



ABN 92 114 187 978

Financial Statements
for the Half-year ended 31 December 2007

CORPORATE DIRECTORY

Directors

Mr Michael Haynes (Chairman)
Mr Hugh Bresser (Managing Director)
Mr Matthew Wood (Non Executive Director)
Mr Anthony Polglase (Non Executive Director)

Company Secretaries

Mr Tim Flavel
Mr Scott Funston

Registered Office

Level 2
675 Murray Street
West Perth WA 6005
Australia
Telephone: (61 8) 9226 5566
Facsimile: (61 8) 9226 2027

Share Registry

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth WA 6000 Australia
Telephone: 1300 557 010
International: (61 8) 9323 2000
Facsimile: (61 8) 9323 2033

Auditors

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia

Stock Exchange Listing

Overland Resources Limited shares
are listed on the Australian Securities
Exchange, the home branch being Perth
ASX Code: OVR

Contents	Page
Directors' Report	1
Auditors' Independence Declaration	5
Condensed Income Statement	6
Condensed Balance Sheet	7
Condensed Statement of Changes in Equity	8
Condensed Cash Flow Statement	9
Notes to the Financial Statements	10
Directors' Declaration	13
Independent Review Report	14

DIRECTORS' REPORT

The Directors of Overland Resources Limited submit the financial report for the half-year ended 31 December 2007.

Directors

The names of directors who held office during or since the end of the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mr Michael Haynes	Non Executive Chairman
Mr Hugh Bresser	Managing Director
Mr Matthew Wood	Non Executive Director
Mr Anthony Polglase	Non Executive Director (appointed 17 January 2008)

Review of Operations

Andrew Base Metal Project, Yukon Territory, Canada

The Company owns a 90% interest in the Andrew Base Metal Project located in the highly prospective and under explored Selwyn Basin of the Yukon Territory, Canada. The Mineral Claims cover approximately 70km² of mineralised terrain and include the shallow, high grade Andrew Zinc Deposit.

The Andrew Zinc Deposit was discovered in 1996 through follow up work on a 1989 government funded stream sampling programme. Initial drilling on the deposit was conducted in 2001 by Noranda Inc. where they intersected spectacular high grade zinc near surface. Between 2001 and 2002 Noranda Inc. drilled 24 holes for 4556 metres. Better intercepts include:

- **18.5m at 14.89% Zn**
- **27.5m at 12.84% Zn**
- **10.2m at 10.98% Zn**
- **10.2m at 10.17% Zn**
- **6.0m at 12.82% Zn**
- **6.8m at 10.78% Zn**

Noranda Inc. withdrew from the project at the end of 2002 to allocate resources to other projects. No work had been conducted on the project since Noranda's withdrawal.

In March 2007 an independent consultant engaged by the Company utilised the Noranda Inc. drilling data to calculate an inaugural JORC Code compliant indicated and inferred resource for the Andrew Zinc Deposit of:

Classification	Tonnes	Zn (%)	Pb (%)	Ag (g/t)	Ge (g/t)
Indicated	702,422	7.09	1.01	5.61	22.21
Inferred	5,216,484	5.67	2.17	10.01	13.87
TOTAL	5,918,906	5.84	2.03	9.49	14.86

Mineralisation at the Andrew Zinc Deposit is high grade, of substantial thickness, and comes to surface, presenting the Company with an exceptional near term open pit development opportunity.

During the half year ended 31 December 2007 Overland successfully completed an aggressive exploration programme to progress the Andrew Zinc Deposit towards production and advance several high quality prospects. This programme involved the reprocessing of geophysical data, regional geological mapping and

the collection of over 1300 soil samples, 200 rock chip samples, several regional stream sediment samples and the drilling of 10 diamond core holes for 2,867m.

Phase One Drilling Programme

The Company's first phase diamond drilling programme was completed during the December 2007 quarter. This ten hole programme confirmed the high grade, shallow and continuous nature of the mineralisation at the Andrew Zinc Deposit and extended the known mineralised zone substantially. The results from the drilling programme have considerably enhanced the Company's confidence in developing an economically viable mining operation at the Andrew Zinc Project.

The diamond drill holes were targeted either along strike, substantially down-dip of previously delineated mineralisation or to confirm the continuity of mineralisation, to assist in mine design and pre-feasibility work.

