GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN: 58 101 026 859

Financial Report For The Year Ended 30 June 2018

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CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Gladiator Resources Limited (the Company) is committed to implementing and maintaining the highest standards of corporate governance. The primary responsibility of the Board is to represent and advance the Company's shareholders' interests and to protect the interests of all stakeholders. To fulfil this role, the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for its employees and monitoring achievement of these goals.

The Board continually reviews its corporate governance practices and regularly monitors developments in good corporate governance practices both in Australia and abroad. Where international and Australian guidelines are not consistent, the good practice guidelines of the ASX Corporate Governance Council has been adopted as the minimum base for corporate governance practices.

Board of Directors

The Board has adopted a formal charter which allocates responsibilities between the Board and management of the Company. The charter details the composition, responsibilities and code of conduct under which the Board operates. The Board has resolved unanimously that the Company will at all times aspire to "good practice" in Corporate Governance.

Role of the Board

- Providing input into, and approval of, the Group's strategic direction; approval and monitoring of budgets and business plans; and ensuring that appropriate resources are available, including capital management and budgeting for major capital expenditure;
- Approving the Group's systems of risk management, monitoring their effectiveness and maintaining a dialogue with the Group's auditors;
- Considering, approving and monitoring internal and external financial and other reporting, including reporting to shareholders, the ASX and other stakeholders;
- Selection and evaluation of Directors, the Managing Director, and senior executives and planning for their succession;
- Setting the Managing Director and Director's remuneration within shareholder approved limits and ensuring that the remuneration and conditions of service of senior executives are appropriate;
- Ensuring, and setting standards for, ethical behaviour and compliance with the Group's own governing documents, including the Group's Code of Conduct and corporate governance standards.

Board Processes

The Board aims to perform its role and objectives through the adoption and monitoring of strategies, plans, policies and performance; the review of the Managing Director and senior management's performance, conduct and reward; monitoring of the major risks of the Company's business; and by ensuring the Company has policies and procedures to satisfy its legal and ethical responsibilities.

The Board determines the strategic direction of the Company and sets policies accordingly. In addition to maintaining oversight of the Company's executive management and operations, the Board monitors substantive issues such as ethical standards and social and environmental responsibilities.

Composition of the Board

The names of the current Directors of the Company at the date of this statement are set out in the Directors' Report accompanying this financial report. The composition of the board is determined using the following principles:

- a maximum of five Directors and a minimum of three Directors;
- a Non-Executive as Chairman;
- a majority of Non-Executive Directors; and
- a balance between independent and non-independent Directors

The Board is currently comprised of two Executive Directors and two Non-Executive Directors. The Company's constitution provides for a maximum of 5 directors. The Board periodically reviews its size as appropriate. The Company currently does not employ a Managing Director, however, in this event that this office was filled, he or she would be invited to attend all Board Meetings.

Directors are considered to be independent if they are not major shareholders, are independent of management, and are free from any business or other relationship that could materially interfere with their exercise of free and independent judgement. Two out of four of the directors are considered to fall within this category.

The Board regards the present composition of Directors as a good balance at this stage of the Company's development with the appropriate mix of expertise, experience and ability to represent the interest of all shareholders.

Future Director appointees will receive a formal letter of appointment setting out the responsibilities, rights, terms and conditions of their appointment. Directors participate in a comprehensive induction which covers the operations, financial position, strategic and risk management issues, as well as the operation of the Board and any sub-committees.

Meetings

The Board meets on a regular basis to retain full and effective control and monitor executive management. During the financial year to 30 June 2018, the full Board met 5 times in conjunction with regular management meetings. The Directors' attendance at meetings is detailed in the Directors' Report.

Members of the management team may attend meetings at the invitation of the Board.

Role of Chairman

The Chairman is a non-independent Director elected by the full Board and he has not previously been an employee of the Company.

The Chairman is responsible for leading the Board, ensure Directors are properly briefed in all matters relevant to their role and responsibilities, facilitating Board discussions and managing the Board's relationship with the Company's senior executives.

Terms of office

The Board reviews its performance and composition on an annual basis and aims to have members with high levels of intellectual ability, experience ,soundness of judgement and integrity to maximise its effectiveness and contribution. Directors serve a maximum three-year term before being required to be re-elected by the Company's members. The Company's constitution provides that at least one third (or the nearest whole number) of directors must retire at each Annual General Meeting, but are eligible for re-election at that meeting. There is no compulsory retiring age.

Independent professional advice

In performing their duties, Directors have the right to seek independent, professional advice at the Company's expense, in furtherance of their duties as Directors, with the approval of the Chairman, which approval shall not be unreasonably withheld.

Board Committees

The Company currently has no committees, the tasks that would ordinarily be assigned to a committee are undertaken by the full board of the Company.

Code of business conduct

Reporting standards

The Company is committed to providing shareholders with clear, transparent, and high quality financial information in a timely manner. The Company's continuous disclosure policy underpins this approach.

The financial reports of the Company are produced in accordance with the Australian International Reporting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act. The financial statements and reports are subject to review every half year and the auditor issues an audit opinion accompanying the full year results for each financial year.

External auditors

The Company policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually, taking into consideration assessment of performance, existing value and tender costs.

An analysis of fees paid to the external auditors, including a breakdown of fees for non-audit services, is provided in Note 6 to the financial statements. It is a requirement of the external auditors to provide an annual declaration of their independence to the Board.

The external auditor is requested to attend the annual general meeting either in person or via phone linkup and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Management Certification

The Company requires that the Managing Director (if in office) and Company Secretary make the following certifications to the

1. that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and Group and are in accordance with relevant accounting standards.
2. that the above statement is founded on a sound system of risk management together with internal compliance and control which implements the policies adopted by the Board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

Risk assessment

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. In summary, the Company's policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed and efficiently managed and monitored to enable achievement of the Company's business objectives.

Considerable importance is placed on maintaining a strong control environment. There is an organisational structure with clearly drawn lines of accountability and delegation of authority. Adherence to the Code of Conduct is required at all times and the Board actively promotes a culture of quality and integrity.

Detailed control procedures cover management accounting, purchase and payments, financial reporting, capital expenditure requests, project appraisal, environment, health and safety, IT security, compliance, and other risk management issues. There is a systematic review and monitoring of key business operational risks by management which reports on current and future risks and mitigation activities to the Board.

The Company recognises the importance of environmental and occupational health and safety (OH&S) issues and is committed to the highest levels of performance with the systematic identification of environmental and OH&S issues to ensure they are managed in a structured manner. This system allows the Company to:

- monitor its compliance with all relevant legislation;
- continually assess and improve the impact of its operations on the environment;
- encourage employees to actively participate in the management of environmental and OH&S issues;
- work with industry peers to raise standards;
- use energy and other resources efficiently; and
- encourage the adoption of similar standards by the entity's principal suppliers and contractors with particular emphasis on exploration contractors.

Continuous disclosure and shareholder communication

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. In summary, the Company's policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed and efficiently managed and monitored to enable achievement of the Company's business objectives.

The Company is a disclosing entity under the Corporations Act and is subject to the continuous disclosure requirements under ASX Listing Rules. Communications with shareholders and other stakeholders are given a high priority. In addition to statutory disclosure documents such as Annual Reports and Quarterly activity reports, the Board is committed to keeping all stakeholders informed of all material developments that affect the Company in a timely manner.

The Company has a formal policy and comprehensive procedures on continuous disclosure. Once the Board or management becomes aware of information concerning the Company that would be likely to have a material effect on the price or value of the Company's securities (and which does not fall within the exceptions to the disclosure requirements contained in the Listing Rules), that information is released to the ASX.

The Board has appointed the Company Secretary (or in his absence, the Chairman) as the person responsible for communication to ASX. This role includes responsibility for ensuring compliance with continuous disclosure requires of ASX listing Rules and overseeing and co-ordinating information disclosure to the ASX.

The Board also endorses full and regular communication with and between Directors, the Managing Director, senior management and the external auditors.

All shareholders have the opportunity to elect to receive a copy of the Company's annual report at the same time they receive by post a copy of the Notice of the Annual General Meeting.

Full use is made of annual general meetings to inform shareholders of current developments through appropriate presentations and to provide opportunities for questions.

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CORPORATE GOVERNANCE STATEMENT

Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefitting from all available talent. Accordingly, the company has established a diversity policy.

This diversity policy outlines requirements for the Board to develop measurable objectives for achieving diversity, and annually assess both the objectives and the progress in achieving those objectives. Accordingly, the Board has developed the following objectives regarding gender diversity and aims to achieve these objectives as Director and senior executive positions become vacant and appropriately qualified candidates become available:

- achieve a diverse and skilled workforce, leading to continuous improvement in the achievement of its corporate goals;
- the development of clear criteria on behavioural expectations in relation to promoting diversity;
- create a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives;
- ensure that personnel responsible for recruitment take into account diversity issues when considering vacancies; and
- create awareness in all employees of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

The Board believes that they have been successful in implementing these objectives throughout the Group's workforce.

