



ASX Release

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Issued Capital:
74 million shares

ASX Symbol: OVR

JUNE 2009 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

YUKON BASE METAL PROJECT

JORC Resource Upgrade

- Total JORC compliant resource increased by 77% to:
8.95Mt at 6.3% Zn & 1.2% Pb¹, or
8.95Mt at 7.5% Zn equivalent²
- High confidence in resource classification
- Two discrete zinc deposits now confirmed – Andrew and Darcy
- Potential to extend both deposits along strike and at depth

Economic Mining Evaluation

- Plausible to economically develop an open pit and underground mining operation to supply a single processing facility
- Cash cost of concentrate production of \$0.31/lb of zinc equivalent¹
- Low initial CAPEX estimate US\$94 million
- Considerable underground and open pit expansion potential

Project Optimisation

- Dense Media Separation study underway
- Canol Road heavy haulage corridor study nearing completion

Exploration Potential

- Significant scope for additional discoveries

GLOBAL ZINC MARKET

- LME Zinc Metal price increased 23% over the reporting period

YUKON BASE METAL PROJECT

Resource Estimate

During the June Quarter Overland Resources Limited (ASX: OVR and "Overland Resources" or "Company") announced an upgraded JORC compliant resource for its Yukon Base Metal Project. An independent consultant calculated the total 'measured, indicated and inferred' JORC compliant resource for the Yukon Base Metal Project, including the Andrew and Darcy Zinc Deposits, to be:

8.95 million tonnes at 6.3% Zn and 1.2% Pb¹

or

8.95 million tonnes at 7.5% Zn equivalent²

The upgraded resource figure represents a 77% increase in total resource tonnes compared to the April 2008 resource.

¹ Lower cut-off grade of 2% zinc applied

² July 23rd spot LME metal price applied: US\$0.7380/lb zinc, US\$0.7521/lb lead

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. Yukon Base Metal Project JORC compliant mineral resource¹

The JORC compliant resource estimate for the Andrew Zinc Deposit (Table 2) demonstrates a high level of confidence, with over 87% of the resource classified as “measured” or “indicated”.

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 resource¹

The Darcy Zinc Deposit was discovered in 2008. The Company recently announced the inaugural JORC compliant resource estimate for the deposit (Table 3):

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 resource¹

Preliminary Mining Evaluation

In June 2009 the Company announced a preliminary mining evaluation on the Yukon Base Metal Project. The results indicated that estimated capital costs of US\$94 million, including a 25% contingency, would be required to develop a mining operation consisting of a 700,000 tonne per annum centralised processing plant supported by open pit and underground mining operations.

An initial 6 year mining operation would produce 493,000 tonnes of zinc concentrate and 135,000 tonnes of lead concentrate. There is considerable potential for expansion through optimisation and further exploration success.

At the proposed production rate these costs equate to a concentrate production cost of US\$0.31/lb of zinc equivalent¹. Transport of the concentrate through the ice free Port of Skagway in Alaska, to an Asian discharge port, is estimated to cost \$0.12/lb of zinc equivalent¹.

Project Optimisation

While the positive mining evaluation is an excellent result there is significant potential to improve upon the project economics. A review of three main areas has commenced.

1. Processing plant feed – A study has commenced to examine the potential to beneficiate low grade mineralised material through the application of dense media separation (DMS). This could result in a significant proportion of the resource being reclassified and added to the mining inventory. Should this be successful the potential impact of this on the project would be
 - a. Increase plant feed material resulting in an increased life of mine (LOM) and extended period of revenue flow.
 - b. Increase in mining inventory and reduction of the strip ratio thus reducing mining cost per tonne of plant feed.
 - c. Increase in size of economically viable open pit resulting in a reduction in the projects total mining cost per tonne.
2. Transport – The multi client (OVR, Port of Skagway and Yukon Government) sponsored Canol Resource Corridor heavy haulage study is expected to be completed shortly. This report will provide new information relevant to the transport of concentrates by road within the Yukon. This new

information may provide mechanisms by which to realise significant operational savings for the project.

3. Power – The Company is examining several alternative power generation techniques to supplement the proposed diesel fuelled generators. Success in this area will not only reduce the projects reliance on expensive fossil fuels and overall power cost but may also reduce the transport costs associated with bringing fuels to site.

The Company will incorporate these results into a revised economic model and adjust the scope of the project in preparation for a bankable feasibility study.

Exploration Potential

Mineralisation at both the Andrew Zinc Deposit and the Darcy Zinc Deposit remains open in all directions. There is considerable potential for mineralisation to extend beyond the bounds of the current drilling. The Company intends undertaking additional work to expand the resource bases at both deposits. This would add considerable value to any mining operation established at the Yukon Base Metal Project.

The Andrew and Darcy Zinc Deposits are 600m apart and lie within a NW-SE trending mineralised corridor. Soil geochemistry samples collected from this mineralised corridor show it to be highly anomalous in zinc over at least 2,500 metres of strike, while remaining open to the southeast (Figure 1.).

