

GLADIATOR RESOURCES LTD
ABN 58 101 026 859

PROSPECTUS

For the issue of up to 1,000 New Options at an issue price of \$0.001 each to raise up to \$1.00 before issue costs.

This Prospectus is a compliance prospectus to facilitate secondary trading of the New Options to be issued by the Company

Important Notice

This Prospectus is important and should be read in its entirety (including the 'Risk Factors' in **section 4**). If after reading this Prospectus you have any questions about the New Options being offered under this Prospectus, then you should consult your professional adviser.

The New Options offered by this Prospectus should be considered speculative.

IMPORTANT NOTICE

This Prospectus is dated 19 June 2012 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus. No New Options will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. The Company will apply to ASX for the New Options to be granted quotation on ASX.

This Prospectus does not constitute an offer in any place in which or to any person to whom it would not be lawful to make such an offer. Refer to **section 1.8** for treatment of overseas shareholders. Applications for the New Options offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

This prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This Prospectus is important and should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

In particular, it is important that you consider the risk factors (see **section 4** of this Prospectus) that could affect the performance of the Company before making an investment decision.

Neither the Company nor any other person warrants or guarantees the future performance of the New Options or any return on any investment made pursuant to this Prospectus.

The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements.

The forward looking statements in this Prospectus are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and its Directors, that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Prospectus.

GLOSSARY

Some words and expressions used in this Prospectus have defined meanings which are explained in **section 7**. All references to currency are to Australian dollars and all references to time are to Perth time, unless otherwise indicated.

ELECTRONIC PROSPECTUS

A copy of the Prospectus can be downloaded from the website of the Company at <http://www.gladiatorresources.com.au> or the ASX website. Any person accessing the electronic version of the Prospectus for the purposes of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person the Application Form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus. Any person may obtain a hard copy of the Prospectus free of charge by contacting the Company.

TIMETABLE AND IMPORTANT DATES

Lodgement of prospectus with ASX and ASIC	19 June 2012
Opening Date	19 June 2012
Closing Date (at 5.00pm (WST))	25 June 2012
Expected date of Official Quotation of the New Options and Trading of New Options expected to commence	26 June 2012

The Company reserves the right to extend the Closing Date or close the Offer early without notice.

CONTENTS

1	Details of the Offer	2
2	Purpose and Effect of the Offer	6
3	Rights and Liabilities Attaching to New Options and Underlying Shares	7
4	Risk Factors	10
5	Additional Information	15
6	Corporate Directory	21
7	Glossary	22
	Application Form	

1 DETAILS OF THE OFFER

1.1 The Offer

The Company invites investors identified by the Directors to apply for a total of 1,000 New Options at an issue price of \$0.001 per New Option payable in full on application to raise \$1.00.

The Company is seeking to raise only a nominal amount of \$1.00 under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

Section 708A(11) of the Corporations Act provides an exemption from this general requirement where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued; or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

The primary purpose of this Prospectus is to comply with section 708A(11) of the Corporations Act so that the investors subscribing for New Options under this Prospectus, if they choose to, can sell the New Options within the next twelve months without the issue of a prospectus.

1.2 Not underwritten

The Offer is not underwritten. There is no guarantee that the Offer will proceed or that any applications will be accepted.

1.3 Minimum Subscription

The minimum subscription to be raised pursuant to this Prospectus is \$1.00. In the event that the minimum subscription is not achieved within four months of the date of lodgement of this Prospectus with the ASIC, no New Options will be granted to any of the Applicants, all application moneys will be returned and all applications will otherwise be dealt with in accordance with the Corporations Act.

1.4 Opening and Closing Dates

The Opening Date of the Offer will be 19 June 2012 and the Closing Date will be 25 June 2012 at 5.00pm (WST). The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

1.5 Application for New Options

This Offer is being extended to investors who are invited by the Company to subscribe for New Options and is not open to the general public. The Company may determine in its discretion whether to accept any or all Applications. All recipients of the New Options under the Offer will be sophisticated or professional investors (within the meaning of sections 708(8) and 708(11) of the Corporations Act, respectively).

Applications for New Options must be made using the Application Form attached to this Prospectus. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

Applicants will need to follow the procedures advised to them by the Company for Applications under this Offer. Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Delivered by hand/ Delivery by post

Ground Floor
284 Oxford Street
LEEDERVILLE
Western Australia 6007

Cheques should be made payable to “**Gladiator Resources Ltd – Share Application A/c**” and crossed “**Not Negotiable**”. Application Forms must reach the above address by no later than the Closing Date.

