

19 June 2017

ASX Release

Gladiator Resources Ltd (**Company**) wishes to advise that it has today entered into a binding tenement sale agreement to acquire an early stage gold exploration project located in central Western Australia, known as Marymia.

The Marymia project comprises a single exploration licence currently held by unlisted gold explorer Flinders Exploration Limited (**FEX**).

The key terms of the tenement sale agreement are as follows:

- Subject to ministerial consent from the Western Australia Department of Mines, FEX will transfer 100% of the exploration licence known as Marymia to the Company in exchange for consideration in the form of 5 million ordinary fully paid ordinary shares in the Company;
- The Company will, on and from completion under the tenement sale agreement, assume certain obligations and undertakings of FEX to the original holders of the project by undertaking:
 - to pay to the original holder the sum of \$20,000 as a reimbursement for historical exploration expenditure, upon the Company making a decision to mine to the project area; and
 - to grant the original holder a 1.5% net smelter return royalty on any gold produced from the project area.

Completion of the transaction under the tenement sale agreement will occur following satisfaction of the conditions precedent, namely receipt of all regulatory and shareholder approvals (if any) and completion of due diligence investigations to the satisfaction of the Company.

Subject to the Company having sufficient placement capacity under ASX Listing Rule 7.1 at completion (which the Board notes is likely to depend upon how shareholders vote at the Company's upcoming general meeting on 14 July 2017), then the Company is of the view that no shareholder approvals are required in order to complete the transaction under the tenement sale agreement.

The granted Marymia Exploration Licence E52/3104 is located 250km northeast of Meekatharra in the Murchison Goldfield. This prospect is an extension of the 60 km long belt containing the Plutonic and Marymia Gold Mines. Previous work has identified gold targets from historical anomalous reconnaissance RAB drilling at Mulga Yard and identified shallow intersections of gold which require follow up drill testing.

Following completion of the acquisition, the Company will undertake a comprehensive review of the historical exploration results with a view to identifying targets within the licence for future exploration programs.

Please contact the Company Secretary on the number below for further enquiries.



Andrew Draffin
Company Secretary