Exceptional intersections of high grade zinc mineralisation were returned in drill holes AN07-27, AN07-030 and AN07-033, comprising:

- 30.5m at 8.15% Zn & 11.61g/t Ge from 181m, including
8.5m at 21.55% Zn & 31.74g/t Ge from 203m
- 13m at 10.92% Zn & 20.19g/t Ge from 290m including
3.4m at 28.76% Zn & 46.12g/t Ge from 290.6m
- 35.5m at 17.63% Zn, 0.99% Pb, 8.76g/t Ag & 26.85g/t Ge from 60m, including,
7.1m at 13.31% Zn & 13.39 g/t Ge from 60.9m and
14.5m at 34.38% Zn, 2.33% Pb, 20.85g/t Ag & 60.39g/t Ge from 79.9m

Significant other results from the phase one drilling programme included:

- 7.3m at 1.54% Zn, 10.14% Pb & 14.24g/t Ag from 168.7m
- 4.1m at 5.44% Zn & 20.50g/t Ge from 179.4m
- 4.0m at 5.55% Pb & 10.00g/t Ag from 187.5m
- 6.0m at 6.06% Zn & 4.58g/t Ge from 223.5m
- 5.0m at 3.52% Zn & 6.66g/t Ge from 307m
- 8.4m at 5.92% Zn from 123m
- 8.4m at 4.55% Zn from 205.7m
- 2.7m at 10.89% Zn, 6.59% Pb, 19.47g/t Ag & 17.77g/t Ge from 43.5m
- 3.6m at 5.10% Zn, 1.58% Pb & 4.71g/t Ag from 98m
- 5.5m at 2.36% Zn from 114.3m

The Company is extremely pleased with the results of the recently completed phase one drilling programme and field exploration programme. These results support the Company's view that the Andrew Zinc Deposit has the potential to be mined utilising open cut mining technology and that the project provides an exceptional near term development opportunity.

Several targets have been identified for drill testing beyond the main Andrew Zinc Deposit and the Company intends to test these targets including an isolated intersection of 5.55m at 7.54% Zn within a Noranda Inc drill hole 600 metres from the main deposit as part of the 2008 phase two drilling programme. The Company's view that the Andrew Zinc Deposit has considerable potential to develop into an economic mineral deposit and that the surrounding area has significant potential to host additional mineral deposits has been reinforced.

Prior to commencement of the phase one drilling programme the JORC Code compliant indicated and inferred resource for the Andrew Zinc Deposit comprised:

5.92Mt at 5.84% Zn, 2.03% Pb, 9.49g/t Ag and 14.86g/t Ge

Considerable potential exists to expand the resource base, with mineralisation remaining open at depth and along strike at the Andrew Zinc Deposit. The Company has numerous additional high priority targets within close proximity to the Andrew Zinc Deposit to be evaluated with drilling, providing further exploration upside to the project.

Preparation for an extensive second phase drilling programme is now well underway. The Company anticipates commencing field activities in the coming months.

Metallurgical Test Work

During the December 2007 quarter a large representative sample of mineralised diamond drill core from the Andrew Zinc Deposit was submitted for initial metallurgical test work. Exceptional metal recovery rates of up to 96.3% for zinc and 98.4% for lead were achieved in the first round of test work. The results reinforce the Company's view that very high metal recovery rates, probably in excess of 90% will be achievable during commercial scale production.

The initial metallurgical test work also indicated that a conventional processing circuit would facilitate the production of metal concentrates of saleable grade. This is extremely significant as it reduces the overall project risk through the application of proven processing technology.

Further metallurgical test work is being conducted to refine the processing parameters required for the optimal treatment of material from the Andrew Zinc Deposit. Final results are expected during the March 2008 quarter.

Pre-feasibility Study

During the December 2007 quarter the Company commissioned an Australian based company with global lead and zinc project development experience to undertake a pre-feasibility study on the Andrew Zinc Deposit. This work includes initial open pit optimisation work, mine and process design, capital cost and operating cost estimates. The results are expected during the March 2008 quarter.

Canadian Office and Appointment of Exploration Manager

In November the Company established a regional office in Vancouver, Canada. This will greatly facilitate the development of the Andrew Base Metal Project.

The Company also appointed Mr Adrian Bray to the position of Exploration Manager, North America. Mr. Bray has more than 21 years experience working in the mining industry. His experience coordinating mining feasibility studies and mine development work will be of great benefit to the Company as it advances the high grade Andrew Zinc Deposit towards production.

Corporate

Mr Anthony Polglase was appointed to the Board of Directors of the Company as a Non-Executive Director. Mr Polglase is a qualified engineer and metallurgist with more than 30 years experience in the resource industry. He is currently Managing Director of Avanco Resources Limited and has previously held senior management positions with Iberian Resources Limited, Ivernica Corp., Rio Tinto, TVX and Ashanti Goldfields.