The number of women employed by the Group and their employment classification is as follows:

	2018		2017	
	No.	**%**	**No.**	**%**
Women on the Board	-	-	-	-
Women in senior management roles	-	-	-	-
Women employees in the company	-	-	-	-

Compliance with ASX Corporate Governance Council Good Practice Recommendations

The table below outlines each of the ASX Best Practice Recommendations and the Company's compliance with those recommendations. Where the Company has met the relevant recommendation during the reporting period, this is indicated by a "Yes" in the relevant column. Where the Company has not met or complied with a recommendation, this is met by a "No" and an accompanying note explaining the reasons why the Company has not met the recommendation.

Description	**Complied**	**Note**
PRINCIPLE 1 - LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
1.1 A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to the management	No	1
1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director	Yes	
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	
1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with proper functioning of the board.	Yes	

1.5 A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set out measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary or it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (i) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	Yes	
1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	No	2
1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	No	3
PRINCIPLE 2 - STRUCTURE THAT BOARD TO ADD VALUE		
2.1 The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by a independent director. and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the process it employs to address boar succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	No	4
2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	
2.3 A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Yes	
2.4 A majority of the board of a listed entity should be independent directors.	No	5

2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	No	6
2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	
PRINCIPLE 3 - ACT ETHICALLY AND RESPONSIBLY		
3.1 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code of a summary in it.	Yes	
PRINCIPLE 4 - SAFEGAURD INTEGRITY IN CORPORATE REPORTING		
4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by a independent director, who is not the chair of the board. and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	No	7
4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	
4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	
PRINCIPLE 5 - MAKE TIMELY AND BALANCED DISCLOSURE		
5.1 A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that code of a summary in it.	Yes	
PRINCIPLE 6 - RESPECT THE RIGHTS OF SECURITY HOLDERS		
6.1 A listed entity should provide information about itself and its governance to investors via its website.	No	8
6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	
6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	

6.4 A listed entity should give security holders the option to receive communications from , and send communications to, the entity and its security registry electronically.	Yes	
PRINCIPLE 7 - RECOGNISE AND MANAGEMENT RISK		
7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by a independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	No	9
7.2 The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	Yes	
7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structure and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	No	10
7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes	
PRINCIPLE 8 - REMUNERATE FAIRLY AND RESPONSIBLY		
8.1 The board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by a independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriat3e and not excessive.	No	11
8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	
8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	No	12

ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES		
- *Alternative to Recommendation 1.1 for externally managed listed entities:* The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	N/A	
- *Alternative to Recommendation 1.1 for externally managed listed entities:* An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	N/A	

Note 1

The Company has adopted a Board Charter which sets out the specific responsibilities of the Board, the requirements as to the Board's composition, the roles and responsibilities of the Chairman, Company Secretary and management of Board Committees. Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. This policy is not however published on the Company's website, however, this will be rectified once the Company's new website becomes fully operational.

Note 2

The Board is responsible for evaluating the performance of the Board and individual Directors will be evaluated on an annual basis, with the aid of an independent advisor, if deemed required. The Company's Corporate Governance Plan requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period with details of the performance evaluations conducted will be provided in the Company's Annual Report. No evaluation has taken place to the date of this report.

Note 3

The Company has not undertaken a performance evaluation of its senior executives noting that the Company currently does not employ any executives. Performance reviews will take place once senior executive roles are occupied.

Note 4

Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have a Nomination Committee. The full Board carries out the duties that would ordinarily be assigned to the Nomination Committee and the Board devotes time on an annual basis to discuss Board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.

Note 5

The Board Charter requires that where practical, the majority of the Board will consist of independent Directors. Details of each Director's independence is provided within the Directors Report, noting Mr Ian Richer and Dr Andy Wilde are the only independent directors. Mr Andrew Draffin and Mr Ian Hastings are not deemed to be independent due to the nature of their shareholding in the Company.

Note 6

The current Chairman of the Company, Mr Ian Hastings, is not deemed an independent director due to his shareholding in the Company.

Note 7

Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have an Audit Committee. The full Board carries out the duties that would ordinarily be assigned to the Audit Committee under the written terms of reference for that committee and annually to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors. All members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.

Note 8

Information about the Company and its governance policies will be available within a dedicated Corporate Governance section on the Company's website which will be updated. The updated website is expected to be completed before the end of the calendar year 2018.

Note 9

Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have a Risk Management Committee. The full Board carries out the duties that would ordinarily be assigned to the Risk Management Committee and devotes time annually to fulfilling the rules and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.

Note 10

Due to the magnitude of the Company's operations, the Company does not currently have an internal audit function. The full Board has reviewed the current internal controls in place and has deemed them sufficient after consultation with the Company's external auditors.

Note 11

Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have a Remuneration Committee. The full Board carries out the duties that would ordinarily be assigned to the Remuneration Committee and the Board has devoted time annually to fulfilling the roles and responsibilities associated with setting the level and composition of remuneration for Directors, ensuring that such remuneration is appropriate and not excessive.

Note 12

The Company does not currently have any equity based remuneration schemes in place.

The Directors of Gladiator Resources Limited, submit herewith the financial report of Gladiator Resources Limited and its subsidiaries ("the Group") for the year ended 30 June 2018.

Information on Directors

The names and details of the Group's Directors in office during the financial year and until the date of this report are as follows:

Directors were in office for this entire period unless otherwise stated.

Ian Hastings
Non-Executive Director
Appointed 28 February 2017

Mr Hastings is a corporate advisor with many years' experience in the field of finance, investment, securities markets compliance and regulation and has almost 30 years experience in the finance industry and regulatory bodies. He is a former Member of the ASX and former Principal of several ASX Member Stock Brokers. Mr Hastings is a Practitioner Member (Master Stockbroking) of the Stockbrokers Association of Australia and holds a Bachelor of Commerce and Bachelor of Laws Degrees.

Other current directorships of listed companies

3D Resources Limited - appointed 23 July 2010

Former directorships of listed companies in last three years

None

Andrew Draffin
Non-Executive Director
Company Secretary
Appointed 21 May 2013

Mr A Draffin is a director of the accounting firm DW Accounting & Advisory Pty Ltd. He holds a Bachelor of Commerce and is a member of the Chartered Accountants Australia and New Zealand. Andrew is a Director, Chief Financial Officer and Company Secretary of listed, unlisted and private companies operating across a broad range of industries. His focus is on financial reporting, treasury management, management accounting and corporate services, areas where he has gained over 18 years experience.

Other current directorships of listed companies

EnviroMission Limited - appointed 27 June 2011
Global Petroleum Limited - appointed 10 June 2016

Former directorships of listed companies in last three years

None

Ian Richer
Non-Executive Director
Appointed 28 February 2017

Mr Richer is an Engineer with more than 30 years' experience in operations, project management and construction on a range of significant mining projects. He played a role in the Goldsworthy iron ore projects, laterite nickel projects in Indonesia and Queensland, mineral sands projects in New South Wales, titano-magnetite mining and processing in New Zealand and various domestic and offshore aluminium and copper - uranium projects. His technical and commercial expertise was gained in organisations including Consolidated Goldfields, INCO, Fluor International, Dravo Corporation and Minproc. Specific nickel sulphide experience was gained through active involvement at Widgiemooltha. Mr Richer has served more than 10 years as a director in banking and corporate finance, with Chas, Society Generale and as a consultant to the World Bank.

Other current directorships of listed companies

None

Former directorships of listed companies in last three years

None

Andy Wilde
Non-Executive Director
Appointed 18 May 2018

Dr Wilde's career in metal exploration and research has spanned over 35 years. His experience includes senior roles at BHP Minerals, Birimian Resources, Deep Yellow Ltd, Gold Fields and Paladin Energy, working in numerous countries and for various commodities including gold, uranium, lithium base-metals and coal. He is currently exploration manager for Birimian Resources where he is responsible for doubling the resource at the Goulamina lithium project in Mali and also managing Birimian's Malian gold projects.

His academic experience includes teaching of various geoscience courses at Sultan Qaboos University in Oman and leading projects of the co-operative research centre in predictive mineral discovery. He has consulted to the United Nations International Atomic Energy Agency and is an adjunct senior research fellow at the University of Western Australia's Centre for Exploration Targeting.

He is a graduate of the Australian Institute of Company Directors and a former AIG board member (having held the titles of Vice President and Secretary). He is a fellow of the Australian Institute of Geoscientists and of the Society of Economic Geologists as well as a Registered Professional Geoscientist with AIG.

Other current directorships of listed companies

None

Former directorships of listed companies in last three years

None

Company Secretary

Andrew Draffin
Appointed 12 May 2014

Mr A Draffin is a director of the accounting firm DW Accounting & Advisory Pty Ltd. He holds a Bachelor of Commerce and is a member of the Chartered Accountants Australia and New Zealand. Andrew is a Director, Chief Financial Officer and Company Secretary of listed, unlisted and private companies operating across a broad range of industries. His focus is on financial reporting, treasury management, management accounting and corporate services, areas where he has gained over 18 years experience.

Shareholdings of directors and other key management personnel

The interest of each Director and any other key management personnel, directly and indirectly, in the shares and options of the Company at the date of this report are as follows:

	Ordinary Shares	Share Options
Andrew Draffin*	59,980,146	20,000,000
Ian Hastings**	52,292,990	20,000,000
Ian Richer	-	20,000,000
Andy Wilde	3,333,333	-

*Shares are held under the name of DW Accounting & Advisory Pty Ltd, of which Mr Andrew Draffin is a director and shareholder.

**Shares are held under the name of Tomik Nominees Pty Ltd, of which Mr Ian Hastings is a director and shareholder.

Corporate Information

Corporate Structure

Gladiator Resources Limited is a company limited by shares that is incorporated and domiciled in Australia. Refer to Note 11 for further details of wholly owned subsidiaries under the Company's control.

Principal Activities and Significant Changes in Nature of Activities

The Company continues to engage in exploration activities, focussing on under-explored mineral properties.

During previous reporting periods, these activities have been largely focused in Northern Uruguay. However, the Company had disposed of its interest last financial year and has since acquired a earn in rights for up to 70% of a project based in Australia. Please refer to Review of Operations for more information.

Dividends

No dividends in respect of the current financial year have been paid, declared or recommended for payment.

Operating and Financial Review

Review of Operations

During the financial year, the Company acquired 2 projects.

The Company acquired the Marymia Project, Exploration licence E52/3104. The project is located 250km northeast of Meekatharra in the Murchison Goldfield of Western Australia. This prospect is an extension of the 60km long belt containing the Plutonic and Marymia Gold Mines.

The Company will undertake a comprehensive review of the historical exploration results with a view of identifying targets within the licence for future exploration programs.

Subsequent to year end, the Company satisfied the Western Australia's Office of State Revenue queries regarding the consideration paid for the tenement. As a result, the Company was issued with a Duties Assessment Notice for a total amount of $817 which has since been paid in full.

In February 2018, the Company formally acquired the earn in rights for up to 70% of the North Arunta Gold Project currently held through a Joint Venture with Prodigy Gold NL (ASX: PRX) following shareholder approval which was granted on 23 April 2018.

The North Arunta project consists of approximately 4,500 square kilometre package of granted tenements and tenement applications that are 100% owned by PRX. The Project covers greater than 200 kilometre long gravity ridge associated with a Paleoproterozoic succession of metamorphosed sedimentary rocks of the Lander Rock Formation, dolerite intrusions and large granite intrusions. The project also sits on the 550km long gold endowed Trans-Tanami Corridor, a first-order crustal-scale fault that is spatially associated with the wold class Tanami deposits including Callie, Tanami and The Granites. The Arunta region has several known mineral occurrences including gold, copper, nickel, zinc, tin and tantalum.

The Kroda gold prospect, which is the most advanced prospect within the Project area, is located on EL29896. It is close to infrastructure with the Stuart Highway 18 kilometres to the west, the town of Barrow Creek 30 kilometres to the north and lies 200 kilometres south of Tennant Creek. Kroda consists of 4 individual prospects (Kroda 1 to 4) with a combined anomalous strike length of 14 kilometres. Kroda is well serviced with infrastructure and is located on pastoral land lose to the Ghan Rail Line and the Northern Territory Gas Pipeline.

At Kroda-3, high grade gold is hosted by interpreted breccia pipes that are near surface, steeply plunging and are confirmed by drilling to extend beyond 200 metres depth. Significant dill intercepts from Kroda 3 include 57m @ 3.8gt gold from 10m, including 29m @ 6.4g/t gold.

During the financial year, 240,000,000 fully paid ordinary shares were issued. A total of $935,000 was raised net of capital raising costs. Out of the 240,000,000 fully paid ordinary shares that were issued, a total of 40,000,000 fully paid ordinary shares were issued in relation to the acquisition of the 2 projects ($230,000). A total of 27,770,833 fully paid ordinary shares were issued from the exercise of options, raising a total of $138,854. A further 16,666,666 fully paid ordinary shares were issued in relation to a debt conversion of the amount $50,000.

Financial Overview

Operating results for the year

The loss for the Group is $432,387 (2017: loss of $4,282,029) which is largely consistent with expectations associated with the Group's activities.

Review of financial position

The net assets of the Group have increased by $691,368 from a net deficit of $388,080 to a net surplus of $303,288.

The Group's liabilities are represented solely by trade payables which will be settled on normal commercial terms.

Summary of options on issue

During the year under review, there are a total of 132,645,833 unlisted options on issue.

Grant Date	Date	Exercise Price	Number of options
25 July 2017	24 July 2022	$0.005	60,000,000
25 July 2017	20 February 2019	$0.005	18,895,833
23 February 2018	20 February 2019	$0.005	18,750,000
17 May 2018	17 May 2020	$0.005	35,000,000
			132,645,833

Events after the Reporting Period

The Company announced on 18 September 2018 that it had received firm commitments to raise up to $625,000 via the placement of 105,000,000 fully paid ordinary shares, raising $210,000 and $415,000 by way of loan facility. The loan facility is will be convertible to shares at $0.002 (0.2 cents) subject to shareholder approval at the next general meeting of the Company. The loan is non-interest bearing and will be repayable within 90 days should shareholder approval not be granted.

The formal allotment of 105,000,000 fully paid ordinary shares was completed on 27 September 2018.

A further $100,000 was raised resulting in 40,000,000 fully paid ordinary shares being issued at $0.0025 (0.25 cents) per share. The funds raised utilised the pre existing placement capacity granted by shareholders at the company's last General Meeting held on 28 June 2018.

Future Developments, Prospects and Business Strategies

The Company will prioritise the advancement of the North Arunta through exploration and continued evaluation of the project area.

Environmental Issues

The Group is subject to and compliant with all aspects of environmental regulation of its exploration activities. The Directors are not aware of any environmental law that is not being complied with.

Meetings of Directors

During the financial year, 5 meetings of directors (including committees of directors) were held.

Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Andrew Draffin	5	5
Ian Hastings	5	5
Ian Richer	5	5
Andy Wilde	-	-

Indemnifying Officers or Auditor

During the year, the Group entered into an insurance premium to insure certain officers of the Company and its controlled entities. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors' and Officers' Liability Insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company or a related body corporate.

The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the premium paid is subject to a confidentiality clause under the insurance policy.

The Company has entered into an agreement with the Directors and certain officers to indemnify these individuals against any claims and related expenses which arise as a result of work completed in their respective capabilities.

The Company nor any of its related bodies corporate have not provided any insurance for any auditor of the Company or a related body corporate.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

There were no non-audit services provided by the auditor during the period.

Auditor’s Independence Declaration

The lead auditor’s independence declaration for the year ended 30 June 2018 has been received and can be found on page 16 of the Financial Report.

REMUNERATION REPORT - AUDITED

This remuneration report, which forms part of the Directors' report, sets out information about the remuneration of the Group's Directors and other key management personnel for the year ended 30 June 2018. The prescribed details for each person covered by this report are detailed below.

Details of directors and other key management personnel

Directors and other key management personnel of the Group during and since the end of the financial year are as follows:

Ian Hastings	Executive Director
Andrew Draffin	Executive Director
Ian Richer	Non-Executive Director
Andy Wilde	Non-Executive Director - Appointed 18 May 2018

Remuneration Policy

The Company's remuneration policy has been designed to align Director and Executive objectives with shareholder and business objectives by providing remuneration packages comprising of a fixed remuneration component. The Board believes the remuneration policy for its Directors and senior management to be appropriate and effective to attract and retain people with the necessary qualifications, skills and experience to assist the company in achieving its desired results. Due to the size of the company, a remuneration committee has not been formed.

Remuneration is reviewed on an annual basis, taking into consideration a number of performance indicators. While no performance based remuneration component has been built into Director and senior management remuneration packages, it is envisaged that as the Company further progresses, consideration will be given to this component of remuneration.

The Group's earnings and movements in shareholders' wealth for five years to 30 June 2018 are detailed in the following table:

	30 June 2018 $	30 June 2017 $	30 June 2016 $	30 June 2015 $	30 June 2014 $
Revenue	-	-	1,296	11,802	28,262
Net loss before tax	(432,387)	(4,282,029)	(1,187,883)	(1,605,280)	(9,638,540)
Net loss after tax	(432,387)	(4,282,029)	(1,187,883)	(1,605,280)	(8,685,258)
Share price at start of year	$0.003	$0.002	$0.003	$0.004	$0.010
Share price at end of year	$0.005	$0.003	$0.002	$0.003	$0.004
Dividends paid	-	-	-	-	-
Basic losses per share	(0.060)	(0.837)	(0.003)	(0.003)	(0.032)

Remuneration structure

In accordance with best practice corporate governance, the structure of Non-Executive and Executive director remuneration is separate and distinct.

Remuneration of Directors and Senior Management

The Directors (both Executive and Non-Executive) and senior management of the Company received remuneration during the year commencing 1 July 2017 and ending 30 June 2018 based on the following agreements:

Remuneration of Executive Directors

Objective

The Board aims to reward Executive Directors with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- reward Executives for Company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- align the interest of Executive Directors with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards

Structure

In determining the level and make-up of Executive Director remuneration, the Board considers external reports on market levels of remuneration for comparable executive roles. It is the Board's policy that employment contracts are entered into with all senior Executive Directors.

Two Executive Directors were engaged by the Company during or since the end of the financial year.

Remuneration of Non-Executive Directors

Objective

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain Non-Executive Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting of the Company's shareholders. An amount not exceeding the amount determined is then divided between the Directors as agreed whilst maintaining a surplus amount that can be attributable to further Non-Executive Directors should they be appointed at any time. The current aggregate remuneration amount is $250,000.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

The Non-Executive Directors are paid a set amount per year. The Non-Executive Directors may receive consultant's fees through related entities for services rendered on a commercial basis.

	Position Held as at 30 June 2018 and since the end of the financial year	Contract details (duration & termination)
Group KMP		
Ian Hastings	Executive Director	No fixed term
Andrew Draffin	Executive Director	No fixed term
Ian Richer	Non-Executive Director	No fixed term
Andy Wilde	Non-Executive Director	No fixed term

Remuneration of Directors and Other Key Management Personnel (KMP) for the Year Ended 30 June 2018

2018	Short-term Benefits Salaries, fees and leave	Post employment Superannuation	Share based payment shares	Total	Share based payments	Amount owing as at 30 June 2018
Group KMP	**$**	**$**	**$**	**$**	**%**	**$**
Andrew Draffin	36,000	-	-	36,000	-	9,000
Ian Hastings	78,000	-	-	78,000	-	24,000
Ian Richer	34,000	-	-	34,000	-	7,000
Andy Wilde	2,100	-	-	2,100	-	2,100
	150,100	-	-	150,100		42,100

2017	Short-term Benefits Salaries, fees and leave	Post employment Superannuation	Share based payment shares	Total	Share based payments	Amount owing as at 30 June 2018
Group KMP	**$**	**$**	**$**	**$**	**%**	**$**
Andrew Draffin	27,750	-	-	27,750	-	59,000
Ian Hastings - appointed 28 February 2017	20,083	-	-	20,083	-	20,083
Ian Richer - appointed 28 February 2017	11,083	-	-	11,083	-	11,083
Donald Low - resigned 28 February 2017	16,667	-	-	16,667	-	4,167
	75,583	-	-	75,583		94,333

Shares options granted to directors and executives

60,000,000 unlisted options with an expiry date of 24 July 2022 and exercise price of $0.005 were issued to Mr Andrew Draffin, Mr Ian Hastings and Mr Ian Richer.

The options were issued at nil consideration and is designed to provide an incentive and reward Directors for the future performance of the Company and enhancement of Shareholder value and otherwise remunerate the Directors, whose ordinary director fees at date of issue were unpaid (due to the Company preserving available funds for current working capital requirements).

Group KMP	Options Granted
Andrew Draffin*	20,000,000
Ian Hastings**	20,000,000
Ian Richer	20,000,000
Andy Wilde	-
	60,000,000

*Options are held under DW Accounting & Advisory Pty Ltd, of which Mr Andrew Draffin is a director and shareholder.

**Options are held under the name of Tomik Nominees Pty Ltd, of which Mr Ian Hastings is a director and shareholder.

Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2018 $	2017 $
i. **Director related entities**		
Directors' fees payable to DW Accounting & Advisory Pty Ltd, of which Mr Andrew Draffin is a director and shareholder.	36,000	27,750
Directors' fees payable to Tomik Nominees Pty Ltd, of which Mr Ian Hastings is a director and shareholder.	78,000	20,083
Directors' fees payable to Anycall Pty Ltd, of which Mr Ian Richer is a director and shareholder.	34,000	11,083
Directors' fees payable to Wilde Geoscience, of which Dr Andy Wilde is a director and shareholder.	2,100	-
Consultancy fees payable to Tomik Nominees Pty Ltd, of which Mr Ian Hastings is a director and shareholder.	48,000	-
Company Secretarial fees payable to DW Accounting & Advisory Pty Ltd, of which Mr Andrew Draffin is a director and shareholder	21,000	33,000
Directors' fees payable to DHL Corporate Advisory, of which Mr Donald Low is a director and shareholder.	-	16,667

Reimbursement Transactions with related parties

	2018 $	2017 $
Reimbursement of business expenses incurred by the Company and initially settled by DW Accounting & Advisory Pty Ltd, of which Mr Andrew Draffin is a director and shareholder. All expenses were incurred on an arm's length basis.	23,664	21,462
Reimbursement of business expenses incurred by the Company and initially settled by Ian Hastings. All expenses were incurred on an arm's length basis.	5,881	7,863

Amounts payable to related parties

	2018 $	2017 $
DW Accounting & Advisory Pty Ltd	135,447	223,233
Tomik Nominees Pty Ltd	79,650	20,083
Anycall Pty Ltd	7,072	11,083
Wilde Geoscience	2,100	-
Ian Hastings	5,881	7,863
Draffin Walker Pty Ltd	60,137	60,137
DHL Corporate Advisory	-	4,167
	290,287	326,566

Amounts due to related parties waived

	2018 $	2017 $
Michael Neunlindger	-	37,500
Oscar Leon	-	9,272
		46,772

This concludes the remuneration report, which has been audited.

The Directors' Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors

Andrew Draffin
Director
Dated: 27 September 2018

morrows
AUDIT

Level 13, Freshwater Place, 2 Southbank Boulevard,
Southbank VIC 3006

Phone: 03 9690 5700
Facsimile: 03 9690 6509
Website: www.morrows.com.au

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF GLADIATOR RESOURCES LTD

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Morrows

MORROWS AUDIT PTY LTD

L.S. WONG
Director

Melbourne: 27 September 2018

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 859
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

		Consolidated Group	
		2018	2017
	Note	$	$
Continuing operations			
Audit and accounting expenses		(65,650)	(102,925)
Company secretarial fees		(21,000)	(33,000)
Consulting fees		(54,000)	-
Directors' benefits expense		(150,100)	(28,811)
Exploration expenditure (written off)		(12,213)	(12,169)
Fees and permits		(1,963)	(2,172)
Insurance		5,038	(18,595)
Legal costs		(57,007)	(35,924)
Rent and outgoings		-	(899)
Share registry maintenance fees		(12,114)	(6,586)
Travel and accomodation		(15,592)	(27,090)
Other expenses		(47,786)	(11,113)
Loss before income Tax		(432,387)	(279,284)
Tax expense	3	-	-
Net Loss from continuing operations		(432,387)	(279,284)
Discontinued operations			
Loss from discontinued operations after tax	4	-	(4,002,745)
Net Loss for the year		(432,387)	(4,282,029)
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations, net of tax		-	224,753
Total other comprehensive income/(loss) for the year		-	224,753
Total comprehensive income for the year		(432,387)	(4,057,276)
Earnings per share			
From continuing and discontinued operations:			
Basic and diluted loss per share (cents)	7	(0.06)	(0.84)
From continuing operations:			
Basic and diluted loss per share (cents)	7	(0.06)	(0.05)
From discontinued operations:			
Basic earnings/(loss) per share (cents)	7	-	(0.78)

The accompanying notes form part of these financial statements.

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 859
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	Consolidated Group 2018 $	2017 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	401,891	91,935
Trade and other receivables	9	30,131	3,767
Other assets	10	14,627	-
TOTAL CURRENT ASSETS		446,649	95,702
NON-CURRENT ASSETS			
Exploration Expenditure	12	481,400	-
TOTAL NON-CURRENT ASSETS		481,400	-
TOTAL ASSETS		928,049	95,702
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	624,761	483,782
TOTAL CURRENT LIABILITIES		624,761	483,782
TOTAL LIABILITIES		624,761	483,782
NET ASSETS		303,288	(388,080)
EQUITY			
Issued capital	14	20,183,462	19,059,707
Retained earnings		(19,880,174)	(19,447,787)
TOTAL EQUITY		303,288	(388,080)

The accompanying notes form part of these financial statements.

GLADIATOR RESOURCES LIIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 859
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Total
	$	$	$	$
Consolidated Group				
Balance at 1 July 2016	18,888,802	(15,165,758)	(224,753)	3,498,291
Comprehensive income				
Loss for the year	-	(4,282,029)	-	(4,282,029)
Other comprehensive income for the year	-	-	-	-
Reclassification of foreign exchange to profit and loss	-	-	224,753	224,753
Total comprehensive income for the year	-	(4,282,029)	224,753	(4,057,276)
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the year	181,810	-	-	181,810
Transaction costs	(10,905)	-	-	(10,905)
Total transactions with owners and other transfers	170,905	-	-	170,905
Balance at 30 June 2017	19,059,707	(19,447,787)	-	(388,080)
Balance at 1 July 2017	19,059,707	(19,447,787)	-	(388,080)
Comprehensive income				
Loss for the year	-	(432,387)	-	(432,387)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	(432,387)	-	(432,387)
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the year	1,030,000	-	-	1,030,000
Exercise of options during the year	138,755	-	-	138,755
Transaction costs	(45,000)	-	-	(45,000)
Total transactions with owners and other transfers	1,123,755	-	-	1,123,755
Balance at 30 June 2018	20,183,462	(19,880,174)	-	303,288

The accompanying notes form part of these financial statements.

