

Milestone for Crusader in Brazil

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CRUSADER Resources has emerged from a trading halt this morning to announce a maiden 728,000-ounce resource for the Borborema gold project in Brazil.

An independent resource prepared by Coffey Mining stated that Borborema has an indicated and inferred resource of 13.9 million tonnes grading 1.63 grams per tonne gold for 728,000oz gold, using a 0.5gpt cut-off.

Using a 1gpt cut-off, the project has a resource of 596,000oz grading 2.44gpt gold.

The estimate is based on historical holes completed in 2006 by the previous owner.

Crusader said the resource is based on drilling along a 1310-metre strike on a shear zone, with the remaining 4 kilometres yet to be adequately tested.

Mineralisation remains open along strike and down dip, which will be the focus of the next round of drilling.

In January, Crusader secured an option to acquire 100% of the project for \$A2.4 million and exercised the option earlier this month following six months of due diligence.

Crusader managing director Rob Smakman said the maiden resource validated the decision.

"We have a goal of increasing the resource to greater than 1 million ounces, which could support a 100,000 ounce per annum production rate," he said.

The project is in the northeast of the country, 140km from the coast on a sealed highway.

The company also has access to power and water at the site.

Crusader is awaiting environmental approval to begin a 1Mt per annum mining operation at its Posse iron ore project, also in Brazil.

Shares in Crusader were last trading half a cent down to 52.5c.