crusader

Juruena Gold Project – Path to Production

ASX:CAS

www.crusaderresources.com




Disclaimer

The information provided in this presentation is of a general nature only. Although it has been prepared in good faith with all due care there can be no guarantee that it will continue to be accurate in the future. No one should act or rely upon the information but should undertake their own independent due diligence or seek appropriate professional advice. To the extent permitted by law Crusader Resources Limited ("Crusader") excludes all liability from any statement in, or omission from, this presentation. Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Crusader securities in any jurisdiction.

Forward Looking Statements

This presentation may contain certain forward looking statements and projections regarding:
estimated resources and reserves;
planned production and operating costs profiles;
planned capital requirements; and
planned strategies and corporate objectives.

Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Crusader. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.
Crusader does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward looking statements/projections based on new information, future events or otherwise except to the extent required by applicable laws.

Competent Person Statement

The information in this report that relates to Juruena Gold Project exploration results, Posse Iron Ore Project exploration results and Borborema Gold Project exploration results released after 1 December 2013, is based on information compiled or reviewed by Mr. Robert Smakman who is a full time employee of the company and is a Fellow of the Australasian Institute of Mining and Metallurgy. The information in this report that relates to Mineral Resources at the Juruena Gold Project is based on information compiled or reviewed by Mr. Lauritz Barnes and Mr. Aidan Platel who are independent consultants to the company and Members of the Australasian Institute of Mining and Metallurgy. Each of Mr. Smakman, Mr. Barnes and Mr. Platel have sufficient experience that is relevant to the type of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Smakman, Mr. Barnes and Mr. Platel consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.The information in this report that relates to:

a) Borborema Gold Project and Posse Iron Ore Project Exploration Results released prior to 1 December 2013 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, 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..

A Brazilian Mining Company

Utilising strong local relationships to acquire and develop mineral assets in Brazil.
Cash flow from Posse Iron, exciting gold potential, now with Lithium!

Juruena Gold Project (CAS 100%)

- Current Resources -178koz @ 12.1 g/t Au
- New Resource estimate pending
- Scoping Study Q4 2014
- Exceptional high-grade gold results

Borborema Gold Project (CAS 100%)

- Resource – 2.43Moz Au
- Reserve – 1.61Moz Au
- BFS pending

Posse Iron Ore Mine (CAS 100%)

- Unique high-value product
- Domestic sales to local Brazilian market

Crusader Lithium- Manga (CAS 50%)

- Results from Rock chips to 1.3% Li_2O
- JV with Lepidico and their L-Max extraction technology

Corporate Overview

ASX: CAS

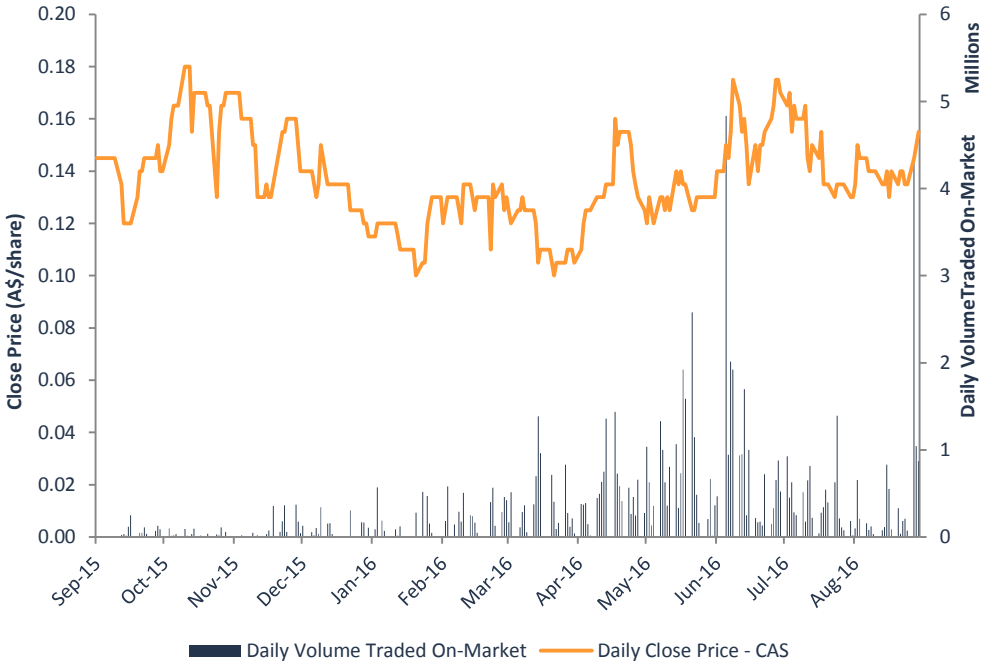
Total Ordinary Shares on Issue	238.1m
Options on issue [1]	49.4m
Cash (as at 30 June 2016) [2]	$2.1m
Debt (as at 30 June 2016) [3]	US$3m
Market Capitalisation (at 16.5cps)	A$39m

1. Volume weighted exercise price of 32.1cps
2. Includes restricted cash of $0.5m
3. Debt facility with Macquarie Bank repayable before 31 December 2016

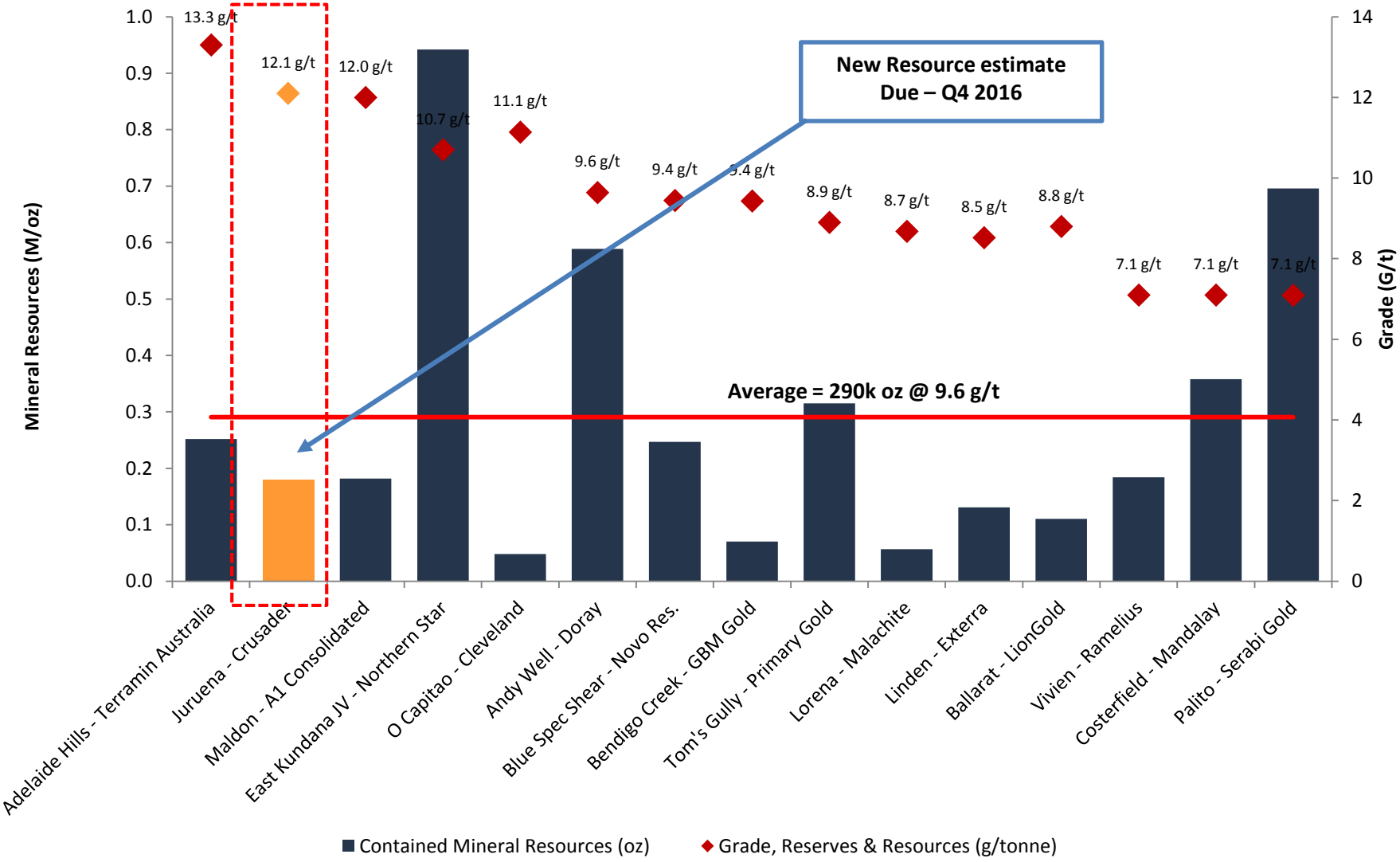
Shareholders

Stephen Copulos	23.77%
Farjoy Pty Ltd	10.26%
International Finance Corp (IFC)	5.79%
Other directors	~2.5%

Share Trading Data



Peer Group – Brazil & Aust. – Grade > 7g/t



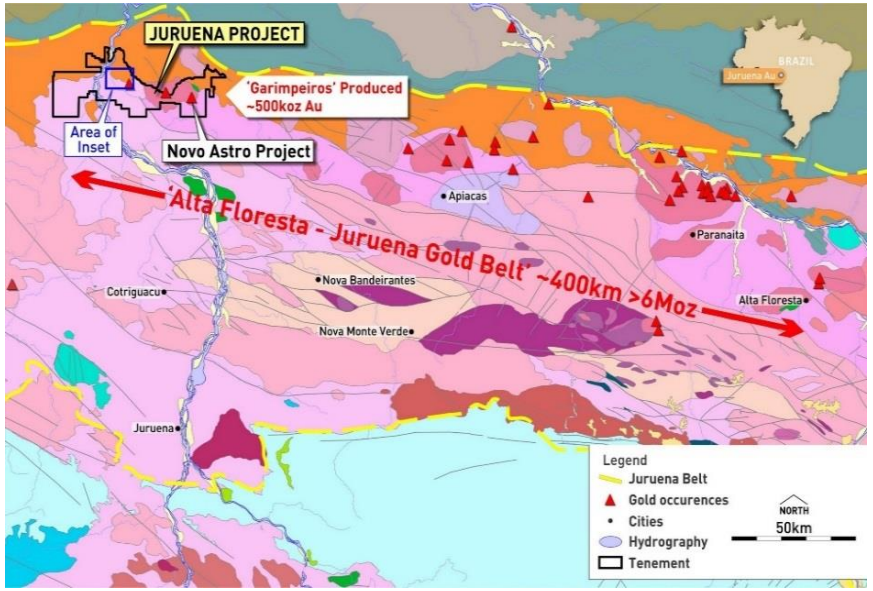
Source: Company exchange releases

Juruena – Jewel of the Alta Floresta Gold Belt

crusader

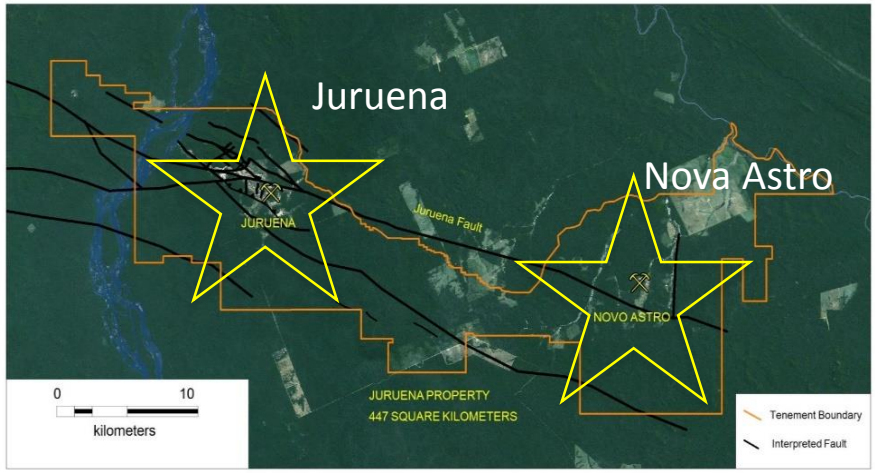
Location - Alta Floresta Gold Belt - Central Brazil

- Extensive granite/felsic volcanic belt stretching ~400km east-west with multiple intrusive & extrusive events identified
- 7Moz produced 1979-1997 from 40 documented gold discoveries (DNPM)



CAS controls 100% of 2 key areas- >500koz produced!

