

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES

ABN: 58 101 026 859

**Financial Report For The Half-Year Ended
31 December 2020**

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Your directors present their report on the consolidated entity (referred to herein as the Group) consisting of Gladiator Resources Limited and its controlled entities for the half-year ended 31 December 2020.

General Information

Directors

The following persons were directors of Gladiator Resources Limited during or since the end of the financial year up to the date of this report.

Mr Ian Hastings
Mr Andrew Draffin
Mr Ian Richer

DIRECTORS' REPORT

In accordance with continuous disclosure requirements, it is recommended that this half-year report be read in conjunction with any public announcements lodged with the Australian Securities Exchange for the half-year and to the date of this report.

Review of Operations

During the reporting period the Company undertook further exploration on all three of its gold projects as summarised below.

Rutherglen Gold Project (Option to Acquire 100% of EL6331, Option Extended Post Reporting Period)

During the half-year to 31 December the Company announced an initial Exploration Target for its Rutherglen Gold Project located 30km west of Albury and covering ~377km² over the historic Chiltern and Rutherglen goldfields.

The Exploration Target is based on proposed exploration and consists of a total gold potential of between **260,000oz** and **529,000oz** within three lead sections (see ASX Announcement 28 September 2020 for detailed information). The Exploration Target is identified within some 16.8km of the main lead system, which demonstrates the significant potential of the Rutherglen Gold Project. An Exploration Target is not a Mineral Resource and the potential quantity and grade of an Exploration Target is conceptual in nature with insufficient exploration to estimate a Mineral Resource and uncertainty whether future exploration will result in the estimation of a Mineral Resource.

The Exploration Target potential of the Rutherglen Gold Project is based on proposed exploration of deep lead mineralisation within the Chiltern- Rutherglen Goldfield (EL006331 – Figure 1). This Exploration Target only considers three remnant sections along the historically extensive lead system, mined intermittently from around 1860 through to 1920. Contemporary and more modern data compilations on lead extents, mined areas, gradient and gold concentration are available and have been fully utilised.

The Exploration Target considers a combination of:

- Historic deep lead production and tailings retreatment compilation data by various authors;
- Contemporary company and government bore holes that tested the depth to bedrock (basement) across the extensive lead system, reported on various published government maps of the area;
- Various areas of paleo-topographic modelling based on contemporary bore hole data and published basement outcrop mapping;
- Modern open file airborne magnetics data and interpretation – to assist in defining paleochannels hosting deep lead alluvial gold;
- Simplified interpretation by the author of extensions to existing productive leads based on all available data; and
- The product of potential lead extents expressed as a range of lead widths and gold grade concentration ranges expressed in grams per square metre (g/m²). The use of ranges in both lead width and gold concentration reflects the conceptual nature of the target and partly accounts for expected natural variability in a complex ancient river system consisting of a sinuous channel. Gold grade variability is influenced by depositional sites, channel gradient and tributary gold contribution or dilution. Lead widths and gold concentration ranges assigned are supported by production summary data, mainly that of Canavan (1988), reported in gold concentration per square metre (g/m²).

