OVERLAND RESOURCES LIMITED

2009 Annual Report

OVERLAND
RESOURCES

ABN 92 114 187 978

CORPORATE DIRECTORY

Directors
Mr. Michael Haynes (Chairman)
Mr. Hugh Bresser (Managing Director)
Mr. Anthony Polglase (Non Executive Director)
Mr. Gibson Pierce (Non Executive Director)

Company Secretary
Mr. Scott Funston

Registered Office and Principal Place of Business
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Stock Exchange Listing
Overland Resources Limited shares are listed on the Australian Securities Exchange, the home branch being Perth.
ASX Code: OVR

Auditors
Ernst and Young
11 Mounts Bay Road
Perth WA 6000

CONTENTS

Company Highlights

Yukon Base Metal Project, Canada

- 77% increase in project resource tonnes
- JORC Code compliant resource upgraded to:
  - **8.95MT at 6.3% Zn and 1.2% Pb**
  - **70% within indicated and measured classification categories**
- Discovery of the Darcy Zinc Deposit
  - **1.75MT at 6.7% Zn**
- New zone of high grade mineralisation discovered at Andrew Zinc Deposit. Results include:
  - **7.8m at 6.2% Zn and 0.9% Pb**
  - **6.4m at 7.6% Zn and 11.6% Pb**
- Andrew Zinc Deposit main high grade zone continues. Results include:
  - **37.1m at 10.5% Zn**
  - **32.6m at 8.6% Zn and 1.8% Pb**
    Including 17.2m at 11.9% Zn
  - **24.9m at 4.2% Zn and 15.5% Pb**
    Including 17.2m at 6.7% Zn and 18.8% Pb
  - **15.1m at 6.6% Zn and 12.6% Pb**
  - **12.1m at 8.6% Zn and 4.2% Pb**
  - **16.0m at 9.4% Pb**
  - **10.2m at 2.3% Zn and 13.0% Pb**
- New discovery made at the Darin Zone. Results include:
  - **43.9m at 11.9% Zn**
  - **28.3m at 13.6% Zn**
- Potential for continued resource expansion
- Positive mining study into development of the Yukon Base Metal Project; potential for:
  - **Low capital cost (US$100 million)**
  - **Low production costs (US$0.43/lb zinc equivalent)**
- Satellite mine development potential confirmed

Managing Directors Report

Summary

Throughout the past 12 months Overland Resources Limited has progressively advanced the Yukon Base Metal Project (Project) towards development and production.

In September 2008 the Company successfully completed its second phase drilling programme at the Yukon Base Metal Project. A total of 134 drill holes were completed for 23,545 metres.

Final assay results for all 134 holes were reported by January 2009. These results highlighted the continuity of the thick high grade mineralisation at the Andrew Zinc Deposit and scope for the deposit to continue beyond the boundaries of the current drilling.

The second phase drilling programme also resulted in the discovery of the Darcy Zinc Deposit, located 600 metres to the south east of the Andrew Zinc Deposit. The Darcy Zinc Deposit lies within a 2,500 metre long zinc in soil geochemistry anomaly. The Deposit has only been drill tested to a relatively shallow depth and remains open in all directions.

Elsewhere within the mineralised corridor drilling intersected significant mineralisation to the north of the Darcy Zinc Deposit and at the Darin Zone, located at the eastern end of the 2,500 metre soil geochemistry anomaly. These results indicate the potential of this underexplored corridor to host additional mineralisation.

In May 2009 the Company announced an upgraded JORC Code compliant resource for the Yukon Base Metal Project, comprising 8.95MT at 6.3% Zn and 1.2% Pb. Over 70% of this resource is classified as “indicated” or “measured”. The upgraded resource represents a 77% increase in total tonnes on the previously announce resource.

In June 2009 the results of an independent economic evaluation indicated that the establishment of an open pit and underground mining operation at the Yukon Base Metal Project is potentially economically feasible. The study highlighted the potential to establish a low capital cost (US$96 million) and low operating cost ($0.43/lb zinc equivalent) mining operation. This operation could provide the Company with undiscounted cash flow of US$210 million within the first six years of operation (assuming commodity prices of US$2,200/T zinc and US$2,200/T lead).
While the positive mining evaluation is an excellent result, the Company is now assessing the potential to improve overall project economics. Initial focus is on three main areas:

- Transport
- Processing Plant Feed Material
- Power Generation

Figure 1. Yukon Base Metal Project location map.

When this review is completed the Company will incorporate the results into a revised economic model in preparation for a bankable feasibility study and mine permitting.

Several underexplored but highly prospective targets have been identified at the Yukon Base Metal Project. These provide considerable potential to expand the life of any mining operation through discovery of satellite deposits.

The Company continues to collect environmental baseline data and consult with Yukon and Canadian regulators, assessors and community groups to facilitate a smooth transition to mining.

The Yukon Base Metal Project is located in a jurisdiction that is particularly supportive of new mine developments. It presents an exceptional opportunity for the Company to develop a viable mining operation in the near future.

Right: Figure 2. High grade zinc mineralisation from the Andrew Zinc Deposit.

Review of Activities

History

The Yukon Base Metal Project comprises 502 Mineral Claims, covering approximately 100km^2 over and around the high grade Andrew and Darcy Zinc Deposits in the highly prospective and under explored Selwyn Basin of the Yukon Territory, Canada. Overland Resources Limited acquired a 90% interest in the Project in July 2007.

The Andrew Zinc Deposit was discovered in 1996 when a prospector followed up a stream geochemistry anomaly delineated during a 1989 government funded regional stream sampling programme. Noranda Inc. optioned the property in 2000 and intersected thick, high grade zinc mineralisation in the first drilling programme ever conducted at the Project in 2001. A second drilling programme followed in 2002. Despite mineralisation remaining open in all directions Noranda relinquished its option in 2003.

Overland Resources secured an option to earn a 90% interest in the project in January 2007. From May to October 2007 Overland completed its first phase diamond drilling programme, comprising 10 diamond core holes for 2,867 metres.

Metallurgical test work conducted by SGS Lakefield in 2008 on mineralised material collected from the Andrew Zinc Deposit highlighted exceptional metal recoveries, providing marketable grades for potential concentrates.

An economic mining study completed in April 2008 concluded that the development of a mining operation at Yukon Base Metal Project could be economically feasible.

Development and Exploration Activities

Second Phase Diamond Drilling Programme

In September 2008 the Company successfully completed its second phase drilling programme at the Yukon Base Metal Project. A total of 134 drill holes were completed for 23,545 metres. Exceptional results were returned from both the Andrew Zinc Deposit and the Darcy Zinc Deposit confirming the considerable potential to expand the life of the proposed mining operation.

Andrew Zinc Deposit

Analytical results reported from the main portion of the Andrew Zinc Deposit returned exceptional intersections of thick, high grade mineralisation including:

- **37.1m at 10.5% Zn**
- **32.6m at 8.6% Zn and 1.8% Pb**
  - *Including 17.2m at 11.9% Zn*
- **24.9m at 4.2% Zn and 15.5% Pb**
  - *Including 17.2m at 6.7% Zn and 18.8% Pb*
- **15.1m at 6.6% Zn and 12.6% Pb**
- **12.1m at 8.6% Zn and 4.2% Pb**
- **16.0m at 9.4% Pb**
- **10.2m at 2.3% Zn and 13.0% Pb**

Analytical results reported from diamond drilling at the western end of the Andrew Zinc Deposit confirmed the potential to continue expand the resource base in that direction. Drilling intersected a new area of high grade mineralisation in an area previously interpreted to be barren. Analytical results from this area include:

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

Beyond expanding the size of the resource at the Andrew Zinc Deposit this discovery provides confidence that additional high grade mineralised zones may be discovered in close proximity to the Andrew Zinc Deposit.

The result from the second phase diamond drilling programme at the Andrew Zinc Deposit confirm the continuity and thickness of high grade mineralisation, highlight that mineralisation remains open in all directions, and confirms the potential for mineralisation to continue at depth beyond the levels of current drilling.

Darcy Zinc Deposit

A extremely important result of the Company's second phase drilling programme was the discovery of the Darcy Zinc Deposit. This satellite deposit, located 600 metres south east of the Andrew Zinc Deposit, was discovered by targeting a zinc in soil geochemistry anomaly with drilling. Exceptional intersections of mineralisation at this deposit include:

- **77.0m at 11.0% Zn**
- **34.0m at 12.8% Zn**

Mineralisation remains open along strike in both directions and the Company believes expansion of the resource is probable with further drilling.

The mineralisation at the Darcy Zinc Deposit is high grade and near surface, hence ideal for open pit mining. The mineralisation is similar in nature to the mineralisation at the Andrew Zinc Deposit; hence the same processing facility could be utilized to treat material from both deposits.

JORC Code Compliant Resource

In May 2009 results from the second phase diamond drilling programme were integrated with previous results to facilitate recalculation of the JORC Code compliant resource for the Andrew Zinc Deposit and to calculate an inaugural resource for the Darcy Zinc Deposit.

The total JORC compliant resource for the Yukon Base Metal Project now stands at 8.95 million tonnes at 6.3% Zn and 1.2% Pb[1] with over 70% of this resource classified as "indicated" or "measured", as presented in Table 1. The upgraded resource represents a 77% increase in total tonnes on the previous resource estimate.

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. JORC Code compliant resource for the Yukon Base Metal Project[1]

Separate resources for the Andrew and Darcy Zinc Deposits are outlined in Tables 2 and 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. JORC Code compliant resource for the Andrew Zinc Deposit[1]

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

Table 3. JORC Code compliant resource for the Darcy Zinc Deposit[1]

[1] 2% zinc cut off applied

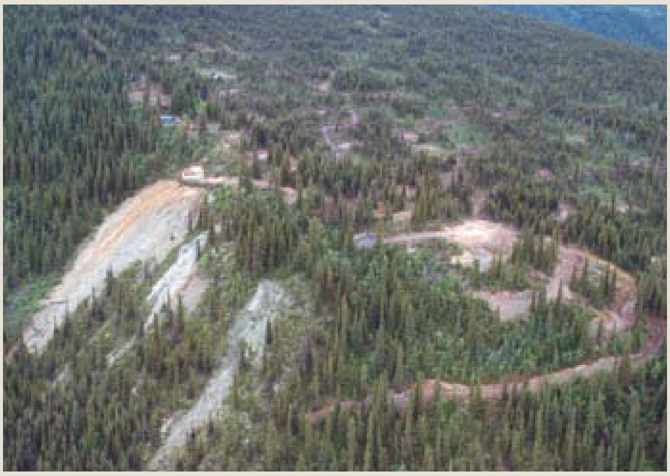

Figure 3. Multipule drill rigs in operation at the Andrew Zinc Deposit.

Figure 4. High grade zinc mineralisation in drill core from the Darcy Zinc Deposit.

