



**CRUSADER RESOURCES LIMITED**  
**ACN 106 641 963**

**NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of the Company will be held at  
Deloitte Melbourne Office, 550 Bourke Street, Melbourne,  
Victoria 3000, on 30 May 2018 at 10.00am (AEST)**

*The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9320 7500.*

**Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice**

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# CRUSADER RESOURCES LIMITED

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Crusader Resources Limited (**Company**) will be held at Deloitte Melbourne Office, 550 Bourke Street, Melbourne, Victoria 3000, on Wednesday, 30 May 2018 at 10.00am (AEST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form comprise part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 4.00pm (AEST) on Monday, 28 May 2018.

Terms and abbreviations used in the Notice are defined in Schedule 1.

## AGENDA

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### 1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the year ended 31 December 2017, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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### 2. Resolution 1 - Remuneration Report

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

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

#### Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on this Resolution, but expressly

authorises the Chairperson to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

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### **3. Resolution 2 - Re-election of Director - Paul Stephen**

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

*"That Paul Stephen, who retires in accordance with Article 10.3(c) of the Constitution and being eligible, offers himself for election, be elected as a Director."*

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### **4. Resolution 3 - Election of Director - Andrew Vickerman**

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

*"That Andrew Vickerman who retires in accordance with Article 10.3(j) of the Constitution and Listing Rule 14.4 and being eligible, offers himself for election, be elected as a Director."*

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### **5. Resolution 4 - Approval of issue of Placement Securities to Stephen Copulos**

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

*"That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 4,725,418 Shares at \$0.055 per Share and 2,362,709 Warrants to Stephen Copulos (or his nominee), on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of Stephen Copulos or his nominees or their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson 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.

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### **6. Resolution 5 - Approval of issue of Placement Securities to Marcus Engelbrecht**

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

*“That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 1,181,354 Shares at a deemed issue price of \$0.055 per Share and 590,677 Warrants to Marcus Engelbrecht (or his nominee), on the terms and conditions in the Explanatory Memorandum.”*

#### **Voting Exclusion**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of Marcus Engelbrecht or his nominees or their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson 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.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson 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.

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## **7. Resolution 6 - Approval of issue of Placement Securities to Andrew Vickerman**

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

*“That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 1,665,709 Shares at \$0.055 per Share and 832,854 Warrants to Andrew Vickerman (or his nominee), on the terms and conditions in the Explanatory Memorandum.”*

#### **Voting Exclusion**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of Andrew Vickerman or his nominees or their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson 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.

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## **8. Resolution 7 - Approval of issue of attaching Warrants to AIM Placement participants**

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

*"That pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 55,819,141 Warrants to the participants in the AIM Placement, on the terms and conditions in the Explanatory Memorandum.*

### **Voting Exclusion**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), and their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson 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.

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## **9. Resolution 8 - Ratification of issue of Shares to AIM Placement Advisers**

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

*"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 22,961,872 Shares to the AIM Placement Advisers at a deemed issue price of \$0.055 per Share on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the Placement or their respective associates.

The Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman 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.

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## **10. Resolution 9 - Approval of issue of attaching Warrants to AIM Placement Advisers**

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

*“That pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 11,480,935 Warrants to the Company’s AIM Placement Advisers, on the terms and conditions in the Explanatory Memorandum.*

### **Voting Exclusion**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), and their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson 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.

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## **11. Resolution 10 - Approval of issue of Warrants to AIM Nominated Adviser**

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

*“That pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 531,663 Warrants to the Company’s AIM Nominated Adviser (or its nominee), on the terms and conditions in the Explanatory Memorandum.*

### **Voting Exclusion**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), and their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson 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.

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## **12. Resolution 11 - Approval of issue of Performance Rights to Marcus Engelbrecht**

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

*"That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 17,622,977 Performance Rights to Marcus Engelbrecht (or his nominee) on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of Marcus Engelbrecht or his nominee and their respective associates.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the Company need not disregard a vote if:

- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (d) it is cast by the Chairperson 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.

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## **13. Resolution 12 - Approval of issue of Loan Conversion Securities to Stephen Copulos**

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

*"That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 31,543,526 Shares and 15,771,763 Warrants to Stephen Copulos (or his nominee), on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**



In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution by or on behalf of Stephen Copulos or his nominees or their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson 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.

**BY ORDER OF THE BOARD**

Andrew Beigel  
**Company Secretary and Chief Financial Officer**  
Dated: 30 April 2018

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# CRUSADER RESOURCES LIMITED

ACN 106 641 963

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## EXPLANATORY MEMORANDUM

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### 1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Deloitte Melbourne Office, 550 Bourke Street, Melbourne, Victoria 3000 on Wednesday, 30 May 2018 at 10.00am (AEST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 - Remuneration Report
Section 5:	Resolution 2 - Re-election of Director - Paul Stephen
Section 6:	Resolution 3 - Election of Director - Andrew Vickerman
Section 7:	Resolutions 4, 5 and 6 - Approval of issue of Placement Securities to Stephen Copulos, Marcus Engelbrecht and Andrew Vickerman
Section 8:	Resolution 7 - Approval of issue of attaching Warrants to AIM Placement participants
Section 9:	Resolution 8 - Ratification of issue of Shares to AIM Placement Advisers
Section 10:	Resolution 9 - Approval of issue of attaching Warrants to AIM Placement Advisers
Section 10:	Resolution 10 - Approval of issue of Warrants to AIM Nominated Adviser
Section 11:	Resolution 11 - Approval of issue of Performance Rights to Marcus Engelbrecht
Section 12:	Resolution 12 - Approval of issue of Loan Conversion Securities to Stephen Copulos

Schedule 1:	Definitions
Schedule 2:	Terms and conditions of Warrants
Schedule 3:	Terms and conditions of Performance Rights

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

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## 2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

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 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 Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the 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.