- **Juruena - closest to production**
- 20,000 strong garimpeiro workforce -1980s
- Only 4 of initial 16 targets tested - 178koz @ 12 g/t



Novo Astro – Garimpeiros (artisanal) mining centre

- 5km wide circular soil anomaly potentially multi-million-ounce intrusion related gold deposit
- Rock chips - 264 g/t Au and 101.7 g/t Au
- Alluvial gold mining active ~ 40 years by local Brazilian garimpeiros. (Ongoing today)
- Comparisons to + 10Moz targets

Juruena Project Evolution

crusader

History

- Estimated 500koz produced from shallow garimpo workings (limited to depth of 15m)
- 1994 – 1998: Systematically explored by Madison JV
  - Diamond drilling – 15,822m in 91 holes - Aeromag – 10,600 line km, broad spaced
- 2006: Acquisition of licences by Talon and GEOMIN - No Modern Exploration
- 2009 - 2014: Lago Dourado (TSX(V)) JV formed and purchased Juruena, exploration between 2009 -2013
  - Soils - 11, 499 samples - Rock chip – 802 samples; Auger drilling – 3,458m for 423 holes
  - RC drilling – 6,618m in 90 holes - Diamond Drilling – 22,018m in 70 holes (Total pre CAS - **44,458m)**
  - Geophysics: Aeromag – 2,600 line km, tight spaced, Gradient IP
  - **>USD$25M spent pre-Crusader**
- **2014: Crusader – acquires 100%**
- **2014 – 2015:** 10,000m diamond and RC drilling
  - RC drilling – 7,749m; Diamond drilling - 1,863m; Auger drilling – 995m for 111 holes
  - Metallurgical testwork Querosene & Dona Maria: > 90% for gold and silver using standard leaching
- **2015:** Maiden JORC Resource estimate calculated for 3 key prospects totaling **1.3Mt @ 5.6g/t for 234koz Au**
  - Querosene: **263,500t at 12.3 g/t for 104,100oz Au**
  - Dona Maria: **196,300t @ 11.8 g/t for 74,700oz Au**
  - Crentes: **846,450t @ 2.0 g/t for 55,100oz Au**
- **2016:**
  - Infill drilling program – Q3/Q4
  - Resources upgrade – Q4
  - Scoping Study - Q4

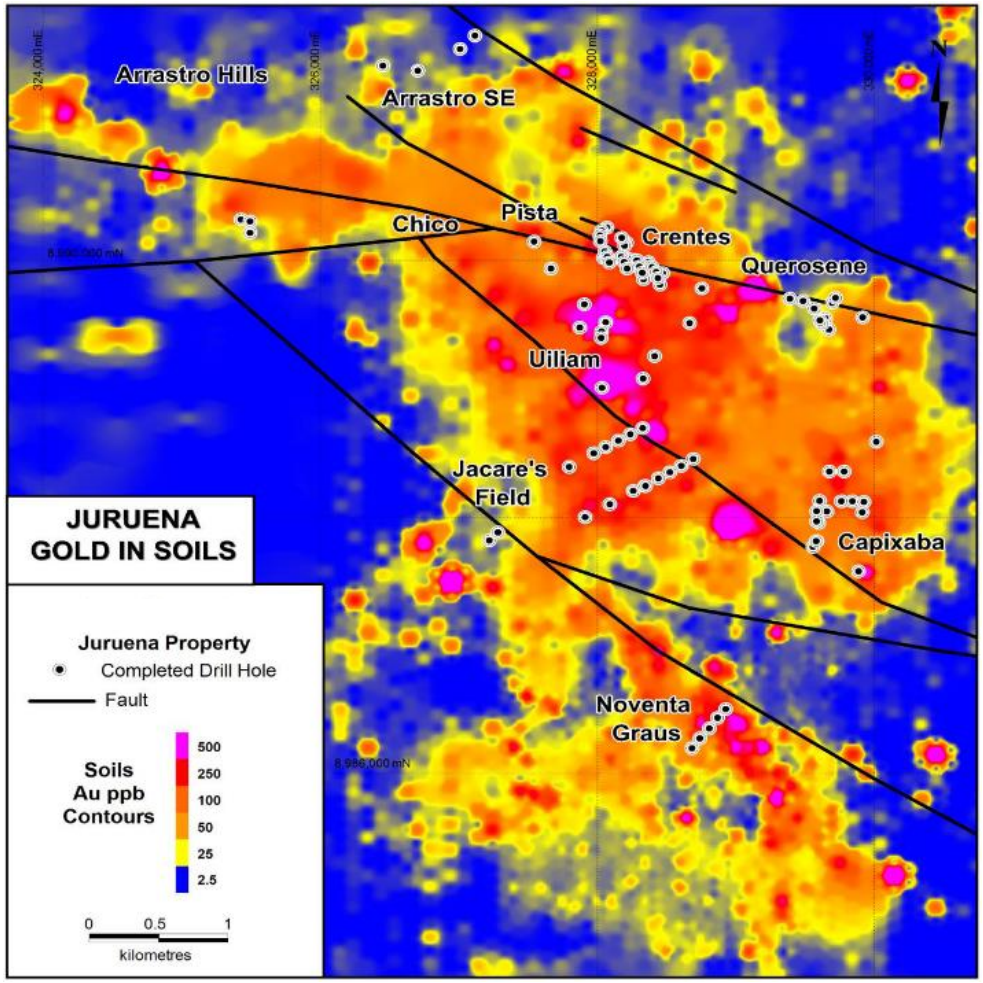
Infrastructure

crusader

- Airstrip 1,000m
- Dormitories - 60 man
- Kitchen
- Core shed – 40km stored
- Nursery - self-sustaining
- Road access
- River (barge) access

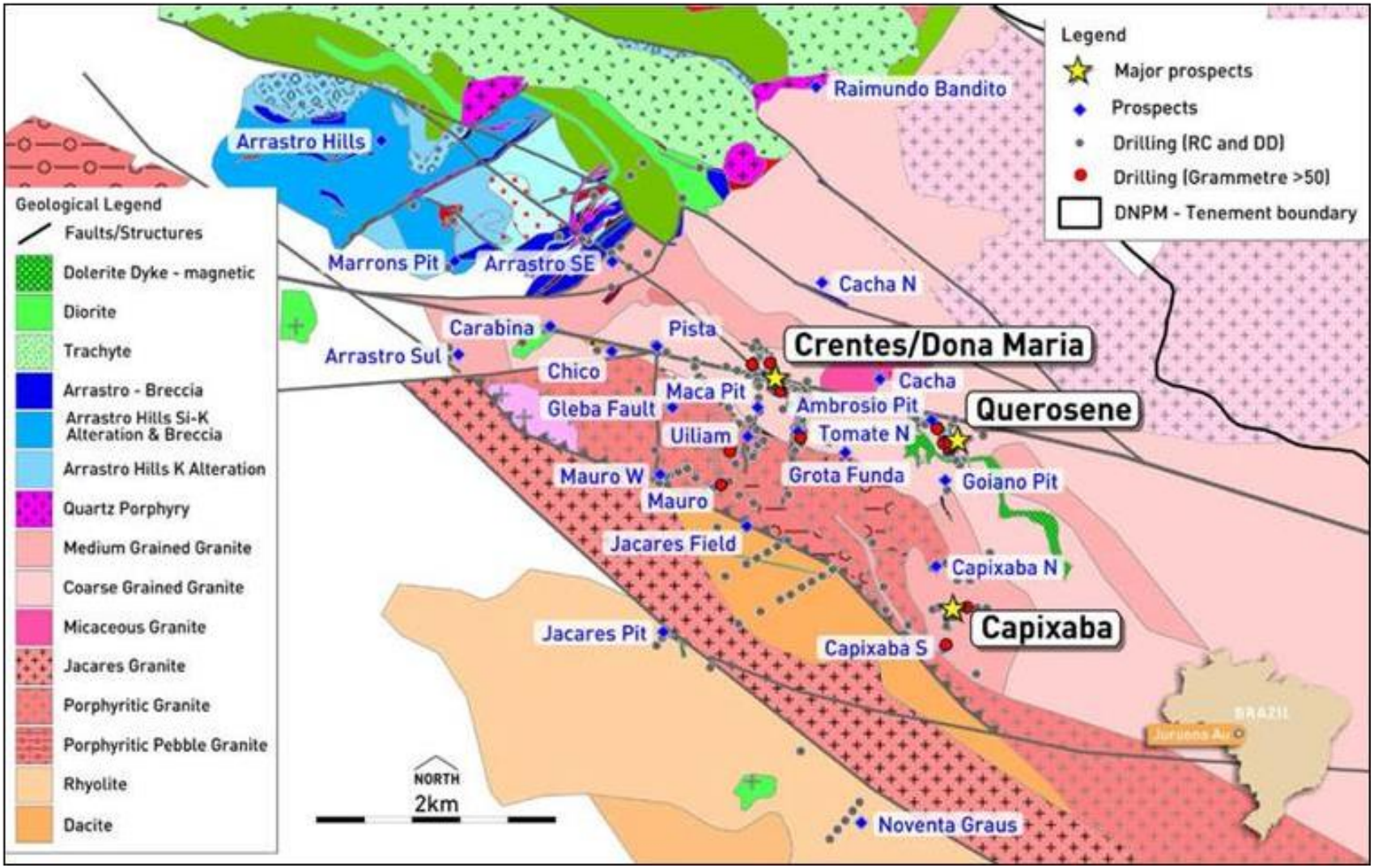
Juruena- Gold District

- Near-surface, high-grade gold mineralisation identified at Querosene, Dona Maria, Tomate and others
- Juruena gold soil anomaly is 'giant', >8km long & 4km wide >50ppb
  - Footprint size suggests district of gold projects- Crusader Systematically testing each area
  - Multi-element geochemistry completed on sampling, refined targeting using Cu, Ag, Bi, Mo, Fe trace elements
- Structurally controlled - regional mapping identified multiple untested controlling structures (e.g. Uiliam, Mauro, Tomate)