Preliminary Economic Evaluation

In June 2009 an independent, international mining consultancy with considerable experience in northern Canadian operations finalized a preliminary mining evaluation on the Yukon Base Metal Project.

The evaluation indicated that the establishment of an open pit and underground mining operation at the Yukon Base Metal Project would be economically feasible. The study highlighted the potential to establish a low capital cost (US$94 million) and low operating cost ($0.43/lb zinc equivalent) mining operation at the Project.

Within the first six years of operation the Project would generate undiscounted cash flow of US$210 million (before capital, depreciation, tax and royalties, assuming commodity prices of US$2,200/T zinc and US$2,200/T lead). There is considerable potential to improve the economies through optimisation and further exploration success.

Figure 3. Multipule drill rigs in operation at the Andrew Zinc Deposit.

Figure 4. High grade zinc mineralisation in drill core from the Darcy Zinc Deposit.

Project Optimisation

The Company has been examining mechanisms to improve upon the proposed project economics. The review is primarily focused on but not limited to three main areas:-transport, processing plant feed material and power.

Transport – A multi client (OVR, Port of Skagway and Yukon Government) sponsored Canol Resource Corridor heavy haulage study has been completed. This study highlights several potential operational savings that may be achieved utilising different transport routes and trucking configurations.

Processing plant feed material – A representative sample of the low grade material from the Andrew Zinc Deposit is currently being tested to ascertain the level of beneficiation that may be achieved by processing the grade material through a Dense Media Separation (DMS) circuit.

Power – The Company is examining several alternative power generation techniques to supplement the proposed diesel power generators.

The results of these studies have the potential to enhance the economic feasibility and robustness of any mining operation at the Yukon Base Metal Project. 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

The discovery of the Darcy Zinc Deposit highlighted the potential of the area to host additional resources beyond those already defined by drilling. Numerous highly prospective areas remain to be adequately tested, including the Darin Zone, 2,000 metres to the south east of the Andrew Zinc Deposit, where analytical results returned from diamond drilling include:

- **21.2m at 4.8% Zn**
- **10.5m at 3.6% Zn**

The Company believes that additional resources can be discovered to extend the life of any mining operation established at the Yukon Base Metal Project.

Mine Permitting

The Yukon Base Metal Project provides the Company with an exceptional opportunity to develop a viable mining operation in a jurisdiction that is particularly supportive of new mine developments.

During 2008 Overland Resources initiated meetings with Yukon and Canadian regulators, assessors, community groups and stakeholders to facilitate a smooth transition to the mining approval and permitting process. This open consultation and communication has continued throughout 2009.

It has lead to the Yukon Government agreeing to upgrade the North Canol Road and jointly sponsor a preliminary feasibility study into establishing the Canol Resource Corridor to transport concentrate to the Port of Skagway.

This action reinforces the desire of government, industry and community to establish a strong resource development industry in the Yukon. The Yukon is a jurisdiction that is particularly supportive of new mine developments and the high grade Yukon Base Metal Project provides the Company with an exceptional opportunity to develop a viable mining operation in the near future.

Tenement Table

Project	Claim Names	Numbers	Expiry Date	Comments
Yukon Base	A	1-8, 57-104	01/05/2014	See operations report
Metal Project	AMB	1-112, 115-116 123-150	20/03/2017 20/03/2018 20/03/2019 20/003/2020	
	AMBfr	117-122 151-162	20/03/2017 20/03/2020	
	Andrew	1-10	20/03/2018 20/03/2021	
	Atlas	1-6	31/07/2010	
	B	53, 55, 57, 59, 61, 63, 65-100	1/5/2010	
	Bridge	1-32	20/03/2017	
	Dasha	1-6	13/08/2010	
	Myschka	1-96	17/06/2010 17/06/2013	
	Ozzie	1-32	20/03/2017	
	Scott	1-36	20/09/2014 26/07/2016	
	Sophia	1-4	24/09/2010	

Director's Report

The Directors present their report for Overland Resources Limited ("Overland" or "the Company") and its subsidiary for the year ended 30 June 2009.

DIRECTORS

The names, qualifications and experience of the Directors in office during the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr. Michael Haynes
Chairman
Mr. Haynes has more than 18 years experience in the mining industry. Mr. Haynes graduated from the University of Western Australia with an honours degree in geology and geophysics. He has been intimately involved in the exploration and development of resource projects, targeting a wide variety of commodities, throughout Australia and extensively in Southeast and Central Asia, Africa, North and South America, and Europe.

Mr. Haynes has held technical positions with both BHP Minerals Limited and Billiton plc. He ran his own successful consulting business for a number of years providing professional geophysical and exploration services to both junior and major resource companies. He has worked extensively on project generation and acquisition throughout his career. Over the past five years he has been intimately involved in the incorporation and initial public offerings of several resources companies, and in the ongoing financing and management of these companies.

Mr. Haynes is a Director of Genesis Minerals Limited (appointed 4 July 2007) and Black Range Minerals Limited (appointed 27 June 2005). Mr Haynes was a Director of Iberian Resources Limited (appointed 21 October 2003, resigned 31 July 2007), Bellamel Mining Limited (appointed 16 May 2007, resigned 31 December 2008) and Elk Petroleum Limited (appointed 19 January 2005, resigned 8 April 2005).

Mr. Hugh Bresser
Managing Director
Mr. Bresser has more than 18 years experience working in the resources industry. He holds an honours degree in Economic and Metalliferous Geology from James Cook University and an MBA from the Mt Eliza Business School, Melbourne.

Mr. Bresser spent more than ten years working with BHP Billiton, generating and evaluating exploration projects in a variety of commodities within Australia, Asia, Southern Africa and South America. He has held senior positions within BHP Billiton's Global Exploration Division, including three years in Exploration Global Strategy, Business Planning and Risk Management.

Mr. Bresser was also employed by BHP Billiton Iron Ore Group in a senior role, working on supply chain optimisation and new capital implementation. Mr. Bresser has previously held technical positions with Pancontinental Mining Ltd, Renison Goldfields Consolidated and Goldfields Ltd. Mr. Bresser has not held any other Directorships over the past three years.

Mr Anthony Polglase
Non Executive Director
With in excess of 30 years multi-disciplined mining experience across ten different countries, Mr Polglase is qualified in mechanical and electrical engineering with an honours degree in Metallurgy from the Camborne School of Mines, UK.

Mr. Polglase has acquired detailed knowledge relating to the development and operation of gold, copper, lead, zinc and tin projects and has either been responsible for or closely involved with the commissioning of more than seven mining projects. Previous employers include Iberian Resources, Ivernia Corp, Rio Tinto, TVX and Ashanti Goldfields.

Project management including critical evaluation, implementation and commissioning are Mr Polglase's strengths. Mr Polglase has a demonstrated ability of successfully bringing projects on line in the most challenging of environments including former Soviet Union countries.

Mr. Polglase is a Director of Avanco Resources Limited (appointed 4 July 2007).

Mr. Gibson Pierce – appointed 3 October 2008
Non Executive Director
Mr. Pierce has more than 35 years experience in the resource industry. He has in depth knowledge of the development, commissioning and operation of base metal and coal mines globally.

Mr. Pierce holds a BSc in Geology from the University of Alberta, Canada and his experience includes a career with BHP Billiton during which he held senior operational management positions at the Ok Tedi Mine in Papua New Guinea, BHP Coal Mines in Indonesia and the Island Copper Mine in Canada. Mr. Pierce spent the last 10 years in the role of Business Development Manager, directing project evaluation, construction, and mine closure in Australia, Asia, Africa, and North and South America.

Mr Pierce has not had any other Directorships over the past three years.

COMPANY SECRETARIES

Mr. Scott Funston
Mr. Scott Funston is a Chartered Accountant and Company Secretary with experience in the mining industry and accounting profession. His expertise is in financial management and corporate advice. Mr. Funston possesses a strong knowledge of the Australian Securities Exchange requirements and currently assists a number of resources companies operating throughout Australia, South America, USA, Asia and Canada with financial accounting, stock exchange compliance and regulatory activities.

Mr. Tim Flavel – resigned 31 July 2008
Company Secretary
Mr. Flavel is a Chartered Accountant and Company Secretary, with over 20 years experience in the mining industry and accounting profession both in Australia and overseas.

Mr. Flavel currently assists a number of resources companies operating throughout Australia, Africa and Europe with financial accounting, stock exchange compliance and regulatory activities.

INTERESTS IN THE SECURITIES OF THE COMPANY

As at the date of this report, the interests of the Directors in the securities of the Company were:

Director	Ordinary Shares	Options over Ordinary Shares
M. Haynes	4,300,001	—
H. Bresser	4,190,000	—
A. Polglase	—	100,000
G. Pierce	—	100,000

RESULTS OF OPERATIONS

The Group's net loss after taxation attributable to the members of Overland Resources Limited for the year was $1,006,711(2008: net loss after tax of $757,822).

DIVIDENDS

No dividend was paid or declared by the Company in the year since the end of the period and up to the date of this report.

CORPORATE STRUCTURE

Overland Resources Limited is a company limited by shares that is incorporated and domiciled in Australia.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

During the financial year, the principal activity was mineral exploration. The Group currently holds a base metal projects in Canada. There have been no changes in the principle activities from prior years.

EMPLOYEES

The Group had nil employees at 30 June 2009 (30 June 2008: 1).

REVIEW OF OPERATIONS

Overland Resources Limited (Overland, Company) owns a 90% interest in the Yukon Base Metal Project ("Project"), located in the highly prospective and under explored Selwyn Basin of the Yukon Territory, Canada. The Company's Mineral Claims cover approximately 106km^2 of mineralised terrain and include the shallow, high grade Andrew Zinc Deposit and the newly discovered Darcy Zinc Deposit.

Over the past 12 months Overland has made significant progress towards becoming a mid-tier resources company. It has substantially increased its understanding and confidence in the Andrew Zinc Deposit and has added to the project's resource base, with the discovery of the Darcy Zinc Deposit. This has enhanced the Company's ability to progress the project towards development and production.

In October 2008 the Company completed its second phase diamond drilling programme at the Yukon Base Metal Project. This programme comprised 134 diamond drill holes for over 23,000 metres. This drilling confirmed the continuity and depth potential of mineralisation at the Andrew Zinc Deposit. It also provided additional information for studies into mining and processing ore from the Andrew deposit.

In January 2009 the Company announced the discovery the Darcy Zinc Deposit, located 600 metres south east of the Andrew Zinc Deposit. Mineralisation at the Darcy Zinc Deposit is high grade and shallow. Significant intersections in drilling at the Darcy deposit include:

- **77.0m at 11.0% zinc**
- **43.9m at 11.9% zinc**
- **34.0m at 12.8% zinc**
- **28.3m at 13.6% zinc**
- **24.6m at 4.8% zinc**
- **21.0m at 4.4% zinc**

Mineralisation at the Darcy Zinc Deposit remains open along strike in both directions.

