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QUARTERLY REPORT September 2008

Highlights

CORPORATE

- The proportional takeover bid for Abra Mining Limited ("Abra") by Hunan Nonferrous Metals Corporation Limited ("HNC") at \$0.83 cash per share for 70% of the shares in Abra not already held by HNC became unconditional on 11 September and was completed in October.
- At 9 October HNC held 74.28% of the Abra shares on issue.
- 80% interest earned by Abra in the Jillawarra Project which covers extensions to the sequence hosting the Abra lead-silver-(zinc)-copper-gold deposit.

ABRA DEPOSIT

- Excellent results received from diamond drillholes AB57, AB58 and AB59 including:

AB57 - 65m @ 3.9% Pb and 10 g/t Ag from 597.0 metres

AB58 - 118.3m @ 4.9% Pb and 18 g/t Ag from 398.0 metres

including 26m @ 12.0% Pb and 41 g/t Ag from 406.0 metres

AB59 - 90m @ 5.6% Pb and 42 g/t Ag from 430.0 metres

including 18m @ 18.2% Pb, 167 g/t Ag and 2.6% Zn from 431.0 metres

including 10m @ 6.5 % Pb and 14 g/t Ag from 492.0 metres

- 26m @ 4.4% Pb and 8 g/t Ag from 570.0 metres

- 12.2m @ 0.8% Cu, 1.8% Pb and 9 g/t Ag from 720.0 metres

AB59 also produced an 8.9 metre intercept of **1.5% Cu, 3.4 g/t Au and 12 g/t Ag** from 686.0 metres.





EXPLORATION ACTIVITIES

MULGUL PROJECT

Abra Base Metal Deposit

Diamond Drilling Programme

Drilling carried out during this Quarter comprised 1,314.7 metres of diamond drilling in two holes at the Abra deposit (AB58 and AB59) (see Figure 1, Table 2).

Excellent lead-silver and copper-gold assay results have been received for these holes, and for AB57 which was drilled in the previous Quarter (see Table 1).

AB57 was drilled to provide better definition on the eastern side of the Abra Resource (Indicated and Inferred Resource of **93 million tonnes at 4.0% lead and 10g/t silver** and **14 million tonnes at 0.6% copper and 0.5 g/t gold** - see Table 4). AB58 and AB59 were drilled to provide greater confidence in a higher grade portion of Inferred Resources on the western side.

