
CRUSADER RESOURCES LIMITED

ACN 106 641 963

NOTICE OF ANNUAL GENERAL MEETING

TIME: 9:30 am (WDST)
DATE: Friday, 28 November 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 Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 9:30 am (WDST) on Friday, 28 November 2008 at:

The Celtic Club
48 Ord Street
West Perth, Western Australia, 6005

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

To vote in person, attend the Annual 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 Resources Limited, 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 9:30 am (WDST) on 26 November 2008.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 9:30 am (WDST) on Friday, 28 November 2008 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual 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 Annual General Meeting are those who are registered Shareholders of the Company at the close of business on 26 November 2008.

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

AGENDA

1. ADOPTION OF THE ANNUAL FINANCIAL REPORT

To receive the Annual Financial Report, including Directors' declarations and accompanying reports of the Directors and auditors for the financial year ended 30 June 2008.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

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

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's financial report for the year ended 30 June 2008.”

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR DAVID ARCHER

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

“That, for the purposes of clause 13.2 of the Constitution and for all other purposes, Mr David Archer, a director of the Company who retires by rotation and, being eligible for re-election, is re-elected as a Director of the Company.”

4. RESOLUTION 3 – RATIFICATION OF PRIOR 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 purposes of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes, Shareholders ratify the allotment and issue of 1,000,000 Options on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who participated in the prior issue and any associate of those persons. 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 4 – RATIFICATION OF PRIOR 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 purposes of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes, Shareholders ratify the allotment and issue of 250,000 Options on the terms set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who participated in the prior issue and any associate of those persons. 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.

6. RESOLUTION 5 – GRANT OF OPTIONS TO MR ROBERT SMAKMAN

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 10.11 and for all other purposes, approval is given for the Directors to allot and issue 1,000,000 Options to Mr Smakman (or his nominee) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Smakman and any associate of Mr Smakman. 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.

7. RESOLUTION 6 – APPOINTMENT OF AUDITOR

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

"That, for the purposes of section 327B of the Corporations Act and for all other purposes, Deloitte Touche Tohmatsu, having been nominated by a Shareholder and consented in writing to act as auditor of the Company, be appointed as auditor of the Company, effective immediately."

DATED: 24 OCTOBER 2008

BY ORDER OF THE BOARD



**PHILLIP MACLEOD
CRUSADER RESOURCES LIMITED
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 Annual General Meeting to be held at 9:30 am (WDST) on Friday, 28 November 2008 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

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. FINANCIAL STATEMENTS AND DIRECTORS' REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the Company's annual financial report and the reports of Directors and Auditors for the year ended 30 June 2008.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

At a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the Shareholders.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2008.

The vote on this Resolution is advisory only and does not bind the Directors or the Company.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR DAVID ARCHER

Clause 13.2 of the Constitution requires that one third of the Company's Directors must retire at each annual general meeting. A Director who retires under clause 13.2 is eligible for re-election.

Mr Archer retires by rotation and offers himself for re-election.

Information about Mr Archer is available in the annual financial report that accompanies the Notice of Meeting and on the Company's web site at www.crusaderresources.com.

4. RESOLUTIONS 3 AND 4 – RATIFICATION OF PRIOR ISSUES OF SECURITIES

4.1 Background

Ms Katina Law was appointed to the role of Commercial Manager for the Company during November 2007. The terms of Ms Law's employment included the entitlement to the grant of 1,000,000 Options six months from the date of her appointment.

The Company also engaged Mr Shawn Crispin to perform the role of Exploration Manager during May 2008. The terms of Mr Crispin's engagement included the grant of 250,000 Options.