Following the second phase diamond drilling programme, results were integrated with previous results to recalculate the JORC Code compliant resource for the Andrew Zinc Deposit and to calculate an inaugural resource for the Darcy Zinc Deposit. In May 2009 the Company announced an upgraded resource for the Yukon Base Metal Project as outlined in Table 1:

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. JORC compliant resource for the Yukon Base Metal Project

Separate resources for the Andrew and Darcy Zinc Deposits are outlined in Tables 2 and 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. JORC compliant resource for the Andrew Zinc Deposit[1]

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

Table 3. JORC compliant resource for the Darcy Zinc Deposit[1]
[1] 2% Zinc cut off applied

Director's Report

There was a 77% increase in tonnes over the previous resource estimate.

There is considerable potential to further expand the resource at the Yukon Base Metal Project. Mineralisation remains open along strike and at depth at both the Andrew and Darcy deposits. In January 2009 the Company also reported analytical results from diamond drilling conducted at the Darin Zone (located within the 2,500 metre long geochemically anomalous corridor immediately SE of the Andrew deposit) that included:

- **21.2m at 4.8% zinc**
- **10.5m at 3.6% zinc**

These intersections highlight the significant potential to delineate additional resources elsewhere on the Yukon Base Metal Project.

In June 2009 the Company released results of a preliminary evaluation of mining at the Yukon Base Metal Project. This study indicated that capital costs of ~US$94 million, including a 25% contingency, would be required to develop a mining operation comprising 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. At the proposed production rate these costs equate to a concentrate production cost of US$0.31/lb of zinc equivalent. Transport of concentrate through the ice free Port of Skagway in Alaska, to an Asian discharge port, is estimated to cost $0.12/lb of zinc equivalent.

While the positive mining evaluation is an excellent result, the Company is now assessing the potential to improve project economics. A review of three main areas has commenced:

1. **Transport**
2. **Dense Media Separation (DMS) technology**
3. **Power Generation**

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.

The Yukon Base Metal Project including the high grade Andrew Zinc Deposit and Darcy Zinc Deposit provides the Company with an exceptional opportunity to develop a viable mining operation in a jurisdiction that is particularly supportive of new mine developments.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 10 October 2008, the Company announced a new high grade discovery at the Yukon Base Metal Project.

On 20 January 2009, the Company announced spectacular high grade drilling results at the Yukon Base Metal Project.

On 20 May 2009, the Company announced an upgraded JORC compliant resource for the Yukon Base Metal Project.

On 9 June 2009, the Company announced the Yukon Base Metal Project Economic Evaluation.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events after balance date.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Directors have excluded from this report any further information on the likely developments in the operations of the Group and the expected results of those operations in future periods, as the Directors believe that it would be speculative and prejudicial to the interests of the Company.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group carries out operations that are subject to environmental regulations under both Federal Territorial and Provincial legislation in Canada. The Group has formal procedures in place to ensure regulations are adhered to. The Group is not aware of any breaches in relation to environmental matters.

SHARES OPTIONS

As at the date of this report, there were 12,375,000 unissued ordinary shares under options (12,375,000 at the reporting date). The details of the options at the date of this report are as follows:

Number	Exercise Price $	Expiry Date
7,000,000	0.20	31 December 2011
5,000,000	0.20	25 July 2012
100,000	0.64	19 November 2012
275,000	0.40	21 August 2013
12,375,000		

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

During the financial year and since the end of the financial year, no options have been exercised to acquire fully paid ordinary shares. 250,000 options were cancelled during the financial year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has made an agreement indemnifying all the Directors and officers of the Company against all losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Company to the extent permitted by the Corporation Act 2001. The indemnification specifically excludes wilful acts of negligence. The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company, including officers of the Company's controlled entities. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

DIRECTORS' MEETINGS

During the year, in addition to regular Board discussions, the number of meetings of Directors held during the year and the number of meetings attended by each Director were as follows:

Name	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr. Michael Haynes	6	6
Mr. Hugh Bresser	6	6
Mr. Anthony Polglase	6	6
Mr. Gibson Pierce	5	5

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Company support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council, and considers that the Company is in compliance with those guidelines to the extent possible, which are of importance to the commercial operation of a junior listed resources Company. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Company. The Company's Corporate Governance Statement and disclosures are contained elsewhere in the annual report.

AUDITOR'S INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the Corporations Act 2001 requires the Group's auditors to provide the Directors of Overland with an Independence Declaration in relation to the audit of the full-year financial report. A copy of that declaration is included at page 47 of this report.

There were no non-audit services provided by the company's auditor.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for key management personnel of Overland Resources Limited in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group, and includes the executives in the Group receiving the highest remuneration.

Details of Key Management Personnel

Chairman
Mr. Michael Haynes
Managing Director
Mr. Hugh Bresser
Non Executive Director
Mr. Anthony Polglase
Non Executive Director – appointed 3 October 2008
Mr. Gibson Pierce
Company Secretary
Mr. Scott Funston
Company Secretary – resigned 31 July 2008
Mr. Tim Flavel

Remuneration Policy

The Board is responsible for determining and reviewing compensation arrangements for the Directors. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The Company does not link the nature and amount of the emoluments of such officers to the Company's financial or operational performance. The expected outcome of this remuneration structure is to retain and motivate Directors.

As part of its Corporate Governance Policies and Procedures, the board has adopted a formal Remuneration Committee Charter. Due to the current size of the Company and number of Directors, the board has elected not to create a separate Remuneration Committee but has instead decided to undertake the function of the Committee as a full Board under the guidance of the formal charter. The Company has no policy on executives and directors entering into contracts to hedge their exposure to options or shares granted as part of their remuneration package.

The rewards for Directors have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Board determines appropriate levels of performance rewards as and when they consider rewards are warranted.

The table bellows shows the performance of the Group as measured by loss per share since its first listed in November 2006:

As at 30 June	2009	2008	2007
Loss per share (cents)	(1.36)	(1.38)	(1.60)

Director's Report

Details of the nature and amount of each element of the emolument of each Director and Executive of the Company for the financial year are as follows:

Short term 2009	Base Salary	Directors Fees	Share Based Consulting Fees	Post Payments - Options	Employment Superannuation	Total	Option related
Director	$	$	$	$	$	$	%
Mr. Michael Haynes	—	60,000	—	—	—	60,000	—
Mr. Hugh Bresser	—	—	240,000	—	—	240,000	—
Mr. Anthony Polglase	—	—	50,000	18,953	—	68,953	27.5
Mr. Gibson Pierce	—	35,543	—	11,142	—	46,685	23.9
Executive							
Mr. Tim Flavel	—	—	6,000	—	—	6,000	—
Mr. Scott Funston	—	—	52,000	—	—	52,000	—
	—	95,543	348,000	30,095	—	473,638	—

Short term 2008	Base Salary	Directors Fees	Consulting Fees	Share Based Payments - Options	Post Employment Superannuation	Total	Option related
Director	$	$	$	$	$	$	%
Mr. Michael Haynes	—	60,000	—	—	—	60,000	—
Mr. Hugh Bresser	—	—	240,000	—	—	240,000	—
Mr. Matthew Wood	—	—	60,000	—	—	60,000	—
Mr. Anthony Polglase	—	20,833	—	20,471	—	41,304	49.6
Executive							
Mr. Scott Funston	—	—	—	—	—	—	—
Mr. Tim Flavel	—	—	64,000	—	—	64,000	—
	—	80,833	364,000	20,471	—	465,304	—

There were no other executive officers of the Company during the financial years ended 30 June 2009 and 30 June 2008. The share options are not subject to a performance hurdle as these options are issued as a form of retention bonus and incentive to contribute to the creation of shareholder wealth.

The terms and conditions of each grant of options affecting remuneration in the previous, this or future reporting periods are as follows:

	Grant Date	Grant Number	Exercise Date	Expiry Date/Last exercise date	Fair Value per option at grant date	Exercise price per option	Total value granted $	Vested	% vested
30 June 2008									
A. Polglase	20/11/07	100,000	20/11/08	19/11/12	$0.39	$0.64	39,424	—	—
30 June 2009									
G. Pierce	30/09/08	50,000	20/08/09	20/08/13	$0.20	$0.40	19,808	—	—
G. Pierce	30/09/08	50,000	20/08/10	20/08/13	$0.20	$0.40	19,808	—	—
A. Polglase	20/11/07	100,000	20/11/08	19/11/12	$0.39	$0.64	39,424	100,000	100

There were no alterations to the terms and conditions of options granted as remuneration since their grant date. There were no forfeitures during the period. No options were exercised for the year ended 30 June 2009 (2008: Nil)

Options were granted as part of a remuneration package. On resignation, any unvested options will be forfeited.

Options granted as part of remuneration have been valued using the Black-Scholes option pricing model, which takes account of factors such as the option exercise price, the current level and volatility of the underlying share price and the time to maturity of the option. Options granted under the plan carry no dividend or voting rights.

Executive Directors and Key Management Personnel
Directors' and Executive's remuneration is stipulated in consulting services agreements between the Company and the Directors' and Executive's related entities. A summary of the key terms of the agreements are outlined below:

The Managing Director, Mr. Hugh Bresser, is employed under a consulting services agreement, which commenced on 4 July 2009 for a period of twelve months unless extended by both parties. The agreement may be terminated by Mr. Bresser at any time by giving three months notice in writing, or such shorter period of notice as may be agreed. The Company may terminate the agreement by giving three months written notice or by paying an amount equivalent to three months fees (based on the agreed consulting fee) or without notice in case of serious misconduct, at which time Mr. Bresser would be entitled to that portion of consulting fees services arising up to the date of termination. No additional Director's fees will be paid to Mr. Bresser in addition to the fees paid under the consulting agreement. The contract had the same terms in 2008.

The Company Secretary, Mr. Scott Funston consults to the Company and is remunerated on a monthly basis. Mr. Funston's services may be terminated by either party at any time.

The former Company Secretary, Mr. Tim Flavel was remunerated on a monthly basis. Mr. Flavel's services could have been terminated by either party at any time.

Non-Executive Directors
Mr. Michael Haynes and Mr. Gibson Pierce are paid an annual Director's fee on a monthly basis. Their services may be terminated by either party at any time.

Mr. Polglase is paid an annual consulting fee, on a monthly basis.

The aggregate remuneration for non-executive Directors has been set at an amount not to exceed $250,000 per annum. This amount may only be increased with the approval of Shareholders at a general meeting.

Service Agreements
The Company entered a service agreement for certain administrative services and office space for a term of one year with MQB Ventures Pty Ltd, a company of which Mr Haynes is a Director. The Company is required to give three months written notice to terminate the agreement.