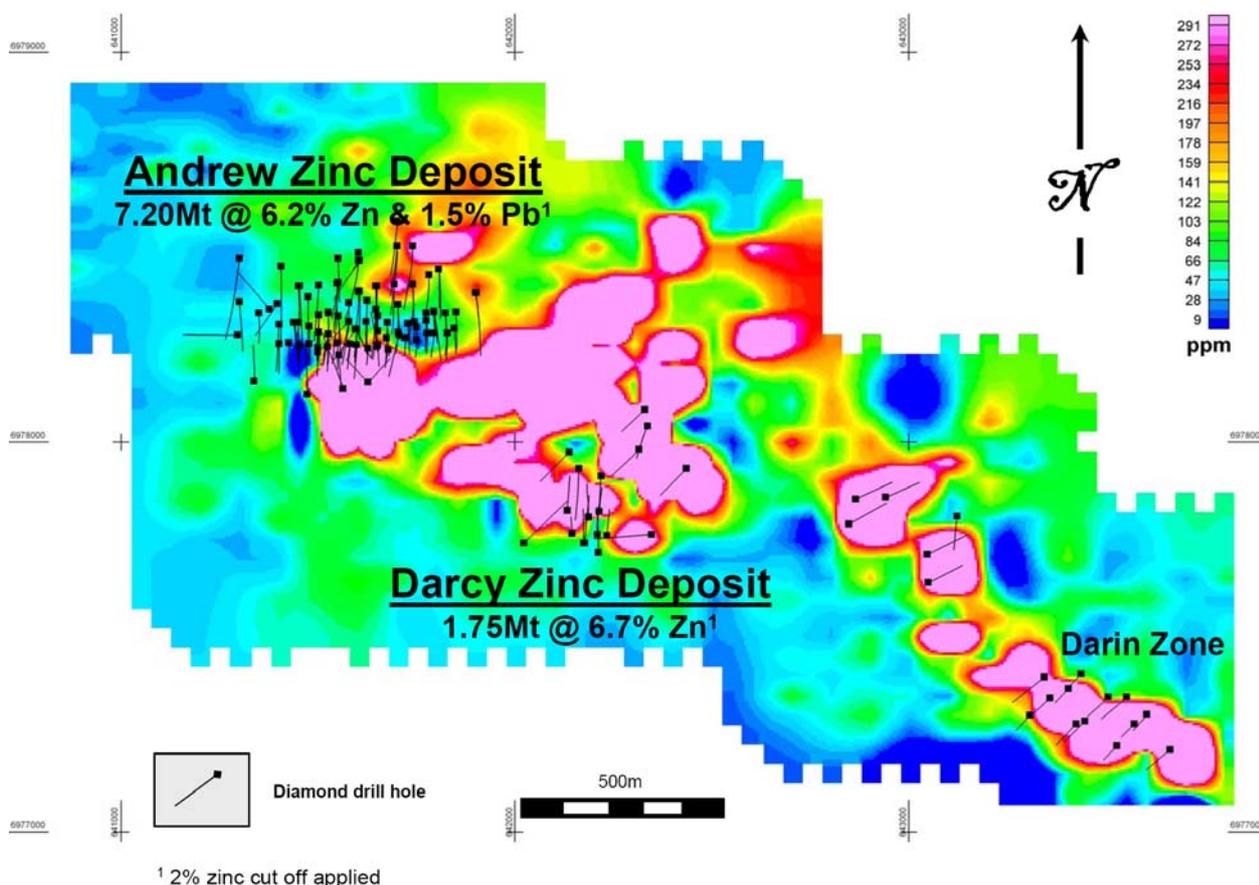


Figure 1: Zinc in soil geochemistry extending 2,500m south east from the Andrew Zinc Deposit.

Drilling to date has focused on the Andrew and Darcy Zinc Deposits, with much of this 2,500 metre corridor yet to be adequately drill tested. Significant zinc mineralisation has been intersected in drilling towards the south-eastern end of this anomalous corridor at the Darin Zone. This provides further encouragement for the discovery of additional resources elsewhere within this mineralised corridor. The Company intends conducting additional exploration within this mineralised corridor and elsewhere on the Yukon Base Metal Project to identify potential additional resources.

GLOBAL ZINC MARKET

During the June quarter zinc metal prices have continued to recover. LME metal prices have risen 23% from US\$0.60/lb to US\$0.74/lb (with a three month high of US\$0.78/lb) while LME metal inventories have remained stable (Figure 2). LME zinc metal price is now only 15% less than it was 12 months ago.



Figure 2: LME Zinc price and inventory over the past 12 months.

CORPORATE

Overland Resources is in a solid financial position and is striving to maximise shareholder value through the rapid development of its key Yukon Base Metal Project in Canada. The Company has a 90% interest in the Yukon Base Metal Project, including the Andrew Zinc Deposit, Darcy Zinc Deposit and surrounding claim blocks.

Overland Resources is seeking to capitalise on opportunity created by the current economic conditions by growing its portfolio of projects. The Company continues to evaluate new opportunities globally as it endeavours to grow and add value for shareholders.

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.