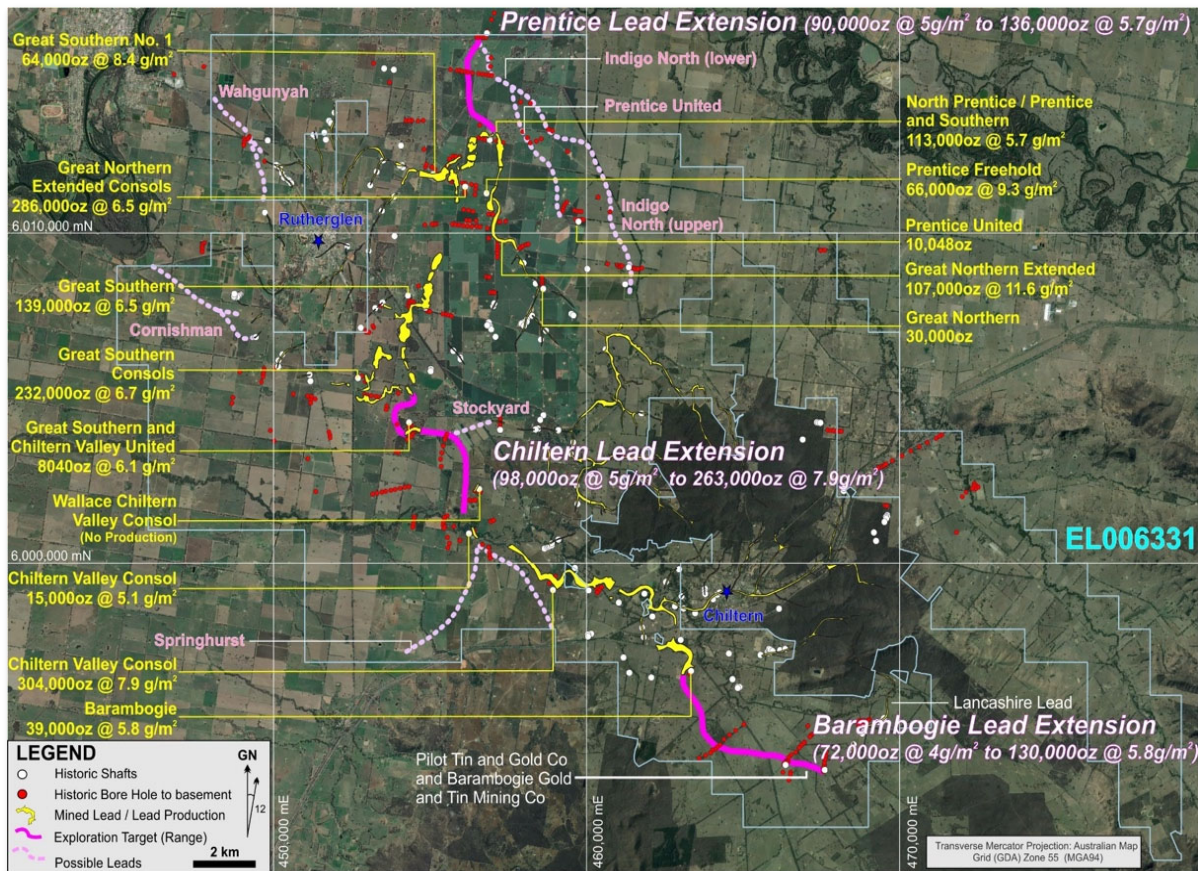


Figure 1: Chiltern – Rutherglen Goldfield showing historic production details after Canavan (1988), bore hole locations, historic shafts and mined lead areas. The location of the Exploration Target lead sections (Exploration Target and grade concentration range indicated) and interpreted leads are shown within EL006331. Note: An Exploration Target is not a Mineral Resource. The potential quantity and grade of an Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if future exploration will result in the estimation of a Mineral Resource.

Bendoc Gold Project – (Option Exercised and EL6187 Acquired Post Reporting Period)

At Bendoc, work was carried out in preparation for a drill program based around a resource definition program at the Victoria Star prospect which is currently being finalised (see ASX Announcement 2 October 2020). It is proposed that approximately 700 metres of RC drilling be conducted across 8 holes up to 100 meters in depth, designed to test a 300-metre strike extent along the southern half of the prospect where previous drilling has shown significant intersections within what is thought to be stockwork zones associated with shearing and close spaced fault interaction.

The Company has reviewed historic data to determine its suitability for inclusion in a Mineral Resource Estimate that can be reported in accordance with the JORC Code (2012), utilised the supplied mineralisation interpretation to create first-pass 3D solids of the mineralisation at Victoria Star, and reviewed the mineralisation geostatistics and modelled grade continuity to complete a drillhole spacing study to confirm the drilling parameters for the proposed drill programme.

Subsequent to reporting period, the Company submitted a Low Impact Work Plan (LIE) and requested a Section 44 Ministerial approval for work within Restricted Crown Land to ERR and in negotiation with various drill companies.

Marymia Gold Project (E52/3104 100% Owned)

The Company completed its maiden drill program at Marymia during the reporting period. 31 holes for 1,922 meters of aircore drilling was completed with the program designed to test strike extensions to the NE tenement corner and south of anomalous MHRB008 in order to assess the southern greenstone margin. Drilling was also designed to extend mineralisation to the SW of historic wide spaced RAB anomalism.

The aircore drilling confirmed and identified gold anomalism along the southern greenstone areas and to the NE tenement corner. Aircore drilling did not extend anomalism to the SW of historic wide spaced RAB holes. (refer ASX Announcement 1 September for full results). Grades reported were low but confirm the presence of gold mineralization and the Company will undertake further analysis of results and geology before determining the next steps for this project.

