

OVERLAND RESOURCES LIMITED
ACN 114 187 978

OFFER DOCUMENT

For a fully underwritten pro rata non-renounceable rights issue to Eligible Shareholders on the basis of 1 New Share for every 3 existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.01 per New Share to raise approximately \$1,256,453 (before costs) (**Offer**).

The Offer is fully underwritten and managed by DJ Carmichael Pty Limited (ABN 26 003 058 857), holder of an Australian Financial Services Licence (AFSL No. 232571). Please refer to Section 6.1 for the details of the underwriting.

The Offer opens on 28 March 2017 and closes at 5:00pm (WST) on 7 April 2017 (unless it is lawfully extended). Valid acceptances must be received before that time.

Applications for New Shares by Eligible Shareholders can only be made by using or following the instructions on an Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out the Eligible Shareholders' Entitlement to participate in the Offer.

Please read the instructions in this Offer Document and on the accompanying Entitlement and Acceptance Form.

This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the New Shares offered by this document.

The New Shares offered by this Offer Document should be considered as speculative.

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1. IMPORTANT INFORMATION

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

1.1 This document is not a prospectus

This Offer Document is dated 20 March 2017, has been prepared by Overland Resources Limited and is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company. This Offer Document is not a prospectus under the Corporations Act and has not been lodged with the ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the Shares offered by this document.

This Offer Document including each of the documents attached to it and which form part of this Offer Document are important and should be read in their entirety prior to making an investment decision. In particular, Shareholders should refer to the risk factors set out in Section 5 of this document. If you do not fully understand this Offer Document or are in any doubt as to how to deal with it, you should consult your professional adviser.

1.2 Section 708AA of the Corporations Act

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act and applicable ASIC Instrument 2016/84. In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to accept the Offer.

1.3 Eligibility

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

1.4 Overseas Shareholders

This Offer Document does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

The Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia and New Zealand. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

United States Shareholders

This Offer does not constitute an offer in the United States of America, nor does it constitute an offer to a person who is a US Person or someone who is acting on behalf of a US Person.

The Shares have not been, and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States of America, or to, or for the account or benefit of, US Persons (as defined in Rule 902 under the US Securities Act) except under an available exemption from registration under the US Securities Act. These Shares may only be resold or transferred if registered under the US Securities Act or pursuant to an exemption from registration under the US Securities Act and in compliance with state securities laws. The Company is under no obligation and has no intention to register the Shares in the United States of America.

Further detail in relation to foreign jurisdictions is set out in this Offer Document.

New Zealand Shareholders

The Offer is being made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2013.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.5 Notice to nominees and custodians

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.6 Forward-looking statements

This Offer Document contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Offer Document, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements

contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5 of this Offer Document.

1.7 Privacy Act

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

2. CORPORATE DIRECTORY

Directors

Mr Michael Haynes (Chairman)
Mr Hugh Alan Bresser (Non-Executive Director)
Mr Scott Robertson (Non- Executive Director)

Company Secretary

Ms Beverley Nichols

Registered Office

Suite 9
5 Centro Avenue
Subiaco, Western Australia, 6008

Telephone: +61 8 9226 5566

Facsimile: +61 8 9226 2027

Email: info@overlandresources.com

Website: www.overlandresources.com

ASX Code

OVR

Share Registry*

Computershare Investor Services Pty
Ltd
Level 11
172 St Georges Terrace
Perth, WA 6000

Legal Advisers

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth, WA 6000

Lead Manager and Underwriter

DJ Carmichael Pty Limited
Level 14, Parmelia House
191 St Georges Terrace
Perth, WA 6000

Auditor*

Stantons International Audit and
Consulting Pty Ltd
Level 2, 1 Walker Avenue
West Perth WA 6005

*These parties have been included for information purposes only. They have not been involved in the preparation of this Offer Document.

3. DETAILS OF THE OFFER

3.1 The Offer

The Offer is being made as a non-renounceable entitlement offer of 1 New Share for every 3 Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.01 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as set out in Section 3.6 of this Offer Document, a maximum of approximately 125,645,369 Shares will be issued pursuant to this Offer to raise up to approximately \$1,256,453.

As at the date of this Offer Document, the Company has 10,000,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to section 3.6 of this Offer Document for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document.

The Directors may at any time decide to withdraw this Offer Document and the offer of Shares made under this Offer Document in which case the Company will return all Application monies (without interest) within 28 days of giving such notice of withdrawal.