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## 3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2017.

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

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at [www.asx.com.au](http://www.asx.com.au);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

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

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## 4. Resolution 1 - Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Part 2G.2, Division 9 of the Corporations Act provides Shareholders with the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings. Where a resolution on the Remuneration Report receives a Strike 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. The Company's Remuneration Report did not receive a Strike at the most recent annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the next annual general meeting, this may result in the re-election of the Board.

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

Resolution 1 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 1.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's

intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

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## **5. Resolution 2 - Re-election of Director - Paul Stephen**

### **5.1 Background**

Article 10.3(c) of the Constitution require that one third of the Directors (excluding the Managing Director) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third, rounded down).

Article 10.3(f) of the Constitution provides that a Director who retires in accordance with Article 10.3(c) is eligible for re-election.

As at the date of this Notice, the Company has six Directors. However, prior to the Meeting, it is proposed that Stephen Copulos, Mauricio and Jim Rogers will resign from the Board as part of the AIM Admission, and that Andrew Vickerman will be appointed as a Director.

Accordingly, it is expected that the Company will have four Directors as at the date of the Meeting, with the Board comprising: Marcus Engelbrecht, Paul Stephen, John Evans, and Andrew Vickerman. Accordingly, one Director must retire at this Meeting pursuant to Article 10.3(c).

Article 10.3(e) of the Constitution provides that the Director who is to retire under Article 10.3(c) is the Director who has held office the longest since last being elected or appointed.

Paul Stephen was last elected at the annual general meeting held on 19 May 2016 and has held office the longest since last being elected. Accordingly, Mr Stephen will retire by rotation at this Meeting and, being eligible, will seek re-election.

Mr Stephen holds a Bachelor of Commerce from the University of Western Australia. He has more than 20 years of experience in the financial services industry, starting as a portfolio manager at Perpetual Trustees in 1992 and working subsequently as a Private Client Advisor with Porter Western and Macquarie Bank. Mr Stephen was a significant shareholder and Senior Client Advisor at Montagu Stockbrokers prior to their merger with Patersons Securities Ltd.

Mr Stephen was first elected to the Board on 17 November 2009. As Mr Stephen is an executive Director, Mr Stephen is not considered to be an independent Director.

### **5.2 Additional information**

Resolution 2 is an ordinary resolution.

The Board (excluding Paul Stephen) unanimously recommends that Shareholders vote in favour of Resolution 2.

The Chairperson intends to exercise all available proxies in favour of Resolution 2.

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## **6. Resolution 3 - Election of Director - Andrew Vickerman**

### **6.1 Background**

Article 10.2(b) of the Constitution gives the Directors authority to appoint other Directors. Article 10.3(j) of the Constitution provides that a Director so appointed by the other Directors under Article 10.2(b) holds office only until the next annual general meeting of the Company, and is then eligible for re-election.

Listing Rule 14.4 similarly provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting.

Andrew Vickerman was appointed as a Director by the Board effective 16 April 2018. Mr Vickerman must therefore retire as a Director at the Meeting, and will seek re-election at this Meeting.

Mr Vickerman is currently a member of the Board of Trafigura Pte Ltd, an independent commodity trading and logistics house, and a director of DNI Technologies Pty Ltd., an Australian business that has developed technology for processing nickel laterite deposits. Mr Vickerman was a non-executive director at Petropavlovsk PLC, a London listed mining company with assets in Russia, between October 2015 and June 2017. Prior to the above appointments, Mr Vickerman spent almost 20 years with Rio Tinto, the last 10 as a member of the Operations and Executive Committees with responsibility for global communications and external relations. In the mid-90s he spent four years as Finance Director of Lihir Gold and led the US\$750 million financing of the Lihir Gold project. An economist by background he has previously worked for The World Bank and other international agencies.

Mr Vickerman is considered to be an independent Director.

### **6.2 Additional information**

Resolution 3 is an ordinary resolution.

The Board (excluding Andrew Vickerman) unanimously recommends that Shareholders vote in favour of Resolution 3.

The Chairperson intends to exercise all available proxies in favour of Resolution 3.

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## **7. Resolutions 4, 5 and 6 - Approval of issue of Placement Securities to Stephen Copulos, Marcus Engelbrecht and Andrew Vickerman**

### **7.1 Background to the Placement**

On 12 April 2018, the Company announced that it had completed the bookbuild for its capital raising in connection with the AIM Admission (**AIM Placement**).

Pursuant to the AIM Placement, a total of up to approximately \$6.43 million (before costs) is to be raised, comprised of the following:

- (a) up to approximately \$6,081,623 is to be raised by the issue of up to 110,574,968 Shares at \$0.055 each to sophisticated and professional or institutional investors in the United Kingdom and in Australia identified by the Company and its corporate and financial advisors, namely, Hannam & Partners (Advisory) LLP and Patersons Securities Limited (**Unrelated Party Investors**);
- (b) approximately \$259,898 is to be raised by the issue of up to 4,725,418 Shares at \$0.055 each to Stephen Copulos or his nominee, subject to the receipt of prior Shareholder approval (the subject of Resolution 4);
- (c) approximately \$91,614 is to be raised by the issue of up to 1,665,709 Shares at \$0.055 each to Andrew Vickerman or his nominee, subject to the receipt of prior Shareholder approval (the subject of Resolution 6).

Each of the participants in the AIM Placement are also entitled to be issued one Warrant for every two Shares issued, on a free-attaching basis. The issue of these Warrants is the subject of Resolution 7 in respect of the Unrelated Party Investors, and Resolutions 4 and 6 in respect of Stephen Copulos and Andrew Vickerman, respectively.