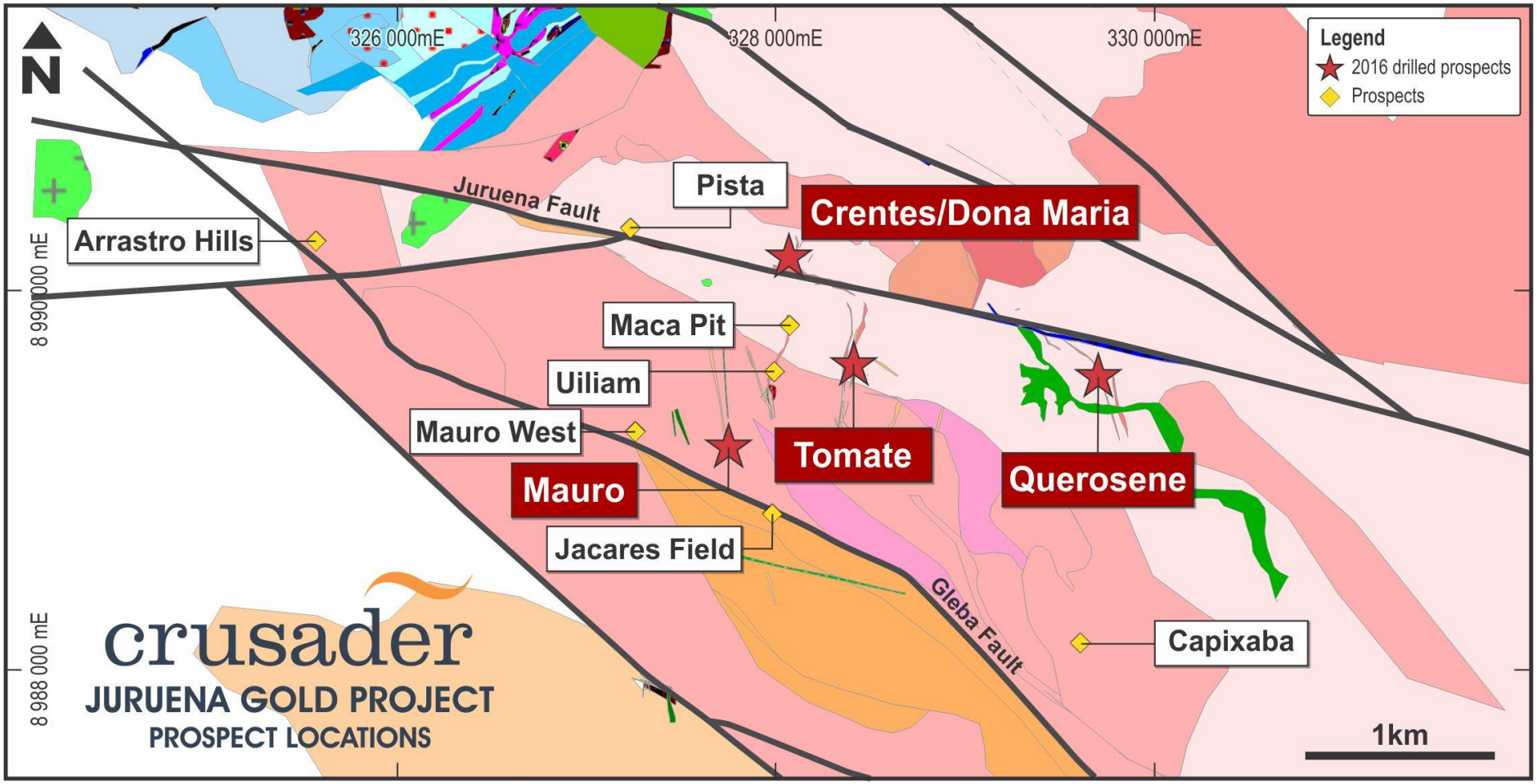
Juruena Untested Targets ~ 8km

crusader



Juruena – Immediate Targets ~ 2km

crusader




Querosene


Capixaba


Tomate

Current Resources & Development Strategy

crusader

- Initial development in a recognised mining district with the potential to host multiple projects of significantly larger scale.
- Target high-grade, close to surface ounces
- Allow for small, highly profitable start-up production- Scoping Study to be completed Q4 2016
- Cashflow to fund larger expansion

Juruena Gold Project
JORC Compliant Inferred Mineral Resources – September 2015

Prospect Name	Resource Category	Lower Cut Off	Tonnes (Mt)	Grade (Au g/t)	Ounces (oz)
Dona Maria	Inferred	2.5 g/t	196,300	11.8	74,700
Querosene	Inferred	2.5 g/t	263,500	12.3	104,100
Sub Total High Grade Zone			**459,800**	**12.1**	**178,800**
Crentes	Inferred	1.0 g/t	846,450	2.0	55,100
Total Combined Resource			**1,306,250**	**5.6**	**233,900**

Note: Appropriate rounding applied. For further information, please see the section below: Summary of Resource Estimate and Reporting Criteria.

Drilling Highlights to Date - Querosene

crusader

Dec 2014

- **3m @ 26.35 g/t Au** from 73m in hole QR-03 including **0.5m @ 150.57 g/t Au** from 73m
- **2m @ 12.11 g/t Au** from 52m in hole QR-07

March 2015

- **8m @ 6.27 g/t Au** from 80m in QR-20
- **2m @ 17.62 g/t Au** from 84m in QR-21
- **4m @ 3.78 g/t Au** from 86m in QR-24
- **1m @ 3.36 g/t Au** from 86m in QR-25

May 2015

- **2m @ 32.97 g/t Au** from 82m in QR-20
- **1.50m @ 23.71 g/t Au** from 84m including **1m @ 34.26 g/t Au** from 84m in QR-21
- **1m @ 6.97 g/t Au** from 51m in QR-13
- **0.5m @ 8.96 g/t Au** from 56m in QR-15
- **1m @ 5.21 g/t Au** from 84m in QD-02

July 2015

- **2m @ 9.6m g/t Au** from 48m in QR-28
- **0.5m @ 7.02 g/t Au** from 110.7m in QD-05

August 2016

- **2.90m @ 75.02 g/t Au** from 112.80m in QD-043 including **0.45m @ 335 g/t Au**
- **1.40m @ 48.62 g/t Au** from 84.0m in QD-039 including **0.4m @ 87.96 g/t Au** & **0.64m @ 47.92 g/t Au**
- **1.47m @ 29.42 g/t** Au from 57.2m in QD-028
- **2.0m @ 11.09 g/t Au** from 113.9m in QD-030 including **1m @ 19.56 g/t Au**
- **1.02m @ 7.30 g/t Au** from 156.1m in hole QD-027
- **0.70m @ 6.00 g/t Au** from 102m in QD-041

September 2016

- **3.6m* @ 554 g/t Au** from 147m in QD-44 including **1m @ 1,992 g/t Au from 148m**

*Note, this is not true width as hole was drilled sub-parallel to the ore zone. Estimated true width is 1.55m see further comments below

Drilling Highlights – Other Targets

crusader

Dona Maria

July 2015

- **3.38m @ 47.97 g/t Au** from 183.62m in MD-01, including **1.87m @ 84.50 g/t Au** from 183.62m
- **12m @ 35.13 g/t Au** from 99m in MR-10, including **4m@ 75.07 g/t Au** from 99m

May 2015

- **16m @ 1.54 g/t Au** from 4m in MR-05
- **1m @ 6.52 g/t Au** from 126m in MR-06

August 2016

- **1.5m @ 141.36 g/t Au** from 45m in MD-06;
- **4m @ 8 g/t Au** from 96m (including **1m @ 27.99 g/t)** in MD-06; and
- **4m @ 3.98 g/t Au** from 77m (including **1m @ 11.09 g/t**) in MD-06

September 2016

- **10m @ 112 g/t Au** from 125m in MD-09
- **4.8m @ 11.89 g/t Au** from 101m in hole MD-10
- **4.0m @ 27.10 g/t Au** from 84m in hole MD-14

Crentes

July 2015

- **4m @ 5.19 g/t Au** from 12m and **12m@ 1.62 g/t Au** in CR-05

May 2015

- **16m @ 3.11 g/t Au** from 32m in CR-08
- **1m @ 20.6 g/t Au** from 49m in CR-05
- **12m @ 3.71 g/t Au** from 68m and **4m @ 3.42 g/t Au** from 87m in CR-07

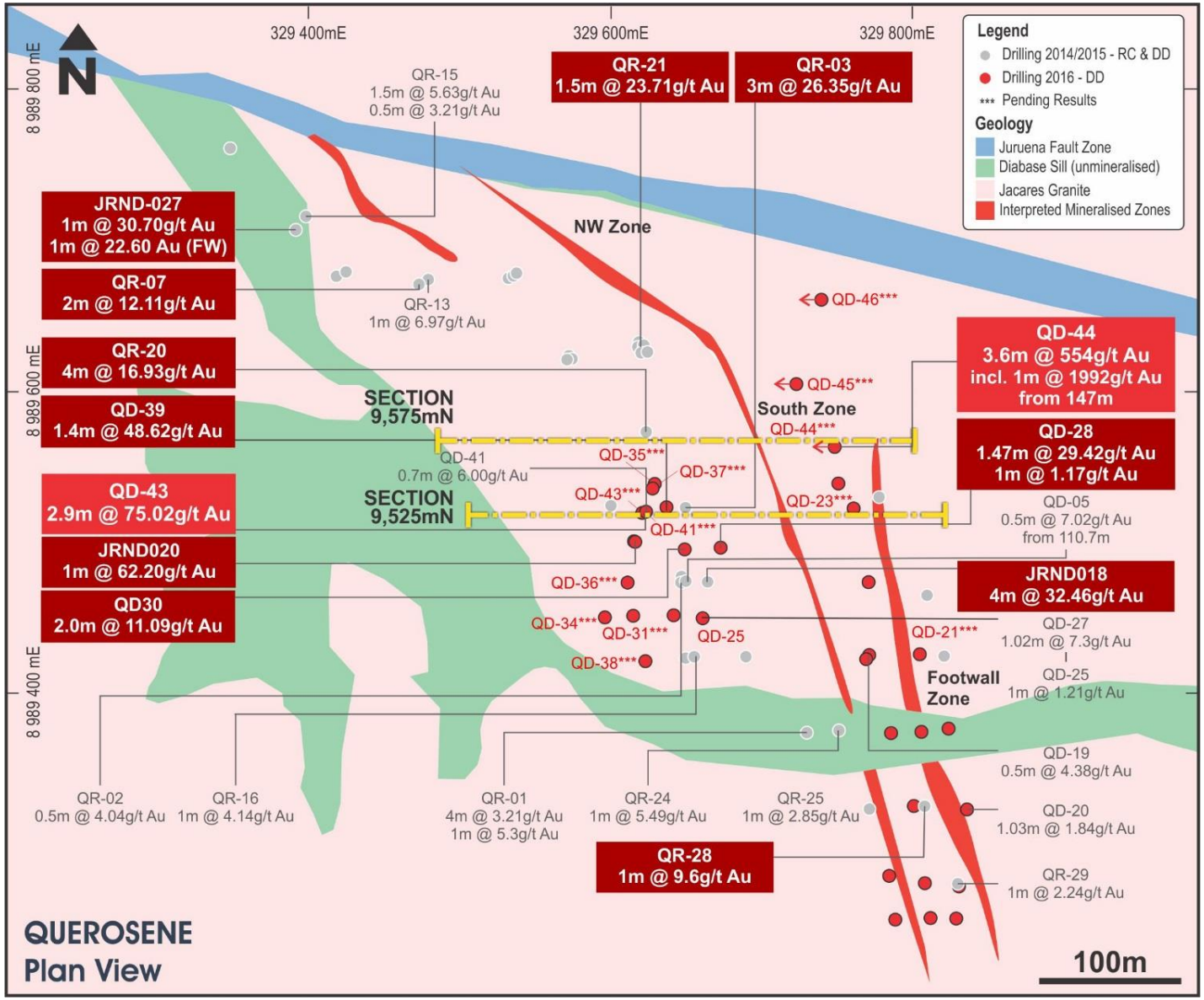
Capixaba

July 2015

- **3m @ 4.30 g/t Au** from 32m in CXR-04
- **2m @ 8.28 g/t Au** from 62m in CXR-09
- **4m @ 8.26 g/t Au** from 60m in CXR-13

