

For personal use only

CRUSADER HOLDINGS NL

ACN 106 641 963

NOTICE OF GENERAL MEETING

TIME: 10:00 am (WST)
DATE: Tuesday, 10 June 2008
PLACE: The Celtic Club
48 Ord Street
West Perth WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9320 7503.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00 am (WST) on Tuesday, 10 June 2008 at:

The Celtic Club
48 Ord Street
West Perth WA 6005

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Crusader Holdings NL, PO Box 9023, Nicholson Road, Subiaco, 6008; or
- (b) facsimile to the Company on facsimile number (+61 8) 9320 7501,

so that it is received not later than 10:00 am (WST) on 8 June 2008.

Proxy Forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders will be held at 10:00 am (WST) on Tuesday, 10 June 2008 at The Celtic Club, 48 Ord Street, West Perth, WA, 6005.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 10:00 am (WST) on 8 June 2008.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – CHANGE OF STATUS

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

“That, for the purposes of Section 162 of the Corporations Act and for all other purposes, the status of the Company be changed from a ‘public no liability company’ to a ‘public company limited by shares’ .”

Short Explanation: If the Company converts its status from a public no liability company to a public company limited by shares, it will be necessary for it to adopt a new constitution that is appropriate for a public company limited by shares.

2. RESOLUTION 2 – CHANGE OF NAME TO CRUSADER RESOURCES LIMITED

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **special resolution**:

“That, for the purposes of Section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to “Crusader Resources Limited” and the Constitution and all other Company records be amended accordingly.”

Short Explanation: Pursuant to Section 157(1) of the Corporations Act, a company may change its name by a special resolution at a general meeting.

3. RESOLUTION 3 – ADOPTION OF NEW CONSTITUTION

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

“That, subject to compliance with the requirements of the Corporations Act and the Company becoming a public company limited by shares, in lieu of the present constitution of the Company there be substituted the constitution in the form of the proposed constitution marked “A” and signed by the chairman of the Company for identification purposes.”

Short Explanation: If the Company converts its status from a public no liability company to a public company limited by shares, it will be necessary for it to adopt a new constitution that is appropriate for a public company limited by shares.

4. RESOLUTION 4 – DIRECTORS REMUNERATION

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

“That, in accordance with Clause 11.9 of the Constitution, the directors fees payable to Directors of the Company be set at \$250,000 per annum to be divided amongst them in such proportions as the directors may agree.”

Short Explanation: Shareholder approval is required to set or increase the maximum aggregate sum that may be paid to the Directors per annum.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by the Directors of the Company and any of their associates. However, 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

5. RESOLUTION 5 – ADOPTION OF EMPLOYEE SHARE OPTION PLAN

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

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 9) and for all other purposes, approval is given for the Directors to adopt and implement the “Crusader Employee and Officer Share Option Plan” (**Option Plan**) in accordance with the terms and conditions of the Option Plan, a summary of which is set out in the Explanatory Statement.”*

Short Explanation: The Plan is designed to be an incentive to key people who assist in the successful development and operation of the Company. Approval is sought pursuant to ASX Listing Rule 7.2 (Exception 9) so that securities issued pursuant to the Option Plan are not included in the Company’s 15% capacity for the purposes of ASX Listing Rule 7.1. Please refer to the Explanatory Statement for further details.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by the Directors of the Company and any of their associates. However, 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

DATED: 7 MAY 2008

BY ORDER OF THE BOARD



**PHILLIP MACLEOD
CRUSADER HOLDINGS NL
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10:00 am (WST) on Tuesday, 10 June 2008 at The Celtic Club, 48 Ord Street, West Perth, WA, 6005.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. RESOLUTION 1 – CHANGE OF COMPANY STATUS

Resolution 1 seeks Shareholder approval for the Company to change its status from a public no liability company to a public company limited by shares.

Section 162 of the Corporations Act specifically provides that a public no liability company may change its status to a public company limited by shares by the members passing a special resolution at a general meeting.

The principal differences between a public no liability company and a public company limited by shares may be summarised as follows:

- (a) holders of partly paid shares in a public no liability company have no contractual liability to pay up the unpaid portion of the issue price of those shares, although the shares will generally be forfeited if a call on the shares is not paid. In a public company limited by shares, a holder of partly paid shares has a contractual liability to pay the amounts unpaid in his or her shares, as and when those amounts are called up, and any balance owing after the shares have been forfeited and disposed of for non-payment of a call remains a debt due and payable to the company;
- (b) a public no liability company can only be involved in mining activities. In contrast, a public company limited by shares can undertake any type of activity and in doing so generally has all the powers of a natural person;
- (c) dividends are payable in a public no liability company to shareholders in proportion to the shares held by them, regardless of the amounts paid up on those shares. In a public company limited by shares, dividends are generally payable in proportion to the amounts paid up on shares; and
- (d) surplus assets in a public no liability company available for distribution to shareholders on a winding up of the company are distributed to shareholders in proportion to the shares held by them, regardless of the amounts paid up on those shares. In a public company limited by shares, any surplus available for distribution in a winding up is generally distributed to shareholders in proportion to the amounts paid up on their shares.