The Company will also continue to investigate historical drilling results in the North East corner of Marymia, which have not been available to date, in order to plan future exploration activity on the project.

Exploration Licence E52/3104 encompassing the Marymia Project was extended for a further 5 years to March 2025 during the reporting period.

Corporate Activity

During Q1, the Company completed a placement to raise A\$407,500 by placing 326,000,000 fully paid ordinary shares at \$0.00125 per share. The Company completed the placement utilizing its available placement capacity under Listing Rule 7.1 and 7.1A.

The Company convened and held an Extraordinary General Meeting to seek shareholder approval and consent for various items of business that had been previously announced but which due to COVID-19 had not been able to proceed. The meeting approved inter-alia the issue of options exercisable at \$0.0015, capitalisation of outstanding debts and a consolidation of capital to reduce shares on issue on 1 for 10 basis.

Subsequent to the reporting period the Company's completed a fully underwritten entitlements issue which closed in early January and raised approximately \$1 million before costs.

Auditors' Independence Declaration

The lead auditor's independence declaration for the half-year ended 31 December 2020 has been received and can be found on page 4 of the Financial Report.

Signed in accordance with a resolution of directors made pursuant to s.306(3)(a) of the Corporations Act 2001.

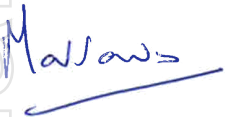


On behalf of the Directors
Mr Andrew Draffin
Director
Dated: 16 March 2021

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF GLADIATOR RESOURCES LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2020 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



MORROWS AUDIT PTY LTD



I.L. JENKINS
Director

Melbourne: 16 March 2021



GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 859
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020



		Consolidated Group	
		31 December	31 December
		2020	2019
Note		\$	\$
Continuing operations			
	9	100,867	-
Other income			
		(28,500)	(28,200)
Audit and accounting expenses		(10,000)	(10,000)
Company secretarial fees		(5,000)	-
Consulting fees		(78,000)	(78,923)
Directors' benefits expense		(1,383)	(939,456)
Exploration expenditure (written off)	3	(947)	(80)
Fees and permits		(11,269)	(11,182)
Insurance		(9,799)	-
Legal costs		(1,500)	(9,000)
Rent and outgoings		(16,385)	(3,192)
Share registry maintenance fees		-	(22,802)
Travel and accommodation		-	-
Realised foreign exchange		(38,577)	(15,437)
Other expenses			
Loss before income tax		(100,493)	(1,118,272)
Tax expense		-	-
Net loss for the period		(100,493)	(1,118,272)
Earnings per share			
From continuing and discontinued operations			
Basic and diluted loss per share (cents)		(0.04)	(0.07)

The accompanying notes form part of these financial statements.

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
 ABN: 58 101 026 859
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2020



		Consolidated Group	
		31 December 2020	30 June 2020
Note		\$	\$
ASSETS			
CURRENT ASSETS			
	Cash and cash equivalents	430,366	212,799
	Trade and other receivables	26,415	5,006
4	Other assets	137,463	150,232
	TOTAL CURRENT ASSETS	594,244	368,037
NON-CURRENT ASSETS			
3	Exploration expenditure	187,618	72,259
	TOTAL NON-CURRENT ASSETS	187,618	72,259
	TOTAL ASSETS	781,862	440,296
LIABILITIES			
CURRENT LIABILITIES			
5	Trade and other payables	241,890	617,472
	TOTAL CURRENT LIABILITIES	241,890	617,472
	TOTAL LIABILITIES	241,890	617,472
	NET ASSETS	539,972	(177,176)
EQUITY			
6	Issued capital	22,398,644	21,581,003
	Retained earnings	(21,858,672)	(21,758,179)
	TOTAL EQUITY	539,972	(177,176)

The accompanying notes form part of these financial statements.

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 859
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020



Note	Issued Capital	Accumulated Losses	Total
	\$	\$	\$
Consolidated Group			
Balance at 1 July 2019	21,105,603	(20,635,833)	469,770
Comprehensive income			
Loss for the period	-	(1,118,272)	(1,118,272)
Total comprehensive income for the year	-	(1,118,272)	(1,118,272)
Transactions with owners, in their capacity as owners, and other transfers			
Shares issued during the period	100,000	-	100,000
Transaction costs	(3,000)	-	(3,000)
Total transactions with owners and other transfers	97,000	-	97,000
Balance at 31 December 2019	21,202,603	(21,754,105)	(551,502)
Balance at 1 July 2020	21,581,003	(21,758,179)	(177,176)
Comprehensive income			
Loss for the period	-	(100,493)	(100,493)
Total comprehensive income for the year	-	(100,493)	(100,493)
Transactions with owners, in their capacity as owners, and other transfers			
Shares issued during the period	877,500	-	877,500
Transaction costs net of tax	(59,859)	-	(59,859)
Total transactions with owners and other transfers	817,641	-	817,641
Balance at 31 December 2020	22,398,644	(21,858,672)	539,972

The accompanying notes form part of these financial statements.

