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Crusader Options Borborema Gold Project Production at Posse Iron Project on track for early 2010

Crusader Resources Ltd has secured an option to acquire 100% of the Borborema Gold Project (100%) in northeast Brazil for A\$2.4 million.

At completion of the preliminary commercial due diligence Crusader immediately moved an exploration team onto the site to audit exploration data and plans to have a JORC compliant mineral resource statement ready early in 2010.

The project consists of three granted mining leases covering a total area of 29 km² plus freehold title to the property over the main prospect area. There is excellent exploration upside.

The Borborema Gold Project is enhanced by good on-site facilities such as buildings, grid power, water, sealed roads and close proximity to major cities.

Detailed information on the Borborema Gold Project is available from the Crusader ASX announcement of the 23rd December 2009.

Posse iron project update

Earthworks have commenced ahead of the start of iron ore mining at the Posse iron project in Brazil where first production is due in the second quarter of 2010.

The first phase of iron ore production is expected to cost less than \$A1 million and process 300,000 tonnes of material a year.

The project is expected to be profitable during the first phase at current iron ore prices with significant upside should iron ore demand continue to strengthen.

Crusader managing director, Rob Smakman, said,

“It is a very exciting time in Crusader’s history as we move from iron ore explorer to producer.

Cashflow generated from Posse should put the company in a sound position to advance other projects in our portfolio.

The Borborema gold project is one of these, presenting a very exciting opportunity with considerable exploration upside. It is attractively priced in an environment of record gold prices.

We will now begin work to complete a resource statement with the aim of compiling a JORC compliant resource statement in early 2010.”

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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, 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 Resources Ltd (ASX:CAS) is focussed on the identification, acquisition and development of mineral projects in Brazil and Australia. The company's portfolio of projects includes 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.

The **Posse iron project** is 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](#)).

The **Borborema gold project**, located in Rio Grande do Norte, is the most significant gold mine in Brazil's northeast. The project has excellent exploration potential and is aided by good on-site facilities and excellent infrastructure – including grid power, water, roads, buildings and is in close proximity to major cities. A JORC compliant resource statement is expected in early 2010.

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

In Australia, its portfolio includes prospective uranium, gold and nickel projects.

In Western Australia, the **Lake Throssell uranium project** is 100% CAS owned. The company holds highly prospective leases over more than 2,500 km² located 200km to the north east of Laverton in Western Australia.

Crusader Resources Ltd has 52,557,152 ordinary shares on issue.

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