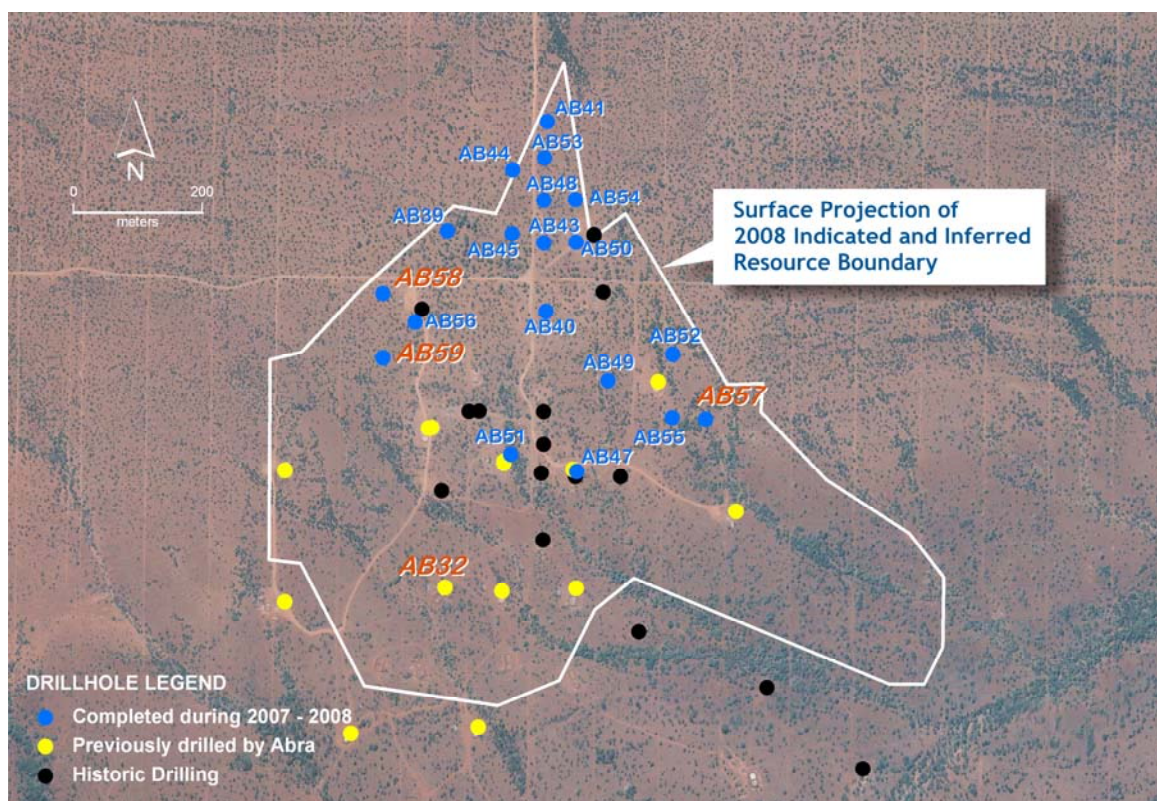


Figure 1. ABRA DEPOSIT - Drillhole Location Plan



The western part of the resource is providing excellent higher grade intersections as demonstrated by:

AB58 - 118.3metres @ 4.9% Pb and 18 g/t Ag from 398.0 metres

AB59 - 90.0metres @ 5.6% Pb and 42 g/t Ag from 430.0 metres

AB56 - 101.1metres @ 5.3% lead and 19 g/t silver from 380.9 metres - reported previously.

These holes have successfully targeted a zone of higher grade mineralisation that was initially recognised in:

AB32 - 68.0metres @ 6.8% lead and 12 g/t silver from 494.0 metres - reported previously.

Further drilling will be completed in this area to:

- Upgrade Inferred Resources to the Indicated and Measured Resource categories.
- Better define the distribution of higher grade zones of lead-silver and copper-gold mineralisation.

TABLE 1 ABRA DEPOSIT Significant Base Metals Intercepts - AB57, AB58 and AB59								
Drillhole Number		From metres	Intercept metres	Pb %	Ag g/t	Cu %	Zn %	Au g/t
AB57	¹	484.0	28.0	2.3	5	0.1	0.1	0.0
including	²	492.0	11.0	3.6	6	0.1	0.2	0.0
AB57	¹	550.0	17.0	2.6	4	0.1	0.0	0.0
AB57	¹	597.0	65.0	3.9	10	0.1	0.0	0.1
AB58	¹	398.0	118.3	4.9	18	0.3	0.2	0.0
including	²	406.0	26.0	12.0	41	0.2	0.5	0.0
including	³	407.0	13.0	18.5	61	0.3	0.7	0.0
including	²	444.0	17.0	6.7	13	0.2	0.0	0.0
AB59	¹	430.0	90.0	5.6	42	0.1	0.6	0.0
including	²	431.0	18.0	18.2	167	0.1	2.6	0.0
including	³	431.0	12.8	22.3	207	0.1	3.3	0.0
including	²	492.0	10.0	6.5	14	0.2	0.0	0.0
AB59	¹	570.0	26.0	4.4	8	0.1	0.0	0.0
AB59	⁴	720.0	12.2	1.8	9	0.8	0.0	0.1
All intercepts are downhole lengths ¹ minimum 10 metres calculated at 1% lead cutoff and allowing 10 metres of internal dilution ² minimum 10 metres calculated at 3% lead cutoff and allowing 10 metres of internal dilution ³ minimum 6 metres calculated at 6% lead cutoff and allowing 10 metres of internal dilution ⁴ minimum 10 metres calculated at 0.3% copper cutoff and allowing 10 metres of internal dilution								



TABLE 2 ABRA DEPOSIT Diamond Drillhole Collar Details - AB57, AB58 and AB59						
Drillhole Number	Prospect	Easting ¹	Northing ¹	End of Hole Depth	Collar Details	
		metres	metres	metres	dip	Azimuth ²
Diamond Drilling						
AB57	Abra	660,775	7,273,439	670.5	-68°	173°
AB58	Abra	660,275	7,273,633	660.8	-67°	173°
AB59	Abra	660,275	7,273,533	792.7	-68°	175°
¹ MGA94 Zone 50 coordinates						
² Relative to magnetic north.						

Regional Mulgul Project Exploration

Mapping

Field mapping at a scale of 1:5,000 was completed across the Mulgul Project area, covering an area of more than 100km² and stretching from the eastern project boundary to the Copper Chert Prospect in the Jillawarra Joint Venture area. The aim of the programme was to provide better lithological and structural control to facilitate more detailed exploration.

Detailed mapping at a scale of 1:1,000 has commenced across the Abra Resource area, providing coverage over a 3km x 3km area.

JILLAWARRA JOINT VENTURE

Joint Venture

During the Quarter Abra earned an 80% interest in the Jillawarra Project, which covers extensions to the sequence hosting the Abra lead-silver-(zinc)-copper-gold deposit.

In 2006 Abra acquired the right to earn interests in the Project pursuant to the Jillawarra Joint Venture ("JJV") Agreement with Apex Minerals NL ("Apex") and its partner syndicate ("the Syndicate").

Jillawarra Joint Venture Terms

During the previous Quarter Abra completed \$500,000 of expenditure, thereby earning a 51% interest in the JJV. In this Quarter the Company completed an additional \$850,000 of expenditure, increasing its interest to 70%.

Apex and the Syndicate then each elected to convert its interest to a 10% interest free carried to completion of a bankable feasibility study.

Consequently, **Abra's interest in the JJV is now 80%.**



After completion of a bankable feasibility study, each of Apex and the Syndicate must elect to:

- contribute to future expenditure; or
- convert its respective interest to a 1.5% net smelter royalty.

Jillawarra Project Exploration

The Jillawarra Project comprises four granted exploration licences which cover an area of more than 1,500 square kilometres. The tenements cover the central and western portions of the Jillawarra Sub-basin, a 65 kilometre long belt of sedimentary rocks that host the Abra polymetallic deposit and numerous other copper and lead-zinc mineral occurrences, many of which display similar geological characteristics to those observed at the Abra deposit (see Figure 2).

The belt is prospective for the discovery of near-surface base metal mineralisation in addition to buried Abra-style targets.

