

ACQUISITION OF THE MCCLEERY COPPER-COBALT PROJECT, CANADA

ASX Release

12 April 2017

ABN 92 114 187 978

ASX Code: OVR

ISSUED CAPITAL

Shares: 502.6 million

(post Rights Issue)

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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HIGHLIGHTS

- New claims staked covering ~9km² to secure a 100% interest in the McCleery Copper-Cobalt Project in the Yukon Territory, Canada
- Project targeted following a review of all historic cobalt occurrences in the Yukon
- Previous exploration focused on copper mineralisation, with rock samples assaying up to 15.6% Cu and 420 g/T Ag
- Historic reports indicate only one sample from the Project has ever been assayed for cobalt - returning 0.76% Co and 14 g/T Ag
- Multiple occurrences of cobalt bloom (secondary cobalt) and cobaltite (cobalt sulphide) are reported; separated by approximately 1,000m of prospective strike
- The Project has not been explored since 1983 and has never been drilled
- No exploration focusing on the potential of the Project to host economic cobalt mineralisation has ever been undertaken

Overland Resources Limited (ASX: OVR; "Overland" and the "Company") is pleased to announce that it has acquired a 100% interest in the McCleery Copper-Cobalt Project ("McCleery" or the "Project") in the Yukon Territory, Canada.

The Company identified the opportunity during a recent review of all historic cobalt occurrences within the Yukon Territory. The ground was open; hence Overland was able to secure a 100% interest in the Project at minimal cost by staking new claims. The Company already has a strong presence in the Yukon, having been active at its Yukon Base Metal Project since 2007; where to date Measured, Indicated and Inferred Resources of **12.6Mt @ 5.3% Zn and 0.9% Pb** have been delineated (see Table 2).

LOCATION AND ACCESS

The McCleery Project comprises 42 claims that cover approximately 9 km². It is located 170 km south-east of the Yukon's capital, Whitehorse, and 40km north-east of the community of Teslin in south-central Yukon (see Figure 1). A tractor trail/winter road provides access from the Alaska Highway to within 10km of the Project.

HISTORY AND PREVIOUS WORK

Minimal exploration has been undertaken in the Project area previously; with the most recent work having been undertaken in 1983.

The first recorded exploration in the area was by Atlas Explorations Limited (Atlas), in 1970. Geological mapping was conducted, with two copper showings and a cobalt showing identified in skarns. No assays are reported.

In 1975 United Keno Hill Mines Ltd (UKHM) conducted mapping and soil sampling. 1,026 soil samples were assayed for copper, with three significant coherent copper-in-soil anomalies delineated, with assays up to 820ppm Cu. UKHM attributed the high tenor anomalism to “structural effects, topographic effects and mapped mineralisation” but did not follow up with any drilling.

In 1982 and 1983 J.C Stephen Exploration Ltd identified tin mineralization in the Project area, with rock samples assaying up to 950 ppm tin and 375 ppm tungsten. In 1982 they carried out mapping and submitted 35 rock samples for analysis, only one of which was analysed for cobalt. This returned:

- **0.76% Co and 14 g/T Ag**

Only 14 of the 35 samples were assayed for copper, with over half returning values greater than 1.0% Cu. Some exceptional results were returned, including:

- **15.6% Cu and 420 g/T Ag**
- **11.7% Cu and 354 g/T Ag, and**
- **5.0% Cu and 174 g/T Ag**

Several other showings in the area were reported to host cobalt minerals, including cobalt bloom, a secondary cobalt mineral known as erythrite and cobaltite (cobalt sulphide). The more significant reported cobalt occurrences are separated by about 1km, with favourable lithologies present between them.

A ground magnetic survey was completed, with a magnetic anomaly found to be coincident with the copper-in-soil anomalies. But no further work was recommended.

The Company has not located any records of drilling being undertaken at the McCleery Project. And it appears that no work has been completed there since 1983.

