



Overland Resources Limited

ABN 92 114 187 978

Financial Report

for the half year ended 31 December 2014

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CORPORATE DIRECTORY

Directors

Mr. Michael Haynes (Chairman)

Mr. Hugh Bresser (Non Executive Director)

Mr. David Oestreich (Non Executive Director)

Company Secretary

Ms. Beverley Nichols

Registered Office and Principal Place of Business

Suite 9

5 Centro Avenue

Subiaco WA 6008

Australia

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Facsimile: (+61 8) 9226 2027

Share Register

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

Stock Exchange Listing

Overland Resources Limited shares

are listed on the Australian Securities

Exchange, the home branch being Perth.

ASX Code: OVR

Auditors

Stantons International Audit and Consulting Pty Ltd

Level 2, 1 Walker Avenue

West Perth WA 6005

Directors' Report

The Directors of Overland Resources Limited ("Overland" or "the Company") submit their report for the half-year ended 31 December 2014.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Mr. Michael Haynes	Chairman
Mr. Hugh Bresser	Non Executive Director
Mr. Gibson Pierce	Non Executive Director – resigned 7 November 2014
Mr. David Oestreich	Non Executive Director

Results of Operations

The Group's net loss after taxation attributable to the members of Overland Resources Limited for the half-year ended 31 December 2014 was \$299,727 (2013: \$396,747).

Review of Operations

During the period, Overland received a new 5 year Mining Land Use Permit from the Yukon Department of Energy Mines Resources (EMR) for operations at the Yukon Base Metal Project. Field activities resumed immediately and 362 geochemical soil samples were collected over high priority target areas.

Reconnaissance broad-spaced soil sampling was undertaken along three lines spaced approximately 2,000 metres apart, with samples collected on 100 metre centres, over an area that had never previously been explored. The survey delineated an extensive area anomalous in zinc in the northern portion of all three lines, including highly anomalous assay results up to 3,990 ppm Zn.

These results compare favourably with the elevated zinc results that were recorded in the early stages of exploration at the Andrew, Darcy and Darin Zinc Deposits, which now host Measured, Indicated and Inferred Resources totalling 12.6 Mt at 5.3% zinc and 0.9% lead.

An appropriate follow-up exploration program will be undertaken during 2015, with the aim of ultimately delineating additional high grade resources that are amenable to open pit mining, which would have a positive impact on the economics of developing a mining operation at the Yukon Base Metal Project.

Following a review of technical data, on 15 September, 2014 the company elected to terminate its option agreement with Colombian Mines Corporation over the Rio Negro Project.

Overland continued to evaluate a number of new projects for potential acquisition or joint venture, including detailed technical evaluations and commercial due diligence on several opportunities. The Company's new project generation activities continue.

In line with the Company's ongoing cost reduction initiatives, at the end of December, Hugh Bresser, who had been the Company's Managing Director since Overland listed on the ASX in November 2006, assumed the role of non-executive director.

During the period Mr Gibson Pierce resigned from the Board of Overland as a Non-Executive Director.

Directors' Report

Auditor's Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Stantons International Audit and Consulting Pty Ltd, 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 4 and forms part of this directors' report for the half-year ended 31 December 2014.

Signed in accordance with a resolution of the Board of Directors.



Michael Haynes

Chairman

16 March 2015

16 March 2015

Board of Directors
Overland Resources Limited
Suite 9, 5 Centro Avenue
SUBIACO WA 6008

Dear Directors

RE: OVERLAND RESOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Overland Resources Limited.

