

5th August 2010

Crusader purchases 100% of Borborema Gold Project

Highlights;

- **Crusader exercises early the Borborema purchase option.**
- **Due diligence completed with no outstanding issues.**
- **Exploration program launched- targeted at expanding resources and unlocking exploration potential.**

Crusader Resources Ltd (Crusader) has exercised the option to purchase 100% of the mineral rights (mining tenement numbers- 805.049/77, 840.149/80 and 840.152/80) and freehold land over the Borborema Gold Project in Rio Grande do Norte state in northeast Brazil.

Under the terms of the contract, Crusader had the option to exercise 100% of the option earlier than the final payment date of December 2010- at its sole discretion. Crusader was satisfied after full and detailed legal and technical due diligence was completed and will now move immediately into an aggressive drilling and resource expansion program.

The transfer deeds of the mineral titles to a wholly owned subsidiary of Crusader have been signed and these documents will be analysed and advertised at the DNPM (mines department). This process is expected to take a week to complete.

The transfer of the land will be completed in the coming weeks- following accurate area surveying and final registration at the land titles office.

Both of these processes are irrevocable and reflect minor processing issues. Crusader has made the full payment due (R\$3m or ~A\$2.4M) to the former owners, MGP Ltda.

Commenting on the completed transaction, Crusader Managing Director-Rob Smakman said, "We have completed a methodical and extensive legal and technical due diligence program over the Borborema project. I am very pleased with the results and would like to thank the vendors for their co-operation during this process as well as with closing the deal. The decision to exercise the option early was prompted by the aggressive approach that we want to take on the exploration of the project over the coming months."



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Full details on the planned exploration program will be released in coming days.

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