



ASX Release

31 January 2017

ABN 92 114 187 978

ASX Code: OVR

ISSUED CAPITAL

Shares: 366.9 million

Options: 10.0 million

CORPORATE DIRECTORY

Chairman:

Michael Haynes

Non-Executive Directors:

Hugh Bresser

Scott Robertson

Chief Executive Officer:

Ben Vallerine

CFO and Company Secretary:

Beverley Nichols

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DECEMBER 2016 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Option secured to acquire 100% of the Trojan Gold Project, located 55km ESE of Kalgoorlie
- Re-assessment of the optimal development strategy for the Yukon Base Metal Project hosting resources of 12.6 Mt at 5.3% zinc and 0.9% lead is progressing well; outcomes expected during Q1 2017.

TROJAN GOLD PROJECT HIGHLIGHTS

- Historic production of circa 130,000oz of gold from two open pits
- Last ore mined in 2004 when the gold price was circa US\$425/oz
- Remaining shallow JORC compliant resources comprise ~145,000oz of gold
- Potential to generate significant cash-flow in the near term by resuming open pit mining operations
- Option terms include agreement to toll-treat ore through Westgold's Jubilee Processing Facility
- Considerable exploration upside, with minimal work undertaken since mining ceased in 2004
- Drilling program scheduled to commence in February 2017

During the December quarter Overland Resources Limited (ASX: OVR; "Overland" and the "Company") announced it had entered into a binding Heads of Agreement ("HOA") with Westgold Resources Limited ("Westgold") and select subsidiaries of Westgold, whereby Overland has a 12-month option to acquire 100% of the Trojan Gold Project ("Project"), located approximately 55km ESE of Kalgoorlie in Western Australia (refer to the Company's ASX Announcement dated 6 December 2016 for full details).

The Trojan Gold Project provides Overland a quality opportunity to potentially generate significant cash-flow in the near term. Historically, approximately 130,000oz of gold was mined from two open pits within the Project area. Approximately 2Mt was mined from the Trojan open pit at a grade of 1.97 g/t gold (for ~125,000oz of gold). And approximately 31,000 tonnes of ore was mined at the Transfind open pit at a grade of 4.9g/t gold (for ~4,900oz of gold). Mining ceased in 2004, at which time the gold price was around US\$425/oz. Very little work has been undertaken subsequently. Approximately 145,000oz of unmined JORC compliant gold resources remain both below, and along strike from, the Trojan open pit.

With the gold price currently around US\$1,200/oz, significantly higher than the price of US\$425/oz that prevailed when mining was terminated in 2004, Overland believes there is considerable potential to resume mining operations at the Project and to delineate additional resources with further exploration.

Importantly, the HOA allows Overland to toll-treat all ore mined from the Project at Westgold’s Jubilee Processing Facility that is located 25km south of Kalgoorlie (see Figure 1).

During the December quarter the Company also continued to advance its re-assessment of the optimal development strategy for the Yukon Base Metal Project, where Resources currently comprise **12.6 Mt at 5.3% zinc and 0.9% lead**. This review is progressing well, with the outcomes and recommendations expected to be finalised during the first quarter of 2017.