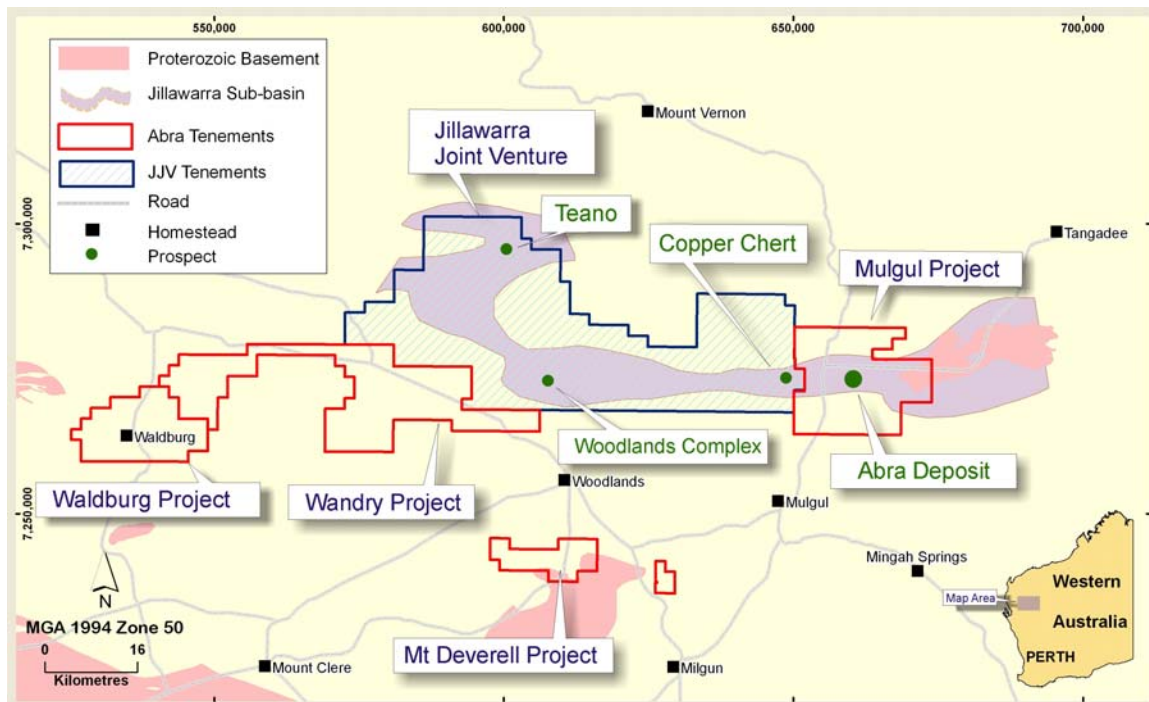


Figure 2. JILLAWARRA JOINT VENTURE – Tenement Location Map

Drilling

In August two diamond drillholes for a total of 718.2 metres were completed at the Woodlands 46-40 Prospect to test anomalous magnetic and gravity features (see Figure 3). WDD001 was cored from surface and WDD002 deepened a previously drilled RC hole (see Table 3). Assay results are pending.

Both holes were characterised by Abra-style alteration and mineralisation, including intense magnetite mineralisation, moderate to intense chlorite alteration and hydrothermal veining similar to that developed peripheral to the Abra deposit.



Interpretation suggests the mineralisation and alteration is associated with a large Abra-style system, and that the main targets may be below or along strike of the holes.

TABLE 3						
46-40 PROSPECT						
Diamond Drillhole Collar Details						
Drillhole Number	Prospect	Easting ¹	Northing ¹	End of Hole Depth	Collar Details	
		metres	metres	metres	dip	azimuth ²
Diamond Drilling						
WDD001	46-40	611,222	7,275,516	522	-50°	337°
WDD002	46-40	611,708	7,275,913	474.6*	-70°	330°
¹ MGA94 Zone 50 coordinates ² Relative to magnetic north. * End of Hole Depth includes component of previous RC pre-collar drilling						

