

OVERLAND RESOURCES LIMITED
ACN 114 187 978

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of one (1) new Share for every two (2) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.005 per Share to raise up to \$590,572 (**Offer**).

The Offer is fully underwritten and managed by DJ Carmichael Pty Limited. Refer to Section 8.3(a) for details regarding the terms of the Underwriting Agreement.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Mr Michael Haynes
Chairman

Mr Hugh Bresser
Non Executive Director

Mr David Oestreich
Non Executive Director

Company Secretary

Ms Beverley Nichols

Registered Office

Suite 9, 5 Centro Avenue
SUBIACO WA 6008

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Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditor*

Stantons International Audit and Consulting
Pty Ltd
Level 2, 1 Walker Avenue
WEST PERTH WA 6005

Share Registry*

Computershare Investor Services Pty Limited
Level 11
172 St Georges Terrace
PERTH WA 6000

Telephone: 1300 787 272

Underwriter and Lead Manager

DJ Carmichael Pty Limited
Level 14, Parmelia House
191 St George's Terrace,
PERTH WA 6000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

2. TIMETABLE

Announcement of Offer	21 March 2016
Notice sent to Optionholders	21 March 2016
Lodgement of Prospectus with the ASIC	23 March 2016
Lodgement of Prospectus & Appendix 3B with ASX	23 March 2016
Notice sent to Shareholders	29 March 2016
Issue of Placement Shares	on or before 29 March 2016
Ex date	30 March 2016
Record Date for determining Entitlements	31 March 2016
Prospectus sent out to Shareholders & Company announces this has been completed	5 April 2016
Last day to extend the Closing Date	11 April 2016
Closing Date*	14 April 2016
Shares quoted on a deferred settlement basis	15 April 2016
ASX notified of under subscriptions	19 April 2016
Issue date for Shares (including Shortfall Shares)	21 April 2016
Quotation of Shares issued under the Offer (including under the Shortfall)*	22 April 2016
Holding Statements sent to Shareholders	22 April 2016

* The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES

This Prospectus is dated 23 March 2016 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

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

3.1 Placement

As announced on 21 March 2016, the Company has undertaken a placement raising a total of \$154,062 through the issue of 30,812,467 Shares (**Placement Shares**) at an issue price of \$0.005 (**Placement**). The Placement Shares will be issued on or before 29 March 2016 and in any event, prior to the Record Date. DJ Carmichael Pty Ltd (also the underwriter to the Offer) acted as the lead manager to the Placement.

3.2 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

A summary of some of the Company's key specific risks include:

Risk	Description	Reference in Prospectus
Potential for significant dilution	<p>Upon issue of all Placement Shares and implementation of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 236,228,914 (being the number of Shares on issue at the date of the Prospectus plus the Placement Shares) to 354,343,371. The Company will also be issuing up to an additional 10,000,000 Options. This means that each Share will represent a significantly lower proportion of the ownership of the Company. However, a Shareholder can retain their percentage interest in the Company by taking up their Entitlement.</p>	Section 7.2(a)
Future Capital Requirements	<p>The Company may be required to raise additional funds in the event exploration costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.</p> <p>The Company may seek to raise further funds through equity or debt financing or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delays to the Company's operations.</p>	Section 7.2(b)
New Projects and Acquisitions	<p>The Company has to date and will continue to actively pursue and assess other new business opportunities. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.</p> <p>The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or</p>	Section 7.2(c)

	<p>successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.</p> <p>If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.</p>	
Exploration Success	<p>The Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that exploration of the Tenements, or any other mineral properties that may be acquired in the future, will result in the discovery of an economical deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns (in particular in Canada), unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.</p>	Section 7.3(a)
Operating Risks	<p>Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development</p>	Section 7.3(b)

	and mining plans which may, in turn, adversely affect the Company's operations.	
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3.3 Directors Interests in Securities

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement (assuming their Options are not exercised), is set out in the table below.

