



## ASX Release

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### OVERLAND RESOURCES LIMITED

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#### Directors / Officers:

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**Issued Capital:**  
146.6 million shares

**ASX Symbol:** OVR

## DARCY ZINC DEPOSIT RESOURCE DOUBLED

- JORC Code compliant resource estimate for the Darcy Zinc Deposit increased by 100% to:  
**3.5 Mt at 5.3% zinc.**
- JORC Code compliant resource estimate for the Yukon Base Metal Project upgraded to:  
**11.0 Mt at 5.8% zinc and 1.0% lead<sup>1</sup>, or  
11.0 Mt at 6.8% zinc equivalent<sup>2</sup>.**
- Larger open pit mining operation at the Darcy Zinc Deposit now being considered, potentially increasing mine life at the Yukon Base Metal Project and improving capital utilisation.
- Mineralisation at all deposits remains open along strike and at depth.
- Considerable potential to continue to increase the resource base with further exploration.
- Highly priority new exploration targets identified.

Overland Resources Limited (ASX: OVR, "Company") is pleased to advise it has finalised the recalculation of the JORC Code compliant resource estimate at its Yukon Base Metal Project in Canada. Following successful exploration drilling programmes at the Darcy and Darin Zinc Deposits during 2010, the JORC Code compliant indicated and inferred resource at the Darcy Zinc Deposit (see Table 1) has been increased by 100% to:

**3.5 Mt at 5.3% zinc<sup>1</sup>**

An inaugural JORC Code compliant inferred resource has been calculated for the newly discovered Darin Zinc Deposit (see Table 2). This comprises:

**360,000 T at 4.0% zinc and 0.2% lead<sup>1</sup>**

Exploration and resource drilling was confined to the Darcy and Darin Zinc Deposits during 2010, no significant additional drilling was conducted at the Andrew Zinc Deposit. The JORC Code compliant measured, indicated and inferred resource for the Andrew Zinc Deposit remains unchanged (see Table 3) at:

**7.2 Mt at 6.2% zinc and 1.5% lead<sup>1</sup>**

The combination of these resource upgrades brings the total measured, indicated and inferred resource at the Yukon Base Metal Project (see Table 4) to:

**11.0 Mt at 5.8% zinc and 1.0% lead<sup>1</sup> or**

**11.0 Mt at 6.8% zinc equivalent<sup>2</sup>**

Mineralisation at all three deposits remains open along strike and at depth. There is considerable potential to continue to expand on the resource base with further exploration.

#### **Potential Impact on Mining at the Yukon Base Metal Project**

As a result of the substantial upgrade in the resource at the Darcy Zinc Deposit the Company is evaluating a larger open pit mine at this deposit. This could increase the life of the mining operation at the Yukon Base Metal Project and improve total capital utilisation.

<sup>1</sup> 2 % zinc lower cut off applied

<sup>2</sup> February 14<sup>th</sup> spot LME metal prices applied: US\$1.0954/lb zinc, US\$1.1453/lb lead

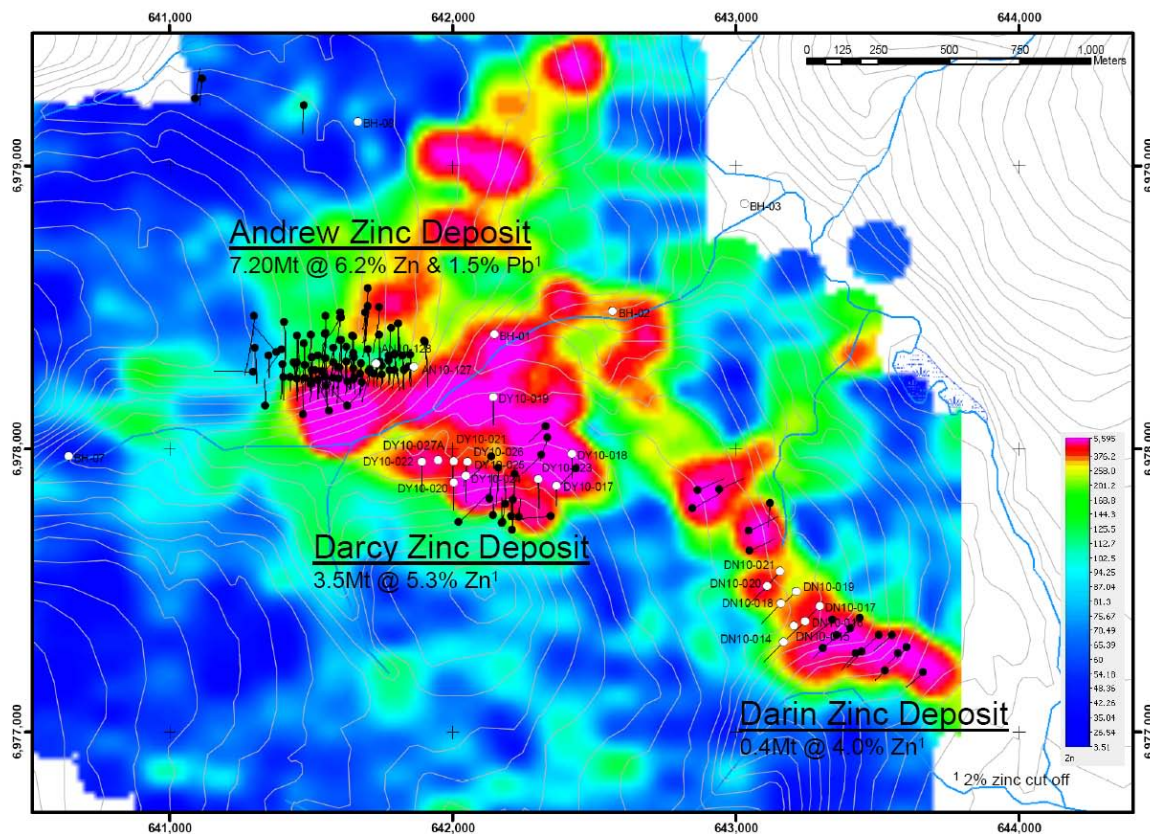
Metallurgical test work is currently being conducted on material from the Darcy Zinc Deposit to examine variance in recoveries based on different process flow sheets. It is expected that this work to be completed shortly. This will facilitate the development of an optimal process flow sheet for an operation that includes open pit mining at both the Andrew and Darcy Zinc Deposits.