Overland Resources is in a strong financial position with cash in bank of approximately \$8.7 million, which will be used to fund further exploration and development programmes.

The Company continues to evaluate new opportunities globally as it endeavours to grow and add value for shareholders.

Auditor's Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Ernst & Young, to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 5 and forms part of this directors' report for the half-year ended 31 December 2007.

This report is signed in accordance with a resolution of the Board of Directors.

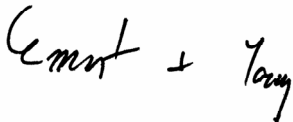
A handwritten signature in black ink, appearing to read 'Hugh Bresser', with a long horizontal flourish extending to the right.

Hugh Bresser
Managing Director

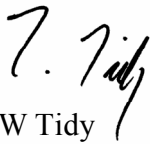
Perth, Western Australia
12th March 2008

Auditor's Independence Declaration to the Directors of Overland Resources Limited

In relation to our review of the condensed financial report of Overland Resources Limited for the half year ended 31 December 2007, 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



V W Tidy
Partner
12 March 2008

Condensed Income Statement *for the half-year ended 31 December 2007*

	Notes	Consolidated	
		31/12/2007 \$	31/12/2006 \$
Continuing Operations			
Revenue	3(a)	340,512	31,109
Listing and share registry expenses		(28,164)	(4,059)
Accounting and audit fees		(34,413)	(5,463)
Legal fees		(6,776)	(12,554)
Consultants and Directors fees		(151,418)	(170,029)
Depreciation		(383)	(383)
Administrative expenditure	3(b)	(146,283)	(122,003)
Exploration expenditure written off		(24,638)	-
Other expenses		(7,951)	(13,108)
Loss before income tax from continuing operations		(59,514)	(296,490)
Income tax expense		-	-
Net loss attributable to members of parent entity		(59,514)	(296,490)
Basic loss per share (cents per share)		(0.11)	(1.30)
Diluted loss per share (cents per share)		(0.11)	(1.30)

Condensed Balance Sheet as at 31 December 2007

	Note	Consolidated	
		31/12/2007 \$	30/6/2007 \$
CURRENT ASSETS			
Cash and cash equivalents		8,685,577	12,639,418
Trade and other receivables		363,907	64,462
Other current assets		526,312	-
TOTAL CURRENT ASSETS		9,575,796	12,703,880
NON-CURRENT ASSETS			
Plant and equipment		104,040	49,497
Receivables		-	40,000
Exploration and evaluation expenditure		7,026,453	1,198,354
TOTAL NON-CURRENT ASSETS		7,130,493	1,287,851
TOTAL ASSETS		16,706,289	13,991,731
CURRENT LIABILITIES			
Trade and other payables		229,558	238,690
TOTAL CURRENT LIABILITIES		229,558	238,690
TOTAL LIABILITIES		229,558	238,690
NET ASSETS		16,476,731	13,753,041
EQUITY			
Contributed equity	4	13,648,995	13,591,799
Reserves		3,389,828	663,820
Accumulated losses		(562,092)	(502,578)
TOTAL EQUITY		16,476,731	13,753,041

Condensed Statement of Changes in Equity *for the half-year ended 31 December 2007*

31 DECEMBER 2007

CONSOLIDATED	Issued Capital	Accumulated Losses	Other Reserves	Total
	\$	\$	\$	\$
At 1 July 2007	13,591,799	(502,578)	663,820	13,753,041
Exchange differences on translation of foreign operations	-	-	270,017	270,017
Total income and expense recognised directly in equity	-	-	270,017	270,017
Loss for the period	-	(59,514)	-	(59,514)
Total income and expense for the period	-	(59,514)	270,017	210,503
Equity Transactions:				
Cost of share-based payment	-	-	2,455,991	2,455,991
Refund due for share issue costs	57,196	-	-	57,196
At 31 December 2007	13,648,995	(562,092)	3,389,828	16,476,731

31 DECEMBER 2006

CONSOLIDATED	Issued Capital	Accumulated Losses	Other Reserves	Total
	\$	\$	\$	\$
At 1 July 2006	389,503	(10,737)	-	378,766
Total income and expense recognised directly in equity	-	-	-	-
Loss for the period	-	(296,490)	-	(296,490)
Total income and expense for the period	-	(296,490)	-	(296,490)
Equity Transactions:				
Equity Issued by placement on 14 November 2006	3,000,000	-	-	3,000,000
Cost of issue	(963,418)	-	-	(963,418)
Cost of share-based payment	-	-	672,000	672,000
At 31 December 2006	2,426,085	(307,227)	672,000	2,790,858

Notes to the Financial Statements for the half-year ended 31 December 2007

1. CORPORATE INFORMATION

The condensed financial report of Overland Resources Limited (the Company) for the half-year ended 31 December 2007 was authorised for issue in accordance with a resolution of the directors on 12th March 2008.

