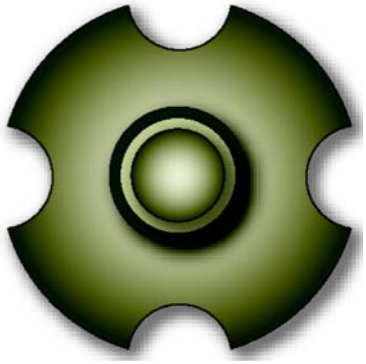

GLADIATOR RESOURCES LIMITED

(ABN 58 101 026 859)

INTERIM FINANCIAL STATEMENT
31 DECEMBER 2012

GLADIATOR RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

CONTENTS

GLADIATOR RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

The directors present their financial report on the consolidated entity consisting of Gladiator Resources Limited and its controlled entities for the half-year ended 31 December 2012.

DIRECTORS

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

Robert Timothy Adams	
Daniel Bruno	
David Anthony Argyle	(appointed: 7 December 2012)
Alec Christopher Pismiris	(appointed: 7 December 2012)
Mark Gordon	(appointed: 17 December 2012)
John Palermo	(resigned: 30 November 2012)
Stuart John Hall	(resigned: 7 December 2012)
Leonard Dean	(resigned: 17 December 2012)

REVIEW OF OPERATIONS

OVERVIEW

Significant achievements during the reporting period included an update of the Mineral Resources and the completion of the pre-feasibility study on the Zapucay Pig Iron Project located within the Isla Cristalina Belt in Uruguay. The Project is subject to the Isla Cristalina Joint Venture with Orosur Mining Inc in which Gladiator has a 51% interest and the right to earn 80% through the successful completion of a Definitive Feasibility Study by 31 December 2014.

During September 2012, SRK Consulting (UK) Limited (SRK) completed an update of the Mineral Resource estimate for the Zapucay Project. The JORC compliant Indicated and Inferred Mineral Resource of 69.4 million tonnes at an average grade of 26.5% Fe is based on 26,147m of drilling completed during the period August 2010 to December 2011.

The Pre-Feasibility Study (PFS) was finalised during October 2012 and indicates the technical and financial viability of developing the Zapucay Project in Uruguay to produce Merchant Pig Iron (MPI) and Iron Ore Pellets for export.

Key aspects of the Pre-Feasibility Study include:

- Current known resources sufficient to sustain annual production of 420,000 tonnes of MPI and 570,000 tonnes of pellets for over 19 years with scope to increase the resource base and project life;
- A favourable Internal Rate of Return of 20% before tax;
- The high quality of the MPI and pellets should ensure ready acceptance in the world market for these products with major end users indicating interest for offtake contracts;
- Gladiator has an exclusive worldwide licence for the use of environmentally sound DPC pyrolysis technology for charcoal production;

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

- The project has a flexible scale of development, with the potential to be scaled up or down without losing its competitive cost position;
- Project logistics based on existing infrastructure; and
- The regulatory and environmental approvals and permitting process for the Project have commenced.

During the period, under review work was also initiated on preparations for the feasibility study and this commenced with a review of the PFS with the aim of identifying areas where significant cost savings could be made and areas where additional information is required. Discussions also commenced with various consultants with respect to resource evaluation, mining and engineering studies for the concentrator, pellet plant and mini blast furnace.

The modular nature of the plant design enables consideration to be given to a reduced scale for an initial development, with reductions in capital and operating costs. The Company is considering the merits of a project producing Merchant Pig Iron (MPI) only, using a single mini blast furnace. This would allow the project to focus on the production of the higher value MPI, which has a higher profit margin and eliminate the production and sale of surplus lower value/low margin iron ore pellets.

Other work initiated during this period included:

- Planning additional resource drilling to increase confidence level of known resources to Indicated and Measured as required for the feasibility study;
- Engaging the services of a consultant to update mineral resource estimates as drilling programmes are completed;
- Preparation and shipping of a 14 tonne bulk sample to Perth for pilot plant test work and the generation of magnetite concentrate for pelletisation test work;
- Work commenced on the redesign of the DPC charcoal kilns with the objective of reducing capital costs and simplifying construction; and
- Discussions commenced with the Uruguayan port and rail authorities regarding the proposed new port near Montevideo, which has the potential to reduce project transportation costs.

Exploration work for iron and base metals within the Isla Cristalina Belt continued within the joint venture tenements and also in tenements 100% owned by the Company. Interpretations of remote sensing and geophysical data sets were completed and these identified targets for field checking.

During November 2012, the Company accepted an offer from Octagonal Resources (WA) Pty Ltd, a wholly owned subsidiary of Octagonal Resources Limited to purchase Gladiator's 30% interest in its Hogan's Project tenements approximately 25kms east of Kambalda in Western Australia. Upon completion of the transaction, Gladiator received 1,500,000 fully paid shares in Octagonal Resources Limited.

With the disposal of its interest in the Hogan's project, the Company will focus its attention on progressing the Zapucay Merchant Pig Iron Project in Uruguay.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

Corporate Changes

During the half-year, there were a number of changes to the Directors of the Company with Mr John Palermo not seeking re-election as a Director at the Company's annual general meeting, and the resignations of Mr Stuart Hall and Mr Leonard Dean as Directors. Mr David Argyle, Mr Alec Pismiris and Mr Mark Gordon were subsequently appointed as Directors of the Company.

Mr Andrew Bursill was appointed Company Secretary replacing Mr John Palermo on 31 December 2012. The Company also changed its registered office to Suite 4, Level 9, 341 George Street, Sydney, NSW, 2000.

IRON ORE, MANGANESE, BASE METALS

ISLA CRISTALINA JOINT VENTURE, URUGUAY

Interest: Gladiator Resources Limited earning up to 80%
Operator: Gladiator Resources Limited

PROJECT OVERVIEW AND BACKGROUND

The Zapucay Merchant Pig Iron Project is located approximately 450kms north of Montevideo, the capital of Uruguay and 50kms from the border of Brazil (Figure 1). The Project is subject to the Isla Cristalina Joint Venture with Orosur Mining Inc in which Gladiator has a 51% interest and the right to earn 80% through the successful completion of a Definitive Feasibility Study by 31 December 2014.

Figure 1: Location of the Zapucay Project and the Isla Cristalina Belt (ICB) in Uruguay

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

The joint venture tenements cover an area of approximately 750kms^2 within the Isla Cristalina Belt (ICB). Gladiator has applications for two prospecting permits covering an additional 150kms^2 in the area. The Isla Cristalina Belt is a Palaeoproterozic orogenic belt located in Northern Uruguay and hosts a number of magnetite deposits, several of which are located within the Zapucay Project area.