As Audit Director for the review of the financial statements of Overland Resources Limited for the half year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review;
and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Martin Michalik
Director

Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 31 December 2014

	Notes	Consolidated
	31/12/2014	31/12/2013
	\$	\$
Revenues from operations		
Interest revenue	10,619	6,878
Revenue	10,619	6,878
Consultants and directors fees	(55,386)	(66,757)
Audit and tax fees	(9,576)	(15,024)
Insurance	(9,895)	(10,107)
Accounting fees	(54,209)	(54,721)
Computer and website expenses	(5,108)	(3,424)
Rent and outgoings	(30,000)	(30,590)
Travel and accommodation	(31,902)	(11,356)
Listing and registry fees	(20,522)	(16,862)
Legal expenses	(3,503)	(33,550)
Evaluation expenditure written off	8 (75,887)	(142,886)
Other expenses	3 (14,358)	(18,348)
Loss from operations before income tax	(299,727)	(396,747)
Income tax expense	-	-
Loss from operations after tax	(299,727)	(396,747)
Other comprehensive income net of tax		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation	1,903,134	416,615
Other comprehensive income for the half year	1,903,134	416,615
Total comprehensive income for the half year	1,603,407	19,868
Loss per share:		
Basic loss per share (cents per share)	(0.15)	(0.20)
Diluted loss per share (cents per share)	(0.15)	(0.20)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the company's condensed notes.

Consolidated Statement of Financial Position as at 31 December 2014

	Notes	Consolidated	
		31/12/2014	30/06/2014
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		692,793	1,107,636
Trade and other receivables		25,303	265,491
Total current assets		718,096	1,373,127
Non-current assets			
Property, plant and equipment		242,553	242,908
Other receivables		248,660	10,000
Deferred exploration and evaluation expenditure	8	33,705,647	31,717,915
Total non-current assets		34,196,860	31,970,823
TOTAL ASSETS		34,914,956	33,343,950
LIABILITIES			
Current liabilities			
Trade and other payables		84,596	116,997
Total current liabilities		84,596	116,997
TOTAL LIABILITIES		84,596	116,997
NET ASSETS		34,830,360	33,226,953
EQUITY			
Contributed equity	9	39,976,766	39,976,766
Reserves	10	3,454,688	1,551,554
Accumulated losses		(8,601,094)	(8,301,367)
TOTAL EQUITY		34,830,360	33,226,953

The consolidated statement of financial position should be read in conjunction with the company's condensed notes.

Consolidated Statement of Changes in Equity for the half year ended 31 December 2014

	Contributed Equity	Accumulated Losses	Share Based Payment Reserves	Foreign Currency Translation Reserves	Total
Consolidated	\$	\$	\$	\$	\$
At 1 July 2013	39,893,994	(7,388,018)	3,826,669	(760,478)	35,572,167
Loss for the period	-	(396,747)	-	-	(396,747)
Other comprehensive income	-	-	-	416,615	416,615
Total comprehensive income/(loss) for the period	-	(396,747)	-	416,615	19,868
Transactions with owners in their capacity as owners					
Balance at 31 December 2013	39,893,994	(7,784,765)	3,826,669	(343,863)	35,592,035
At 1 July 2014	39,976,766	(8,301,367)	3,826,669	(2,275,115)	33,226,953
Loss for the period	-	(299,727)	-	-	(299,727)
Other comprehensive income	-	-	-	1,903,134	1,903,134
Total comprehensive income/(loss) for the period	-	(299,727)	-	1,903,134	1,603,407
Transactions with owners in their capacity as owners	-	-	-	-	-
Balance at 31 December 2014	39,976,766	(8,601,094)	3,826,669	(371,981)	34,830,360

The consolidated statement of changes in equity should be read in conjunction with the company's condensed notes.

Consolidated Statement of Cash Flows for the half-year ended 31 December 2014

	Notes	Consolidated	
		31/12/2014	31/12/2013
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(184,566)	(237,541)
Interest received		14,417	5,461
Net cash flows used in operating activities		<u>(170,149)</u>	<u>(232,080)</u>
Cash flows from investing activities			
Proceeds from sale of office equipment		-	-
Payments for prepaid acquisition costs		-	(81,589)
Payments for expenditure on exploration		(244,694)	(207,832)
Net cash flows used in investing activities		<u>(244,694)</u>	<u>(289,421)</u>
Net decrease in cash and cash equivalents		(414,843)	(521,501)
Cash and cash equivalents at beginning of period		1,107,636	2,022,475
Foreign exchanges variances on cash		-	4,493
Cash and cash equivalents at end of period		<u>692,793</u>	<u>1,505,467</u>

The consolidated statement of cash flows should be read in conjunction with the company's condensed notes.