GLADIATOR RESOURCES LIMITED AND CONTROLLED ENTITIES
ABN: 58 101 026 859
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020



CASH FLOWS FROM OPERATING ACTIVITIES

Payments to suppliers and employees
Net cash generated by operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for exploration expenditure
Net cash (used in)/generated by investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of shares
Transaction costs
Proceeds from rights issue - issued post period end
Net cash provided by (used in) financing activities
Net increase in cash held
Cash and cash equivalents at beginning of financial year
Effect of exchange rates on cash holdings in foreign currencies
Cash and cash equivalents at end of financial year

Consolidated Group	
31 December 2020	31 December 2019
\$	\$
(252,088)	(57,672)
(252,088)	(57,672)
(138,045)	(11,260)
(138,045)	(11,260)
647,500	100,000
(39,800)	(3,300)
607,700	96,700
217,567	27,768
212,799	96,884
-	-
430,366	124,652

The accompanying notes form part of these financial statements.

These consolidated financial statements and notes represent those of Gladiator Resources Limited and Controlled Entities (the "consolidated group" or "group").

The financial statements were authorised for issue on 16 March 2021 by the directors of the company.

Note 1 Summary of Significant Accounting Policies

Statement of compliance

The half-year financial report is prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include all the notes of the type usually included in the annual financial report. It is therefore recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2020 and any public announcements made by the Company since 30 June 2020 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Accounting policies

The same accounting policies and methods of computation have been followed in this interim financial report as were used in the Group's last reported annual financial statements at 30 June 2020, unless otherwise stated.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Exploration and Development Expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(b) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of the Company is the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars, which is the Company's functional currency.

Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except exchange differences that arise from net investment hedges.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

Note 1: Summary of Significant Accounting Policies (continued)

The Company

The financial results and position of foreign operations whose functional currency is different from the entity's presentation currency are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at exchange rates on the date of transaction; and
- all resulting exchange differences are recognised in other comprehensive income.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position and allocated to non-controlling interest where relevant. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

(c) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Judgements

Exploration and Evaluation Expenditure

Exploration expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to a relinquished area are written off in full against the profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

(d) Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group generated a loss of \$100,493 (31 December 2019: Loss of \$1,118,272) and net cash outflows from the operating activities of \$252,088 (31 December 2019: outflows of \$57,672) for the half-year ended 31 December 2020. As of that date, the Group had a net asset position of \$539,972 (30 June 2020: net assets deficit of \$177,176). These conditions indicate a material uncertainty that may cast significant doubt concerning the ability of the Group to continue as a going concern.

The Directors have prepared a cashflow forecast for the next 12 months based on best estimates of future inflows and outflows of cash to support the Group's ability to continue as a going concern. The Directors are confident that they can raise capital when required as they have been successful in the past.

Note 2 Interests in Subsidiaries

(a) Information about Principal Subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares or ordinary units which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of subsidiary	Principal place of business	Ownership interest held by the Group	
		As at 31 December 2020	As at 30 June 2020
Ecochar Pty Ltd	Australia	100%	100%
Ion Resources Pty Ltd	Australia	100%	100%
Ferrous Resources Pty Ltd	Australia	100%	100%

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

Note 3 Exploration Expenditure

NON-CURRENT	\$
Mineral exploration and evaluation expenditure	
Balance at 1 July 2019	930,646
Exploration expenditure incurred during the year	76,789
Exploration expenditure written off during the year	(935,176)
Balance at 30 June 2020	<u>72,259</u>
Balance at 1 July 2020	72,259
Exploration expenditure incurred during the period	115,359
Exploration expenditure written off during the period	-
Balance at 31 December 2020	<u>187,618</u>
Total Exploration Expenditure	
Mineral exploration and evaluation expenditure	187,618
Balance at period end	<u>187,618</u>

The value of the Company's interest in exploration expenditure is dependent upon the:

- continuance of the economic entity's right to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

Ultimate recovery of deferred exploration and evaluation costs is dependent upon the success of pre-feasibility studies, exploration and evaluation or sale or farm-out of the exploration interest. Broadly, the Company has three cost centres, Corporate, Pre-feasibility and Exploration. Where identifiable, costs associated with the Pre-feasibility and Exploration cost centres are capitalised. These costs are annually reviewed for impairment and a charge is made direct to the Statement of profit or loss and other comprehensive income of the Company where an impairment is identified.