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 859
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2018

	Note	Consolidated Group 2018 $	Consolidated Group 2017 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(412,828)	(123,254)
Net cash (used in) by operating activities	17a	(412,828)	(123,254)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure		(116,531)	(16,552)
Net cash (used in) by investing activities		(116,531)	(16,552)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		749,961	181,749
Proceeds from exercise of options		138,854	-
Transaction costs		(49,500)	(10,905)
Net cash provided by financing activities		839,315	170,844
Net increase in cash held		309,956	31,038
Cash and cash equivalents at beginning of financial year		91,935	60,897
Cash and cash equivalents at end of financial year	8	401,891	91,935

The accompanying notes form part of these financial statements.

The Directors of Gladiator Resources Limited and its subsidiaries ("the Group") submit herewith the annual report of the Group for the financial year ended 30 June 2018. The separate financial statements of the parent entity, Gladiator Resources Limited, have not been presented within this financial report as permitted by the Corporations Act 2001. Refer to Note 2 for the Parent information.

The financial statements were authorised for issue on 27 September 2018 by the directors of the company.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial purposes under the Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with the International Financial Reporting Standards. These financial statements also comply with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB). Material accounting policies adopted in the preparation of financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Gladiator Resources Limited ("Company" or "Parent entity") as at 30 June 2018 and the results of all subsidiaries for the year then ended. Gladiator Resources Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated group'. A list of controlled entities is contained in Note 11 to the financial statements.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated group. Losses incurred by the consolidated group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(b) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which: (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

(Note 1: Summary of Significant Accounting Policies (Cont'd))

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(i) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(e) Exploration and Development Expenditure

Exploration, evaluation and development expenditures incurred is capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(f) Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified ‘at fair value through profit or loss’ in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

(Note 1: Summary of Significant Accounting Policies (Cont'd))

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint ventures as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies is classified as a financial liability and measured at fair value through profit or loss.

Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a “loss event”) having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For available-for-sale equity instruments, including listed or unlisted shares, objective evidence of impairment includes information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered. A significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment for shares classified as available-for-sale. For all other financial assets, including redeemable notes classified as available-for-sale and finance lease receivables, objective evidence of impairment could include: significant financial difficulty of the issuer or counterparty; breach of contract, such as a default or delinquency in interest or principal payments; it becoming probable that the borrower will enter bankruptcy or financial reorganisation; or the disappearance of an active market for that financial asset because of financial difficulties. For certain categories of financial assets, such as trade receivables, assets that are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Group’s past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate. For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.
At the end of each reporting period the group assessed whether there is any objective evidence that a financial asset or group of financial assets is impaired (other than financial assets classified as at fair value through profit or loss).

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

(Note 1: Summary of Significant Accounting Policies (Cont'd))

(i) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets including capitalised exploration expenditure with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(j) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits available on demand with banks.

(l) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest method.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint ventures are accounted for in accordance with the equity method of accounting. The carrying amount of the investment in the associate must be decreased by the amount of dividends received or receivable from the associate.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Finance income is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

All revenue is stated net of the amount of goods and services tax.

(m) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(l) for further discussion on the determination of impairment losses.

(n) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(Note 1: Summary of Significant Accounting Policies (Cont'd))

(q) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statement is presented.

(r) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Judgements

(ii) Exploration and Evaluation Expenditure

Exploration expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves,

Accumulated costs in relation to a relinquished area are written off in full against the profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

(s) New Accounting Standards for Application in Future Periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

— AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The Group has established an AASB 9 project team and is in the process of completing its impact assessment of AASB 9. Based on a preliminary assessment performed over each line of business and product type, the effects of AASB 9 are not expected to have a material effect on the Group.

— AASB 2014-7: *Amendments to Australian Accounting Standards arising from AASB 9* (December 2014)

AASB 2014-7 (issued December 2014) gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issue of AASB 9: Financial Instruments (December 2014). More significantly, additional disclosure requirements have been added to AASB 7: Financial Instruments: Disclosures regarding credit risk exposures of the entity. This Standard also makes various editorial corrections to Australian Accounting Standards and an Interpretation.

AASB 2014-7 mandatorily applies to annual reporting periods beginning on or after 1 January 2018. Earlier application is permitted, provided AASB 9 (December 2014) is applied for the same period.

— AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).
When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

— recognition of a right-of-use asset and lease liability for all leases (excluding short-term leases with a lease term of 12 months or less of tenure and leases relating to low-value assets);

— depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;

— inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;

— application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and

— inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The Group has established an AASB 16 project team and is in the process of completing its impact assessment of AASB 16. Based on a preliminary assessment performed over each line of business and lease type, the effect of AASB 16 is not expected to have a material effect on the Group. It is impracticable at this stage to provide a reasonable estimate of such impact.

(Note 1: Summary of Significant Accounting Policies (Cont'd))

(t) Going Concern

The financial report have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group generated a loss of $432,387 (2017: loss of $4,282,029) and net cash outflows from the operating activities of $412,818 (2017: net cash outflows of $123,254) for the year ended 30 June 2018. As of that date, the Group had net assets of $303,288 (2017: Net deficit of $388,080). These conditions indicate a material uncertainty that may cast significant doubt concerning the ability of the Group to continue as a going concern.

The Directors have prepared a cash flow forecast for the next 12 months based on best estimates of future inflows and outflows of cash to support the Group's ability to continue as a going concern. The Directors are confident that they can raise capital when required as they have been successful in the past.

Note 2 Parent Information

	2018	**2017**
	$	$
The following information has been extracted from the books and records of the financial information of the parent entity set out below and has been prepared in accordance with Australian Accounting Standards.		
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current Assets	435,313	91,995
Non-current Assets	481,600	12,136
TOTAL ASSETS	916,913	104,131
LIABILITIES		
Current Liabilities	624,761	500,713
Non-current Liabilities	-	-
TOTAL LIABILITIES	624,761	500,713
NET ASSETS	292,152	(396,582)
EQUITY		
Issued Capital	20,183,462	19,059,707
Accumulated losses	(19,891,310)	(19,456,289)
TOTAL EQUITY	292,152	(396,582)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Loss for the year	(435,021)	(263,889)
Other comprehensive income	-	-
Total comprehensive income	(435,021)	(263,889)

Contingent liabilities

Gladiator Resources Limited has no commitments and contingent liabilities at the date of this report.

Note 3 Tax Expense

		Consolidated Group	
		2018	2017
		$	$
(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:			
Prima facie tax payable on profit from ordinary activities before income tax at 27.5% (2017: 27.5%)			
— consolidated group		(188,041)	(1,177,558)
Add:			
Tax effect of:			
— Deferred tax not brought to account		188,041	1,177,558
Income tax attributable to entity		-	-
Balance of franking account at year end	0.0%	nil	nil

(Note 3: Tax Expense (Cont'd))

(d) **Tax losses**

Unused tax losses for which no deferred tax asset has been recognised	1,745,630	1,557,589

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2018 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- the company continues to comply with conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the loss and exploration expenditure.

	Consolidated Group	
	2018	2017
	$	$
(d) The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:		
(Loss) from continuing operations	(432,387)	(279,284)
Income tax (benefit) calculated at 27.5%	(118,906)	(76,803)
Effect of deductible expenses	(69,135)	-
Effect of unused tax losses and tax offsets not recognised as deferred tax	188,041	76,803
Income tax attributable to entity	-	-

Note 4 Discontinued Operations

On 15 December 2016, the Company announced a Binding Agreement was executed for the disposal of the Groups six Uruguayan subsidiaries, subject to shareholder approval, which was granted on 6 February 2017.

On 21 February 2017, the Company announced the completion of the sale of all its Uruguayan subsidiaries and their underlying assets to Metamila Limited.

The financial performance of the discontinued operations up to 21 February 2017, which is included in loss from discontinued operations per the statement of comprehensive income, is as follows:

	Consolidated Group	
	2018	2017
	$	$
Revenue	-	26,523
Expenses	-	(64,731)
Impairment of exploration assets	-	(3,667,460)
Foreign exchange losses	-	(297,077)
Profit before income tax	-	(4,002,745)
Income tax (expense)/benefit	-	-
Profit/(loss) attributable to owners of the parent entity	-	(4,002,745)
Tax loss after tax attributable to the discontinued operations	-	(4,002,745)

The table below shows a break down of the current assets and current liabilities held for sale.

	Consolidated Group	
	2018	2017
	$	$
Assets	-	-
Liabilities	-	-
Net Assets	-	-

The net cash flows of the discontinued operation, which have been incorporated into the statement of cash flows, are as follows:

	Consolidated Group	
	2018	2017
	$	$
Net cash (outflow) from operating activities	-	(55,440)
Net cash (outflow) from investing activities	-	-
Net cash (outflow) from financing activities	-	-
Net decrease in cash by discontinued operations	-	(55,440)

Note 5 Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2018.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	2018	2017
	$	$
Short-term employee benefits	150,100	75,583
Total KMP compensation	150,100	75,583

Further information in relation to KMP remuneration can be found in the Remuneration Report.