Resolutions 3 and 4 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the

number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying these issues, the Company will retain the flexibility to issue equity securities in the future up to the 15% threshold set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.2 Regulatory Requirements – Resolution 3

ASX Listing Rule 7.5 contains certain requirements as to the content of a notice of meeting sent to shareholders for the purposes of obtaining shareholder approval under ASX Listing Rule 7.4. The following information is provided to Shareholders in accordance with ASX Listing Rule 7.5:

- (a) a total of 1,000,000 Options were allotted and issued to the nominee of Ms Law;
- (b) the Options were issued on 19 September 2008;
- (c) the terms and conditions of the Options are set out in Section 4.3 below;
- (d) the Shares issued upon exercise of the Options will rank equally in all respects with the Company's existing issued Shares;
- (e) the Options were granted for nil consideration as consideration for performance of work, both previously and into the future by Ms Law for the Company and to secure the ongoing commitment of Ms Law to the continued growth of the Company; and
- (f) no funds were raised from the issue.

4.3 Terms of Options

The Options the subject of Resolution 3 were issued on the following terms:

- (a) one third of the Options vest on the date of issue, the second third of Options vest on 5 November 2008 and the remaining third vest on 5 November 2009;
- (b) the Options will expire at 5.00pm WST on 5 May 2011 (**Expiry Date**). Options not exercised on or before the Expiry Date will automatically lapse;
- (c) each Option entitles the holder to subscribe (in respect of each Option held) for one fully paid ordinary share in the capital of the Company at an exercise price of \$0.76 per Option;
- (d) the Options, once vested, may be exercised wholly or in part by completing an application form for shares (**Notice of Exercise**) delivered to the Company's share registry and received by it any time prior to the Expiry Date;
- (e) a Notice of Exercise will be deemed to be a Notice of Exercise as at the last business day of the month in which such notice is received;
- (f) upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking pari passu with the then issued Shares. The Company will apply to ASX to have the Shares issued on exercise of the Options granted official quotation. The options will not be listed on ASX;

- For personal use only
- (g) there will be no participating entitlements inherent in the Options to participate in new issues of capital which may be offered to shareholders during the currency of the Options. Prior to any new pro rata issue of securities to shareholders, the holders of the Options will be notified by the Company and will be afforded 5 business days before the record date (to determine entitlements to the issue), to exercise the Options;
 - (h) in the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2;
 - (i) in the event that Company proceeds with a bonus issue to shareholders, the number of Shares over which the Options are exercisable will be increased by the number of Shares which the holder of the Options would have received if the Option had been exercised before the record date for the bonus issue;
 - (j) in the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the expiry date, all rights of the Option holder are to be changed in a manner consistent with the ASX Listing Rules; and
 - (k) Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the date of the Notice of Exercise.

4.4 Regulatory Requirements – Resolution 4

In compliance with the information requirements of ASX Listing Rule 7.5:

- (a) a total of 250,000 Options were allotted and issued to Mr Crispin;
- (b) the Options were issued on 19 September 2008;
- (c) the terms and conditions of the Options are set out in Section 4.5 below;
- (d) the Shares issued upon exercise of the Options will rank equally in all respects with the Company's existing issued Shares;
- (e) the Options were granted for nil consideration as consideration for performance of work into the future by Mr Crispin; and
- (f) no funds were raised from the issue.

4.5 Terms of Options Issued Under Resolution 4

The Options the subject of Resolution 4 were issued on the following terms:

- (a) the Options vest on 15 May 2009;
- (b) the Options will expire at 5.00pm WST 15 May 2010 (**Expiry Date**). Options not exercised on or before the Expiry Date will automatically lapse;
- (c) each Option entitles the holder to subscribe (in respect of each Option held) for one fully paid ordinary share in the capital of the Company at an exercise price of \$0.62 per Option;
- (d) the Options, once vested, may be exercised wholly or in part by completing an application form for shares (**Notice of Exercise**) delivered to the Company's share registry and received by it any time prior to the Expiry Date;
- (e) a Notice of Exercise will be deemed to be a Notice of Exercise as at the last business day of the month in which such notice is received;