Director	Shares	Options	Entitlement	\$
M Haynes	4,476,471 ¹	1,925,000 ^{2,3}	2,238,236	\$11,191.18
H Bresser	4,877,620 ⁴	3,925,000 ^{2,5}	2,438,810	\$12,194.05
D Oestreich	Nil	Nil	Nil	Nil

Notes

1. Which consists of 100,001 Shares held directly by Mr Haynes, 4,150,000 Shares held by Bullseye Geoservices Pty Ltd <Haynes Family A/C>of which Mr Haynes is a trustee and a beneficiary, 40,000 Shares held by Melissa Haynes and 10,000 Shares held by Olivia who are Mr Haynes' spouse and dependant respectively.
2. Unlisted options exercisable at \$0.25 on or before 1 December 2016.
3. Which are held directly by Mr Haynes.
4. Which consists of 10,000 Shares held directly by Mr Bresser, 4,100,000 Shares held by Milagro Ventures Pty Ltd <Bresser Family A/C>of which Mr Bresser is a trustee and a beneficiary, 727,620 Shares held by Mr Hugh Alan Bresser and Ms Heather Dianne Branchi <Bresser Family S/F A/C>, of which Mr Bresser is a trustee and a beneficiary, 20,000 Shares held by Dominique Amelia Bresser and 20,000 Theodore Antonio Bresser who are Mr Bresser's dependants.
5. Which are indirectly held by Milagro Ventures Pty Ltd <Bresser Family A/C>of which Mr Bresser is a trustee and a beneficiary.

The Directors reserve the right to take up their Entitlements under the Offer.

The Company confirms that the Directors will not participate in the Placement.

3.4 Substantial Holders

Based on substantial shareholder notices lodged prior to the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Paul Bennett	39,000,000	18.98%
Singpac Investment Holding PTE LTD	21,800,000	10.61%
1215 Capital Pty Ltd	14,853,946	7.23%

Following the issue of the Placement Shares (assuming no Options are exercised), those persons which (together with their associates) will have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Paul Bennett	39,000,000	16.51%
Singpac Investment Holding PTE LTD	21,800,000	9.23%
1215 Capital Pty Ltd	18,853,946 ¹	7.98%

Note:

1. DJ Carmichael has advised the Company that 1215 Capital Pty Ltd has subscribed for 4,000,000 Shares under the Placement. The Underwriter has advised that there shall be no other changes to substantial shareholders as a result of the Placement.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

3.5 Underwriting, Lead Manager and Broker

The Offer is fully underwritten by DJ Carmichael Pty Limited (the **Underwriter**). Refer to Section 8.3(a) of this Prospectus for details of the terms of the underwriting.

The Underwriting Agreement gives the Underwriter the right to enter into sub-underwriting agreements to pass on some or all of its obligations to subscribe for the Shortfall under the Underwriting Agreement. The Underwriter and the Company confirm that no related parties will be sub-underwriters.

Additionally, the Underwriter has agreed that, no issue will be made in accordance with the Underwriting Agreement if this would result in a person acquiring a relevant interest in more than 20% of the voting Shares immediately following that issue.

The Underwriter has agreed that neither the Underwriter nor any other person will acquire an ability, through participation in underwriting or sub-underwriting of the Offer, to increase their holding to an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination which are set out in Section 8.3(a).

DJ Carmichael Pty Limited has also been appointed as Lead Manager/Broker to the Offer, and the terms of the appointment are summarised in Section 8.3(b) of this Prospectus.

Following successful completion of the Offer and subject to the Underwriter complying with its obligations under the Underwriting Agreement, the Company has agreed to appoint a nominee of the Underwriter to the Board. The timing of this appointment and identify of the nominee has not yet been confirmed.

3.6 Effect of the Offer on the Control of the Company

The Underwriter is presently not a shareholder of the Company, nor a related party of the Company for the purpose of the Corporations Act.

In accordance with the terms of the Underwriting Agreement, the Underwriter will allocate the Shortfall to its sub-underwriters and/or clients and people who have otherwise agreed to assist with the completion of the Offer such that neither the Underwriter, the sub-underwriters nor any of the Underwriter's clients, individually, will have a voting power in the Company in excess of 20% after the issue of the Shortfall or if required.

