

13<sup>th</sup> May 2010

ASX Release

## Final assays confirm the potential of the Borborema gold project

### HIGHLIGHTS;

- Assay results received for the final 12 holes of the 25 hole sampling program.
- Better results include;
  - 4m @ 4.68g/t Au from 44m in hole 400-04
  - 4m @ 7.00g/t Au from 69m in hole 400-04
  - 7m @ 5.37g/t Au from 35m in hole 775-04
  - 7m @ 2.94g/t Au from 22m in hole 829-03
  - 2m @ 7.32g/t Au from 34m in hole 829-03
  - 6m @ 2.50g/t Au from 57m in hole 950-04
- Results will be included in a JORC mineral resource (currently underway) and scheduled for completion this quarter.

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The final assay results from Crusader Resources Ltd's (ASX:CAS) Borborema gold project in Brazil have continued to strengthen the company's belief in the potential for economic gold production from the project.

Crusader is completing its due diligence on the project after acquiring an option to purchase 100% of Borborema in December 2009. The option can be exercised on or before 31 July, 2010.

Crusader aims to complete a JORC compliant resource statement for the Borborema gold project during the current quarter.

Assay results from the last 12 of a 25 drill hole sampling program have returned significant gold intercepts (summarised in Table 1). Sampling from the 25 drill holes was undertaken to help confirm the grade, continuity and location of the mineralised body. The drilling generally targets the near-surface portion of mineralisation, at depths between 30 metres and 80 metres below surface.

The sampling program confirms Crusader's interpretation that the ore body displays good continuity to surface. Visible gold is present, being generally fine-grained and associated with sulphides, both within quartz veins and disseminated within a 30 metre wide, shallow dipping (~35-45<sup>o</sup> deg) shear zone in enclosing schists. Testwork has confirmed that the gold is free milling and displays recovery rates of around 93% using standard cyanide extraction techniques.

Site work is continuing at Borborema, with geophysical and geochemical programs underway in order to better understand the geology and exploration potential of the area.

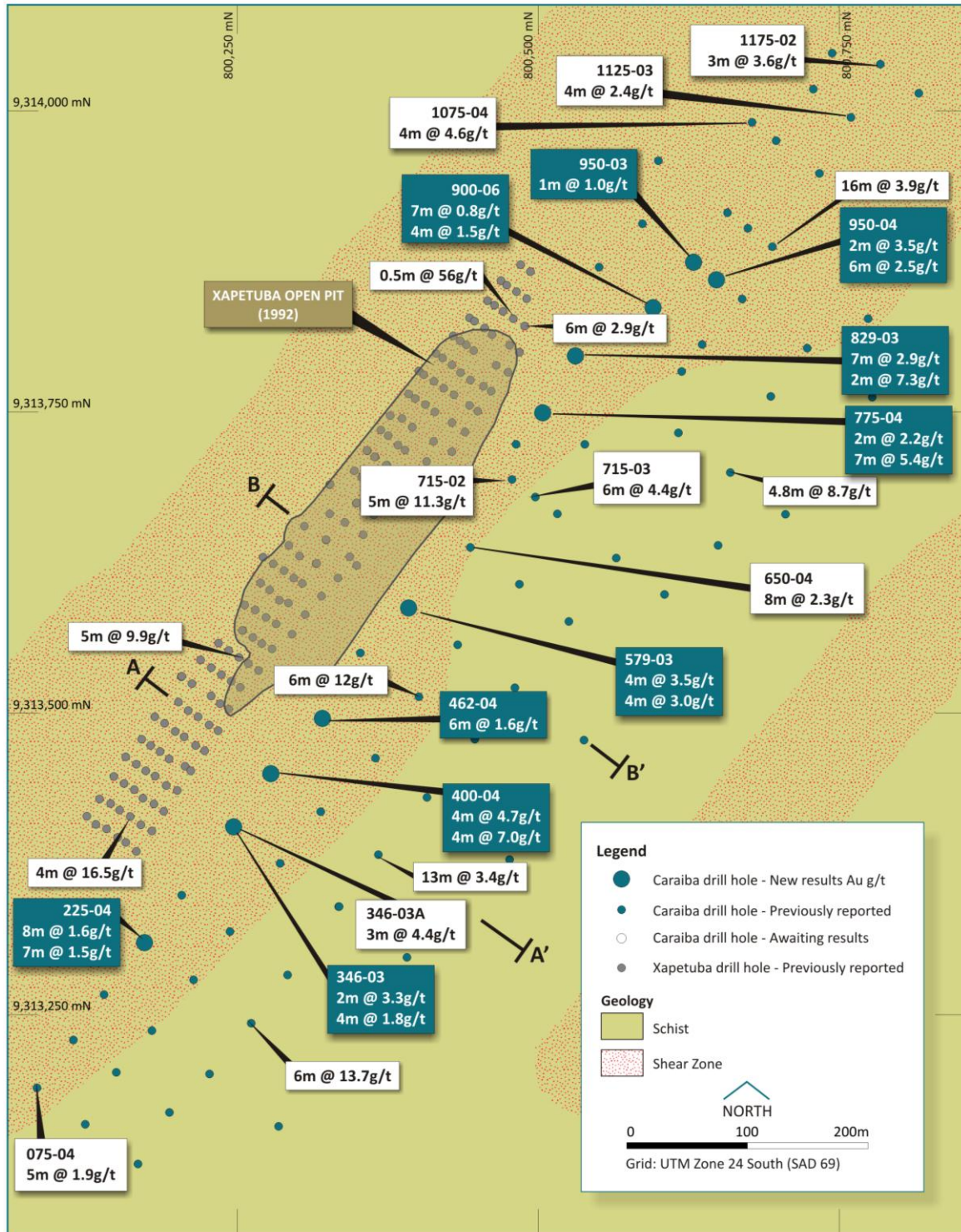
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## Geological setting