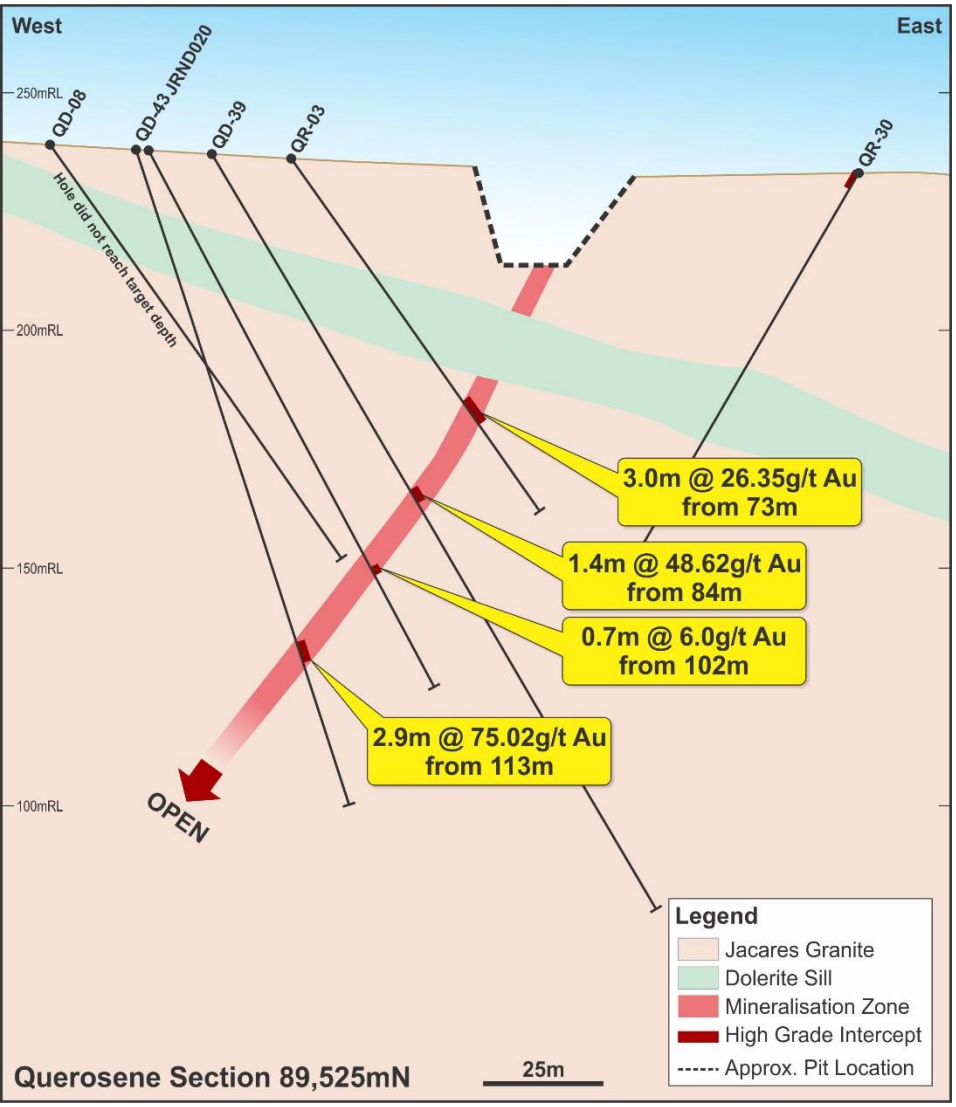
Querosene Drill Plan View

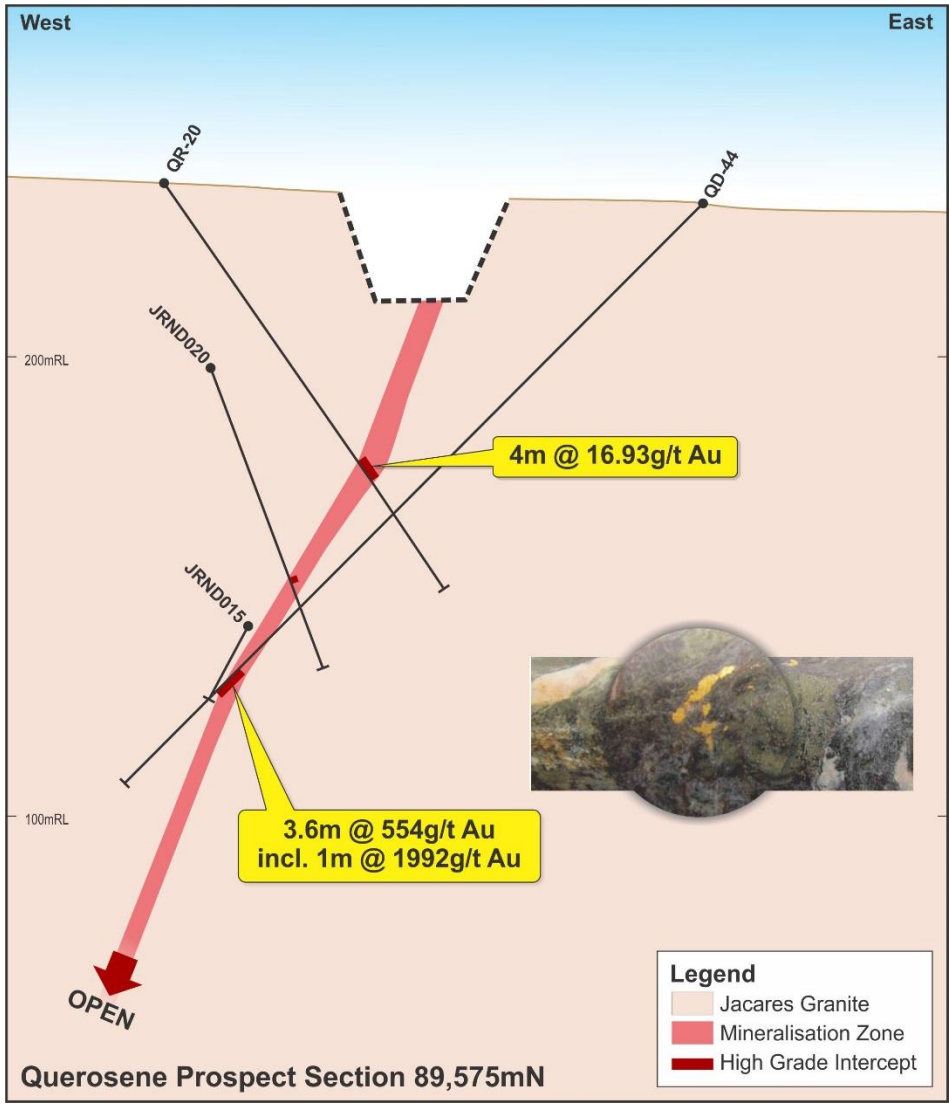
crusader



Querosene Cross-Sections

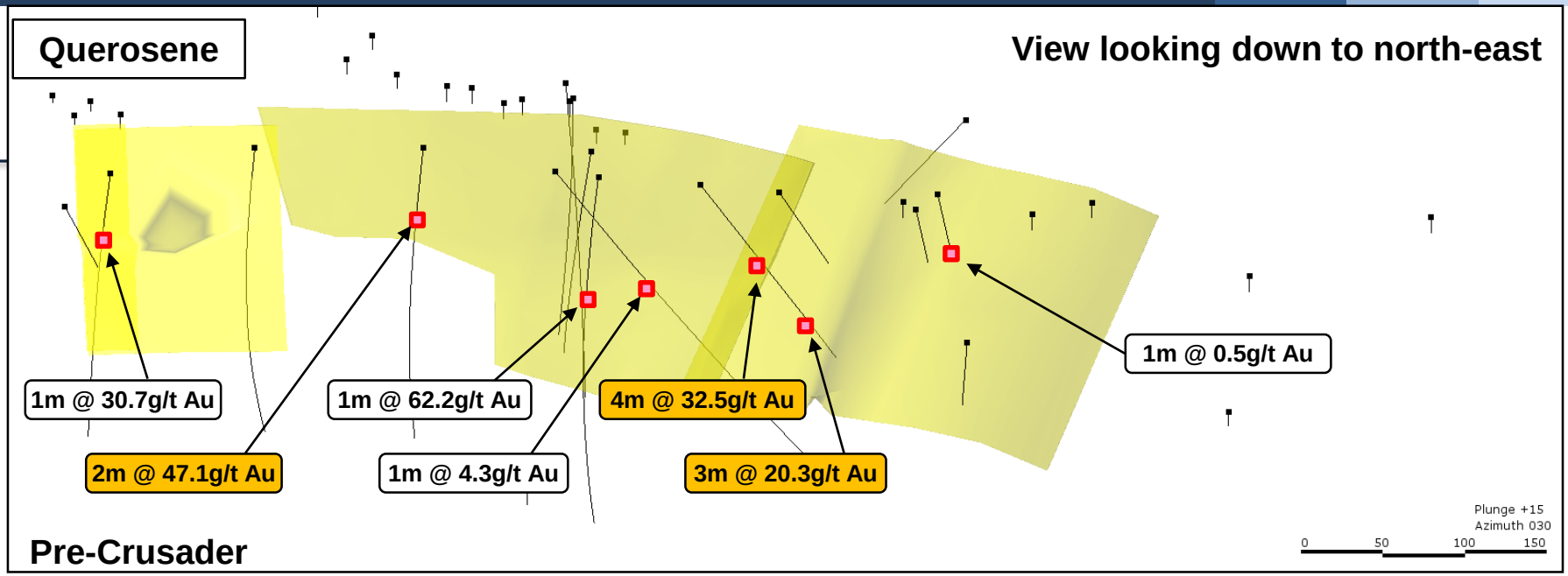
crusader

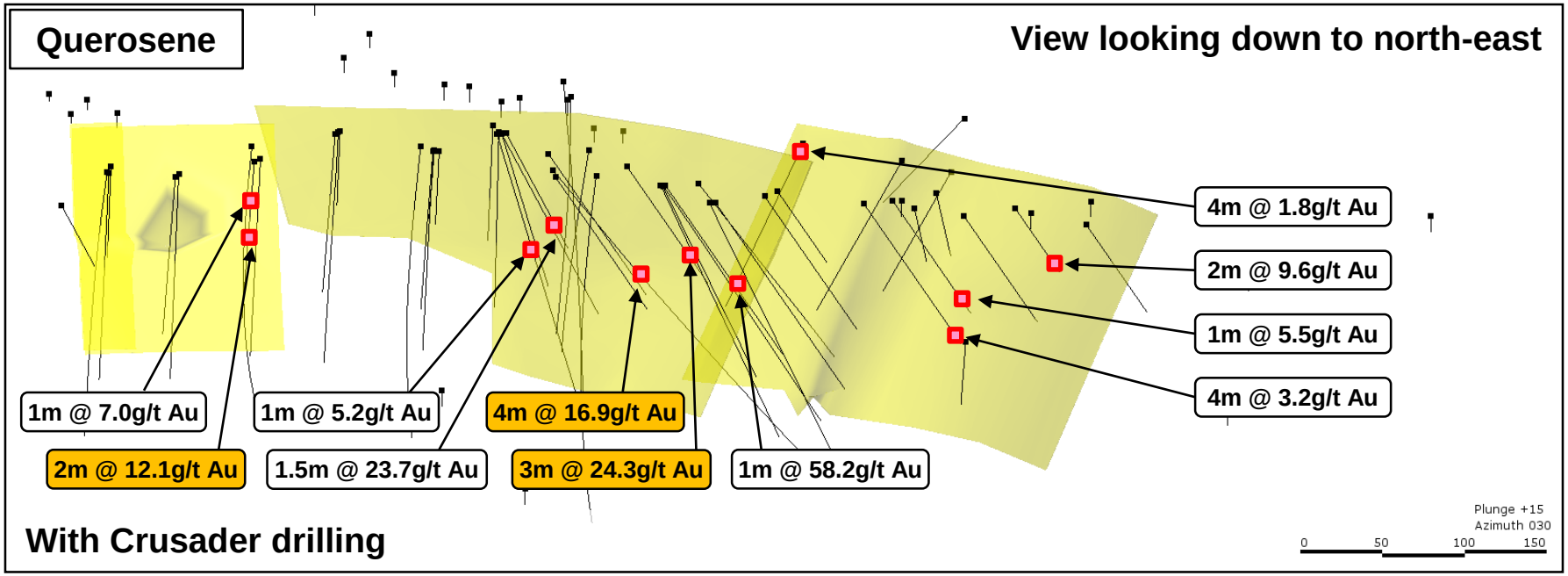




Cross-section 525

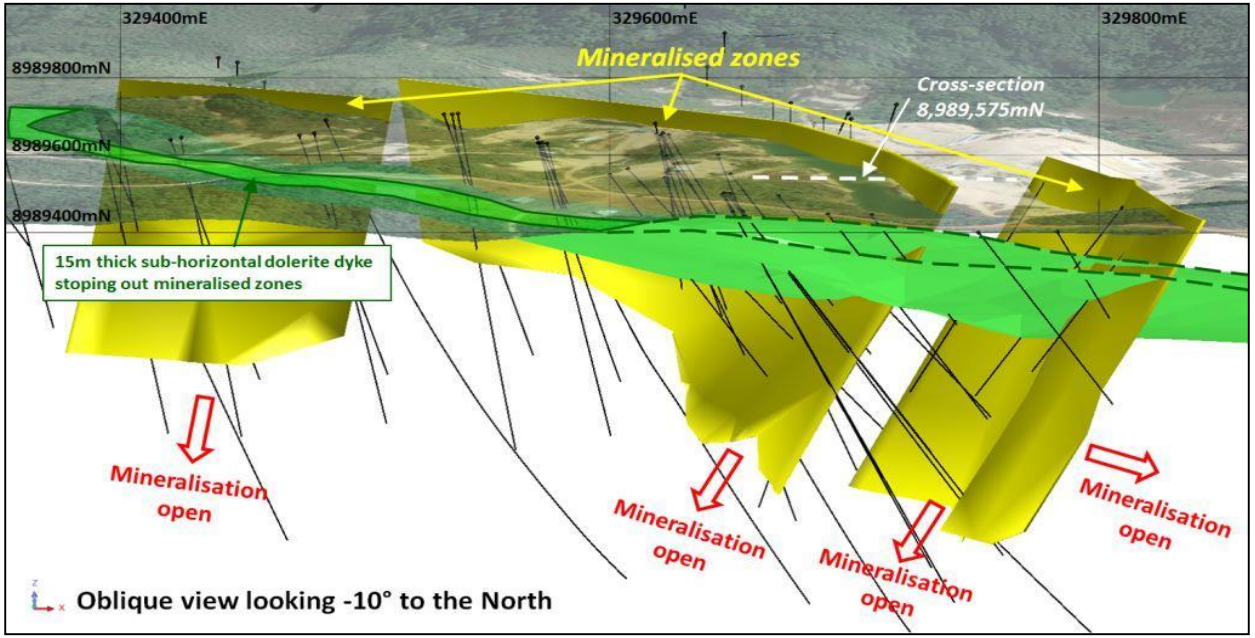
Cross-section 575

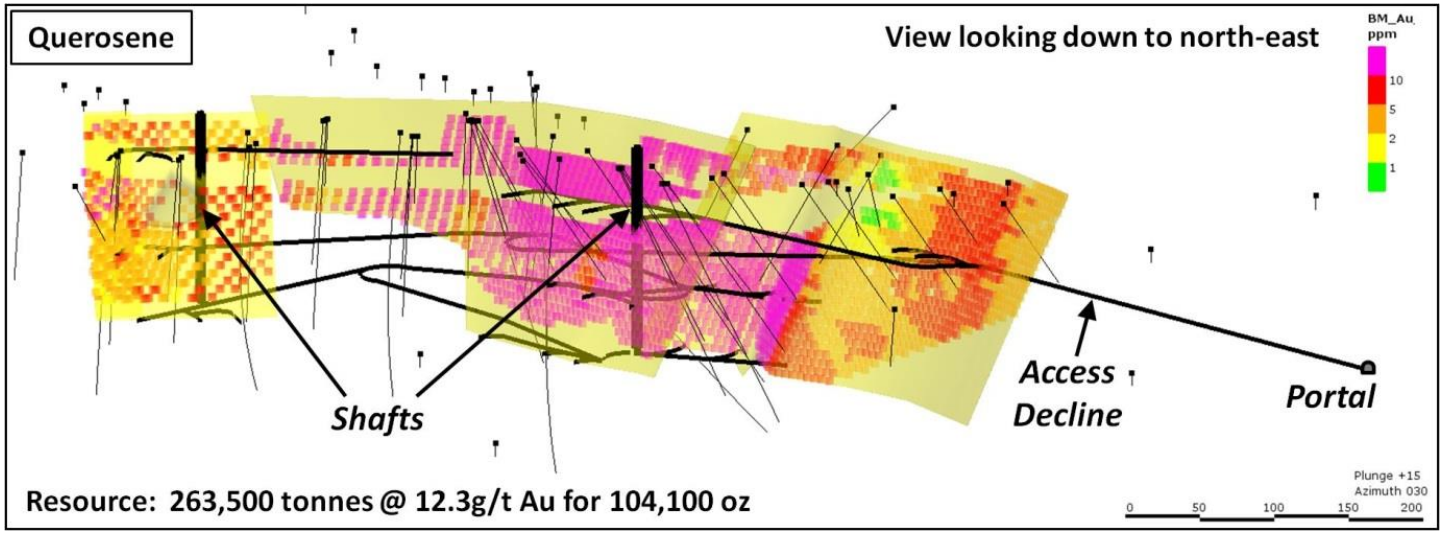

Querosene
View looking down to north-east
1m @ 30.7g/t Au
2m @ 47.1g/t Au
1m @ 62.2g/t Au
1m @ 4.3g/t Au
4m @ 32.5g/t Au
3m @ 20.3g/t Au
1m @ 0.5g/t Au
Plunge +15
Azimuth 030
0
50
100
150
Pre-Crusader


Querosene
View looking down to north-east
1m @ 7.0g/t Au
2m @ 12.1g/t Au
1m @ 5.2g/t Au
1.5m @ 23.7g/t Au
4m @ 16.9g/t Au
3m @ 24.3g/t Au
1m @ 58.2g/t Au
4m @ 1.8g/t Au
2m @ 9.6g/t Au
1m @ 5.5g/t Au
4m @ 3.2g/t Au
Plunge +15
Azimuth 030
0
50
100
150
With Crusader drilling

