

# Crusader identifies multiple gold targets in the Seridó Belt

- New Chief Geologist appointed to head dedicated Regional Exploration Team
- Four immediate exploration targets identified and prioritised with a proprietary developed prospectivity ranking system
- Clusters of favorably ranked gold anomalies to be aggressively explored
- Expanded 4,100 km<sup>2</sup> exploration portfolio increases regional prospectivity
- Neoproterozoic setting offers potential to host other large-scale, potentially world-class gold deposits

Work has begun on multiple new exploration targets which have been identified within the same mineralised system which hosts Crusader's (ASX:CAS) multi-million ounce Borborema Gold Project in Brazil.

The new targets are located within the same rock units and in the same structural settings as those that host the Borborema deposit, and are generally situated along the same trend as the deposit.

A study prioritising regional exploration by a prospectivity ranking system has now been completed. The system is based on the host geology, structural setting (as interpreted by geophysical modelling) and an extensive study of historical geochemical surveys completed in the region.

## Australian Securities Exchange Information

### ASX Code: CAS

- Ordinary Shares **110,146,040**
- Options **4,460,000**  
(exercise prices: \$0.44 to \$1.30)
- Market Capitalisation **\$66M**
- Treasury **\$10.6M** (31 Mar 2012)
- Share price **\$0.60**  
(12 month closing range: \$0.57 to \$1.50)

## Board of Directors

Non-Executive Chairman  
**David Archer**

Managing Director  
**Rob Smakman**

Executive Director  
**Paul Stephen**

Non-Executive Directors  
**Justin Evans**  
**David Netherway**

## CAS Investment Opportunity in Brazilian Projects

- Underexplored and high potential portfolio
- In-country experienced management (inc. MD, COO and Exploration Manager)
- Extensive network into new opportunities

Many of the new exploration targets also have evidence of artisanal gold workings (garimpos).

To complement the increased level of exploration work whilst feasibility studies continue at the flagship Borborema Project, a new Chief Geologist has been appointed to co-ordinate and expedite the regional program.

The new Chief Geologist, Mr Andrew Thompson, is an experienced exploration geologist who has played a key role in several significant Western Australian discoveries.

The Chief Geologist's role will focus squarely on finding new gold mineralisation within the region.

Commenting on the new appointment, Crusader's Managing Director, Rob Smakman, said,

*"I am really pleased that Andy has joined the team, he will add great experience and focus on the regional exploration work. Although he has only been with the company for a few weeks, he has already brought a sense of urgency and excitement to the dedicated regional team. With work accelerating at Borborema, we believe that the highly prospective Seridó Belt warranted the appointment of a dedicated leader."*

Work can now be focussed on the most significant clusters of geochemical drainage anomalies within the Borborema schist belt.

