

CRUSADER RESOURCES LIMITED

Securities Trading Policy

Purpose of the Securities Trading Policy

This Securities Trading Policy and the procedures herein have been produced to provide guidance to Directors, the Company Secretary, employees and consultants of Crusader Resources Limited, and their Associates, when Dealing in Crusader Resources Limited Securities taking into account the size, nature and stage of development of the Company and the obligations under the Corporations Act not to Deal in the Company's Securities whilst in possession of Inside Information.

Policy on Trading in Crusader Resources Limited Securities

Directors, the Company Secretary, employees and consultants of Crusader Resources Limited:

- must not Deal in any Security of Crusader Resources Limited whilst in possession of Inside Information;
- must not engage in short term trading of any Securities of Crusader Resources Limited;
- must seek approval in accordance with the procedure set out below prior to Dealing in any Securities of Crusader Resources Limited.

Breaching the Securities Trading Policy

A breach of the Securities Trading policy by an employee is serious and may lead to disciplinary action, including dismissal in serious cases. It may also be a breach of the law. Insider trading is a criminal offence which is punishable by fines and imprisonment, or both, and may also lead to civil actions which may result in substantial penalties or compensation being awarded to persons suffering loss or damage due to the insider trading.

Dealing in Crusader Resources Limited Securities

Subject to the requirements of the Corporations Act and the policy set out above, a Director, the Company Secretary, employee or consultant, or their Associate, may:

- (a) Deal in any Security of Crusader Resources Limited provided that the person does not have information that he or she knows, or ought reasonably to know, is Inside Information in relation to the Company's Securities;
- (b) not Deal or procure another person to Deal in any Security of Crusader Resources Limited if he or she has information that he or she knows, or ought reasonably to know, is Inside Information in relation to the Company's Securities;
- (c) not, except in Exceptional Circumstances, Deal in any Security of Crusader Resources Limited within 5 days prior to the release of:
 - any announcement containing Inside Information;
 - Material exploration results;
 - resource or reserve estimates;
 - results of technical studies" and
 - a capital raising (except participation by a Director, the Company Secretary, employee or consultant in the capital raising itself) by the Company

(“Closed Period”);

Excluded trading

This Policy does not prohibit Dealing in the Company’s Securities during a Closed Period as outlined below:

- (a) transfers of Securities already held into a superannuation fund or other saving scheme in which the Director, the Company Secretary, employee or consultant is a beneficiary;
- (b) transfers of Securities where there is no change in beneficial ownership;
- (c) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (d) where a Director, the Company Secretary, employee or consultant is a trustee, trading in Securities by that trust provided the Director, the Company Secretary, employee or consultant is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of the Director, the Company Secretary, employee or consultant;
- (e) undertakings to accept, or acceptance of, a takeover offer;
- (f) trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board. This includes decisions relating to whether or not to take up the entitlements;
- (g) the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Closed Period]; and
- (h) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where:
 - i. the Director, the Company Secretary, employee or consultant did not enter into the plan or amend the plan during a Closed Period;
 - ii. the trading plan does not permit the Director, the Company Secretary, employee or consultant to exercise any influence or discretion over how, when, or whether to trade; and
 - iii. the entity's trading policy does not allow for the cancellation of a trading plan during a Closed Period other than in exceptional circumstances.
- (i) the issue of grant of Securities by the Company to a Director, the Company Secretary, employee or consultant where shareholder approval for the issue of the Securities has been obtained and if Inside Information exists both the Company and Director, the Company Secretary, employee or consultant are fully aware of the Inside Information.

Approval to be sought before Dealing in Securities

Directors, the Company Secretary, employees and consultants must receive approval for any proposed Dealing in the Company’s Securities as follows:

- (a) the Chairman must inform and receive approval from the Managing Director (or if not available, from another Director), prior to undertaking a transaction;
- (b) the managing Director must inform and receive approval from the Chairman (or if not available, from another Director), prior to undertaking a transaction;

- (c) a Director, (other than the Chairman and managing Director), must inform and receive approval from the Chairman (or, if not available, the Managing Director, or, if neither are available, another director) prior to undertaking a transaction; and
- (d) Employees and the Company Secretary must inform and receive approval from the Managing Director (or, if not available, from the Chairman), prior to undertaking a transaction.

It is intended that a request will be answered within 48 hours however no Dealing is to occur until clearance as been obtained.