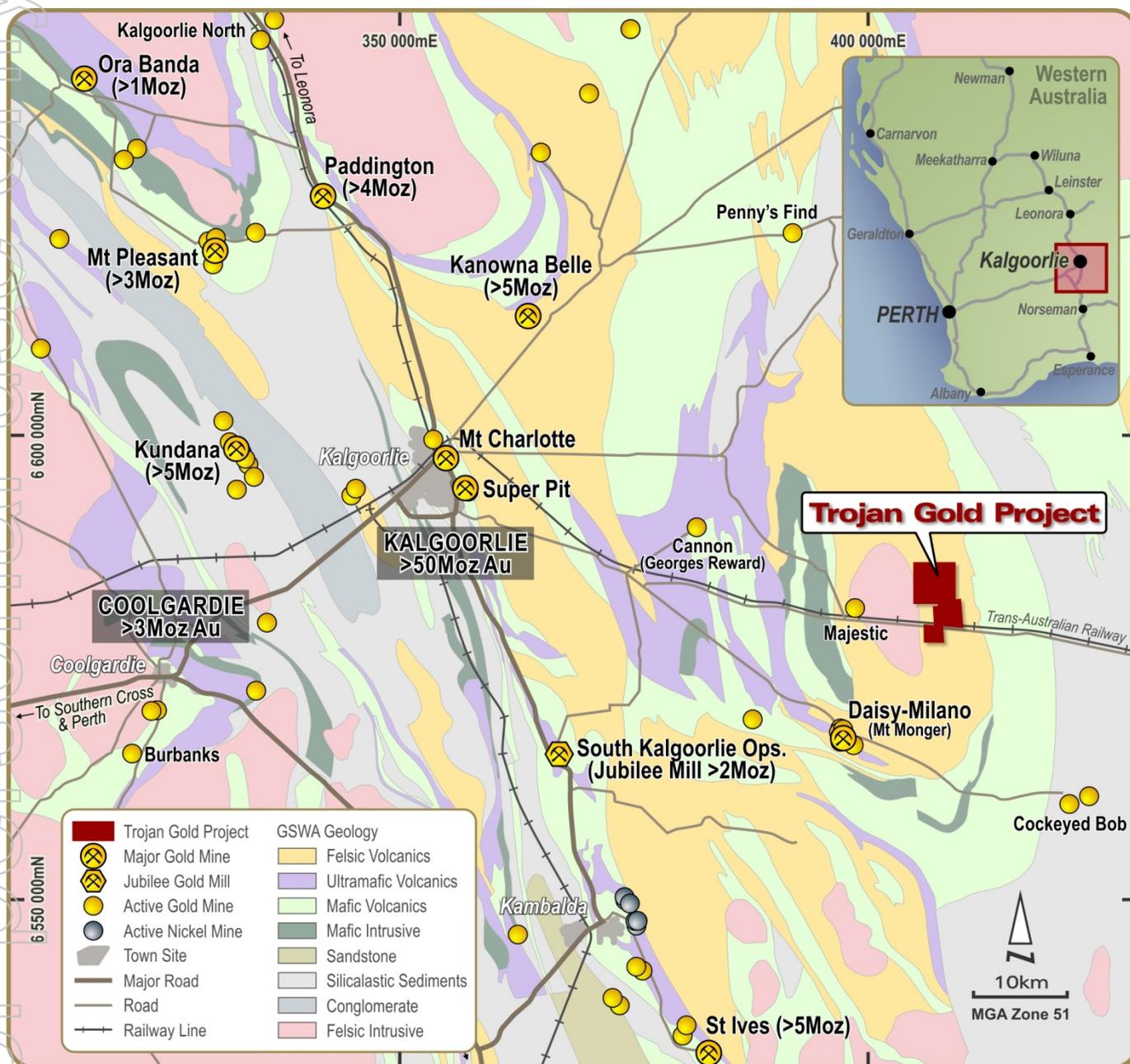


Figure 1. Location of the Trojan Gold Project, Western Australia, including regional geology.

THE TROJAN GOLD PROJECT

PROJECT AREA

The Trojan Gold Project is located approximately 55km ENE of Kalgoorlie in Western Australia (see Figure 1). It comprises one Mining Lease (M25/104) covering approximately 8.24km² together with an adjoining 16km² parcel of privately owned land (Location 41), for which Westgold owns both the surface and mineral rights (see Figure 2).