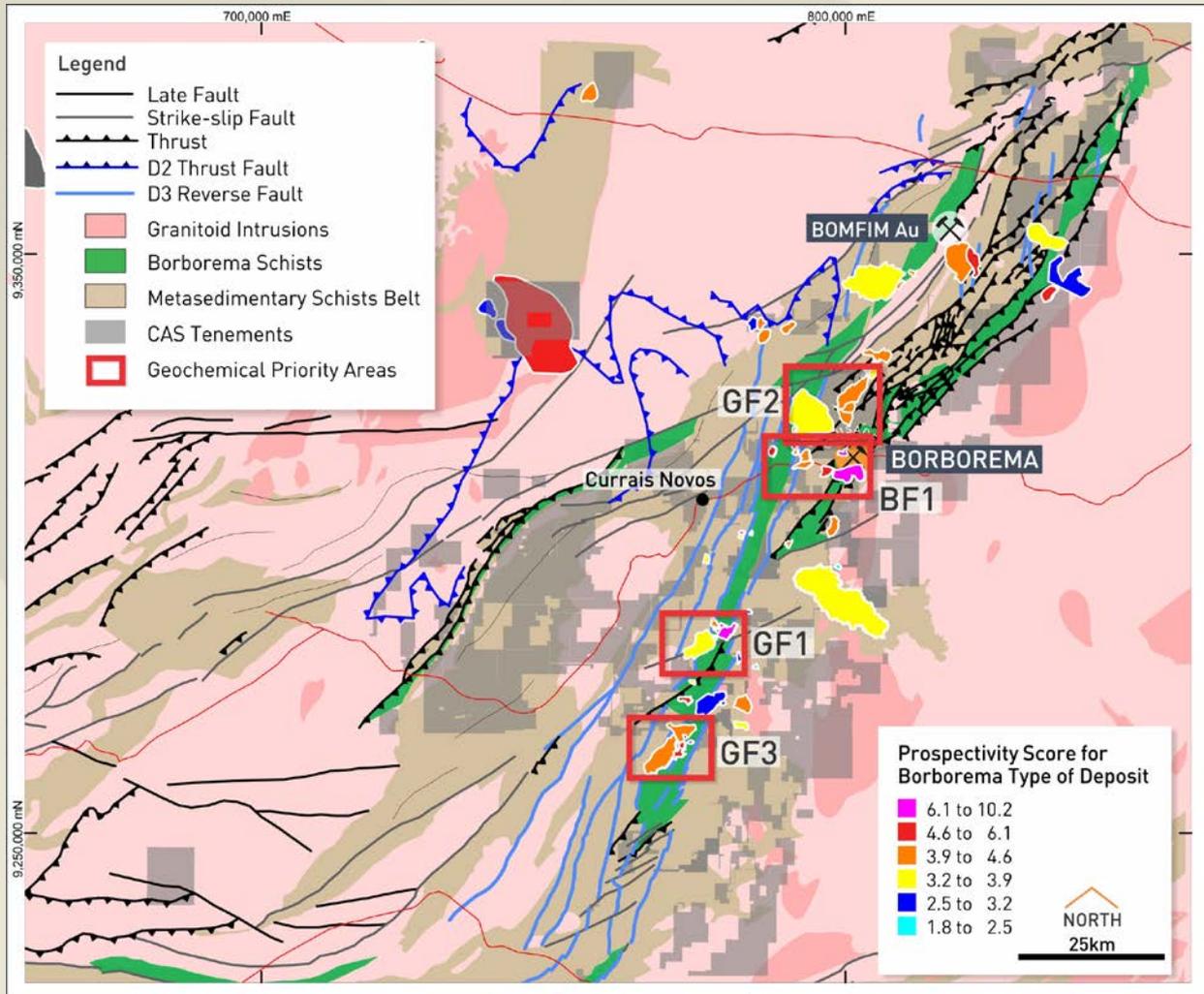
Crusader has expanded its tenement portfolio along the Seridó Belt from an initial 29 km<sup>2</sup> in late 2010 when Borborema was purchased to currently over 4,100 km<sup>2</sup> under application or licence.

The Borborema Gold Project currently contains an Indicated and Inferred Mineral Resource Estimate of 2.31 million ounces of gold. An update on this mineral resource estimate is imminent.

## **Prospectivity Ranking System**

Since the previous exploration update (ASX:CAS release 7 March 2012) a proprietary ranking system to develop a "prospectivity score" based on all key known factors (lithology, structural setting, geochemical anomalism, evidence of garimpo workings, etc.) has been developed. This has allowed a "league table" of over 90 defined gold-anomalous drainages in the Seridó Belt to be developed and allows a semi-quantitative approach to prioritising these regional targets.

Field mapping and sampling, soil sampling and stream-sediment programs have been modified accordingly with this new data and Crusader has defined four key areas to concentrate its resources on whilst other prospects are further investigated. These are shown highlighted as areas **BF1**, **GF1**, **GF2** and **GF3** in Figure 1 below:



**Figure 1: Seridó Belt with geophysical structural interpretation and ranked geochemical anomalies.**

Areas GF1 and GF3 show multiple catchments with strong gold anomalism straddling interpreted F2 thrusts within the Borborema schist. Geological mapping of several of these anomalies shows evidence of multiple historic garimpos. Mapping and geochemical sampling will start immediately in these areas.

Figure 2 shows more detail of the size and prospectivity of the gold-anomalous drainages within 20km of Borborema. Of particular interest is the size and distribution of these anomalies especially when compared with the anomalies created by Borborema itself – a proven multi-million ounce deposit in the region.