The maximum number of Shares which will be issued pursuant to the Offer is 118,114,457 this will equate to approximately 33% of all the issued Shares in the Company following completion of the Offer (on an undiluted basis). Examples of how the dilution may impact individual Shareholders, assuming all Placement Shares are issued prior to the Record Date, is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	4.23%	5,000,000	10,000,000	2.82%
Shareholder 2	5,000,000	2.12%	2,500,000	5,000,000	1.41%
Shareholder 3	1,500,000	0.63%	750,000	1,500,000	0.42%
Shareholder 4	400,000	0.17%	200,000	400,000	0.11%
Shareholder 5	50,000	0.02%	25,000	50,000	0.01%
Total	236,228,914		118,114,457		354,343,371

Notes:

¹The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer.

3.7 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its quoted securities, including its Shares, are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent respective dates of those sales were:

Highest	\$0.008	29 February 2016
Lowest	\$0.005	21 March 2016
Last	\$0.006	22 March 2016

3.8 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Prospectus.

4. DETAILS OF THE OFFER

4.1 The Offer

The Offer is being made as a non-renounceable entitlement issue of one (1) new Share for every two (2) Shares held by eligible Shareholders registered at the Record Date at an issue price of \$0.005 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming that all Placement Shares are issued prior to the Record Date and no existing Options are exercised prior to the Record Date) a maximum of approximately 118,114,457 Shares will be issued pursuant to this Offer to raise approximately \$590,572.

All of the Shares offered under this Prospectus (as well as the Placement Shares) will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.1 for further information regarding the rights and liabilities attaching to the Shares.

Pursuant to the Underwriting Agreement, the Company will issue 10,000,000 Broker Options as part of the fee for services provided in respect of the Offer. For further details in respect of the Underwriting Agreement please refer to Section 8.3(a). A summary of the terms of the Broker Options offered is set out in Section 6.2.

The purpose of the Offer and the intended use of funds raised are set out in Section 5.1 of this Prospectus.

4.2 Minimum subscription

As the Offer is fully underwritten, the minimum subscription is the full subscription of \$590,572. No shares will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

4.3 Acceptance

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus.

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form; and
 - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and

- 
- (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.005 per Share); or
 - (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

4.4 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Overland Resources Limited" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm WST on the Closing Date.

4.5 Payment by BPAY®¹

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00 pm (EST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

4.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price of each Share to be issued pursuant to the Shortfall Offer is \$0.005 being the price at which Shares have been offered under the Offer.

The Shortfall will be subscribed for by the Underwriter or its nominees or sub-underwriters in satisfaction of their commitment under the Underwriting

Agreement. Accordingly, the Underwriter has the right to nominate and determine who will be issued Shortfall Shares.

As agreed under the Underwriting Agreement, no issue will be made under the Shortfall Offer if this would result in a person acquiring a relevant interest in more than 20% of the voting Shares immediately following that issue.

4.7 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

4.8 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

4.9 Overseas Shareholders

This document is only intended to be distributed and made available to existing Shareholders of the Company and is personal to each Shareholder to whom it has been delivered. This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to

Shareholders with a registered address which is outside Australia, New Zealand or Singapore.

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Singapore

This Prospectus and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are an existing holder of the Company's Shares. In the event that you are not such a Shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions.

The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

4.10 Enquiries

Any questions concerning the Offer should be directed to Bev Nichols, Company Secretary, on + 61 8 9226 5566.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$590,572 (before expenses).

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	\$	%
1.	Ongoing exploration activities at the Yukon Base Metal Project (Canada) ¹	150,000	25.40
2.	Company administration ²	100,000	16.93
3.	New project identification	150,000	25.40
4.	Expenses of the Offer ³	80,000	13.55
5.	Working Capital	110,572	18.72
	Total	\$590,572	100%

Notes:

1. Includes follow up work on recently identified drill targets within the Yukon Base Metal Project (Canada) area.
2. Includes ongoing assessment of corporate action for advancement of the Yukon Base Metal Project (Canada) area.
3. This figure is exclusive of GST. Refer to Section 8.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

The Directors consider that the funds raised pursuant to the Offer will provide a sound platform to pursue the Company's stated objectives.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

5.2 Effect of the Offer

The principal effect of the Offer, assuming all Shares and Options offered under the Prospectus are issued, will be to:

- (a) increase the cash reserves by \$510,572 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 236,228,914 (being the number of Shares on issue as at the date of this Prospectus plus the Placement Shares) to 354,343,371 Shares following completion of the Offer; and
- (c) increase the number of Options on issue from 9,700,000 as at the date of this Prospectus to 19,700,000 Options following completion of the Offer.

