



MARCH 2011 QUARTERLY ACTIVITIES REPORT

ASX Release

29 April 2011

OVERLAND RESOURCES LIMITED

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Issued Capital:

194.1 million shares

ASX Symbol: OVR

HIGHLIGHTS

- **\$11.9 million Placement successfully completed**
- **JORC Code compliant resource estimate for the Yukon Base Metal Project upgraded to:**
 - 11.0Mt at 5.8% zinc and 1.0% lead¹ or**
 - 11.0Mt at 6.9% zinc equivalent²**
- **Considerable potential to expand the resources at all three known zinc deposits: Andrew, Darcy and Darin**
- **High priority new exploration target identified extending 1,000m to the north east of the Andrew Zinc Deposit**
- **Highly prospective new project secured within nominal trucking distance of the Andrew Zinc Deposit**
- **Field work commenced at the Yukon Base Metal Project**

During the March 2011 quarter Overland Resources Limited (ASX: OVR and the "Company") announced a \$11.875 million Placement to North American institutional and sophisticated investors. The Placement has now been successfully completed with a total of 47.5 million new shares issued at \$0.25 per share.

The Company recalculated the JORC Code compliant resource estimate at its Yukon Base Metal Project in Canada (see Table 1). It comprises mineralisation from three zinc deposits – Andrew, Darcy and Darin, and has been upgraded to:

11.0 Mt at 5.8% zinc and 1.0% lead¹ or

11.0 Mt at 6.9% zinc equivalent²

Mineralisation at all three deposits remains open along strike and at depth. Considerable potential exists to continue to increase the resource base with additional drilling.

A substantial zinc in soil anomaly, extending 1,000m to the north east of the Andrew Zinc Deposit, has been delineated in sampling undertaken by the Company during 2010 (see Figure 1). This previously untested soil anomaly is a high priority drill target for the forthcoming field programme.

The highly prospective Riddell Prospect, located 20km south east of the Andrew Zinc Deposit, was claim staked by the Company during the quarter. An additional 80 claim blocks (12km²) increases the area of the Yukon Base Metal Project to over 110km².

The Company commenced field operations at the Yukon Base Metal Project during the quarter. Geologists and technicians are currently on site in preparation for the start of a 10,000m diamond drilling programme. The 2011 drilling programme will target extensions to the known deposits and evaluate the newly defined drill targets, as well as support ongoing feasibility work.

PLACEMENT

¹ 2% zinc lower cut off applied

² April 26th spot LME metal prices applied: US\$1.0598/lb. zinc, US\$1.2111/lb. lead

Overland Resources Limited announced a \$11.875 million capital raising during the quarter. The Placement was successfully completed and approved by shareholders following a general meeting on 13 April 2011. A total of 47.5 million new shares have been issued at \$0.25 per share to institutional and sophisticated investors, predominantly in North America.

The funds raised will be used to further advance the development of the Company's Yukon Base Metal Project, including

- completion of pre-production activities and preparation of mine permitting submission documents,
- acceleration of exploration programmes to extend resources at known deposits/prospects and to evaluate numerous high priority regional targets, and
- pursuit of additional growth opportunities.

Following the completion of this Placement the Company is very well positioned to advance the Yukon Base Metal Project through mine permitting and to continue to aggressively explore the Project and surrounds to delineate additional resources.

YUKON BASE METAL PROJECT

JORC Code Compliant Resource Estimate Upgrade

During the quarter Overland Resources Limited finalised the recalculation of the JORC Code compliant resource estimate at its Yukon Base Metal Project, Canada.

The JORC Code compliant indicated and inferred resource at the Darcy Zinc Deposit (see Table 1) was doubled to:

3.5 Mt at 5.3% zinc³

An inaugural JORC Code compliant inferred resource was also calculated for the newly discovered Darin Zinc Deposit (see Table 1). This comprises:

360,000 T at 4.0% zinc and 0.2% lead³

The total resource base at the Yukon Base Metal Project now incorporates three shallow high grade zinc deposits within 2,500m of each other – Andrew, Darcy and Darin. The total measured, indicated and inferred resource base (see Table 1) now comprises:

11.0 Mt at 5.8% zinc and 1.0% lead³ or

11.0 Mt at 6.9% zinc equivalent⁴.

Mineralisation at all three zinc deposits remains open along strike and at depth. Considerable potential exists to continue to increase the resource base with additional drilling.