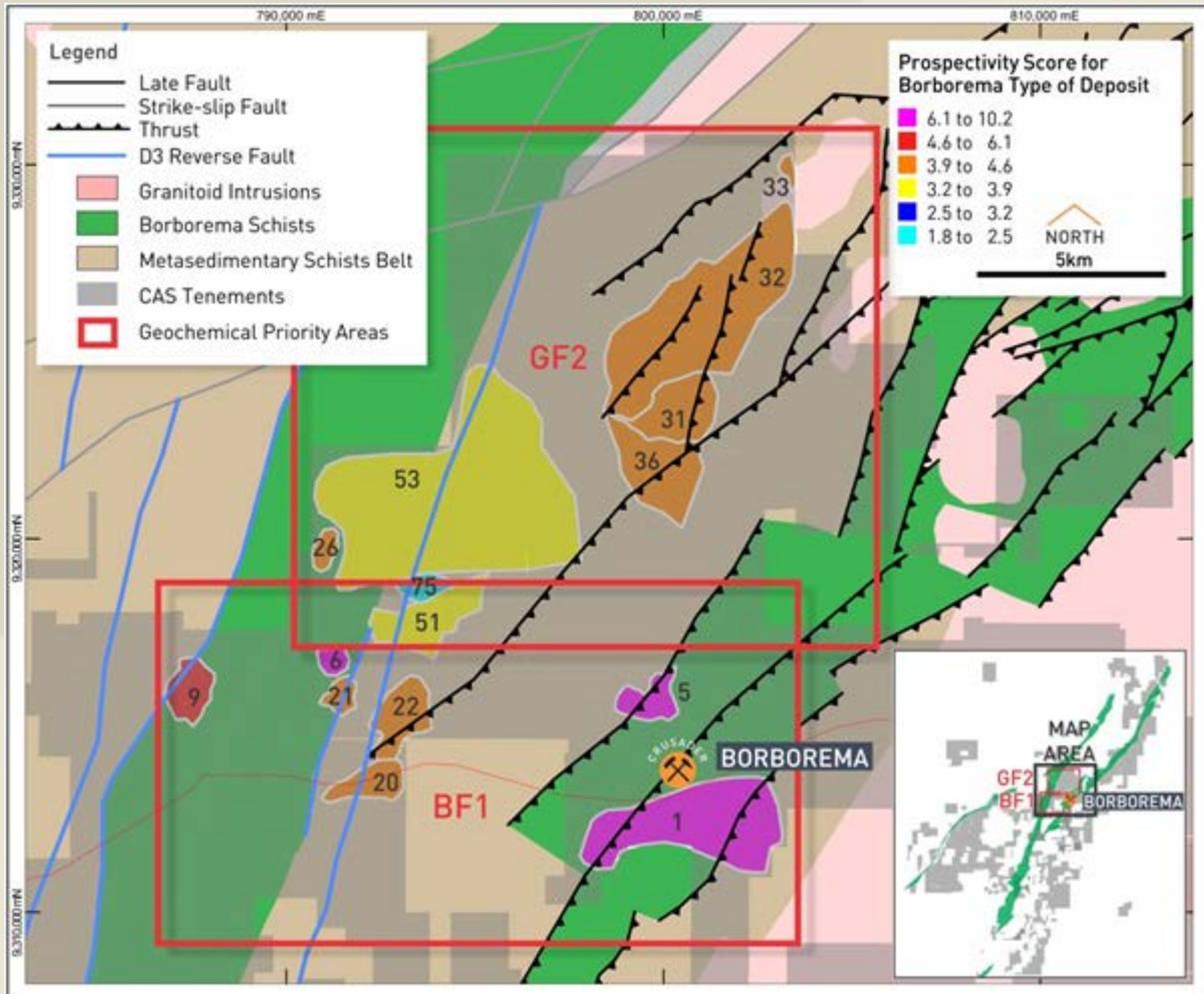


Figure 2: Regional priority targets BF1 and GF2.

The work completed to-date in area BF1 includes over 2,000 soil samples and mapping over a cluster of anomalies (Anomalies 6, 20, 21 and 22 in Fig. 2) to the west of Borborema. The full sampling program should be complete by the end of July and assay results are expected from mid-August. Anomalies 1 and 5 are interpreted as the drainage anomaly caused by the Borborema gold deposit.

Although the priority for the current exploration phase is for Borborema-style deposits, Crusader is keeping an open mind as to what other styles of gold mineralisation may exist in the region, with existing skarn-related tungsten/gold/bismuth deposits being mined at the nearby Bomfim mine and several significant anomalies lying outside the current interpretation of the Borborema schist belt. These prospects / opportunities will also be assessed as part of the exploration strategy.

### Tectonic Setting of the Seridó Belt

The Seridó Belt, which hosts the Borborema Gold Project, has been identified as being Neoproterozoic in age. This is extremely encouraging for regional exploration as many world-class gold deposits, such as Paracatu (>22 Moz) in Brazil, Navachab (>5 Moz) in Africa, Tropicana (>5 Moz) and Telfer (>26 Moz) in Australia, are also hosted in similar geological settings.

Figure 3 shows how these belts were all interconnected during a time when the continental plates containing Brazil, West Africa, and Australia were all joined together as part of a supercontinent. This favourable tectonic setting further highlights potential of the Seridó Belt for hosting other large-scale, potential world-class gold deposits.