The Corporations Act provides that a public no liability company may change its status to a public company limited shares provided that:

- (a) all of the company's shares are paid up;
- (b) members approve, by way of a special resolution, the change in status; and

- (c) the company makes an application to the ASIC for the change in status which complies with the Corporations Act and ASIC alters the details of the company's registration to a public company limited by shares.

Upon this Resolution 1 being passed, and from the date on which the ASIC alters the details of the Company's registration, the Company will become a public company limited by shares and will be known as Crusader Holdings Limited.

2. RESOLUTION 2 – CHANGE OF NAME TO CRUSADER RESOURCES LIMITED

Resolution 2 seeks approval for a change of name of the Company in accordance with Section 157(1) of the Corporations Act.

Under Section 157(1) of the Corporations Act, if a company wishes to change its name it must pass a special resolution adopting a new name and lodge an application with ASIC.

The Company is seeking to change its name to "Crusader Resources Limited" to more accurately reflect the future activities of the Company.

Section 148(2) of the Corporations Act provides that a limited public company must have the word "limited" at the end of its name. Accordingly, in the event that Resolution 1 of this Notice is passed and upon the change of status taking effect, the Company must change its name from one not limited to limited.

3. RESOLUTION 3 - ADOPTION OF A NEW CONSTITUTION

Pursuant to Section 136 of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of shareholders. Resolution 2 is a special resolution which will enable the Company to adopt a new constitution.

In the event that Resolution 1 of this Notice is passed and the Company's status is changed to a public company limited by shares, the Board is of the view that the existing Constitution, which reflects the current structure of the Company as a public no liability company, will no longer be appropriate and such, the Board proposes that members approve the Company adopting a new constitution which reflect the change in status of the Company to a public company limited by shares.

A copy of the proposed constitution has been provided to ASX prior to despatch to shareholders of this notice of meeting. ASX has reviewed the proposed new constitution and confirmed that it is not inconsistent with the ASX Listing Rules.

It is not practicable to list all of the changes to the Constitution in this Explanatory Statement and Shareholders are invited to contact the Company if they have any queries or concerns. For this purpose, a copy of the proposed new constitution is available for review by Shareholders at the office of the Company and on the Company's website at www.crusaderholdings.com. A copy will be available for inspection at the meeting. A copy of the proposed new constitution will also be sent to Shareholders on request prior to this meeting free of charge.

4. **RESOLUTION 4 – REMUNERATION OF DIRECTORS**

Clause 11.9 of the Constitution provides:

"The Directors shall be paid out of the funds of the Company, by way of remuneration for their services as Directors, such sum not exceeding such fixed sum per annum as may from time to time be determined by the Directors prior to the first annual general meeting of the Company, to be divided among themselves and in default of agreement then in equal shares. The remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the Company where notice of the suggested increase shall have been given to shareholders in the notice convening the meeting. No non-executive Director shall be paid as part or whole of his remuneration a commission on or a percentage of profits or a commission on or a percentage of operating revenue, and no Executive Director shall be paid as whole or part of his remuneration a commission on or percentage of operating revenue. The remuneration of a Director shall be deemed to accrue from day to day."

Accordingly Shareholder approval is required to set or increase the aggregate sum that may be paid to the Directors per annum.

The Board of the Company currently comprises David Archer (Chairman), Robert Smakman (Managing Director), Murray Hodges (Non-executive Director) and Justin Evans (Non-executive Director).

Prior to the Company listing on ASX the aggregate sum was set at an amount not to exceed \$60,000 per annum until such time as the share price of the Company is traded on ASX at a price greater than 30 cents for 20 consecutive trading days. If Resolution 4 is passed, the total funds available for the payment of the Directors will increase by \$190,000.

This price hurdle has been met for some time and the Directors consider that the sum of \$250,000 per annum is required to provide reasonable remuneration for the current Directors having regard to the current and proposed activities of the Company and the respective duties of the current Directors and to allow for additional appointments to the Board from time to time that are suitably qualified and experienced.

5. **RESOLUTION 5 – ADOPTION OF EMPLOYEE SHARE OPTION PLAN**

This Resolution seeks Shareholder approval to establish and maintain an employee and officer share Option Plan to provide ongoing incentives to key employees and officers of the Company.

If the Resolution is passed, the Option Plan will enable the Company to issue options to employees and officers of the Company (**Employee Options**) and to issue Shares to those employees and officers if they choose to exercise their Employee Options. In the case of a Director, no Employee Options may be issued to the Director without express Shareholder approval of the number and terms of the Employee Options.

5.1 ASX Listing Rule 7.1

ASX Listing Rule 7.1 limits the number of equity securities, which a listed company may issue in any 12-month period without shareholder approval.

This limit is, generally speaking, no more than 15% of the total number of equity securities on issue at the date of issue.

