

18th November 2010

ASX Release

Borborema Gold Project- Indicated Resources upgraded by 240%.

HIGHLIGHTS;

- **Re-estimation of the Mineral Resource for Borborema Gold Project returns a total Indicated plus Inferred of;**
 - **839koz @ 1.70 g/t Au (at 0.5 g/t cut off) or**
 - **731koz @ 2.28 g/t Au (at 1g/t cut off).**
- **Indicated resources have increased from 191 kozs in August to 653 kozs.**
- **Re-estimate has been completed by Coffey Mining in response to internal checks highlighting technical issues with the original estimate- specifically with resource classification.**
- **New Mineral Resource estimate does not include results of the current drilling underway at Borborema. Over 6,000m of the planned 10,000m has been drilled and is progressing through the sampling and assay process.**
- **Drilling continues on site with results planned to be announced during November/December. A further update on the Mineral Resource will be completed in the first quarter of 2011.**

Crusader Resources Limited (ASX:CAS) has received an updated JORC compliant Mineral Resource estimate for the Borborema gold project in Brazil which has increased the contained ounces by 15% (from 728k ozs to 839 kozs), the grade by 4% (from 1.63 g/t to 1.70g/t at a 0.5 g/t cut-off) and the amount included in the Indicated category by 242% from 191 kozs to 653 kozs).

The new estimate was completed by Coffey Mining after its internal reviews revealed resource classification issues with the August 2010 estimate. Some of the estimate parameters have also been changed in the current work- in response to the new geological interpretation being applied from logging of the drilling underway at Borborema.

Crusader was advised by Coffey after the market had closed on Friday 12 November that Coffey's review was likely to result in a material increase in the Borborema Mineral Resource. As a result of the advice, Crusader sought a trading halt prior to the market opening on Monday 15 November.

Commenting on the updated Mineral Resource estimate, Crusader's Managing Director, Rob Smakman said;

"The Mineral Resource re-estimate by Coffey is another validation of the project. The increase in the quality of the resource ounces into indicated means that conversion to reserve ounces could be

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achievable much quicker at Borborema. With the drilling program now well underway and results starting to flow in a few weeks, the resource can only continue to grow.”

Crusader will release results and use them to do a further updated resource in the first quarter of 2011.”

Table 1 Borborema Project Mineral Resource (August 2010) Ordinary Kriged Estimate (0.5g/t Au cut off) 10mE x 20mN x 10mRL Parent Cell.										
Category	Indicated				Inferred			Total		
	Cut off	Tonnes (Mt)	Au g/t	Contained Gold (kOz)	Tonnes (Mt)	Au g/t	Contained Gold (kOz)	Tonnes (Mt)	Au g/t	Contained Gold (kOz)
Oxide	0.5	0.52	1.58	26	-	-	-	0.52	1.58	26
Fresh	0.5	11.64	1.67	627	3.23	1.79	186	14.87	1.70	813
Sub Totals		12.16	1.67	653	3.23	1.79	186	15.39	1.70	839
Total at 0.5 g/t cut off								15.39	1.70	839

Table 2 Borborema Project Mineral Resource (August 2010) Ordinary Kriged Estimate (1.0gt/t Au cut off) 10mE x 20mN x 10mRL Parent Cell.										
Category	Indicated				Inferred			Total		
	Cut off g/t	Tonnes (Mt)	Grade Au g/t	Contained Gold (kOz)	Tonnes (Mt)	Grade Au g/t	Contained Gold (kOz)	Tonnes (Mt)	Grade Au g/t	Contained Gold (kOz)
Oxide	1.0	.30	2.28	22	-	-	-	0.30	2.28	22
Fresh	1.0	7.44	2.27	543	2.22	2.32	166	9.66	2.28	709
Sub Totals		7.74	2.27	565	2.22	2.32	166	9.96	2.28	731
Total at 1.0 g/t cut off								9.96	2.28	731

Note; Rounding errors may occur in the tables above.

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The information in this report that relates to Exploration Results 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, Mineral 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. Mr Smakman accepts responsibility for the accuracy of the statements disclosed in this report.

The information in this report that relates to Mineral Resources is based on and accurately reflects, information compiled by Mr Ian Dreyer who is a full time employee of Coffey Mining Pty Ltd and a Member of The Australasian Institute of Mining and Metallurgy. Mr Dreyer 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. Mr Dreyer consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

About Crusader

Crusader Resources Limited (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, gold, uranium, tungsten and tin. Crusader applies leading edge exploration skills to the discovery of new assets and utilises its strong networks in Brazil, Australia and around the world to identify new opportunities.