Signed on behalf of the board in accordance with a resolution of the Directors.

Michael Haynes
Chairman
29 September 2009

Competent Person Statement
The information in this report that relates to Mineral Resources 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 results 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.

Corporate Governance Statement

The Board of Directors of Overland Resources Limited is responsible for corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Company has established a set of corporate governance policies and procedures. These are based on the Australian Securities Exchange Corporate Governance Council's (the Council's) "Principles of Good Corporate Governance and Best Practice Recommendations" (the Recommendations). In accordance with the Council's Recommendations, the Corporate Governance Statement must now contain certain specific information and must disclose the extent to which the Company has followed the guidelines during the period. Where a Recommendation has not been followed, that fact must be disclosed, together with the reasons for the departure. For further information on corporate governance policies adopted by the Company, refer to our website: www.overlandresources.com

Structure of the Board

The skills, experience and expertise relevant to the position of Director held by each Director in office at the date of the annual report are included in the Directors' Report. Directors of the Company are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

The Board has accepted the following definition of an Independent Director:

"An Independent Director is a Director who is not a member of management, is a non-executive Director and who:

– is not a substantial shareholder (under the meaning of Corporations Act 2001) of the Company or an officer of, or otherwise associated, directly or indirectly, with a substantial shareholder of the Company;

– has not within the last three years been employed in an executive capacity by the Company or another Group member, or been a Director after ceasing to hold any such employment;

– is not a principal of a professional adviser to the Company or another Group member;

– is not a significant consultant, supplier or customer of the Company or another Group member, or an officer of or otherwise associated, directly or indirectly, with a significant consultant, supplier or customer;

– has no significant contractual relationship with the Company or another Group member other than as a Director of the Company;

– is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company."

In accordance with the definition of independence above, Mr. Anthony Polglase and Mr. Gibson Pierce are considered the only Independent Directors. Accordingly, a majority of the Board is not considered independent.

There are procedures in place, as agreed by the Board, to enable Directors to seek independent professional advice on issues arising in the course of their duties at the Company's expense.

The term in office held by each Director at the date of this report is as follows:

Name	Term in office
Michael Haynes	4 years 4 months
Hugh Bresser	3 years 3 months
Mr. Anthony Polglase	1 year 9 months
Mr. Gibson Pierce	1 year

Nomination Committee

The Board has formally adopted a Nomination Committee Charter but given the present size of the Company, has not formed a separate Committee. Instead the function will be undertaken by the full Board in accordance with the policies and procedures outlined in the Nomination Committee Charter. At such time when the Company is of sufficient size a separate Nomination Committee will be formed.

Audit and Risk Management Committee

The Board has formally adopted an Audit and Risk Management Committee Charter but given the present size of the Company, has not formed a separate Committee. Instead the function of the Committee will be undertaken by the full Board in accordance with the policies and procedures outlined in the Audit and Risk Management Committee Charter. At such time when the Company is of sufficient size a separate Audit and Risk Management Committee will be formed.

It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non financial-information. It is the Board's responsibility for the establishment and maintenance of a framework of internal control.

Performance

The Board conducts its performance review of itself on an ongoing basis throughout the year. The small size of the Company and hands on management style requires an increased level of interaction between Directors and Executives throughout the year. Board members meet amongst themselves both formally and informally. The Board considers that the current approach that it has adopted with regard to the review of its performance provides the best guidance and value to the Company.

Remuneration
It is the Company's objective to provide maximum stakeholder benefit from the retention of a high quality Board by remunerating Directors fairly and appropriately with reference to relevant employment market conditions. The Board does not link the nature and amount of executive and Directors' emoluments to the Company's financial and operational performance.

For details of remuneration of Directors and Executives please refer to the Directors' Report.

The Board is responsible for determining and reviewing compensation arrangements for executive directors.

The Board has formally adopted a Remuneration Committee Charter however given the present size of the Company, has not formed a separate Committee. Instead the function will be undertaken by the full Board in accordance with the policies and procedures outlined in the Remuneration Committee Charter. At such time when the Company is of sufficient size a separate Remuneration Committee will be formed.

There is no scheme to provide retirement benefits, other than statutory superannuation, to non-executive Directors if payable.

Corporate Governance Compliance
During the financial year the Company has complied with each of the 8 Corporate Governance Principles and the corresponding Best Practice Recommendations, other than in relation to the matters specified below:

Best Practice Recommendation	Notification of Departure	Explanation of Departure
2.1	The Company does not have a majority of independent directors.	The Directors consider that the current structure and composition of the Board is appropriate to the size and nature of operations of the Company.
2.2	The chairperson is not an independent director	The Directors consider that the current structure and composition of the Board is appropriate to the size and nature of operations of the Company.
2.4	The Company does not have a Nomination Committee	The role of the Nomination Committee has been assumed by the full Board operating under the Nomination Committee Charter adopted by the Board.
4.1	The Company does not have an Audit and Risk Management Committee	The role of the Audit and Risk Management Committee has been assumed by the full Board operating under the Audit and Risk Management Committee Charter adopted by the Board.
8.1	The Company does not have a Remuneration Committee	The role of the Remuneration Committee has been assumed by the full Board operating under the Remuneration Committee Charter adopted by the Board.
8.2	Non-executive directors receive options as a part of remuneration.	To attract and retain the independent Non-executive director with sufficient skills and experience to the Company, incentive options are required to form part of the remuneration package.

Income Statement

for the year ended 30 June 2009

	Notes	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Revenues					
Interest revenue		169,381	544,998	163,166	542,458
Revenue		**169,381**	**544,998**	**163,166**	**542,458**
Other income	3(a)	—	—	578,678	—
Expenses					
Consultants and directors fees		(566,220)	(436,527)	(511,524)	(377,029)
Audit and tax fees		(24,273)	(69,330)	(30,138)	(43,480)
Insurance		(25,951)	(32,899)	(24,977)	(32,266)
Accounting fees		(60,970)	(65,265)	(20,640)	(32,763)
Computer and website expenses		(12,596)	(6,963)	(7,040)	(4,478)
Rent and outgoings		(240,596)	(138,140)	(132,000)	(96,000)
Travel and accommodation		(98,367)	(39,868)	(66,294)	(24,229)
Listing and registry fees		(34,602)	(36,120)	(35,602)	(36,120)
Legal expenses		(4,028)	(25,604)	(3,157)	(24,922)
Exploration expenditure written off		—	(328,947)	—	(328,947)
Write down on loan recovery		—	—	(278,800)	(205,318)
Foreign exchange losses		—	—	—	(887,687)
Other expenses	3(b)	(108,489)	(123,157)	(52,238)	(82,087)
Loss before income tax		(1,006,711)	(757,822)	(420,566)	(1,632,868)
Income tax expense	4	—	—	—	—
Loss from continuing operations after tax		**(1,006,711)**	**(757,822)**	**(420,566)**	**(1,632,868)**
Loss per share:					
Basic loss per share (cents per share)	18	(1.36)	(1.38)		
Diluted loss per share (cents per share)	18	(1.36)	(1.38)		

Balance Sheet

for the year ended 30 June 2009

	Notes	Consolidated		Company	
		2009	2008	2009	2008
		$	$	$	$
CURRENT ASSETS					
Cash	15(a)	1,686,661	6,949,540	1,656,233	6,701,038
Trade and other receivables	5	334,077	2,636,688	27,875	70,769
TOTAL CURRENT ASSETS		**2,020,738**	**9,586,228**	**1,684,108**	**6,771,807**
NON CURRENT ASSETS					
Property, plant and equipment	6	359,517	364,102	4,528	1,533
Investments in subsidiaries	7	—	—	11	11
Other receivables	8	38,963	48,963	22,044,989	17,551,951
Deferred exploration and evaluation expenditure	9	21,363,100	15,419,224	—	—
TOTAL NON CURRENT ASSETS		**21,761,580**	**15,832,289**	**22,049,528**	**17,553,495**
TOTAL ASSETS		**23,782,318**	**25,418,517**	**23,733,636**	**24,325,302**
CURRENT LIABILITIES					
Trade and other payables	10	111,845	1,408,081	95,375	316,069
Provisions	11(a)	22,643	1,203	—	—
TOTAL CURRENT LIABILITIES		**134,488**	**1,409,284**	**95,375**	**316,069**
NON CURRENT LIABILITIES					
Provisions	11(b)	9,569	—	—	—
TOTAL NON CURRENT LIABILITIES		**9,569**	**—**	**—**	**—**
TOTAL LIABILITIES		**144,057**	**1,409,284**	**95,375**	**316,069**
NET ASSETS		**23,638,261**	**24,009,233**	**23,638,261**	**24,009,233**
EQUITY					
Contributed equity	12	23,015,388	23,015,388	23,015,388	23,015,388
Reserves	14	2,889,984	2,254,245	3,187,065	3,137,471
Accumulated losses	13	(2,267,111)	(1,260,400)	(2,564,192)	(2,143,626)
TOTAL EQUITY		**23,638,261**	**24,009,233**	**23,638,261**	**24,009,233**

Cash Flow Statement

for the year ended 30 June 2009

	Notes	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to suppliers and employees		(1,076,230)	(932,738)	(949,281)	(605,886)
Interest received		169,381	544,998	151,199	542,458
NET CASH FLOWS USED IN OPERATING ACTIVITIES	15(b)	(906,849)	(387,740)	(798,082)	(63,428)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(58,511)	(348,749)	(4,012)	—
Tenement expenditure guarantees refunded		10,000	20,000	10,000	20,000
Loans advanced to related entities		—	—	(4,202,892)	(15,151,637)
Expenditure on exploration		(4,307,519)	(14,396,978)	(49,819)	(14,309)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(4,356,030)	(14,725,727)	(4,246,723)	(15,145,946)
CASH FLOWS FROM FINANCING ACTIVITIES					
Transaction costs of issue of shares		—	(576,411)	—	(576,411)
Proceeds from issue of shares		—	10,000,000	—	10,000,000
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		—	9,423,589	—	9,423,589
Net increase / (decrease) in cash and cash equivalents		(5,262,879)	(5,689,878)	(5,044,805)	(5,785,785)
Cash and cash equivalents at beginning of period		6,949,540	12,639,418	6,701,038	12,486,823
CASH AND CASH EQUIVALENTS AT END OF PERIOD	15(a)	**1,686,661**	**6,949,540**	**1,656,233**	**6,701,038**