An exception to Listing Rule 7.1 is Listing Rule 7.2 – Exception 9, which provides that Listing Rule 7.1 does not apply to an issue under an employee incentive scheme if, within the three years before the date of issue, shareholders have approved the issue as an exception to Listing Rule 7.1.

Shareholder approval is sought to establish the Option Plan and to enable the Company to subsequently grant the Employee Options under the Option Plan, without having to obtain Shareholder approval each time the Company wishes to issue securities which exceed the 15% limit contained in Listing Rule 7.1 and do not otherwise fall within one of the nominated Listing Rule exemptions.

The maximum number of options that can be issued under the Option Plan is not to be in excess of 5% of the total number of Shares on issue.

No securities have been issued under the Option Plan as at the date of this Explanatory Statement.

A summary of the terms of the Employee and Officer Share Option Plan is set out in Schedule 1.

6. ENQUIRIES

Shareholders are required to contact Phil MacLeod on (+ 61 8) 9320 7500 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Crusader Holdings NL (ACN 106 641 963).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

ESOP or **Option Plan** means the Crusader Employee and Officer Share Option Plan with the terms and conditions set out in Schedule 1.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting means the meeting convened by the Notice of Meeting.

Notice of Meeting or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Optionholder means a holder of an Option or Director Option as the context requires.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF CRUSADER HOLDINGS ESOP

Terms of options issued under the Employee and Officer Share Option Plan

The options are issued under the terms of the Crusader Employee and Officer Option Plan ("**Plan**"). The full terms of the options are set out in the Plan a copy of which may be obtained from the Company. The following is a summary of those terms. In the event of any inconsistency between the terms of the Plan and the summary set out below, the terms of the Plan will prevail.

1. Each option entitles the holder, on exercise, to one fully paid ordinary share in the Company ("**Share**").
2. The exercise price and expiry date for the options will be as determined by the Board (in its discretion) on or before the date of issue.
3. Shares issued on exercise of options will rank equally with other fully paid ordinary shares of the Company.
4. An option may only be exercised after that option has vested, after any conditions associated with the exercise of the option are satisfied and before its expiry date. The Board may determine the vesting period (if any). On the grant of an option the Board may in its absolute discretion impose other conditions on the exercise of an option.
5. An option will lapse upon the first to occur of its expiry date; the holder acting fraudulently or dishonestly in relation to the Company; the employee ceasing to be employed by the Company; or on certain conditions associated with a party acquiring a 90% interest in the Shares of the Company.
6. If the Company enters into a scheme of arrangement, a takeover bid is made for the Company's Shares, or a party acquires a sufficient interest in the Company to enable them to replace the Board (or the Board forms the view that one of those events is likely to occur) then the Board may declare an option to be free of any conditions of exercise. Options which are so declared may be exercised at any time on or before they lapse.
7. Options may not be transferred other than to a nominee of the holder. Quotation of options on ASX will not be sought. However, the Company will apply to ASX for official quotation of Shares issued on the exercise of options.
8. There are no participating rights or entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the options. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least 6 ASX Business Days after the issue is announced.
9. If the Company makes an issue of Shares to Shareholders by way of capitalisation of profits or reserves ("**Bonus Issue**"), each optionholder holding any options which have not expired at the time of the record date for determining entitlements to the Bonus Issue shall be entitled to have issued to him upon exercise of any of those options the number of Shares which would have been issued under the Bonus Issue ("**Bonus Shares**") to a person registered as holding the same number of Shares as that number of Shares to which the optionholder may subscribe pursuant to the exercise of those options immediately before the record date determining entitlements under the Bonus Issue (in addition to the shares which he or she is otherwise entitled to have issued to him or her upon such exercise).
10. In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry of any options, the number of options to which each optionholder is entitled or the exercise price of his or her options or both or any other terms will be reconstructed in a manner determined by the Board which complies with the provisions of the ASX Listing Rules.

PROXY FORM

**APPOINTMENT OF PROXY
CRUSADER HOLDINGS NL
ACN 106 641 963**

GENERAL MEETING

I/We

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

Appoint

Name of proxy

OR

Mark this box if you wish to appoint the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair'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 10:00 am (WST), on Tuesday, 10 June 2008 at The Celtic Club, 48 Ord Street, West Perth, WA, 6005 and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Change of Status	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Change of Name to Crusader Holdings Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Adoption of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Director Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Adoption of Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If the Chair of the General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of Resolution 4 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolution 4 and that votes cast by the Chair of the General Meeting for Resolution 4 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolution 4 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 4.

If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will 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 represents is

Signed this _____ day of _____ 2008 _____%

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

CRUSADER HOLDINGS NL
ACN 106 641 963

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members 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.

5. Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Crusader Holdings NL, PO Box 9023, Nicholson Road, Subiaco, 6008; or
 - (b) facsimile to the Company on facsimile number +61 8 9320 7501,

so that it is received not later than 10:00 am (WST) on 8 June 2008.

Proxy forms received later than this time will be invalid.