The Project's development is based on mining and processing the magnetite resources from the Papagayo, Buena Orden and Iman magnetite deposits in the Zapucay region to produce merchant pig iron (MPI) for export. The concept envisages that the iron ore will be mined and processed to an iron concentrate, which will then be pelletised to make it suitable as a blast furnace feed. Charcoal, produced using the timber from nearby plantations will be used as the reductant in the mini blast furnace. The pig iron will then be exported using the established rail and port infrastructure.

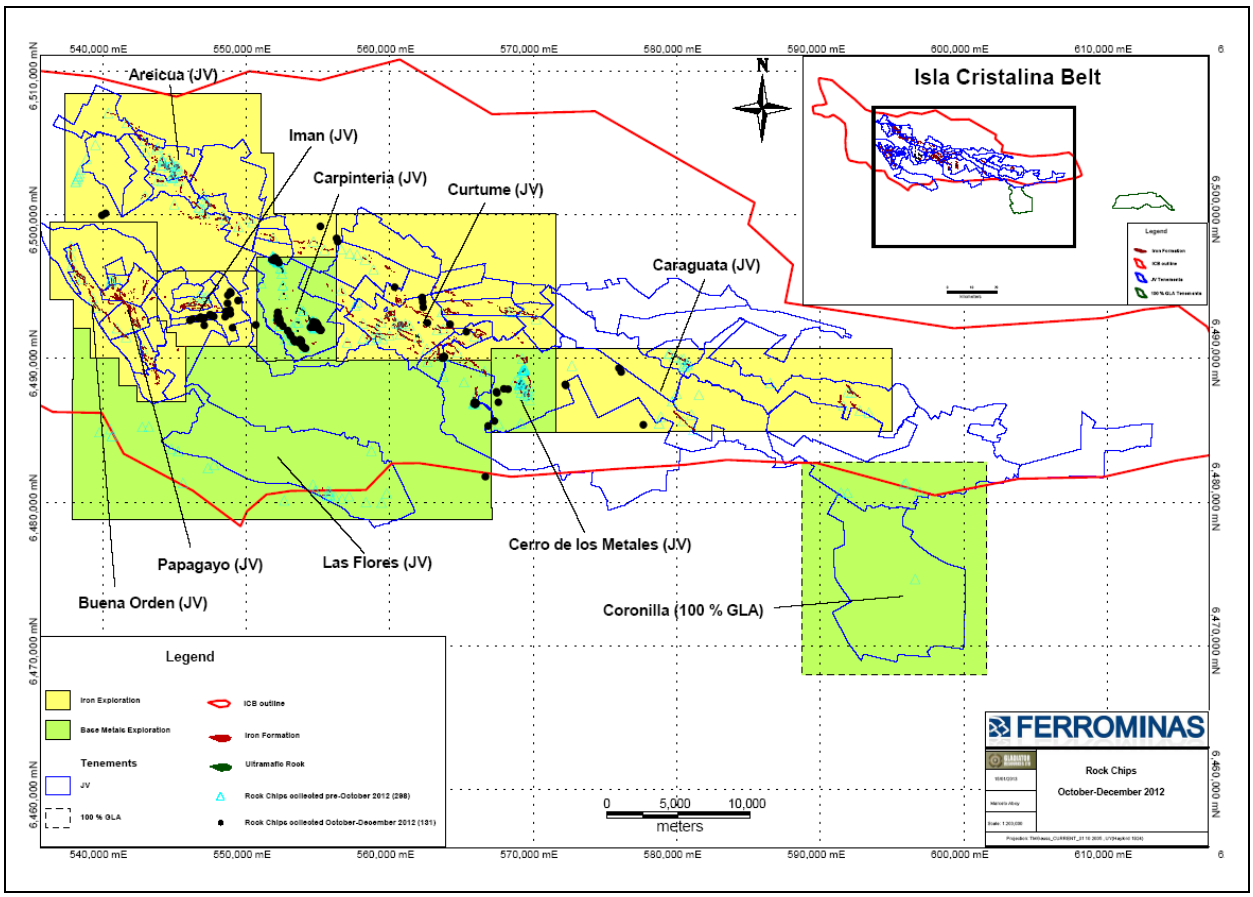

Figure 2: Location of Joint Venture & 100% GLA Tenements - Iron & Base Metal Projects

Additional magnetite resources are present nearby at Areicua and Curtume (Figure 2) and subject to drill evaluation they have the potential to become standalone projects or enable expansion of the Zapucay Project.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

ACTIVITIES UNDERTAKEN DURING THE REPORTING PERIOD

The following activities were undertaken within the Joint Venture tenements during the six months ending 31 December 2012:

Zapucay Merchant Pig Iron Project

- Mineral resource update for Zapucay Project completed by SRK Consulting (UK) Limited;
- Pre-Feasibility Study successfully completed and indicates technical and financial viability of the Zapucay Pig Iron Project;
- Discussions underway with various groups on resource evaluation, mining and engineering for feasibility study;
- 14 tonne bulk sample of drill core and RC drill chips prepared and shipped to Perth for pilot plant test work and production of magnetite concentrate for pelletisation test work;
- Head assay results received for 510 samples from 69 drill holes;
- Preliminary interpretation of ground magnetic data completed and indicates potential for additional magnetite mineralization;
- Discussions ongoing with Uruguayan port and rail authorities regarding their proposed new port near Montevideo, which has the potential to reduce project transportation costs; and
- Uruguayan Department for the Environment advised acceptance of Zapucay project submission and has invited Company to proceed with final project submission.

Isla Cristalina Belt – Base Metal Exploration

- Remote sensing study completed and field checking of targets commenced;
- Geophysical data interpretation completed and indentifies targets for field checking; and
- Mapping and sampling undertaken at Carpinteria, Cerro de los Metales, Curtume and Iman South.

ZAPUCAY MERCHANT PIG IRON PROJECT

Mineral Resources

During September 2012, SRK Consulting (UK) Limited (SRK) completed an update of the Mineral Resource Estimate at the Zapucay Project. This update was announced to the market on 7 September 2012 and follows on from a previous estimate completed by Coffey Mining Pty Ltd (Brasil) announced in June 2011. The JORC compliant Indicated and Inferred Mineral Resource of 69.4 million tonnes at an average grade of 26.5% Fe is based on 26,147m of drilling completed during the period August 2010 to December 2011.The drill program included 55 holes (3,634m) at Iman and 240 holes (22,513m) at the Buena Orden and Papagayo ridges (Figure 3).

Figure 3 shows the location of the principal magnetite deposits within the Zapucay project area, the distribution of magnetite mineralisation and the area of drilling and geological modeling superimposed on an aeromagnetic image.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

The Buena Orden and Papagayo ridges have a minimum combined strike length of approximately 12 kilometres and dip steeply to the southwest, whilst Iman strikes east-west for 2 kilometres and dips steeply to the south. The mineralisation in all deposits is open down dip.

