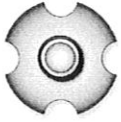


GLADIATOR RESOURCES LIMITED

(ABN 58 101 026 859)

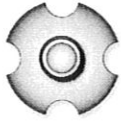
**INTERIM FINANCIAL REPORT
31 DECEMBER 2008**



GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

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GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

DIRECTORS' REPORT

Your Directors submit their financial report on the consolidated entity of Gladiator Resources Limited for the half-year ended 31 December 2008.

DIRECTORS

The following persons were Directors of Gladiator Resources Limited during the whole of the half-year and up to the date of this report. Directors were in office for this entire period unless otherwise stated.

John Palermo (Chairman)	
John Henry Hills	(resigned: 13/10/2008)
Douglas Arthur Cunningham	(resigned: 15/09/2008)
Mark Kevin O'Malley	(resigned: 13/10/2008)
Geoffrey Lloyd Warburton Wedlock	(appointed: 13/10/2008)
Robert Timothy Adams	(appointed: 13/10/2008)

REVIEW OF OPERATIONS

CORPORATE

During the reporting period, the Company welcomed two new Directors to the Board following the resignations of Dr J Hills, Mr D Cunningham and Mr M O'Malley.

Mr Wedlock and Mr Adams joined the Board with Mr Wedlock being appointed Chairman at the close of the quarter.

Mr Wedlock will provide valuable resource experience having worked in the mining industry for many years. He also has extensive commercial experience in dealing with international partners at all levels.

Mr Adams is a highly experienced mining engineer, senior executive and consultant in the resources sector.

GOLD AND NICKEL

EAST KALGOORLIE

Hogans Project (E26/107, E26/108, E15/774 and E15/803)

Interest: 100%
Operator: Gladiator Resources Ltd

The Company confirms that all formal agreements with Newmont Exploration Pty Ltd and Sipa Gold Ltd on the Hogans Gold Farmin Joint Venture have been executed together with the Deed of Cooperation between Newmont Exploration Pty Ltd, Sipa Gold Ltd and Independence Group NL.



DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

The Independence Group NL (IGO) Joint Venture deals with the nickel rights on the project area and Newmont/Sipa deals with the rights with respect to gold.

During the reporting period, IGO undertook a SQUID EM testing of ultramafic stratigraphy obscured by conductive lake sediments on the JV tenement over the Lisa's Dune target area. Testing of this area is now approximately 90% complete.

IGO reports that work to date has defined a number of very large conductors which, because of their size, are likely to represent conductive metasediments however it is possible that they represent large nickel sulphide systems. During the period, these anomalies were infilled with additional SQUID EM and further first pass readings were completed over target areas. The results are currently being interpreted. IGO will advise the Company once results have been completed.

Under the terms of its Joint Venture agreement with the Company, IGO has agreed to expend \$2m to earn a 70% participating interest over a period of three years for the nickel rights.

Newmont has reported to the Company on its activities for the current reporting period and confirms that Newmont and Sipa together have an option to earn a 70% interest (which is held in the proportions 80% Newmont and 20% Sipa under the Sipa Alliance JV) in Gladiator tenements by spending a minimum of \$200,000.00 on exploration within 18 months of the commencement date (by 24 March 2010) and a total of \$800,000.00 on exploration within three (3) years and six (6) months of the commencement date (by 24 March 2012) after which Newmont and Sipa together may elect to earn an additional participating 10% interest. Gladiator will then be free carried until a Decision to Mine.

In terms of work undertaken during the reporting period, Newmont confirmed that preliminary discussions on land access issues were completed, with the completion of heritage surveys and detailed gravity surveys proposed for next quarter.

No field exploration work was carried out however preliminary discussions on land access and heritage issues have been carried out.

The Joint Venture partners work proposed for the next quarter will consist of data compilation, the completion of heritage surveys and detailed gravity surveys.

The information in this report that relates to exploration results is based on information compiled by Stuart Hall who is Fellow of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a competent person as defined in the 2004 Edition of the Australian Code for reporting Exploration Results, Mineral Resources and Ore Reserves. Stuart Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 14 for the half-year ended 31 December 2008.

