

Drilling intersects significant gold mineralisation, 1km along strike from the 2.43 Moz Borborema Gold Project

High-grade gold mineralisation has been intersected in the first drill holes into the Northern Extension Zone of the Borborema Gold Project, 100% owned by Crusader Resources Ltd (ASX:CAS).

Gold mineralisation directly along strike to the north of the main mineralised zone was previously only implied from promising gold soil anomalies and some early encouragement from the adjacent Cobia and Remora soil anomaly targets.

Drilling in the main Northern Zone produced an intercept of **1m @ 5.74 g/t Au** from surface, whilst drilling, located over 1 km further to the north-east in a target area called the Northern Extension Zone, intersected **1m @ 15.55 g/t Au** from 63m down-hole in hole CRRC-541 and **1m @ 1.25 g/t Au** from 22m and **2m @ 1.70 g/t Au** from 29m in hole CRRC-543 (see full table of results attached).

Ongoing drilling at the main mineralised zone at Borborema continues to produce strong results, including some higher-grade intersections, which have the potential to build on the current total mineral resource inventory of 2.43 million ounces of contained gold.

Crusader Managing Director, Rob Smakman, said,

“These results significantly expand the scope of the overall Borborema mineralised system. Hitting significant intersections of gold mineralisation a full kilometre along strike, away from the main mineralised zone at Borborema, after starting brownfield and regional exploration only recently, is an exciting development and hopefully a precursor of things to come.”

Australian Securities Exchange Information

ASX Code: CAS

- Ordinary Shares **126,646,041**
- Options **4,460,000**
(exercise prices: \$0.44 to \$1.30)
- Market Capitalisation **\$61 M**
- Treasury **\$10 M**
- Share price **\$0.48**
(12 month closing range: \$0.48 to \$1.25)

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

The latest results incorporate 2,637m of diamond (10 holes) and 4,681m of RC drilling (39 holes) completed over the past few months.

Better intercepts at Borborema include:

Borborema (Central Zone):

- 1m @ 26.30 g/t Au from 161m and 1m @ 6.48 g/t Au from 173m and 10m @ 2.16 g/t Au from 207m in CRDD-162
- 12m @ 1.25 g/t Au from 167m and 8m @ 2.93 g/t Au from 182m in CRDD-166

Borborema (Central Zone – Deeps):

- 10m @ 3.65 g/t Au from 304m and 25m @ 1.08 g/t Au from 317m in CRDD-160
- 16m @ 2.15 g/t Au from 239m in CRDD-159

Exploration Drilling (Cobia):

- 1m @ 2.27 g/t Au from 21m and 1m @ 0.55 g/t Au from 39m in CRRC-536

Exploration Drilling (Remora):

- 1m @ 0.81 g/t Au from 10m and 1m @ 0.82 g/t Au from 117m and 1m @ 0.53 g/t Au from 164m in CRRC-544
- 1m @ 1.12 g/t Au from 128m in CRRC-557
- 2m @ 0.96 g/t Au from 23m and 1m @ 0.84 g/t Au from 61m in CRRC-579

Crusader has expanded its exploration acreage portfolio to > 4,100 km² to allow it to fully explore the strong regional prospectivity around Borborema. It has also begun exploring the adjacent targets immediately around the Borborema deposit, identified previously through soil anomalies.

Remora, Cobia and the Northern Extension targets, which lie close to the main Borborema mineralised zone, have been generated through geological mapping and soil sampling (see Figure 1). These targets are all within trucking distance of the planned Borborema production facility and could significantly enhance the planned Borborema project.