The drill holes were logged and sampled at one-meter intervals by Company geologists and laboratory staff at the nearby Orosur mine site carried out sample preparation. Negron Laboratory in Perth completed X-ray fluorescence (XRF) assay and Davis Tube Recovery (DTR) determinations on all drill samples.

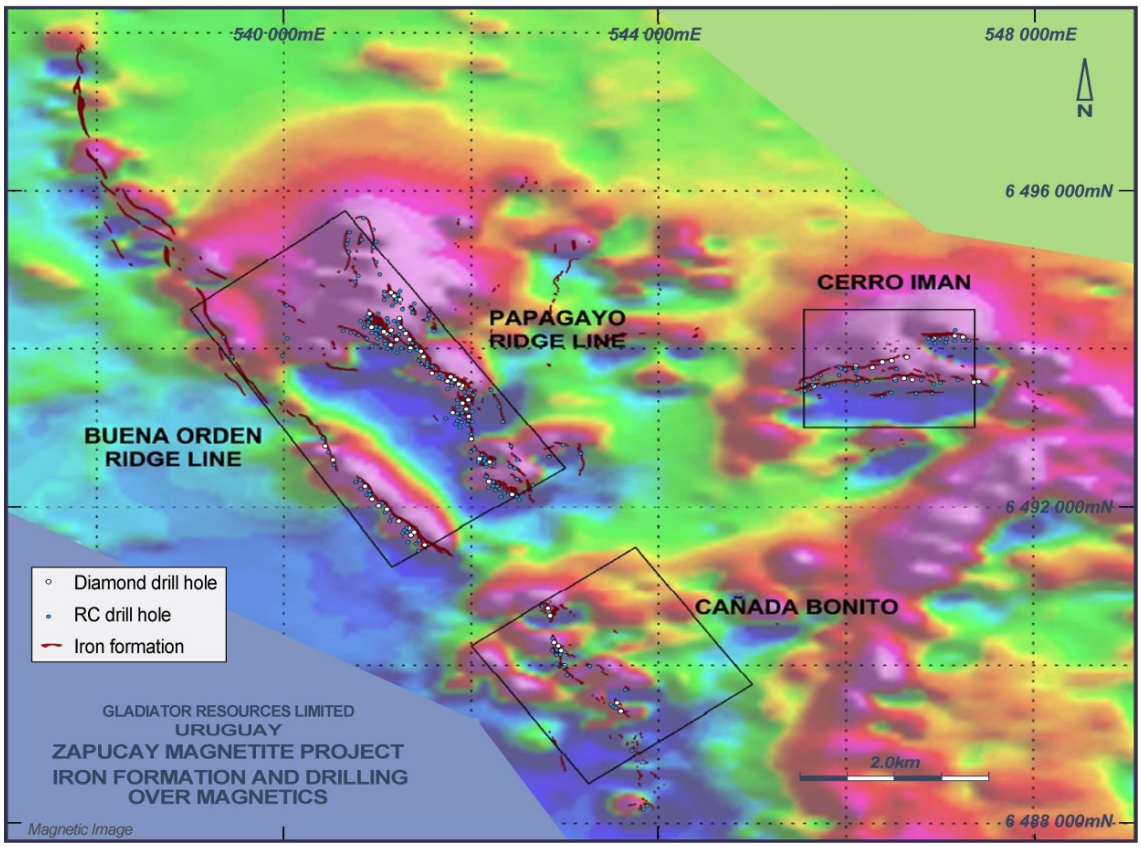

Figure 3: Zapucay Project – Location of Magnetite Deposits, Drilling & Airborne Magnetics

Based on the drill results, SRK plotted a series of cross sections at an approximate spacing of 100m to create geological models for Papagayo-Buena Orden and Iman. SRK defined a block model for each of these mineralised areas, with a block size of 50m x 50m x 10m and the resource and grade were estimated using Ordinary Kriging for all variables. No grade capping was applied during the grade estimation process. Average rock densities of 3.28t/m^3 and 3.24t/m^3 were derived for Iman and Papagayo-Buena Orden respectively based on 2,256 drill core density measurements.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

The SRK JORC compliant Mineral Resource statement is summarised in Table 1. A lower cut-off of 15% Fe was applied however the mineralised boundaries are very sharp. In addition, the Mineral Resource Statement is reported inside an optimised pit shell, based on anticipated mining costs and recoveries generated by Gladiator. Significantly, within the optimised pit shell some 5.4 million tonnes grading 25.8% Fe at Cerro Papagayo are classified as Indicated Mineral Resources, with the remainder of the modeled mineralisation classified as Inferred Mineral Resources.

Table 2 shows the resource converted into magnetically recoverable fractions and resultant concentrate grades using DTR determinations and confirms the high quality of the contained magnetite with very low levels of phosphorus.

SRK considers that the Mineral Resources meet the criteria of having reasonable prospects for eventual economic extraction, as defined by the JORC code, through the derivation of an optimised pit shell and the application of a cut-off grade.

TABLE 1
ZAPUCAY PROJECT
MINERAL RESOURCE STATEMENT – (SRK 2012)
(Based on 15% Fe lower cut-off & depth constraints as noted in table)

Resource Classification	Tonnes Million	DTR (%)	Assay (%)					
			Fe	SiO_2	Al_2O_3	Mn	P	LOI
Iman *(0 – 150m depth from surface)*								
Inferred	15.2	38.3	29.2	37.8	3.4	5.3	0.10	0.7
Papagayo and Buena Orden *(0 - 190m depth from surface)*								
Indicated	5.4	29.1	25.8	38.8	4.1	6.4	0.09	1.2
Inferred	43.9	31.0	25.9	38.8	3.9	5.6	0.09	1.5
Buena Orden South *(0 - 190m depth from surface)*								
Inferred	4.9	33.3	23.8	40.5	4.5	5.6	0.09	2.4
Total	**69.4**	**32.6**	**26.5**	**38.7**	**3.8**	**5.6**	**0.09**	**1.4**

TABLE 2
ZAPUCAY PROJECT
MINERAL RESOURCE DTR MAGNETIC FRACTION – (SRK 2012)
(No lower cut-off applied)

Deposit	Tonnes Million	Assays % (Estimated from DTR composites)				
		Fe	SiO_2	Al_2O_3	Mn	P
Cerro Iman	5.8	63.8	3.9	0.4	2.3	0.01
Cerro Papagayo	15.2	62.9	4.8	0.6	1.6	0.01
Buena Orden	1.6	60.2	7.4	0.9	1.9	0.01
Total	22.6	63.0	4.7	0.6	1.8	0.01

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

Pre-Feasibility Study

The Pre-Feasibility Study (PFS) for the Zapucay Pig Iron Project was finalised by mid October 2012 and announced to the market on 18 October 2012. The PFS demonstrated the robust economics of the Project based on the annual production of 420,000 tonnes of MPI and 570,000 tonnes of iron ore pellets over a period of at least 19 years. Financial analysis indicates a favourable internal rate of return of 20% before tax.

Marketing studies indicate that demand for MPI should increase at a rate equal to or greater than the growth in global crude steel production over the period to 2020. The high quality of the MPI and pellets should ensure ready acceptance in the world market for these products with major end users indicating interest for off-take contracts.

Capital costs are estimated at US$455 million and operating costs at US$276 per tonne of MPI and US$111 per tonne of pellets. The Project has flexibility in its development options, whereby it has the potential to be developed at a reduced capital cost of approximately US$200 million, without losing its competitive cost advantage.

The main aspects and findings of the PFS are summarised below.

Mining and Processing

The deposits will be mined using conventional open pit mining methods with hydraulic excavators and off road haul trucks. At the planned ore production rate of 3.6 million tonnes per annum (Mtpa) there are sufficient resources for an expected mine life of 19 years with scope to significantly increase the resource base and project life.

The two ore types, low and high manganese respectively, will be processed in a conventional magnetite concentrator to produce low and high manganese concentrate for pelletisation. The concentrator flow sheet has been based on the results of a comprehensive program of metallurgical testwork completed over the past two years. Table 3 shows the expected concentrate quality from the low and high manganese ores from Papagayo and Iman. The quality of the concentrates is excellent with very low phosphorus and sulphur contents.

TABLE 3
ZAPUCAY PROJECT
FORECAST MAGNETITE CONCENTRATE QUALITY

Constituent	Ore Type			
	Papagayo Low Mn	**Papagayo High Mn**	**Iman Low Mn**	**Iman High Mn**
Fe %	69.24	66.66	69.88	67.20
SiO_2 %	1.22	1.15	0.85	1.57
AI_2O_3 %	0.13	0.19	0.25	0.29
MnO %	1.93	5.11	1.28	3.96
S %	0.002	<0.001	0.009	0.001
P %	0.002	0.002	0.003	0.001

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

Pelletisation

The two concentrates will be campaigned through a grate kiln pellet plant using pulverised charcoal as fuel to produce low and high manganese pellets. The indicative chemistries for fully fluxed and acid pellets for low and high manganese ores from Papagayo and Iman are shown in Table 4.

TABLE 4
ZAPUCAY PROJECT
PAPAGAYO & IMAN LOW AND HIGH MANGANESE ORES
INDICATIVE CHEMISTRY FOR FULLY FLUXED AND ACID PELLETS

Constituent	Fully Fluxed Pellets		Acid Pellets	
	Average Low Manganese	Average High Manganese	Average Low Manganese	Average High Manganese
Fe %	65.77	63.38	66.72	64.46
SiO_2 %	1.49	1.77	1.56	1.85
AI_2O_3 %	0.30	0.31	0.32	0.34
Mn %	1.15	3.16	1.17	3.21
P %	0.003	0.002	0.003	0.002
S %	0.005	0.003	0.005	0.005

Mini Blast Furnace

Fully fluxed pellets will be converted to MPI in mini blast furnaces designed to use charcoal as the reductant. The Company envisages the construction of two furnaces each with a production capacity of 210,000 tonnes of MPI per year. Charcoal based mini blast furnaces of this size are common in Brazil. The furnaces will have the ability to generate a high temperature blast and also fuel an electricity cogeneration plant, which will provide over one third of the electricity demand of the Project.

Indicative specifications of basic pig iron and MPI from the low and high manganese ores are shown in Table 5. The low manganese ore produces a product very similar to basic pig iron but with extremely low phosphorus and sulphur. The manganese level can be controlled by grade control and the typical pig iron product from the project will be a basic pig iron with very low levels of phosphorus and sulphur.

TABLE 5
ZAPUCAY PROJECT
INDICATIVE PIG IRON CHEMISTRY

Constituent	Basic Pig Iron Specification Grade %	MPI from Low Mn Ore Grade %	MPI from High Mn Ore Grade %
Iron	>93	93.8	92
Carbon	3.5 to 4.5	4.2	4.2
Silicon	<1.5	0.6	0.6
Manganese	0.5 to 1.0	1.0 to 1.2	3.0 to 3.2
Sulphur	<0.05	<0.01	<0.01
Phosphorus	<0.12	<0.01	<0.01

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

Charcoal Production

Charcoal production will be undertaken in dedicated facilities using DPC pyrolysis technology. Gladiator has the exclusive worldwide license for the use of this technology outside of Brazil. Unlike traditional charcoal making methods, the DPC process is much more energy efficient, translating to a significant increase in yield. The DPC process has very low gas emissions and is therefore environmentally sound when compared to traditional charcoal making processes. The majority of charcoal produced will be consumed in lump form in the mini blast furnace with charcoal fines being used in the pellet plant. This ensures that all charcoal produced, lump and fines will be consumed by the Project.

Timber supply for the charcoal plant will be obtained from the commercially operated plantations located in the northern and central regions of Uruguay, with a focus on the small diameter thinnings which otherwise have little or no market value.

Project Logistics and Infrastructure

It is proposed to truck the MPI and pellets from site to a loading facility on the rail line near the border with Brazil, a distance of approximately 98 kilometres. From there the products will be railed to the Port of Rio Grande in Brazil, a distance of 687 kilometres (Figure 4). The export terminal has a draft of up to 12 metres and is currently serviced by Handymax and Panamax sized ships.

The Uruguayan government-owned, national electricity provider will supply electricity to the Project. A high voltage line currently supplies power to a nearby gold mine located to the west of the Zapucay Project site. To connect the Project to the national grid, 22 kilometres of 150 kV power line will be constructed.

Process water for the Project will be sourced from a number of water supply dams that will be constructed within the Project site. These dams will collect and store rainfall from across the Project site. The average annual rainfall in the area is estimated at approximately 1,300 mm and is relatively consistent throughout the year.

Figure 4: Product Transport Logistics

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

The work force for the Project will be sourced from the local region, which is home to several towns and farming communities. It is envisaged that a permanent accommodation camp will be established for drive in/drive out employees.

Overall PFS Financial Results
Assumptions used in the preparation of the PFS are listed in Table 6.

