

Crusader Announces Update on Lithium Projects

Crusader Resources (ASX:CAS) (“Crusader” or the “Company”), a gold explorer and developer, is pleased to provide an update on its 100% owned lithium interests in Brazil and potential opportunities in Portugal.

Crusader’s expertise in operating in Brazil and its highly experienced Portuguese speaking team had previously provided the Company with an opportunity to acquire a suite of highly prospective exploration assets, including lithium projects in Brazil and Portugal. Although the Company is, and will remain gold focussed, in the current market for lithium, it recognises an opportunity to look at options to farm-out or dispose of its lithium interests. This strategy will allow the Company to monetise or expose its shareholders to potential upside in relation to lithium assets and allow Crusader to focus all of its development and funding efforts on the Borborema Gold Project and the Jurueña and Novo Astro exploration projects.

Highlights:

- Completed negotiations with the Portuguese Government for the granting of the Gaia lithium exploration licence.
- Review commencing over the Company’s Brazilian Manga Lithium Project (“Manga”).
- Assessing various options with regard to exiting its lithium business at value.

Marcus Engelbrecht, Managing Director of Crusader Resources, commented:

“The nature of the current lithium market presents an appropriate opportunity for the Company to review its options at the prospective Gaia and Manga assets, and to determine a way in which to best realise value for shareholders. As we continue to work towards the Company’s exciting near-term AIM admission, we remain firmly focussed on our core gold assets in Brazil, and on exploring all avenues of funding for these near development and exploration projects.”

Crusader, through its wholly-owned subsidiary Third Element Metals Pty Limited (TEM), has recently completed negotiations with the Portuguese mining department, Directorate General for Energy and Geology (DGEG), for the granting of the Gaia exploration licence. This will give TEM 100% ownership over the Gaia lithium project, located in the Gonçalo-Guarda region, 220km from the city of Porto, north Portugal, and 290km from the capital Lisbon. The licence consists of two nearby exploration blocks adding in area 88.842 km², which surround multiple lithium operating mines with ongoing open pit extraction of hard-rock lithium-mica concentrates used to supply the highly successful local ceramic industry. Moreover, the Gaia lithium project is in a very similar geological setting to the Company’s 100% owned Manga deposit in Brazil.

The Gaia application area is adjacent to the Alvarrões Lepidolite Project which is the subject of a drilling program and mining study being conducted by ASX listed Lepidico Ltd (ASX:LPD). This company has recently announced a maiden Mineral Inferred Resource estimate of 1.5Mt @ 1.1% lithium and has a market capitalisation of ~AUD\$150M.

Crusader also owns 100% of the Manga Lithium Project located in the north east of central Brazil with tenure over 1,333Ha. Rock chip samples returned up to 1.8% Li₂O within a zinnwaldite-rich greisen zone with research returning assays of up to 3.6% Li₂O zinnwaldite. Recent significant developments in the processing of zinnwaldite and lepidolite deposits into lithium concentrate suitable for use in battery technology, significantly increases the potential for both the Manga and Gaia Projects.

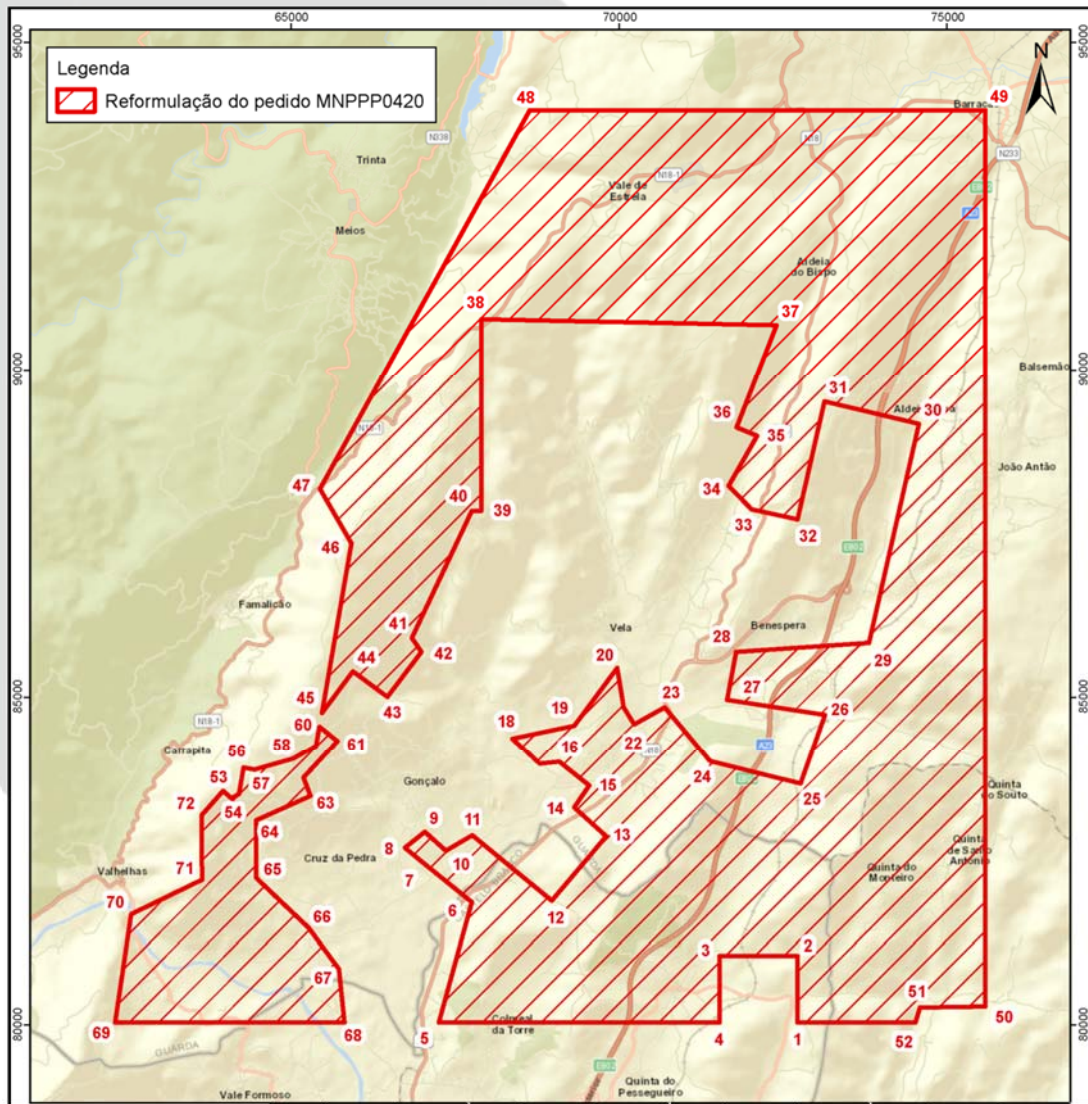


Figure 1: Gaia Exploration Licence, comprising two blocks totalling 88.842 km², surrounding existing mining and exploration concessions, including some long established lithium mining operations

Gaia Lithium Exploration Project (Portugal) – 100% Crusader owned

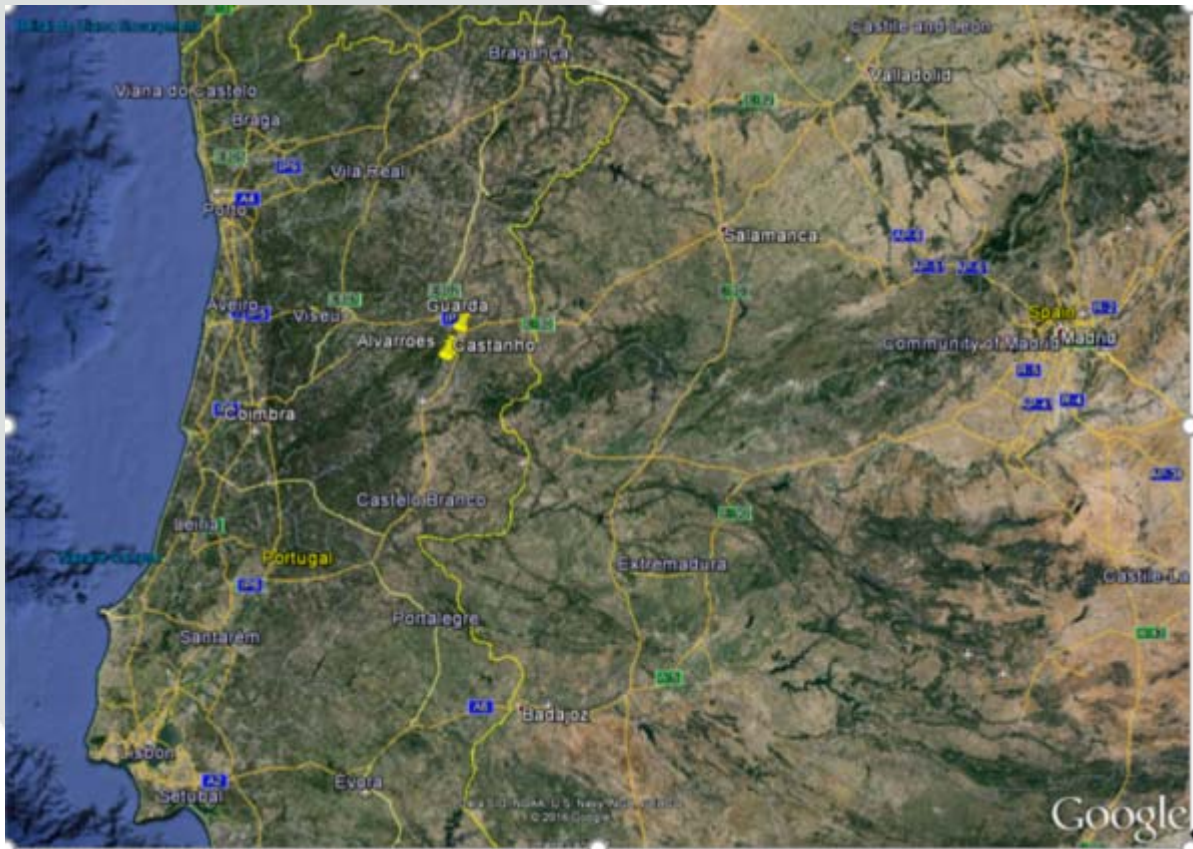
The 100% owned Gaia deposit is a lithium pegmatite, with an exploration licence area of 88.842 km² (8,884.2 Ha).

