

Posse Drilling Intercepts Massive Haematite

- Drilling at Posse Iron Ore mine intercepts broad itabirite zones with exceptional high-grade, near surface haematite lenses including:
 - 136.6 m @ 45.23% Fe from 0m in PORC-003, including:
 - **14m @ 66.43% Fe** from 8m; and
 - 120 m @ 45.26% Fe from 0m in PORC-004, including:
 - **28 m @ 61.40% Fe** from 0m
- Results confirm thick zone of itabirite suitable for Stage 2 processing
- Current mining operations will be enhanced with updated geological modelling

Drilling at Crusader's 100% owned Posse Iron Ore Mine in Brazil has intercepted broad zones of high-grade, massive haematite ore. Near-surface lenses of the haematite-rich ore are the principal component of the lump ore products that are currently being beneficiated and sold into the domestic Brazilian iron ore market.

The drilling has also intercepted thick zones of the friable itabirite which comprises the bulk of the current mineral resource estimate and will be the principal ore to feed the planned Stage 2 beneficiation plant. Subject to additional licensing and metallurgy, Stage 2 processing will upgrade the itabirite ore into high-grade sinter and pellet feed products, both readily saleable into the local market. The two drillholes reported in this announcement each have an average grade of ~45% Fe, which compares well with the current JORC compliant mineral resource estimate (36 Mt @ 43.5% Fe). A full table of significant intercepts is detailed in Tables 1 & 2 below, with overall results including:

- **136.6 m @ 45.23% Fe** from surface in PORC-003, including:
 - **44 m @ 56.60% Fe** from surface which includes:
 - **14 m @ 66.43% Fe** from 8 m and
 - **10 m @ 58.48% Fe** from 34 m; and
- **120 m @ 45.26% Fe** from surface in PORC-004, including:
 - **28 m @ 61.40% Fe** from surface, which includes:
 - **8 m @ 63.33% Fe** from 0 m and
 - **14 m @ 63.81% Fe** from 12 m

Australian Securities Exchange Information

ASX Code: CAS

- Ordinary Shares **126,646,041**
- Options **13,457,000**
(exercise prices: \$0.34 to \$1.30)
- Market Capitalisation ~\$31M
- Treasury **\$1.2M** (31 March 2013)
- Share price **\$0.245**
(12 month closing range: \$0.210 to \$0.660)

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

Commenting on the recent drilling at Posse, Managing Director Rob Smakman said;

“The drilling at Posse served multiple purposes, with short-term mine planning to maximise the lump ore products the most pressing. The near-surface, high-grade haematite lenses announced today will have a positive impact on the short-term planning. In the medium and longer term, we will have a much improved database on which to base the economics of Stage 2, ensuring the longer term future of the Posse project”.

Results reported today represent assays from the first two drillholes received from the laboratory out of a total of fifteen reverse circulation holes recently completed (a total of 1,345m drilled). Further results should be ready for release in August.

Additional Stage 2 scoping study work is now underway with the focus on metallurgy, marketing and logistics.

