

Drilling Underway at Posse Iron Ore Mine

Crusader has initiated a diamond drilling program at their 100% owned Posse Iron Ore Mine in order to determine the depth extent of a newly discovered set of haematite veins within the Posse open pit. The drilling was initiated last week and the first hole has intercepted multiple metres of massive haematite which could yield a high percentage of high-grade lump products.

Commenting on the drill program, Managing Director Rob Smakman said, *"After completing an updated geological mapping program in the newly mined faces and surrounds, we discovered an additional set of veins that are trending 90⁰ to the previous interpretation. We want to drill these veins to determine their depth extent and potential, as the previous drilling had all been oriented sub-parallel to this vein set."*

Crusader geologists have been routinely mapping the newly opened faces of the mine and continued to notice the variable nature of the haematite veins, the principle rock unit which is targeted for its higher percentage content of high-grade lump products. Understanding the distribution of these veins is the principle aim of the current drilling program, with 12 holes and over 1,000 metres planned.

Results from the drilling will be released as they come to hand.

Australian Securities Exchange Information

ASX Code: CAS

- Ordinary Shares **126,646,041**
- Options **14,947,000**
(exercise prices: \$0.3414 to \$1.35)
- Market Capitalisation **~\$38M**
- Treasury **\$2.9M** (31 Mar 2014)
- Share price **\$0.30**
(12 month closing range: \$0.18 to \$0.365)

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



Figure 1; Diamond drilling underway at Posse Iron Ore Mine

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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 and which offers 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 >4,500 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.

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.

Competent Person Statement

The information in this report that relates to:

- a) Borborema Gold Project and Posse Iron Ore Project Exploration Results are 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 Australasian 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.

This information was prepared and disclosed under the JORC Code 2004. It has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported.