

15 May 2008

## **OURO BELO TIN/GOLD/INDIUM PROJECT MANGA DRILLING AND EXPLORATION UPDATE**

Crusader Holdings NL (ASX: CAS) is exploring for tin-indium and gold at the Ouro Belo project (>400 square kilometres ) in the Goias tin province, located in the northeast of Goais state approximately 300 kilometres north of the federal capital of Brasilia.

A 1,000 metre drill program has just been completed at the Manga tin and indium prospect; an area of garimpeiro (artisanal miner) workings that targeted the weathered surface of a mineralised greisen and alluvial wash. The analytical results for the Manga drilling are awaited.

This exploration update provides details on the recent drilling at Manga and on exploration within the Ouro Belo project.

### **Manga Tin and Indium Drilling Program**

The reverse circulation (RC) drilling program has now been completed with a total of 1,001 metres drilled in 15 holes. The drilling targeted selected sections across the mineralised greisen zone as well as some of the more important garimpiero workings. The map on the following page shows the location of a selection of the drill holes as well as previously released results from rock samples.

Drilling conditions were difficult with the quartz topaz rock unit proving very hard to penetrate and significant water being encountered in several holes. Despite these issues, all targets were tested as planned.

All samples have now been sent to the Brazilian laboratory for preparation, after which the pulps will be air freighted to Australia for analysis. The first batch of pulps is enroute to Australia and results for all samples are expected in the current quarter.

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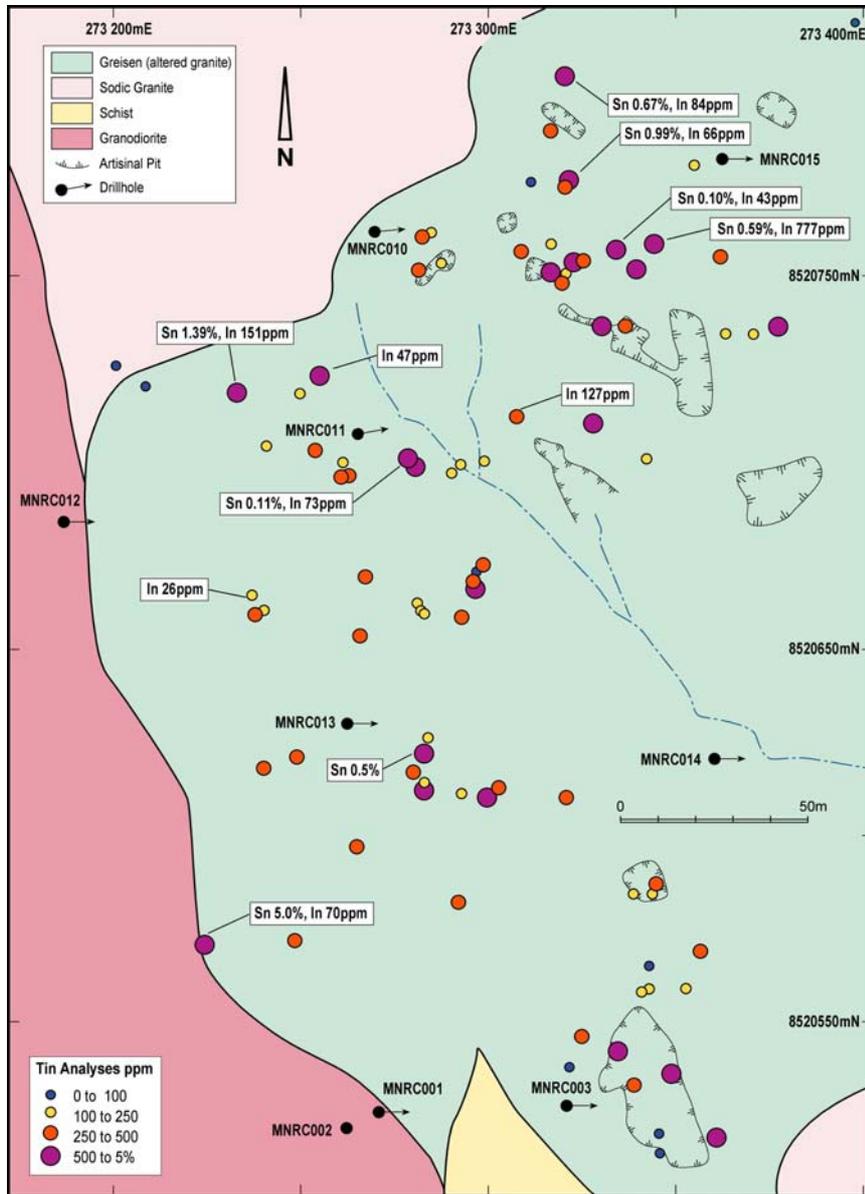


Figure 1: Manga Project drill-hole locations and previously released rock chip samples

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**Ouro Belo Tin, Gold and Indium Regional Exploration**

Other targets in the Ouro Belo project area were investigated whilst drilling was in progress at the Manga prospect. The map below shows Crusader's large regional tenement holding and the target corridor for tin granites.

