurately reflects, information compiled by Dr. John Arthur who is a full time employee of SRK UK Limited and a Member of The Institute of Materials, Minerals and Mining, and a Fellow of the Geological Society of London. Dr. Arthur holds the accreditation of CEng and CGeol through these institutions. Dr Arthur has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Arthur consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

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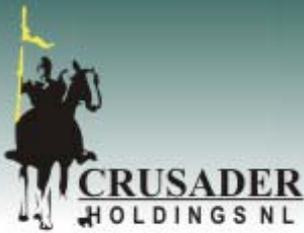
Table 2.

Results of Preliminary Metallurgical Sampling						
Posse Iron Project						
Sample ID	Rock type	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
		%	%	%	%	%
Drill database average	Friable Itabirite - 1	55.16	17.52	1.52	0.015	1.04
PORK 025	Friable Itabirite-1	63.1	10.2	0.71	0.012	0.35
PORK 027	Friable Itabirite-1	62.2	11.5	0.8	0.011	0.34
Drill database average	Friable Itabirite - 2	40.27	40.52	0.47	0.015	0.29
PORK 024	Friable Itabirite - 2	62.2	7.82	1.54	0.016	0.95
Drill database average	Hematite	67.87	2.69	0.49	0.023	0.10
PORK 026	Hematite	69.1	0.84	0.84	0.025	0.45

“Drill database average” is the weighted average of assays of the +8mm fraction for all samples in the drilling database for the relevant rock type. Analyses were made on samples of half 63.5mm diameter (HQ) drillcore that was crushed, sieved into various size fractions. These form part of the mineral resource estimate described above

Samples prefixed “PORK” were collected at surface, sieved to +8mm and washed in water for assay. All samples were analysed at Geosol Laboratories in Belo Horizonte, Brazil.

The information in this report that relates to Exploration Results, Minerals Resources or Ore Reserves is based on information compiled or reviewed by Mr. Robert Smakman, who is a Member of The Australasian Institute of Mining and Metallurgy and is a full-time employee of the company. Mr. Smakman has sufficient experience in the type of deposits under consideration and the activities being undertaken to qualify as a Competent Person as defined in the December 2004 Edition of the Australasian Code for reporting of Exploration Results, Minerals Resources and Ore Reserves and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears



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.

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