

4 September 2018

Attention: Ms Penelope Reid
ASX Limited
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

By Email: Penelope.reid@asx.com.au

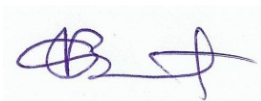
Dear Penelope

Appendix 3Y – Change in Director’s Interest Notice

We refer to your letter dated 31 August 2018 and advise as follows:

1. Notwithstanding our internal governance process, overdue lodgement of the Appendices occurred due to an administrative error.
2. Crusader Resources Limited (“Company”) has strict requirements requiring Directors to advise the company of changes in their interests in both our internal policies and their appointment letters. Changes in interests due to the lapse of Options are overseen by the Company Secretary.
3. The Company has introduced additional procedures to monitor and report all changes in Directors interests resulting from the lapse of Options.

Yours sincerely



Andrew Beigel
Company Secretary



31 August 2018

Mr Andrew Beigel
Crusader Resources Limited
Level 9, 190 St Georges Terrace
Perth WA 6000

Dear Mr Beigel

Crusader Resources Limited (the “Entity”): Appendix 3Y – Change of Director’s Interest Notice

We refer to the following:

1. The Appendix 3Y lodged by the Entity with ASX on 27 August 2018 for John Richard Evans (the “Evans Director Notice”) and the Appendix 3Y lodged by the Entity with ASX on 27 August 2018 for Paul Richard Stephen (the “Stephen Director Notice”).
2. Listing Rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.

- On the date that the entity is admitted to the official list.
- On the date that a director is appointed.

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.

3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.

3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

3. Listing Rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by Listing Rule 3.19.A. The entity must enforce the arrangements with the director.

The Appendices 3Y state that a change in John Richard Evans and Paul Richard Stephen’s notifiable interest occurred on 14 August 2018. On this basis, it appears that the Evans Director Notice and the Stephen Director Notice should have been lodged with ASX by 21 August 2018, being no more than 5 business days after the change occurred.

On closer review, it appears that:

- in respect of John Richard Evans an earlier Appendix 3Y should have been lodged to account for the change regarding the 330,000 Unlisted Options (exercisable at \$0.43) that lapsed on 7 August 2017; and
- in respect of Paul Richard Stephen an earlier Appendix 3Y should have been lodged to account for the change regarding the 458,333 Unlisted Options (exercisable at \$0.43) that lapsed on 7 August 2017 and the 50,000 Unlisted Options (exercisable at \$0.15) that lapsed on 31 December 2017.

Consequently, the Entity may be in breach of Listing Rules 3.19A and section 205G of the *Corporations Act 2001* (Cth).

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

ASX reminds the Entity of its contract with ASX to comply with the Listing Rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the Listing Rules.

Having regard to Listing Rules 3.19A and 3.19B and Guidance Note 22: *Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*, under Listing Rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendices were lodged late.
2. What arrangements does the Entity have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Entity intend to take to ensure compliance with Listing Rule 3.19B?

Your response should be sent to me by e-mail at penelope.reid@asx.com.au. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, not later **4 pm WST Tuesday, 4 September 2018**.

Under Listing Rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Penelope Reid
Adviser, Listings Compliance (Perth)