- For personal use only
- (f) upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking pari passu with the then issued Shares. The Company will apply to ASX to have the Shares issued on exercise of the Options granted official quotation. The options will not be listed on ASX;
 - (g) there will be no participating entitlements inherent in the Options to participate in new issues of capital which may be offered to shareholders during the currency of the Options. Prior to any new pro rata issue of securities to shareholders, the holders of the Options will be notified by the Company and will be afforded 5 business days before the record date (to determine entitlements to the issue), to exercise the Options;
 - (h) in the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2;
 - (i) subject to the discretion of the Board of the Company, if Mr Crispin terminates his engagement in the role of Exploration Manager before the expiry of his agreed term of engagement, any outstanding Options will lapse 90 days after the termination and have no further force or effect;
 - (j) in the event that Company proceeds with a bonus issue to shareholders, the number of Shares over which the Options are exercisable will be increased by the number of Shares which the holder of the Options would have received if the Option had been exercised before the record date for the bonus issue;
 - (k) in the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the expiry date, all rights of the Option holder are to be changed in a manner consistent with the ASX Listing Rules; and
 - (l) Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the date of the Notice of Exercise.

5. RESOLUTION 5 – GRANT OF OPTIONS TO ROBERT SMAKMAN

5.1 Background

The Board has agreed to grant 1,000,000 Options to the Managing Director, Mr Smakman (**Smakman Options**). Approval is being sought to grant the Smakman Options to secure Mr Smakman's ongoing commitment to the continued growth of the Company.

The approval is being sought for the purposes of ASX Listing Rule 10.11 which provides that, subject to certain exceptions, a company listed on ASX cannot issue or grant securities to a director without shareholder approval.

The Board (other than Mr Smakman) has formed the view that Shareholder approval under Chapter 2E of the Corporations Act is not required for the proposed issue of Smakman Options because the issue of Options is considered to be reasonable remuneration for the performance of services by Mr Smakman in his capacity as a Director. The proposed issue will therefore fall within the exception provided by Section 211(2) of the Corporations Act to the requirement to obtain shareholder approval for the giving of a financial benefit to a related party in accordance with Chapter 2E of the Corporations Act.

5.2 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party. Mr Smakman is considered a related party of the Company by virtue of the fact that he is a Director of the Company.

Approval pursuant to Listing Rule 7.1 is not required in order to grant the Smakman Options as approval is being obtained under ASX Listing Rule 10.11. The grant of the Smakman Options will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

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. The following information is provided to shareholders for the purposes of ASX Listing Rule 10.13:

- (a) the maximum number of Smakman Options to be issued is 1,000,000 Options;
- (b) the Smakman Options will be issued no later than one (1) month from the date of approval of the Resolution (or such later date as approved by ASX) and it is anticipated that the Options will be issued on one and the same date;
- (c) the terms and conditions of the Options are set out in Section 5.3 below;
- (d) the Shares issued upon exercise of the Options will rank equally in all respects with the Company's existing issued Shares; and
- (e) the Smakman Options are being granted for nil consideration as consideration for performance of work, both previously and into the future by Mr Smakman for the Company and to secure the ongoing commitment of Mr Smakman to the continued growth of the Company.

5.3 Terms of Options

Each Smakman Option will entitle the holder to subscribe for one Share on the following terms:

- (a) 500,000 of the Options will vest on issue;
- (b) the further 500,000 Options will vest on 1 December 2009;
- (c) subject to paragraphs (d) and (e), the Options are exercisable before 5.00pm (WST) on 31 December 2012 (**Expiry Date**);
- (d) the Options are exercisable at a price of \$0.65 each;
- (e) if the holder is no longer a Director of the Company for any reason, the Options must be exercised by the holder within 2 months, at which time they will automatically lapse;
- (f) the Options are not transferable;
- (g) the Options may be exercised wholly or in part by completing an application form for shares (**Notice of Exercise**) delivered to the Company's share registry and received by it any time prior to the Expiry Date;
- (h) upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking pari passu with the then issued Shares. The Company will apply to ASX to have the Shares issued on exercise of the Options granted official quotation. The Options will not be listed on ASX;
- (i) there will be no participating entitlements inherent in the Options to participate in new issues of capital which may be offered to shareholders during the currency of the Options. Prior to any new pro rata issue of

securities to shareholders, the holder of the Options will be notified by the Company and will be afforded 5 business days before the record date (to determine entitlements to the issue), to exercise the Options;