The Project is located in the prolific Gonçalo-Guarda lithium district, hosted by the granitic mountains of northern Portugal.

Deposits targeted at Gaia consist of lithium-bearing horizontal pegmatite sills enclosed in the regional granite wallrock, such as those mined in the adjacent concessions. The main lithium minerals are lepidolite and zinnwaldite. Tin and tantalum-niobium minerals are also known to occur in the region.

The exploration program to be implemented at Gaia will comprise mainly geologic mapping, geochemical sampling, rock chipping, trenching and drilling.

Logistics are excellent, and the concession is within a 3-hour drive from the Portuguese capital Lisbon.



Manga Lithium Project (Brazil) – 100% Crusader owned

The Manga deposit is a lithium / tin / indium greisen.

Manga is a greisen hosted prospect, located in the NE of central Brazil.

100% owned, the exploration licence area is 1,333Ha.

First prospected by Crusader in 2007 for tin and indium, the prospect is recognised as a multi-element tin Li-mica greisen.

Similar to granite tin belts world-wide - exposed at surface. Crusader has mapped, soil sampled, rock chipped and drilled the area compiling an initial database of geological information about the area.

Rock chip samples returned up to 1.8% Li₂O within zinnwaldite-rich greisen zone.

Historic academic research returned assays of up to 3.6% Li₂O zinnwaldite, within a zinnwaldite rich greisen.

Logistics are excellent- paved highways from the Brazilian capital of Brasilia (300km).

In addition to the Manga and Gaia projects, Crusader manages an extensive database of the tungsten tailings in the Seridó area of Brazil’s north east, including historical samples of tailings in close proximity to the company’s flagship Borborema Gold Project. The Borborema Mineral Province in the States of Rio Grande do Norte and Paraíba has been included in recent Brazilian Governmental studies released showing significant potential for economic lithium deposits in Brazil.



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About Crusader

Crusader Resources Limited (ASX:CAS) is a minerals exploration and development 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 has two key Gold Assets;

Borborema Gold Project

The Borborema Gold Project is in the Seridó area of the Borborema province in north-eastern Brazil. It is 100% owned by Crusader 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 a favourable taxation regime, 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 Ore Reserve includes 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 measured, indicated and inferred Mineral Resource Estimate of 2.43Moz @ 1.10g/t gold, remains open in all directions.

Juruena Gold Project

The Juruena Gold Project is located in the highly prospective Juruena-Alta Floresta Gold Belt, which stretches east-west for >400km and has historically produced more than 7Moz of gold from 40 known gold deposits.

The Juruena Project has been worked extensively by artisanal miners (garimpeiros) since the 1980s, producing ~500koz in that time. Historically there is a database of more than 30,000 meters of drilling and extensive geological data.

Competent Person Statements

Borborema mineral resource estimate

The information in this announcement that relates to the mineral resource estimate for the Borborema Project was first reported in accordance with ASX Listing Rule 5.8 on 24 July 2017. Crusader confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 24 July 2017 and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.

Borborema ore reserve estimate

The information in this announcement that relates to the Ore Reserve estimate for the Borborema Project was first reported in accordance with ASX Listing Rule 5.9 on 24 July 2017. Crusader confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 24 July 2017 and that all material assumptions and technical parameters underpinning the Ore Reserve estimate continue to apply and have not materially changed.

Juruena mineral resource estimate

The information in this announcement that relates to the Mineral Resource estimate for the Juruena Project was first reported in accordance with ASX Listing Rule 5.8 on 22 December 2016. Crusader confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 22 December 2016 and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.

Exploration results

The information in this announcement relating to exploration results for the Borborema Project, Juruena Project and Novo Astro Project is based on and fairly represents information and supporting information compiled by Mr Robert Smakman. Mr Smakman is the former Managing Director of the Company. Mr Smakman is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Smakman has consented to the form and context in which the exploration results and supporting information are presented in this announcement.