The Borborema project is located in the Seridó area of the Borborema province in north eastern Brazil. The project occurs in an area where the basement rocks consist of Archean and Paleoproterozoic gneisses and migmatites, which have been correlated to the prolific gold-bearing Birimian terranes of West Africa.

The Borborema deposit is hosted in a biotite-garnet-sillimanite schist in the upper part of the Seridó sequence.

Figure 1 - Drill plan Borborema gold project



**BORBOREMA GOLD PROJECT**

Morro Pelado Prospect Drill Hole Location Plan

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Figure 2; Cross section 400, Borborema Gold Project

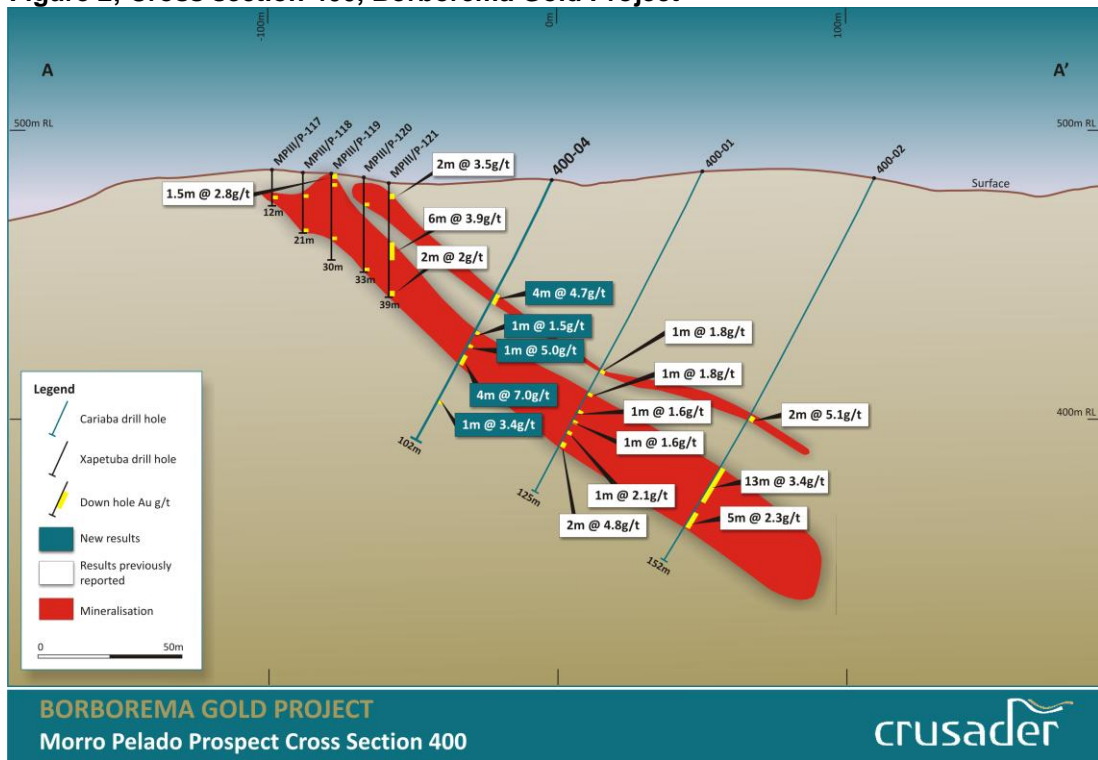
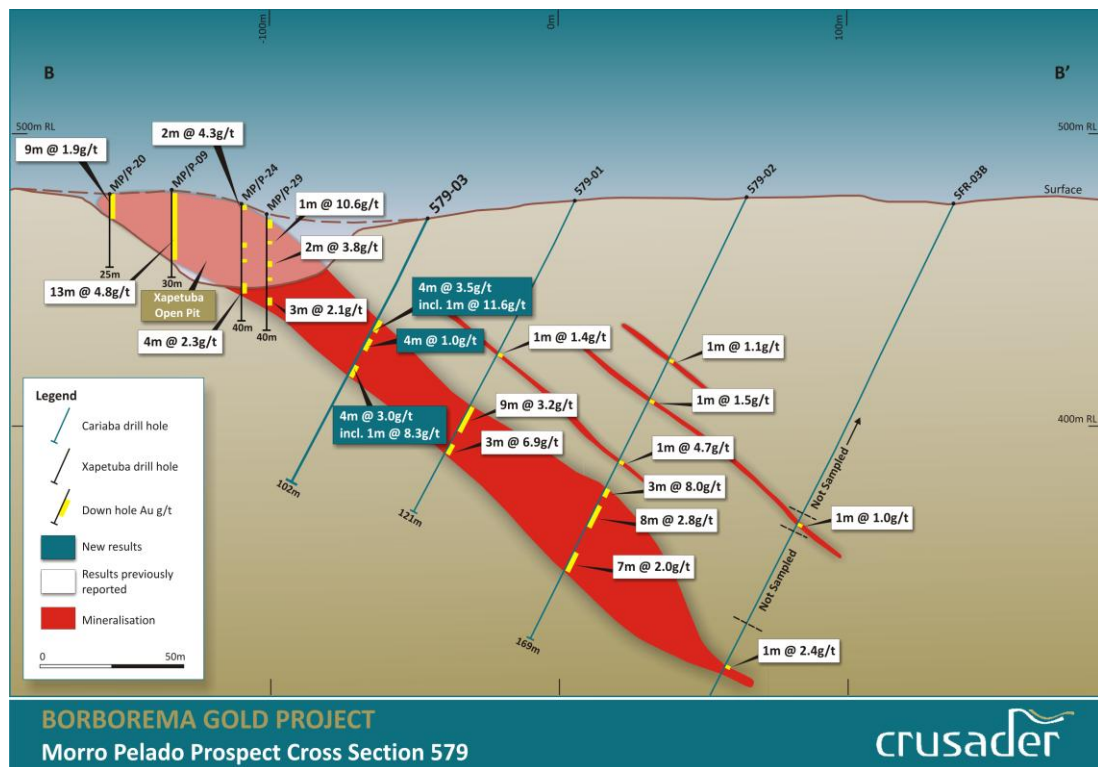