First Production Decline Planned - Querosene

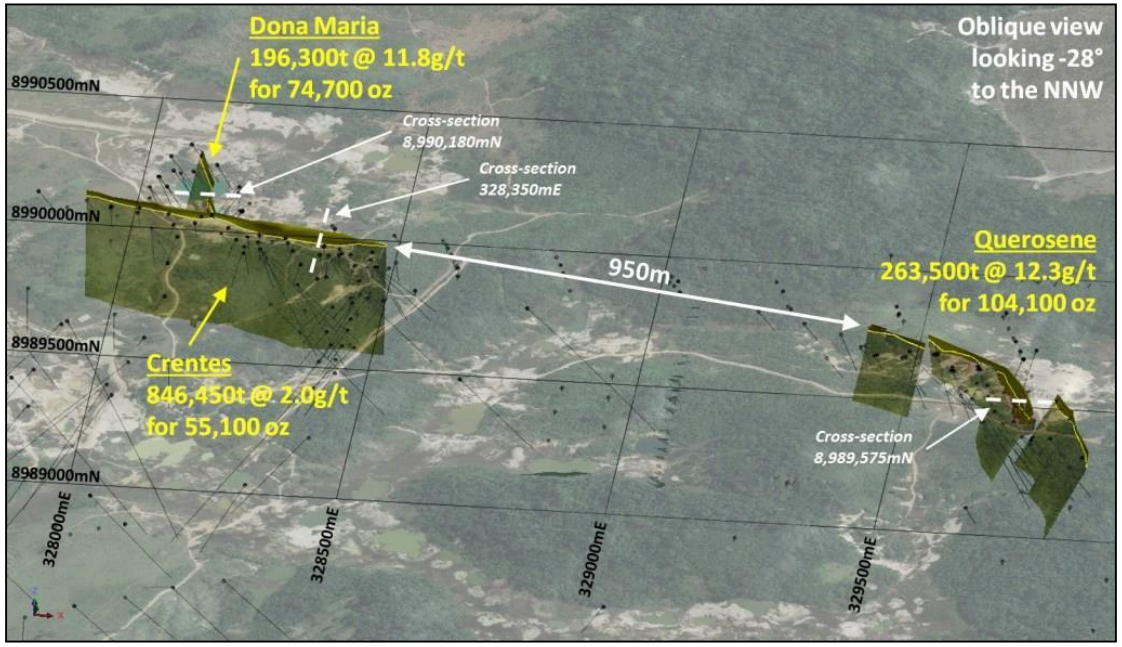
crusader

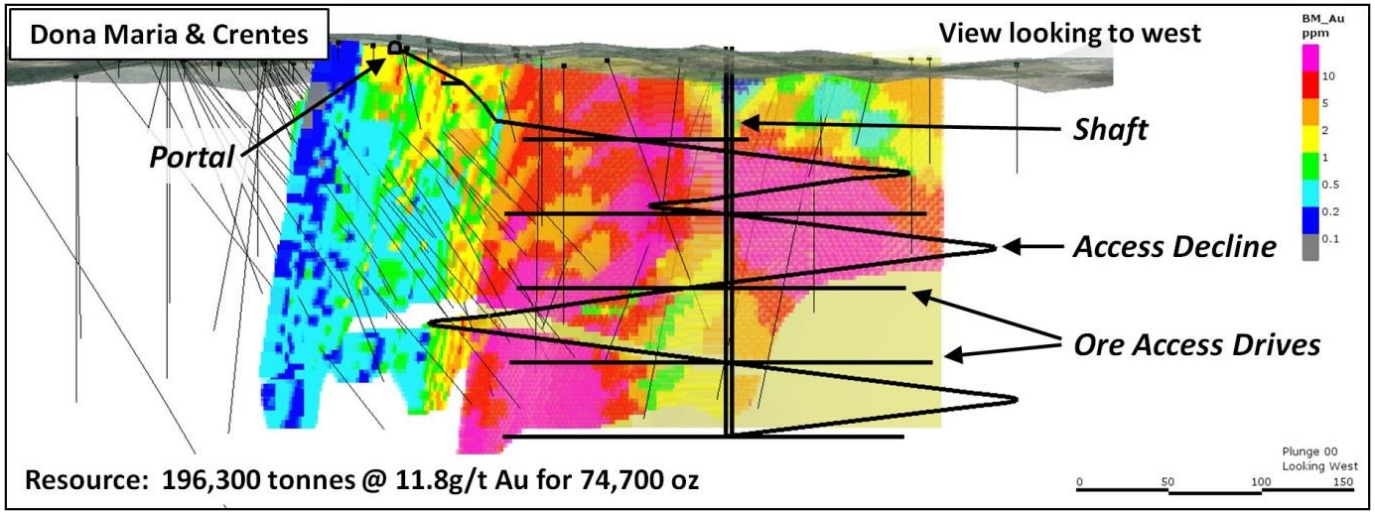




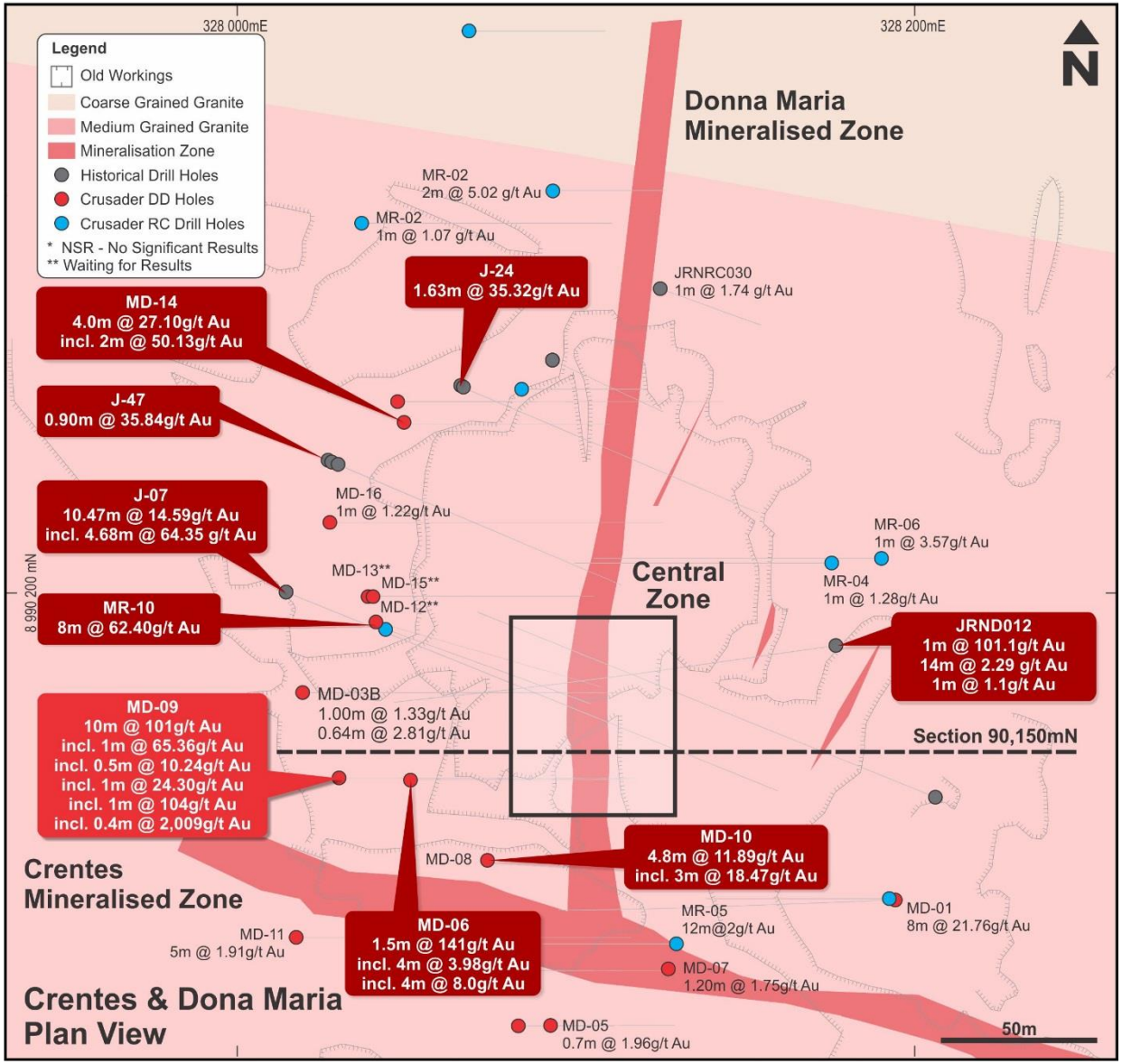
2nd Production Asset - Dona Maria ~ 1km

crusader

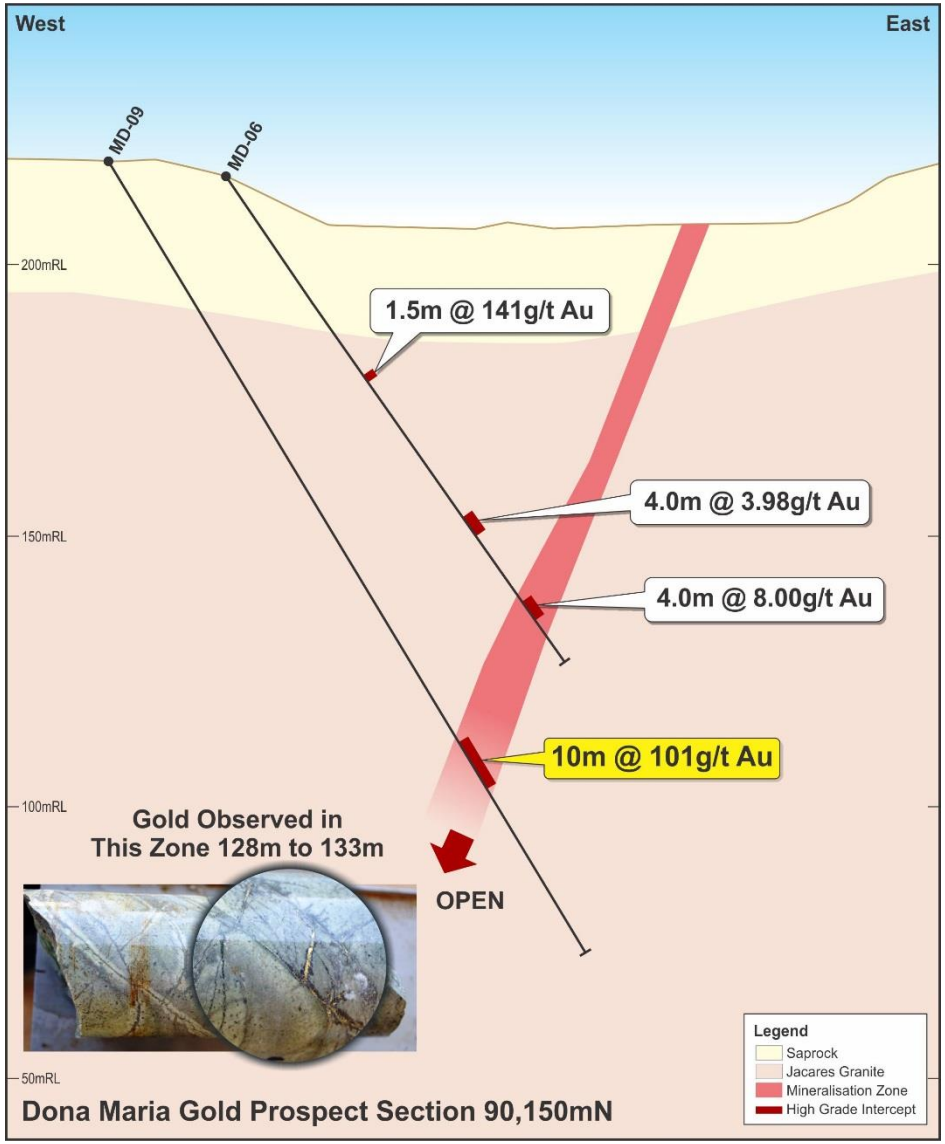




Dona Maria & Crentes Drill Plan



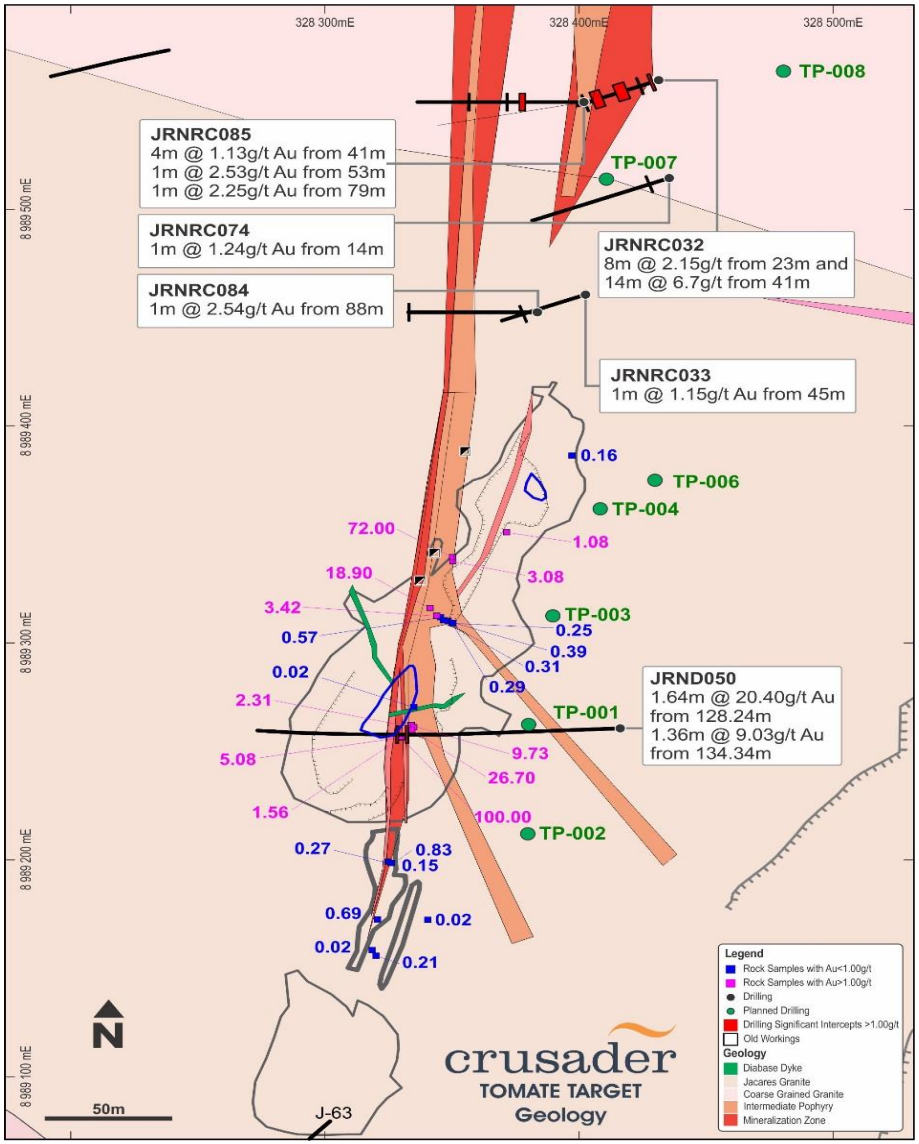
Dona Maria Cross Section



Tomate Auger Drilling & Rock Chip Results

crusader

- Located approximately 500m to the south of the eastern end of Crentes
- Drillholes planned under garimpo workings and along strike
- Historical drilling returned significant results
- 11 of 25 historical rock chip samples returned values > 1g/t gold (and up to 100 g/t gold in rock chip samples)



Metallurgy

crusader

Querosene:

- Results for metallurgical testing on samples from the Querosene prospect indicate recoveries of > 90% for both gold and silver using standard leaching (see ASX release 1 July 2015). Results also indicate the gold and silver are free milling and well distributed within the ore.