Exceptional Circumstances

Except where there is a matter about which there is Inside Information in relation to Company Securities, the Chairman (or 2 Directors in the case of the Chairman) may give clearance during a Closed Period for a Director, the Company Secretary, employee or consultant to sell (but not buy) Company Securities in Exceptional Circumstances.

The Director, the Company Secretary, employee or consultant seeking clearance to Deal in the Securities must outline in writing to the Chairman (or 2 Directors in the case of the Chairman) the circumstances of their severe financial hardship or as to why their circumstances are otherwise exceptional and that the proposed Dealing in the Securities is the only reasonable course of action available.

The Chairman (or 2 Directors in the case of the Chairman) will decide if Exceptional Circumstances exist and this decision will be final.

Notification of Trading in Crusader Resources Limited Securities

Directors must notify the Company Secretary of any Dealings in the Company's Securities within two business days of such Dealing including those Dealings in Securities not registered in the Directors name but in which the Director has a Relevant Interest. Details to be provided include the date of the change, the number and class of the Securities subject to the change and the nature of the change, for example on-market transfer. The Director will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Company Securities the subject of the change.

Policy Extends to Trading in Other Entities

This policy also applies to Directors, the Company Secretary, employees and consultants trading in the securities of other entities with which the Company has business dealings and which are listed on the ASX or any other financial market.

Further Information

Employees who are unsure about any information they may have in their possession, and whether they can use that information for Dealing in the Company's Securities or securities of another entity, should contact the Company Secretary

DEFINITIONS

In this Policy on Dealing in the Securities of Crusader Resources Limited:

"Associate" includes nominee companies, spouses, dependent children, family trusts and superannuation funds.

"Company" means Crusader Resources Limited (ACN 106 641 963).

"Deal" or "Dealing" includes any transaction associated with buying, selling or subscribing for a Security.

"Director" means a director of the Company.

"Exceptional Circumstances" means circumstances of severe financial hardship whereby the Director, the Company Secretary, employee or consultant has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Securities

"Inside Information" is information that if it was generally available and known to the market would have material effect on the price or value of the applicable security, and may include, without limitation:

- Material exploration results;
- resource or reserve estimates;
- results of technical studies (including, but not limited to, scoping, pre-feasibility and feasibility studies);
- acquisition or disposal of tenements (including by way of Joint Venture/Farm in or Option)
- borrowings;
- liquidity and cash flow information;
- significant changes in operations;
- management restructuring;
- significant litigation;
- impending mergers acquisitions, reconstructions, takeovers; and
- major asset purchases or sales.

For the purposes of this Policy, information is taken to be **material** or will have a **material effect** if the information would, or would be likely to, influence persons who commonly acquire securities in deciding whether or not to acquire or dispose of the Company's Securities

"Relevant Interest" a person has a Relevant Interest in Securities if they:

- are the holder of the securities; or
- have power to exercise, or control the exercise of, a right to vote attached to the securities; or
- have power to dispose of, or control the exercise of a power to dispose of, the securities.

"Security" includes shares, debentures, rights, options, employee options, prescribed interests and warrants.

"Short Term Trading" is where the acquisition and disposal of securities occurs within 3 months of each other.

Corporations Act Legislation Information

The main provision dealing with insider trading is section 1043A of the Corporations Act. However, other sections throughout the Corporations Act Deal with peripheral and related matters such as stock market manipulation, misleading conduct, fiduciary duties etc.

Section 1043A is summarised as follows:

1. Where:
 - (a) a person ("**insider**") possesses Inside Information; and
the person knows, or ought reasonably to know, that:
 - (i) the information is not generally available; and

- (ii) if it were generally available, it might have a material effect on the price or value of those securities,

the following rules apply.

2. The insider must not (whether as principal or agent):
 - (a) apply for, acquire, or dispose of, relevant Securities or enter into an agreement to apply for, acquire, or dispose of, relevant securities; or
 - (b) procure another person to apply for, acquire, or dispose of, relevant Securities or enter into an agreement to apply for, acquire, or dispose of, relevant securities.
3. The insider must not, directly or indirectly, communicate the information, or cause the information to be communicated, to another person if the insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - (a) apply for, acquire, or dispose of, relevant Securities or enter into an agreement to apply for, acquire, or dispose of, relevant securities; or
 - (b) procure another person to apply for, acquire, or dispose of, relevant Securities or enter into an agreement to apply for, acquire, or dispose of, relevant securities.

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