Overland Resources Limited

Condensed Notes to the financial statements for the half-year ended 31 December 2014

1. Corporate Information

The financial report of Overland Resources Limited ("Overland" or "the Company") for the half-year ended 31 December 2014 was authorised for issue in accordance with a resolution of the directors on 16 March 2015.

Overland Resources Limited is a public Company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

During the half year ended 31 December 2014, the principal activity was mineral exploration. The Group currently holds a base metals project in Canada.

2. Basis of Preparation and Accounting Policies

Basis of Preparation

This general purpose condensed financial report for the half-year ended 31 December 2014 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

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 consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2014 and considered together with any public announcements made by Overland Resources Limited during the half-year ended 31 December 2014 in accordance with the continuous disclosure obligations of the ASX listing rules.

Going Concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a net loss after tax for the half-year ended 31 December 2014 of \$299,727 (2013: \$396,747) and experienced net cash outflows of \$414,843 (June 2014: \$521,501). At 31 December 2014, the Group had net current assets of \$633,500 (June 2014: \$1,256,130).

The Directors have reviewed the Group's financial position and are of the opinion that the use of the going concern basis of accounting is appropriate given the Company's market capitalisation and on the basis that the Group has been successful to date in securing required funding and the Directors are of the opinion that it will continue to do so through a combination of debt and equity. The Directors are currently assessing options for additional funding.

Should the Group not be able to secure additional funds, there is significant uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

Overland Resources Limited

Condensed Notes to the financial statements for the half-year ended 31 December 2014

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

	Consolidated	
	31/12/2014	31/12/2013
	\$	\$
3. Other Expenditure		
Conferences and seminars	-	2,596
General office expenses	1,545	578
Printing and stationery	5,315	5,827
Telecommunications	1,964	2,832
Employee salaries/benefits	77	-
Others	5,457	6,515
Total other expenditure	<u>14,358</u>	<u>18,348</u>

4. Dividends

No dividends have been paid or provided for during the half-year (2013: \$Nil).

5. Segment Reporting

For management purposes, the Group is organised into one main operating segment which involves exploration for zinc and other minerals. All of the Group's activities are interrelated, and discrete financial information is reported to the Chief Executive Officer (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

6. Commitments and Contingencies

There has been no change to the commitments and contingencies disclosed in the most recent annual financial report.

7. Events after the Reporting Date

There have been no events after the reporting date.

Overland Resources Limited

Condensed Notes to the financial statements for the half-year ended 31 December 2014

8. Deferred Exploration and Evaluation Expenditure

	Consolidated	
	31/12/2014	30/06/2014
	\$	\$
Exploration and evaluation		
At cost	33,705,647	31,717,915
Total exploration and evaluation	33,705,647	31,717,915
Carrying amount at beginning of the period	31,717,915	33,099,149
Exploration expenditure during the half year	193,924	509,950
Exploration expenditure written off	(75,887)	(463,938)
Net exchange differences on translation	1,869,695	(1,427,246)
Carrying amount at end of period	33,705,647	31,717,915

The recoverability of the carrying amount of the deferred exploration and evaluation expenditure is dependent on the successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest.

	Consolidated	
	31/12/2014	30/06/2014
	\$	\$

9. Contributed Equity

(a) Issued and paid up capital

Ordinary shares fully paid	39,976,766	39,976,766
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	31/12/2014		30/06/2014	
	Number of shares	\$	Number of shares	\$
(b) Movements in ordinary shares on issue				
Balance at beginning of period	205,416,447	39,976,766	205,416,447	39,976,766
Balance at end of period	205,416,447	39,976,766	205,416,447	39,976,766

Overland Resources Limited**Condensed Notes to the financial statements for the half-year ended 31 December 2014**

	Consolidated	
	31/12/2014	30/06/2014
	\$	\$
10. Reserves		
Share based payments reserve	3,826,669	3,826,669
Foreign currency translation reserve	(371,981)	(2,275,115)
	3,454,688	1,551,554

Movement in reserves:*Share based payments reserve*

Balance at beginning of period	3,826,669	3,826,669
Balance at end of period	<u>3,826,669</u>	<u>3,826,669</u>

The share based payments reserve is used to record the value of equity benefits provided to (i) employees and directors as part of their remuneration; (ii) an Initial Public Offer underwriting agreement; and (iii) for the exercise of the option to purchase the Yukon Base Metal Project.