In addition to the above:

- (a) Marcus Engelbrecht has agreed to apply \$50,000 of his accrued but unpaid salary into Shares and Warrants on the same terms and conditions as the Placement, and accordingly will be issued up to 1,181,354 Shares at a deemed issue price of \$0.055 per Share and 590,677 Warrants on a free-attaching basis, subject to the receipt of prior Shareholder approval (the subject of Resolution 5);
- (b) the AIM Placement Advisers have agreed to convert all or a portion of their outstanding fees into Shares and Warrants on the same terms and conditions as the Placement, and accordingly have been issued 22,961,872 Shares and are proposed to be issued 11,480,935 Warrants on a free-attaching basis (the subject of Resolutions 8 and 9); and
- (c) under its engagement terms, the AIM Nominated Adviser (or its nominee) is to be partially remunerated in the form of 531,663 Warrants (the subject of Resolution 10).

45,401,576 of the Shares forming part of the AIM Placement were issued to the Unrelated Party Investors on 16 April 2018, pursuant to the Shareholder approval obtained at the Company's general meeting held on 2 February 2018. The remaining Shares forming part of the AIM Placement are to be issued in the coming days, and in any event, on or before 2 May 2018.

The Shares were issued to the AIM Placement Advisers on 27 April 2018 under the Company's 15% placement capacity pursuant to Listing Rule 7.1.

## 7.2 Background to Resolutions 4, 5 and 6

Resolution 4 seeks Shareholder approval for the former Chairperson of the Company, Stephen Copulos, to participate in the AIM Placement on the same terms as the other participants in the AIM Placement. The funds payable by Mr Copulos

have been advanced in the form of a loan, convertible following the receipt of Shareholder approval pursuant to this Resolution.

Resolution 5 seeks Shareholder approval for the Managing Director of the Company, Marcus Engelbrecht, to participate in the AIM Placement on the same terms as the other participants in the AIM Placement. The funds payable by Mr Engelbrecht have been provided in the form of accrued but unpaid salary due to Mr Engelbrecht.

Resolution 6 seeks Shareholder approval for the current Chairperson of the Company, Andrew Vickerman, to participate in the AIM Placement on the same terms as the other participants in the AIM Placement. The funds payable by Mr Vickerman have been advanced in the form of a loan, convertible following the receipt of Shareholder approval pursuant to this Resolution.

### **7.3 Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Securities pursuant to Resolutions 4, 5 and 6 because the Securities would be issued on the same terms as the Securities issued pursuant to the AIM Placement to non-related party participants. As such, the giving of the financial benefit is considered to be on arm's length terms.

### **7.4 Listing Rule 10.11**

In accordance with Listing Rule 10.11, the Company must not issue Equity Securities to a related party of the Company unless it obtains Shareholder approval.

Mr Copulos, Mr Engelbrecht and Mr Vickerman are related parties of the Company.

The effect of passing Resolution 4 will be to allow the Company to issue up to 4,725,418 Shares and 2,362,709 Warrants to Mr Copulos (or his nominee) in accordance with Listing Rule 10.11.

The effect of passing Resolution 5 will be to allow the Company to issue up to 1,181,354 Shares and 590,677 Warrants to Mr Engelbrecht (or his nominee) in accordance with Listing Rule 10.11.

The effect of passing Resolution 6 will be to allow the Company to issue up to 1,665,709 Shares and 832,854 Warrants to Mr Vickerman (or his nominee) in accordance with Listing Rule 10.11.



As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

## **7.5 Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Securities to Mr Copulos, Mr Engelbrecht and Mr Vickerman (or their respective nominees):

- (a) The Securities are proposed to be issued to Stephen Copulos, Marcus Engelbrecht and Andrew Vickerman (or their respective nominees).
- (b) The maximum number of Securities to be issued is the following:
  - (i) up to 4,725,418 Shares and 2,362,709 Warrants are to be issued to Stephen Copulos (or his nominee);
  - (ii) up to 1,181,354 Shares and 590,677 Warrants are to be issued to Marcus Engelbrecht (or his nominee); and
  - (iii) up to 1,665,709 Shares and 832,854 Warrants are to be issued to Andrew Vickerman (or his nominee).
- (c) The Company intends to issue the Securities as soon as practicable after the date of the Meeting and in any event, no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- (d) Each of Mr Copulos, Mr Engelbrecht, and Mr Vickerman are related parties of the Company by either being a current Director, proposed Director, or Director within the previous six months.
- (e) The issue price of the Shares will be \$0.055 per Share. The Warrants will be issued on a free-attaching basis to the Shares, and will therefore have an issue price of nil.
- (f) The Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue. The Warrants will be exercisable at \$0.055 if paid in Australian currency and 2.99 pence sterling if paid in UK currency, on or before the date that is two years from the date of issue and otherwise on the material terms and conditions summarised in Schedule 2.
- (g) The Company intends to use the net funds raised by the issue of the Securities primarily for completion of the Borborema bankable feasibility study and the repayment of debt.
- (h) A voting exclusion statement is included in the Notice.

## **7.6 Additional information**

The Board recommends that Shareholders vote in favour of Resolution 4.

The Board (excluding Mr Engelbrecht) recommends that Shareholders vote in favour of Resolution 5.

The Board (excluding Mr Vickerman) recommends that Shareholders vote in favour of Resolution 6.

Resolutions 4, 5 and 6 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 4, 5 and 6.

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## **8. Resolution 7 - Approval of issue of Warrants to AIM Placement participants**

### **8.1 Background**

Section 7.1 describes the background to the AIM Placement.