1.6 Grant of New Options and Application Money

The Directors will determine the grantees of the New Options. The Directors reserve the right to reject any application or to grant any applicant fewer New Options than the number applied for.

Where the number of New Options granted is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no grant is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

All Application Money received before the New Options are granted will be held in a special purpose account. After any Application Money is refunded (if relevant) and New Options are issued to Applicants, the balance of funds in the account plus accrued interest will be received by the Company.

Subject to the ASX granting the New Options Official Quotation, it is expected that the New Options will be granted as soon as possible after the Closing Date and that trading of the New Options on ASX will commence on 26 June 2012.

1.7 ASX Quotation

Application will be made within seven days of the date of issue of this Prospectus for the New Options to be granted Official Quotation by ASX.

If the New Options are not quoted by ASX within three months after the date of this Prospectus, the Company will not grant or issue any New Options and will refund all Application Money in full as soon as practicable, without interest.

The fact that ASX may agree to grant Official Quotation of the New Options is not to be taken in any way as an indication of the merits of the Company or the New Options. ASX takes no responsibility for the contents of this Prospectus.

1.8 Offer Outside Australia and New Zealand

This Prospectus does not constitute an offer of New Options in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the New Options or the Offer or otherwise to permit an offering of the New Options in any jurisdiction outside Australia and New Zealand.

The distribution of the Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons who come into possession of the Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may

violate securities law. Applicants who are resident in countries outside Australia and New Zealand should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed to enable them to subscribe for the New Options.

The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

1.9 Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the Underlying Shares to be issued on the exercise of the New Options being offered under this Prospectus, during the three months immediately preceding the lodgment of this Prospectus with the ASIC, and the last market sale price on the date before the lodgment date of this Prospectus, are set out below.

	3 months high	3 months low	Last Market Sale Price
Existing Shares	\$0.076 on 10 May 2012	\$0.050 on 19 June 2012	\$0.050 on 19 June 2012

1.10 Rights and Liabilities attaching to the New Options

A summary of the rights and liabilities attaching to the New Options and the Underlying Shares to be issued upon exercise of the New Options are set out in **section 3**.

1.11 CHESS

The Company participates in the Clearing House Electronic Sub-register System (“**CHESS**”). ASX Settlement Pty Ltd (**ASX Settlement**), a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of New Options.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Options issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company’s share registrar and will contain the number of New Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

1.12 Taxation Implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company applying for New Options under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

1.13 Enquiries

Any queries regarding the Offer should be directed to John Palermo, Company Secretary on +61 8 9443 1600.

Any queries regarding the Application Form should be directed to the Share Registry on +61 8 9315 2333

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

2 PURPOSE AND EFFECT OF THE OFFER

2.1 Purpose of the Offer

The primary purpose of the Offer is to remove any trading restrictions that may have attached to the New Options issued by the Company prior to the Closing Date (including prior to the date of this Prospectus).

The effect of the Offer on the capital structure of the Company will be to increase the number of listed Options on issue by 1,000.

2.2 Financial effect of the Offer

The Offer will not have a material effect on the Company's financial position as the nominal amount of \$1.00 will be raised from the Offer.

3 RIGHTS AND LIABILITIES ATTACHING TO NEW OPTIONS AND UNDERLYING SHARES

3.1 Rights attaching to New Options

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to the New Options. Full details of the rights and liabilities attaching to the New Options are contained in the Constitution and in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the common law. The Constitution is available for inspection free of charge at the Company's registered office.

A summary of the rights attaching to the New Options is set out below.

- (a) Each New Option will entitle the holder to subscribe for one Share at an exercise price of \$0.10.
- (b) The New Options are exercisable at any time on or before 5.00pm (WST) on 30 June 2015 wholly or in part by delivering a duly completed form of notice of exercise to the Company, accompanied by payment of the exercise moneys.
- (c) All Shares allotted on exercise of the New Options will rank equally in all respects with the Company's then existing Shares.
- (d) The New Options are freely transferable.
- (e) Application will be made to the ASX for official quotation of the New Options not later than 7 business days after the date of this Prospectus. Application will be made to ASX for official quotation by ASX of all Shares allotted pursuant to the exercise of New Options not later than 10 business days after the date of allotment.
- (f) Holders of New Options may only participate in new issues of securities as holders of Shares if a New Option has been exercised and Shares have been allotted in respect of the New Option before the record date for determining entitlements to the issue. The Company must give at least 6 business days' notice to holders of any New Options before the record date for determining entitlements to the issue in accordance with the Listing Rules of ASX.
- (g) There will be no change to the exercise price of a New Option or the number of Shares over which a New Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than for a Bonus Issue).
- (h) If there is a bonus issue ("**Bonus Issue**") to the holders of Shares, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the New Option had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other Shares of that class at the date of issue of the Bonus Shares.
- (i) If, prior to the expiry of any New Options, there is a reorganization of the issued capital of the Company, the New Options shall be reorganized in the manner set out in the Listing Rules.