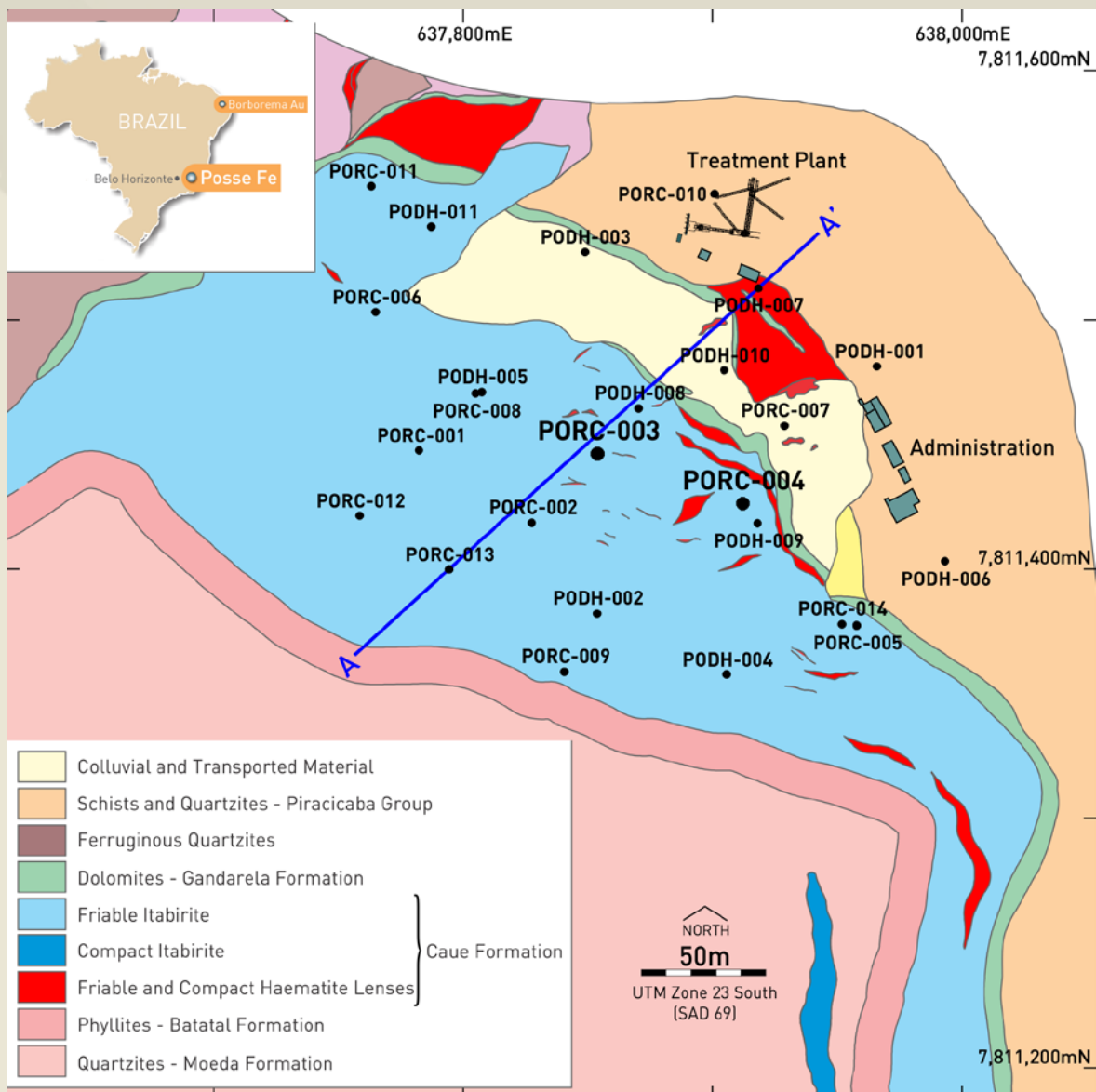


Figure 1: Posse Iron Ore Geological Plan with Drillhole Locations

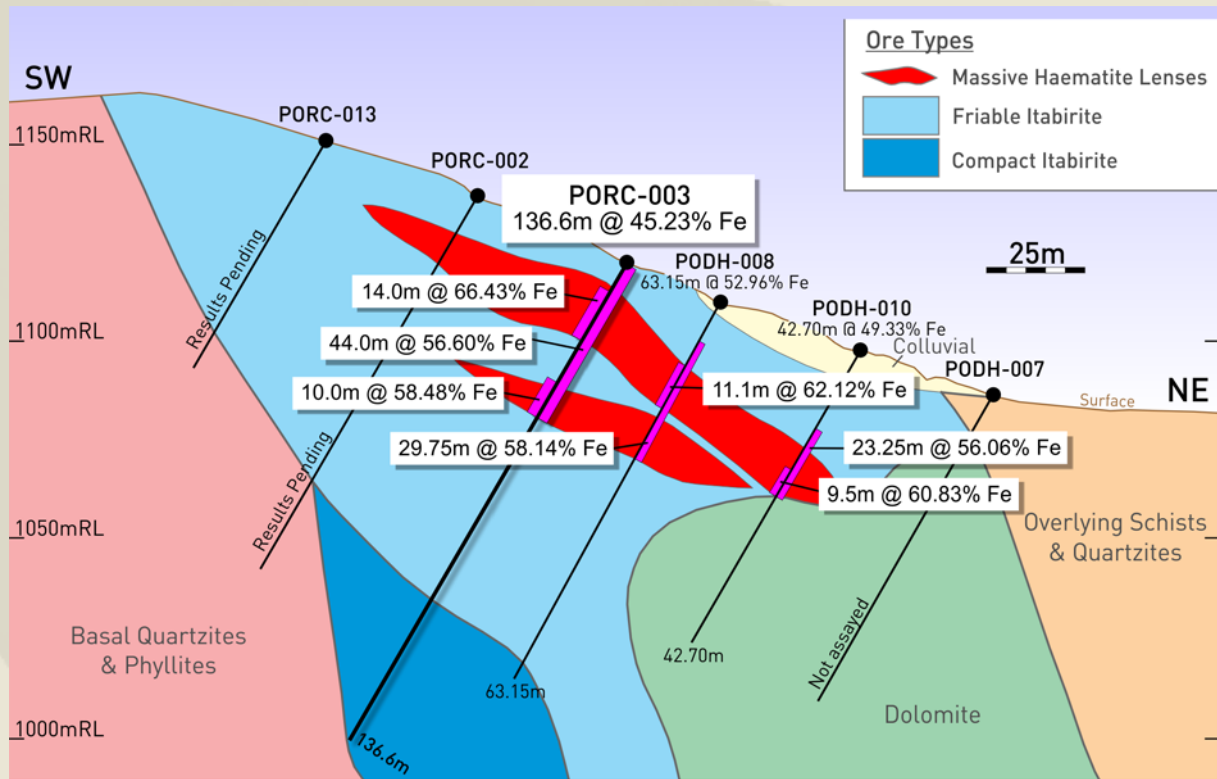


Figure 2: Section A-A' from the Posse Iron Ore Project

| Hole ID | Easting | Northing | RL | Final Depth (m) | Dip | Azimuth | Hole Type |
|----------|---------|-----------|-------|-----------------|------|---------|-----------|
| PODH-001 | 637,966 | 7,811,481 | 1,088 | 120.35 | -60° | 228° | DD |
| PODH-002 | 637,854 | 7,811,382 | 1,143 | 55.05 | -59° | 222° | DD |
| PODH-003 | 637,849 | 7,811,527 | 1,096 | 68.40 | -60° | 223° | DD |
| PODH-004 | 637,906 | 7,811,358 | 1,139 | 24.00 | -60° | 220° | DD |
| PODH-005 | 637,808 | 7,811,471 | 1,128 | 97.90 | -60° | 225° | DD |
| PODH-006 | 637,993 | 7,811,403 | 1,086 | 82.30 | -59° | 237° | DD |
| PODH-007 | 637,918 | 7,811,513 | 1,087 | 88.70 | -60° | 224° | DD |
| PODH-008 | 637,870 | 7,811,464 | 1,110 | 108.30 | -60° | 242° | DD |
| PODH-009 | 637,918 | 7,811,418 | 1,110 | 45.90 | -90° | 225° | DD |
| PODH-010 | 637,905 | 7,811,480 | 1,098 | 83.80 | -60° | 225° | DD |