Resolution 7 seeks Shareholder approval for the issue of the attaching Warrants to the Unrelated Party Investors.

### **8.2 Listing Rule 7.1**

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 7 will be to allow the Company to issue the Warrants outside of the Company's 15% placement capacity under Listing Rule 7.1.

### **8.3 Specific information required by Listing Rule 7.3**

Listing Rule 7.3 requires that the following information be provided to Shareholders in relation to the issue of the Warrants:

- (a) The maximum number of Warrants to be issued is 55,819,141.
- (b) The Warrants will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Warrants will occur on the same date, being as soon as practicable following the Meeting.
- (c) The Warrants are to be issued on a free-attaching basis to the Unrelated Party Investors in the AIM Placement, and therefore will have an issue price of nil.
- (d) The Warrants are to be issued to the Unrelated Party Investors who subscribed for Shares pursuant to the AIM Placement, on the basis of 1 Warrant for every 2 Shares subscribed for in the AIM Placement.
- (e) The Warrants will be exercisable at 2.99 pence sterling, on or before the date that is two years from the date of issue and otherwise on the material terms and conditions summarised in Schedule 2.

- (f) The Warrants are to be issued on a free-attaching basis to the Shares issued under the AIM Placement to the Unrelated Party Investors and therefore no funds will be raised from their issue.
- (g) The Warrants will be issued as soon as practicable following the Meeting.
- (h) A voting exclusion statement is included in the Notice.

#### **8.4 Additional information**

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

Resolution 7 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 7.

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### **9. Resolution 8 - Ratification of issue of Shares to AIM Placement Advisers**

#### **9.1 Background**

As summarised in Section 7.1(b), the AIM Placement Advisers agreed to convert all or a portion of their outstanding fees into Shares and Warrants on the same terms and conditions as the Placement.

The AIM Placement Advisers were issued with a total of 22,961,872 Shares on 27 April 2018, within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

#### **9.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is in Section 8.2.

#### **9.3 Listing Rule 7.4**

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

The effect of Resolution 8 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity provided in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### **9.4 Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Shares to the AIM Placement Advisers:

- (a) a total of 22,961,872 Shares were issued;

- (b) the Shares were issued at a deemed issue price of \$0.055 per Share, with an undertaking to issue attaching Warrants on the basis of one Warrant for every two Shares issued, subject to the receipt of prior Shareholder approval (the subject of Resolution 9);
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Shares were issued to the AIM Placement Advisers, none of whom are related parties of the Company;
- (e) the Shares were issued as partial consideration for services provided in connection with the AIM Admission, and therefore no funds have been raised from their issue; and
- (f) a voting exclusion statement is included in the Notice.

## **9.5 Additional information**

The Board recommends that Shareholders vote in favour of Resolution 8.

Resolution 8 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 8.

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# **10. Resolution 9 - Approval of issue of attaching Warrants to AIM Placement Advisers**

## **10.1 Background**

The background to Resolution 9 is in Section 9.1.

Resolution 9 seeks Shareholder approval for the issue of the attaching Warrants to the AIM Placement Advisers.

## **10.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is in Section 8.1.

The effect of Resolution 9 will be to allow the Company to issue the Warrants outside of the Company's 15% placement capacity under Listing Rule 7.1.

## **10.3 Specific information required by Listing Rule 7.3**

Listing Rule 7.3 requires that the following information be provided to Shareholders in relation to the issue of the Warrants to the AIM Placement Advisers:

- (a) The maximum number of Warrants to be issued is 11,480,935.
- (b) The Warrants will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the

Shares will occur on the same date, being as soon as practicable following the Meeting.

- (c) The Warrants are to be issued in part-consideration of services provided, and therefore will have an issue price of nil.
- (d) The Warrants are to be issued to the AIM Placement Advisers.
- (e) The Warrants will be exercisable at \$0.055 if paid in Australian currency and 2.99 pence sterling if paid in UK currency, on or before the date that is two years from the date of issue and otherwise on the material terms and conditions in Schedule 2.
- (f) The Warrants are to be issued as partial consideration for services provided and therefore no funds will be raised from their issue.
- (g) The Warrants will be issued as soon as practicable following the Meeting.
- (h) A voting exclusion statement is included in the Notice.

#### **10.4 Additional information**

Resolution 9 is an ordinary resolution.

The Board unanimously recommends that Shareholders vote in favour of Resolution 9.

The Chairperson intends to exercise all available proxies in favour of Resolution 9.

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## **11. Resolution 10 - Approval of issue of Warrants to AIM Nominated Adviser**

### **11.1 Background**

Smith & Williamson Corporate Finance Limited (**AIM Nominated Adviser**) was engaged by the Company as its nominated adviser in connection with the AIM Placement and listing. The Company agreed to issue the AIM Nominated Adviser (or its nominee) 531,663 Warrants under its engagement terms as partial consideration for the services provided by the AIM Nominated Adviser to the Company.

Resolution 10 seeks Shareholder approval for the issue of the Warrants to the AIM Nominated Adviser.

### **11.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is in Section 8.1.

The effect of Resolution 10 will be to allow the Company to issue the Warrants outside of the Company's 15% placement capacity under Listing Rule 7.1.

### **11.3 Specific information required by Listing Rule 7.3**

Listing Rule 7.3 requires that the following information be provided to Shareholders in relation to the issue of the Warrants to the AIM Nominated Adviser (or its nominee):

- (a) The maximum number of Warrants to be issued is 531,663.
- (b) The Warrants will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date, being as soon as practicable following the Meeting.
- (c) The Warrants are to be issued in part-consideration of services provided, and therefore will have an issue price of nil.
- (d) The Warrants are to be issued to the AIM Nominated Adviser (or its nominee).
- (e) The Warrants will be exercisable at \$0.055 if paid in Australian currency and 2.99 pence sterling if paid in UK currency, on or before the date that is two years from the date of issue and otherwise on the material terms and conditions in Schedule 2.
- (f) The Warrants are to be issued as partial consideration for services provided and therefore no funds will be raised from their issue.
- (g) The Warrants will be issued as soon as practicable following the Meeting.
- (h) A voting exclusion statement is included in the Notice.