3.2 Rights attaching to Underlying Shares

The Underlying Shares to be issued pursuant to the exercise of the New Options subscribed to under this Prospectus are ordinary shares and will as from their allotment rank equally in all respects with all existing Shares.

The rights attaching to the Underlying Shares arise from a combination of the Company's Constitution, the Corporations Act, the ASX Listing Rules and general law. A copy of the Company's Constitution is available for inspection free of charge during business hours at its registered office.

A summary of the rights attaching to the Underlying Shares is set out below.

(a) Share Capital

All issued Shares rank equally and carry the same rights as the Existing Shares.

(b) Voting Rights

Subject to the Constitution and any rights or restrictions at the time being attached to a class of Shares, at a general meeting of the Company every Shareholder present in person, or by proxy, attorney or representative, has one vote on a show of hands, and upon a poll, one vote for each Share held and a fraction of a vote for each partly paid Share to the proportion which the amount paid (not credited) is of the total amounts paid and payable (not credited) on the Share held by the Shareholder. In the case of an equality of votes, the Chairman does not have a casting vote in addition to the Chairman's deliberative vote (if any).

(c) Dividends

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of Shares, the Company may from time to time pay dividends as the Directors resolve out of profits of the Company. All dividends must be declared and paid to Shareholders according to the amounts paid (not credited) on the Shares as a proportion of the total amount paid and not payable (not credited) on the Shares.

(d) Winding up

Subject to the rights of holders of shares with special rights, on a winding-up of the Company any surplus may be divided among Shareholders.

(e) Transfer of Shares

Generally, shares are freely transferable, subject to satisfying the requirements of the ASX Listing Rules, ASX Settlement Operating Rules and the Corporations Act. The Directors may decline to register any transfer of Shares or apply a holding lock to prevent a transfer but only where permitted to do so by the ASX Listing Rules, the ASX Settlement Operating Rules, or under the Company's Constitution.

(f) Calls on Shares

Where shares are issued as partly paid, the Directors may make calls upon the holders of those shares to pay the whole of or a portion of the balance of the issue price. If a shareholder fails to pay a call or instalment of a call, then subject to the Corporations Act and the ASX Listing Rules, the shares in respect of the call may be forfeited and interest and expenses may be payable in accordance with the Company's Constitution, the Corporations Act and the ASX Listing Rules or proceedings taken to recover the unpaid amount.

(g) Further Increases in Capital

Subject to the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and any rights attached to a class of Shares, the Directors of the Company may allot and issue Shares and grant Options, on any terms, at any time and for any consideration, as the Directors resolve without prejudice to any special rights of the holders of existing securities or class of securities.

(h) Variation of Rights

Subject to the Corporations Act, where shares of different classes are on issue, the rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or with the written consent of the holders of at least 75% of the issued shares in that class

(i) Meetings and Notices

Each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules.

4 RISK FACTORS

4.1 Overview

An investment in the Company is not risk free and investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Options. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Options.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

4.2 Future capital requirements

The Company's activities will require substantial expenditures. No assurance can be given that such capital will be available at all or available on terms acceptable to the Company.

If additional capital is raised by an issue of securities, this may have the effect of diluting Shareholders' interests in the Company. Any debt financing, if available, may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

4.3 Title risks

All prospecting, exploration and mining licences and titles in Uruguay are granted by the Government of Uruguay for finite periods of time. The Government is bound by strict rules of priority of application, and security of title once granted. However, Uruguay is a sovereign state, and there can be no guarantee that the Government of Uruguay will grant, continue to grant or respect mining titles and that the titles of the properties will not be challenged or negated for political or legal reasons. Individual titles expire from time to time and the Company manages the process of retaining its rights by re-application or conversion to other forms of title relevant to each stage of development. The process of re-application involves some risk however, as released titles must fall open before they can be re-applied for.