The Group has reviewed all of its tenements and has only carried forward the expenses on the tenements that give rise to a potential economic benefit to the Company through development or exploration.

Impairment Indicators

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantiative expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale;
- Evidence is available of obsolescence or physical damage of an asset;
- The net assets of the Group exceeds its market capitalisation.

Note 4 Other Assets

	Consolidated Group	
	31 December 2020	30 June 2020
	\$	\$
CURRENT		
Prepayments	9,575	22,344
Deposits paid	27,888	27,888
Exclusion options to purchase Bendoc and Rutherglen licences paid	100,000	100,000
	<u>137,463</u>	<u>150,232</u>

Note 5 Trade and Other Payables

		Consolidated Group	
		31 December 2020	30 June 2020
		\$	\$
CURRENT			
Unsecured liabilities			
Trade payables		70,795	451,826
Sundry payables and accrued expenses		171,095	165,646
		<u>241,890</u>	<u>617,472</u>
		Consolidated Group	
		31 December 2020	30 June 2020
		\$	\$
(a) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables			
— Total current		241,890	617,472
— Total non-current		-	-
		<u>241,890</u>	<u>617,472</u>

Note 6 Issued Capital

		No.	\$
(a) Ordinary Shares			
Balance at 1 July 2019		1,469,334,171	21,105,603
Shares issued during the year		532,500,000	500,000
Less transaction costs		-	(24,600)
Balance at 30 June 2020		<u>2,001,834,171</u>	<u>21,581,003</u>
Balance at 1 July 2020		2,001,834,171	21,581,003
Shares issued during the reporting period		2,577,834,171	877,500
Shares consolidated during the reporting period		(4,303,884,664)	-
Less transaction costs		-	(59,859)
Balance at 31 December 2020		<u>275,783,678</u>	<u>22,398,644</u>

On 16 November 2020, the Company announced a share consolidation. The consolidation was a 10 to 1.

(b) Options

The following reconciles the outstanding options to subscribe for fully paid ordinary shares in the Company at the beginning and end of the financial period.

	No.
Balance at 1 July 2019	130,000,000
Issued during the financial year	-
Expired during the financial year	(35,000,000)
Balance at 30 June 2020	<u>95,000,000</u>
Balance at 1 July 2020	95,000,000
Issued during the period	31,250,000
Expired during the period	(35,000,000)
Options consolidated during the period	(54,000,000)
Balance at 31 December 2020	<u>37,250,000</u>

Details of options on issue as at the date of this report are as follows:

	Number	Issue Date	Expiry Date	Exercise Price
				\$
Unlisted Options	6,000,000	25/07/2017	24/07/2022	\$0.050
Unlisted Options	31,250,000	17/11/2020	17/11/2023	\$0.015
	<u>37,250,000</u>			

Note 7 Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and in determining the allocation of resources.

Unless otherwise stated, all accounts are reported to the Board of Directors, being the chief decision makers with respect to operating segments, which are determined in accordance with accounting policies that are consistent to those adapted in the annual financial statements of the consolidated entity.

(i) **Segment performance**

	Australia \$	Total \$
31 December 2020		
REVENUE		
Other income	100,867	100,867
Total segment revenue	<u>100,867</u>	<u>100,867</u>
<i>Reconciliation of segment revenue to group revenue</i>		
Total consolidated revenue	-	-
Expenses		
Directors benefits expense	(78,000)	(78,000)
Travel and accommodation	-	-
Exploration written off	(1,383)	(1,383)
Other expenses	(121,977)	(121,977)
Net profit before tax from continuing operations	<u>(201,360)</u>	<u>(201,360)</u>
Segment loss before tax	<u>(100,493)</u>	<u>(100,493)</u>
	Australia \$	Total \$
31 December 2019		
REVENUE		
Interest revenue	-	-
Total segment revenue	<u>-</u>	<u>-</u>
<i>Reconciliation of segment revenue to group revenue</i>		
Total consolidated revenue	-	-
Expenses		
Directors benefits expense	(78,923)	(78,923)
Travel and accommodation	(22,802)	(22,802)
Exploration written off	(939,456)	(939,456)
Other expenses	(77,091)	(77,091)
Net profit before tax from continuing operations	<u>(1,118,272)</u>	<u>(1,118,272)</u>
Segment loss before tax	<u>(1,118,272)</u>	<u>(1,118,272)</u>