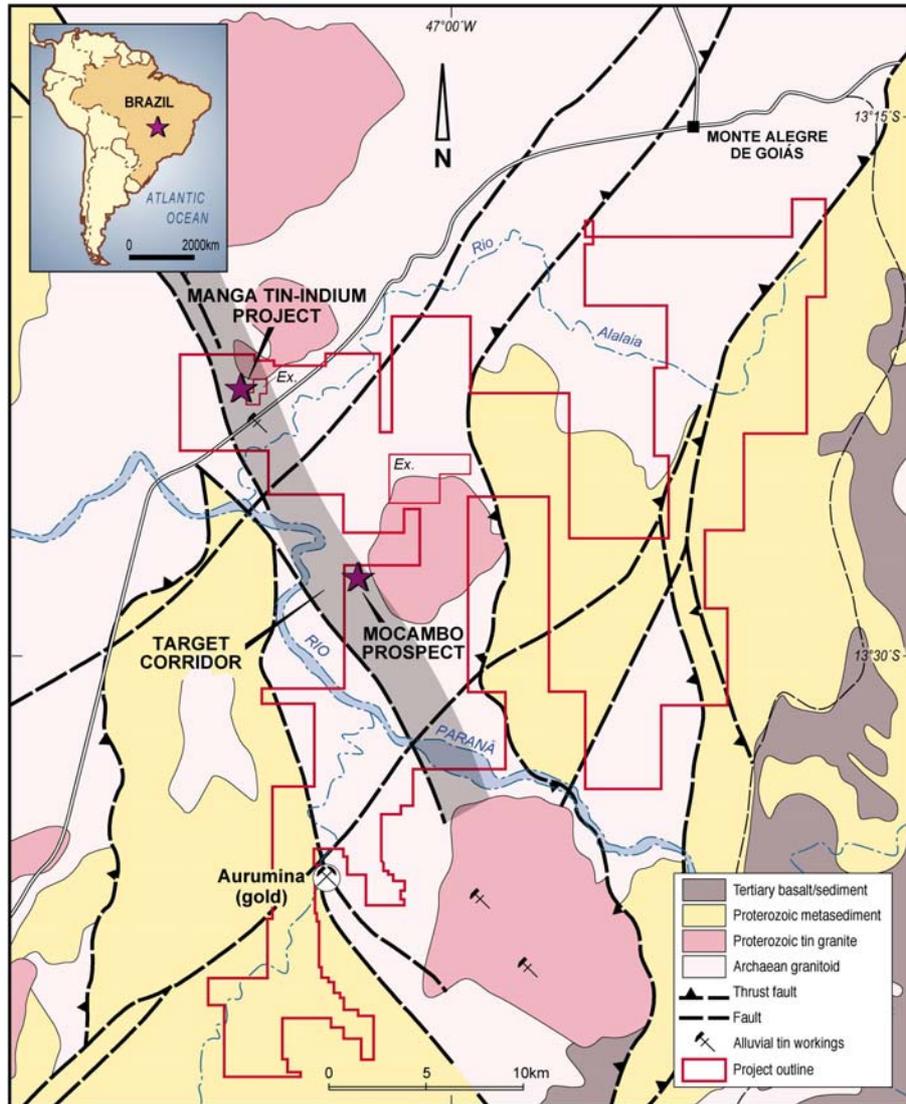


Figure 2: Ouro-Belo regional map with target corridor highlighted

Several garimpos (artisanal mines) were inspected with two being the largest viewed in the region so far. Crusader has extensively sampled these workings and the results are expected during the current quarter.

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The Imgazeira garimpo has a disturbed area of ~ 0.5 square kilometres that was excavated during the 1980's for tin mineralisation. Workings have targeted poly-metallic tin mineralisation within a sheared metasediment zone, unlike the granite-greisen hosted tin-indium mineralisation at Manga. Quartz-iron-malachite veining up to 5 metres wide was sampled. The vein and shear zones also show potential to extend under shallow cover to the northwest.

Approximately 1.5 kilometres to the northwest of Imgazeira is a larger, water filled garimpo, known as the Mocambo prospect (Figure 3). Production figures for this garimpo are not known, however the area excavated is estimated at 200 metres long x 40 metres wide x 10 metres deep. These workings are in a kaolin altered granite. Mining was halted apparently because of the declining tin price. Anecdotal information gathered from garimpiero's indicates that gold was recovered in small amounts with cassiterite however it was not considered to be economic to mine.



Figure 3: Mocambo tin garimpo with extensive workings. Note kaolinised granite in foreground.



Crusader is focussing its regional exploration on structural target zones as the focus for intrusion of the tin granites. Regionally, northeast trending thrust faults appear to be a first order control on the localisation of tin granites. Within the Ouro Belo project area, the tin granites occupy a north-northwest trending structural corridor and known tin prospects occur in a corridor adjacent to the granites (see Figure 2.) These two structural orientations and the intersections of the associated fault systems are the principal focus for current exploration.

Both the Imgazeira and Mocambo garimpos are located near the intersection of a northeast trending thrust fault and a north-northwest trending fault corridor.

Crusader is currently undertaking a program of geological mapping, structural analysis of satellite imagery and re-processing of airborne magnetic and radiometric geophysics that was acquired by the state government during 2007. The aim of the program is to identify the presence of buried tin granites and associated structural settings where the tin bearing alteration systems may be preserved but have not been exposed through erosion.

*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

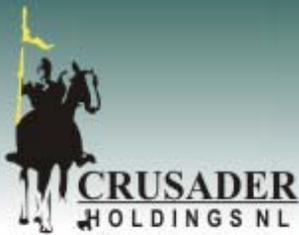
Crusader Holdings N.L. (ASX:CAS) (Crusader) is a minerals exploration company focussed on the identification, acquisition and development of projects in Brazil. The Company has a diverse portfolio of projects including iron ore, tin, gold and uranium. Crusader applies leading edge exploration skills 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 maiden resource on Posse which defined 7.7Mt at 45% Fe. Crusader is now working through a scoping study with potential mining to begin as soon as possible.

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The Manga Tin-Indium project is in the Goias Tin province, located in the northeast of Goias state approximately 300km from the national capital of Brasilia. Several significant areas of garimpiero workings have been mapped, sampled and drilled. Crusader is using remote sensing techniques together with local knowledge to manage this prospective project. The project is also 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.

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