Note 6 Auditor's Remuneration

	Consolidated Group 2018 $	Consolidated Group 2017 $
Remuneration of the auditor for:		
— auditing or reviewing the financial statements	32,950	22,250
	32,950	22,250

Note 7 Earnings per Share

	Consolidated Group 2018 $	Consolidated Group 2017 $
(a) Reconciliation of earnings to profit or loss		
Loss	(432,387)	(4,282,029)
Losses used to calculated basic EPS	(432,387)	(4,282,029)
	No.	No.
(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	717,389,125	511,382,134
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	819,653,726	511,382,134

Note 8 Cash and Cash Equivalents

	Note	Consolidated Group 2018 $	Consolidated Group 2017 $
Cash at bank and on hand		401,891	91,935
Short-term bank deposits		-	-
	20	401,891	91,935

Reconciliation of cash

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2018 $	2017 $
Cash and cash equivalents	401,891	91,935
	401,891	91,935

Note 9 Trade and Other Receivables

	Consolidated Group 2018 $	Consolidated Group 2017 $
CURRENT		
Other receivables		
— sundry receivables	-	61
— GST receivables	30,131	3,706
Total current trade and other receivables	30,131	3,767

Credit risk

The Group has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for and mentioned within Note 9. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Group.

The following table details the Group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled with the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Consolidated Group	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			<30	31-60	61-90	>90	
2018	$	$	$	$	$	$	$
Other receivables	30,131	-	-	-	-	-	30,131
Total	30,131	-	-	-	-	-	30,131

Consolidated Group	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			<30	31-60	61-90	>90	
2017	$	$	$	$	$	$	$
Other receivables	3,767	-	-	-	-	-	3,767
Total	3,767	-	-	-	-	-	3,767

Note 10 Other Assets

	Consolidated Group 2018 $	2017 $
CURRENT		
Prepayments	14,627	-
	14,627	-
Total Other Assets		
Current	14,627	-
Non-current	-	-
	14,627	-

Note 11 Interests in Subsidiaries

(a) **Information about Principal Subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares or ordinary units which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of subsidiary	Principal place of business	Ownership interest held by the Group 2018 (%)	2017 (%)
Ecochar Pty Ltd	Australia	100	100
Ion Resources Pty Ltd	Australia	100	100
Ferrous Resources Pty Ltd	Australia	100	100

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

(b) **Significant Restrictions**

There are no significant restrictions over the Group's ability to access or use assets and settle liabilities, of the Group.

Note 12 Exploration Expenditure

	Consolidated Group 2018 $	2017 $
NON-CURRENT		
Acquisition of 51% of Orosur Mining Joint Venture		
Balance at beginning of year		5,467,000
Impairment of carrying value of capitalised exploration expenditure		(3,667,460)
Disposed during the year		(1,799,540)
Balance at end of year	-	-
Mineral exploration and evaluation expenditure		
Balance at beginning of year	-	-
Current year expenditure capitalised	493,613	-
Exploration costs written off	(12,213)	-
Balance at end of year	481,400	-
Total Exploration Expenditure		
Mineral exploration and evaluation expenditure	481,400	-
Balance at end of year	481,400	-

On 21 February 2017, the Company announced it had completed the sale of all its Uruguayan subsidiaries, and their underlying assets, to Metamila Limited, a company incorporated in Beliza.

The total value of the consideration received of $1.7 million, was applied against the Company's and its subsidiaries outstanding liabilities as at date of completion. This was determined in accordance with the share sale agreement between the Company and Metamila Limited.

On 6 October 2017, 5,000,000 fully paid ordinary shares were issued to Flinders Exploration Limited in relation to the acquisition of Exploration Licence E52/3104. The value of the shares at date of issue was $20,000.

On 17 May 2018, 35,000,000 fully paid ordinary shares were issued to Thunderbird Metal Pty Ltd and vendors in relation to the acquisition of the earn in rights for up to 70% of the North Arunta Gold Project. The value of the shares at date of issue was $210,000.

(Note 12: Exploration Expenditure (Cont'd))

Joint Venture Interest

The Heads of Agreement with Thunderbird Metals Pty Ltd provides that the Company will be assigned the rights to earn up to 70% joint venture interest in the North Arunta Project on the following basis:

- the Company will have the exclusive right to earn a 51% interest in the North Arunta Project by expending $2.5 million on exploration expenditure on the North Arunta Project (*Earn-in Obligations)* over an earn-in period of 2.5 years (Earn-In Period);
- upon completing the Earn-In obligations within the Earn-In Period, the Company will establish a joint venture with Prodigy Gold NL formerly ABM Resources NL (PRX). The Company will have the right to earn an additional 19% interest in the North Arunta Project upon expending an additional $4 million on exploration expenditure within 2 years from the commencement of the joint venture.

Upon completion of a bankable feasibility study, PRX has the right to elect to:

- convert ABM's 30% interest I the North Arunta Project to a 1.5% net smelter royalty and the Company will make a one-off payment of $2.5 million in cash within 12 months of commencement of production; or
- co-fund all future exploration and development.

Consideration

In consideration for the Proposed Transaction as stated within the Heads of Agreement with Thunderbird, the Company will provide the following consideration shares (*Milestone Shares)* and consideration options *(Milestone Options)* in the share capital of the Company to Thunderbird Metals Pty Ltd Vendors or their nominees (together, *Milestone Securities* ;

(a) 35 million Shares and 35 million Options upon completion of the Proposed Transaction and the Company completing a successful capital raising of $500,000. (Milestone 1) - completed in May 2018;

(b) 20 million Options upon the Company completing a successful capital raising of an additional $500,000. (Milestone 2);

(c) 50 million Shares upon certification by an independent competent person in accordance with JORC Code 2012 of an Indicated Mineral Resource of 200,000 oz AU at a minimum grade of 1.3g/t AU and minimum tonnage of 320,000 tonnes or ore, on the North Arunta Project. (Milestone 3);

(d) 50 million shares and 50 million Options upon certification by an independent competent person in accordance with JORC Code 2012 of an Indicated Mineral Resource of 500,000 oz Au at a minimum grade of 1.1g/t Au and minimum tonnage of 800,000 tonnes of ore, on the North Arunta Project. (Milestone 4);

(e) 50 million shares and 50 million options upon completion of Milestone 4 and a bankable feasibility study on the North Arunta Project. (Milestone 5); and

(f) 50 million shares and 50 million options upon certification by an independent competent person in accordance with JORC Code 2012 of an Indicated Mineral Resource of 1,000,000 oz Au at a minimum grade of 0.7g/t Au and minimum tonnage of 1,600,000 tonnes of ore, on the North Arunta Project. (Milestone 6)

The value of the Company's interest in exploration expenditure is dependent upon the:

- continuance of the economic entity's right to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

Ultimate recovery of deferred exploration and evaluation costs is dependent upon the success of pre-feasibility studies, exploration and evaluation or sale or farm-out of the exploration interest. Broadly, the Company has three cost centres, Corporate, Pre-feasibility and Exploration. Where identifiable, costs associated with the Pre-feasibility and Exploration cost centres are capitalised. These costs are annually reviewed for impairment and a charge is made direct to the Statement of profit or loss and other comprehensive income of the Company where an impairment id identified.

The Group has reviewed all of its tenements and has only carried forward the expenses on the tenements that give rise to a potential economic benefit to the Company through development or exploration.

Impairment Indicators

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantiative expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale;
- Evidence is available of obsolescence or physical damage of an asset;
- The net assets of the Group exceeds its market capitalisation.

Note 13 Trade and Other Payables

	Consolidated Group	
	2018	2017
	$	$
CURRENT		
Unsecured liabilities		
Trade payables	513,661	232,356
Sundry payables and accrued expenses	111,100	251,426
	624,761	483,782

	Consolidated Group	
	2018	2017
	$	$
(a) Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
— Total current	624,761	483,782
— Total non-current	-	-
	624,761	483,782

Note 14 Issued Capital

	Consolidated Group	
	2018	2017
	$	$
866,834,171 fully paid ordinary shares (2017: 582,396,672)	20,183,462	19,059,707
	20,183,462	19,059,707

The company has authorised share capital amounting to 866,834,171 fully paid ordinary shares.

	Consolidated Group	
(a) **Ordinary Shares**	2018	2017
	No.	No.
At the beginning of the reporting period	582,396,672	465,970,476
Shares issued during the year	284,437,499	116,426,196
At the end of the reporting period	866,834,171	582,396,672

On 25 July 2017, 16,666,666 fully paid ordinary shares were issued at $0.003 per share, raising a total of $50,000. These shares were issued as part of a debt conversion.

On 18 September 2017, 75,000,000 fully paid ordinary shares were issued at $0.002 per share, raising a total of $94,000, net of capital raising costs.