3.2 Use of Funds

Completion of the Offer will result in an increase in cash in hand of up to approximately \$1,256,453 (before the payment of costs associated with the Offer).

The Company intends to apply the funds raised under the Offer as follows:

Items of Expenditure	\$	%
Advancing the Company's Trojan Gold Project in Western Australia and further advancing the Yukon Base Metal Project in Canada ¹	900,000	71.63
Evaluation of new assets and opportunities	60,000	4.78
Working capital ²	176,453	14.04
Expenses of the Offer ³	120,000	9.55
Total	1,256,453	100

Note:

1. Includes additional drilling to further advance The Trojan Gold Project in Western Australia and additional work on The Yukon Base Metal Project.
2. Intended to be allocated towards corporate administration and operating costs.
3. Includes: ASX fee: \$5,925, maximum fees payable to DJ Carmichael Pty Ltd: \$85,387, legal fees of \$15,000, and printing and miscellaneous costs of: \$5,000.

The above table is a statement of the Board's current intentions as at the date of this Offer Document. However, Shareholders should note that, as with any

budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

3.3 Indicative Timetable

Company Announces Rights Issue	17 March 2017
Notice sent to Option holders	17 March 2017
Lodgement of Offer Document, Appendix 3B and s708AA Cleansing Notice with ASX (Prior to the commencement of trading)	20 March 2017
Notice sent to Shareholders	22 March 2017
Ex-date	23 March 2017
Record Date for determining Entitlements	24 March 2017
Offer Document sent out to Eligible Shareholders & Company announces this has been completed & Offer Opening Date	28 March 2017
Closing Date	7 April 2017
Shares quoted on a deferred settlement basis	10 April 2017
ASX notified of under subscriptions	12 April 2017
Issue date/Shares entered into Shareholders' security holdings	13 April 2017
Quotation of Shares issued under the Offer	18 April 2017

*Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

**These dates are indicative only and are subject to change.

3.4 Entitlements and acceptance

Details of how to apply under the Offer are set out in Section 4 of this Offer Document.

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance form accompanying this Offer Document.

If instructed to do so by the Company or the Underwriter, you can also apply for Additional Shares under the Shortfall Offer in addition to your Entitlement by following the instructions set out in Section 4. The Shortfall Offer is described in Section 4.5 below.

3.5 No rights trading

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Offer to any other party. If you do

not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

3.6 Capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

Shares	Number
Shares currently on issue	376,936,108
New Shares offered pursuant to the Offer ¹	125,645,369
Total Shares on issue after completion of the Offer¹	502,581,477

Notes:

1. This number may vary due to rounding of Entitlements and may increase as a result of the rounding up of New Shares offered under the Offer.

Options

Options	Number
Options on issue:	
Unquoted exercisable at \$0.007 on or before 20 April 2019	10,000,000
Options to be offered pursuant to the Offer	Nil
Total	10,000,000

The capital structure on a fully diluted basis as at the date of this Offer Document would be 386,936,108 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 502,581,477 Shares.

5,000,000 Shares are subject to voluntary escrow restrictions until 16 March 2018.

3.7 Underwriter and Lead Manager

The Offer is fully underwritten by DJ Carmichael Pty Limited (the **Underwriter**), that is, up to a maximum amount of 125,645,369 Shares. Refer to Section 6.1 of this Offer Document for details of the terms of the underwriting.

The Underwriting Agreement gives the Underwriter the right to enter into sub-underwriting agreements to pass on some or all of its obligations to subscribe for the Shortfall under the Underwriting Agreement. The Underwriter and the Company confirm that no related parties will be sub-underwriters.

The maximum amount of Shortfall that may be underwritten under the Offer is 125,645,369 Shares, which amounts to an overall undiluted interest in the Company of approximately 25%. If, for example, the Offer is only 50% subscribed, the amount of Shortfall underwritten would be 62,822,685 Shares, which would equate to an overall undiluted interest in the Company of approximately 12.5%.

However it is unlikely that no shareholder will subscribe for their Entitlement under the Offer. Furthermore, it is a term of the Underwriting Agreement that neither the Underwriter, nor any person (including sub-underwriters) will be permitted to subscribe for Shortfall if it would result in that person acquiring a relevant interest in more than 20% of the voting Shares of the Company on completion of the Offer.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination which are set out in Section 6.1. The Underwriter is presently not a shareholder of the Company, nor a related party of the Company for the purpose of the Corporations Act.