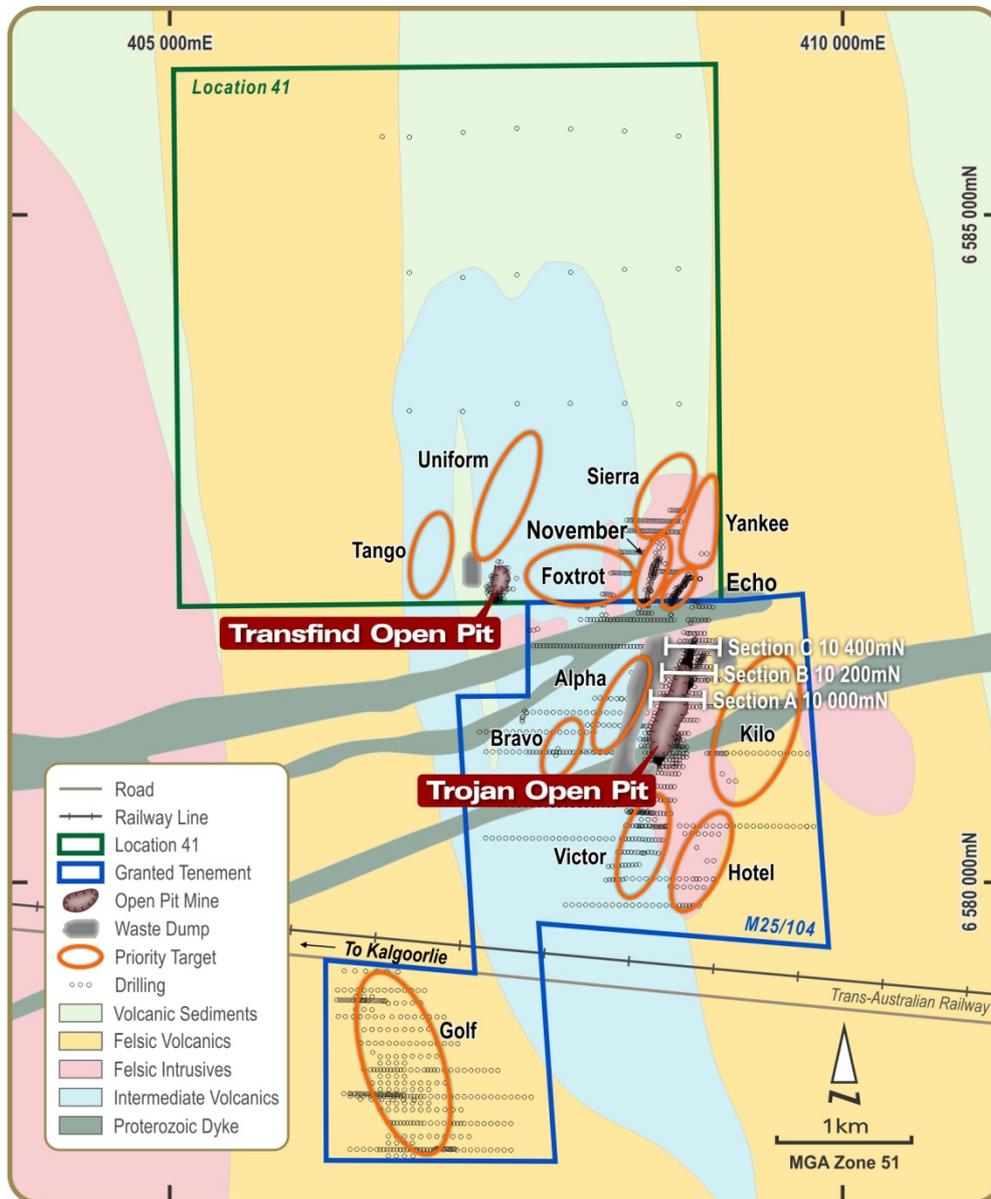


Figure 2. Geology of the Trojan Gold Project including location of historic open pits, current prospects, and cross sections illustrated in Figures 4-6.

LOCAL GEOLOGY

The Trojan Deposit is hosted by mafic volcanics in the south and a multiphase porphyritic granite complex in the north. Two large east-west trending dolerite dykes crosscut the Project area to the north and the south of the Trojan pit (see Figure 2).

Mineralisation at the Trojan Deposit is associated with a NNE trending brittle shear containing multiple sub parallel lodes dipping 60° west and hosted by granites (quartz syenite), porphyry, and in the extreme southern portion, inter-fingered basalt

and granite. The 'Juliet' lode outcrops at surface and extends for over 500m. The Juliet lode was targeted in early mining activities. The Juliet lode merges with the 'Oscar' lode in the southern portion of the Deposit. The Oscar lode is up to 25m wide in the centre of the Trojan pit.

