ASX Release

20 May 2009

OVERLAND RESOURCES LIMITED
Level 2 / 675 Murray Street
WEST PERTH
Australia
Tel: +61 8 9226 5566
Fax: +61 8 9226 2027

Contact:
Hugh Bresser
Managing Director

E-mail:
info@overlandresources.com

Tel: +61 8 9226 5566

For the latest news:
www.overlandresources.com

Issued Capital:
74 million shares

ASX Symbol: OVR

YUKON BASE METAL PROJECT RESOURCE UPGRADE

YUKON BASE METAL PROJECT, CANADA

- **Total JORC compliant resource increased by 77% to:**
  8.95Mt at 6.3% Zn & 1.2% Pb[1], or
  8.95Mt at 7.5% Zn equivalent[2]
- **High confidence in resource classification**
- **Two discrete zinc deposits now confirmed – Andrew and Darcy**
- **Increased confidence in open pit and underground mining potential**
- **Both deposits remain open along strike and at depth**
- **Considerable potential for additional discoveries**
- **Near-term production opportunity**

Overland Resources Limited (ASX: OVR and "Overland Resources" or "Company") is pleased to announce an upgraded JORC compliant resource for its Yukon Base Metal Project. An independent consultant has calculated the total JORC compliant resource for the Yukon Base Metal Project to be:

8.95 million tonnes at 6.3% Zn and 1.2% Pb[1]

or

8.95 million tonnes at 7.5% Zn equivalent[2]

Classification	Tonnes	Zn (%)	Pb (%)
Measured	1,610,000	5.5	1.7
Indicated	4,690,000	6.2	1.6
Inferred	2,650,000	6.8	0.3
TOTAL	**8,950,000**	**6.3**	**1.2**

Table 1. Andrew Zinc Deposit JORC compliant mineral resource[1]

This upgraded resource figure represents a 77% increase in total resource tonnes when compared to the April 2008 resource. The figure is derived from an upgraded JORC compliant resource estimate for the Andrew Zinc Deposit (Table 2), together with the inaugural JORC compliant resource estimate for the newly discovered Darcy Zinc Deposit (Table 3).

Classification	Tonnes	Zn (%)	Pb (%)
Measured	1,610,000	5.4	1.7
Indicated	4,690,000	6.2	1.6
Inferred	900,000	7.0	0.7
TOTAL	**7,200,000**	**6.2**	**1.5**

Table 2. Andrew Zinc Deposit JORC compliant mineral resource[1]

Classification	Tonnes	Zn (%)	Pb (%)
Inferred	1,750,000	6.7	0.0
TOTAL	**1,750,000**	**6.7**	**0.0**

Table 3. Darcy Zinc Deposit JORC compliant mineral resource[1]

[1] Lower cut-off grade of 2% zinc applied
[2] May 19th spot LME metal price applied: US$0.6709/lb zinc, US$0.6622/lb lead

Resource Estimate

The JORC compliant resource for the Andrew Zinc Deposit is based on the results of 120 diamond core drill holes, 102 of which were drilled by Overland Resources Limited during 2007 and 2008. The JORC compliant resource estimate for the Darcy Zinc Deposit is based on the results of 19 diamond core holes, of which 16 were drilled by Overland Resources Limited during 2008.

The zones of mineralisation were solid modelled based on boundaries defined by geology and zinc grade. The drill holes were composited to 1m down hole against these wireframes and grade was estimated into a block model with parent cells of dimensions 25m (along strike) x 5m (across strike) x 5m (down dip) which allowed sub-celling to match mineralisation and geological boundaries to a size of 12.5m (along strike) x 2.5m (across strike) x 2.5m (down dip). The grade estimation technique selected was appropriate for the zinc grade continuity and drill hole data density. Multiple Indicator Kriging was utilised for the Andrew Zinc Deposit whilst Inverse Distance was utilised for the Darcy Zinc Deposit. Tonnes were assigned using a default specific gravity of 2.7t/m^3 appropriate to the geology. The mineral resource was classified according to robustness of the geological model and confidence in continuity, grade continuity, density and quality of data collection and a measure of drill spacing based on kriging error.

For reporting purposes a lower cut-off grade of 2% Zn was applied. It is believed that this component of the in situ mineral resource has reasonable prospects for eventual economic extraction via a combination of open pit and underground mining techniques.

Resource Classification

During 2008 the Company increased the density of drilling at the Andrew Zinc Deposit and by doing so increased the confidence in the resource. Nearly 88% of the Andrew Zinc Deposit resource is now classified in the “Measured” and “Indicated” categories. The increase in confidence in the resource at the Andrew Zinc Deposit helps further de-risk the project as the Company continues to advance the project towards mine permitting.