| PODH-011 | 637,787 | 7,811,537 | 1,110 | 77.90 | -60° | 225° | DD |
| PORC-001 | 637,782 | 7,811,448 | 1,138 | 102.00 | -60° | 225° | RC |
| PORC-002 | 637,828 | 7,811,419 | 1,136 | 108.00 | -60° | 225° | RC |
| PORC-003 | 637,854 | 7,811,446 | 1,120 | 136.62 | -60° | 225° | RC |
| PORC-004 | 637,912 | 7,811,426 | 1,110 | 120.00 | -60° | 225° | RC |
| PORC-005 | 637,952 | 7,811,378 | 1,104 | 54.00 | -60° | 225° | RC |
| PORC-006 | 637,765 | 7,811,503 | 1,115 | 50.00 | -60° | 225° | RC |
| PORC-007 | 637,929 | 7,811,457 | 1,098 | 156.00 | -60° | 225° | RC |
| PORC-008 | 637,805 | 7,811,470 | 1,127 | 124.00 | -60° | 225° | RC |
| PORC-009 | 637,840 | 7,811,359 | 1,147 | 40.00 | -60° | 225° | RC |
| PORC-010 | 637,901 | 7,811,551 | 1,084 | 129.00 | -60° | 225° | RC |
| PORC-011 | 637,763 | 7,811,554 | 1,101 | 40.00 | -60° | 225° | RC |
| PORC-012 | 637,758 | 7,811,421 | 1,153 | 120.00 | -60° | 225° | RC |
| PORC-013 | 637,794 | 7,811,400 | 1,151 | 67.00 | -60° | 225° | RC |
| PORC-014 | 637,958 | 7,811,377 | 1,104 | 98.00 | -55° | 145° | RC |