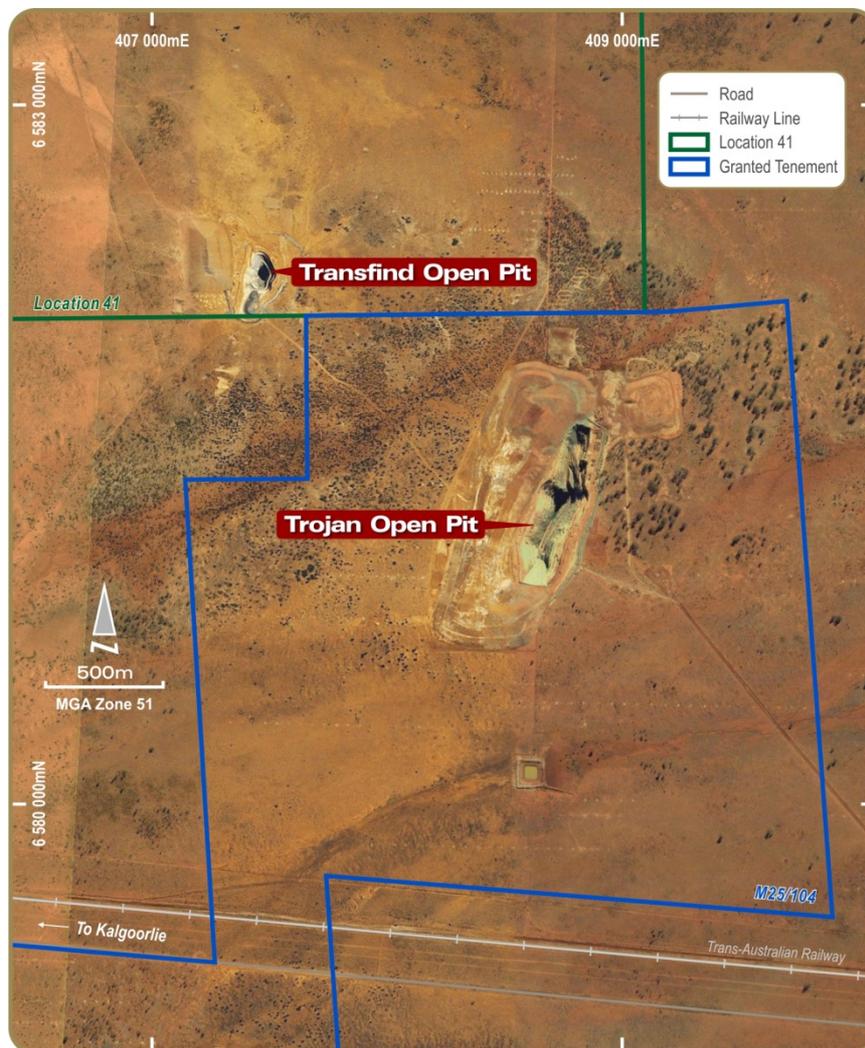


Figure 3. Aerial photo showing the extents of the historic Trojan and Transfind open pits within the Trojan Project area.

MINING HISTORY - TROJAN OPEN PIT

The first reported modern exploration in the area took place in 1972. This resulted in the delineation of some 165,800t @ 2.4g/t Au at the Trojan Deposit. Further exploration was undertaken by Endeavour Oil NL in 1976. Their drilling delineated some 460,000t @ 1.7g/t Au. During 1981, Southern Cross Batteries Pty Ltd mined ore from the area and treated it at the North Kalgurli mill. A recovery of 86.6% was achieved from an estimated head grade of 1.35g/t Au.