DJ Carmichael Pty Limited has also been appointed as lead manager/broker to the Offer, and the terms of the appointment are summarised in 6.2 of this Offer Document.

3.8 Dilution

Examples of how the dilution may impact individual Shareholders is set out in the table below:

Holder	Holding as at Record date	Approximate % at Record Date ¹	Entitlements under the Offer	Holdings if Offer not taken Up	Approximate % post Offer
Shareholder 1	50,000,000	13.26%	16,666,667	50,000,000	9.95%
Shareholder 2	25,000,000	6.63%	8,333,334	25,000,000	4.97%
Shareholder 3	10,000,000	2.65%	3,333,334	10,000,000	1.99%
Shareholder 4	1,000,000	0.27%	333,334	1,000,000	0.20%
Shareholder 5	100,000	0.03%	33,334	100,000	0.02%

Notes:

- This is based on a share capital of 376,936,108 Shares at the date of this Offer Document. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer.

3.9 Directors Interests and Participation

Each Director's relevant interest in the securities of the Company at the date of this Offer Document and their Entitlement is set out in the table below.

Director	Shares	Voting Power (%)	Entitlement	\$
Hugh Bresser	4,877,620	1.29%	1,625,873	16,258.73
Michael Haynes	6,714,707	1.78%	2,238,236	22,832.36
Scott Robinson	Nil	Nil	Nil	Nil

Each of Messrs Bresser and Haynes reserve the right to take up their Entitlements in full.

3.10 Substantial Holders

The Company's substantial holders and their Entitlement prior to the Offer are set out in the table below.

Substantial Holder	Shares	Voting Power (%)	Entitlement	\$
Paul Noble Bennett	43,059,728	11.42%	14,353,243	143,532
Sierra Whiskey Pty Ltd	32,700,000	8.68%	10,900,000	109,000

In the event all Entitlements are accepted, there will be no change to the substantial holders on completion of the Offer.

3.11 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

	(\$)	Date
Highest	0.017	6 March 2017
Lowest	0.006	2 January 2017
Last	0.011	17 March 2017

3.12 Opening and Closing Dates

The Offer opens on the Opening Date, being 28 March 2017, and closes on the Closing Date, being 5:00pm (WST) on 7 April 2017 (or such other dates as the Directors in their discretion shall determine subject to the ASX Listing Rules). The Company will accept Entitlement and Acceptance Forms until the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the ASX Listing Rules.

3.13 Issue and dispatch

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and the indicative timetable set out in Section 3.3 of this Offer Document. Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis.

Pending the issue of the Shares or payment of refunds pursuant to this Offer Document, all Application monies will be held by the Registry in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Entitlement and Acceptance Form.

The expected dates for issue of New Shares offered by this Offer Document and dispatch of holding statements is expected to occur on the dates specified in the Timetable set out in Section 3.3 of this Offer Document.

It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their

holding statements will do so at their own risk.

3.14 ASX listing

Application for official quotation by ASX of the New Shares offered pursuant to this Offer Document will be made.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

3.15 CHESS

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.16 Risk Factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are non-exhaustive. Please refer to Section 5 of this Offer Document for further details.

3.17 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

3.18 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX and, as such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In

particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price of value of its securities.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for Shares under the Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website www.overlandresources.com or the ASX www.asx.com.au.

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the Company's and the ASX websites.

This Offer Document (including the Entitlement & Acceptance Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

3.19 Enquiries concerning Offer Document

Enquiries relating to this Offer Document should be directed to the Company on +61 8 9226 5566.

4. ACTION REQUIRED BY SHAREHOLDERS

4.1 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Offer Document. You may participate in the Offer as follows:

- (a) **if you wish to accept your Entitlement in full:**
 - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
 - (ii) attach your cheque or arrange payment by BPAY® for the amount indicated on the Entitlement and Acceptance Form; or
- (b) **if you only wish to accept part of your Entitlement:**
 - (i) fill in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque or arrange payment by BPAY® for the appropriate Application monies (at \$0.01 per New Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Your completed Entitlement and Acceptance Form and payment must reach the Registry no later than 5:00pm (WST) on the Closing Date.

The Offer is non-renounceable. Accordingly, a holder of Shares may not sell or transfer all or part of their Entitlement.

