
CRUSADER RESOURCES LIMITED**ACN 106 641 963****NOTICE OF ANNUAL GENERAL MEETING**

TIME: 9.00am (WST)

DATE: Thursday, 15 May 2014

PLACE: Suite 1, Level 1
35 Havelock 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 7500.

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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 9.00am (WST) on Thursday, 15 May 2014 at:

Suite 1, Level 1
35 Havelock Street
West Perth, WA, 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, West Perth BC, PO Box 692, West Perth WA 6872; or

(b) facsimile to the Company on facsimile number +61 8 9320 7501,

so that it is received not later than 9.00am (WST) on Tuesday, 13 May 2014.

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 9.00am (WST) on Thursday, 15 May 2014 at Suite 1, Level 1, 35 Havelock 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 5.00pm (WST) on 13 May 2014.

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

AGENDA

ORDINARY BUSINESS

1. ANNUAL REPORT

To table and consider the Annual Report of the Company and its controlled entities for the six months ended 31 December 2013, which includes the Financial Report, Directors' Report and the Auditor's Report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Statement."

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; or
- (d) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF MR STEPHEN COPULOS AS A DIRECTOR

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

"That Mr Stephen Copulos, who retires in accordance with Article 13.2 of the Constitution, being eligible and offering himself for re-election, be re-elected as a Director."

4. RESOLUTION 3 – RE-ELECTION OF MR MAURICIO FERREIRA AS A DIRECTOR

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

"That Mr Mauricio Ferreira, who retires in accordance with Article 13.2 of the Constitution, being eligible and offering himself for re-election, be re-elected as a Director."

5. RESOLUTION 4 – RE-ADOPTION OF THE EMPLOYEE SHARE OPTION PLAN

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

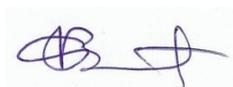
*"That, for the purposes of ASX Listing Rule 7.2 (Exception 9) and for all other purposes, approval is given for the Directors to re-adopt the "Crusader Employee Share Option Plan" (**Option Plan**) in accordance with the terms and conditions set out in the Explanatory Statement."*

Short Explanation: The Option Plan is designed to be an incentive to key employees and officers 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: 4 APRIL 2014

BY ORDER OF THE BOARD



**ANDREW BEIGEL
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 9.00am (WST) on Thursday, 15 May 2014 at Suite 1, Level 1, 35 Havelock Street, West Perth, Western Australia.

The 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. This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice.

A Proxy Form is located at the end of the Explanatory Statement.

1. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolutions.

1.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Annual General Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Annual General Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

1.2 Voting Prohibition by Proxy Holders

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; or

- (d) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

2. ANNUAL REPORT

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the report can be found on the Company's website (www.crusaderresources.com) or obtained by contacting the Company on (+61 8) 9320 7500.

The previous Annual Report was in respect of the financial year ended on 30 June 2013. Pursuant to section 323D (2A) of the *Corporations Act 2001* (Cth) the Company has changed its financial year to 31 December. The 31 December Annual Report is for the transitional financial year commencing 1 July 2013 and ending 31 December 2013.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the six months ended 31 December 2013;
- (b) ask questions about, or make comments on, the management of the Company;
- (c) ask questions about, or make comments, on the Remuneration Report; and
- (d) ask the auditor questions about:
 - (i) the conduct of the audit;
 - (ii) the preparation and content of the Auditor's Report;
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Financial Report,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

3. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Section 250R(2) of the *Corporations Act* provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive directors, specified executives and non-executive directors.

Section 250R(3) of the *Corporations Act* provides that Resolution 1 is advisory only and does not bind the Directors or the Company. Of itself, a failure of

Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act has been amended by the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act (**Director and Executive Remuneration Act**) which received Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new sections 250U and 250Y, among others, into the Corporations Act, giving Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting, a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

At the Company's 2013 Annual General Meeting the remuneration report was approved by over 75% of shareholders.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

4. RESOLUTIONS 2 AND 3 – RE-ELECTION OF DIRECTORS

Article 13.2 of the Constitution requires that one third of the Directors must retire at each annual general meeting (rounded to the nearest whole number).

Article 13.2 also provides that a Director who retires under that Article is eligible for re-election.

Pursuant to this Article, Mr Stephen Copulos and Mr Mauricio Ferreira will retire by rotation and, being eligible, seek re-election as Directors.

4.1 Candidate Director's Profile – Mr Stephen Copulos (Resolution 2)

Mr. Copulos has over 30 years of experience in a variety of businesses and investments in a wide range of industries, including manufacturing, mining, fast food, property development and hospitality. He has been the Managing Director of the Copulos Group of companies, a private investment group, since 1997. Mr. Copulos is an active global investor who brings significant business acumen and greater diversity to the Board of Crusader. He has been a major shareholder of Crusader for many years, and is aligned to improving shareholder returns.

Mr. Copulos has over 14 years' experience as a company director of both listed and unlisted public companies. He is currently a non-executive director of Collins Foods Limited.

Mr. Copulos is Chairman of the Remuneration Committee and a member of the Audit and Risk Committee.

The Board believes that Mr Copulos has performed the duties and responsibilities of a Director diligently and professionally, in the best interests of all Shareholders.

The Board unanimously supports the re-election of Mr Copulos.

4.2 Candidate Director's Profile – Mr Mauricio Ferreira (Resolution 3)

Mr. Ferreira is a senior executive with more than 35 years of experience in the natural resources and energy sectors.