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

The nature of the operations and principal activities of the Company and its controlled entity ('the Group') are described in the Directors report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2007, of Overland Resources Limited, and any public announcements made by Overland Resources Limited and its controlled entity during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

(a) Basis of Preparation

The half-year condensed consolidated financial statements are a general purpose condensed financial report prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134: Interim Financial Reporting.

The half-year report has been prepared on a historical cost basis.

For the purposes of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The financial report is presented in Australian dollars.

(b) Significant accounting policies

Apart from the changes in accounting policy, as noted below, the half-year condensed consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2007.

Changes in Accounting Policy

Since 1 July 2007 the Group has adopted the following Standards and Interpretations, mandatory for annual periods beginning on or after 1 July 2007. Adoption of these Standards and Interpretations did not have any effect on the financial position or performance of the Group.

- AASB 101 (revised October 2006) *Presentation of Financial Statements*
- AASB 7 *Financial Instruments: Disclosures*
- AASB 2005-10 *Amendments to Australian Accounting Standards (AASB 132, 101, 114, 117, 133, 139, 1, 4, 1023 and 1038)*
- AASB 2007-1 *Amendments to Australian Accounting Standards arising from Interpretation 11 (AASB 2)*
- AASB 2007-4 *Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments*
- AASB 2007-7 *Amendments to Australian Accounting Standards (AASB 1, AASB 2, AASB 4, AASB 5, AASB 107, & AASB 128)*
- Interpretation 10 *Interim Financial Reporting and Impairment*
- Interpretation 11 *AASB 2 – Group and Treasury Share Transactions*

(c) Basis of consolidation

The consolidated financial report comprises the financial statements of Overland Resources Limited and its controlled entity ('the group').

	Consolidated	
	31/12/2007	31/12/2006
	\$	\$
3. REVENUES AND EXPENSES		
(a) Revenue		
Interest income	340,512	31,109
(b) Administration Expenses		
Advertising and promotions	3,600	1,475
Bank fees	1,647	1,282
Conferences and seminars	1,305	-
General office expenses	16,190	4,686
Insurance	32,361	24,110
Printing and Stationery	11,070	3,318
Rent and outgoings	6,255	-
Serviced office	48,000	48,000
Telephone	2,444	556
Travel and accommodation	11,228	36,124
Other	12,183	2,452
Total administration expenses	146,283	122,003

4. ISSUED CAPITAL

	Consolidated	
	31/12/2007	30/6/2007
	\$	\$
Ordinary shares Issued and fully paid	13,648,995	13,591,799
Fully paid ordinary shares carry one vote per share and the right to dividends.		
Movements in ordinary shares on issue:	No.	\$
At 1 July 2007	54,000,003	13,591,799
Refund due for costs associated with the issue of shares	-	57,196
At 31 December 2007	54,000,003	13,648,995

5. DIVIDENDS

No dividends have been paid or provided for during the half-year (2006: \$Nil).

6. SEGMENT REPORTING

The Group's primary segment reporting format is geographical segments as the Group's risks and returns are primarily affected by the location of the Group's assets.

31 December 2007	Australia	New Zealand	Canada	Consolidated
	\$	\$	\$	\$
Revenue	340,512	-	-	340,512
Total revenue	340,512	-	-	340,512
Segment result	(28,793)	-	(30,721)	(59,514)

For the half-year ended 31 December 2006 the entity operated in two geographical segments – Australia and New Zealand, and within one industry classification - exploration and mining of minerals. No revenue was generated and there was no contribution to the half-year results by the company from New Zealand.

7. CONTINGENT ASSETS AND LIABILITIES

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

8. SUBSEQUENT EVENTS

There have been no significant events subsequent to reporting date.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including;
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Board



Hugh Bresser
Director

Perth, Western Australia
12th March 2008

To the members of Overland Resources Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Overland Resources Limited, which comprises the condensed balance sheet as at 31 December 2007, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2007 or from time to time during the half year ended on that date.

Directors' Responsibility for the half-year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with 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 half-year 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.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory financial reporting requirements in Australia. As the auditor of Overland Resources Limited and the entities it controlled during the half-year period, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration.

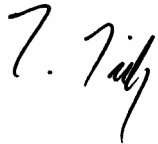
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Overland Resources Limited is not in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.



Ernst & Young



V W Tidy

Partner

Perth

12 March 2008