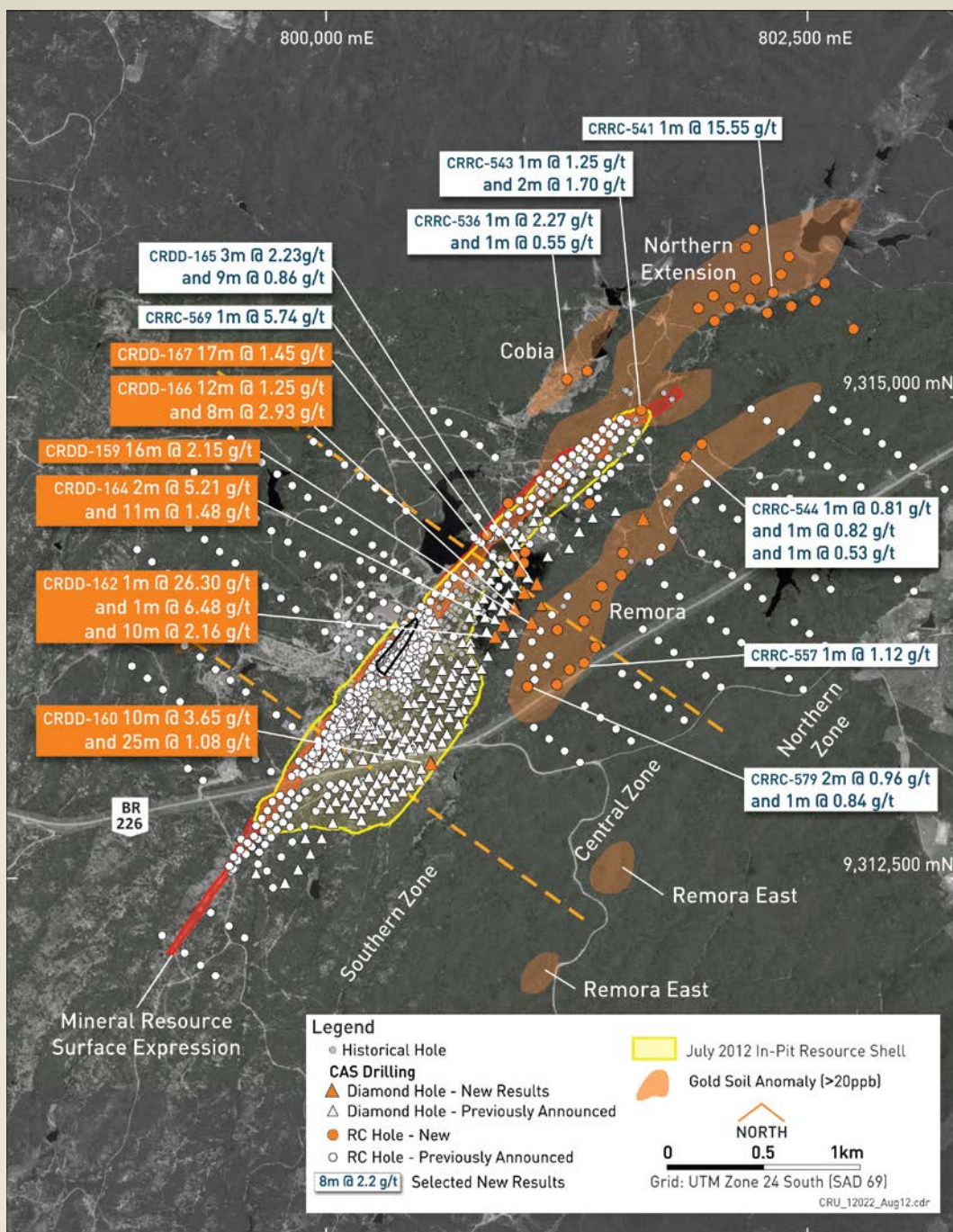
The Northern Extension follows the same trend as the main mineralised zone and has the potential to add near-surface ounces. The mineralisation is hosted in the same rocks as Borborema, with shearing, quartz veining and enrichment in sulphide content considered important. This target appears to be an extension of the main mineralised zone, and further drilling could add over 1,200m of strike to the existing 3,300m of the main mineralised zone.

Drilling continues in the vicinity of the Borborema main zone and on the multiple exploration targets. Drilling will continue throughout September and beyond, dependant on results.

Several teams have also been mobilised to start the systematic stream, soil and rock chip sampling of the most advanced targets within the Seridó trend.

A full table of significant intersections from the recent results is attached, with an updated drill plan.

Figure 1: Selected Drill Results August 2012



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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 2.43 million ounce Borborema Gold Project in north eastern Brazil. The company has 4,100 km² 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, subject to licensing, produce high-quality iron ore for consumption in Brazil's domestic iron industry. Production will commence once licences have been obtained from the mines and environment departments.