Dona Maria

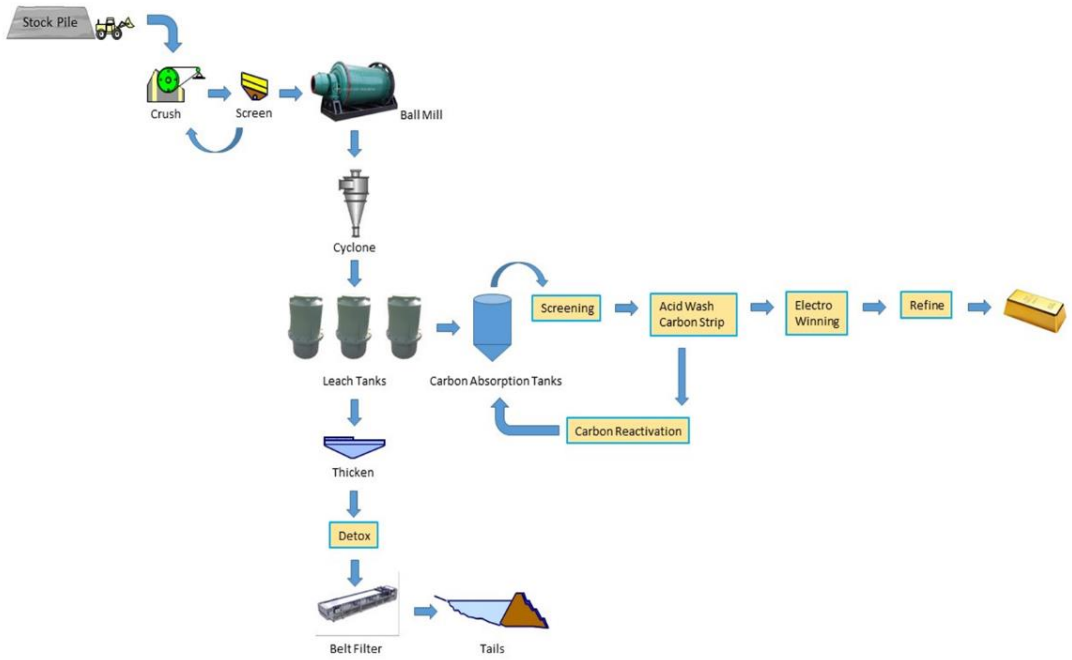
- Metallurgical testwork at the Dona Maria prospect **recovered +90% gold** in standard leaching tests. Various tests including leaching and leaching plus gravity at different grind sizes and leach times, recovered between **85.4% and 91.0% gold** (39.7% and 47.6% Ag). The 15kg sample which was composed of recent drill cuttings, had a head grade of 31.2 g/t gold and is indicative of the high grades observed at Dona Maria.

Development

- Crusader is currently completing a Scoping Study with a respected international engineering consultancy Global Resource Engineering (GRE) who are envisaging an initial shallow open pit over Querosene followed by two underground mining operations with processing through a central CIL beneficiation plant to produce gold doré bars.
- GRE Global Resource Engineering group are a multi-discipline mining and environmental consultancy, based out of Denver USA, with extensive experience on developing gold projects in Brazil.
- Both Querosene and Dona Maria are suitable for long term narrow vein mining (the current preferred option is the cut and fill method) and both deposits have similar metallurgical properties allowing them to be mined and treated concurrently.
- Equipment suppliers have been contacted for quotations on both new and used equipment and this information was built into the financial analysis of the capital costs and overall viability.

Simple Proven CIL - Modular

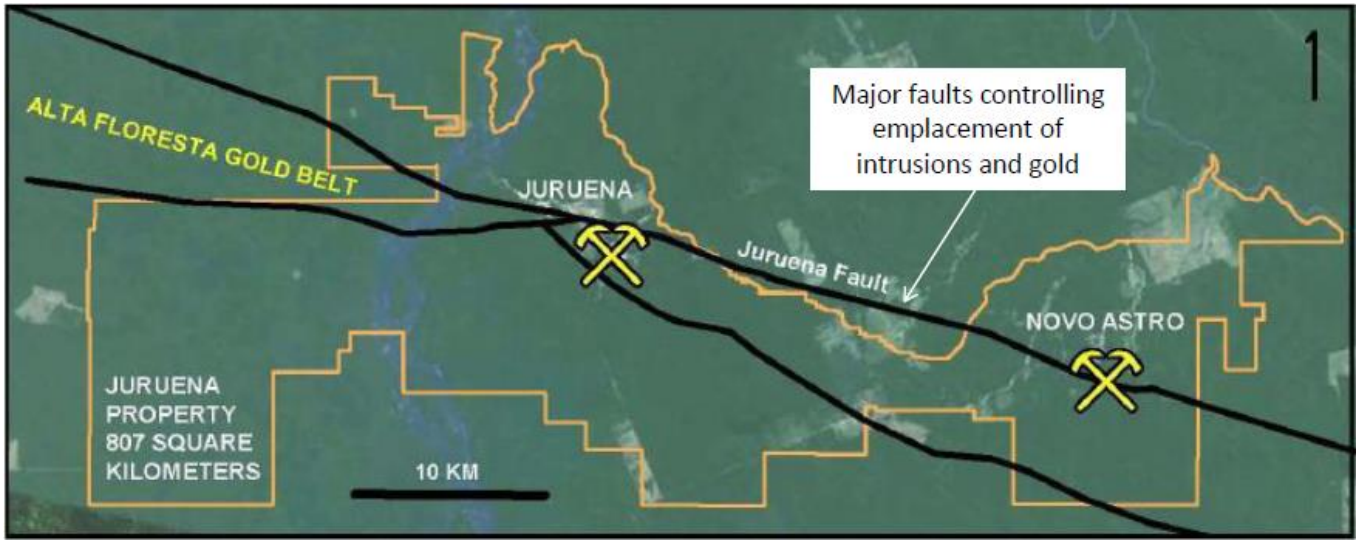
- Signed Option for a crushing and milling plant for the Juruena Gold Project
- The plant includes re-furbished second-hand crushing, screening and grinding circuit, capable of treating up to 300tpd.
- Brazilian equipment supplier and foundry – GNA, a group that has had a long association with Crusader as crushing, screening and wear part supplier for the Posse Iron Ore Mine
- The option is exclusive and includes a total cost of R$8 million (~US $2 million) for a “turn key” contract including installation and delivery to site



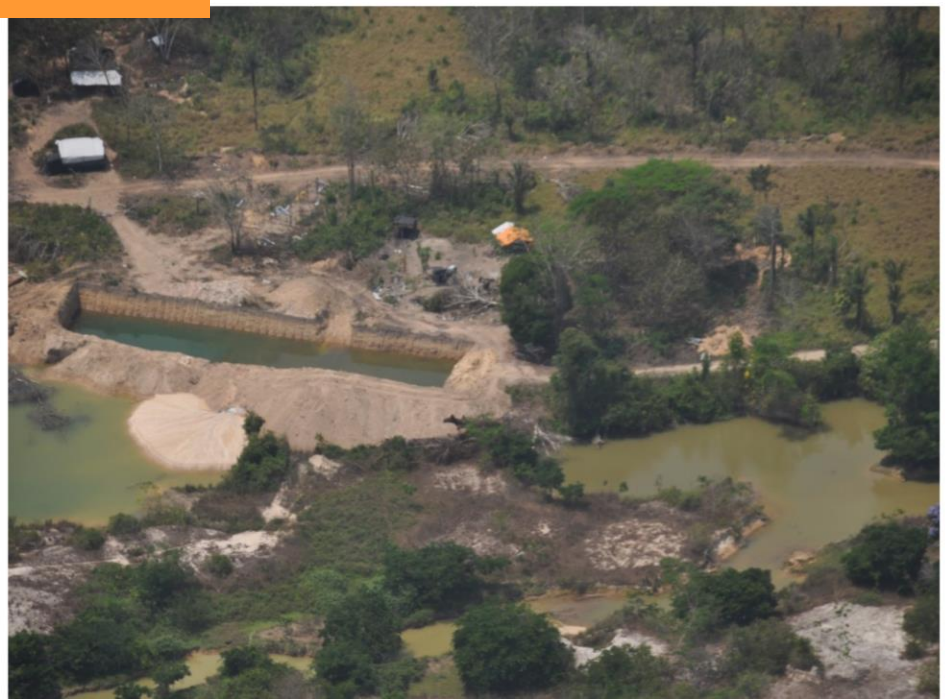
Novo Astro–Multi-Million Ounce Potential

crusader

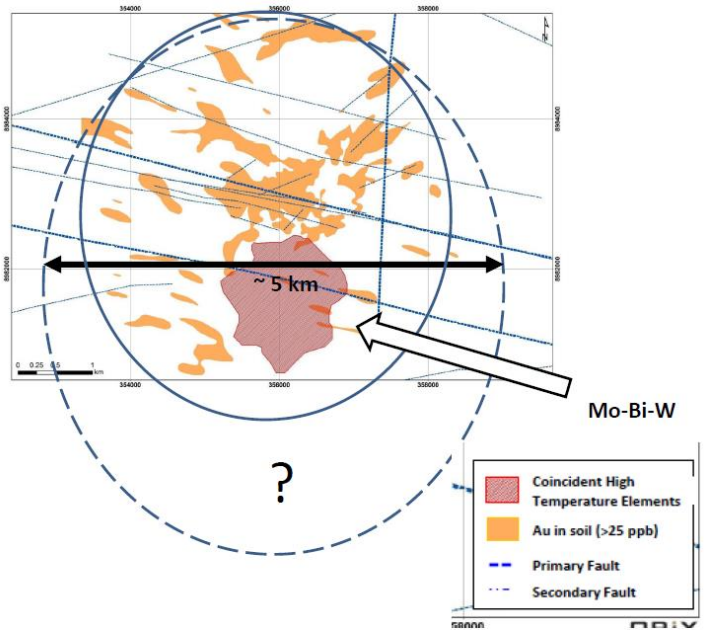
- Novo Astro is Crusader's second project area on the Alta Floresta gold belt, ~25km south east of Juruena
- 5km wide circular soil anomaly that has never been drilled
- Rock chip samples at Novo Astro returned 264 g/t Au and 101.7 g/t Au, (NR Sept 11, 2013)
- Alluvial gold mined for 40 years
- Regarded as an intrusive related gold target associated with granitic rocks
  - Geological model targeting the definition of a multi-million ounce gold deposit