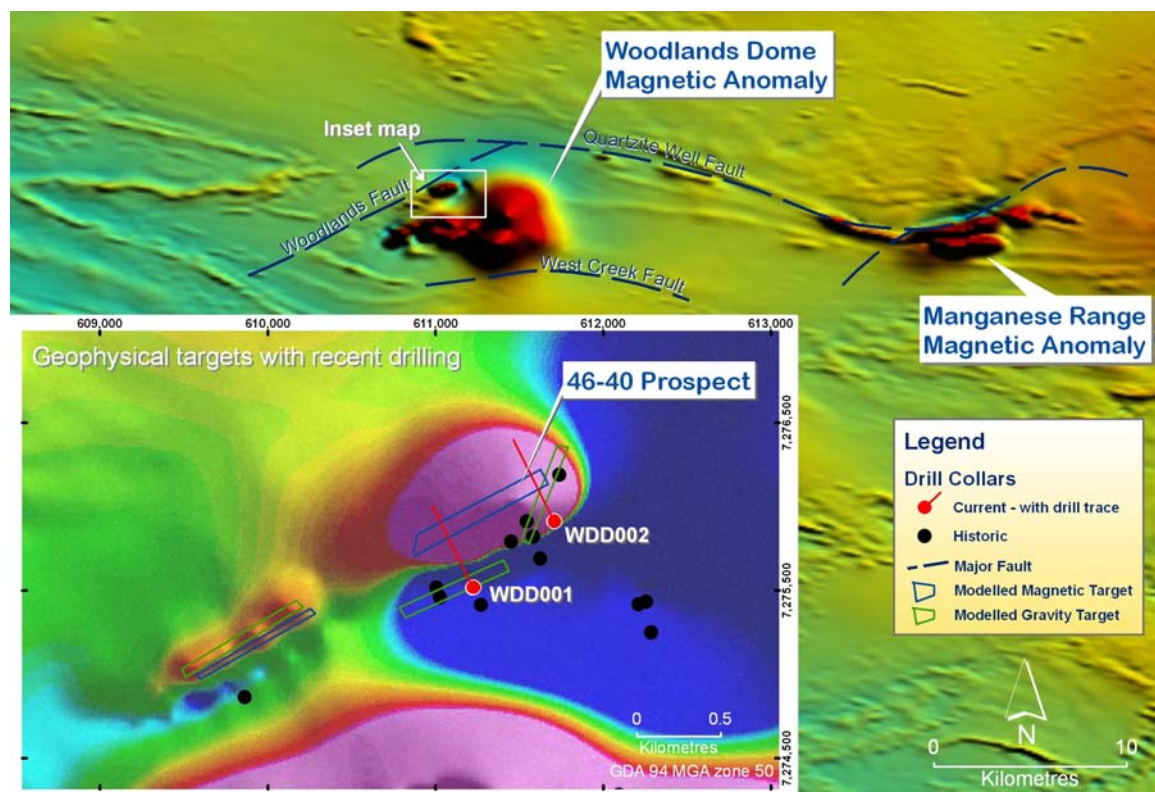


Figure 3. – WOODLANDS COMPLEX – 46-40 Prospect Magnetic Image and Drillhole Locations

Geochemistry

Regional geochemical sampling using the Company's portable NITON XRF analyser commenced in the Jillawarra Project during the Quarter. The sampling programme aims to deliver broad geochemical coverage over prospective Irregularly Formation lithologies and the contact with overlying Kiangi Creek Formation rocks throughout the project area.



The initial programme consists of 115 north-south lines, spaced 1 kilometre apart for a total of 475 line kilometres of survey.

To date, 22 priority lines have been completed, highlighting a significant anomalous zone which extends over 13km in length between the Copper Chert and Woodlands Prospects. This zone is coincident with the Irregully Formation, close to the contact with the Kiangi Creek Formation in a similar stratigraphic position to the base metal mineralisation at the Abra deposit (see Figures 4, 5).