4.2 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Document and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application monies, the Application may not be varied or withdrawn except as required by law.

4.3 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Overland Resources Limited" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry at the address set out on the Entitlement and Acceptance Form by no later than 5:00pm WST on the Closing Date.

4.4 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 2:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

4.5 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer pursuant to this Offer Document and will remain open for up to three months following the Closing Date. The issue price of each Share to be issued pursuant to the Shortfall Offer is \$0.01 being the price at which Shares have been offered under the Offer.

The Shortfall will be subscribed for by the Underwriter or its nominees or sub-underwriters in satisfaction of their commitment under the Underwriting Agreement. Accordingly, the Underwriter has the right to nominate and determine who will be issued Shortfall Shares. Accordingly, do not apply for Shortfall unless instructed to do so.

As agreed under the Underwriting Agreement, no issue will be made under the Shortfall Offer if this would result in a person acquiring a relevant interest in more than 20% of the voting Shares of the Company.

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business.

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade.

The following is a summary of the more material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Offer Document in its entirety and consult their professional advisors before deciding whether to apply for the New Shares.

5.2 Key investment risks

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. Prospective investors should read this Offer Document in its entirety before deciding whether to apply for Shares under this Offer Document.

These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

5.3 Company specific

(a) Potential for significant dilution

Upon issue of all Shares and implementation of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 376,936,108 (being the number of Shares on issue as at the date of this Offer plus the Offer Shares) to 502,581,477. This means that each Share will represent a lower proportion of the ownership of the Company. However, a Shareholder can retain their percentage interest in the Company by taking up their Entitlement.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to this Offer being lodged of \$0.011 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) Future Capital Requirements

The Company may be required to raise additional funds in the event exploration costs exceed the Company's estimates and to effectively

implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration or development on the Company's Tenements, or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

(c) **New projects and acquisitions**

The Company has to date and will continue to actively pursue and assess other new business opportunities. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.

The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the Listing Rules as if the Company were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project which is

considered to result in a significant change to the nature or scale of its existing operations.

If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable.

Any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involving a new commodity and/or changes the Company's capital/funding requirements. Should the Company propose or complete the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the new project/business activity.

5.4 Industry specific

(a) Exploration Success

The Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high- risk undertakings.

There can be no assurance that exploration of the Tenements, or any other mineral properties that may be acquired in the future, will result in the discovery of an economical deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns (in particular in Canada), unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Mineral Properties, a reduction in the cash reserves of the Company and possible relinquishment of the Tenements.

(b) Operating Risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits; failure to achieve predicted grades in exploration and mining; operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions (in particular, in Canada);

industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Tenements.

(c) **Resource Estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

There can be no guarantee that the Company will be able to convert the results from previous exploration into classification under the JORC code or other relevant standard for the reporting of exploration results.

(d) **Commodity Price Volatility and Exchange Rate Risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Canadian, and Australian currencies, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar and the Canadian dollar as determined in international markets.

(e) **Environmental Risks**

The operations and proposed activities of the Company are likely to be subject to national & local regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to a high standard of environmental obligation, including compliance with the prevailing environmental legislation in the countries in which it operates.

In this regard, the regulatory authorities may from time to time, review the environmental conditions associated with Company's projects. The Directors are not in a position to state whether a review is imminent or

whether the outcome of such a review would be detrimental to the funding needs of the Company.

5.5 General risks

(a) Economic

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(d) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