In 1986-87 Mt. Martin Gold Mines NL undertook a program of RC drilling and delineated a resource of 411,000t @ 2.12g/t Au. Detailed geochemical sampling in 1987/88 revealed a strong gold anomaly some 300-400m south of the known mineralisation. Subsequent RAB drilling located ore at approximately 30m vertical depth, beneath a zone of intensely leached and weathered rock. With further RC and diamond drilling, this mineralisation was found to connect with the main mineralisation at the Trojan Deposit to the north. A resource of 2 million tonnes at a grade of 2.2g/t Au was identified to a depth of 100m using a 1 g/t Au cut-off.

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In 1990, Mt Martin Gold Mines NL submitted a Notice of Intent for the recommencement of mining at the Trojan Project, and approval for the excavation of a trial pit was granted. Mining was delayed, for commercial reasons.

In 1994 Titan Resources NL merged with Mt Martin and took over ownership of the mining lease. Exploration during the 1990s included surface geochemical surveys and RAB and RC drilling to assess the potential over the remainder of the tenement, away from the known resource.

New Hampton Goldfields Limited purchased the tenement from Titan Resources NL in April 1999.

During 2000 New Hampton outlined a resource of 2,154,000t @ 2.17g/t Au. Mining of the Trojan Deposit began in September 2000 and continued until July 2004. The last ore was milled in October 2004 (when the gold price was circa US\$425/oz). Total production comprised 1,974,318t @ 1.97g/t for 125,129 ounces of gold. The maximum depth of the final pit was approximately 130m. Grade control drilling had been completed in advance of a Stage 8 open pit cut-back, but this ore was never mined.

In 2001 Harmony Gold Mining Company acquired New Hampton Goldfields Limited. Dioro Exploration NL subsequently acquired the South Kalgoorlie Operations from Harmony in 2007, including the Trojan Project. In 2010 Avoca Resources Limited acquired Dioro. Then in 2011 Avoca and Anatolia Minerals Development Limited merged to become Alacer Gold Corp.

In September 2013 Metals X Limited acquired Alacer's WA gold business, including the Trojan Project. In December 2016 Metals X Limited completed a demerger, whereby the parent company controlling its gold assets, including the Trojan Project, became Westgold Resources Limited.

MINING HISTORY - TRANSFIND OPEN PIT

At the nearby Transfind Deposit (within Location 41) gold mineralisation is hosted by a relatively massive rhyolite /dacite unit within a sequence of basalts and bedded volcanoclastics. The mineralisation lies within a north northeasterly trending brittle shear zone, with the broadest mineralisation being where the shear is cut by northwesterly trending faults. Quartz veining is widespread.

Limited available records indicate that between July 1991 and February 1992 Imperial Resources NL operated an open pit at Transfind that produced 31,050t of ore grading 4.9g/t Au (4,892oz Au) from a resource of 69,000t @ 5.7g/t Au (12,646oz Au). Considerable ore remains unmined.

EXPLORATION POTENTIAL

Numerous coherent geochemical anomalies and prospects have been delineated across the Project area previously. However most previous drilling, including at the Trojan pit itself, has been shallow. Indeed large parts of the Project area remain either undrilled or under-drilled (see Figure 2).

Considerable unmined resources remain both below, and along strike from the two open pits (see Figures 4-6). Overland considers there is considerable potential to delineate additional resources with further drilling. Numerous shallow targets have been identified.

IMMINENT DRILLING PROGRAM

The Company has been preparing to undertake a 2,000-2,500m RC drilling program in early 2017 to improve confidence in some of the shallow high-grade mineralisation and to commence evaluation of some of the higher priority exploration targets.

Prioritisation of all targets is nearing completion. Drilling permit applications have been submitted, with approvals expected in early February. Quotes have been received from numerous drilling contractors, with the program scheduled to commence in early-mid February 2017, immediately after all permits are approved.