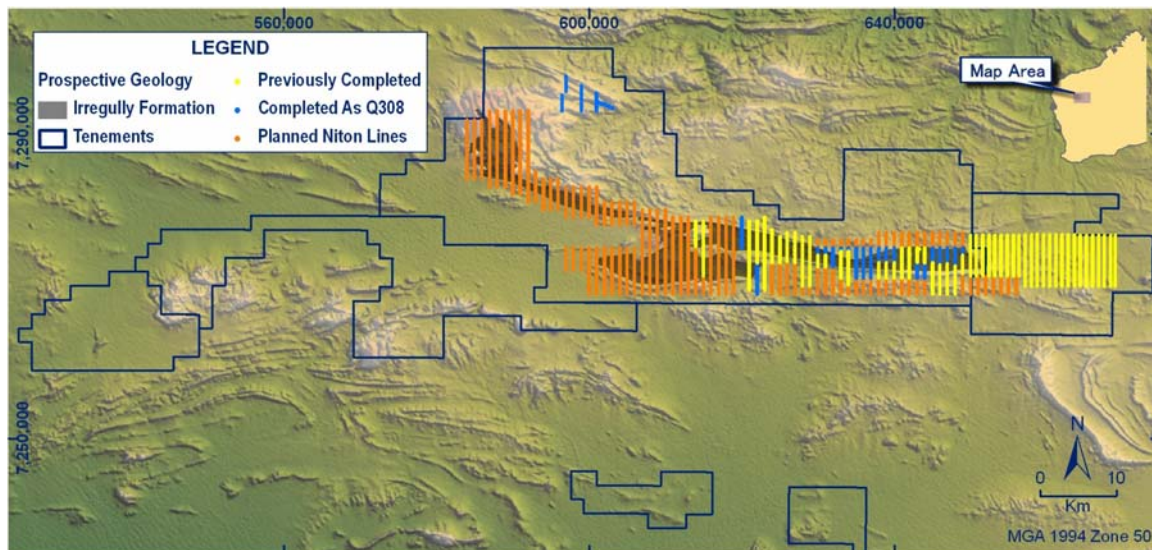


Figure 4. – JILLAWARRA/MULGUL PROJECTS – Soil Geochemical Sample Locations

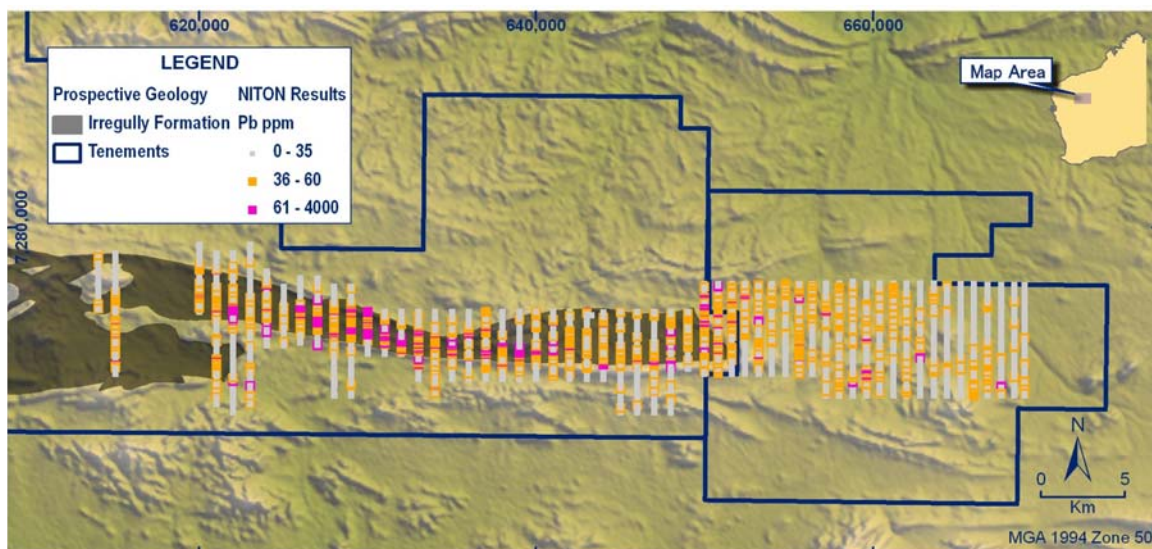


Figure 5. – JILLAWARRA/MULGUL PROJECTS – Soil Geochemical Sample Results

A first pass NITON geochemical survey was completed at the Teano Prospect in the remote northern part of the Jillawarra Project area, comprising five survey lines across a prominent, elongate magnetic anomaly. No significant geochemical anomalies were generated from this limited programme.

HAVELOCK PROJECT

Exploration

Geochemistry

NITON geochemical sampling was carried out over the Havelock Project area during the Quarter to provide broad geochemical coverage with 1 kilometre spaced lines.

Results highlight anomalous lead in soil values surrounding the Magellan Mine Lease ("MML") and discrete anomalies have been defined:

- to the east of the MML,
- to the south of the MML and,
- in the south-western section of the survey area.