4.4 Overseas Risks

The Company's primary project is its joint venture with Orosur Mining Inc in Uruguay for iron ore, manganese ore and base metals. Investing and operating in foreign jurisdictions carry political, economic and other uncertainties, including but not limited to changes in mining and exploration policies or the personnel administering them, nationalisation or expropriation of property, cancellation or modification of contractual risk, foreign exchange restrictions, currency exchange rate fluctuation, royalty and tax increase and other risks arising out of foreign government sovereignty over the areas in which the Company's operations are conducted. Any of these factors could result in conditions that delay or in fact prevent the Company from exploring or ultimately developing any of its potential foreign projects.

4.5 Licences and permits

The Company's mining exploration activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licences, concessions, leases, tenements, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintaining of tenements, obtaining renewals, or getting tenements granted, often depends on the Company being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

4.6 Exploration and evaluation risks

The success of the Company depends on the delineation of economically minable reserves and resources in the Isla Cristalina Belt in Uruguay, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Company's existing exploration and mining tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining tenements.

4.7 Ability to exploit successful discoveries

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploration would involve obtaining the necessary licences or clearances from the relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploration may require participation of other companies whose interests and objectives may not be the same as the Company's.

4.8 Mining and development risk

Mineral exploration and mining are speculative operations that may be hampered by circumstances beyond the control of the Company. Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

4.9 Resource estimations

Resource estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made. Despite employing qualified professionals to prepare resource estimates, such estimates may nevertheless prove to be inaccurate. Furthermore, resource estimates may change over time as new information becomes available. Should the company encounter mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

4.10 Environmental risks

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing

operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures, or production costs, or reduction in levels of production at producing properties, or require abandonment or delays in development of new mining properties.

4.11 Joint venture parties, agents and contractors

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

4.12 Potential Acquisitions

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

4.13 Reliance on Key Personnel

The Company is reliant on key personnel employed or engaged by the Company. Loss of such personnel may have a material adverse impact on the performance of the Company. In addition, the recruiting of qualified personnel is critical to the Company's success. As the Company's business grows, it will require additional key financial, administrative, mining, marketing and public relations personnel as well as additional staff for operations. While the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

4.14 Insurance and uninsured risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons.

Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

4.15 Government regulation

The mining, processing, development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people, and other matters. Although the exploration and development activities of the Company are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

4.16 Mining is inherently dangerous and subject to conditions or events beyond the control of the Company, and any operating hazards could have a material adverse effect on its business

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including: environmental hazards; industrial accidents; metallurgical and other processing problems; unusual or unexpected rock formations; structure cave-in or slides; flooding; fires and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability.

Whether income will result from projects undergoing exploration and development programs depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development.

4.17 Commodity price and exchange rate risks

To the extent the Company is involved in mineral production the revenue derived through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are commonly denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

In addition to adversely affecting the reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

4.18 Economic risks

General economic conditions in Australia and internationally, movements in interest, inflation and currency exchange rates, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and

foreign taxation laws and changes to dividend imputation in Australia may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

4.19 Market conditions

The market price of the New Options and Underlying Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

4.20 Stock exchange prices

The market price of a publicly traded stock is affected by many variables not all of which are directly related to the success of the Company. In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies, has experienced wide fluctuations which have not necessarily been related to the operating performance or underlying asset values of such companies. There can be no assurance that such fluctuations will not affect the price of the Company's securities.

4.21 Liquidity risk

There may be relatively few buyers or sellers of securities on ASX at any given time. This may affect the volatility of the market price of the securities and the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Offer.

4.22 Other risks

Other risk factors include those normally found in conducting business, including litigation through breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel and other matters that may interfere with the Company's business or trade.