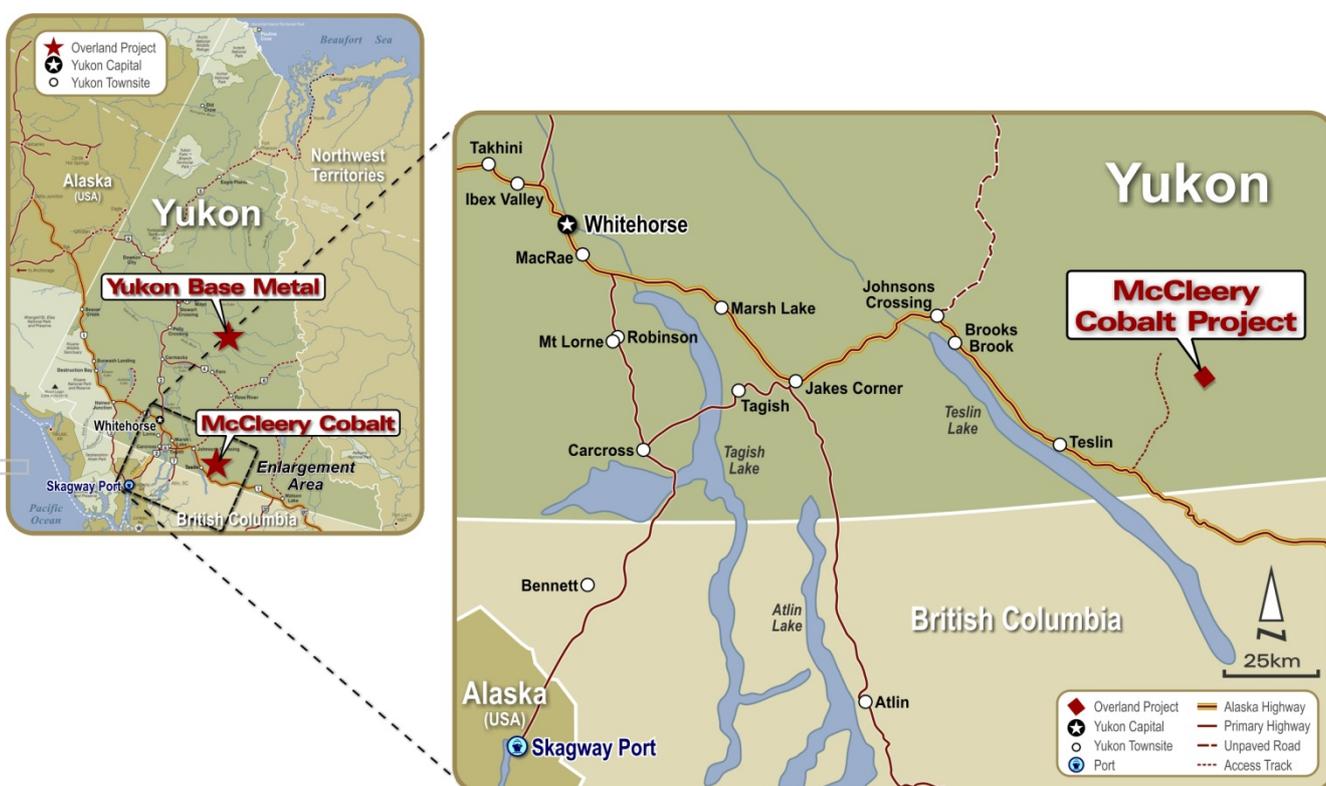


Figure 1. Location of the McCleery Cobalt Project, Yukon Territory, Canada

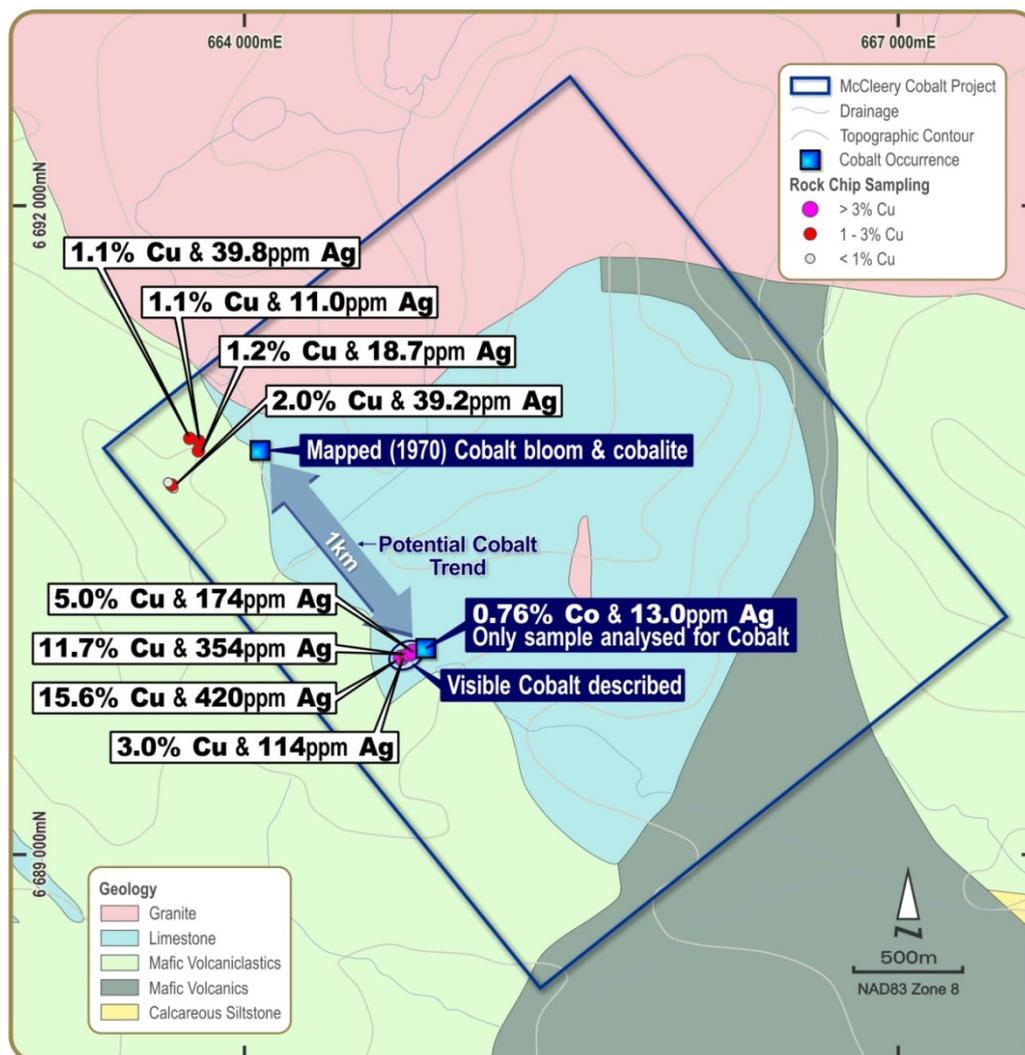


Figure 2. Geology and sample locations at the McCleery Cobalt Project, Yukon Territory, Canada

FUTURE WORK PLANS

With the Company now having 100% ownership of the Project area, it has begun planning for a work program during the summer of 2017. This will initially comprise reconnaissance mapping, rock and soil sampling and targeted follow-up of the known cobalt and copper mineralisation. Geophysical surveys may be conducted to help generate high priority drill targets.

UPDATE ON THE RECENT DRILLING PROGRAM AT THE TROJAN GOLD PROJECT

The Company's drilling program at its Trojan Gold Project was completed during the first week of April. 32 holes were completed for a total of 2,597m. Assay results are expected towards the end of April, with results to be announced shortly thereafter.

For and on behalf of the Board

Ben Vallerine
Chief Executive Officer

ABOUT OVERLAND RESOURCES

Overland Resources controls two quality resource projects in two world-class mining districts, providing the Company exposure to potential near-term gold production in the Kalgoorlie District of Western Australia (Trojan Gold Project) together with a large, high-grade zinc asset in the Yukon Territory, Canada.