Foreign currency translation reserve

Balance at beginning of period	(2,275,115)	(760,478)
Foreign currency translation	1,903,134	(1,514,637)
Balance at end of period	<u>(371,981)</u>	<u>(2,275,115)</u>

11. Share Based Payment Plans**(a) Recognised share based payment expenses**

Total expenses arising from share based payment transactions recognised during the period as part of share based payment expense were as follows:

	Consolidated	
	31/12/2014	30/06/2014
	\$	\$
<i>Operating expenditure</i>		
Options issued under employee option plan	<u>-</u>	<u>-</u>

(b) Employee share based payment plan

The Group has established employee and contractor share option plans (ESOP's). The objectives of the ESOP's are to assist in the recruitment, reward, retention and motivation of employees and long standing contractors of the Company. Under the ESOP's, the Directors may invite individuals acting in a manner similar to employees to participate in the ESOP's and receive options. An individual may receive the options or nominate a relative or associate to receive the options. The plans are open to executive officers, nominated consultants and employees of the Company and its subsidiaries.

Overland Resources Limited

Condensed Notes to the financial statements for the half-year ended 31 December 2014

Grant Date	Expiry date	Exercise price	Balance at start of the period Number	Granted during the period Number	Lapsed during the period Number	Expired during the period Number	Balance at end of the period Number	Exercisable at end of the period Number
23/12/2011	01/12/2016	\$0.25	9,700,000	-	-	-	9,700,000	9,700,000
Weighted average exercise price			\$0.25	-	-	-	\$0.25	\$0.25
Weighted remaining contractual life (years)			2.42				1.92	1.92

During the period, no employee or consultant incentive options were issued and no employee or consultant incentive options expired.

Overland Resources Limited

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Overland Resources Limited, I state that:

In the opinion of the directors:

1. The financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including;
 - (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
 - (b) complying with Australian Accounting Standards AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*;
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.

On behalf of the Board



Michael Haynes
Chairman
16 March 2015

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
OVERLAND RESOURCES LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Overland Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Overland Resources Limited (the consolidated entity). The consolidated entity comprises both Overland Resources Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Overland Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 a 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 half year 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 2014 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*. As the auditor of Overland Resources Limited, 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Overland Resources Limited on 16 March 2015.

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:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Material Uncertainty Regarding Going Concern and Carrying Value of Capitalised Exploration Costs

Without qualification to the conclusion expressed above, attention is drawn to the following matters:

As referred to in note 2 to the half year financial report, the financial statements have been prepared on the going concern basis. As at 31 December 2014, the consolidated entity had cash and cash equivalents of \$692,793, and had incurred a loss after tax of \$299,727 for the half year then ended. In the event that the consolidated entity is unable to raise additional funding as described in note 2 to the financial report, and based on the current commitments and planned expenditure, there is a material uncertainty whether the consolidated entity will continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to recoverability and classification of recorded assets amounts, or to the amounts and classification of liabilities, that might be necessary should the consolidated entity not continue as a going concern.

The recoverability of the consolidated entity's carrying value of its exploration assets with a carrying value of \$33,705,647 as at 31 December 2014 is dependent on the successful exploitation of its exploration assets or the sale of the exploration assets to generate amounts in excess of the book values. In the event that the consolidated entity is not successful in the commercial exploitation and/or sale of the exploration assets, the realisable value of the investment in the exploration assets may be significantly less than the current carrying values.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
16 March 2015