### **11.4 Additional information**

Resolution 10 is an ordinary resolution.

The Board unanimously recommends that Shareholders vote in favour of Resolution 10.

The Chairperson intends to exercise all available proxies in favour of Resolution 10.

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## **12. Resolution 11 - Approval of issue of Performance Rights to Marcus Engelbrecht**

### **12.1 Background**

As part of the remuneration package for the Company's Managing Director, Marcus Engelbrecht, the Company agreed to issue Performance Rights to Mr Engelbrecht (or his nominee), subject to the receipt of prior Shareholder approval.

The Company previously obtained Shareholder approval at the Company's general meeting held on 2 February 2018 for the issue of certain Performance Rights to Mr Engelbrecht. As announced by the Company on 14 February 2018, following further discussions with Shareholders and the wider investment community in both

Australia and the United Kingdom the Board elected not to issue the previously approved Performance Rights, and to instead issue Performance Rights more focused on objective operational targets.

Resolution 11 seeks Shareholder approval for the issue of these Performance Rights.

## **12.2 Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Performance Rights constitutes giving a financial benefit and Mr Engelbrecht is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Engelbrecht) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights because the grant of Performance Rights is considered by the Board to constitute reasonable remuneration.

## **12.3 Listing Rule 10.11**

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

Approval pursuant to Listing Rule 7.1 is not required to issue the Performance Rights as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Performance Rights will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

## **12.4 Specific information required by Listing Rule 10.13**

Listing Rule 10.13 requires that the following information be provided to Shareholders in relation to the issue of the Performance Rights:

- (a) The Performance Rights are proposed to be issued to Marcus Engelbrecht or his nominee. Mr Engelbrecht is a related party of the Company by virtue of his position as a Director.
- (b) The maximum number of Performance Rights to be issued is 17,622,977.
- (c) The Performance Rights will be issued no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated that the Performance Rights will be issued on one date.

- (d) The Performance Rights will have an issue price of nil and no funds will be raised from their issue.
- (e) The terms and conditions of the Performance Rights are in Schedule 2.
- (f) A voting exclusion statement is included in the Notice.

## **12.5 Additional information**

The Board (excluding Mr Engelbrecht) recommends that Shareholders vote in favour of Resolution 11.

Resolution 11 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 11.

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## **13. Resolution 12 - Approval of issue of Loan Conversion Securities to Stephen Copulos**

### **13.1 Background**

As announced by the Company on 5 March 2018, The Copulos Group has agreed to convert its \$1.5 million loan facility, plus accrued interest and establishment fees, to Shares. The conversion price is the issue price of the AIM Placement, namely \$0.055 per Share, plus one free-attaching Warrant for every two Shares issued.

The aggregate amount outstanding under the loan facility, including all accrued interest and establishment fees, is \$1,721,250. Accordingly, Resolution 12 seeks Shareholder approval for a total of 31,543,526 Shares and 15,771,763 Warrants to be issued to The Copulos Group (which is controlled by Stephen Copulos).

### **13.2 Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Securities pursuant to Resolution 12 because the Securities would be issued on the same terms as the Securities issued pursuant to the AIM Placement to non-related party participants. As such, the giving of the financial benefit is considered to be on arm's length terms.



### **13.3 Listing Rule 10.11**

In accordance with Listing Rule 10.11, the Company must not issue Equity Securities to a related party of the Company unless it obtains Shareholder approval.

Mr Copulos is a related party of the Company.

The effect of passing Resolution 12 will be to allow the Company to issue up to 31,543,526 Shares and 15,771,763 Warrants to Mr Copulos' nominee within The Copulos Group in accordance with Listing Rule 10.11.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

### **13.4 Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Securities to Mr Copulos' nominee within The Copulos Group:

- (a) The Securities are proposed to be issued to Mr Copulos' nominee within The Copulos Group.
- (b) The maximum number of Securities to be issued is up to 31,543,526 Shares and 15,771,763 Warrants.
- (c) The Company intends to issue the Securities as soon as practicable after the date of the Meeting and in any event, no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- (d) Mr Copulos is a Director as at the date of this Notice.
- (e) The issue price of the Shares will be \$0.055 per Share. The Warrants will be issued on a free-attaching basis to the Shares, and will therefore have an issue price of nil.
- (f) The Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue. The Warrants will be exercisable at \$0.055 each, on or before the date that is two years from the date of issue and otherwise on customary terms.
- (g) The Securities are being issued on conversion of debt, and therefore no funds will be raised from their issue.
- (h) A voting exclusion statement is included in the Notice.

### **13.5 Additional information**

The Board (excluding Mr Copulos) recommends that Shareholders vote in favour of Resolution 12.

Resolution 12 is an ordinary Resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 12.

## Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**AEST** means Australian Eastern Standard Time, being the time in Sydney, New South Wales.

**AIM** means the market of that name operated by London Stock Exchange plc.

**AIM Admission** means the admission of the entire issued Share capital of the Company on AIM.

**AIM Nominated Adviser** means Smith & Williamson Corporate Finance Limited.

**AIM Placement** has the meaning given in Section 7.1.

**AIM Placement Advisers** means the legal and financial advisers and brokers engaged by the Company in connection with the AIM Placement and AIM Admission (excluding the AIM Nominated Adviser).