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 km² 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. The current JORC compliant Indicated and Inferred Mineral Resource estimate, using a 0.50 g/t cut-off grade, is 68.6 million tonnes at 1.10 g/t for 2.43 million ounces of gold. . Drilling continues to define and expand the gold mineralisation, which remains open at depth and along strike.

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.

Table 1 – Drill Hole Locations

Hole ID	Zone	Easting	Northing	RL	Dip	Azimuth
CRDD-159	Central Deeps	801,067	9,313,825	487	-60°	307°
CRDD-160	Central Deeps	800,544	9,313,093	498	-58°	307°
CRDD-161	Northern	801,006	9,314,096	478	-60°	307°
CRDD-162	Central	800,879	9,313,753	477	-60°	307°
CRDD-163	Northern	801,646	9,314,363	481	-60°	307°
CRDD-164	Central	800,922	9,313,813	483	-60°	307°
CRDD-165	Northern	801,095	9,314,026	473	-60°	307°
CRDD-166	Central	800,976	9,313,898	478	-60°	307°
CRDD-167	Central	801,027	9,313,982	482	-60°	307°
CRDD-168	Central	801,118	9,313,916	475	-60°	307°
CRRC-536	Cobia	801,253	9,315,096	490	-60°	307°
CRRC-537	Cobia	801,359	9,315,137	485	-60°	307°
CRRC-538	Northern Extension	802,018	9,315,399	487	-60°	307°
CRRC-539	Northern Extension	802,094	9,315,466	488	-60°	307°
CRRC-540	Northern Extension	802,202	9,315,509	490	-60°	307°
CRRC-541	Northern Extension	802,322	9,315,544	495	-60°	307°
CRRC-542	Northern Extension	802,541	9,315,504	490	-60°	307°
CRRC-543	Northern Extension	801,637	9,314,934	480	-60°	307°
CRRC-544	Remora	801,870	9,314,693	491	-60°	307°
CRRC-545	Remora	801,951	9,314,758	497	-60°	307°
CRRC-550	Remora	800,947	9,314,451	481	-60°	307°
CRRC-551	Remora	801,542	9,314,192	491	-60°	307°
CRRC-552	Remora	801,435	9,314,020	494	-60°	307°
CRRC-553	Remora	801,533	9,314,077	482	-60°	307°
CRRC-554	Remora	801,403	9,313,917	487	-60°	307°
CRRC-555	Remora	801,342	9,313,840	483	-60°	307°
CRRC-556	Remora	801,400	9,313,704	487	-60°	307°
CRRC-557	Remora	801,342	9,313,621	490	-60°	307°
CRRC-558	Remora	801,266	9,313,586	495	-60°	307°
CRRC-559	Remora	801,198	9,313,508	499	-67°	307°
CRRC-561	Northern Extension	801,933	9,315,463	490	-60°	307°
CRRC-562	Northern Extension	802,013	9,315,528	503	-60°	307°
CRRC-563	Northern Extension	802,122	9,315,572	503	-60°	307°
CRRC-564	Northern Extension	802,180	9,315,779	506	-60°	307°
CRRC-565	Northern Extension	802,362	9,315,639	496	-60°	307°
CRRC-566	Northern Extension	802,739	9,315,355	511	-60°	307°
CRRC-567	Northern Extension	802,291	9,315,441	485	-60°	307°
CRRC-568	Northern Extension	802,233	9,315,613	489	-60°	307°
CRRC-569	Northern	800,837	9,314,286	481	-60°	307°
CRRC-570	Northern	801,033	9,314,197	471	-60°	307°
CRRC-571	Northern Extension	802,415	9,315,474	491	-60°	307°
CRRC-572	Northern Extension	802,590	9,315,593	494	-60°	307°
CRRC-573	Northern Extension	802,404	9,315,733	501	-60°	307°
CRRC-574	Northern Extension	802,220	9,315,872	510	-60°	307°
CRRC-575	Remora	801,368	9,314,448	477	-60°	307°
CRRC-576	Northern Extension	800,981	9,314,175	472	-60°	307°
CRRC-577	Northern Extension	801,027	9,314,140	473	-60°	307°
CRRC-578	Remora	801,200	9,313,793	481	-60°	307°
CRRC-579	Remora	801,046	9,313,499	489	-60°	307°

