

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")

31 DECEMBER 2008

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 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	(88)	(181)
(b) development	--	--
(c) production	--	--
(d) administration	(77)	(156)
1.3 Dividends received	--	--
1.4 Interest and other items of a similar nature received	13	31
1.5 Interest and other costs of finance paid	--	--
1.6 Income taxes paid	--	--
1.7 Other (GST)	(6)	(7)
Net Operating Cash Flows	(158)	(313)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	--	--
(b)equity investments	--	--
(c)other fixed assets	(2)	(16)
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	(2)	(16)
1.13 Total operating and investing cash flows (carried forward)	(160)	(329)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(160)	(329)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	28	1,080
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)	(5)	(15)
	Net financing cash flows	23	1,065
	Net increase (decrease) in cash held	(137)	736
1.20	Cash at beginning of quarter/year to date	1,858	985
1.21	Exchange rate adjustments to item 1.20	--	--
1.22	Cash at end of quarter	1,721	1,721

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	73
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	20
4.2 Development	--
Total	20

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	66	56
5.2 Deposits at call	1,655	750
5.3 Bank overdraft	--	--
5.4 Other (share application account)	--	1,052
Total: cash at end of quarter (item 1.22)	1,721	1,858

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		(refer attached notes)		
6.2		(refer attached notes)		

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Appendix 5B
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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	30,000,011 1,800,000	30,000,011 1,800,000		
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>	24,292,130 11,500,000	24,292,130 --	<i>Exercise price</i> \$0.20 \$0.065	<i>Expiry date</i> 30/06/2009 31/12/2011
7.8 Issued during quarter	2,000,000 9,500,000	-- --	\$0.065 \$0.065	31/12/2011 31/12/2011
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: Date: 28 January 2009
(Company Secretary)

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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GLADIATOR RESOURCES LIMITED

(ABN 58 101 026 859)

QUARTERLY REPORT

FOR THE PERIOD ENDED 31ST DECEMBER, 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.

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 quarter 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 during the quarter and preliminary discussions on land access and heritage issues were carried out.

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

URANIUM

MANYINGEE PROJECT (EL08/1608 and EL 08/1611)

Interest: 100%
Operator: Gladiator Resources Ltd

No work was undertaken during the quarter.

LAKE WELLS (EL 38/1849)

Interest: 100%
Operator: Gladiator Resources Ltd

No work was undertaken during the quarter.

RELINQUISHMENTS

GINDALBIE SOUTH PROJECT

Tenements E27/293 and E27/302 were relinquished during the quarter.

NEW ACQUISITIONS

The Company continues to review projects that may be of interest.

EXPLORATION EXPENDITURE

Exploration expenditure during the quarter was \$88,000

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 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.