TABLE 6
ZAPUCAY PROJECT
ASSUMPTIONS USED IN PRELIMINARY FEASIBILITY STUDY

Resource (Inferred and Indicated)	66.7 million tonnes
Average waste: ore ratio	3.37:1
Average waste: ore ratio (over first 14 years)	2.9:1
Average Weight Recovery to concentrate	33%
Ore Production Rate	3.6 million tonnes per year
Mini Blast Furnaces Productivity	210,000 tonnes per year
Overall Employment Estimates	654 persons
Life of Mine	19 years
Overall Production Costs	US$276 / tonne of MPI & US$111 / tonne of pellets
Estimated Overall Capital Cost	US$455 million
Forecast average price for MPI	US$475 per tonne (fob)
General corporate income tax rate	25%
Nominal mineral royalty rate	5% of the sale price for magnetite concentrate
Project Internal Rate of Return (IRR)	19% post tax

Grant Thornton in Uruguay was commissioned by the Company to undertake a review of the project. The review assessed the potential for the Project to access the Uruguayan Government's investment incentive schemes, the impact of potential taxation changes in Uruguay and the overall Project cash flows and financial returns.

Based on the review a substantial portion of the capital investment will be eligible for consideration under the investment scheme, which will provide tax advantages for the Project.

Capital Expenditure
The PFS has identified an initial capital cost of US$455 million. Of this, US$378 million will be upfront, with the balance expended over the first year of operations. Table 7 summarises the estimated capital expenditure breakdown for the Project.

REVIEW OF OPERATIONS *(continued)*

TABLE 7 ZAPUCAY PROJECT CAPITAL COST (US $Millions)	
Item	**Capital cost US $millions**
Mining and infill drilling	15.10
Concentrator	73.17
Charcoal plants	66.09
Pellet plant	55.80
Blast furnaces	75.40
Material handling and product logistics	27.58
Site infrastructure and general	58.01
Owners cost	26.75
Contingency	56.79
Total	**454.69**

The Project has a flexible scale of development, with the potential to be scaled up or down without losing its competitive cost position. Significantly, in the case of a smaller development, the overall operating costs per tonne of product are not expected to increase. This is due to the potential to lower the Waste: Ore ratio in the mine, thus reducing overall mining costs and offsetting any increases in operating costs that may result due to fewer economies of scale. The capital cost of a development option consisting of a single Mini Blast Furnace is forecast at US$200 million.

Operating Costs

The overall production costs are estimated at US$276 per tonne of MPI and US$111 per tonne of pellets and are summarised in Table 8.

TABLE 8 ZAPUCAY PROJECT OPERATING COSTS FOR MERCHANT PIG IRON (MPI) & PELLETS			
Merchant Pig Iron		**Iron Ore Pellets**	
Area	**Cash Operating Cost** (US$ per tonne MPI, fob)	**Area**	**Cash Operating Cost** (US$ per tonne pellets, fob)
Pellets	94	Mining	20
Charcoal	120	Concentrator	24
Other	32	Pelletising	18
Logistics	49	Logistics	49
Power Credits	-18		
Total	**277**	**Total**	**111**

Financial Result

The expected Financial Result is shown in Table 9, indicating the robustness of the Project over a range of price forecasts.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

TABLE 9 ZAPUCAY PROJECT FINANCIAL RESULT				
Scenario	**NPV @ 10%**		**IRR**	
	Before Tax (US $millions)	**After Tax (US $millions)**	**Before Tax (US $millions)**	**After Tax (US $millions)**
Average forecast price	309.9	253.6	20	19
Downside price	154.8	116.1	15	14
Upside price	524.1	445.9	26	24

Market Dynamics for Merchant Pig Iron

The Company commissioned Ferrum Consultants Ltd to review the global market for MPI and provide advice on future demand and likely prices. Based on this advice, Gladiator has concluded that the likely price for MPI is approximately US$475 per tonne (fob), moving within a range of US$400 to US$550 per tonne over the short to medium term after which general steel industry trends will drive the price. Demand for MPI is predicted to increase at a rate equal to or greater than the growth in global crude steel production over the period to 2020.

Gladiator should have a competitive advantage over many of its competitors due to its high quality iron ore supply, superior quality product with low content of phosphorus and sulphur as well as the ability to produce low cost charcoal using the DPC process.

Approvals Status

The Company lodged its Project Communication Document (PCD) with the Uruguayan Department for the Environment in March 2012. This document summarises the proposed development at Zapucay and the related baseline environmental data. Lodgement of the document represents the first stage of the environmental approvals process. The Department accepted the document as a sufficient description of the project, which initiated the Project approvals process.

At the end of September 2012, the Uruguayan Department for the Environment advised Gladiator that they accepted the project submission and invited the Company to proceed with the final project submission.

Feasibility Study

Planning is underway for the preparation of the feasibility study and this commenced with a review of the PFS with the aim of identifying areas where significant cost savings could be made and areas where additional information is required. Discussions have also commenced with various consulting groups with respect to resource evaluation, mining and engineering studies for the concentrator, pellet plant and mini blast furnace required for the feasibility study. The objective of this work is to assist in defining the full scope for the feasibility study.

The modular nature of the plant design enables consideration to be given to a reduced scale for an initial development, with reductions in capital and operating costs. The Company is considering the merits of a project producing Merchant Pig Iron (MPI) only, using a single mini blast furnace. This would allow the project to focus on the production of the higher value MPI, which has a higher profit margin and eliminate the production and sale of surplus lower value/low margin iron ore pellets.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

A review of ground magnetic data for the project areas has been undertaken to identify targets for additional resource drilling to be carried out for the feasibility study. The principal objective of the next phase of resource drilling is to increase the confidence levels of the known resources at Papagayo, Buena Orden and Iman to Indicated and Measured Resources as required for the feasibility study. The Company has engaged the services of South American Management Services SA (SAMSA) to assist the Company in achieving this objective by planning drill programmes and updating mineral resource estimates as drilling programmes are completed.

A 14 tonne bulk sample of drill core and RC drill chips has been prepared and shipped to Perth by sea freight. The material will be used for one or more samples for pilot plant test work, which will confirm the concentrator flowsheet and provide samples of material for calculation of engineering parameters. The pilot plant will also generate samples of concentrate for pelletisation test work.

Work has also commenced on the redesign of the DPC charcoal kilns with the objective of reducing capital costs and simplifying construction. The Company is also assessing the merits of constructing a demonstration plant to undertake large-scale test work, the objectives of which would be:

- To assess the viability of the design for production scale plants;
- To assess the potential to increase charcoal yield above that assumed in the pre-feasibility study; and
- To demonstrate the technology to potential third party users. To date interest in the technology has been expressed from parties in Chile, Portugal, Dominican Republic, Uruguay and Indonesia.

Discussions are also underway with the Uruguayan port and rail authorities regarding their proposed new port near Montevideo, which has the potential to reduce project transportation costs.

ISLA CRISTALINA BELT - BASE METAL EXPLORATION

Exploration for base metal mineralisation is continuing at several locations within the ICB. During the period under review, the British Geological Survey (BGS) was commissioned to undertake a remote sensing study to map alteration and lithology over the ICB and the marginal basin areas. The BGS used ASTER imagery for the area to identify and rank targets for follow up exploration. An updated interpretation of airborne magnetic and radiometric datasets and ground magnetic data was also commissioned during this period.