**AIM Rules** means the AIM Rules for Companies and guidance notes as published by the London Stock Exchange from time to time.

**Annual Report** means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 31 December 2017.

**Article** means an article of the Constitution.

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

**ASX** means the ASX Limited (ABN 98 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.

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

**Board** means the board of Directors.

**Chairperson** means the person appointed to chair the Meeting of the Company convened by the Notice.

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

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

**Constitution** means the constitution of the Company as at the date of the Meeting.

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

**Director** means a 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.

**Equity Security** has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

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

**Key Management Personnel** means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

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

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of annual general meeting.

**Performance Right** means a performance right issued on the terms and conditions in Schedule 2.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution referred to in the Notice.

**Schedule** means a schedule to the Notice.

**Section** means a section of the Explanatory Memorandum.

**Securities** means securities of the Company, including (without limitation), Shares, options and Warrants.

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

**Shareholder** means a shareholder of the Company.

**Strike** means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

**Warrant** means a right to acquire a Share, subject to the terms and conditions of the issue of the Warrant.

## Schedule 2 - Terms and Conditions of Warrants

The Warrants to be issued to the AIM Nominated Adviser are governed by the Warrant Agreement between the AIM Nominated Adviser and the Company. The Warrants to be issued to each of the participants in the AIM Placement and the AIM Placement Advisers are governed by the terms of a Warrant Instrument which operates by way of a Deed Poll.

The material terms and conditions of the Warrants as provided for in the Warrant Agreement and Warrant Instrument are below.

### 1. Definitions

In this Schedule the following words and expressions have the meanings set out below:

**AIM** means the market of that name operated by the London Stock Exchange.

**AIM Rules** means the AIM Rules for Companies, incorporating the Note for Mining and Oil & Gas Companies, each published by the London Stock Exchange from time to time.

**Associate**, in relation to a person, has the meaning given to that term in sections 12 and 16 of the Corporations Act.

**ASX** means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

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

**Auditors** means the auditors for the time being of the Company.

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

**Exercise Price** means A\$0.055 if paid in Australian currency and 2.99 pence sterling if paid in UK currency (subject to adjustment as hereinafter provided).

**Expiry Date** means 5:00pm on the date that is 24 months after the date of issue.

**London Stock Exchange** means London Stock Exchange plc.

**Shares** means ordinary shares of no par value in the capital of the Company and includes depositary interests representing such shares.

**Shareholders** means the holders of Shares.

**UK Listing Authority** means the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 (as amended).

**Warrant** means the right to subscribe for Shares at the Exercise Price.

### 2. Entitlement

Each Warrant entitles the holder to subscribe for one Share upon exercise of the Warrant.

**3. Exercise period**

The Warrants are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

Any Warrant not exercised by the Expiry Date will automatically lapse, with no further right or entitlement.

**4. Notice of Exercise**

The Warrants may be exercised during the Exercise Period by the holder completing a Notice of Exercise and paying the Exercise Price for each Warrant being exercised.

**5. Quotation**

Unless determined otherwise by the Directors in their sole discretion, the Company will not apply for the Warrants to be quoted on ASX or AIM.

**6. Issue of Shares on exercise**

Shares shall be allotted and issued within five business days of the later of:

- (a) the date of receipt of the Notice of Exercise and receipt of the Exercise Price; and
- (b) when "excluded information" in respect of the Company (as defined in section 708A(7) of the Corporations Act (if any) ceases to be excluded information,

and the Company shall:

- (a) issue the Shares pursuant to the exercise of the Warrants;
- (b) subject to the below, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (c) either:
  - (i) credit the Shares to the Warrant Holder's CREST or CHESS account specified in the Notice of Exercise; or
  - (ii) arrange for a definitive share certificate issued to the Warrant Holder in respect thereof.

If the Company is unable to satisfy the requirement in section 708A(5)(b) of the Corporations Act within the time period required in section 708A(6(a) of the Corporations Act, then from the date of issue of the Shares until the earlier of:

- (d) 12 months after the date of issue; or
- (e) the date a disclosure document is lodged by the Company which complies with 'case 2' of section 708A(11) of the Corporations Act in respect of Shares issued prior to the date of the disclosure document, including the Shares,

the Warrant Holder may only transfer the Shares to a person satisfying the requirements of section 708(8), (10) or (11) of the Corporations Act.

**7. Admission or quotation of Shares on exercise**

If at the time of exercise of the Warrant, the Shares are then listed on the Official List of the UK Listing Authority and traded on the London Stock Exchange's markets for listed securities or admitted to trading on AIM or listed on the ASX, the Company shall as soon as practicable after the issuance of any Shares pursuant to the exercise of the Warrant apply for the admission of the Shares issued to the Official List and to London Stock Exchange's markets for listed securities or to AIM and/or to ASX, whichever is appropriate. The Company shall use all reasonable endeavours to ensure that such application for admission becomes effective within four business days of the Shares being allotted and issued to the Warrant holder.

**8. Reconstruction**

After any allotment of fully paid Shares by way of capitalisation of the Company's reserves (other than Shares paid up out of distributable reserves and issued in lieu of a cash dividend) to holders of the Shares on the register or upon any sub-division or consolidation of the Shares or reduction of share capital, the number and/or nominal value of Shares to be subscribed on any subsequent exercise of the Warrant and/or the Exercise Price will be increased or, as the case may be, reduced in due proportion so as to maintain the same relative subscription rights for the Warrant and the Exercise Price will be adjusted accordingly, with effect from the record date for such capitalisation, sub-division or consolidation.