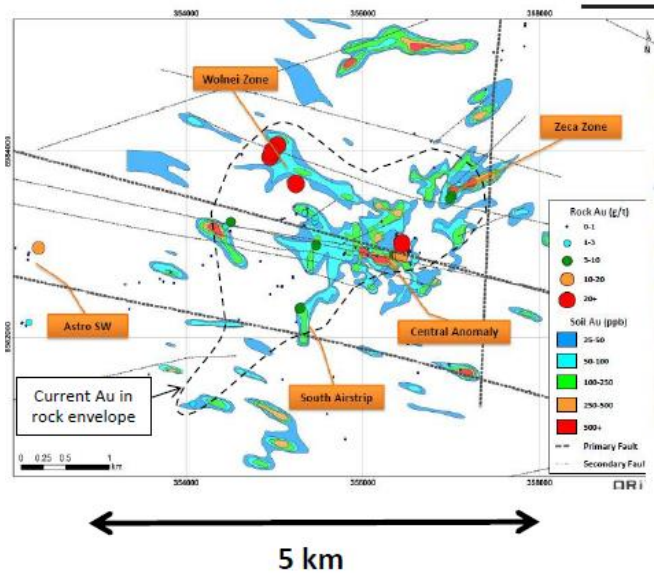


Novo Astro



Undrilled, Widespread Gold





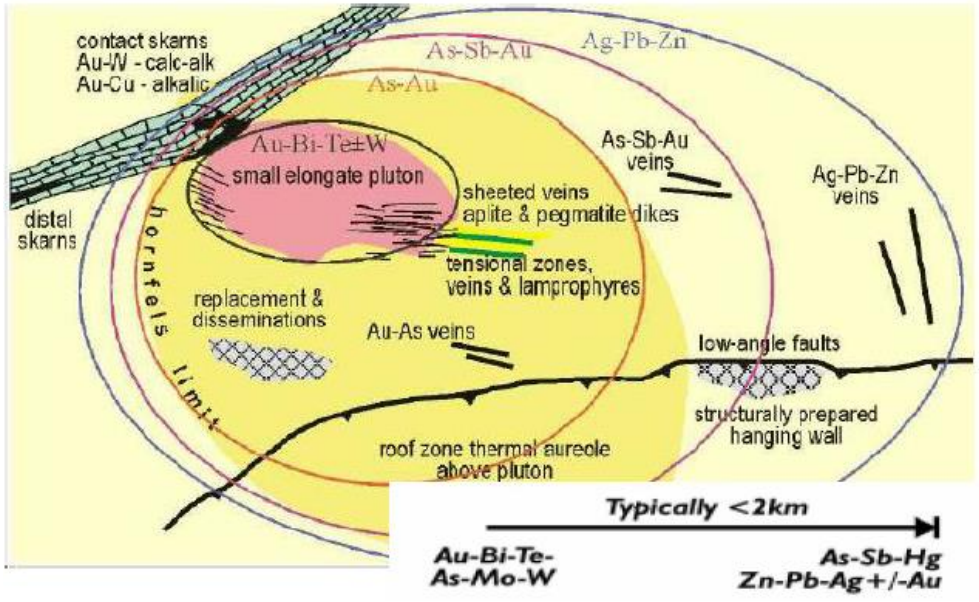
Soils and Rock samples covering up to 25 sq km

Novo Astro Intrusion-Related Gold Target

- Appears to be forming concentric gold mineralisation (approximately 5km diameter) centred on a probable granite plug
- Unique pathfinder elements (Mo-Bi-W)

Intrusion Related Gold System

- The intrusion-related gold system (IRGS) is a relatively new classification of gold deposits (1999) and is associated with granitic rocks.
- IRGS form at depth and are able to be preserved in older terrains (Juruena formed at a shallower depth)
- The deposits are best developed above and surrounding small, granitic intrusions. In addition to the association with granitoids
- IRGS deposits have a distinctive, signature, accessory element suite of bismuth (Bi), tellurium (Te), molybdenum (Mo) and tungsten (W)



Generalised plan-view model for reduced intrusion-related gold systems from the Tintina Gold Province. Note the wide range of mineralisation styles and geochemical variations that vary predictably outward from a central pluton (modified from Hart 2005)

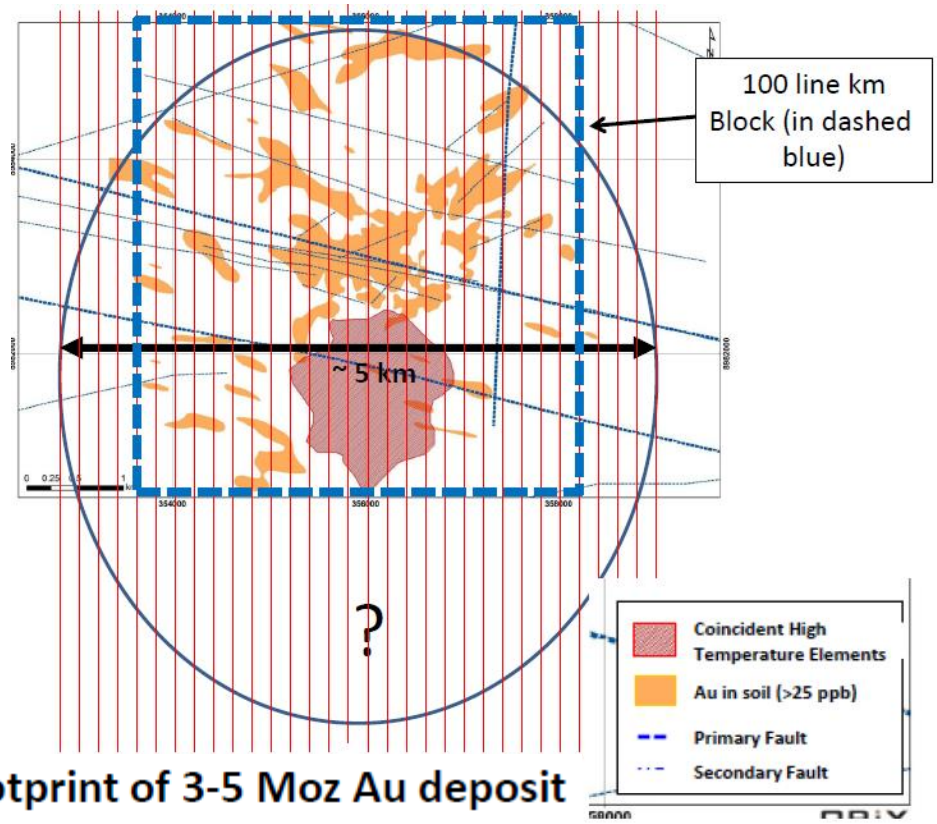
Significance of System & Targeting

crusader

- Intrusion related gold systems are know to host deposits of significant scale and typically exhibit medium to high grades:
  - Fort Knox - 158 million tonnes at 0.8 g/t Au
  - Pogo - 10 million tonnes at 15 g/t Au,
  - Donlin Gold - 541 million tonnes at 2.24 g/t
- Metal zoning at Novo Astro indicates system is developed and is dumping gold on the scale of kilometres
- IRGS deposits are typically metallurgically simple with minimal sulphide content
- How to target?
  - IP geophysics; utilised when gold is associated with disseminated sulphides to prioritise drilling
  - Drilling ahead of IP not recommended as best targets may not coincide with garimpeiro workings
  - Drill only meaningful targets: size / chargeability / resistivity combination

Novo Astro - Next steps

- IP 200m line spacing (up to 200 line kms in red) for full coverage or 100 line kms for Phase 1 (blue)
- Tighter spaced geochemical sampling
- Aeromagnetics / IP
- Further rockchip sampling / trenching
- Auger Drilling - 2016
- Diamond Drilling - 2017

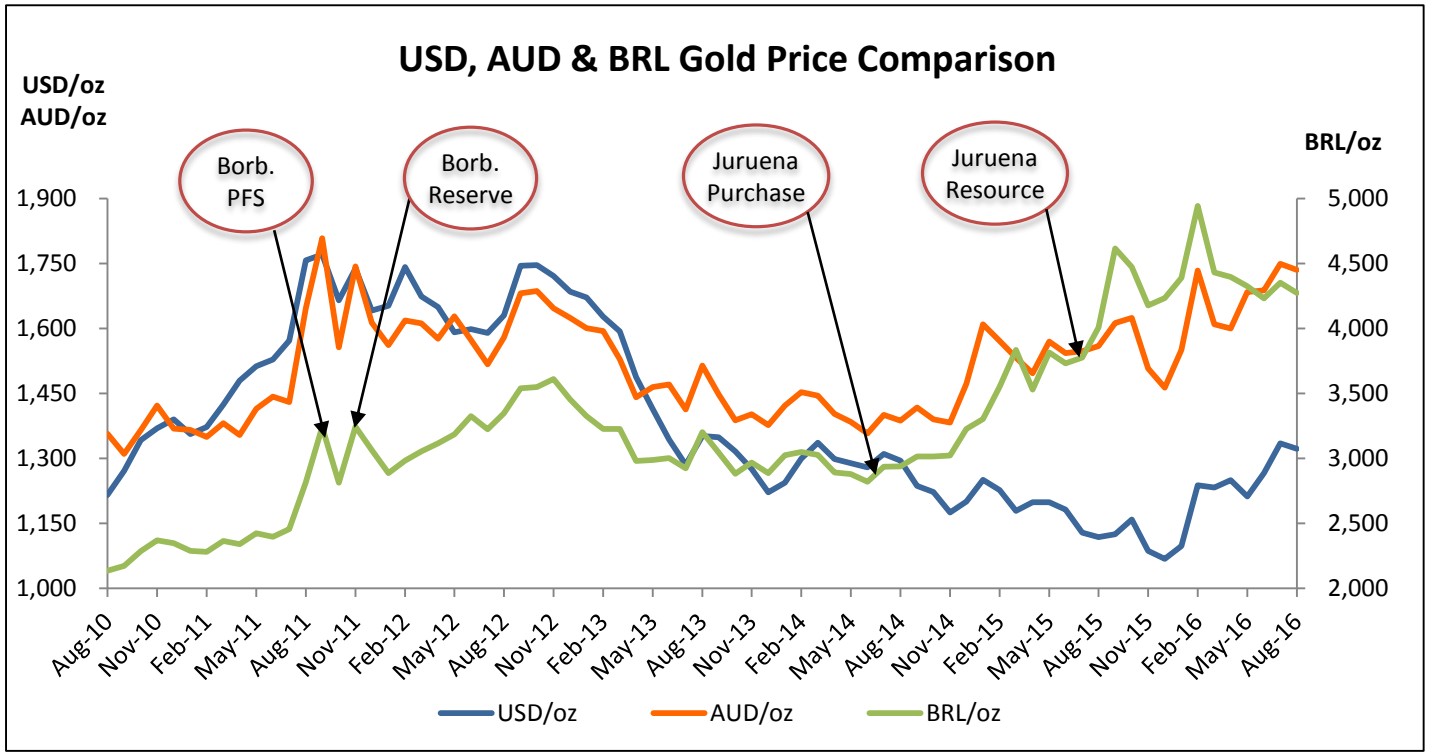


Summary – Juruena & Novo Astro

crusader

- Juruena is Crusaders next production asset in Brazil
  - Crusader has a proven track record of taking projects from Exploration to Production in Brazil
- Two key project areas providing a range of target mineralisation styles
  - Both near term production potential and larger company making projects
- Established infrastructure and incumbent skilled site team allow for rapid progress
- ~8,000m drilling program completed (2016 program)
  - Targeting high-grade near term production ounces
- Systematic assessment of potentially large scale and globally significant porphyry & fault/fracture targets at Juruena and IRGS at Novo Astro
- Crusader will be an active and aggressive explorer/developer in Brazil

Currency Effects



- Real has depreciated from R$2.00 to R$3.30 per USD, USD gold price has risen
- Industry has slowed post World Cup and now Olympics. Combined with downturn in Iron Ore markets has lead to an overall increase in availability and competition (pricing) for engineering and construction services

Head Office

Suite 1, Level 1, 35 Havelock Street
West Perth WA 6005
Australia

Site Office

Crusader do Brasil Mineração Ltda.
Avenida do Contorno 2090
Pilotis, Bairro Floresta - 30.110-012
Belo Horizonte, MG, Brasil

Company Contacts:

Rob Smakman

Managing Director

Tel: +55 31 2515 0740

Email: rob@crusaderdobrasil.com

Paul Stephen

Executive Director

Tel: +61 8 9320 7500

Email: paul@crusaderresources.com

www.crusaderresources.com