Statement of Changes in Equity

for the year ended 30 June 2009

Consolidated	Issued Capital $	Accumulated Losses $	Other Resreves $	Total $
At 1 July 2008	23,015,388	(1,260,400)	2,254,245	24,009,233
Foreign currency translation	—	—	586,145	586,145
Total income and expense recognised directly in equity	—	—	586,145	586,145
Profit / (loss) for the period	—	(1,006,711)	—	(1,006,711)
Total income and expense for the period	—	(1,006,711)	586,145	(420,566)
Equity Transactions:				
Share based payments	—	—	49,594	49,594
At 30 June 2009	**23,015,388**	**(2,267,111)**	**2,889,984**	**23,638,261**
At 1 July 2007	13,591,799	(502,578)	663,820	13,753,041
Foreign currency translation	—	—	(875,046)	(875,406)
Total income and expense recognised directly in equity	—	—	(875,046)	(875,046)
Loss for the period	—	(757,822)	—	(757,822)
Total income and expense for the period	—	(757,822)	(875,046)	(1,632,868)
Equity Transactions:				
Shareholder equity contribution	10,000,000	—	—	10,000,000
Share based payments	—	—	2,465,471	2,465,471
Transaction costs on share issue	(576,411)	—	—	(576,411)
At 30 June 2008	**23,015,388**	**(1,260,400)**	**2,254,245**	**24,009,233**
Parent				
At 1 July 2008	23,015,388	(2,143,626)	3,137,471	24,009,233
Total income and expense recognised directly in equity	—	—	—	—
Loss for the period	—	(420,566)	—	(420,566)
Total income and expense for the period	—	(420,566)	—	(420,566)
Equity Transactions:				
Share based payments	—	—	49,594	49,594
At 30 June 2009	**23,015,388**	**(2,564,192)**	**3,187,065**	**23,638,261**
At 1 July 2007	13,591,799	(510,758)	672,000	13,753,041
Total income and expense recognised directly in equity	—	—	—	—
Loss for the period	—	(1,632,868)	—	(1,632,868)
Total income and expense for the period	—	(1,632,868)	—	(1,632,868)
Equity Transactions:				
Shareholder equity contribution	10,000,000	—	—	10,000,000
Share based payments	—	—	2,465,471	2,465,471
Transaction costs refunded on share issue	(576,411)	—	—	(576,411)
At 30 June 2008	**23,015,388**	**(2,143,626)**	**3,137,471**	**24,009,233**

Notes to the Financial Statements

for the financial year ended 30 June 2009

1. Corporate Information

The financial report of Overland Resources Limited ("Overland" or "the Company") for the year ended 30 June 2009 was authorised for issue in accordance with a resolution of the Directors on 29 September 2009.

Overland Resources Limited is a public Company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the Directors report.

2. Summary of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis. The presentation currency is Australian dollars.

a) Compliance with IFRS

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

b) New accounting standards and interpretations

Applicable Australian Accounting Standards and interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended 30 June 2009. These are outlined in the table below:

Reference	Title	Summary	Impact on Group financial report	Application date for Group
AASB 8 and AASB 2007-3	Operating Segments and consequential amendments to other Australian Accounting Standards	New Standard replacing AASB 114 Segment Reporting, which adopts a management reporting approach to segment reporting.	AASB 8 is a disclosure standard so will have no direct impact on the amounts included in the Group's financial statements. The amendments may have an impact on the Group's segment disclosures.	1 July 2009
AASB 101 (Revised), AASB 2007-8 and AASB 2007-10	Presentation of Financial Statements and consequential amendments to other Australian Accounting Standards	Introduces a statement of comprehensive income. Other revisions include impacts on the presentation of items in the statement of changes in equity, new presentation requirements for restatements or reclassifications of items in the financial statements, changes in the presentation requirements for dividends and changes to the titles of the financial statements.	These amendments are only expected to affect the presentation of the Group's financial report and will not have a direct impact on the measurement and recognition of amounts disclosed in the financial report.	1 July 2009

AASB 2008-1	Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations	The amendments clarify the definition of “vesting conditions”, introducing the term “non-vesting conditions” for conditions other than vesting conditions as specifically defined and prescribe the accounting treatment of an award that is effectively cancelled because a non-vesting condition is not satisfied.	The Group has share-based payment arrangements that may be affected by these amendments. However, the Group has not yet determined the extent of the impact, if any.	1 July 2009
AASB 2009-2	Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038]	The main amendment to AASB 7 requires fair value measurements to be disclosed by the source of inputs.	The Group is in the process to determine the extent of the impact of the amendments, if any.	1 July 2009
AASB 2008-5, 2008-6, 2009-4, 2009-5 and 2009-7	Amendments to Australian Accounting Standards arising from the Annual Improvements Projects	The amendments to some Standards result in accounting changes for presentation, recognition or measurement purposes, while some amendments that relate to terminology and editorial changes are expected to have no or minimal effect on accounting.	The company is in the process to determine the extent of the impact of the amendments, if any.	1 July 2009
Amendments to International Financial Reporting Standards	Amendments to IFRS 2	The amendments clarify the accounting for group cash-settled share-based payment transactions.	The company is in the process to determine the extent of the impact of the amendments, if any.	1 July 2010

The Group has adopted relevant changes in Australian Accounting Standards and Interpretations which became applicable for period ended on 30 June 2009. The adoption of these standards and interpretation did not have material impact on the financial statements of the Group.

c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Overland Resources Limited and its subsidiaries as at 30 June each year (‘the Group’).

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

d) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided for on all temporary differences at balance date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

No deferred income tax will be recognised from the initial recognition of goodwill or of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

No deferred income tax will be recognised in respect of temporary differences associated with investments in subsidiaries if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the near future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance sheet date and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. The carrying amount of deferred tax assets is reviewed at each balance date and only recognised to the extent that sufficient future assessable income is expected to be obtained. Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the balance sheet. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as described above.

f) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

Intercompany loans are impaired to the extent that the impairment reflects the net deficiency of the subsidiaries.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance expenditure is charged to the income statement during the financial period in which it is incurred.

Depreciation
The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	*Depreciation Rate*
Plant and equipment	10 % to 25 %
Computer Equipment	45 %
Furniture and Fittings	20 %
Camp Buildings	10 %

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Derecognition
Additions of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in the income statement.

Impairment
Carrying values of plant and equipment are reviewed at each balance date to determine whether there are any objective indicators of impairment that may indicate the carrying values may be impaired.

Where an asset does not generate cash flows that are largely independent it is assigned to a cash generating unit and the recoverable amount test applied to the cash generating unit as a whole.

Recoverable amount is determined as the greater of fair value less costs to sell and value in use. The assessment of value in use considers the present value of future cash flows discounted using an appropriate pre-tax discount rate reflecting the current market assessments of the time value of money and risks specific to the asset. If the carrying value of the asset is determined to be in excess of its recoverable amount, the asset or cash generating unit is written down to its recoverable amount.

h) Exploration expenditure
Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Exploration and evaluation expenditure for each area of interest is carried forward as an asset provided that one of the following conditions is met:

— such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or

— exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing.

Expenditure which fails to meet the conditions outlined above is written off, furthermore, the directors regularly review the carrying value of exploration and evaluation expenditure and make write downs if the values are not expected to be recoverable.

Identifiable exploration assets acquired are recognised as assets at their cost of acquisition, as determined by the requirements of AASB 6 Exploration for and evaluation of mineral resources. Exploration assets acquired are reassessed on a regular basis and these costs are carried forward provided that at least one of the conditions referred to in AASB 6 is met.

Notes to the Financial Statements

for the financial year ended 30 June 2009

Exploration and evaluation expenditure incurred subsequent to acquisition in respect of an exploration asset acquired, is accounted for in accordance with the policy outlined above for exploration expenditure incurred by or on behalf of the entity.

Acquired exploration assets are not written down below acquisition cost until such time as the acquisition cost is not expected to be recovered.

When an area of interest is abandoned, any expenditure carried forward in respect of that area is written off.

Expenditure is not carried forward in respect of any area of interest/mineral resource unless the Group's rights of tenure to that area of interest are current.

i) Impairment of non financial assets other than goodwill

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

j) Trade and other payables

Liabilities for trade creditors and other amounts are measured at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Company.

k) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

l) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue is capable of being reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

m) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

Diluted earnings per share

Diluted earnings per share is calculated as net profit attributable to members of the Company, adjusted for:

— costs of servicing equity (other than dividends) and preference share dividends;

— the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and

— other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus elements.

n) Share based payment transactions

The group provides benefits to individuals acting as, and providing services similar to employees (including Directors) of the group in the form of share based payment transactions, whereby individuals render services in exchange for shares or rights over shares ('equity settled transactions').

There is currently an Employee Share Option Plan (ESOP) in place, which provides benefits to Directors and individuals providing services similar to those provided by an employee.

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black Scholes formula taking into account the terms and conditions upon which the instruments were granted, as discussed in note 23.

In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Overland Resources Limited ('market conditions').

The cost of the equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of the period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the award is recognised immediately. However if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected in the computation of loss per share (see note 18).

Notes to the Financial Statements

for the financial year ended 30 June 2009

o) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables in the balance sheet.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which is receivable from or payable to the ATO, are disclosed as operating cash flows.

p) Investments in controlled entities

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. Subsequent to the initial measurement, investments in controlled entities are carried at cost less accumulated impairment losses.

q) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of Overland Resources Limited is Australian dollars. The functional currency of the overseas subsidiary is Canadian dollars.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

— assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

— income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

— all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the income statement, as part of the gain or loss on sale where applicable.

r) Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Capitalised exploration and evaluation expenditure
The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

Share based payment transactions
The group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black Scholes formula taking into account the terms and conditions upon which the instruments were granted, as discussed in note 23.

s) Segment reporting
A business segment is a distinguishable component of the entity that is engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different than those of segments operating in other economic environments.

t) Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Financial Statements

for the financial year ended 30 June 2009

	Consolidated		Company	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
3. Other revenue and expenses				
(a) Other income				
Foreign exchange gain	—	—	578,678	—
(b) Other expenses				
Advertising and marketing expenses	5,435	17,179	5,435	17,179
Conferences and seminars	6,154	8,400	6,154	8,400
General office expenses	14,949	29,887	8,915	12,714
Printing and stationary	16,876	13,624	15,204	12,670
Telecommunications	16,761	12,057	9,497	3,958
Employee benefits	2,223	15,352	2,223	15,352
Depreciation	18,020	12,117	1,017	767
Loss on disposal of assets	8,615	—	—	—
Others	19,456	14,541	3,793	11,047
	108,489	123,157	52,238	82,087
4. Income Tax				
(a) Income tax expense				
Current tax	—	—	—	—
Deferred tax	—	—	—	—
	—	**—**	**—**	**—**

(b) Numerical reconciliation between aggregate tax expense recognised in the income statement and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Company's applicable tax rate is as follows:

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Loss from operations before income tax expense	(1,006,711)	(757,822)	(420,566)	(1,632,868)
Tax at the company rate of 30%	(302,013)	(227,347)	(126,169)	(489,860)
Expense of remuneration options	14,878	6,141	14,878	6,141
Other non deductible expenses	110	1,312	110	1,223
Income tax benefit not brought to account	287,025	219,894	111,181	482,496
Income tax expense	—	—	—	—

