



GLADIATOR RESOURCES LTD

12 January 2012

NON-RENOUNCEABLE RIGHTS ISSUE

Corporate Summary

ASX Code: GLA
Issued Capital: 123.4 Million

Contact Details

**Level 1, 284 Oxford Street
LEEDERVILLE
Western Australia 6007**

Tel: +61 8 9443 1600
Fax: +61 8 9242 5903

www.gladiatorresources.com.au

URUGUAY OFFICE

**Ferrominas SA
Cooper 1938 (Carrasco)
11.500 Montevideo**

Tel: +598 2600 5205
Fax: +598 2604 8430

Enquiries

**Len Dean
Chairman
ldean@gladiatorresources.com.au**

**John Palermo
Director/Secretary
jpalermo@gladiatorresources.com.au**

**Tim Adams
Executive Director
tadams@gladiatorresources.com**

**Daniel Bruno
Director
dbruno@gladiatorresources.com**

**Stuart Hall
Director
shall@gladiatorresources.com.au**

Gladiator Resources Limited (ASX: GLA) (**Company**) is pleased to announce that it intends to undertake a non-renounceable rights issue of approximately 68.6 million shares (**Rights Issue**). The Rights Issue will raise approximately \$6.2 million (before costs and assuming full take up under the Rights Issue).

Under the proposed Rights Issue, eligible shareholders will be entitled to subscribe for five (5) new shares (**New Shares**) for every nine (9) shares held at the record date, at the issue price of \$0.09 each. Applicants for New Shares will receive one free attaching option (**New Option**) for every New Share subscribed for under the Rights Issue.

The New Options to be issued under the Rights Issue will be exercisable at \$0.125 on or before 5.00pm (WST) on the third anniversary of the issue date of the New Options. The Company will be seeking ASX quotation of the New Shares and New Options.

All shareholders registered as at 5pm (WST) on the record date with a registered address in Australia or New Zealand (**Eligible Shareholders**) will be given the opportunity to participate in the Rights Issue. A copy of the Prospectus together with an application form will be mailed to all Eligible Shareholders later this month.

The Company is in discussions with parties who may fully or partially underwrite the Rights Issue. The Company will announce further details of any underwriting when such details are known. There is no assurance that the Rights Issue will be underwritten.

Use of Proceeds

The funds raised (assuming full take up of entitlements) under the Rights Issue will be applied as follows:

- | | | |
|-----|--|---------------|
| (a) | On-going exploration | \$1 million |
| (b) | Engineering and metallurgical testing | \$1 million |
| (c) | Advancing the bankable feasibility study on the Isla Cristalina joint venture project (Project) in Uruguay, which upon completion will allow the Company to acquire an additional 29% in the Project from Orosur Mining Inc and increasing the Company's interest in the Project to 80%. | \$3 million |
| (d) | Working capital | \$1.2 million |

Total proceeds before costs **\$6.2million**

Level 1, 284 Oxford Street, Leederville, Western Australia 6007
Tel: (+61 8) 9443 1600 Fax: (+61 8) 9242 5903 www.gladiatorresources.com.au

ABN 58 101 026 859

The Company intends to announce the final terms and timetable for the Rights Issue when the prospectus is lodged.

- Ends -

For further information:

Gladiator Resources Limited

www.gladiatorresources.com.au

Level 1, 284 Oxford Street

Leederville WA 6007

Tel: +61 8 9443 1600

Fax: +61 8 9242 5903