6. ADDITIONAL INFORMATION

6.1 Underwriting Agreement

Pursuant to the Underwriting Agreement, the Underwriter has agreed to underwrite the Offer for a total of 125,645,369 New Shares (**Underwritten Securities**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriter an underwriting fee of 6% of the total gross amount underwritten by the Underwriter (equating to approximately \$75,387) and a corporate advisory fee of \$10,000 for its services in managing the Offer. The Company will also pay the Underwriter its reasonable costs and expenses incidental to the Offer.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (a) **(Indices fall)**: any of the All Ordinaries Index as published by ASX is for two consecutive trading days, at a level that is 10% or more below its respective level as at the close of trading on the Business Day prior to the date of this Agreement; or
- (b) **(Prospectus / Offer Document)**: the Company does not lodge the Prospectus / Offer Document on the Lodgement Date or the Prospectus / Offer Document or the Offer is withdrawn by the Company; or
- (c) **(Copies of Prospectus / Offer Document)**: the Company fails to comply with clause 4.1(d) and such failure is not remedied within 2 days; or
- (d) **(No Official Quotation)**: ASX notifies the Company or any other person that Official Quotation will not be or has not been granted for all the Rights Shares by the Shortfall Notice Deadline Date (as specified in the Underwriting Agreement) or, having been granted, is subsequently withdrawn, withheld or qualified; or
- (e) **(Supplementary prospectus / offer document)**:
 - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under this Agreement as a result of materially adverse event, forms the view on reasonable grounds that a supplementary or replacement prospectus / offer document should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus / offer document in such form and content and within such time as the Underwriter may reasonably require; or
 - (ii) the Company lodges a supplementary or replacement prospectus / offer document without the prior written agreement of the Underwriter; or
- (f) **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus / Offer Document does not contain all the information required by section 713 of the Corporations Act; or
- (g) **(Misleading Prospectus / Offer Document)**: it transpires that there is a statement in the Prospectus / Offer Document that is misleading or deceptive or likely to mislead or deceive, or that there is an omission

from the Prospectus / Offer Document (having regard to the provisions of section 713 of the Corporations Act) or if any statement in the Prospectus / Offer Document is or becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus / Offer Document is or becomes misleading or deceptive or likely to mislead or deceive; or

- (h) **(Restriction on allotment)**: the Company is prevented from allotting the Rights Shares within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
- (i) **(Withdrawal of consent to Prospectus / Offer Document)**: any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus / Offer Document or to be named in the Prospectus / Offer Document, withdraws that consent; or
- (j) **(ASIC application)**: an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus / Offer Document, the Shortfall Notice Deadline Date (as specified in the Underwriting Agreement) has arrived, and that application has not been dismissed or withdrawn; or
- (k) **(ASIC hearing)**: ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to the Prospectus / Offer Document to determine if it should make a stop order in relation to the Prospectus / Offer Document or the ASIC makes an interim or final stop order in relation to the Prospectus / Offer Document under section 739 or any other provision of the Corporations Act; or
- (l) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel; or
- (m) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, North Korea, the United States of America, India or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world o) **(Secondary Trading)**: it transpires that the Company is unable to issue a notice under section 708A(6) of the Corporations Act in relation to secondary trading of the Shortfall Shares; or
- (n) **(Authorisation)**: any authorisation which is material to anything referred to in the Prospectus / Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter; or

- (o) **(Indictable offence)**: a director or a senior manager of the Company is charged with an indictable offence in their capacity as a director or senior manager of the Company; or
- (p) **(Termination Events)**: any of the following events occurs:
- (i) **(Default)**: default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;
 - (ii) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect;
 - (iii) **(Contravention of constitution or Act)**: a contravention by the Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (iv) **(Adverse change)**: an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company including, without limitation, if any forecast in the Prospectus / Offer Document becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - (v) **(Error in Due Diligence Results)**: it transpires that any of the due diligence results or any part of the verification material was false, misleading or deceptive or that there was an omission from them;
 - (vi) **(Significant change)**: a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - (vii) **(Public statements)**: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer, the Issue or the Prospectus / Offer Document, other than as required by law or the ASX Listing Rules;
 - (viii) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Issue or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive;
 - (ix) **(Official Quotation qualified)**: the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation";
 - (x) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
 - (xi) **(Prescribed Occurrence)**: a prescribed occurrence (as specified in the Underwriting Agreement) occurs;
 - (xii) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;

- (xiii) (**Event of Insolvency**): an event of insolvency occurs in respect of the Company;
- (xiv) (**Judgment against the Company**): a judgment in an amount exceeding \$25,000 is obtained against the Company and is not set aside or satisfied within 7 days;
- (xv) (**Litigation**): litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced or threatened against the Company, other than any claims foreshadowed by the Prospectus / Offer Document;
- (xvi) (**Board and senior management composition**): there is a change in the composition of the Board or a change in the senior management of the Company before Completion without the prior written consent of the Underwriter;
- (xvii) (**Change in shareholdings**): there is a material change in the major or controlling shareholdings of the Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company;
- (xviii) (**Timetable**): there is a delay in any specified date in the Timetable which is greater than 3 Business Days;
- (xix) (**Force Majeure**): a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (xx) (**Certain resolutions passed**): the Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xxi) (**Capital Structure**): the Company alters its capital structure in any manner not contemplated by the Prospectus / Offer Document or pursuant to the exercise of options existing at the date of the Prospectus / Offer Document;
- (xxii) (**Investigation**): any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company;
- (xxiii) (**Market Conditions**): a suspension or material limitation in trading of securities generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, North Korea, the United States of America, India, the Peoples Republic of China, Israel or any member of the European Union or other international financial markets;
- (xxiv) (**Material Breach**): if the Company fails to rectify any material breach of the Mandate having been given 10 business days' notice in writing by the Underwriter of such breach having occurred;
- (xxv) (**Suspension**): the Company is removed from the Official List or the Shares become suspended from Official Quotation without the prior consent of the Underwriter and that suspension is not lifted within 24 hours following such suspension; or
- (xxvi) (**Hostilities**): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of

Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, North Korea, the United States of America, India, the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

6.2 Lead Manager and Underwriting Mandate

The Company has entered into a mandate letter with DJ Carmichael Pty Limited (**DJ Carmichael**) pursuant to which DJ Carmichael has agreed to act as lead manager and underwriter to the Company for the Offer (**Mandate**). The Company has agreed to pay DJ Carmichael the following fees under the Mandate on completion of the Offer:

- (a) pay a lead manager fee of \$10,000 (excluding GST) (**Lead Manager Fee**); and
- (b) pay a selling and underwriting fee equal to 6% (excluding GST) of the gross amount underwritten via the Offer. Any fees paid to third parties assisting the Offer will be paid by DJ Carmichael from the selling fee.

DJ Carmichael will also be entitled to reimbursement of its reasonable expenses (including travel and legal expenses) plus GST incurred in respect of the Offer. DJ Carmichael must obtain the Company's consent prior to incurring any single expenses greater than \$2,000 including any legal costs to be incurred. DJ Carmichael will be entitled to the reimbursement of 100% of the Lead Manager Fee in the event the Company terminates the Mandate or DJ Carmichael terminates the Mandate for cause.

The Mandate may be terminated by the Company at any time before DJ Carmichael has extended any "firm commitment" offer to any investor to participate in the Offer either:

- (a) if DJ Carmichael fails to rectify any material breach of this Mandate having been given 10 business days' notice in writing by the Company of such breach having occurred; and
- (b) on a no fault basis within ten business days' notice in writing by the Company.

The Mandate may be terminated by DJ Carmichael at any time prior to completion of the Offer on the occurrence of a number of standard termination events. The Mandate contains other standard indemnities, terms and conditions expected to be included in a mandate of this nature.

7. **DEFINED TERMS**

\$ or A\$ means an Australian dollar.

Additional Shares means those New Shares not issued under the Offer.

Applicant refers to a person who submits an Entitlement and Acceptance Form, or submits a payment of subscription monies in respect of the Offer.

Application refers to the submission of an Entitlement and Acceptance Form or Shortfall Application Form (as the case may be).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the Listing Rules of the ASX.

Closing Date means the closing date set out in Section 3.3 or such other date as may be determined by the Directors.

Company means Overland Resources Limited (ACN 114 187 978).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company.

DJ Carmichael means DJ Carmichael Pty Ltd (ACN 003 058 857).

Eligible Shareholder means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date whose registered address is in Australia or New Zealand.

Entitlement means the entitlement to subscribe for 1 New Share for every 3 Shares held by an Eligible Shareholder on the Record Date.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Offer Document.

Lead Manager means DJ Carmichael.

New Share means a new Share proposed to be issued pursuant to this Offer.

Offer or Rights Issue means the pro rata non-renounceable offer of New Shares at an issue price of \$0.01 each on the basis of 1 New Share for every 3 Shares held on the Record Date subscribed for pursuant to this Offer Document.

Offer Document means this Offer Document.

Opening Date means the opening date set out in Section 3.3 of this Offer Document.

Option means an option to acquire a Share.

Option holder means the holder of an Option.

Record Date means the record date set out in Section 3.3 of this Offer Document.

Section means a section of this Offer Document.

Share means an ordinary fully paid share in the capital of the Company.

Shareholder means a holder of Shares.

Shortfall means those Shares under the Offer not applied for by Shareholders under their Entitlement.

Shortfall Offer means as defined in Section 4.5 of this Offer Document.

Underwritten Securities has the meaning given in Section 6.1.

Underwriter means DJ Carmichael.

US Person means a person who receives the Offer when they are located in the United States of America.