Figure 3; Cross section 579, Borborema Gold Project



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**(Disclaimer)**

*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 northeast 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% owned by Crusader. 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 Resources Ltd has 59,657,152 ordinary shares on issue.

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Table 1. Significant intercepts\* from Borborema Gold Project.

Hole ID	Easting	Northing	RL	Azimuth	Dip	From	Width	Au g/t
225-04	800173	9313310	483	307	-65	40	1	1.76
						44	8	1.61
						57	7	1.46
						67	1	3.16
						82	1	1.64
346-03	800247	9313406	486	307	-65	46	1	1.5
						51	2	3.33
						72	4	1.78
400-04	800278	9313450	483	307	-66	<b>44.0</b>	<b>4.0</b>	<b>4.68</b>
						59.0	1.0	1.48
						64.0	1.0	4.96
						<b>69.0</b>	<b>4.0</b>	<b>7.00</b>
						86.0	1.0	3.41
462-04	800321	9313496	476	307	-68	51	2	1.31
						69	6	1.58
579-03	800392	9313588	471	307	-65	<b>39</b>	<b>4</b>	<b>3.52</b>
						46	4	0.99
						<b>56</b>	<b>4</b>	<b>3.01</b>
775-04	800504	9313750	467	307	-62	24	2	2.2
						<b>35</b>	<b>7</b>	<b>5.37</b>
						48	1	1.02
						75	1	1.83
						80	1	1.65
829-03	80051	9313797	467	307	-65	12	1	1.94
						22	7	2.94
						34	2	7.32
						44	1	1.12
						50	3	1.64
						66	1	1.47
900-06	800595	9313837	469	307	-65	21.0	1.0	2.43
						38.0	7.0	0.78
						50.0	4.0	1.47
						69.0	1.0	1.11
						75.0	1.0	1.45
						83.0	1.0	1.96
950-04	800648	9313860	465	307	-45	30.0	1.0	3.81
						45.0	2.0	3.50
						57.0	6.0	2.50
						66.0	1.0	2.59
						77.0	1.0	1.80
950-03	800629	913875	464	307	-65	79.0	1.0	1.03
1125-01	800728	9314018	472	307	-65	<b>No significant results (NSR).</b>		
SFR 02	800565	9313629	470	307	-65	<b>NSR- hole did not reach target depth.</b>		

\*Down hole significant intercepts were calculated using a minimum lower cutoff of 1g/t, no upper-cut and up to 2m consecutive internal dilution. All drilling is HQ or NQ diamond drill core. Samples were cut and half core submitted for analysis at ALS Chemex in Belo Horizonte.

Drillhole collar coordinates given in South American Datum 1969 Zone 24 South.

All intercept widths are approximate true width.