

Appointment of Managing Director

Brazil-focused gold exploration and development company Crusader Resources Limited (ASX: CAS) (Crusader) is pleased to announce:

- ✓ **The appointment of experienced resources industry executive Mr Marcus Engelbrecht as Managing Director**
- ✓ **The appointment of advisors to facilitate a secondary listing of Crusader on the AIM Market of the London Stock Exchange Plc (AIM)**

As part of the previously announced company review, Crusader Managing Director Mr Rob Smakman has advised the Board that he will step down from his role as Managing Director effective immediately.

Commenting on the appointments, Crusader's Non-Executive Chairman, Mr Stephen Copulos, said: "We are excited to have Marcus join Crusader to drive the company's next phase of growth. He has considerable corporate experience as both a Director and senior executive, an understanding of capital markets and a proven track record of taking a project through development and into production. His appointment will greatly assist the group in financing and developing our flagship Borborema project."

He continued: "The opportunity to list Crusader on the AIM is also highly attractive. This secondary listing will allow Crusader to access a broader range of institutional investors to ultimately support the development and construction of our projects. Moreover, the Crusader board sees this outcome as capturing the benefits of the previously considered merger with Stratex International plc (Stratex), however, with significantly reduced transaction risk and shareholder dilution. Finally, the Board would like to express its sincere gratitude for the exemplary role Mr Smakman has performed bringing the Crusader assets to maturity, and the Company hopes to continue its association with Rob."

Appointment of Marcus Engelbrecht as Crusader Managing Director

Mr Engelbrecht is a highly experienced resources industry executive, with previous roles including Managing Director and CEO of formally AIM-quoted Archipelago Resources plc (2011-2013) and Chief Financial Officer of ASX and TSX listed OceanaGold Corporation. During his tenure at Archipelago Resources, Mr Engelbrecht took the company from construction to production, before it was ultimately acquired for approximately £340m. Mr Engelbrecht also spent 20 years at BHP Billiton, including as Chief Financial Officer of the group's Diamond and Specialty Products division. Mr Engelbrecht was most recently the Managing Director of Stratex and has strong familiarity with Crusader's assets.

A summary of the key terms of the Managing Director's engagement are attached.

Appointment of advisers to facilitate secondary listing on the AIM

Crusader has appointed UK based advisory group Hannam & Partners (H&P) to work alongside its existing Australian mandated advisor ANZ Corporate Advisory who will seek to establish a secondary listing of Crusader on the AIM. The secondary listing will leverage the significant work already completed during the previous Stratex process, with listing completion expected by February 2018.

Background to the Crusader appointments

As disclosed in ASX announcement dated 8 November 2017, Crusader has provided formal notice terminating the Scheme Implementation Deed (SID) and proposed merger with Stratex.

The Crusader Board's strategy to appoint Mr Engelbrecht, H&P and consider a secondary listing on the AIM is supported by the positive feedback and support received by the group from institutional investors during the previous merger process with Stratex.

This strategy will enable Crusader shareholders to capture the key benefits of the former Stratex merger proposal, including accessing Mr Engelbrecht's significant corporate experience and access to a broader and more global investment community across both equity and debt financing classes. Importantly, transaction risks and value dilution will both be greatly reduced through the Crusader group maintaining a tighter portfolio of assets and greater visibility and control of its current and future share register.

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About Crusader

Crusader Resources Limited (ASX:CAS) is a minerals exploration and development company listed on the Australian Securities Exchange. Its major focus is Brazil; a country Crusader believes is vastly underexplored and which offers high potential for the discovery of world class mineral deposits.

Crusader has two key Gold Assets;

Borborema Gold Project

The Borborema Gold Project is in the Seridó area of the Borborema province in north-eastern Brazil. It is 100% owned by Crusader and consists of three mining leases covering a total area of 29 km² including freehold title over the main prospect area.

The Borborema Gold Project benefits from a favourable taxation regime, existing on-site facilities and excellent infrastructure such as buildings, grid power, water, sealed roads and is close to major cities and regional centres. The project's Ore Reserve includes Proven and Probable Ore Reserves of 1.61Moz of mineable gold from 42.4Mt @ 1.18g/t (0.4 & 0.5g/t cut-offs for oxide & fresh). The measured, indicated and inferred Mineral Resource Estimate of 2.43Moz @ 1.10g/t gold, remains open in all directions.

Juruena Gold Project

The Juruena Gold Project is located in the highly prospective Juruena-Alta Floresta Gold Belt, which stretches east-west for >400km and has historically produced more than 7Moz of gold from 40 known gold deposits.

The Juruena Project has been worked extensively by artisanal miners (garimpeiros) since the 1980s, producing ~500koz in that time. Historically there is a database of more than 30,000 meters of drilling and extensive geological data.

Key Terms of Managing Director's Engagement

Remuneration

Mr Engelbrecht's remuneration package as Managing Director has been structured as follows:

- Salary package of US\$360,000 inclusive of base salary, superannuation contributions, taxes and non-cash benefits.
- A short term incentive (STI) bonus equal to US\$360,000 is payable to Mr Engelbrecht if at any time during the 12 month period from commencement, the share price trades at a 10 Day VWAP at or above A\$0.20.
- Subject to the receipt of the prior approval of Crusader shareholders, Crusader is to issue such number of performance rights to Mr Engelbrecht as comprises 5% of the Shares then on issue. The performance rights are to be issued on the following terms:
 - Expiry date of 20 November 2022;
 - Vest into Shares for nil cash consideration upon Crusader having a market capitalisation for 10 consecutive days on which Shares are traded on ASX, of at least A\$150 million, subject to Mr Engelbrecht remaining employed by the Company at the time of such vesting; and
 - Such other terms as considered customary.

Termination

Except as otherwise specified below, Crusader or Mr Engelbrecht may terminate the employment by six months' written notice to the other party.

If Crusader provides notice of termination within three months of a change in control, a twelve month notice period will apply. Crusader also has standard summary dismissal rights in the event of wilful or gross misconduct, and a probationary period of three months applies.

The Company may elect to pay in lieu all or any part of any notice period, subject to the limitations imposed in Part 2D.2 of the Corporations Act.

General

All employment conditions are in accordance with the relevant legislation applicable in the State of Western Australia.