Crusader is set to become Australia's latest iron ore production company when production begins at the Posse Iron project (100%). The project is located in the Iron Quadrilateral region of Minas Gerais state, Brazil and is 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 Jurú-Belem. The Borborema gold project is the most important gold project in the NE of Brazil with historical production of ~300,000 ounces. In November 2010, Crusader updated the JORC compliant resource estimate at Borborema (at a 0.5g/t cut-off) of 12.16Mt @ 1.67g/t for 653 kozs Indicated and 3.23Mt @ 1.79 g/t for 186 kozs Inferred for a combined Indicated and Inferred resource estimate of 15.39Mt @ 1.70g/t for 839 kozs-. Crusader is currently aggressively exploring the Borborema project.

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

In Australia, Crusader owns 100% of the Lake Throssell uranium project, a highly prospective project covering more than 2,500 km² and located 200km to the north east of Laverton in Western Australia. Exploration is set to begin in early 2011 after successful negotiations were held with the native title holders.

Crusader Resources Ltd has 76,283,514 ordinary shares on issue.

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Appendix 1.- Notes relating to the Borborema Gold Resource Estimate.

Geology

The dominant rock types hosting the gold mineralisation are the biotite schists of the Seridó Formation, the uppermost unit of the sequence of supercrustal rocks that comprise the Seridó Group (1.8 – 2.4 Ga). At the project scale, these biotite-schists can be divided into two main groups:

- biotite-garnet-sillimanite-schist, with a foliation striking N40E and dipping on average at 45° to the south-east. It is within this lithology that gold mineralization occurs, principally associated with grey – white quartz veins of millimetre- to centimetre scale;
- biotite-garnet-cordierite-schist, which has a foliation orientation similar to that above, but which shows no evidence of gold mineralization.

In the central part of the project area there exists a zone of intense trans-current shearing that is concordant with the foliation. This zone is up to 200m thick in places and has a total length in excess of 4.5 km. Within the zone are thin bands which commonly host sulphides – pyrite and pyrrhotite predominantly, with subordinate chalcopyrite and sphalerite – and which host the higher concentrations of gold mineralization. The rock surrounding this shear zone also hosts gold mineralization, albeit in lower concentrations.

Data Density

Within the area covered by the resource estimate, the drill density averages 60m x 60m of diamond drilling. In some areas, drill density is lower and non quantitative information has been referenced in order to build the geological model. This other information includes historical RC and diamond drilling and surface trench sampling.

Geological Interpretation

The mineralisation is confined entirely within the schist unit along a regional shear structure. Coffey Mining has interpreted a number of stacked mineralised domains using a high grade (greater than 1g/t Au) cut off along with a low grade envelope (between 0.5g/t and 1g/t Au) and the oxide material that has been used to constrain the block modelling process.

Drilling Technique

The drill hole data used for this estimate was based on surface diamond drilling completed in 2006/7 by Servitec Sondagem Ltda. Core diameter is HQ (63.5mm) and NQ (47.6mm).

Accuracy of Location of Sampling Points

All drill collars were surveyed by licensed land surveyors using the SAD 69 UTM zone 24 datum. Drill holes were routinely surveyed down hole using an Eastman single shot camera.

Sampling Techniques

Diamond drill core was cut in half and half core sampled and submitted for assaying. The minimum sample interval was 0.5 metre to a maximum of 5 metres. The average sample interval was 1m. Sample intervals were constrained by metre intervals but at times, geological boundaries were chosen- as defined by lithology, alteration or structure.

Drill Core Recovery

Drill core recovery averaged 95%.

Bulk Density

2,387 bulk density measurements were taken by Crusader field staff using the Immersion technique. Results from the mineralised unit were averaged and used as the value for density (2.75 g/cm³).

Quality of Assay Data

Sample preparation was done by ALS Chemex lab in Brazil and assaying of samples by ALS Chemex in Chile. The fire assay method used by the laboratory was Au- AA26. A 50 gram charge was analysed by AAS with a detection limit of 0.01 ppm Au.

Quality of Data Description

Caraiba drilling was checked by Crusader field geologists. The 25 holes cut and sampled by Crusader were re-logged by Crusader field geologists. Features relating to lithology, alteration type, alteration intensity, vein type, vein intensity as well as structural features are captured and stored in an off-site, electronic database. Drill core is also photographed wet and dry. Magnetic susceptibility data was collected on metre intervals. Basic geotechnical logging was also routinely undertaken.

Estimation Techniques

Geological interpretation of the mineralisation was compiled by Crusader geologists on cross sections. These 2 dimensional wireframes were digitised and 3-d shapes were compiled by Coffey mining staff.

The grade interpolation method was Ordinary Kriging based on drillhole data and geological interpretations provided Crusader.

Top Cuts

Statistical methods were used to determine the top cut to be applied to the gold assays. Coffey Mining opted on an 8g/t Au top cut based on their statistical review.

Metallurgical Considerations

Metallurgical testing has been done on a selection of the fresh material. The testing returned between 93-95% overall recoveries using common techniques.