High Priority Exploration Targets

The recent delineation of the extensions to the Darcy Zinc Deposit and the discovery of the new Darin Zinc Deposit confirms the considerable potential of the area within the 2,500m long zinc in soil geochemistry anomaly to host additional mineral resources.

Diamond drilling is scheduled to commence in the coming weeks to further test the strike and depth extents of all three deposits. This is seen as high priority drilling by the Company.

Interpretation of soil geochemistry assay results from sampling conducted by the Company in 2010 was completed during the quarter. This work has highlighted a zinc in soil anomaly extending 1,000m to the north east of the Andrew Zinc Deposit (see Figure 1). This anomaly is comparable in tenor to the 2,500 metre long zinc in soil anomaly that extend to the south east of the Andrew Zinc deposit, which hosts the Andrew, Darcy and Darin Deposits. Soil geochemistry has proven to be an extremely useful targeting tool and this too is a high priority drill target for the forthcoming field programme.

The Company recently staked the highly prospective mineralised Riddell Prospect, located 20 km south east of the Andrew Zinc Deposit. This prospect is located close to the proposed access/ haulage road route for the mine development. Any additional resources discovered here could conceivably provide additional feed to a centralised processing facility. As such further evaluation of this prospect is also a high priority.

³2% zinc lower cut off applied

⁴ April 26th spot LME metal prices applied: US\$1.0598/lb. zinc, US\$1.2111/lb. lead