From 1986 to 2012, Mr. Ferreira held several positions within the Vale Group. He has managed distinct functions from exploration to sales and marketing in different businesses including iron ore, gold, fertilizers, kaolin and energy. In the early 1990's Mr. Ferreira was actively involved in the exploration and development of three gold mines in Brazil. More recently he was Director of Special Projects in Sustainability and Energy, CEO of Vale Energia Limpa, Director of Business Development at Vale Oil & Gas and Chief Executive Officer of PPSA Kaolim Mine and CADAM S.A.

Mr. Ferreira earned a Bachelor of Science in Geology at Universidade Federal do Rio de Janeiro and attended the Ph.D. program at the University of Western Ontario. He has supplemented his experience with extensive executive education at Ibmec, University of Sao Paulo, Harvard University, Massachusetts Institute of Technology, INSEAD and the International Institute for Management Development.

Mr. Ferreira is a member of the Audit and Risk Committee.

The Board believes that Mr Ferreira has performed the duties and responsibilities of a Director diligently and professionally, in the best interests of all Shareholders.

The Board unanimously supports the re-election of Mr Ferreira.

5. RESOLUTION 4 –RE-ADOPTION OF EMPLOYEE SHARE OPTION PLAN

5.1 General

Resolution 4 seeks Shareholder approval to re-adopt the Option Plan, first adopted by Shareholders on 10 June 2008, then re-adopted by shareholders on 1 April 2011, to provide ongoing incentives to key employees and officers of the Company.

If Resolution 4 is passed, the Option Plan will continue to 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.

5.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 requires a listed company to obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than 15% of the issued capital of that company in any 12 month period.

An exception to ASX Listing Rule 7.1 is set out in ASX 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 re-adopt the Option Plan in accordance with Exception 9 of ASX Listing Rule 7.2 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.

5.3 Information required by ASX Listing Rule 7.2 (Exception 9)

Since 1 April 2011 (the date on which the Option Plan was last approved by Shareholders), the Company has issued 4,385,000 Options in reliance on Listing Rule 7.2 Exception 9.

The full terms and conditions of the Option Plan may be obtained free of charge by contacting the Company. A summary of the terms and conditions of the Option Plan is set out in Schedule 1.

6. ENQUIRIES

Shareholders should contact Andrew Beigel on (+ 61 8) 9320 7500 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by this Notice of Meeting.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report thereon, in respect to the six months ended 31 December 2013.

Article means an article of the Constitution.

ASIC means the Australian Securities and Investments Commission.

Associated Body Corporate means any:

- (a) related body corporate of the Company under Section 50 of the Corporations Act; or
- (b) a body corporate that has voting power in the Company of not less than 20%; and
- (c) a body corporate in which the Company has voting power of not less than 20%.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors of the Company.

Chair means the person appointed to chair the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations as defined in the Corporations Act.

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

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a current director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

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

Financial Report means the 2013 annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means those persons having authority and responsibility for planning, directing and controlling the activities of the Company (and its controlled entities), directly or indirectly, including any director (whether executive or otherwise) of the Company, as defined in the Corporations Act.

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

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

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.

SCHEDULE 1 – TERMS AND CONDITIONS OF CRUSADER RESOURCES LIMITED OPTION PLAN

Terms of options issued under the Option Plan

The Options are issued under the terms of the Option Plan. The full terms of the Options are set out in the Option 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 Option Plan and the summary set out below, the terms of the Option 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 or on certain conditions associated with a party acquiring a 90% interest in the Shares of the Company.
6. Upon an Optionholder ceasing to be a Director, employee or officer of the Company, whether by termination or otherwise, the Optionholder has 45 days from the day of termination, or otherwise, to exercise their Options before their Options lapse.
7. 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.
8. Options may not be transferred other than in cases where the Options have vested, are within six (6) months of the expiry date of the Options and the Options are transferred to an Associate of the Optionholder.
9. 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.
10. 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.
11. 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).

12. 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 RESOURCES LIMITED
ACN 106 641 963

ANNUAL GENERAL MEETING

Step 1 – Appoint a Proxy to Vote on Your Behalf

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 my/our proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting to vote in accordance with the following directions, or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit, at the Annual General Meeting to be held at 9.00am (WST), on Thursday, 15 May 2014 at Suite 1, Level 1, 35 Havelock Street, West Perth, WA 6005, and at any adjournment thereof.

The Chair of the Meeting intends to vote undirected proxies in favour of the Resolutions.

Important for Resolution 1 - if the Chair of the Meeting is your proxy or is appointed your proxy by default

The Chair of the Meeting intends to vote all available proxies in favour of Resolution 1. If the Chair of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolution 1, you will be authorising the Chair to vote in accordance with the Chair's voting intentions on Resolution 1 even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Important for Resolution 4 - if the Chair of the Meeting is your proxy or is appointed your proxy by default

If the Chair of the Meeting is appointed as your proxy, or may be appointed by default and you have not directed the Chair how to vote on Resolution 4, please mark this box. By marking this box you acknowledge that the Chair of the Meeting may exercise your proxy even if the Chair has an interest in the outcome of Resolution 4 and that votes cast by the Chair, other than as proxy holder, would 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 of the Meeting will not cast your votes on Resolution 4 and your votes will not be counted in computing the required majority if a poll is called on this item.

Step 2 – Instructions as to voting on Resolutions

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Mr Stephen Copulos as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Mr Mauricio Ferreira as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Re-Adoption of Employee Share Option Plan	<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 be counted in computing the required majority on a poll.

Authorised signatures of Member(s): Date: _____

This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at the Annual 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, West Perth BC, PO Box 692, West Perth WA 6872; or
 - (a) facsimile to the Company on facsimile number +61 8 9320 7501,so that it is received not later than 9.00am (WST) on Tuesday 13 May 2014.

Proxy forms received later than this time will be invalid.