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
(c) Deferred tax				
Balance Sheet				
The following deferred tax balances have not been bought to account:				
Liabilities				
Capitalised exploration and evaluation expenditure	6,408,930	4,625,767	—	—
Foreign exchange gain	—	—	173,603	—
Offset by deferred tax assets	(6,408,930)	(4,625,767)	(173,603)	—
Deferred tax liability recognised	—	—	—	—
Assets				
Losses available to offset against future taxable income	7,144,220	4,929,965	866,450	518,143
Share issue costs deductible over five years	320,198	463,365	320,198	463,365
Foreign exchange losses	—	—	—	266,306
Write down on loan recovery	—	—	83,559	61,676
Accrued expenses	6,600	13,500	6,600	7,500
Other	—	361	—	—
	7,471,018	5,407,191	1,276,807	1,316,990
Deferred tax assets offset against deferred tax liabilities	(6,408,930)	(4,625,767)	(173,603)	—
Deferred tax assets not brought to account as realisation is not regarded as probable	(1,062,088)	(781,424)	(1,103,204)	(1,316,990)
Deferred tax asset recognised	—	—	—	—
(d) Tax losses				
Unused tax losses	3,540,293	2,604,747	2,888,167	1,727,143
Potential tax benefit not recognised at 30%	1,062,088	781,424	866,450	518,143

The benefit for tax losses will only be obtained if:

i) the Company derives future assessable income in Australia of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, and

ii) the Company continues to comply with the conditions for deductibility imposed by tax legislation in Australia and

iii) no changes in tax legislation in Australia, adversely affect the Company in realising the benefit from the deductions for the losses.

(e) Tax consolidation

Overland Resources has not formed a tax consolidation group and there is no tax sharing agreement.

Notes to the Financial Statements

for the financial year ended 30 June 2009

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
5. Trade and Other Receivables – Current				
GST / VAT receivable	21,417	506,172	15,909	70,769
Advance to supplier	246,947	2,025,005	—	—
Other	65,713	105,511	11,966	—
	334,077	2,636,688	27,875	70,769

Trade debtors, other debtors and goods and services tax are non-interest bearing and generally receivable on 30 day terms. They are neither past due nor impaired. The amount is fully collectible. Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

At 30 June 2008, $1,562,138 of the advance to suppliers ($2,025,005) was to the Andrew Zinc Project management consultants. They were advanced monies according to a monthly budget into a bank account that the consultants were authorised signatories of. All interest were receivable by the Company. The remaining was for drilling services. The balance at 30 June 2009 relates to drilling services.

6. Property, Plant and Equipment

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Plant and Equipment				
Cost	91,397	46,971	7,078	3,066
Accumulated depreciation	(13,592)	(3,626)	(2,550)	(1,533)
Net carrying amount	77,805	43,345	4,528	1,533
Camp Buildings				
Cost	299,106	286,216	—	—
Accumulated depreciation	(39,512)	(10,210)	—	—
Net carrying amount	259,594	276,006	—	—
Office Furniture & Fixtures				
Cost	24,354	27,304	—	—
Accumulated depreciation	(7,344)	(2,683)	—	—
Net carrying amount	17,010	24,621	—	—
Computer Equipment				
Cost	11,985	25,882	—	—
Accumulated depreciation	(6,877)	(5,752)	—	—
Net carrying amount	5,108	20,130	—	—
Total Property, plant and equipment	**359,517**	**364,102**	**4,528**	**1,533**

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year:				
Plant and Equipment				
Carrying amount at beginning of year	43,345	32,756	1,533	2,299
Additions	50,822	18,216	4,012	—
Depreciation expense	(10,579)	(2,860)	(1,017)	(766)
Net exchange differences on translation	(5,783)	(4,767)	—	—
Carrying amount at end of year	77,805	43,345	4,528	1,533
Camp Buildings				
Carrying amount at beginning of year	276,006	—	—	—
Additions	—	294,281	—	—
Depreciation expense	(31,154)	(10,210)	—	—
Net exchange differences on translation	14,742	(8,065)	—	—
Carrying amount at end of year	259,594	276,006	—	—
Office Furniture and Fixtures				
Carrying amount at beginning of year	24,621	—	—	—
Additions	2,865	30,408	—	—
Disposals	(6,258)	—	—	—
Depreciation expense	(6,056)	(2,683)	—	—
Net exchange differences on translation	1,838	(3,104)	—	—
Carrying amount at end of year	17,010	24,621	—	—
Computer Equipment				
Carrying amount at beginning of year	20,130	—	—	—
Additions	4,824	28,943	—	—
Disposals	(9,419)	—	—	—
Depreciation expense	(12,662)	(5,752)	—	—
Net exchange differences on translation	2,235	(3,061)	—	—
Carrying amount at end of year	5,108	20,130	—	—
Total Property, plant and equipment	359,517	364,102	4,528	1,533

Notes to the Financial Statements

for the financial year ended 30 June 2009

		Consolidated		Company	
		2009	2008	2009	2008
		$	$	$	$
7.	**Investments in subsidiaries**				
	Investment in controlled entity	—	—	11	11

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2 (c). Details of subsidiary companies are as follows:

Name	Country of incorporation	% Equity Interest	
		2009	2008
Overland Resources Yukon Limited	Canada	100%	100%

		Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
8.	**Other Receivables – Non Current**				
	Amounts owing by controlled entities:				
	Overland Resources Yukon Limited	—	—	22,490,177	17,708,609
	Less: impairment losses	—	—	(484,151)	(205,351)
		—	—	22,006,026	17,503,258
	Security deposits	38,963	48,963	38,963	48,693
		38,963	**48,963**	**22,044,989**	**17,551,951**

Recovery of amounts due from controlled entities is dependent on successful development and commercial exploitation or sale of exploration interests held b the controlled entities. The Company has recognised an impairment of $484,151 on the loan receivable from Overland Resources Yukon Limited, of which $278,800 relates to current year (2008: $205,318). The amounts owing by controlled entities are interest free and have no specified repayment date.

		Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
9.	**Deferred Exploration and Evaluation Expenditure**				
	Exploration and evaluation expenditure				
	At cost	21,692,047	15,748,171	328,947	328,947
	Accumulated impairment	(328,947)	(328,947)	(328,947)	(328,947)
	Total exploration and evaluation	**21,363,100**	**15,419,224**	**—**	**—**
	Carrying amount at beginning of the year	15,419,224	1,198,354	—	282,871
	Exploration expenditure during the year	5,669,845	15,389,021	—	46,076
	Net exchange differences on translation	274,031	(839,204)	—	—
	Impairment	—	(328,947)	—	(328,947)
	Carrying amount at end of year	21,363,100	15,419,224	—	—

The recoverability of the carrying amount of the deferred exploration and evaluation expenditure is dependant on successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest. Exploration and evaluation expenditure written off in prior year relates to the Company focusing on the Andrew Base Metal Project in Canada and the board resolving to discontinue exploration of the tenements held in Australia.

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
10. Trade and Other Payables				
Trade payables	89,845	380,941	73,375	167,192
Accruals	22,000	1,024,401	22,000	148,877
Other creditors	—	2,739	—	—
	111,845	1,408,081	95,375	316,069

Trade creditors, other creditors and goods and services tax are non-interest bearing and generally payable on 30 day terms. Due to the short term nature of these payable, their carrying value is assumed to approximate their fair value.

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
11. (a) Provisions – Current				
Employees Entitlement	—	1,203	—	—
Others	22,643	—	—	—
	22,643	1,203	—	—
(b) Provisions – Non Current				
Others	9,569	—	—	—

Overland Resources Yukon Limited (the Canadian subsidiary of Overland Resources Limited) holds an operating lease agreement for the office in Vancouver, Canada. In an effort to conserve existing cash reserves the board resolved to sub lease the premises to a third party. A sub lease agreement was signed in July 2009, however the Company was unable to recover fully the amount payable on the existing lease. This unfavourable agreement has been assigned a fair value and recognised as a liability. The lease has 14 months to run and will not be renewed.

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
12. Contributed Equity				
(a) Issued and paid up capital				
Ordinary shares fully paid	**23,015,388**	**23,015,388**	**23,015,388**	**23,015,388**

	2009 Number of shares	2009 $	2008 Number of shares	2008 $
(b) Movements in ordinary shares on issue				
Balance at beginning of year	74,000,003	23,015,388	54,000,003	13,591,799
Placement	—	—	20,000,000	10,000,000
Transaction costs on share issue	—	—	—	(576,411)
	74,000,003	23,015,388	74,000,003	23,015,388

(c) Ordinary shares

The Company does not have authorised capital nor par value in respect of its issued capital. Ordinary shares have the right to receive dividends as declared and, in the event of a winding up of the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or proxy, at a meeting of the Company.

(d) Capital Risk Management

The Group's capital comprises share capital, reserves less accumulated losses amounting to $23,638,261 at 30 June 2009 (2008: $24,009,233). The Group manages its capital to ensure its ability to continue as a going concern and to optimise returns to its shareholders. The Group was ungeared at year end and not subject to any externally imposed capital requirements. Refer to note 22 for further information on the Group's financial risk management policies.

(e) Share options

At 30 June 2009, there were 12,375,000 unissued ordinary shares under options (2008: 12,350,000 options). During the financial year, 250,000 options were cancelled and additional 275,000 options were issued.

No option holder has any right under the options to participate in any other share issue of the Company or any other entity. Information relating to the Overland Resources Limited Employee Share Option Plan, including details of options issued under the plan, is set out in note 23.

	Consolidated		Company	
	2009	2008	2009	2008
	$	$	$	$
13. Accumulated losses				
Movements in accumulated losses were as follows:				
At 1 July	1,260,400	502,578	2,143,626	510,758
Loss	1,006,711	757,822	420,566	1,632,868
At 30 June	2,267,111	1,260,400	2,564,192	2,143,626
14. Reserves				
Share based payments reserve	3,187,065	3,137,471	3,187,065	3,137,471
Foreign currency translation reserve	(297,081)	(883,226)	—	—
	2,889,984	**2,254,245**	**3,187,065**	**3,137,471**
Movement in reserves:				
Share based payments reserve				
Balance at beginning of year	3,137,471	672,000	3,137,471	672,000
Exercise option to acquire Yukon Base Metal Project	—	2,445,000	—	2,445,000
Equity benefits expense	49,594	20,471	49,594	20,471
Balance at end of year	3,187,065	3,137,471	3,187,065	3,137,471

The Share based payments reserve is used to record the value of equity benefits provided to individuals acting as employees and directors as part of their remuneration, Initial Public Offer underwriting agreement and for the exercising of the option to purchase the Yukon Base Metal Project. Refer to note 23(b) for details of share based payments.