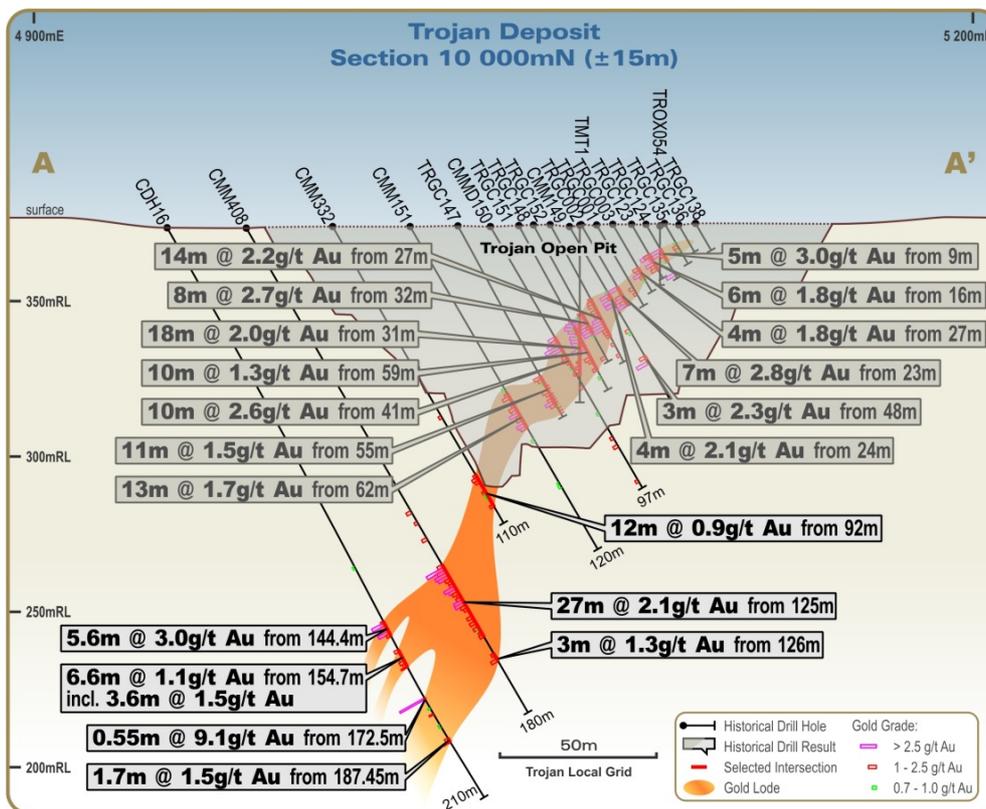


Figure 4. Cross Section 10,000N showing the extents of the historic open pit at the Trojan Deposit and unmined resources located immediately beneath the Deposit.