5.3 Pro-forma balance sheet

The unaudited balance sheet as at 31 December 2015 and the unaudited pro-

forma balance sheet as at 31 December 2015 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming Placement Shares are issued and all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 31 DECEMBER 2015	PROFORMA UNAUDITED 31 DECEMBER 2015
CURRENT ASSETS		
Cash and cash equivalents	233,379	888,769*
Trade and other receivables	21,610	21,610
TOTAL CURRENT ASSETS	254,989	910,379
NON-CURRENT ASSETS		
Property, plant and equipment	200,632	200,632
Other receivables	222,288	222,288
Exploration and evaluation expenditure	1,390,362	1,390,362
TOTAL NON-CURRENT ASSETS	1,813,282	1,813,282
TOTAL ASSETS	2,068,271	2,723,661
CURRENT LIABILITIES		
Trade and other payables	67,823	67,823
TOTAL CURRENT LIABILITIES	67,823	67,823
NON CURRENT LIABILITIES		
Payables and other creditors	222,288	222,288
TOTAL NON CURRENT LIABILITIES	222,288	222,288
TOTAL LIABILITIES	290,111	290,111
NET ASSETS (LIABILITIES)	1,778,160	2,433,550

EQUITY		
Issued capital	39,976,766	40,632,156
Reserves	3,229,045	3,229,045
Accumulated losses	(41,427,651)	(41,427,651)
TOTAL EQUITY	1,778,160	2,433,550

Notes:

1. Includes adjustment for net effect of the Placement, being \$144,818 (which is \$154,062 net of costs of \$9,244).

5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Shares and Options offered under the Prospectus are issued and no Options are exercised, is set out below.

Shares

	Number
Shares currently on issue	205,416,447
Placement Shares (to be issued prior to Record Date)	30,812,467
Shares offered pursuant to the Offer	118,114,457
Total Shares on issue after completion of the Offer	354,343,371

Options

	Number
Options currently on issue (Unlisted Options exercisable at \$0.25 expiring on 1/12/2016)	9,700,000
Options to be issued (Unlisted Broker Options exercisable at \$0.007 with an expiry date as set out in Section 6.2(c)) ²	10,000,000
Total Options on issue after completion of the Offer	19,700,000

Note

1. Subject to rounding on an individual Shareholder basis.
2. Refer to Section 6.2 for further information relating to the issue of these Options.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the Corporations Act and to any special rights or restrictions attached to any Shares, Directors may from time to time authorise the Company to pay interim and final dividends which appear to the Directors to be justified by the profits of the Company.

(d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for

that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributors as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, shares classified by ASX as restricted securities at the time of the commencement of the winding up shall rank in priority after all other shares.

(e) **Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

(f) **Future increase in capital**

The allotment and issue of any Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(g) **Variation of rights**

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

The Shares are quoted on ASX.

6.2 Broker Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$ 0.007 (**Exercise Price**).

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on that date (**Expiry Date**) which is 3 years from the date of issue.

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a

prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Unquoted**

The Company will not apply for quotation of the Options on ASX.

(n) **Transferability**

The Options are fully transferable.

7. RISK FACTORS

7.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

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

7.2 Company specific

(a) Potential for significant dilution

Upon issue of all Placement Shares and implementation of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 236,228,914 (being the number of Shares on issue as at the date of this Prospectus plus the Placement Shares) to 354,343,371. The Company will also be issuing up to an additional 10,000,000 Options. This means that each Share will represent a significantly lower proportion of the ownership of the Company. However, a Shareholder can retain their percentage interest in the Company by taking up their Entitlement.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to this Prospectus being lodged of \$0.006 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) Future Capital Requirements

The Company may be required to raise additional funds in the event exploration costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration or development on the Company's Tenements, or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if

available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

(c) **New projects and acquisitions**

The Company has to date and will continue to actively pursue and assess other new business opportunities. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.