*All coordinates are in SAD69, UTM 23 S. Drillholes with PODH prefix are diamond drilling from 2008

Table 1: Drill Hole Locations

| Hole ID | From (m) | Interval (m) | % Fe | % SiO ₂ | % Al ₂ O ₃ | % Mn | % P | % LOI |
|-----------------|-----------------|---------------|--------------|--------------------|----------------------------------|-------------|-------------|-------------|
| PORC-001 | Awaiting Assays | | | | | | | |
| PORC-002 | Awaiting Assays | | | | | | | |
| PORC-003 | 0 | 136.62 | 45.23 | 32.40 | 0.72 | 0.17 | 0.03 | 0.69 |
| inc. | 0 | 44 | 56.60 | 16.28 | 1.27 | 0.17 | 0.01 | 0.72 |
| inc. | 8 | 14 | 66.43 | 3.34 | 0.88 | 0.10 | 0.02 | 0.45 |
| and | 34 | 10 | 58.48 | 10.79 | 2.57 | 0.19 | 0.01 | 1.47 |
| PORC-004 | 0 | 120 | 45.26 | 33.06 | 0.53 | 0.21 | 0.02 | 0.67 |
| inc. | 0 | 28 | 61.40 | 10.57 | 0.96 | 0.21 | 0.02 | 0.62 |
| inc. | 0 | 8 | 63.33 | 6.82 | 1.62 | 0.42 | 0.02 | 1.32 |
| and | 12 | 14 | 63.81 | 7.24 | 0.81 | 0.15 | 0.02 | 0.37 |
| PORC-005 | Awaiting Assays | | | | | | | |
| PORC-006 | Awaiting Assays | | | | | | | |
| PORC-007 | Awaiting Assays | | | | | | | |
| PORC-008 | Awaiting Assays | | | | | | | |
| PORC-009 | Awaiting Assays | | | | | | | |
| PORC-010 | Awaiting Assays | | | | | | | |
| PORC-011 | Awaiting Assays | | | | | | | |

*All intersections are down-hole intersections, which for holes oriented -60° to 225° represent approximately 115% of true width

Table 2: Significant Intersections from Posse 2013 RC drilling

For further information please contact:

Mr. Rob Smakman
 Managing Director, Brazil
 Mobile (Brazil): +55 83 8881 8608
 Email: rob@crusaderdobrasil.com

Mr. Paul Stephen
 Executive Director, Australia
 Office (Aus): +61 8 9320 7500
 Email: paul@crusaderresources.com

Mr. Ian Howarth
 Media Relations, Australia
 Collins Street Media
 Mobile: +61 407 822 319
 E: ian@collinsstreetmedia.com.au

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 assets include 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 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 March 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.