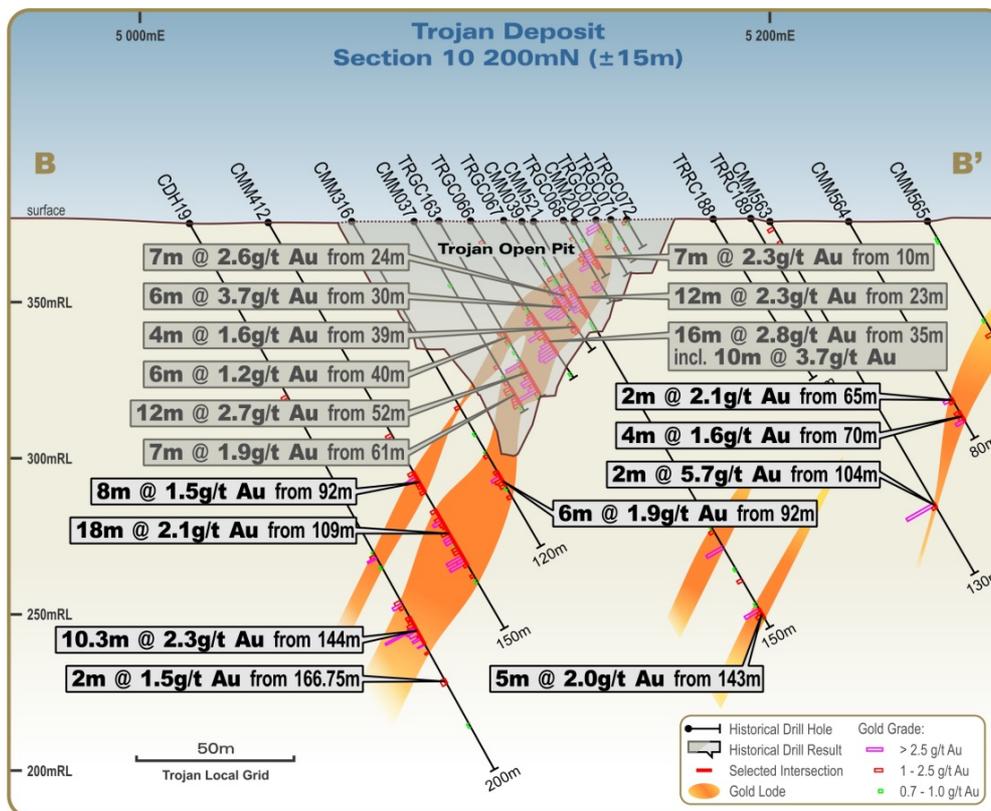


Figure 5. Cross Section 10,200N showing the extents of the historic open pit at the Trojan Deposit and unmined resources located immediately beneath and adjacent to the Deposit.

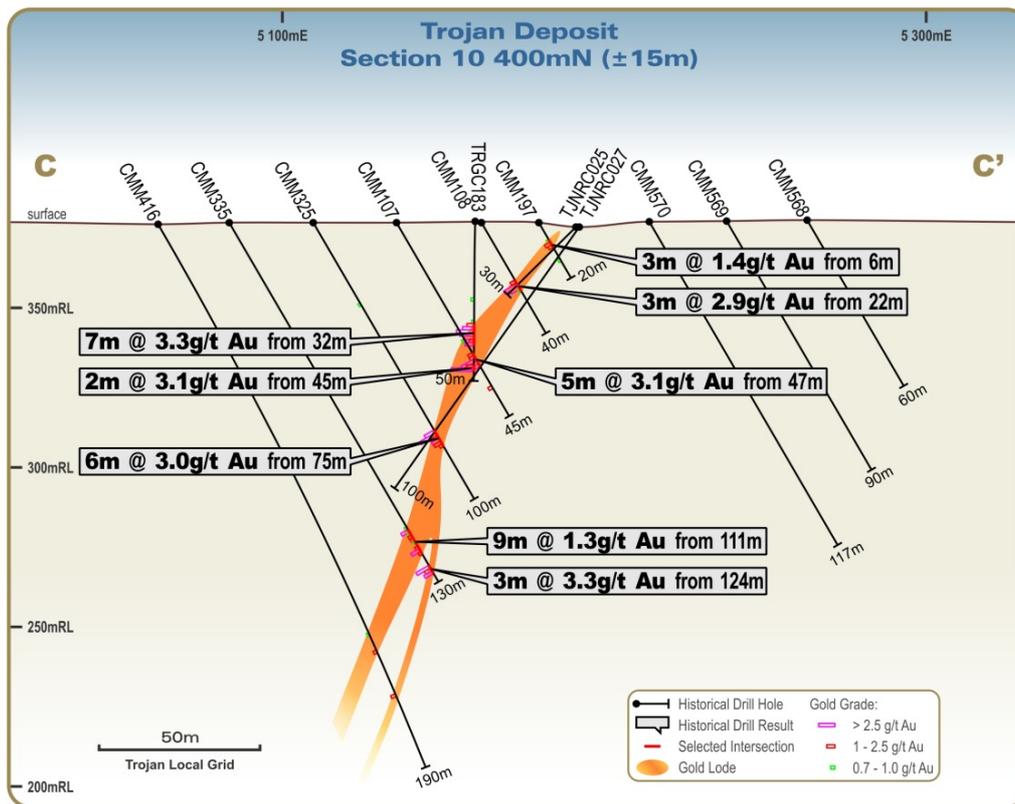


Figure 6. Cross Section 10,400N showing unmined resources located immediately along strike to the north of the Trojan open pit.