(ii) **Segment assets**

	Australia \$	Total \$
31 December 2020		
Segment assets	781,862	781,862
Segment assets		-
Reconciliation of segment assets to group assets		
Intersegment eliminations	-	-
Total group assets		<u>781,862</u>
	Australia \$	Total \$
30 June 2020		
Segment assets	440,296	440,296
Segment assets		-
Reconciliation of segment assets to group assets		
Intersegment eliminations	-	-
Total group assets		<u>440,296</u>

Note 7: Operating Segments (continued)

(iii) Segment liabilities

	Australia \$	Total \$
31 December 2020		
Segment liabilities	241,890	241,890
Segment liabilities		-
Reconciliation of segment assets to group liabilities		
Intersegment eliminations	-	-
Total group liabilities		<u>241,890</u>
	Australia \$	Total \$
30 June 2020		
Segment liabilities	617,472	617,472
Segment liabilities		-
Reconciliation of segment assets to group liabilities		
Intersegment eliminations	-	-
Total group liabilities		<u>617,472</u>

Note 8 Events After the Reporting Period

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

On 14 January 2021, the Company announced that the Non-Renounceable Rights Issue had raised \$585,104 before costs. A total of 48,758,658 fully paid ordinary shares were issued on 18 January 2021.

On 25 January 2021, the Company announced that pursuant to the Non-Renounceable Rights issue, the Underwriter had placed the Shortfall of 36,502,568 fully paid ordinary shares, raising a total of \$438,031 before costs.

On 10 February 2021, the Company announced that it had exercised the option to acquire 100% of EL006187 (Bendoc) on the following terms:

- Payment of \$50,000 in cash;
- On registration of the transfer, the Company will issue 5 million fully paid ordinary shares;
- A deferred payment of \$125,000 on defining a 100,000 oz KORC Resource or proceeding to apply for a Mining Tenement within Exploration License 6187; and
- A royalty of 2% NSR on all production from each License area.

On 10 February 2021, the Company further announced that as a result of COVID-19, the Company has agreed to an extension of the Option for EL6331 (Rutherglen). The extension allows certain works to be completed in consideration of payment of \$25,000 in cash with the extension consideration to be deducted from any acquisition price.

On exercise of the extended option, the Company may acquire 100% of EL6331 on the following terms:

- Payment of \$25,000 in cash;
- A deferred payment of \$125,000 on defining a 100,000 oz KORC Resource or proceeding to apply for a Mining Tenement within Exploration License 6331; and
- A royalty of 2% NSR on all production from each License area.

Note 9 Other Income

Other income relates solely to the gain on the write off of long outstanding debts owing to two suppliers which were incurred during the Company's operations in Uruguay. These debts were recorded between June 2012 to June 2013 by the previous management of the Company and no support has been provided (such as supplier invoice) to date and no claim for payment has been received by the Company. The Directors have elected to write off these debts as they believe that it is extremely unlikely that these debts will be called for payment.

Note 10 Financial Instruments

The Group's financial instruments consist of those which are measured at amortised cost including trade and other receivables and trade and other payables.

The carrying amount of these financial assets and liabilities approximate their fair value.

The Group does not hold any trading financial assets up to the date of this report. (30 June 2020: nil)

In accordance with a resolution of the directors of Gladiator Resources Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 5 to 14, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards applicable to the entity, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
 - (b) give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the consolidated group;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
3. the directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer.

Director



Mr Andrew Draffin

Dated this

16 March 2021

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Gladiator Resources Limited (the Entity), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated 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.

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 the Entity is not in accordance with the Corporations Act 2001 including:

- i. giving a true and fair view of the Entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

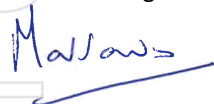
Auditor's Responsibility

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 financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Entity's financial position as at 31 December 2020 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 the Entity, 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.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.



MORROWS AUDIT PTY LTD



I.L. JENKINS

Director

Melbourne: 16 March 2021

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tailored your way

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