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Foreign currency translation reserve				
At 1 July	(883,226)	(8,180)	—	—
Foreign currency translation	586,145	(875,046)	—	—
Balance at end of year	(297,081)	(883,226)	—	—

The foreign currency translation reserve is used to record currency differences arising from the translation of the financial statements of foreign operations.

15. Cash and Cash Equivalents

(a) Reconciliation of cash

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Cash balance comprises:				
Cash and cash equivalents	**1,686,661**	**6,949,540**	**1,656,233**	**6,701,038**

(b) Reconciliation of the net loss after tax to the net cash flows from operations

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Net loss after tax	(1,006,711)	(757,822)	(420,566)	(1,632,868)
Adjustments for:				
Depreciation	18,020	12,117	1,017	766
Impairment on loans receivable	—	—	278,530	205,318
Foreign exchange (gains) / losses	—	—	(578,678)	887,687
Provision for employee entitlements	(1,203)	1,203	—	—
Provision for unfavourable agreement	32,212	—	—	—
Loss on sale of assets	8,615	—	—	—
Share based payment	49,594	20,471	49,594	20,471
Exploration expenditure written off	—	328,947	—	328,947
Changes in assets and liabilities:				
Decrease / (Increase) in receivables	45,244	(58,053)	42,893	(57,783)
(Decrease) / Increase in trade and other creditors	(52,620)	65,397	(170,872)	184,034
Net cash flow used in operating activities	(906,849)	(387,740)	(798,082)	(63,428)

The only non-cash financing activities are share-based payments as discussed in note 23.

16. Expenditure commitments

(a) Expenditure commitments

Under the terms and conditions of being granted exploration licenses, the Company may have minimum annual commitments for the term of the license. The Company has relinquished all tenements in Australia and there are no expenditure commitments within Canada (2008: Nil).

	Consolidated		Company	
	2009	2008	2009	2008
	$	$	$	$

(b) Remuneration commitments

Under the terms and conditions of the consulting services agreements entered into by the Company with the Managing Director, the Company has a minimum commitment for the term of the consulting service agreement. The term of the agreement is 12 months. Commitments contracted for at reporting date but not recognised as liabilities are as follows:

Within one year	240,000	240,000	240,000	240,000

(c) Services agreement

The Company entered a service agreement for certain administrative services and office space for a term of two years. The Company is required to give three months written notice to terminate the agreement. Commitments contracted for at reporting date but not recognised as liabilities are as follows:

Within one year	84,000	96,000	84,000	96,000
After one year but not longer than 5 years	—	96,000	—	96,000
	84,000	192,000	84,000	192,000

17. Subsequent events

There are no material subsequent events from balance date to the date of this report.

18. Loss per share

	Consolidated	
	2009	2008
	$	$
Loss used in calculating basic and dilutive EPS	(1,006,711)	(757,822)

	Number of Shares	
	2009	2008
	$	$
Weighted average number of ordinary shares used in calculating basic earnings / (loss) per share:	74,000,003	54,986,304
Effect of dilution:		
Share options	—	—
Adjusted weighted average number of ordinary shares used in calculating diluted loss per share:	74,000,003	54,986,304

There is no impact from 12,375,000 options outstanding at 30 June 2009 (2008: 12,350,000 options) on the earnings per share calculation because they are anti-dilutive. These options could potentially dilute basic EPS in the future.

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
19. Auditors' remuneration				
The auditor of Overland Resources Limited is Ernst & Young (Australia)				
Amounts received or due and receivable by Ernst & Young (Australia) for:				
Audit or review of the financial report of the Company	30,138	35,300	30,138	35,300
Other services in relation to the Group	—	—	—	—
	30,138	35,300	30,138	35,300
Amounts received or due and receivable by related practices of Ernst & Young (Australia) for:				
Audit or review of the financial report of the Company	—	25,715	—	—
Last year over accrued	(5,865)	—	—	—
	(5,865)	25,715	—	—

20. Key Management Personnel Disclosures

(a) Details of Key Management Personnel

Mr. Michael Haynes	Chairman
Mr. Hugh Bresser	Managing Director
Mr. Anthony Polglase	Non Executive Director
Mr. Gibson Pierce	Non Executive Director – appointed 3 October 2008
Mr. Scott Funston	Company Secretary
Mr. Tim Flavel	Company Secretary – resigned 31 July 2008

(b) Remuneration of Key Management Personnel

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the financial year are as follows:

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Short term employee benefits	443,543	444,833	443,543	444,833
Share based payments	30,095	20,471	30,095	20,471
Post employment benefits	—	—	—	—
Total remuneration	473,638	465,304	473,638	465,304

Notes to the Financial Statements

for the financial year ended 30 June 2009

(c) Shareholdings of Key Management Personnel

The number of shares in the Company held during the financial year held by Key Management Personnel of Overland Resources Limited, including their personally related parties, is set out below.

30 June 2009	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year
Mr. Michael Haynes	4,300,001	—	—	—	4,300,001
Mr. Hugh Bresser	4,190,000	—	—	—	4,190,000
Mr. Anthony Polglase	—	—	—	—	—
Mr. Gibson Pierce	—	—	—	—	—
Mr. Tim Flavel (resigned 31 July 2008)	1,850,001	—	—	(1,850,001)	—
Mr. Scott Funston	200,000	—	—	—	200,000
30 June 2008					
Mr. Michael Haynes	4,250,001	—	—	50,000	4,300,001
Mr. Matthew Wood (resigned 30 June 2008)	4,366,001	—	—	(4,366,001)	—
Mr. Hugh Bresser	4,190,000	—	—	—	4,190,000
Mr. Tim Flavel	1,850,001	—	—	—	1,850,001
Mr. Scott Funston	250,000	—	—	(50,000)	200,000
Mr. Anthony Polglase	—	—	—	—	—

(d) Option holdings of Key Management Personnel

The numbers of options over ordinary shares in the company held during the financial year by each director of Overland Resources Limited and specified executive of the group, including their personally related parties, are set out below:

30 June 2009	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year
Mr. Michael Haynes	—	—	—	—	—
Mr. Hugh Bresser	—	—	—	—	—
Mr. Anthony Polglase	100,000	—	—	—	100,000
Mr. Gibson Pierce	—	100,000	—	—	100,000
Mr. Tim Flavel (resigned 31 July 2008)	—	—	—	—	—
Mr. Scott Funston	—	—	—	—	—
30 June 2008					
Mr. Michael Haynes	—	—	—	—	—
Mr. Matthew Wood (resigned 30 June 2008)	—	—	—	—	—
Mr. Hugh Bresser	—	—	—	—	—
Mr. Tim Flavel	—	—	—	—	—
Mr. Scott Funston	—	—	—	—	—
Mr. Anthony Polglase	—	100,000	—	—	100,000

	Grant Date	Grant Number	Exercise Date	Expiry Date/Last exercise date	Fair Value per option at grant date	Exercise price per option	Total value granted	Vested	% vested
G. Pierce	30/09/08	50,000	20/08/09	20/08/13	$0.20	$0.40	$19,808	50,000	100
G. Pierce	30/09/08	50,000	20/08/10	20/08/13	$0.20	$0.40	$19,808	—	—
A. Polglase	20/11/07	100,000	20/11/08	19/11/12	$0.39	$0.64	$39,424	100,000	100

There were no alterations to the terms and conditions of options granted as remuneration since their grant date. There were no forfeitures during the period.

Options granted as part of remuneration have been valued using the Black-Scholes option pricing model, which takes account of factors such as the option exercise price, the current level and volatility of the underlying share price and the time to maturity of the option. Options granted under the plan carry no dividend or voting rights. For details on the valuation of options, including models and assumptions used, please refer to note 23.

(e) Other transactions with key management personnel

MQB Ventures Pty Ltd, a Company of which Mr. Michael Haynes is a Director, provided the Company with a fully serviced office including administration support for a fee totalling $132,000 during the year (2008: $96,000). $14,000 was outstanding at year end (2008: $8,000). MQB Ventures Pty Ltd also employs geological and accounting staff that were on charged at cost and the Company and is reimbursed for couriers and other minor expenses at cost. These costs totalled $36,455 (2008: $67,042). $Nil was outstanding at year end (2008: $10,493).

Bullseye Geoservices Pty Ltd, a Company of which Mr. Michael Haynes is a Director, was paid Directors fees of $60,000 during the year (2008: $60,000). This amount is included in Note 20 (b) "Remuneration of Key Management Personnel". $5,000 was outstanding at year end (2008: $5,000).

Warrior Consulting Pty Ltd, a Company of which Mr. Tim Flavel is a Director, was paid consulting fees of $6,000 during the year (2008: $64,000). This amount is included in Note 20 (b) "Remuneration of Key Management Personnel". $Nil was outstanding at year end (2008: $6,000).

Milagro Ventures Pty Ltd, a Company of which Mr. Hugh Bresser is a Director was paid consulting fees of $240,000 during the year (2008: $240,000). This amount is included in Note 20 (b) "Remuneration of Key Management Personnel". $20,000 was outstanding at year end (2008: $20,000). Milagro Ventures Pty Ltd also employs geological and accounting staff that were on charged at cost. These costs totalled $7,062 (2008: Nil). $4,028 was outstanding at year end (2008: Nil).

Resouceful International Consulting Pty Ltd, a Company of which Mr. Scott Funston is a Director was paid consulting fees of $52,000 during the year (2008: Nil). This amount is included in Note 20 (b) "Remuneration of Key Management Personnel". $5,000 was outstanding at year end (2008: Nil).

21. Related Party Disclosures

The ultimate parent entity is Overland Resources Limited. Refer to Note 7 Investments in subsidiaries for a list of all subsidiaries. For Director related party transactions please refer to Note 20 "Key Management Personnel Disclosures". There were no other related party disclosures for the year ended 30 June 2009.

Notes to the Financial Statements

for the financial year ended 30 June 2009

22. Financial Instruments and Financial Risk Management

Exposure to interest rate, liquidity, commodity price risk, foreign currency risk and credit risk arises in the normal course of the Group's business. The Group does not hold or issue derivative financial instruments.

The Company uses different methods as discussed below to manage risks that arise from these financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security.

(a) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments. The responsibility for liquidity risk management rests with the Board of Directors.

Alternatives for sourcing our future capital needs include our cash position and the issue of equity instruments. These alternatives are evaluated to determine the optimal mix of capital resources for our capital needs. We expect that, absent a material adverse change in a combination of our sources of liquidity, present levels of liquidity will be adequate to meet our expected capital needs.

Financial liabilities of the Group comprise trade and other payables. As at 30 June 2009 and 30 June 2008, all financial liabilities are contractually matured within 60 days.

(b) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.

The Group's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash and term deposits. The Group manages the risk by investing in short term deposits.