JORC COMPLIANT RESOURCES

Applying a 0.70g/t cut-off, the JORC 2012 compliant Indicated and Inferred Resource estimate for the Trojan Gold Project currently comprises 2.8Mt at 1.61 g/t gold for 144,800oz of gold, as summarised in the Table 1 below:

Classification	Tonnes	Grade (Au g/t)	Ounces of Gold
Indicated	1,679,908	1.72	93,117
Inferred	1,114,431	1.44	51,696
Total	2,794,339	1.61	144,814

Table 1. JORC compliant resources at the Trojan Gold Project, using a 0.70 g/t Au cut off.

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YUKON BASE METAL PROJECT

RE-ASSESSMENT OF OPTIMAL DEVELOPMENT STRATEGY

During the quarter the Company continued to advance its re-assessment of potential strategies to enhance the economics of developing the Yukon Base Metal Project, where Measured, Indicated and Inferred Resources currently total **12.6 Mt at 5.3% zinc and 0.9% lead** (see Table 2). With the global zinc price steadily increasing, and a positive outlook for this trend to continue, alternatives to potentially pursue lower CAPEX development scenarios are being assessed.

An experienced North American Mining Engineer has been engaged to coordinate the re-assessment. Outcomes and recommendations are anticipated during the first quarter of 2017.

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Zn (%)	Pb (%)	Tonnes	Zn (%)	Pb (%)	Tonnes	Zn (%)	Pb (%)	Tonnes	Zn (%)	Pb (%)
Andrew	1,730,000	5.3	1.7	4,730,000	6.0	1.6	190,000	4.9	1.6	6,650,000	5.8	1.6
Darcy				1,670,000	4.8	0.0	3,880,000	4.7	0.0	5,550,000	4.7	0.0
Darin							360,000	4.0	0.2	360,000	4.0	0.2
Total	1,730,000	5.3	1.7	6,400,000	5.8	1.1	4,430,000	4.6	0.1	12,560,000	5.3	0.9

Table 2. JORC compliant resource estimate for the Yukon Base Metal Project (lower cut off of 2% zinc and above 1000mRL applied).

CORPORATE

- The Company appointed Ben Vallerine as its Chief Executive Officer during the quarter. Mr Vallerine is a degree qualified geologist with over 15 years' experience. He has worked in the Western Australian goldfields and in management roles in North America. Mr Vallerine is very well qualified to oversee the implementation of the Company's exploration and development strategy, which will include resource definition drilling and mine optimisation work at the Trojan Gold Project, and continuing to seek to maximise value from the Company's Yukon Base Metal Project.
- The Company remains well-funded, with approximately \$471,000 cash at bank at 31 December 2016 and low corporate overhead costs.
- During the quarter 9.7 million unlisted options expired.
- During the quarter 12.6 million shares were issued to Westgold Resources Limited in accordance with the Company's option to acquire the Trojan Gold Project.

For and on behalf of the Board

Ben Vallerine
Chief Executive Officer

For more information please contact:-

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Chief Executive Officer
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COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results at the Yukon Base Metal Project is based on information compiled by Mr Hugh Alan Bresser who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Bresser is a Director of Overland Resources Limited, he has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bresser consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at the Yukon Base Metal Project is based on information compiled by Mr Peter Ball who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Ball is the Manager of Data Geo. Mr Ball has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ball consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to exploration results for the Trojan Gold Project is based on information compiled by Mr Ben Vallerine, who is a consultant to the Company. Mr Vallerine is a Member of the Australian Institute of Geoscientists. Mr Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results (JORC Code). Mr Vallerine consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at the Trojan Gold Project is based on information prepared by Metals X Limited as announced to the ASX on 18 August 2016 in its 2016 Annual Update of Mineral Resource and Ore Reserves.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

This announcement contains forward looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. The forward looking statements are made as at the date of this announcement and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as the result of new information, future events or results or otherwise

PREVIOUSLY REPORTED RESULTS

There is information in this announcement relating to previous Exploration Results. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement(s), and that all material assumptions and technical parameters have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.