The priorities for the studies were:

- Mapping for banded iron formations across the ICB;
- Lithological and structural mapping, using radiometric data;
- Identification of potential ultramafic lithologies with potential for nickel sulphide mineralisation; and
- Interpretation of potential iron-oxide copper gold (IOCG) targets.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

The studies identified and prioritised several areas of interest for exploration for base metal mineralisation within the ICB including Carpinteria, Carpinteria North, Curtume and Cerro de los Metales (Figure 5). 41 IOCG targets have been interpreted on the ICB, which includes a cluster of 28 targets located east and south of Cerro Iman.

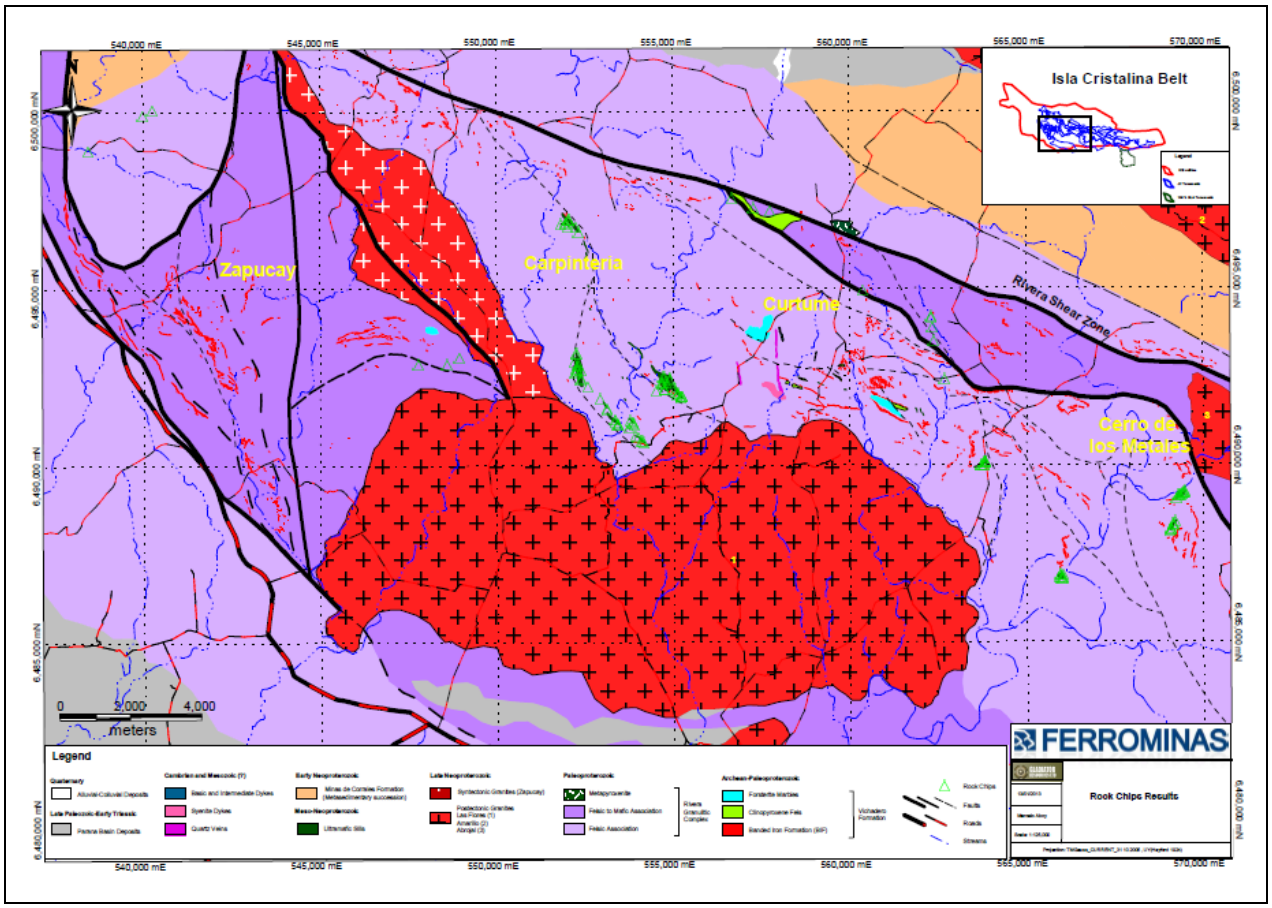

Figure 5: Base Metal Exploration Areas – Zapucay, Carpinteria, Curtume & Cerro de los Metales

BIOMASS PYROLYSIS TECHNOLOGY

LICENSING RIGHTS TO DPC PROCESS

DPC Process and Zapucay Project

DPC is assisting Gladiator in the preparation of the various technical and environmental studies associated with charcoal production for the Zapucay Project.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

PROJECT OVERVIEW AND BACKGROUND

Licensing Agreement
During July 2010, the Company entered into an agreement, "The Patent Technology and Know-How Licence Agreement", with the inventors of the DPC biomass pyrolysis process.

The licence grants to Gladiator the worldwide rights, with the exclusion of Brazil, in the field of carbonisation and pyrolysis of biomass, mainly wood and other materials (with the exception of tyres) for the production of charcoal. Gladiator is able to proceed to develop and commercially exploit the technology within the territory and is also able to sub-licence the use of the technology territorially or to industry sectors.

The Licence is for an initial term of six years with extensions of four further terms of three years provided commercial milestones are met in commissioning plants or payments in lieu of commissioning fees to the inventors.

DPC Process
The DPC Process comprises three phases occurring simultaneously in three interconnected horizontal kilns to produce charcoal from suitable organic feedstock, such as timber from eucalypt plantations. Compared to conventional and traditional methods of charcoal production, the DPC Process offers many advantages including:

Higher yield;
Lower fines generation;
Significantly faster production cycles;
The ability to process green, freshly-harvested timber;
A significantly reduced environmental impact; and
Lower overall charcoal production costs.

The Process also leads to a reduction in timber consumption, resulting in minimising the area of plantation necessary to support a given level of charcoal production, with a saving in timber production costs. When compared to other methods, the Process generates a stronger charcoal with higher fixed carbon content and more uniform product quality.

The charcoal produced by the Process is very suitable for use as a reductant in mini blast furnaces. Gladiator believes that the Process represents a valuable addition to its Uruguay Pig Iron Project and will assist in ensuring that the project will be highly competitive when compared to other pig iron producers.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

GOLD AND NICKEL - EAST KALGOORLIE

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

During November 2012, the Company accepted an offer from Octagonal Resources (WA) Pty Ltd, a wholly owned subsidiary of Octagonal Resources Limited, to purchase Gladiator's 30% interest in its Hogan's Project tenements - Exploration Licences E26/108, E15/774, E15/ 803 and E15/1044 located approximately 25kms east of Kambalda in Western Australia.