5 ADDITIONAL INFORMATION

Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in section 111 AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Options on the Company and the rights attaching to the New Options. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report of the Company for the financial year ended 30 June 2011, being the most recent annual financial report of the Company lodged with the ASIC before the issue of this Prospectus; and
 - (ii) any documents used to notify ASX of information relating to the Company in the period from lodgment of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2011 Annual Report on 30 September 2011:

Date	Description of Announcement
10 October 2011	ORS: Hogan's Project (WA) Ground Gravity Survey Results
18 October 2011	Appendix 3B
27 October 2011	Activities / Appendix 5B Sept Quarter
27 October 2011	Notice of Annual General Meeting
30 November 2011	Results of Annual General Meeting
9 December 2011	Appendix 3B
9 December 2011	Change of Director's Interest Notice x3
29 December 2011	Appendix 3B
29 December 2011	Change of Director's Interest Notice x3
30 December 2011	3B Amended
4 January 2012	Notice of Change of Interests of Substantial Holder
12 January 2012	Non-Renounceable Rights Issue
31 January 2012	Activities and Appendix 5B Quarter ended 31 December 2011
20 February 2012	Change of Director's Interest Notice x 2
20 February 2012	Appendix 3B
23 February 2012	Trading Halt
23 February 2012	Trading Halt Request
23 February 2012	Amended Market Release – Trading Halt
27 February 2012	Renounceable Rights Issue
8 March 2012	Half Year Report Dec 2011
9 March 2012	Rights Issue Prospectus
9 March 2012	Appendix 3B Rights Issue
23 March 2012	Prospectus Dispatch
2 April 2012	ORS: Company Update
13 April 2012	Rights Issue Completion
19 April 2012	Appendix 3B
19 April 2012	Appendix 3Y x 3

19 April 2012	Change in substantial holding
23 April 2012	Ceasing to be a substantial holder
24 April 2012	Becoming a substantial holder
26 April 2012	Change in Director's Interest Notice
26 April 2012	Change in substantial holding
30 April 2012	Quarterly Activities and Cashflow Report Mar 2012
1 May 2012	Change in substantial holding
2 May 2012	Notice of General Meeting of Members
8 May 2012	Investor Presentation
9 May 2012	Change in substantial holding
10 May 2012	Response to ASX Price Query
15 May 2012	Change in substantial holding
18 May 2012	Change in substantial holding
25 May 2012	Change in substantial holding
28 May 2012	Amendment to Notice of Meeting
31 May 2012	Results of General Meeting
1 June 2012	Substantial Shareholder
14 June 2012	Appendix 3B
14 June 2012	Appendix 3Y x 4 and Ceasing to be a Substantial Holder notice

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

5.2 Material Contracts

As at the date of this Prospectus, the Company has not entered into any material contracts relating to the business of the Company that have not been disclosed to the market.

5.3 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within two years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of New Options pursuant to this Prospectus; or
- (c) the Offer of New Options pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or securities or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer of New Options pursuant to this Prospectus.

Directors' direct and indirect interests in securities of the Company at the date of this Prospectus are:

Name	Security
Len Dean	545,455 Shares 900,000 Performance Rights 245,455 listed Options exercisable at \$0.10 before 30 June 2015
John Palermo	10,482,958 Shares 500,000 unlisted Options exercisable at \$0.35 before 6 July 2012 2,000,000 unlisted Options exercisable at \$0.50 before 6 July 2013 2,000,000 unlisted Options exercisable at \$0.70 before 6 July 2013 4,247,958 listed Options exercisable at \$0.10 before 30 June 2015 3,000,000 Performance Rights
Tim Adams	3,338,889 Shares 500,000 unlisted Options exercisable at \$0.35 before 6 July 2012 2,000,000 unlisted Options exercisable at \$0.50 before 6 July 2012 2,000,000 unlisted Options exercisable at \$0.70 before 6 July 2012 3,000,000 Performance Rights
Stuart Hall	545,455 Shares 900,000 Performance Rights 245,455 unlisted Options exercisable at \$0.10 before 30 June 2015
Daniel Bruno	390,909 Shares 107,500 unlisted Options exercisable at \$0.40 before 31 December 2012 750,000 unlisted Options exercisable at \$0.30 before 31 December 2012 750,000 unlisted Options exercisable at \$0.40 before 31 December 2012 175,909 listed Options exercisable at \$0.10 before 30 June 2015 500,000 Performance Rights

The Constitution of the Company provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Non-executive Directors and in default of agreement then in equal shares.

In the two years preceding lodgement of this Prospectus, \$1,657,464 (excluding GST where applicable) has been paid by the Company by way of remuneration for services provided by all Directors, companies associated with the Directors or their associates in their capacity as Directors, employees, consultants or advisers. Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

5.4 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, all other persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have, and have not had in the two years before the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- the Offer,

and no amounts have been paid or agreed to be paid (in cash or securities or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offer.