The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the Listing Rules as if the Company were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project which is considered to result in a significant change to the nature or scale of its existing operations.

If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable.

Any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involving a new commodity and/or changes the Company's

capital/funding requirements. Should the Company propose or complete the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the new project/business activity.

7.3 Industry specific

(a) Exploration Success

The Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Tenements, or any other mineral properties that may be acquired in the future, will result in the discovery of an economical deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns (in particular in Canada), unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Mineral Properties, a reduction in the cash reserves of the Company and possible relinquishment of the Tenements.

(b) Operating Risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits; failure to achieve predicted grades in exploration and mining; operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions (in particular, in Canada); industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Tenements.

(c) Resource Estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature,

resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

There can be no guarantee that the Company will be able to convert the results from previous exploration into classification under the JORC code or other relevant standard for the reporting of exploration results.

(d) **Commodity Price Volatility and Exchange Rate Risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for base metals, technological advancements, forward selling activities and other macro-economic factors.

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

(e) **Environmental Risks**

The operations and proposed activities of the Company are likely to be subject to national & local regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to a high standard of environmental obligation, including compliance with the prevailing environmental legislation in the countries in which it operates.

In this regard, the regulatory authorities may from time to time, review the environmental conditions associated with Company's projects. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.

7.4 General risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(d) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

8. ADDITIONAL INFORMATION

8.1 Litigation

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

8.2 Continuous disclosure obligations

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

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- Overland Resources Only
- (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

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

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
21/03/2016	Capital Raising
17/03/2016	Trading Halt
15/03/2016	Half Yearly Accounts
01/02/2016	Quarterly Cashflow Report
01/02/2016	Quarterly Activities Report
14/12/2015	Becoming a substantial holder
08/12/2015	Change in substantial holding
08/12/2015	Ceasing to be a substantial holder from MQG
03/12/2015	ASX Price Query
24/11/2015	Results of Meeting
24/11/2015	AGM Presentation
30/10/2015	Quarterly Cashflow Report
30/10/2015	Quarterly Activities Report
26/10/2015	Notice of Annual General Meeting/Proxy Form
01/10/2015	Corporate Governance Statement
01/10/2015	Appendix 4G
01/10/2015	Annual Report to shareholders

21/03/2016	Capital Raising
17/03/2016	Trading Halt
15/03/2016	Half Yearly Accounts
01/02/2016	Quarterly Cashflow Report
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24/11/2015	AGM Presentation
30/10/2015	Quarterly Cashflow Report
30/10/2015	Quarterly Activities Report
26/10/2015	Notice of Annual General Meeting/Proxy Form
01/10/2015	Corporate Governance Statement
01/10/2015	Appendix 4G
01/10/2015	Annual Report to shareholders

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

The announcements are also available through the Company's website www.overlandresources.com.

8.3 Material contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

(a) Underwriting Agreement

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter agreed to conditionally fully underwrite the Offer for 118,114,457 Shares (**Underwritten Securities**).

Fees: Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriter the following fees;

- (i) an underwriting fee of 6% of the total value of the Underwritten Securities;
- (ii) a lead management fee of \$20,000 for its services in managing the Offer; and
- (iii) issue the Underwriter and/or its nominees 10,000,000 Broker Options, exercisable at \$0.007 with an expiry date of 3 years from the date of issue.

Underwriter's right to terminate: The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (i) (**Indices fall**): the All Ordinaries Index as published by ASX is, at the close of trading on any Business Day after the date of the Underwriting Agreement, at a level that is 10% or more below its respective level as at the close of trading on the Business Day prior to the date of the Underwriting Agreement; or
- (ii) (**Share price**): the Company's Shares quoted on the ASX and trading under the ticker "OVR" have a closing price at any time after the date of the Underwriting Agreement which is less than \$0.005 for two consecutive trading days; or
- (iii) (**Prospectus**): the Company does not lodge the Prospectus on the Lodgement Date or the Prospectus or the Offer is withdrawn by the Company; or
- (iv) (**Copies of Prospectus**): the Company fails to give the Underwriter relevant copies of the Prospectus in accordance with the Underwriting Agreement is not remedied within 2 days; or
- (v) (**No Official Quotation**): ASX notifies the Company or any other person that Official Quotation will not be or has not been granted for all the Rights Shares by the Shortfall Notice Deadline Date or, having been granted, is subsequently withdrawn, withheld or qualified; or

