

GLADIATOR RESOURCES LIMITED

(ABN 58 101 026 859)

QUARTERLY REPORT

FOR THE PERIOD ENDED 30 SEPTEMBER 2009

REVIEW OF OPERATIONS

GOLD and NICKEL

EAST KALGOORLIE

HOGAN'S PROJECT (E26/107, E26/108, E15/774, E15/803 and E15/1044)

Interest: 100%
Operator: Gladiator Resources Ltd

The Company has joint venture arrangements over the Hogan's Project area with Newmont Exploration Pty Ltd and Independence Group NL.

The joint venture with Newmont Exploration Pty Ltd (Newmont) deals with the rights to gold on the project area and the joint venture with Independence Group NL (IGO) deals with the rights to nickel.

Joint Venture with Newmont

Newmont and Sipa Gold Limited (Sipa) were earning an interest in the project tenements however Sipa has assigned its rights in the joint venture to Newmont. Under the terms of the joint venture, Newmont now has an option to earn a 70% interest in the rights for gold in the project tenements by expending a minimum of \$200,000 on exploration by 24 March 2010 and a total of \$800,000 on exploration by 24 March 2012 after which Newmont may elect to earn an additional 10% interest. Gladiator will then be free carried until a Decision to Mine. Expenditure to date by Newmont amounts to approximately \$342,000.

During the previous quarter Newmont completed a gravity survey aimed at mapping the location of a major fault within E15/774. This fault is reported to be associated with gold mineralisation at Integra Mining's Salt Creek and Lucky Bay projects located to the north of E15/774. The fault continues south into the Hogan's Project area and further south into E15/774.

Following the completion of the gravity survey, an air core drilling programme was commenced in June over the northern area of E15/774 where the gravity survey indicated the presence of the fault. A drilling pattern of 2km x 320m, closing to 160m over the gravity / fault break was carried out over the northern area of E15/774. Eighteen holes aggregating 896m were completed up to 30 June with a further 8 holes aggregating 584m drilled during the first week of July for a total of 26 aggregating 1,480m. The drilling intersected a package of dolerites and basalts with shearing evident over the region of the fault.

All assays have been received with assays of significance (>20ppb) presented in Table 1.

TABLE 1							
ASSAYS >20ppb Au FROM HOGAN'S GOLD JV, JUNE / JULY 2009 DRILLING							
Hole ID	Sample	From	To	Au (ppm)	As (ppm)	Geology	Alteration / Mineralisation
NEWHG AC0002	H0010	16	20	0.022	51	Puggy channel clay – supergene?	
	H0011	20	24	0.023	20.8		
	H0026	80	84	0.382	11.4	Base of channel (sand + gravel)	
	H0027	84	88	0.045	2.8	Saprolite clay	
	H0028	88	92	0.052	2.8		
	H0029	92	96	0.061	1.4	Saprock (intermediate)	Epidote, chlorite alteration (weak)
	NEWHG AC0002	97	98	0.023	2.6	Qtz-diorite / granophyric dolerite	Epidote, leucoxene
NEWHG AC0003	H0036	20	24	0.023	22.6	Puggy channel clay – supergene?	
	H0037	24	28	0.037	3		
	H0052	80	84	0.024	9.2	Channel sand – base of channel at 85m	
	H0053	84	88	0.045	22	Saprolite clay + saprock	
	H0056	84	88	0.163	14.8		
	H0054	88	92	0.139	2.8	Saprock (dolerite)	Epidote, chlorite alteration. Leucoxene
	H0055	92	94	0.044	3.4	Dolerite	
NEWHG AC0108	H1145	28	32	0.044	8.2	Clay Saprolite/saprock above black pyritic shale	
NEWHG AC0111	H1215	80	84	0.034	5.6	Base of channel (sand + gravel)	
	NEWHG AC0111	91	92	0.026	4.2	Granophyric dolerite/quartz - diorite	Moderate Epidote, weak carbonate alteration. Fine pyrite/arsenopyrite
NEWHG AC0112	H1224	20	24	0.023	13.6	Plastic channel clay – supergene?	

Drill holes NEWHGAC0002 & 3 were drilled 80m north and south of the historical “Goldfields” drill hole SAL1089 that returned 2m @ 5g/t Au(BOH) in 2001. These holes returned anomalism below the transported interface and displayed an alteration assemblage consisting of chlorite – biotite – leucoxene – haematite within a dioritic host rock. Intersections of lamprophyre were also observed in the area.

Newmont has advised that a new geological interpretation of the project area is being undertaken along with a depth of cover map. Newmont has also advised that RC/diamond drilling is required to fully test the alteration observed around the historical SAL1089 drill hole under deep transported cover but that this drilling may not be undertaken until early 2010.

