

Posse Iron Project Licensing Update

The Brazilian federal mines department (DNPM) has approved the Plano de Aproveitamento Econômico (PAE or Economic Development Plan) of Crusader Resources Ltd's Posse Iron Project.

The PAE will now be attached to the environmental licence application (Licença Previa, LP or Preliminary License and Licença Installacao, LI or Installation Licence) and submitted to a subsequent monthly council meeting. Approval at that meeting is pre-requisite for a full mining licence.

Crusader Managing Director Rob Smakman, commented, *"Having the PAE approved is one of the key approvals required and we are really pleased to have the document in hand. We can now attach it to the applications we have prepared for the environmental authorities and present the project to the council meeting, probably in the new year."*

In parallel, Crusader has been pursuing a lower level environmental licence known as an LOP (Licença Operacional de Pesquisa or Exploration Operational Licence) which, if approved and coupled with Crusader's current Guia de Utilização (GU or Trial Mining Licence) would allow mining to start at a restricted rate of 300,000 tonnes of ROM material per year.

The LOP licence application for Posse has been confirmed on the agenda for the next council meeting, which has been shifted to the 3rd of December 2012.



Australian Securities Exchange Information

ASX Code: CAS

- Ordinary Shares **126,616,040**
- Options **4,460,000**
(exercise prices: \$0.44 to \$1.30)
- Market Capitalisation **\$51M**
- Treasury **\$8.4M** (30 September 2012)
- Share price **\$0.405**
(12 month closing range: \$0.35 to \$1.20)

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

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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 4,400 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 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 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 million tonnes at 1.06 g/t for 2.43 million ounces of gold. Drilling continues to define and expand the gold mineralisation, which remains open in all directions.

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.