- (vi) **(Supplementary prospectus):**
- (A) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in section 8.3(a)(xvii)(F), forms the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (B) the Company lodges a supplementary or replacement prospectus without the prior written agreement of the Underwriter; or
- (vii) **(Non-compliance with disclosure requirements):** it transpires that the Prospectus does not contain all the information required by section 713 of the Corporations Act; or
- (viii) **(Misleading Prospectus):** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of section 713 of the Corporations Act) or if any statement in the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive; or
- (ix) **(Restriction on allotment):** the Company is prevented from allotting the Shares or Underwriter Options, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
- (x) **(Withdrawal of consent to Prospectus):** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent; or
- (xi) **(ASIC application):** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn; or
- (xii) **(ASIC hearing):** ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or the ASIC makes an interim or final stop order in relation to the Prospectus under section 739 or any other provision of the Corporations Act; or

- (xiii) (**Takeovers Panel**): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel; or
- (xiv) (**Hostilities**): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, North Korea, the United States of America, India or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world; or
- (xv) (**Authorisation**): any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter; or
- (xvi) (**Indictable offence**): a director or a senior manager of a Relevant Company is charged with an indictable offence in their capacity as a director or senior manager of the Company; or
- (xvii) (**Termination Events**): any of the following events occurs:
 - (A) (**Default**): default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - (B) (**Incorrect or untrue representation**): any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
 - (C) (**Contravention of constitution or Act**): a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (D) (**Adverse change**): an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any relevant company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - (E) (**Error in Due Diligence Results**): it transpires that any of the due diligence results or any part of the verification

- material was false, misleading or deceptive or that there was an omission from them;
- (F) (**Significant change**): a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - (G) (**Public statements**): without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer, the Issue or the Prospectus, other than as required by law or the ASX Listing Rules;
 - (H) (**Misleading information**): any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Issue or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
 - (I) (**Official Quotation qualified**): the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation";
 - (J) (**Change in Act or policy**): there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
 - (K) (**Prescribed Occurrence**): a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs;
 - (L) (**Suspension of debt payments**): the Company suspends payment of its debts generally;
 - (M) (**Event of Insolvency**): an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of a Relevant Company;
 - (N) (**Judgment against a Relevant Company**): a judgment in an amount exceeding \$25,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
 - (O) (**Litigation**): litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against any Relevant Company, other than any claims foreshadowed by the Prospectus;
 - (P) (**Board and senior management composition**): there is a change in the composition of the Board or a change in the senior management of the Company before

completion of the Offer without the prior written consent of the Underwriter;

- (Q) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (R) **(Timetable)**: there is a delay in any specified date in the timetable which is greater than 3 Business Days;
- (S) **(Force Majeure)**: a force majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (T) **(Certain resolutions passed)**: a Relevant Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (U) **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus or pursuant to the exercise of options existing at the date of the Prospectus;
- (V) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company;
- (W) **(Market Conditions)**: a suspension or material limitation in trading of securities generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, North Korea, the United States of America, India, the Peoples Republic of China, Israel or any member of the European Union or other international financial markets;
- (X) **(Material Breach)**: if the Company fails to rectify any material breach of the Mandate having been given 10 business days notice in writing by the Underwriter of such breach having occurred;
- (Y) **(Suspension)**: the Company is removed from the Official List or the Shares become suspended from Official Quotation without the prior consent of the Underwriter and that suspension is not lifted within 24 hours following such suspension.

The Underwriter is not entitled to exercise its rights under termination event 8.3(a)(xvii) above unless, in the reasonable opinion of the Underwriter, reached in good faith, the occurrence of the termination

event has or is likely to have, or two or more termination events together have or are could reasonably be expected to have:

- (i) a material adverse effect; or
- (ii) could give rise to a liability of the Underwriter under the Corporations Act.