Table 2 – Significant Intersections

SIGNIFICANT INTERSECTIONS (≥ 0.5 g/t Au)			
Hole ID	From	Interval (m)	Av Grade (g/t Au)
CRDD-159	51	1	0.50
	159	1	2.31
	164	1	0.87
	180	3	0.56
	207	1	0.86
	212	3	0.97
	232	3	0.66
	239	16	2.15
	298	1	9.40
CRDD-160	266	1	0.71
	291	1	0.60
	295	3	0.53
	304	10	3.65
	317	25	1.08
CRDD-161	114	4	0.95
	128	3	1.01
	138	1	0.68
CRDD-162	124	2	1.33
	130	1	0.62
	138	1	2.83
	157	1	0.50
	161	1	26.30
	173	1	6.48
	185	1	0.81
	195	1	3.15
	207	10	2.16
	221	1	1.05
	226	1	1.30
	242	1	0.60
CRDD-163	2	1	4.07
	222	1	2.48
CRDD-164	125	2	5.21
	186	1	0.65
	191	1	1.89
	197	1	0.75
	203	11	1.48

SIGNIFICANT INTERSECTIONS (≥ 0.5 g/t Au)			
Hole ID	From	Interval (m)	Av Grade (g/t Au)
CRDD-165	54	1	0.69
	60	1	0.52
	79	2	0.67
	103	1	0.98
	111	3	2.23
	145	1	0.74
	157	1	0.76
	162	1	0.51
	167	9	0.86
	179	1	0.65
CRDD-166	63	1	1.14
	111	1	1.49
	151	1	0.70
	167	12	1.25
	182	8	2.93
	197	1	0.59
	199	1	0.59
	202	1	0.74
CRDD-167	68	1	1.07
	103	1	0.56
	160	1	0.52
	165	17	1.45
	191	1	2.49
	198	1	2.23
CRDD-168	42	1	1.27
	148	1	0.69
	156	1	1.07
	184	1	0.73
	198	7	0.55
	209	1	0.94
	213	10	1.95
	251	1	0.63
CRRC-536	21	1	2.27
	39	1	0.55
CRRC-537			NSI
CRRC-538	15	1	0.62

Table 2 – continued

SIGNIFICANT INTERSECTIONS (≥ 0.5 g/t Au)			
Hole ID	From	Interval (m)	Av Grade (g/t Au)
CRRC-539			NSI
CRRC-540			NSI
CRRC-541	63	1	15.55
CRRC-542			NSI
CRRC-543	22	1	1.25
	29	2	1.70
CRRC-544	10	1	0.81
	117	1	0.82
	164	1	0.53
CRRC-545			NSI
CRRC-550			NSI
CRRC-551			NSI
CRRC-552			NSI
CRRC-553			NSI
CRRC-554			NSI
CRRC-555			NSI
CRRC-556			NSI
CRRC-557	128	1	1.12
CRRC-558			NSI
CRRC-559			NSI
CRRC-561			NSI
CRRC-562			NSI
CRRC-563			NSI
CRRC-564			NSI

SIGNIFICANT INTERSECTIONS (≥ 0.5 g/t Au)			
Hole ID	From	Interval (m)	Av Grade (g/t Au)
CRRC-565			NSI
CRRC-566	64	1	1.72
CRRC-567	78	2	0.71
	85	1	0.60
CRRC-568	6	1	0.53
CRRC-569	0	1	5.74
	21	1	0.61
CRRC-570	9	1	0.55
	72	2	0.61
	78	1	0.50
	81	1	0.68
	94	2	0.66
	102	1	0.54
CRRC-571	121	1	0.67
CRRC-572	40	1	0.81
CRRC-573			NSI
CRRC-574			NSI
CRRC-575			NSI
CRRC-576			NSI
CRRC-577			NSI
CRRC-578			NSI
CRRC-579	23	2	0.96
	61	1	0.84