

**CRUSADER HOLDINGS NL**  
**ABN 94 106 641 963**

**NOTICE OF GENERAL MEETING**  
**EXPLANATORY STATEMENT**  
**PROXY FORM**

**For a General Meeting to be held on**  
**23 September 2004 at 10am (WST) at**  
**Mezzanine Level 28 the Esplanade, Perth**

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

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### IMPORTANT NOTICE

**This is an important document. Please read it carefully and in its entirety. If you do not understand it you should consult your professional advisers without delay.**

**If you are unable to attend the Meeting, please complete the form of proxy enclosed and return it in accordance with the instructions.**

## **TIME AND PLACE OF GENERAL MEETING AND HOW TO VOTE**

This General Meeting of the shareholders of Crusader Holdings NL will be held at:

**Crusader Holdings NL  
Mezzanine Level  
BGC Centre  
28 The Esplanade  
Perth WA 6000**

**Commencing  
at 10am (WST)  
on 23 September 2004**

### **How to Vote**

You may vote by attending the meeting in person, by proxy or authorised representative.

### **Voting in Person**

To vote in person, attend the meeting on the date and at the place set out above. The meeting will commence at 10am (WST).

### **Voting by Proxy**

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of General Meeting as soon as possible and either:

- return the proxy form (by post or delivery) to the company: Crusader Holdings NL Mezzanine Level BGC Centre 28 The Esplanade Perth WA 6000; or
- send the proxy by facsimile to facsimile number (08) 9481 2394 (International: + 61 8 9481 2394),

so that it is received not later than 10am (WST) on 21 September 2004.

Your proxy form is enclosed.

**CRUSADER HOLDINGS NL**

**ABN 94 106 641 963**

**NOTICE OF GENERAL MEETING**

**Resolution 1 - Approval of issue of Securities**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of Listing Rule 10.11 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, the Company be authorised to allot and issue 350,000 fully paid ordinary shares in the capital of the Company to Murray Hodges Pty Ltd on the terms and conditions set out in the Explanatory Statement accompanying this Notice".*

**Short Explanation:** Approval is sought under Listing Rule 10.11 to allow the Company to issue securities to Murray Hodges Pty Ltd, an entity controlled by Murray Hodges, a director of the Company.

**Voting Exclusion:** The Company will disregard any votes cast on this resolution by Murray Hodges Pty Ltd which is the entity which will receive the shares, Murray Hodges and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed, and any associates of those persons.

**DATED THIS 23 DAY OF AUGUST 2004**

**BY ORDER OF THE BOARD**

**JONATHAN ASQUITH  
COMPANY SECRETARY**

**NOTES:**

1. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. In accordance with the requirements of the Corporations Act, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is close of business on 21 September 2004.

## EXPLANATORY STATEMENT

This Explanatory Statement is an important document which should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

### 1. Background

On 16 February 2004 the Company entered into an option agreement with Mr Murray Hodges and Mr Rodney Hodges to acquire an 80% interest (**Interest**) in the Tenements (**Option Agreement**).

On 13 August 2004 the Company entered into a Deed with Murray Hodges Pty Ltd as trustee for the Murray Hodges Family Trust (**Vendor**) and Murray Hodges and Rodney Hodges pursuant to which the Tenements were transferred to the Vendor subject to the terms of the Option Agreement.

On exercise of the Option the consideration payable for the acquisition of the Interest is:

- (a) 350,000 Shares to the Vendor;
- (b) reimbursing the Vendor for actual costs of preliminary work in relation to the Tenements of \$36,370; and
- (c) free carrying the Vendor for \$300,000 Form 5 expenditure.

The Company exercised the Option on 16 August 2004. Under the Option Agreement, the acquisition of the Interest in the Tenements is to settle on the date that is 60 days from the date of the notice of exercise of the Option. In order to settle the acquisition, the Company is required to issue the Shares.

As Mr Murray Hodges is a director of the Company, shareholder approval to the issue of 350,000 Shares pursuant to the Option Agreement is required under Listing Rule 10.11.

### 2. Resolution 1 - Approval of Issue of Securities

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities a related party of the company.

If Resolution 1 is passed, Shares will be issued to Mr Murray Hodges, who is a related party of the Company, pursuant to the Option Agreement. Accordingly, shareholder approval for the issue of the Shares is required pursuant to Listing Rule 10.11.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to the Resolution:

- (a) the maximum number of securities to be issued is 350,000 Shares;

- (b) the allottee of the Shares will be Murray Hodges Pty Ltd as trustee for the Murray Hodges Family Trust;
- (c) the Shares will be issued as part consideration for the acquisition by the Company of the Interest in the Tenements pursuant to the Option Agreement;
- (d) the issue of the Shares will occur on one date and will not be later than 1 month after the date of the Meeting; and
- (e) there will be no funds raised from the issue of the Shares, because the Shares are being issued in consideration for the Company acquiring the Interest in the Tenements pursuant to the Option Agreement.

The Option Agreement was negotiated on arms length basis and it is considered that no related party approval pursuant to the Corporations Act is required for the issue of the Shares pursuant to the Option Agreement.

### **3. Enquiries**

Shareholders are invited to contact Mr Jonathan Asquith on (08) 9481 7501 if they have any queries in respect of the matters set out in these documents.

## GLOSSARY

**ASIC** means Australian Securities and Investments Commission.

**ASX** means Australian Stock Exchange Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the board of directors of the Company.

**Business Day** has the meaning as set out in the ASX Listing Rules.

**Company** means Crusader Holdings NL (ABN 94 106 641 963).

**Constitution** means the constitution of the Company.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** mean the current directors of the Company.

**Explanatory Statement** means the explanatory statement set out in this Memorandum.

**Meeting** means the meeting convened by the Notice.

**Memorandum** means this information memorandum.

**Notice** means the notice of general meeting accompanying this Memorandum.

**WST** means Western Standard Time.

**Share** means a fully paid ordinary share in the capital of the Company.

**Tenements** mean P24/3681, P24/3682, P24/3683, P24/3684, P24/3685, P24/3686, P24/3687, P24/3688, and P24/3689.



**PROXY FORM**

**APPOINTMENT OF PROXY  
CRUSADER HOLDINGS NL  
ABN 94 106 641 963**

**GENERAL MEETING**

I/We

being a Member of Crusader Holdings NL entitled to attend and vote at the Meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at Mezzanine Level BGC Centre 28 The Esplanade, Perth, Western Australia on 23 September 2004 at 10am (WST) and at any adjournment thereof.

**Voting on Business of the General Meeting**

|  | FOR                      | AGAINST                  | ABSTAIN                  |
|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 Approval of Issue of Securities | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**OR**

If you do **not** wish to direct your proxy how to vote, please place a mark in this box

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of the interest. The Chairman intends to vote in favour of all of the resolutions.

**YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY FORM WILL BE DISREGARDED.**

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy repre \_\_\_\_\_%

**By:**

**Individuals and joint holders**

**Companies (affix common seal if appropriate)**

Signature

Director

Signature

Director/Company Secretary

Signature

Sole Director and Sole Company Secretary

**CRUSADER HOLDINGS NL**  
**ABN 94 106 641 963**

**Instructions for Completing 'Appointment of Proxy' Form**

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company;
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.