	Consolidated		Company	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Cash and cash equivalents	1,686,661	6,949,540	1,656,233	6,701,038

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's income statement to a reasonably possible change in interest rates, with all other variables constant.

Consolidated	Effect on Post Tax Earnings Increase / (Decrease)		Effect on Equity including retained earnings Increase / (Decrease)	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Increase 100 basis points	16,866	69,495	16,866	69,495
Decrease 100 basis points	(16,866)	(69,495)	(16,866)	(69,495)

Parent	Effect on Post Tax Earnings Increase / (Decrease)		Effect on Equity including retained earnings Increase / (Decrease)	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Increase 100 basic points	16,562	67,010	16,562	67,010
Decrease 100 basic points	(16,562)	(67,010)	(16,562)	(67,010)

A sensitivity of 100 basis points has been used as this is considered reasonable given the current level of both short term and long term Australian Dollar interest rates. The change in basis points is derived from a review of historical movements and management's judgement of future trends. The analysis was performed on the same basis in 2008.

(c) Credit Risk Exposures

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's maximum credit exposure is the carrying amounts on the balance sheet. The Group holds financial instruments with credit worthy third parties.

At 30 June 2009, the Group held cash and term deposits. Cash and short term deposits were held with financial institutions with a rating from Standard & Poors of A or above (long term). The Group has no past due or impaired debtors as at 30 June 2009 (2008: Nil).

(d) Foreign Currency Risk

Currency risk is the risk of fluctuation in the value of overseas investments which are denominated in foreign currencies

As a result of exploring for mineral commodities in the Canada, cash advanced to the subsidiary is denominated in the Canadian Dollar. The parent entity is therefore exposed to the movement of the Canadian dollar to Australian dollar through its loan to the Canadian subsidiary of $22,006,026 (2008: $17,503,258). All financial assets and liabilities in the Canadian subsidiary is in Canadian dollar and therefore do not create any foreign currency exposure since its functional currency is in Canadian dollar. The Group does not enter into any financial arrangement to mitigate these exposures to the foreign currencies.

The following sensitivity is based on the foreign currency risk exposure in existence at the balance sheet date:

Judgements on reasonably possible movements	Effect on Post Tax Earnings Higher / (Lower) 2009 $	2008 $	Effect on Equity Higher / (Lower) 2009 $	2008 $
Parent				
AUD/CAD +5%	1,100,301	875,163	1,100,301	875,163
AUD/CAD -5%	(1,100,301)	(875,163)	(1,100,301)	(875,163)
Consolidated				
AUD/CAD +5%	—	—	—	—
AUD/CAD -5%	—	—	—	—

The sensitivity is based on reasonably possible changes expected over the following financial year using general economic and financial forecasts. The analysis was performed on the same basis in 2008.

23. Share Based Payment Plans

(a) Recognised share based payment expenses

Total costs arising from share based payment transactions recognised during the period were as follows:

	Consolidated 2009 $	2008 $	Company 2009 $	2008 $
Payments to employees under ESOP				
Employee equity benefit	49,594	20,471	49,594	20,471
Payments to suppliers				
Exercise option to acquire interest in Yukon Base Metal Project	—	2,445,000	—	2,445,000
	49,594	2,465,471	49,594	2,465,471

(b) Share based payment to employees

The Group has established an employee share option plan (ESOP). The objective of the ESOP is to assist in the recruitment, reward, retention and motivation of employees of the Company. Under the ESOP, the Directors may invite individuals acting in a manner similar to employees to participate in the ESOP and receive options. An individual may receive the options or nominate a relative or associate to receive the options. The plan is open to executive officers and employees of the Company. Details of options granted under ESOP are as follows:

Grant Date	Expiry date	Exercise price the year	Balance at start of year Number	Granted during the year Number	Exercised during the year Number	Expired during the the year Number	Balance at end of Number	Exercisable at end of the year Number
30/09/08	21/08/1	$0.40	—	275,000	—	—	275,000	137,500
20/11/07	19/11/12	$0.64	250,000	—	—	(250,000)*	—	—
24/12/07	19/11/12	$0.64	100,000	—	—	—	100,000	100,000

Weighted remaining contractual life (years)	4.39	—	—	—	3.83	3.83
Weighted average exercise price	$0.64	$0.40	—	$0.64	$0.46	$0.50

(*) These options were cancelled during the financial period.

The weighted average fair value of options granted during the year was $0.20 (2008: $0.40).

The fair value at grant date of options granted during the reporting period was determined using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share and the risk free interest rate for the term of the option.

The model inputs, not included in the table above, for options granted during the year ended 30 June 2009 included:

a) options are granted for no consideration and vest 50% 12 months from issue date and 50% 24 months from issue date;
b) expected life of options had a range of 2.92 to 3.42 years;
c) share price at grant date was $0.3;
d) expected volatility, based on a one year history of the companies share price, of 111.06%;
e) expected dividend yield of Nil; and
f) a risk free interest rate range of 5.12%.

The model inputs, not included in the table above, for options granted during the year ended 30 June 2008 included:

a) options are granted for no consideration and vest either one year from the grant date;
b) expected life of options had a range of 2.5 years;
c) share price at grant date ranges from $0.60 to $0.64;
d) expected volatility, based on a one year history of the companies share price, of 114%;
e) expected dividend yield of Nil; and
f) a risk free interest rate range of 6.40%.

24. Contingent Liabilities

There are no known contingent liabilities as at 30 June 2009 (2008: Nil).

25. Segment Information

The Group operates in one business segment being mineral exploration. The Group explores in Australia and Canada. As the majority of revenue from these geographical operations is earned from bank deposits, not sales to external customers, they do not constitute reportable segments.

26. Dividends

No dividend was paid or declared by the Company in the period since the end of the financial year and up to the date of this report. The Directors do not recommend that any amount be paid by way of dividend for the financial year ended 30 June 2009 (2008: Nil). The balance of the franking account as at 30 June 2009 is Nil (2008: Nil).

Directors' Declaration

In accordance with a resolution of the Directors of Overland Resources Limited, I state that:

1. In the opinion of the directors:

(a) the financial statements and notes of the Company and of the consolidated entity are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position of the Company and of the Consolidated Entity as at 30 June 2009 and of their performance, for the year ended on that date; and

(ii) complying with Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with sections of 295A of the Corporations Act 2001 for the financial year ended 30 June 2009.

On behalf of the Board

Michael Haynes
Director
29 September 2009

Auditor's Independence Declaration

In relation to our audit of the financial report of Overland Resources Limited for the year ended 30 June 2009, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Fiona Drummond
Partner
Perth
29 September 2009.

Independent Audit Report to the Members of Overland Resources Limited

Independent auditor's report to the members of Overland Resources Limited

Report on the Financial Report
We have audited the accompanying financial report of Overland Resources Limited, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report
The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's Responsibility
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence
In conducting our audit we have met the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Auditor's Opinion
In our opinion:

1. the financial report of Overland Resources Limited is in accordance with the Corporations Act 2001, including:

   i giving a true and fair view of the financial position of Overland Resources Limited and the consolidated entity at 30 June 2009 and of their performance for the year ended on that date; and
   ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

2. the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the Remuneration Report
We have audited the Remuneration Report included in pages 8 to 11 of the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion
In our opinion the Remuneration Report of Overland Resources Limited for the year ended 30 June 2009, complies with section 300A of the Corporations Act 2001.

Ernst & Young

Ernst & Young

Fiona Drummond
Partner
Perth
29 September 2009.

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report.
The additional information was applicable as at 16 September 2009.

DISTRIBUTION OF SECURITY HOLDERS

Analysis of numbers of listed equity security holders by size of holding:

Category			Number of Shareholders
1	—	1,000	14
1,001	—	5,000	79
5,001	—	10,000	179
10,001	—	100,000	214
100,001 and over			66
			552

There are 127 shareholders holding less than a marketable parcel of ordinary shares.

STATEMENT OF RESTRICTED SECURITIES

There are no restricted securities as at 30 June 2009.

SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of the Company are as follows:

Name	Number of equity securities
Singpac Investment Holding Pte Ltd	10,000,000
Bond Street Custodians Limited <Officium Emerging Res A/C>	9,780,857
HSBC Custody Nominees (Australia) Limited – GSACO ECSA	6,821,000
Mr. Michael Haynes	4,300,001
Mr. Hugh Bresser	4,190,000

VOTING RIGHTS

The voting rights attached to each class of equity security are as follows:

ORDINARY SHARES

Each ordinary share is entitled to one vote when a poll is called otherwise each member present at a meeting or by proxy has one vote on a show of hands.

OPTIONS

These securities have no voting rights.

ASX Additional Information

TOP 20 SHAREHOLDERS

Name of Holder	Number of Shares Held	Percentage of Capital
Singpac Investment Holding Pte Ltd	10,000,000	13.51
Bond Street Custodians Limited <Officium Emerging Res A/C>	9,780,857	13.22
HSBC Custody Nominees (Australia) Limited – GSCO ECSA	6,821,000	9.22
Bullseye Geoservices Pty Ltd <Haynes Family A/C>	4,100,000	5.54
Milagro Ventures Pty Ltd <Bresser Family A/C>	4,100,000	5.54
JP Morgan Nominees Australia Limited	3,500,000	4.73
Wexford Sprectrum Trading Limited	2,624,310	3.55
Bannaby Investments Pty Ltd <Super Fund A/C>	1,505,500	2.03
TM Consulting Pty Ltd <Super Fund A/C>	1,405,500	1.90
Bannaby Investments Pty Ltd	1,000,000	1.35
Wexford Catalyst Trading Limited	900,000	1.22
Societe Generale Australia Branch	830,000	1.12
Dr Elisabeth Van Papenrecht	740,000	1.00
Gecko Resources Pty Ltd	700,000	0.95
Mrs Margaret Isabel Green	620,000	0.84
Mr Gavin Brian Strack and Mrs Kate Elizabeth Strack < GB & KE Strack S/F A/C	605,994	0.82
Bolo Pty Ltd <Doncon Superfund A/C>	600,000	0.81
Hinona Pty Ltd	600,000	0.81
Anna Carina Pty Ltd	560,560	0.76
Super Pipeline Pty Ltd <Pipeline Super Fund A/C>	550,000	0.74
	51,543,721	**69.65**

UNQUOTED EQUITY SECURITIES

Class	Number of securities	Number of holders	Holders with more than 20%
Options over ordinary shares exercisable at $0.20 on or before 31 December 2011	7,000,000	1	KTM Capital Pty Limited
Options over ordinary shares exercisable at $0.20 on or before 25 July 2012	5,000,000	1	18526 Yukon Inc
Options over ordinary shares exercisable at $0.64 on or before 19 November 2012	100,000	1	Mr Anthony Polglase
Options over ordinary shares exercisable at $0.40 on or before 28 August 2013	275,000	3	Mr Ming Jang

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