Allion Legal has acted as solicitors to the Company in respect of this Prospectus and is entitled to be paid \$5,000 (exclusive of GST) for services in relation to this Prospectus. In addition, Allion Legal has been paid \$153,632.50 (exclusive of GST) for the provision of professional services to the Company in the two years since the date of this Prospectus.

5.5 Experts and Advisers Consents

Allion Legal has given (and not before the date of this document withdrawn) its written consent to be named as the solicitor to the Company in this Prospectus. Allion Legal has not:

- authorised or caused the issue of this Prospectus;
- made, or purported to have made, any statement in this Prospectus or on which a statement in this Prospectus is based except as set out in this section; or

assumed the responsibility for any part of this Prospectus except as set out in this section and to the maximum extent permitted by law, expressly disclaims responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

References to RSM Bird Cameron Partners appear for information purposes only. RSM Bird Cameron Partners has not been involved in, authorised or caused the issue of this Prospectus.

References to Security Transfer Registrars Pty Ltd appear for information purposes only. Security Transfer Registrars Pty Ltd has not been involved in, authorised or caused the issue of this Prospectus.

5.6 Estimated Expenses of Offer

The estimated expenses of the Offer are approximately \$10,000 including legal fees, ASIC, ASX and printing costs.

5.7 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

5.8 Privacy Act

If you complete an Application Form for New Options, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your New Options in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company share registry.

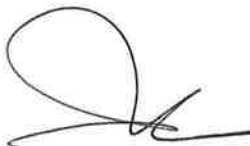
You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules. You should note that if you do not provide the information required on the application for New Options, the Company may not be able to accept or process your application.

5.9 Directors' Consent

Each Director has consented to the lodgement of this Prospectus with the ASIC.

Signed on behalf of the Directors pursuant to a resolution of the Board.

A handwritten signature in black ink, appearing to read 'John Palermo', with a large loop at the top and a horizontal line at the bottom.

John Palermo
Executive Director

6 CORPORATE DIRECTORY**Directors**

Len Dean (Non-Executive Chairman)
John Palermo (Executive Director)
Tim Adams (Executive Director)
Stuart Hall (Non-Executive Director)
Daniel Bruno (Non-Executive Director)

Company Secretary

John Palermo

Registered Office

Ground Floor
284 Oxford Street
Leederville
Western Australia 6007
Tel: +61 8 9443 1600
Fax: + 61 8 9443 9960
Email: info@gladiatorresources.com.au

Website: <http://www.gladiatorresources.com.au>

ASX Code: GLA

ABN: 58 101 026 859

Share Registry

Security Transfer Registrars Pty Ltd *
Alexandrea House
Suite 1
770 Canning Highway
Applecross WA 6153

Solicitors

Allion Legal
Level 2, 50 Kings Park Road
West Perth WA 6005

Auditors

RSM Bird Cameron Partners*
8 St Georges Terrace
Perth
Western Australia 6000

* This entity has not been involved in the preparation of this Prospectus and has not consented to being named in the Prospectus. Its name is included for information purposes only

7 GLOSSARY

"A\$", "\$" and **dollars** means Australian dollars, unless otherwise stated.

Application means an application for New Options pursuant to the Application Form.

Application Form means the Application form attached to or accompanying this Prospectus.

Application Money means the money received from investors in respect of their Application.

ASIC means the Australian Securities and Investments Commission.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

ASX Settlement Operating Rules means the settlement rules of ASX Settlement.

ASX means ASX Limited (ABN 98 008 624 691) or the market operated by that entity.

Board means the board of Directors.

Business Day means a day on which trading takes place on the stock market of ASX.

CHESS means ASX Clearing House Electronic Sub-registry System.

Closing Date means 5.00pm (WST) on 25 June 2012 or such other date as may be determined by the Directors under this Prospectus.

Company means Gladiator Resources Ltd ABN 58 101 026 859.

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means directors of the Company at the date of this Prospectus.

Existing Share means a fully paid ordinary share in the capital of the Company on issue as at the Record Date.

Listing Rules or ASX Listing Rules means the Listing Rules of the ASX.

New Option means an Option exercisable at \$0.10 on or before 5pm (WST) on 30 June 2015, to be listed on ASX.

Offer means the offer of New Options pursuant to this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means 19 June 2012.

Option means an option to subscribe for a Share.

Prospectus means the prospectus constituted by this document.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

Underlying Shares means Shares allotted and issued upon the exercise of the New Options issued pursuant to this Prospectus.

US Securities Act means the United States Securities Act of 1933, as amended.

WST means Western Standard Time.