On 6 October 2017, 25,000,000 fully paid ordinary shares were issued at $0.004, raising a total of $114,000, net of capital raising costs. In addition, 5,000,000 fully paid ordinary shares were issued at $0.004 as consideration for the acquisition of Exploration Tenement E52/3104. Value of shares issued was $20,000.

In March 2018, 27,770,833 fully paid ordinary shares were issued as a result of exercise of options. A total of $138,854 was raised.

On 29 March 2018, 100,000,000 fully paid ordinary shares were issued at $0.005, raising a total of $470,000, net of capital raising costs.

On 17 May 2018, 35,000,000 fully paid ordinary shares were issued at a nominated value of $0.006 per share. The shares were issued after the conditions precedent for the completion of The North Arunta Project milestone one were satisfied. Value of shares issued were $210,000. Refer to Note 12: Exploration Expenditure for further information.

(b) **Options**

The following reconciles the outstanding unlisted options to subscribe for fully paid ordinary shares in the Company at the beginning and end of the financial year.

	Consolidated Group	
	2018	2017
	No.	No.
At the beginning of the reporting period	-	232,985,238
Issued during the financial year	160,416,666	(10,110)
Exercised during the financial year	(27,770,833)	(232,975,128)
Balance at the end of the financial year	132,645,833	-
Exercisable at the end of the financial year	132,645,833	-

Details of options on issue as at the date of this report are as follows:

	Number	**Issue Date**	**Expiry Date**	**Exercise Price**
				$
Unlisted options issued	60,000,000	25 July 2017	24 July 2022	$0.005
Unlisted options issued	18,895,833	25 July 2017	20 February 2019	$0.005
Unlisted options issued	18,750,000	23 February 2018	20 February 2019	$0.005
Unlisted options issued	35,000,000	17 May 2018	17 May 2020	$0.005
	132,645,833			

(c) **Capital Management**

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group’s debt and capital include ordinary share capital, redeemable preference shares, convertible preference shares and financial liabilities, supported by financial assets.

The Group is not subject to any externally imposed capital requirements.

Management effectively manages the Group’s capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

(Note 14: Issued Capital (Cont'd))

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

	Note	Consolidated Group 2018 $	2017 $
Total borrowings		-	-
Less cash and cash equivalents	8	(401,891)	(91,935)
Net debt		(401,891)	(91,935)
Total equity		303,288	(388,080)
Total capital		(98,603)	(480,015)
Gearing ratio		N/A	N/A

Note 15 Contingent Liabilities and Contingent Assets

Gladiator Resources Limited has no known material contingent liabilities at the date of this report.

Note 16 Operating Segments

General Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and in determining the allocation of resources.

Unless stated otherwise, all accounts are reported to the Board of Directors, being the chief decision makers with respect to operating segments, which are determined in accordance with accounting policies that are consistent to those adapted in the annual financial statements of the consolidated entity.

Segment information

(i) **Segment performance**

30 June 2018	**Australia** $	**Uruguay (discontinued)** $	**Total** $
REVENUE			
Other income	-	-	-
Interest revenue	-	-	-
Total segment revenue	-	-	-
Reconciliation of segment revenue to group revenue			
Total consolidated revenue:			-
Expenses			
Directors benefits expense	150,100	-	150,100
Consulting fees	54,000	-	54,000
Travel and accommodation	15,592	-	15,592
Exploration written off	12,213	-	12,213
Other expenses	200,482	-	200,482
	432,387	-	432,387
Segment loss before tax	(432,387)	-	(432,387)

30 June 2017	**Australia** $	**Uruguay (discontinued)** $	**Total** $
REVENUE			
Other income	-	26,522	26,522
Interest revenue	-	-	-
Total segment revenue	-	26,522	26,522
Reconciliation of segment revenue to group revenue			
Total consolidated revenue:			-
Expenses			
Employee benefits expense	-	-	-
Depreciation	-	410	410
Directors benefits expense	28,811	-	28,811
Travel and accommodation	27,090	-	27,090
Exploration written off	12,169	3,678,447	3,690,616
Other expenses	211,214	350,410	561,624
	279,284	4,029,267	4,308,551
Segment loss before tax	(279,284)	(4,002,745)	(4,282,029)

(Note 16: Operating Segments (Cont'd))

(ii) **Segment assets**

	Australia	Uruguay (discontinued)	Total
30 June 2018	**$**	**$**	**$**
Segment assets	928,049	-	928,049
Segment assets			
Reconciliation of segment assets to group assets			
Intersegment eliminations			-
Total group assets			928,049

	Australia	Uruguay (discontinued)	Total
30 June 2017	**$**	**$**	**$**
Segment assets			
Segment assets	95,702	-	95,702
Reconciliation of segment assets to group assets			
Intersegment eliminations			-
Total group assets			95,702

(iii) **Segment liabilities**

	Australia	Uruguay (discontinued)	Total
30 June 2018	**$**	**$**	**$**
Segment liabilities	624,761	-	624,761
Segment liabilities			
Reconciliation of segment liabilities to group liabilities			
Intersegment eliminations			-
Total group liabilities			624,761

	Australia	Uruguay (discontinued)	Total
30 June 2017	**$**	**$**	**$**
Segment liabilities			
Segment liabilities	483,782	-	483,782
Reconciliation of segment liabilities to group liabilities			
Intersegment eliminations			-
Total group liabilities			483,782

Note 17 Cash Flow Information

	Consolidated Group	
	2018	2017
	$	$
(a) **Reconciliation of Cash Flows from Operating Activities with Profit after Income Tax**		
Loss after income tax	(432,387)	(4,282,029)
Non-cash flows in profit		
Depreciation	-	410
Write-off of capitalised expenditure	12,213	3,667,460
Realised foreign exchange movements	-	335,478
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
(Increase)/decrease in trade and term receivables	(26,364)	75,227
(Increase)/decrease in prepayments	(14,627)	-
Increase in trade payables and accruals	48,337	80,200
Cash flows from operating activities	(412,828)	(123,254)

Note 18 Events After the Reporting Period

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

The Company announced on 18 September 2018 that it had received firm commitments to raise up to $625,000 via the placement of 105,000,000 fully paid ordinary shares, raising $210,000 and $415,000 by way of loan facility. The loan facility is will be convertible to shares at $0.002 (0.2 cents) subject to shareholder approval at the next general meeting of the Company. The loan is non-interest bearing and will be repayable within 90 days should shareholder approval not be granted.

The formal allotment of 105,000,000 fully paid ordinary shares was completed on 27 September 2018.

A further $100,000 was raised resulting in 40,000,000 fully paid ordinary shares being issued at $0.0025 (0.25 cents) per share. The funds raised utilised the pre existing placement capacity granted by shareholders at the company's last General Meeting held on 28 June 2018.

Note 19 Related Party Transactions

Related Parties

(a) The Group's main related parties are as follows:

i. **Key Management Personnel:**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

	Consolidated Group	
	2018	2017
	$	$
Short-term employee benefits	150,100	75,583
Total KMP compensation	150,100	75,583

ii. **Other Related Parties**

Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

(b) Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	Consolidated Group	
	2018	2017
	$	$
i. **Director related entities**		
Directors' fees payable to DW Accounting & Advisory Pty Ltd, of which Mr Andrew Draffin is a director and shareholder.	36,000	27,750
Directors' fees payable to Tomik Nominees Pty Ltd, of which Mr Ian Hastings is a director and shareholder.	78,000	20,083
Directors' fees payable to Anycall Pty Ltd, of which Mr Ian Richer is a director and shareholder.	34,000	11,083
Directors' fees payable to Wilde Geoscience, of which Dr Andy Wilde is a director and shareholder.	2,100	-
Consultancy fees payable to Tomik Nominees Pty Ltd, of which Mr Ian Hastings is a director and shareholder.	48,000	-
Company Secretarial fees payable to DW Accounting & Advisory Pty Ltd, of which Mr Andrew Draffin is a director and shareholder.	21,000	33,000
Directors' fees payable to DHL Corporate Advisory, of which Mr Donald Low is a director and shareholder.	-	16,667

(c) Reimbursement Transactions with related parties

	Consolidated Group	
	2018	2017
	$	$
Reimbursement of business expenses incurred by the Company and initially settled by DW Accounting & Advisory Pty Ltd, of which Mr Andrew Draffin is a director and shareholder. All expenses were incurred on an arm's length basis.	23,664	21,462
Reimbursement of business expenses incurred by the Company and initially settled by Ian Hastings. All expenses were incurred on an arm's length basis.	5,881	7,863

(d) Amounts payable to related parties

	Consolidated Group	
	2018	2017
	$	$
DW Accounting & Advisory Pty Ltd	135,447	223,233
Tomik Nominees Pty Ltd	79,650	20,083
Anycall Pty Ltd	7,072	11,083
Wilde Geoscience	2,100	7,863
Ian Hastings	5,881	7,863
Draffin Walker Pty Ltd	60,137	60,137
DHL Corporate Advisory	-	4,167
	290,287	334,429
Amounts due to related parties waived		
Michael Neunlindger	-	37,500
Oscar Leon	-	9,272
End of the year	-	46,772

Note 20 Financial Risk Management

The Group’s financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies to these financial statements, are as follows:

		Consolidated Group	
	Note	2018 $	2017 $
Financial Assets			
Cash and cash equivalents	8	401,891	91,935
Loans and receivables	9	30,131	3,767
Total Financial Assets		432,022	95,702
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	13	624,761	483,782
Total Financial Liabilities		624,761	483,782

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and other price risk (commodity and equity price risk). There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board’s objectives, policies and processes for managing or measuring the risks from the previous period.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid fuds and derivative financial instruments is limited as the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represent the Group's maximum exposure to credit risk.

b. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

• preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
• monitoring undrawn credit facilities;
• obtaining funding from a variety of sources;
• maintaining a reputable credit profile;
• managing credit risk related to financial assets;
• only investing surplus cash with major financial institutions; and
• comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The following table details the Group's remaining contractual maturity for its financial liabilities and financial assets:

Financial liability and financial asset maturity analysis

	Within 1 Year		**1 to 5 years**		**Over 5 years**		**Total**	
Consolidated Group	2018 $	2017 $	2018 $	2017 $	2018 $	2017 $	2018 $	2017 $
Financial liabilities due for payment								
Trade and other payables	624,761	483,782	-	-	-	-	624,761	483,782
Total expected outflows	624,761	483,782	-	-	-	-	624,761	483,782

	Within 1 Year		**1 to 5 years**		**Over 5 years**		**Total**	
Consolidated Group	2018 $	2017 $	2018 $	2017 $	2018 $	2017 $	2018 $	2017 $
Financial Assets - cash flows realisable								
Cash and cash equivalents	401,891	91,935	-	-	-	-	401,891	91,935
Trade, term and loans receivables	30,131	3,767	-	-	-	-	30,131	3,767
Total anticipated inflows	432,022	95,702	-	-	-	-	432,022	95,702
Net (outflow) / inflow on financial	(192,739)	(388,080)	-	-	-	-	(192,739)	(388,080)

c. Market Risk

i. *Interest rate risk*

The Group's exposure to market risk primarily consists of financial risks associated with changes in interest rates as detailed below. As the level of risk is low, the Group does not use any derivatives to hedge its exposure.

(Note 20: Financial Risk Management (Cont'd))

Sensitivity Analysis

A sensitivity analysis has been determined based on the exposure to interest rates at reporting date with the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated Group	
	Profit	**Equity**
Year ended 30 June 2018	**$**	**$**
+/- 0.75% in interest rates	3,014	3,014

	Consolidated Group	
	Profit	**Equity**
Year ended 30 June 2017	**$**	**$**
+/- 0.75% in interest rates	690	690

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

Fair Values

The Directors consider that the carrying amounts of financial assets and liabilities recorded at cost less any accumulated impairments in the financial statements approximates their fair values.

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models.

- Other financial assets and financial liabilities are determined in accordance with generally accepted pricing models.

Fair value estimation

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted form the market, with more reliable information from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Group.

	Note	**2018**		**2017**	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Consolidated Group		$	$	$	$
Financial assets					
Cash and cash equivalents	8	401,891	401,891	91,935	91,935
Trade and other receivables:		30,131	30,131	3,767	3,767
Total financial assets		432,022	432,022	95,702	95,702
Financial liabilities					
Trade and other payables	13	624,761	624,761	483,782	483,782
Total financial liabilities		624,761	624,761	483,782	483,782

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term investments in nature whose carrying amounts are equivalent to their fair values. Trade and other payables excludes amounts provided for annual leave, which is outside the scope of AASB 139.

Note 21 Reserves

a. **Foreign Currency Translation Reserve**

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

	Consolidated Group	
	2018	2017
	$	$
Balance at beginning of the year	-	(224,754)
Foreign currency movements during the year	-	-
Realised on sale of subsidiaries	-	224,754
Movement in retained earnings	-	-

	Consolidated Group	
	2018	2017
Total Reserves	$	$
Foreign currency translation reserve	-	-
	-	-

Note 22 Economic Dependency

All subsidiaries and controlled entities are dependent on the Parent Company, Gladiator Resources Limited.

Note 23 Company Details

The registered office of the company is:
Gladiator Resources Limited
Level 4,
91 William Street
Melbourne Vic 3000

The principal places of business are:
Gladiator Resources Limited
Level 4,
91 William Street
Melbourne Vic 3000

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 850
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Gladiator Resources Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 17 to 37, are in accordance with the Corporations Act 2001 and:
    - (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
    - (b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the consolidated group;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
3. the directors have been given the declarations required by section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.

Director

Mr Andrew Draffin

Dated this 27 September 2018

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Level 13, Freshwater Place, 2 Southbank Boulevard,
Southbank VIC 3006

Phone: 03 9690 5700
Facsimile: 03 9690 6509
Website: www.morrows.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GLADIATOR RESOURCES LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Gladiator Resources Limited, (the Company and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(t) in the financial report which indicates that the ability of the Company to continue as a going concern is dependent on its ability to raise capital when required. The events and conditions, including the loss for the period, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business at amounts stated in the financial report.

Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GLADIATOR RESOURCES LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
1) Carrying value of capitalised Exploration Expenditure Refer to Note 12 ($481,400)	
Capitalised Exploration Expenditure of $481,400 relate to costs incurred in relation to the various tenements. For the financial year ended 30 June 2018, the Directors have assessed and determined that no impairment is required.	The auditor's procedures included: • obtaining a copy of the Directors' assessment of the carrying value of capitalised Exploration Expenditure and reviewing and challenging assertions made by the Directors. • discussing with Directors the existence of any potential impairment indicators, including if: i. the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; ii. substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; iii. exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; iv. sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale; v. significant changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated; vi. the carrying amount of the net assets of the entity is more than its market capitalisation; and vii. evidence is available of obsolescence or physical damage of an asset.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GLADIATOR RESOURCES LIMITED

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Matter

The financial report of the Group for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on that financial report on 28 September 2017.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

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AUDIT

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GLADIATOR RESOURCES LIMITED

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in included in the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Gladiator Resources Limited, for the year ended 30 June 2018, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

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MORROWS AUDIT PTY LTD

L.S. WONG
Director
Melbourne: 27 September 2018

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 859
ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following information is current as at 26 September 2018:

1. **Shareholding**

a. **Distribution of Shareholders**

Category (size of holding)	No. of Holders	No. of Ordinary Shares
1 – 1,000	36	4,005
1,001 – 5,000	32	105,630
5,001 – 10,000	87	798,333
10,001 – 100,000	234	13,342,121
100,001 – and over	459	852,584,082
	848	866,834,171

b. The number of shareholdings held in less than marketable parcels is 407. (2017: 314)

c. The names of the substantial shareholders listed in the holding company's register are:

Shareholder	Number No. of Ordinary Fully Paid Shares	% Held of Issued Ordinary Capital
DW Accounting & Advisory Pty Ltd	59,980,146	6.92%
Wealthystar Group Limited	59,750,279	6.89%
Tomik Nominees Pty Ltd	52,292,991	6.03%

d. **Voting Rights**

Articles 15 on the Constitution specify that on a show of hands, every member present in person, by attorney or by proxy shall have:

- For every fully paid share held by him one vote; and
- For every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares.

e. **20 Largest Shareholders — Ordinary Shares**

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	DW Accounting & Advisory Pty Ltd	59,980,146	6.92%
2.	Wealthystar Group Limited	59,750,279	6.89%
3.	Tomik Nominees Pty Ltd	52,292,991	6.03%
4.	Mr Marat Basyrov	30,000,000	3.46%
5.	Cuthbert Productions Inc	23,251,927	2.68%
6.	Joyce Asset Corp	23,251,927	2.68%
7.	First Investment Partners	20,000,000	2.31%
8.	Kassets Pty Ltd	19,928,000	2.30%
9.	Mr Stephen Robert Wylie	18,120,000	2.09%
10.	Citicorp Nominees Pty Limited	15,964,187	1.84%
11.	BHP Paribas Nominees Pty Ltd	14,544,523	1.68%
12.	Whiteheads Timber Nominees	10,000,000	1.15%
13.	Mr Alfred Gerard Galea	10,000,000	1.15%
14.	Mr Bradley James Thompson	10,000,000	1.15%
15.	Bond Street Custodians Limited	10,000,000	1.15%
16.	Kollins Pty Ltd	10,000,000	1.15%
17.	HSBC Custody Nominees	9,603,409	1.11%
18.	Mr Raymond Cheng	9,350,000	1.08%
19.	Mr Stephen Donald Telford	8,453,270	0.98%
20.	Tim Adams & Associates Pty Ltd	7,730,000	0.89%
		422,220,659	48.69%

f. **Options on issue**

There were no listed options on issue at the date of this report.

2. The name of the company secretary is Andrew John Draffin.

3. The address of the principal registered office in Australia is Level 4, 91 William Street, Melbourne Vic 3000. Telephone (03) 8611 5333.

4. Registers of securities are held at the following addresses
   Security Transfer Australia
   770 Canning Highway
   Applecross WA 615

5. **Stock Exchange Listing**
   Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited.

6. **Other Disclosures**