Once metallurgical test work is completed revised open pit mine designs and mine schedules will be developed for the Project.

### **Exploration Potential**

The discovery of the extensions to the Darcy Zinc Deposit and the new Darin Zinc Deposit in 2010 confirms the considerable potential of the Yukon Base Metal Project to host additional mineral resources. Mineralisation remains open at all three deposits discovered and the Company anticipates expanding the deposits further with additional drilling along strike and at depth during 2011.

Exploration conducted during 2010 has highlighted a previously untested zinc in soil mineralised trend extending to the north east of the Andrew Zinc Deposit (see Figure 1). Soil geochemistry has proven to be an extremely useful targeting tool at the Yukon Base Metal Project. It has successfully led to the discovery of the Darcy and Darin Zinc Deposits. The Company intends drill testing targets along this north east trending soil geochemistry anomaly during the forthcoming field programme.



**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.**

In conjunction with developing additional exploration targets at the Yukon Base Metal Project the Company has also been assessing prospective areas within nominal trucking distance of the Andrew Zinc Deposit along the proposed mine access road route. As a result the Company has staked 80 claim blocks (12 km<sup>2</sup>) over an area of known mineralisation referred to as the Riddell Prospect, 20km south east of the Andrew Zinc Deposit.

Historic reports published by the Yukon Government document significant occurrences of “coarse grained sphalerite with galena” at the Riddell Prospect. Assay results reported in 1968 from selected grab samples range between 10-11% lead and 8-10% zinc. Initial field reconnaissance by Overland Resources personnel in 2010 located several outcropping bodies of massive sulphides (Figure 2 and 3). Further exploration is planned in 2011.



Figures 2 and 3. Massive sulphide occurrences identified at the Riddell Prospect 20km south east of the Andrew Zinc Deposit

### **Yukon Base Metal Project – Overview**

The Yukon Base Metal Project covers approximately 100km<sup>2</sup> over and around the shallow, high grade Andrew and Darcy 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. 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**

**Table 1. JORC Code compliant mineral resource for the Darcy Zinc Deposit<sup>3</sup>**

Classification	Tonnes	Zn (%)	Pb (%)
Indicated	884,000	5.3	0.1
Inferred	2,601,000	5.3	0.0
<b>TOTAL</b>	<b>3,485,000</b>	<b>5.3</b>	<b>0.0</b>

**Table 2. JORC Code compliant mineral resource for the Darin Zinc Deposit<sup>3</sup>**

Classification	Tonnes	Zn (%)	Pb (%)
Inferred	360,000	4.0	0.2
<b>TOTAL</b>	<b>360,000</b>	<b>4.0</b>	<b>0.2</b>

<sup>3</sup> 2% zinc cut off applied

**Table 3. JORC Code compliant mineral resource for the Andrew Zinc Deposit<sup>4</sup>**

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
<b>TOTAL</b>	<b>7,200,000</b>	<b>6.2</b>	<b>1.5</b>

**Table 4. JORC Code compliant mineral resource for the Yukon Base Metal Project<sup>4</sup>**

Classification	Tonnes	Zn (%)	Pb (%)
Measured	1,610,000	5.5	1.7
Indicated	5,570,000	6.1	1.3
Inferred	3,865,000	5.6	0.2
<b>TOTAL</b>	<b>11,045,000</b>	<b>5.8</b>	<b>1.0</b>

### **Resource Estimate**

The JORC Code compliant resource for the Darcy Zinc Deposit is based on the results of 35 diamond drill core holes, of which 33 were drilled by Overland Resources Limited over the period 2007 to 2010. The JORC Code compliant resource for the Darin Zinc Deposit is based on the results of 21 diamond drill core holes which were drilled by Overland Resources Limited over the period 2008 to 2010.

The zones of mineralisation were solid modelled based on boundaries defined by geology and zinc grade. The drill hole information was validated using industry standard techniques for analytical quality control and spatial positioning. Sample data was length normalised by down hole compositing to the most common sample length. Resource estimations were completed using Vulcan and Surpac software packages applying methods appropriate to the style of mineralisation and statistical response within the data. The methods adopted were Multiple Indicator Kriging for the Andrew Zinc Deposit and inverse distance at powers varied from 2 to 3 depending on grade continuity assumptions for Darcy and Darin Zinc Deposits. If appropriate the higher grades in the composite dataset (depending on element being estimated) were restricted by search distance and direction or, in the case of MIK assessment, by the application of a distribution curve. On some occasions top cuts were applied. Tonnes were assigned using a default specific gravity of 2.7t/m<sup>3</sup> appropriate to the geology. The mineral resource was classified according to robustness of the geological model and confidence in continuity, grade continuity, density and quality of data collection and a measure of drill spacing based on kriging error.

For reporting purposes a lower cut-off grade of 2% Zn was applied and tonnes rounded to the nearest thousand and grade rounded to one decimal point. It is believed that this component of the in situ mineral resource has reasonable prospects for eventual economic extraction via a combination of open pit and underground mining techniques.

*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.*

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<sup>4</sup> 2% zinc cut off applied