



22 January 2018

**BINDING TERM SHEET FOR THE SALE OF THE
McCLEERY COPPER-COBALT PROJECT**

HIGHLIGHTS

- Binding Term Sheet executed for the sale of the McCleery Copper-Cobalt Project for the value of A\$100,000 (500,000 ordinary shares at \$0.20) with Rafaella Resources Ltd
- Rafaella Resources Ltd preparing admission to the Australian Securities Exchange via an Initial Public Offer
- Overland Resources Limited to become a shareholder in Rafaella Resources and maintains exposure to copper-cobalt commodity prices and any exploration success via its holding in Rafaella

Overland Resources Limited (the **Company** or **Overland**) is pleased to advise that it has executed a binding term sheet with Rafaella Resources Ltd (**Rafaella**) for the sale of its McCleery Copper-Cobalt project in Yukon, Canada, for the value of \$100,000 in Rafaella shares, subject to agreed terms and conditions (**Agreement**). The material terms and conditions of the Agreement are outlined below.

Rafaella is an Australian public company that is preparing an initial public offer of fully paid ordinary shares (Shares) in order to seek admission to the Australian Securities Exchange.

The McCleery Copper-Cobalt project (**McCleery**) is held by the Company's subsidiary Overland Resources (BC) Limited and is the legal and beneficial owner of 42 granted mineral claims covering ~9 km² in the Yukon Territory, Canada. The Agreement sets out the terms upon which Rafaella agrees to acquire 100% of the shares in Overland Resources (BC) Limited, for the issue of 500,000 fully paid ordinary shares in the capital of Rafaella at a deemed issue price of \$0.20 per share (**Consideration Shares**).

CEO Ben Vallerine said *"The Company is very pleased with the transaction and the opportunity to become a shareholder with the soon to be listed, Rafaella Resources Ltd. The sale will enable the Company to focus on its core activities and progress the relatively underexplored Yandal East Gold Project. Overland wishes Rafaella all the best in the successful listing on the Australian Securities Exchange and future exploration activities at McCleery."*

For and on behalf of the Board

Ben Vallerine

Chief Executive Officer

P: +61 8 9388 6020

E: info@overlandresources.com

If you have any queries, please contact the Company via email info@overlandresources.com.

Additional information may also be viewed on Overland's website at www.overlandresources.com.

Materials terms and conditions of the Agreement:

Consideration Shares	<p>The Consideration Shares will be subject to the standard ASX escrow provisions as required under the ASX Listing Rules for an IPO transaction.</p>
Conditions Precedent	<p>Settlement of the Acquisition is conditional upon the satisfaction (or waiver) of the following conditions precedent:</p> <ul style="list-style-type: none"> (a) Due Diligence: completion of financial, legal and technical due diligence by Rafaella on OVR and the Tenement, to the absolute satisfaction of Rafaella; (b) IPO: Rafaella preparing a prospectus and lodging the prospectus with the ASIC to complete a capital raising to support an application for listing on ASX and receiving valid acceptances under the prospectus to the value of not less than the amount required to satisfy the conditions in ASX Listing Rule 1.1; (c) ASX approval: Rafaella receiving a letter from ASX confirming that ASX will grant conditional approval to the listing of Rafaella on ASX, on terms acceptable to Rafaella (acting reasonably); (d) Regulatory Approvals: the parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 (Cth) or any other law to allow the parties to lawfully complete the matters set out in this Agreement; (e) Third Party Approvals: the parties obtaining all third party approvals and consents necessary to lawfully complete the matters set out in this Agreement; and (f) Additional Acquisitions: Rafaella completing the acquisition of a 100% interest in two (2) tenements in Western Australia from an unrelated company. <p>(together, the Conditions).</p> <p>The Conditions in clauses (a) and (f) are for the benefit of Rafaella and may only be waived by Rafaella.</p> <p>The Conditions in clause (d) and (e) are for the benefit of both Rafaella and the Vendor and may only be waived by both Rafaella and the Vendor.</p> <p>The Conditions in clauses (b) and (c) cannot be waived.</p> <p>If the Conditions set out above are not satisfied (or waived by Rafaella or Overland, as the case may be) on or before 5.00pm (WST) on the date that is three (3) months after the date of execution of this Agreement (Execution Date) (or such other date</p>

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OVERLAND RESOURCES LIMITED

ABN 92 114 187 978
Suite 5, Level 1, 12-20 Railway Road
Subiaco 6008
Western Australia

	<p>agreed by the parties in writing), the agreement constituted by this Agreement will be at end and the parties will be released from their obligations under this Agreement (other than in respect of any breaches that occurred prior to termination).</p> <p>The parties will use their best efforts to ensure that the conditions precedent are satisfied.</p>
Settlement	<p>Settlement of the Acquisition (Settlement) will occur on that date which is 5 business days after the satisfaction (or waiver) of the Conditions set out above (Settlement Date).</p>
Formal Agreement	<p>Notwithstanding the fact that this Agreement is legally binding on the parties, if requested by any party in writing, the parties agree to enter into a formal agreement to more fully document the terms of the Acquisition and which shall be consistent with the terms set out in this Agreement.</p>

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