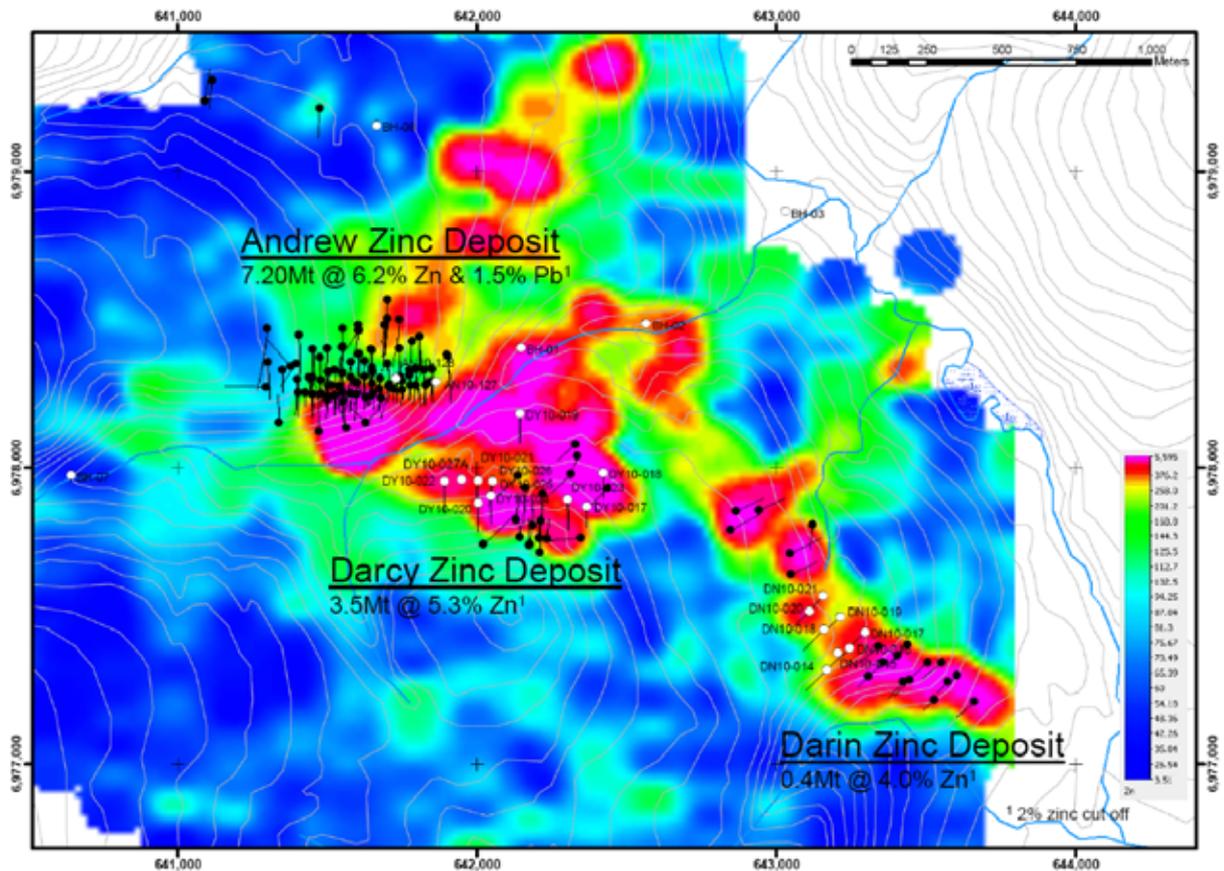


Figure 1. Andrew, Darcy and Darin Zinc Deposits hosted in a 2,500 metre long anomalous zinc in soil geochemistry corridor and newly identified anomalous zinc in soil trend to the north east of the Andrew Zinc Deposit.

2011 Field Operations

Field operations commenced during the quarter with the mobilisation of geologists and technicians to site in preparation for the arrival of two diamond drill rigs. A 10,000m drilling program will commence within weeks. This will target extensions to the known deposits and also evaluate the newly identified drill targets for the first time.

Drilling will also support the ongoing feasibility study through the collection of additional geotechnical information for mine planning and tailing dam design work. Additional bulk samples for metallurgical and environmental test work will also be collected.

Overview

The Yukon Base Metal Project covers in excess of 110km² over and around the shallow, high grade Andrew, Darcy and Darin Zinc Deposits in the highly prospective and under explored Selwyn Basin of the Yukon Territory, Canada. Overland Resources Limited holds a 90% interest in the Project and continues to evaluate and secure new opportunities that are aligned with the Company's goal of developing a viable mining operation at the Project.

Work is well advanced on the technical, economic and environmental components of a feasibility study into the development of the Yukon Base Metal Project. The Company is aiming to submit a mine permitting proposal to the executive committee of Yukon Environment and Socio-economic Assessment Board (YESAB) at the end of 2011 or early 2012. The Yukon Territory is a jurisdiction that is particularly supportive of new mine developments. The permitting process is expected to take between 12 and 18 months, with construction commencing shortly after mine permits are issued.

Hugh A Bresser
Managing Director

JORC Code Compliant Resource Estimate

Table 1. JORC Code compliant mineral resource for the Yukon Base Metal Project⁵

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Zinc (%)	Lead (%)	Tonnes	Zinc (%)	Lead (%)	Tonnes	Zinc (%)	Lead (%)	Tonnes	Zinc (%)	Lead (%)
Andrew	1,610,000	5.5	1.7	4,690,000	6.2	1.6	900,000	7.0	0.7	7,200,000	6.2	1.5
Darcy				884,000	5.3	0.1	2,601,000	5.3	0.0	3,485,000	5.3	0.0
Darin							360,000	4.0	0.2	360,000	4.0	0.2
TOTAL	1,610,000	5.5	1.7	5,570,000	6.1	1.3	3,865,000	5.6	0.2	11,045,000	5.8	1.0

The information in this report that relates to Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Ball who is a Member of the Australasian 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Peter Ball consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Result is based on information compiled by Mr Hugh Alan Bresser who is a Member of the Australasian 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 'Australasian 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.

Under the Canadian Securities Administrators' National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), issuers are prohibited from aggregating inferred mineral resources with other categories of mineral resources. Under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"), issuers are permitted to aggregate all categories of mineral resources. Under NI 43-101, for the Andrew Zinc Deposit, Measured and Indicated mineral resources of 6,300,000 tonnes, having an average grade of 6.0% of zinc and an average grade of 1.6% of lead. Under NI 43-101, Overland would not be permitted to aggregate the Indicated and Inferred mineral resources for the Darcy Zinc Deposit

⁵2% zinc lower cut off applied