

Strategic Corporate Review

HIGHLIGHTS

- Crusaders directors and executive team agrees to a 20% reduction in salaries
- Appointment of Mr John Evans as a non-executive director
- Retirement of Mr Justin Evans

Iron ore producer and gold developer, Crusader Resources Ltd has completed a comprehensive review and restructure initiated by new Chairman Stephen Copulos, who has now taken on the role on a permanent basis.

The executive team and directors have agreed to a 20% reduction in salaries in direct reflection of current market conditions. Other changes have been made during the review with significant reductions in other outgoings.

Mr Justin Evans, non-executive director of Crusader has stepped down after nine years in the role.

Crusader's Managing Director, Rob Smakman said, *"We will be forever in debt to Justin as a founder and director of Crusader, he has been a valuable contributor and fundamental to our growth over the company's history. His counsel has been greatly appreciated and he leaves with the best wishes of the board."*

"We are also pleased to welcome John Evans to the board; he will add significant strength to the financial governance capability of the board."

Mr John Evans (no relation to Justin) has been appointed as a non-executive director of the company. John's areas of expertise include strategic business planning and finance. John holds a Bachelor of Commerce (Hons) degree, is a Fellow of the Institute of Chartered Accountants in Australia, a member of CPA Australia and the Australian Institute of Company Directors.

Australian Securities Exchange Information

ASX Code: CAS

- Ordinary Shares **126,646,041**
- Options **11,782,000**
(exercise prices: \$0.44 to \$1.30)
- Market Capitalisation ~\$33M
- Treasury **\$1.2M** (31 March 2013)
- Share price **\$0.26**
(12 month closing range: \$0.245 to \$0.850)

Board of Directors

Non-Executive Chairman

Stephen Copulos

Managing Director

Rob Smakman

Executive Director

Paul Stephen

Non-Executive Directors

John Evans

David Netherway

Mauricio Ferreira

CAS Investment Opportunity in Brazilian Projects

- Producing DSO asset - Posse
- Large Borborema gold project - BFS underway
- Underexplored and high potential exploration portfolio
- In-country Management (inc. MD, COO and Exploration Manager)
- Extensive network into new opportunities

John has held a number of public and private company directorships, in a range of industries including mining services, property development, healthcare, legal services, utilities, and employment/training. John is currently the Non-Executive Chairman of the ASX listed Intermoco Limited.

Crusader's recently appointed chairman Mr Stephen Copulos, who has initiated the company wide restructure, commented: *"After recently visiting the operations in Brazil and reviewing the company as a whole, I am excited for the future of Crusader. In view of the current challenging market conditions and the desire to preserve capital, we have taken the decision to reduce total board and executive remuneration by 20%.*

To further align with the interests of shareholders, we are issuing share options to directors and senior employees, the details of which will be proposed to shareholders in an upcoming EGM."

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About Crusader

Crusader Resources Limited (ASX:CAS) is a minerals exploration and mining 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 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 Ore Project near Belo Horizonte which produces high-quality iron ore for consumption in the Brazilian domestic iron industry.

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 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 Project's Maiden Ore Reserve was announced in November 2012. Proven and Probable Ore Reserves of 1.61Moz of mineable gold from 42.4Mt @ 1.18g/t (0.4 & 0.5g/t cut-offs for oxide & fresh). The Mineral Resource remains open in all directions.

A Pre-Feasibility Study (PFS), completed in September 2011, into the economic and technical merits of the Borborema Gold Project, revealed a robust investment case based on an open-cut mine development of 3Mtpa. A Bankable Feasibility Study is underway and will consider a larger throughput of 4Mtpa.

About Posse

The Posse Iron Ore Project is located 30km from Belo Horizonte, a city acknowledged as the mining capital of Brazil and the capital of Minas Gerais state. The project has a Mineral Resource of 36Mt @ 43.5% Fe.

With an experienced mining workforce amongst a population of over 2.3 million people, the infrastructure and access to the domestic steel market around the Posse Project is excellent.

Sales commenced in April 2013.

Competency Statement

The information in this report that relates to:

- a) Exploration Results is based on information compiled or reviewed by Mr Robert Smakman who is a full time employee of the company;
- b) Borborema gold Mineral Resources is based on information compiled by Mr Lauritz Barnes and Mr Brett Gossage and independent consultants to the company;
- c) Borborema gold Ore Reserves is based on information compiled by Mr Linton Kirk, independent consultant to the company;
- d) Posse Fe Mineral Resources is based on and accurately reflects, information compiled by Mr Bernardo Viana who is a full time employee of Coffey Mining Pty Ltd,

and who are all Members of the Australian Institute of Mining and Metallurgy (Rob Smakman and Linton Kirk being Fellows), and who all have sufficient experience that is relevant to the type of mineralisation and type of deposit under consideration, and to the activity which they are undertaking 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. Each of Mr Smakman, Mr Lauritz Barnes, Mr Kirk, Mr Viana and Mr Brett Gossage consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.