Exploration Upside

Significant mineralisation was intersected at depth and to the western end of the Andrew Zinc Deposit, including:

- **7.8m at 6.2% Zn and 0.9% Pb, and**
- **6.4m at 7.6% Zn and 11.6% Pb**

This mineralisation remains open; hence there is considerable potential to increase the resource base at the Andrew Zinc Deposit with further drilling.

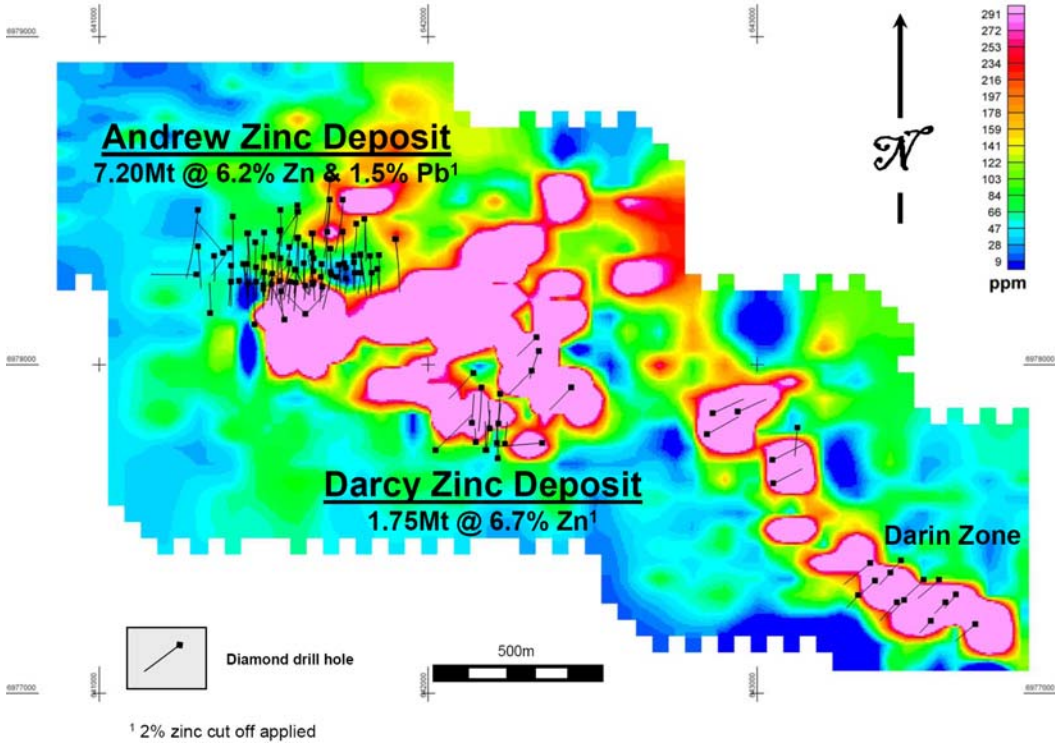

Figure 1. 2,500m anomalous zinc in soil geochemistry corridor hosting the Andrew and Darcy Zinc Deposits

The Darcy Zinc Deposit is located 600m south east of the Andrew Zinc Deposit (Figure 1). Mineralisation is high-grade, comes to surface and remains open in all directions. Considerable potential exists to increase the resource base with further drilling.

The discovery of the Darcy Zinc Deposit highlights the potential of the area to host additional resources beyond those currently defined by drilling. Numerous highly prospective areas remain to be adequately tested, including the Darin Zone, further to the south east, where analytical results returned from diamond drilling include:

- **21.2m at 4.8% zinc from 103.1m, and**
- **10.5m at 3.6% zinc from 3.7m**

The Company is finalising a study into the economics of developing a mining operation at the Yukon Base Metal Project, incorporating the new resource calculation and latest economic figures. Results are anticipated within the coming weeks. This study will provide the Company with information to further advance the Yukon Base Metal Project towards production.

Hugh A Bresser
Managing Director

The information in this report that relates to Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Ball who is a Member of the Australian Institute of Mining and Metallurgy. Mr Peter Ball is the Manager of Data Geo. Mr Peter 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 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Peter 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 report that relates to Exploration Result is based on information compiled by Mr Hugh Alan Bresser who is a Member of the Australian Institute of Mining and Metallurgy. Mr Hugh Alan 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 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Hugh Alan Bresser consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.