This report is signed in accordance with a resolution of the Directors.

.....
John Palermo
Director

Dated at Perth this 23rd day of February, 2009.



GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

**INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	Consolidated	
	December 2008	December 2007
	\$	\$
Revenue	45,036	43,785
Depreciation	(4,355)	(708)
Administration expenses	(37,926)	(22,160)
Company secretarial fees	(15,000)	(20,010)
Consulting fees	(42,086)	(59,630)
Directors' benefits	(205,200)	--
Exploration expenditure written off	(127,236)	(110,568)
Legal costs	(5,313)	(685)
Rent and outgoings	(14,099)	(14,633)
Other expenses	(49,811)	(29,249)
Loss before income tax	(455,990)	(213,858)
Income tax	--	--
Loss after income tax	(455,990)	(213,858)
Loss attributable to members of Gladiator Resources Limited	(455,990)	(213,858)
Basic loss per share (cents per share)	(0.83)	(0.53)
Diluted loss per share (cents per share)	(0.83)	(0.53)

The above income statement should be read
in conjunction with the accompanying notes.

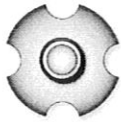


GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Consolidated	
	December 2008	June 2008
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	1,721,490	984,557
Trade and other receivables	44,176	33,317
Total Current Assets	1,765,666	1,017,874
NON CURRENT ASSETS		
Plant and equipment	15,838	4,820
Total Non Current Assets	15,838	4,820
TOTAL ASSETS	1,781,504	1,022,694
CURRENT LIABILITIES		
Trade and other payables	18,523	84,411
Total Current Liabilities	18,523	84,411
TOTAL LIABILITIES	18,523	84,411
NET ASSETS	1,762,981	938,283
EQUITY		
Contributed equity	3,701,509	2,626,021
Reserves	295,370	90,170
Accumulated losses	(2,233,898)	(1,777,908)
TOTAL EQUITY	1,762,981	938,283

The above balance sheet should be read
in conjunction with the accompanying notes.

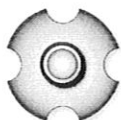


GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	Contributed Equity	Options Reserves	Accumulated Losses	Total
	\$	\$	\$	\$
<u>Consolidated</u>				
Balance at 01/07/2007	2,626,021	90,170	(1,264,353)	1,451,838
Loss for the period	--	--	(213,858)	(213,858)
Balance at 31/12/2007	<u>2,626,021</u>	<u>90,170</u>	<u>(1,478,211)</u>	<u>1,237,980</u>
Balance at 01/07/2008	2,626,021	90,170	(1,777,908)	938,283
Shares issued during the period	1,144,800	--	--	1,144,800
Fair value of options issued during the period	--	281,200	--	281,200
Transaction costs	(69,312)	(76,000)	--	(145,312)
Loss for the period	--	--	(455,990)	(455,990)
Balance at 31/12/2008	<u>3,701,509</u>	<u>295,370</u>	<u>(2,233,898)</u>	<u>1,762,981</u>

The above statement of changes in equity
should be read in conjunction with the accompanying notes.

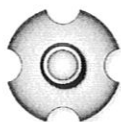


GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

**CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	Consolidated	
	December 2008	December 2007
	\$	\$
Cash Flows from Operating Activities		
Payments to suppliers	(226,976)	(117,802)
Interest received	31,030	41,156
	<hr/>	<hr/>
Net Cash Flows Used In Operating Activities	(195,946)	(76,646)
	<hr/>	<hr/>
Cash Flows from Investing Activities		
Payments for plant and equipment	(15,373)	(875)
Payments for exploration expenditure	(127,236)	(110,568)
	<hr/>	<hr/>
Net Cash Flows Used In Investing Activities	(142,609)	(111,443)
	<hr/>	<hr/>
Cash Flows from Financing Activities		
Proceeds from issue of shares and options	1,080,000	--
Costs associated with share and option issues	(4,512)	--
	<hr/>	<hr/>
Net Cash Flows Provided By Financing Activities	1,075,488	--
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents held	736,933	(188,089)
Cash and cash equivalents at beginning of the financial period	984,557	1,461,265
	<hr/>	<hr/>
Cash and cash equivalents at the end of the half-year	1,721,490	1,273,176
	<hr/>	<hr/>

The above cash flow statement
should be read in conjunction with the accompanying notes.



GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

NOTE 1: BASIS OF PREPARATION

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2008 and any public announcements made by Gladiator Resources Limited and its controlled entity during the half-year in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2008 financial report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs.

NOTE 2: CONTRIBUTED EQUITY

	December 2008	June 2008
	\$	\$
Paid up Capital		
71,984,261 (30/06/08: 40,184,250) Fully paid ordinary shares	3,701,509	2,626,021
	No. of Shares	Paid Up Capital \$
01/07/08 Opening balance	40,184,250	2,626,021
06/10/08 Working capital	30,000,011	1,080,000
07/10/08 Capital raising expenses	1,800,000	64,800
Costs associated with issue of shares	--	(69,312)
31/12/08 Closing balance	71,984,261	3,701,509



GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

NOTE 3: RESERVES

	Consolidated	
	December 2008	June 2008
(a) Composition	\$	\$
Options reserve	295,370	90,170

(b) Movements in options reserve

Details	No. of Listed Options	No. of Unlisted Options	Issue Price	\$
01/07/08 Opening balance	24,292,130	--	--	90,170
07/10/08 Capital raising expenses (a)	--	2,000,000	\$0.038	76,000
10/12/08 Pursuant to members resolution (a)	--	9,500,000	\$0.0216	205,200
Less: transaction costs	--	--	--	(76,000)
31/12/08 Closing balance	24,292,130	11,500,000	--	295,370

(a) Options exercisable at \$0.065 on or before 31/12/2011.

NOTE 4: DIVIDENDS

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

NOTE 5: SEGMENT INFORMATION

Gladiator Resources Limited and its controlled entity operate in one business segment, being mineral exploration, and in one geographical region, being Australia.

NOTE 6: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the issue of the 30 June 2008 annual report.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the end of the half-year ended 31 December 2008, there have not been any material events subsequent to the end of the reporting date and the date of this half-year financial report that has not been recognised in this financial report.



GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITY

DIRECTORS' DECLARATION

The Directors of the Company declare that the financial statements and notes set out on pages 5 to 10:

- (a) comply with Accounting Standard AASB134: Interim Financial Reporting and the Corporations Regulations; and
- (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date.

In the Directors' opinion:

- (a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Dated this 23rd day of February, 2009.

.....
John Palermo
Director

RSM! Bird Cameron Partners

Chartered Accountants

8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 F +61 8 9261 9101
www.rsmi.com.au

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Gladiator Resources Limited (the consolidated entity) which comprises the income statement, balance sheet, statement of changes in equity, cash flow statement, accompanying notes to the financial statements and directors' declaration for the half-year ended 31 December 2008. The consolidated entity comprises both Gladiator Resources Limited (the company) and the entities it controlled during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

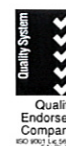
As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

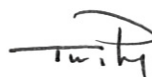
In conducting our review, we have followed applicable independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Gladiator Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Rsm Bird Cameron Partners
RSM BIRD CAMERON PARTNERS
Chartered Accountants



T PHONG
Partner

Perth, WA
Dated: 23 February 2009

RSM Bird Cameron Partners

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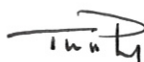
AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF GLADIATOR RESOURCES LIMITED

As lead auditor for the review of the financial report of Gladiator Resources Limited for the half-year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Gladiator Resources Limited and the entities it controlled during the period.

RSM Bird Cameron Partners
RSM BIRD CAMERON PARTNERS
Chartered Accountants



T PHONG
Partner

Perth, WA
Dated: 23 February 2009

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