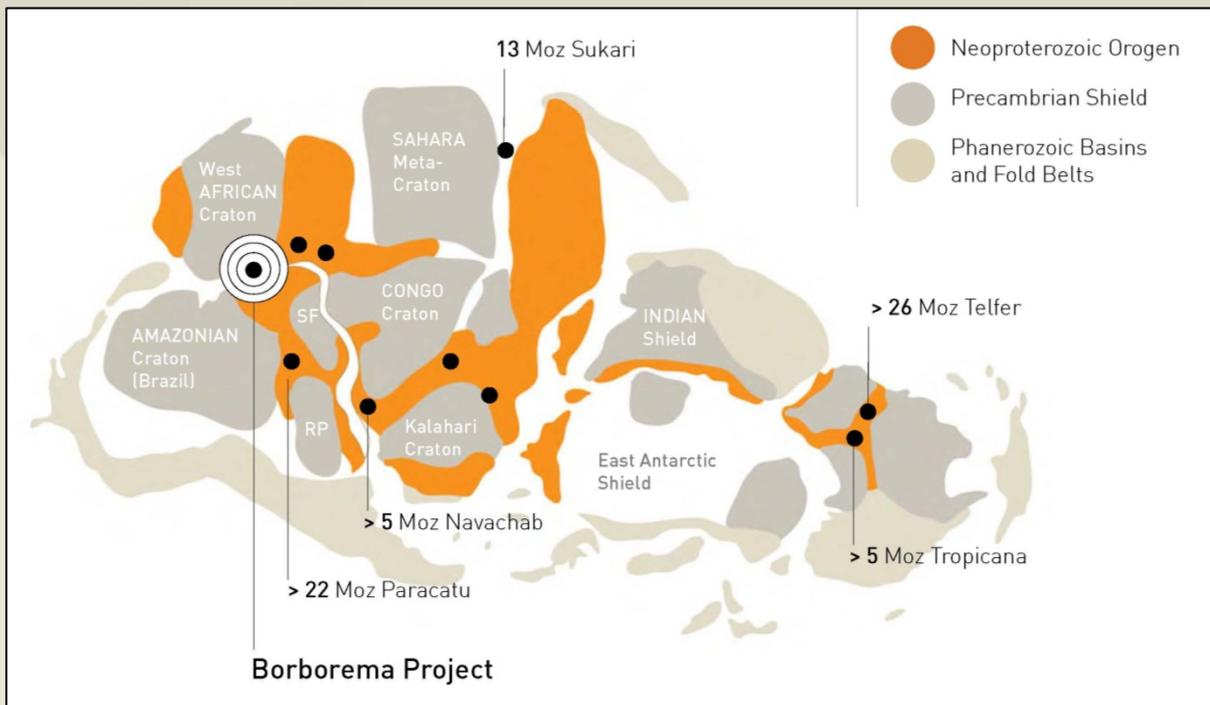


Figure 3: Schematic map showing world-class gold deposits in Neoproterozoic mobile belts across Brazil, West Africa and Australia that were once all joined as part of a supercontinent.

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#### **About Crusader**

Crusader Resources Limited (ASX:CAS) is a minerals exploration company listed on the Australian Securities Exchange. Its major focus is Brazil, a country Crusader believes is vastly underexplored with high potential for the discovery of world class mineral deposits.

Crusader's key asset is the 2.31 million ounce Borborema Gold Project in north eastern Brazil. The company has 4,100 km<sup>2</sup> of exploration tenements in the Seridó Belt, a highly prospective geological structure which hosts the Borborema Gold Project. This region is under explored and could provide Crusader with a pipeline of high growth, greenfields gold discoveries.

Crusader also owns the Posse Iron Project near Belo Horizonte which will produce high-quality iron ore for consumption in the Brazilian domestic iron industry. Production will commence once licences have been obtained from the mines and environment department.

#### **About Borborema**

The Borborema gold project is in the Seridó area of the Borborema province in north-eastern Brazil.

It is 100% owned by Crusader Resources Ltd and consists of three mining leases covering a total area of 29 km<sup>2</sup> including freehold title to the property over the main prospect area.

The Borborema Gold Project benefits from existing on-site facilities and excellent infrastructure, such as buildings, grid power, water, sealed roads and is close to major cities and regional centres. In December 2011, Crusader updated the JORC compliant resource estimate at Borborema to 2.31 million ounces. Drilling continues to define and expand the gold mineralisation, which remains open in all directions.

The current JORC compliant Indicated and Inferred Mineral Resource estimate, using a 0.50 g/t cut-off grade, is 68 million tonnes at 1.06 g/t for 2.31 million ounces of gold.

Crusader completed a Pre-Feasibility Study (PFS) in September 2011 into the economic and technical merits of the Borborema Gold Project. The PFS results revealed a robust investment case based on an open cut mine development of 3Mtpa.

A Bankable Feasibility Study is now underway and will consider a larger throughput of 4Mtpa.

#### **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 Fellow 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 information compiled by Mr. Lauritz Barnes and Mr. Brett Gossage who are both Members of The Australasian Institute of Mining and Metallurgy. Messrs Barnes and Gossage are both independent consultants to Crusader Resources Limited. Both Messrs Barnes and Gossage have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken 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". Messrs Barnes and Gossage consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.