TROJAN GOLD PROJECT

The Trojan Gold Project is located 55km east of Kalgoorlie. It provides Overland with a near-term, low-CAPEX production opportunity. Trojan hosts a JORC compliant resource of 2.8Mt @ 1.6 g/t Au for 145,000oz of gold (see Table 1). The 24 km² Project includes two past producing open pits, the Trojan pit, where 2Mt of ore was mined at 1.97 g/t Au for 125,000oz between 2001 and 2004, and the high-grade Transfind pit, where 31,000t of ore was mined at 4.9 g/t Au for 4,900oz of gold between 1991 and 1992. Mining at Transfind was reportedly terminated prematurely leaving considerable high-grade ounces remaining unmined. As part of the acquisition of the Trojan Gold Project, Overland has also been granted the right to toll treat any ore produced from the Project at Westgold Resources Limited’s Jubilee Mill.

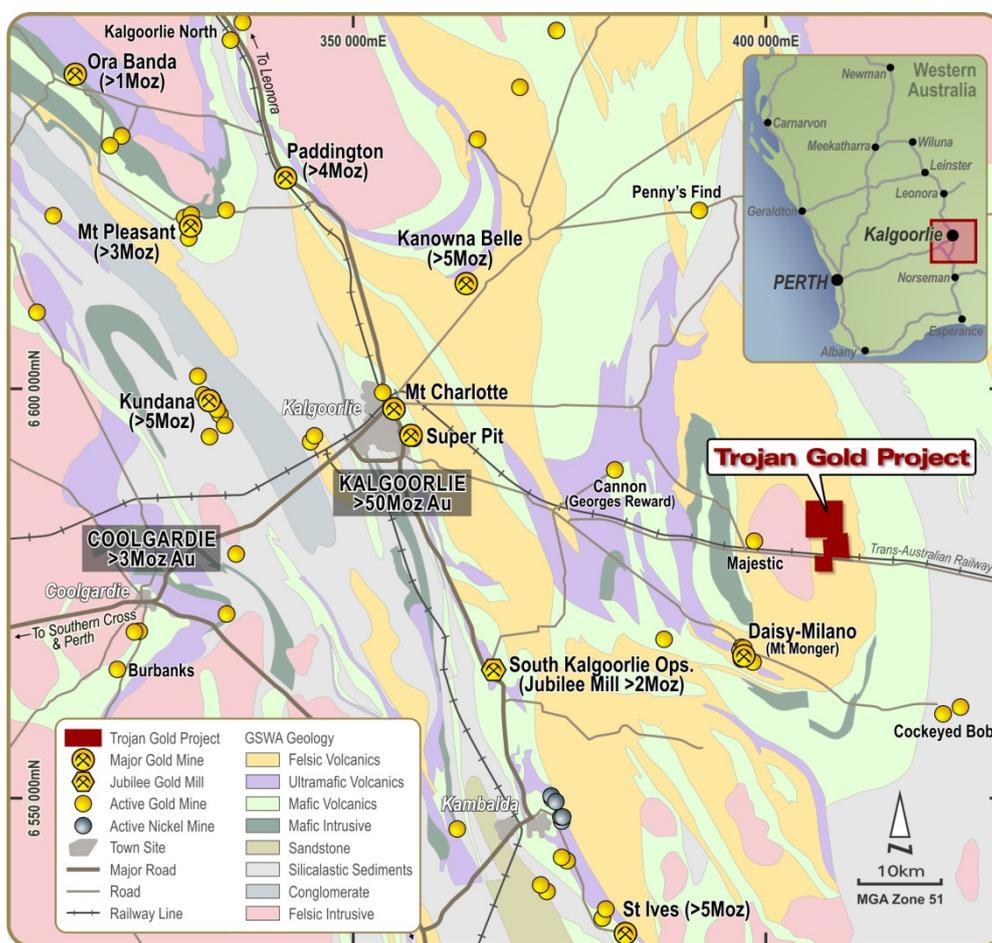


Figure 3. Location of the Trojan Gold Project, Western Australia, including regional geology.

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

THE YUKON BASE METAL PROJECT

The Yukon Base Metal Project in Canada provides Overland considerable exposure to a rising zinc price and mid-term production potential. The Project hosts a JORC compliant resource of **12.6 Mt at 5.3% zinc and 0.9% lead** (see Table 2). The Junction Prospect provides considerable potential to further expand the resource base at the Project, as extensive zinc-in-soil anomalism, with assays up to 0.45% Zn and 6.1 g/t Ag (see Figure 2), have been delineated recently but are yet to be drill-tested. Four anomalies exceed 2,000m in length; with the size and grade of these anomalies comparable to the soil anomalies delineated over the Andrew, Darcy and Darin Deposits that make up the current resource.

