

12<sup>th</sup> April 2010

ASX Release

## **Borborema Metallurgical Results Received**

### **Excellent recoveries from various options**

#### **HIGHLIGHTS;**

- **Crusader's metallurgical testwork indicates gold recoveries between 93-95% for a variety of processing options.**
- **Low cyanide consumption will lower operating costs.**
- **High gravity recovery (56%) provides additional processing options.**
- **On-site work continuing.**

Crusader Resources Limited (ASX:CAS) obtained an option to acquire 100% of the Borborema gold project, in Rio Grande do Norte state in north east Brazil in December 2009.

As part of the due diligence work currently underway, Crusader recognised one of the key technical due diligence items about the Borborema gold project was the metallurgical gold recovery.

Commenting on the results of the metallurgical testwork just completed, Managing Director Rob Smakman said;

*"We recognised the importance of the metallurgy to the project as a whole. These results definitively show that the recoveries are excellent; the ore is non-refractory and easy to treat. Low cyanide consumption will also help to keep treatment costs down."*

A composite sample was collected and sent to the Testwork Desenvolvimento de Processo Ltda's ("Testwork") metallurgical laboratory in Belo Horizonte. Testwork specialises in gold metallurgical testwork and counts Anglogold Ashanti, Yamana, MMX and Mundo Minerals amongst its clients.

Two different process techniques were tested: Gravity recovery followed of the tails and direct leaching.

Test 1 looked at the gravity separation of the gold from the sample, with the tails later treated with a cyanide leach (simulating a Carbon in Leach or CIL circuit).

Test 2 analysed direct CIL treatment of the ore at 2 different grind sizes.

Both techniques resulted in excellent recoveries as presented in table 1 below.

Test 1- Gravity and Leaching of tails	Gold distribution	Gold recovered by leaching.	Cyanide consumption (g/t)
Gravity separation	56.44%	99.50%	
Leaching of Rejects	43.65%	88.30%	
Overall recovery- Test 1		<b>94.60%</b>	948

Test 2- Direct Leaching	Gold recovered.	Cyanide consumption (g/t)
Test A- grinding to 74um	<b>93.40%</b>	686
Test B- grinding to 53um	<b>93.00%</b>	678

Should Crusader exercise its option over the project, a final process flowsheet will be chosen during the feasibility study.

Testwork commented in their report on the metallurgy that the ore was free milling (not refractory), consumed below average cyanide and lime and presented no problems for traditional treatment techniques.

Site work is continuing at Borborema. Resampling of the Caraiba drilling has been completed and the final samples have arrived at the laboratory. Results from this work will start to flow next week. Once compiled, this work will form the basis of a maiden JORC compliant resource estimate.

Crusader is confident the due diligence currently underway will allow a positive decision to be made on the option to purchase.

#### Further information

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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.

### About Crusader

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

Crusader is developing the Posse Iron project located in the Iron Quadrilateral region of Minas Gerais state, Brazil with first production due in the second quarter of 2010. 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 ([here](#))).

Crusader is also evaluating the Borborema gold project, the most important gold mine in the NE of Brazil with historical production of ~300,000 ounces. Previous explorers have also defined significant non-JORC compliant resources (which can be accessed [here](#)). Crusader has a 6 month option (expiring in June 2010) in which to evaluate the project. Activities underway include cutting and sampling of previously un-sampled drilling, metallurgical test work and a JORC compliant resource calculation.

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

In Australia, Crusader has a portfolio of projects prospective for uranium, gold and nickel.

The Lake Throssell uranium project is 100% CAS owned. The company holds highly prospective leases over more than 2,500 km<sup>2</sup> located 200km to the north east of Laverton in Western Australia. Crusader will initiate exploration in 2009 targeting uranium mineralisation in the extensive paleodrainage within the area.

Crusader Resources Ltd has 59,757,152 ordinary shares on issue.