The rights of the Warrant holder must be further changed to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

On any such capitalisation, sub-division, consolidation or reduction of capital the Auditors shall be requested by the Directors to certify the appropriate adjustments and, within 28 days thereafter, notice thereof will be sent to the Warrant holder.

**9. Changes to exercise price**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price will be reduced according to the following formula:

$$\text{New Exercise Price} = \frac{O - E [P - (S+D)]}{N+1}$$

O = the old Exercise Price of the Warrant

E = the number of underlying Shares into which one Warrant is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one Share.

and where any of the foregoing amounts are expressed in different currencies, the relevant exchange rate on the day before the ex rights date or ex entitlements date of the pro rata issue shall be applied, save where the ASX Listing Rules require that another date or method be used.

The Company shall give notice to the Warrant Holder within 28 days of any adjustment made pursuant to this provision.

#### **10. Bonus issues**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the exercise of a Warrant will be increased by the number of Shares which the Warrant Holder would have received if the Warrant Holder had exercised the Warrant before the record date for the bonus issue, and no change will be made to the Exercise Price.

#### **11. Participation in new issues**

There are no participation rights or entitlements inherent in the Warrants and Warrant Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Warrants.

#### **12. Auditor rights**

Any report or confirmation made by the Auditors shall be made by them as experts and not as arbitrators and the determination of the Auditors pursuant to the terms of the Warrants will, save in the case of manifest error, be binding on the Warrant Holder and the Company. The costs of the Auditors shall be borne by the Company.

#### **13. Change of control**

If at any time an offer is made to all holders of Shares (or all such holders other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the issued ordinary share capital of the Company (and so that for this purpose the publication



of a scheme of arrangement or merger providing for the acquisition by any person of the whole or any part of this Company's issued share capital shall be deemed to be such an offer) and the Company becomes aware that as a result of such offer the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such persons or companies as aforesaid, the Company shall give notice to the Warrant Holder of such vesting or prospective vesting within 14 days of its becoming so aware, and the Warrant Holder shall be entitled, at any time within the period of 30 days immediately following the date of such notice, to exercise the Warrant and to the extent that the Warrant is not exercised within such period it shall cease and determine.

#### **14. Winding up**

If an order is made or an effective resolution is passed for winding up the Company (except for the purpose of reconstruction, amalgamation, merger or unitisation on terms sanctioned by the Warrant Holder and including the grant to the Warrant Holder of a substituted warrant over shares of the reconstituted, amalgamated, merged or unitised entity equal to the value of the Warrant immediately prior to such reconstruction, amalgamation, merger or unitisation), the Warrant Holder shall (if, in such winding up and on the basis that all rights to subscribe for shares in the Company then unexercised had been exercised in full and the subscription moneys therefor had been received in full by the Company, there would be a surplus available for distribution amongst the holders of the Shares which, on such basis, would exceed in respect of each Share a sum equal to the Exercise Price) be treated as if immediately before the date of such order or resolution the Warrant had been exercised in full (subject to any adjustment pursuant to the preceding paragraphs), and shall accordingly be entitled to receive out of the assets available in the liquidation *pari passu* with the holders of the Shares such sum as it would have received had it exercised the Warrant in full and become the holder of the Shares to which it would have become entitled by virtue of such exercise of the Warrant after deducting a sum per Share equal to the Exercise Price. Subject to the foregoing the Warrant shall lapse on liquidation of the Company.

#### **15. Rights as Shareholders**

The Warrant Holder shall not be entitled to vote or receive dividends and shall not be deemed a shareholder, nor shall anything contained herein be construed to confer upon the Warrant Holder any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to the Company's shareholders at any meeting thereof, or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until the Warrants shall have been exercised and the Shares purchasable upon the exercise thereof shall have become deliverable, as provided herein.

#### **16. Assignment and transferability**

- (a) In the case of the Warrants issued to the AIM Nominated Adviser: Save for an assignment to any company which is a holding company or subsidiary or associate of the Warrant Holder, the Warrant is personal to the Warrant Holder and may not be assigned or charged in whole or in part. No Warrants shall be transferred to a holding company or subsidiary or associate of the Warrant Holder except on terms that the same shall automatically be transferred back to the Warrant Holder on such transferee ceasing to hold such status.

- (b) In the case of the Warrants issued to the participants in the Placement and the AIM Placement Advisers: The Warrants are transferable subject to following the agreed procedure for registration of the transfer.

## Schedule 3 - Terms and Conditions of Performance Rights

The following terms and conditions apply to the Performance Rights:

### 17. Entitlement

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (Share).

### 18. Vesting Conditions

Subject to these terms and conditions, the vesting of a Performance Right subject to the satisfaction of the relevant Vesting Condition specified below and the holder remaining employed by the Company at the time the relevant Vesting Condition is satisfied.

Number of Performance Rights to vest	Vesting Condition
5,874,325	The later of: <ul style="list-style-type: none"><li>• Announcement by Crusader of the completion of the bankable feasibility study for the Borborema Project; and</li><li>• The Market Capitalisation Milestone being satisfied.</li></ul>
5,874,326	The later of: <ul style="list-style-type: none"><li>• Announcement by Crusader of the commencement of construction at the Borborema Project; and</li><li>• The Market Capitalisation Milestone being satisfied.</li></ul>
5,874,326	The later of: <ul style="list-style-type: none"><li>• Announcement by Crusader of the commencement of commercial production at the Borborema Project; and</li><li>• The Market Capitalisation Milestone being satisfied.</li></ul>

For the purposes of the above, the “Market Capitalisation Milestone” means the Company having a Market Capitalisation for 10 consecutive days on which Shares are traded on ASX, of at least \$150 million on or before 20 November 2022 (where “Market Capitalisation” means the number of Shares then on issue, multiplied by the daily volume weighted average price of Shares traded on ASX).