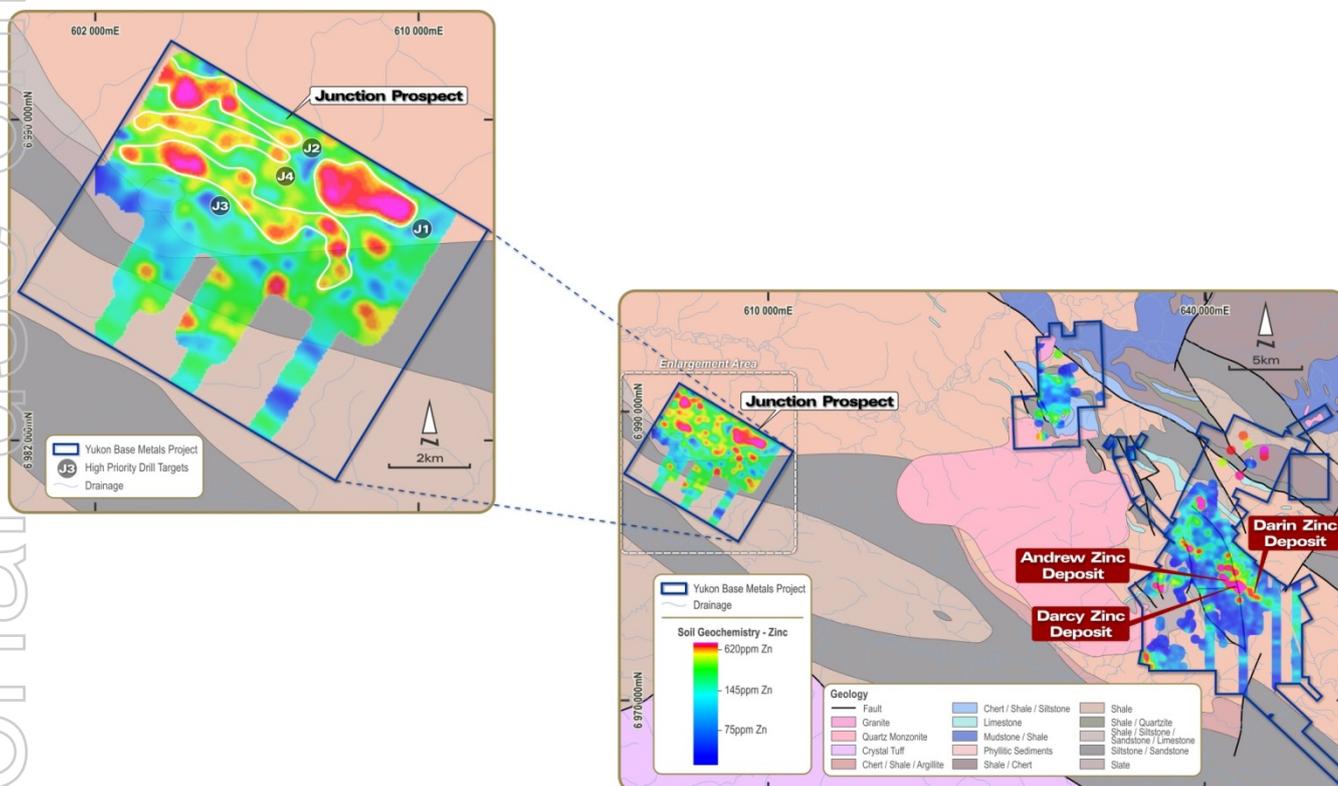


Figure 4. Zinc in soil anomalism at the Junction prospect, including four high priority drill targets.

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).

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 and McCleery Copper-Cobalt 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 reviewed and compiled by Mr Jake Russell who is a Member of the Australasian Institute of Geoscientists. Mr Russell is the Group Chief Geologist at Westgold Resources who own the underlying tenure at the Trojan Gold Project and was the Competent Person when Metals X (now Westgold Resources) originally published the Resource Statement. Mr Russell 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 Russell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.