- (j) in the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2;
- (k) in the event that Company proceeds with a bonus issue to shareholders, the number of Shares over which the Options are exercisable will be increased by the number of Shares which the holder of the Options would have received if the Option had been exercised before the record date for the bonus issue;
- (l) in the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the expiry date, all rights of the Option holder are to be changed in a manner consistent with the ASX Listing Rules; and
- (m) Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the date of the Notice of Exercise.

6. RESOLUTION 6 – APPOINTMENT OF AUDITOR

Stanton International who are the Company's current auditors, have given notice of their intention to resign as auditor of the Company (under section 329(5) of the Corporations Act) subject to receipt of the consent of the Australian Securities & Investments Commission (**ASIC**) and Shareholder approval of this Resolution 6 for the appointment of Deloitte Touche Tohmatsu as auditor.

With the Company's operations now predominately based in Brazil, the Board has sought the appointment of an audit firm with a strong presence in that country and in particular Belo Horizonte as the Posse iron ore project is located nearby.

The proposed new auditors, Deloitte Touche Tohmatsu have offices in Belo Horizonte as well as other major centres in Brazil. The firm currently audits a number of other Australian listed junior mining companies operating in Brazil and it is expected that this experience will be of benefit to Crusader.

Subject to the ASIC consenting to the resignation of Stanton International, and Stanton International submitting a resignation to the Company, it is proposed that the Company appoint Deloitte Touche Tohmatsu as auditor of the Company.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for Deloitte Touche Tohmatsu to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure A.

Deloitte Touche Tohmatsu has given its written consent to act as the Company's auditor subject to Shareholder approval of this Resolution 6.

If Resolution 6 is passed, the appointment of Deloitte Touche Tohmatsu as the Company's auditor will take effect at the close of this AGM.

7. 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 Resources Limited (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.

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

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

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

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.

WDST means Western Daylight Savings Time as observed in Perth, Western Australia.

ANNEXURE A

LETTER OF NOMINATION OF AUDITOR

22 October 2008

The Chairman
Crusader Resources Limited
Level 2, 35 Havelock Street
West Perth WA 6005

Dear Sir

Nomination of Auditor

I, Diane Elwell, being a shareholder of Crusader Resources Limited, hereby nominate Deloitte Touche Tohmatsu of Level 14, 240 St George's Terrace, Perth, Western Australia to be appointed as auditor of Crusader Resources Limited.

I consent to the distribution of a copy of this notice of nomination as an annexure to the Notice of Meeting for the 2008 Annual General Meeting of Crusader Resources Limited as required by section 328B(3) of the Corporations Act.

Yours faithfully



Diane Elwell

For personal use only

PROXY FORM

**APPOINTMENT OF PROXY
CRUSADER RESOURCES LIMITED
ACN 106 641 963**

ANNUAL GENERAL MEETING

I/We
of

being a member of Crusader Resources Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual 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 Annual General Meeting to be held at 9:30am (WDST), on 28 November 2008 at the Celtic Club, 48 Ord Street, West Perth, Western Australia 6005, and at any adjournment thereof.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Mr David Archer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Ratification of prior issue of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of prior issue of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Grant of Options to Mr Robert Smakman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: 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.

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 Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 3 to 5 and that votes cast by the Chair of the Annual General Meeting for Resolutions 3 to 5 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 Resolutions 3 to 5 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 3 to 5.

Signature of Member(s): _____ **Date:** _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

For personal use only

CRUSADER RESOURCES LIMITED
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 Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual 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 Annual General Meeting.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Crusader Resources Limited, 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 9:30 am (WDST) on 26 November 2008.

Proxy forms received later than this time will be invalid.