## **19. Change of Control**

Upon:

- (a) a takeover bid under Chapter 6 of the Corporations Act having:
  - (i) been made in respect of the Company;
  - (ii) received acceptances for not less than 50.1% of the Company's shares on issue; and
  - (iii) been declared unconditional by the bidder; or
- (b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent the Performance Rights have not vested due to satisfaction of the Vesting Condition, the Performance Rights automatically vest to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue in the Company at that time. Performance Rights that are not vested and converted into Shares will continue to be held by the holder on the same terms and conditions.

## **20. Expiry of Performance Rights**

A Performance Right will lapse upon the earlier to occur of:

- (a) the Vesting Condition becoming incapable of satisfaction due to the cessation of the holder's employment with the Company;
- (b) the Vesting Condition not being satisfied on or before 20 November 2022.

## **21. Shares Issued on Exercise**

Shares issued on the exercise of a Performance Rights rank equally with the then Shares of the Company.

## **22. No cash consideration**

The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the issue of Shares after vesting.

## **23. Timing of issue of Shares**

- (a) As soon as practicable after the vesting of a Performance Right, the Company shall give written notice of the vesting to the holder.
- (b) Within 15 business days after the later of the following:
  - (i) vesting of a Performance Right; and

- (ii) excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceasing to be excluded information,

the Company will:

- (iii) issue the Shares pursuant to the exercise of the Performance Rights;
- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (v) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights.

#### **24. Quotation**

- (a) The Company will not apply for quotation of the Performance Rights on ASX.
- (b) Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the exercise of the Performance Rights.

#### **25. Transferability of Performance Rights**

The Performance Rights are not transferable, except with the prior written approval of the Company.

#### **26. Participation in New Issues**

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of unvested Performance Rights.

#### **27. Adjustment for Bonus Issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the vesting of a Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had vested before the record date for the bonus issue.

#### **28. Adjustment for Entitlements Issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph 11 will apply) there will be no adjustment to the number of Shares which will be issued upon the vesting of a Performance Right.

## **29. Adjustments for Reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the holders of Performance Rights will be varied in accordance with the Listing Rules.

# Crusader Resources Limited ACN 106 641 963

## PROXY FORM

### Shareholder Details

Name: .....  
Address: .....  
Contact Telephone No: .....  
Contact Name (if different from above): .....

### Appointment of Proxy

I/We being a shareholder/s of Crusader Resources Limited and entitled to attend and vote hereby appoint the following proxy/proxies to attend and act on my/our behalf and to vote in accordance with my/our following directions at the Annual General Meeting of Crusader Resources Limited to be held at Deloitte Melbourne Office, 550 Bourke Street, Melbourne, Victoria 3000 on 30 May 2018 commencing at 10.00am (AEST) and at any adjournment of that meeting.

☐

The Chairman  
of the meeting  
(mark with an 'X')

If the Chairman of the meeting is your proxy, or if appointed your proxy by default and you do not wish to direct him/her how to vote on any of these resolutions, you must mark this box with an "X".

**IMPORTANT for Resolutions 1, and 5 and 11:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, and 5 and 11, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

The Chairman of the meeting intends to vote undirected proxies in favour of each resolution.

If the person you are appointing as your proxy is someone other than the Chairman of the meeting:

Write the name of that person in the box below.

You must specify the % of your votes that you authorise your proxy to exercise if:

If you hold 2 or more Shares in Crusader Resources Limited, you may appoint a second proxy:

Write the name of your second proxy in the box below.

- (a) you have only appointed 1 proxy and do not want him/her to exercise all of your votes; or  
(b) if you have appointed 2 proxies under this proxy form.

If you do not name a proxy or your named proxy fails to attend the meeting, the Chairman of the meeting will be appointed as your proxy to attend and act on your behalf and to vote in accordance with the following directions at the Annual General Meeting of Crusader Resources Limited to be held at Deloitte Melbourne Office, 550 Bourke Street, Melbourne, Victoria 3000 on 30 May 2018 commencing at 10.00am (AEST) and at any adjournment of that meeting.

### Voting directions to your proxy - Please mark only one of the boxes with an "X" for each resolution to indicate your directions.

#### General Business

	For	Against	Abstain <sup>1</sup>
Resolution 1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director - Paul Stephen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Election of Director - Andrew Vickerman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval of issue of Placement Securities to Stephen Copulos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval of issue of Placement Securities to Marcus Engelbrecht	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval of issue of Placement Securities to Andrew Vickerman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval of issue of attaching Warrants to AIM Placement participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Ratification of issue of Shares to AIM Placement Advisers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 Approval of issue of attaching Warrants to AIM Placement Advisers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 Approval of issue of Warrants to AIM Nominated Adviser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11 Approval of issue of Performance Rights to Marcus Engelbrecht	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12 Approval of issue of Loan Conversion Securities to Stephen Copulos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> If you mark the "Abstain" box with an "x" for a particular resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll.

### PLEASE SIGN HERE

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

Individual or Shareholder 1

Sole Director and  
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

## How to complete this Proxy Form

### 1 Your Name and Address

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

### 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

### 3 Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

### 4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy please write the name of that person.

To appoint a second proxy you must state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If the Proxy Form does not specify a percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

### 5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission.

### 6 Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below no later than 48 hours before the commencement of the meeting i.e. no later than 10.00am (AEST) Monday, 28 May 2018. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Hand Deliveries:** Level 1  
35 Havelock Street  
WEST PERTH WA 6005

**Postal address:** PO Box 692  
WEST PERTH WA 6872

**Facsimile:** (08) 9320 7501 if faxed from within Australia or +61 8 9320 7501 if faxed from outside Australia