Upon completion of the transaction, Gladiator received 1,500,000 fully paid shares in Octagonal Resources Limited.

With the disposal of its interest in the Hogan's project, the Company will focus its attention on progressing the Zapucay Merchant Pig Iron Project in Uruguay.

Competent Persons Statements
The information in this report that relates to Mineral Resources is based upon information compiled by Dr Lucy Roberts, a geologist with 8 years relevant experience and who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Roberts is a full-time employee of SRK Consulting (UK) Ltd, an independent Consultancy 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 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Lucy Roberts consents to the inclusion in the report of a summary based upon her information in the form and context in which it appears.

The information in this report that relates to Mining, Processing, Marketing and Financial Analysis is based on information compiled by Tim Adams, a mining engineer with 25 years relevant experience. Tim Adams is a full time employee of Gladiator Resources Limited and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Tim Adams consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

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 Australasian Code for Reporting of 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.

DIRECTORS' REPORT *(continued)*

REVIEW OF OPERATIONS *(continued)*

Disclaimer

Certain of the statements made and information contained in this release may constitute forward-looking information and forward-looking statements (collectively, "forward-looking statements"). The forward-looking statements in this release relate to future events or future performance and reflect the current expectations, assumptions or beliefs of the Company based upon information currently available to the Company and include, but are not limited to, statements with respect to the estimation of mineral resources, the realisation of mineral resource estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated remation expenses, title disputes or claims and limitations on insurance coverage.

With respect to forward-looking statements contained in this release, assumptions have been made regarding, among other things, the reliability of information prepared and/or published by third parties that are referenced in this release or was otherwise relied upon by the Company in preparing this release. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct as actual results or developments may differ materially from those projected in the forward-looking statements. There is no assurance that the results of the pre-feasibility study will be replicated in actual production conditions or that the IRR or NPV will be as projected. Factors that could cause actual results to differ materially from those in forward-looking statements include, among other things, unforeseen technology changes that results in a reduction in iron or magnetite demand or substitution by other metals or materials, the discovery of new large low cost deposits of iron magnetite and the general level of global economic activity, changes in project parameters as plans continue to be refined, future prices of mineral resources, possible variations in ore reserves, grade or recovery rates; accidents, dependence on key personnel, labour pool constraints, labour disputes, delays in obtaining governmental approvals or financing or in the completion of development or construction activities, and other risks of the mining industry. Readers are cautioned not to place undue reliance on forward-looking statements due to their inherent uncertainty. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. The forward-looking statements contained in this release are made as of the date of this release and except as may otherwise be required pursuant to applicable laws, the Company does not assume any obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

DIRECTORS' REPORT *(continued)*

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is included within this financial report.

This consolidated financial report is signed in accordance with a resolution of the board of directors.

Tim Adams
Director

13 day of March 2013

GLADIATOR RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	31 December 2012 $	31 December 2011 $
Other income	347,761	70,325
Net foreign exchanges (losses)/gains	(56,140)	89,503
Unrealised (loss)/gain on investments	(57,500)	--
Depreciation	(15,005)	(12,392)
Administration expenses	(66,432)	(69,049)
Audit and tax remuneration	(19,700)	(36,108)
Company secretarial fees	(90,350)	(89,615)
Consulting fees	(121,565)	(33,327)
Directors' benefits expense	(252,743)	(97,585)
Exploration expenditure recouped	--	215
Insurance	(13,067)	(10,477)
Legal costs	(17,950)	(6,532)
Public and investor relations	(50,020)	--
Rent and outgoings	(23,268)	(13,498)
Share registry maintenance fees	(30,454)	(30,206)
Travel and accommodation	(6,884)	(10,270)
Other expenses	(72,776)	(75,095)
Loss before income tax	(546,093)	(324,111)
Income tax	--	--
Loss for the period	(546,093)	(324,111)
Other comprehensive income		
Items that may be reclassified subsequently to operating result		
Currency translation differences	(23,176)	12,034
Income tax relating to components of other comprehensive income for the period	--	--
Other comprehensive (loss)/income for the period	(23,176)	12,034
Total comprehensive loss for the period	(569,269)	(312,077)
Loss attributable to:		
Members of the parent entity	(569,269)	(312,077)
Basic and diluted losses per share (cents per share)	(0.24)	(0.28)

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

GLADIATOR RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Note	31 December 2012 $	30 June 2012 $
CURRENT ASSETS			
Cash and cash equivalents		1,766,761	3,545,811
Trade and other receivables		957,253	1,301,322
Total Current Assets		2,724,014	4,847,133
NON CURRENT ASSETS			
Other financial assets		214,017	4,094
Plant and equipment		81,639	97,527
Mineral exploration and evaluation expenditure		12,393,569	11,113,800
Total Non Current Assets		12,689,225	11,215,421
TOTAL ASSETS		15,413,239	16,062,554
CURRENT LIABILITIES			
Trade and other payables		496,773	827,644
TOTAL LIABILITIES		496,773	827,644
NET ASSETS		14,916,466	15,234,910
EQUITY			
Issued capital	**2**	18,005,194	18,007,112
Reserves	**3**	3,035,925	2,806,358
Accumulated losses		(6,124,653)	(5,578,560)
TOTAL EQUITY		14,916,466	15,234,910

The above consolidated statement of financial position
should be read in conjunction with the accompanying notes.

GLADIATOR RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Issued Capital	Share Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance at 01/07/2011	12,443,002	1,976,364	54,436	(4,694,342)	9,779,460
Loss for the period	--	--	--	(324,111)	(324,111)
Other comprehensive income	--	--	12,034	--	12,034
Total comprehensive loss for the period	--	--	12,034	(324,111)	(312,077)
Transactions with owners recorded directly into equity					
Shares issued during the period	600,400	--	--	--	600,400
Fair value of options issued during the period	--	19,710	--	--	19,710
Fair value of performance rights issued during the period	--	81,385	--	--	81,385
Transaction costs	(20,515)	--	--	--	(20,515)
Balance at 31/12/2011	13,022,887	2,077,459	66,470	(5,018,453)	10,148,363
Balance at 01/07/2012	18,007,112	2,698,731	107,627	(5,578,560)	15,234,910
Loss for the period	--	--	--	(546,093)	(546,093)
Other comprehensive loss	--	--	(23,176)	--	(23,176)
Total comprehensive loss for the period	--	--	(23,176)	(546,093)	(569,269)
Transactions with owners recorded directly into equity					
Shares issued during the period	--	--	--	--	--
Fair value of options issued during the period	--	--	--	--	--
Fair value of performance rights issued during the period	--	252,743	--	--	252,743
Transaction costs	(1,918)	--	--	--	(1,918)
Balance at 31/12/2012	18,005,194	2,951,474	84,451	(6,124,653)	14,916,466