Joint Venture with IGO

Under the terms of the joint venture, IGO can earn a 70% participating interest in the project tenements by expending \$2 million by June 2010 for the rights to explore for nickel. Expenditure to date by IGO amounts to approximately \$390,000.

IGO has reported that first pass LTS testing of ultramafic stratigraphy obscured by conductive lake sediments has been completed over the Lisa's Dune target area within E15/774. Work to date has defined a number of very large conductors which require follow-up infill TEM surveying to determine whether they warrant drill testing. Infill TEM is planned for later in the year when the surface has dried sufficiently to enable access.

URANIUM

MANYNGEE PROJECT (E08/1608 and E08/1611)

Interest: 100%

Operator: Gladiator Resources Ltd

No work was undertaken during the quarter.

NEW ACQUISITIONS

Since the end of the reporting period the Company advised that it had entered into an Option Agreement for licensing rights to a technology dealing with biomass pyrolysis carbonisation processes (DPC process). The technology has been developed in Brazil.

The Company has been granted the exclusive rights to commercialise, use and sub-license this process worldwide with the exception of Brazil for an initial period of three years with an extension for a further three year period. The Company has commenced its due diligence period on the technology and the processes. Upon satisfactory due diligence the Company has a further period of 60 days in which to complete a licensing agreement.

Upon the completion and execution of a licensing agreement the Company will pay to the licensors USD \$100,000 which is defined as the first milestone. Upon achieving the second milestone, defined as the grant of patents in the PCT, US and various other territories, the Company has agreed to pay a further sum. In addition the Company will pay to the licensors a fee based on a rate per tonne of annual capacity of plant and equipment acquired and commissioned.

The grant of the rights to commercialise the process is across all industries with the exception of the carbonisation of tyres. The process involves a combination of controlled drying pyrolysis and cooling of biomass to produce a carbonised product. The technology may also be used for the production of biochar, which will provide an opportunity for carbon sequestration.

The DPC process is less labour intensive and better controlled with higher productivity and efficiency than traditional carbonisation processes, which should significantly reduce environmental impact.

The Company will advise further on the results of the due diligence process.

The Company has evaluated several projects during the reporting period and continues to review projects that may be of interest to the Company.

Signed on behalf of the Board of Gladiator Resources Limited

For further information:

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Director/Secretary

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The information in this report that relates to exploration results is based on information compiled by Alex Nutter who is a Fellow of the Australasian 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. Alex Nutter consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

GLADIATOR RESOURCES LIMITED

ABN

58 101 026 859

Quarter ended ("current quarter")

30 SEPTEMBER 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	--	--
1.2 Payments for (a) exploration and evaluation	(16)	(16)
(b) development	--	--
(c) production	--	--
(d) administration	(54)	(54)
1.3 Dividends received	--	--
1.4 Interest and other items of a similar nature received	12	12
1.5 Interest and other costs of finance paid	--	--
1.6 Income taxes paid	--	--
1.7 Other (GST)	2	2
Net Operating Cash Flows	(56)	(56)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	--	--
(b)equity investments	--	--
(c)other fixed assets	--	--
1.9 Proceeds from sale of: (a)prospects	--	--
(b)equity investments	--	--
(c)other fixed assets	--	--
1.10 Loans to other entities	--	--
1.11 Loans repaid by other entities	--	--
1.12 Other (provide details if material)	--	--
Net investing cash flows	--	--
1.13 Total operating and investing cash flows (carried forward)	(56)	(56)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(56)	(56)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	--	--
1.15	Proceeds from sale of forfeited shares	--	--
1.16	Proceeds from borrowings	--	--
1.17	Repayment of borrowings	--	--
1.18	Dividends paid	--	--
1.19	Other (costs of capital raising)	--	--
Net financing cash flows		--	--
Net increase (decrease) in cash held		(56)	(56)
1.20	Cash at beginning of quarter/year to date	1,631	1,631
1.21	Exchange rate adjustments to item 1.20	--	--
1.22	Cash at end of quarter	1,575	1,575

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	28
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	--
Total	50

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	13	36
5.2 Deposits at call	1,562	1,595
5.3 Bank overdraft	--	--
5.4 Other (share application account)	--	--
Total: cash at end of quarter (item 1.22)	1,575	1,631

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	71,984,261	71,984,261		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	11,500,000	--	<i>Exercise price</i> \$0.065	<i>Expiry date</i> 31/12/2011
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:
(Company Secretary)

Date: 27 October 2009

Print name: JOHN PALERMO

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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