(b) **Mandate letter**

On 17 February 2016, the Company and DJ Carmichael entered into a mandate letter pursuant to which the parties agreed that DJ Carmichael will, amongst other things, provide corporate advisory services to the Company (**Mandate**).

In relation to the provision of corporate advisory services, the Company will pay DJ Carmichael a retainer of \$10,000 per month (plus GST) for a period of 6 months. The retainer for the first 3 months will be payable upon completion of the Offer, with the following 3 months to be invoiced and payable at the commencement of the second 3-month term.

Additionally, as set out above at Section 3.5, following closing of the Offer the Company must allow a nominee of the Underwriter to be appointed to the Board. The timing of this appointment and identify of the nominee has not yet been confirmed.

8.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set

out in Section 3.3 of this Prospectus.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The Company's current maximum is \$250,000 per year.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	2015-2016 Proposed	2014-2015 Actual	2013-2014 Actual
Mr. Haynes	\$42,000	\$42,000	\$42,000
Mr. Bresser	\$18,000	\$100,200	\$240,000
Mr. Oestreich	\$14,000	\$14,000	\$11,091
Gibson Pierce ¹	Nil	\$9,386	\$28,588

Note:

1. Mr Pierce resigned on 7 November 2014

8.5 Agreements with Directors and Related Parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

- For personal use only
- (b) promoter of the Company; or
 - (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

DJ Carmichael will be paid underwriting and management fees as set out at Section 8.3(a) in respect of the Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, DJ Carmichael has not been paid any fees by the Company, however following issue of the Placement Shares, DJ Carmichael will be paid fees totalling approximately \$9,200 by the Company, in relation to the Placement.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin approximately \$15,000 (excluding GST and disbursements) for these services.

8.7 Consents

Each of the parties referred to in this Section 9.6:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

DJ Carmichael has given its written consent to being named as Underwriter and Lead Manager to the Offer in this Prospectus, in the form and context in which it is named. DJ Carmichael has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC. DJ Carmichael is not a Shareholder of the Company and currently has no relevant interest in any of the Company's securities.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$80,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	2,320
ASX fees	3,779
Lead management fee	20,000
Underwriting cash fee (6%)	35,434
Legal fees	15,000
Printing and distribution	3,467
Total	80,000

8.9 Electronic prospectus

The ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9226 5566 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.overlandresources.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.11 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Share certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic,

ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.12 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

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

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

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Michael Haynes

**Chairman
For and on behalf of
OVERLAND RESOURCES LIMITED**

For personal use only

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for Shares and Options pursuant to the Offer or a Shareholder or other party who applies for Shortfall pursuant to the Shortfall Offer.

Application means an application to subscribe for Shares and Options under this Prospectus.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

Application Monies means money submitted by Applicants in respect of Applications.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Broker Options means the Options on the terms and conditions summarised in Section 6.2 of the Prospectus.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Overland Resources Limited (ACN 114 187 978).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Directors means the directors of the Company as at the date of this Prospectus.

DJ Carmichael means DJ Carmichael Pty Limited (ACN 003 058 857).

Eligible Shareholder means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

EST means Western Standard Time as observed in Sydney, New South Wales.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia, New Zealand or Singapore.

Mandate means the mandate entered between the Company and DJ Carmichael as summarised in section 8.3(b).

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Placement has the meaning given in Section 3.1.

Placement Shares has the meaning given in Section 3.1.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Relevant Company means the Company and each of its subsidiaries (if any).

Securities means Shares and/or Options as the context requires.

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

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer to Shareholders who take up all their Entitlement to apply for additional Shares in excess of their Entitlement on the terms and conditions set out in section 4.6 of this Prospectus.

Shortfall Shares means those Shares offered under the Offer for which valid applications (excluding Shortfall applications) have not been received and accepted by the Company by the Closing Date and which are therefore available for subscription under the Shortfall Offer.

Tenements means the exploration licences, prospecting permits and mineral claims granted or applied for by the Company in respect of the Yukon Base Metal Project.

Underwriter means DJ Carmichael Pty Limited (ACN 003 058 857).

Underwriting Agreement means the underwriting agreement entered between the Company and the Underwriter as summarised in section 8.3(a).

WST means Western Standard Time as observed in Perth, Western Australia.