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

GLADIATOR RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	31 December 2012 $	31 December 2011 $
Cash Flows from Operating Activities		
Receipts from customers	--	11,332
Payments to suppliers and employees	(515,385)	(352,315)
Interest received	102,757	71,096
Interest paid	--	(54)
Net Cash Flows Used In Operating Activities	(412,628)	(269,941)
Cash Flows from Investing Activities		
Proceeds from sale of plant and equipment	400	--
Payments for plant and equipment	(1,901)	(22,612)
Payments for exploration expenditure	(1,301,222)	(3,568,080)
Purchase of other assets	--	(25,192)
Other	(5,641)	(6,945)
Net Cash Flows Used In Investing Activities	(1,308,364)	(3,622,829)
Cash Flows from Financing Activities		
Proceeds from issue of shares and options	--	600,400
Costs associated with share and option issues	(1,918)	(20,515)
Net Cash Flows (Used In)/Provided By Financing Activities	(1,918)	579,885
Net decrease in cash and cash equivalents held	(1,722,910)	(3,312,885)
Cash and cash equivalents at beginning of the financial period	3,545,811	4,522,152
Effect of exchange rate change on cash holdings	(56,140)	89,503
Cash and cash equivalents at the end of the half-year	1,766,761	1,298,770

The above consolidated statement of cash flows
should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 1: BASIS OF PREPARATION

The half-year consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures that the financial report and notes also comply with International Financial Reporting Standards IAS 34: Interim Financial Reporting.

It is recommended that this consolidated financial report be read in conjunction with the annual financial report for the year ended 30 June 2012 and any public announcements made by Gladiator Resources Limited and its controlled entities during the half-year in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

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

Except for cash flow information, the half-year consolidated financial report has been prepared on an accruals basis and is based on historical costs.

The accounting policies have been consistently applied by the consolidated entity and are consistent with those in the 30 June 2012 annual financial report, except in relation to the matters disclosed below:

New and Revised Accounting Standards and Interpretations (Effective 1 July 2012)

The consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

The consolidated entity has elected not to early adopt any new standards or interpretations.

NOTE 2: ISSUED CAPITAL

	Consolidated	
(a) Issued Capital	**31 December 2012 $**	**30 June 2012 $**
232,985,222 Ordinary shares fully paid (30/06/12: 225,485,222)	18,005,194	18,007,112

(b) Movements in ordinary share capital		**No. of Shares**	
01/07/12	Opening balance	225,485,222	$18,007,112
07/11/12	Exercise of performance rights	7,500,000	--
	Less: costs associated with issue of shares	--	($1,918)
31/12/12	Closing balance	232,985,222	$18,005,194

NOTE 3: RESERVES

	Consolidated	
(a) Composition	**31 December 2012 $**	**30 June 2012 $**
Share based payments reserve	2,951,474	2,698,731
Foreign currency translation reserve	84,451	107,627
	3,035,925	2,806,358

(b) Movements in options and performance rights of the Company during the half-year were as follows:

Date	Details	Number of Performance Rights	Number of Options Listed	Number of Options Unlisted	Exercise Price	Fair Value of Options / Perf. Rights Issued	Expiry Date
01/07/12	Opening Balance	8,300,000	137,996,956	30,892,389	--	$2,698,731	
06/07/12	Unlisted options expired	--	--	(1,500,000)	$0.35	--	06/07/2012
07/11/12	Exercise of performance rights	(7,500,000)	--	--	--	--	31/05/2015
31/12/12	Unlisted options expired	--	--	(14,017,389)	$0.40	--	31/12/2012
31/12/12	Unlisted options expired	--	--	(750,000)	$0.30	--	31/12/2012
31/12/12	Add: value of performance rights carried forward from 30/06/12 (refer Note 7)	--	--	--	--	$276,000	31/05/2015
31/12/12	Less: value of performance rights claimed in 30/06/12 (refer Note 7)	--	--	--	--	($23,257)	08/12/2014
31/12/12	Closing Balance	800,000	137,996,956	14,625,000		$2,951,474	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 4: SEGMENT INFORMATION

Business Segments

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded during the period, Gladiator Resources Limited operated in the mineral exploration industry within the geographical segments of Australia and Uruguay.

	Australia 31 December		Uruguay 31 December		Consolidated 31 December	
	2012	2011	2012	2011	2012	2011
Geographical Segments	$	$	$	$	$	$
Revenue						
Other revenues from customers	347,448	68,300	313	2,025	347,761	70,325
Total segment revenue	347,448	68,300	313	2,025	347,761	70,325
Assets						
Segment assets	8,099,003	5,968,213	7,314,236	5,685,102	15,413,239	11,653,315
Major Customers	--	--	--	--	--	--

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 5: DIVIDENDS

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

NOTE 6: CONTINGENT LIABILITIES

Gladiator Resources Limited and its controlled entities have no known material contingent liabilities as at 31 December 2012.

NOTE 7: SHARE BASED PAYMENTS

On 30 November 2011, *performance rights* were granted to two directors as part of their remuneration. Subsequent to the reporting period, the remaining performance rights had lapsed (see Note 8), therefore the share based payments expense for the half-year ended recognised in the Statement of Comprehensive Income was reduced by ($23,257) which was claimed in the previous year.

On 31 May 2012, *performance rights* were granted to all directors as part of their remuneration. These were fully exercised on 7 November 2012, therefore the share based payments expense for the half-year ended recognised in the Statement of Comprehensive Income was $276,000.

Total share based payments expense during the half-year totalled $252,743.

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the end of the half-year ended 31 December 2012, the following event had occurred:

- On 21 February 2013, 800,000 performance rights had lapsed on cease of employment.

GLADIATOR RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

In the opinion of the directors:

a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:

   i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

   ii) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting;

b) there are reasonable grounds to believe that the Gladiator Resources Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the board of directors made pursuant to s.303(5) of the *Corporations Act 2001*.

Dated this 13 day of March 2013

_____
Tim Adams
Director

RSM Bird Cameron Partners

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

We have reviewed the accompanying half-year financial report of Gladiator Resources Limited which comprises the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 a 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 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 Gladiator Resources Limited, 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.

RSM Bird Cameron Partners

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Gladiator Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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 2012 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

Perth, WA
Dated: 13 March 2013

TUTU PHONG
Partner

RSM Bird Cameron Partners

RSM Bird Cameron Partners
8 St Georges Terrace Perth WA 6000
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T +61 8 9261 9100 **F** +61 8 9261 9101
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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Gladiator Resources Limited for the half-year ended 31 December 2012, 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.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 13 March 2013