Infill geochemical sampling is scheduled to better define the distribution of the lead-in-soil anomalies prior to planning drilling programmes.

CORPORATE

PROPORTIONAL TAKEOVER BID

On 12 September Abra announced that the HNC proportional takeover offer for 70% of the shares in Abra had become unconditional. Under the Offer HNC unconditionally offered \$0.83 cash per Abra share for 7 of every 10 Abra shares not held by HNC.

In accordance with the fifth Supplementary Bidder's Statement dated 21 August 2008, the Offer period closed at 7.00pm (Sydney time) on 19 September 2008. On 9 October 2008 HNC held 74.28% of the Abra shares on issue.

Throughout the bid period the Board of Abra unanimously maintained its recommendation, in the absence of a superior proposal, that Abra shareholders accept the Offer and Abra welcomes the opportunity to work with HNC to expedite the Abra Project exploration and development agenda.

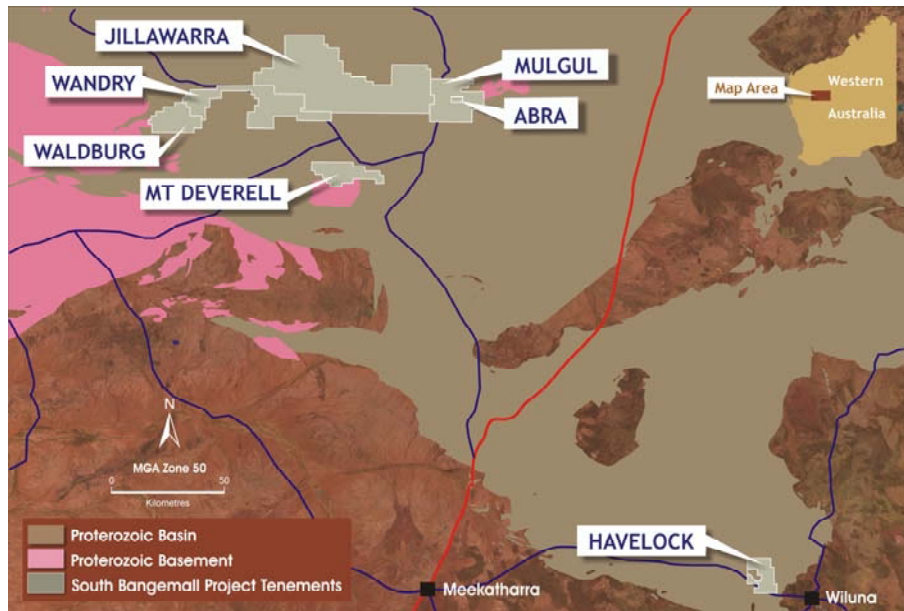
FINANCIAL

At the end of the Quarter, the Company held **\$12.2 million** in cash.

J J Moore
Managing Director

About Abra Mining Limited

Abra Mining Limited is an Australian public company listed on ASX. Abra's current focus is exploring the 100% owned Abra lead, silver, (zinc), copper, gold deposit and surrounding South Bangemall Projects area in Western Australia's Mid-West region.



SOUTH BANGEMALL PROJECTS – Location Map

The Abra deposit is a large base metals deposit with Indicated and Inferred Resources at May 2008 of 93 million tonnes at 4.0% Pb and 10g/t silver and 14 million tonnes at 0.6% copper and 0.5g/t gold.

Two distinct and contiguous mineralised domains are recognised at Abra:

- An upper **lead domain** typically between 200 metres and 250 metres thick.
- A lower **copper-gold domain** up to 100 metres thick.

The Mineral Resource for each of the mineralised domains at the Abra deposit amounts to:

TABLE 4 - ABRA DEPOSIT
Indicated and Inferred Mineral Resource

Domain	Cutoff Grade	Category	Million Tonnes	Pb (%)	Ag (g/t)	Cu (%)	Au (g/t)	Zn (%)
Lead	2.5% Pb	Indicated	33	4.1	10	0.13	0.06	0.1
		Inferred	60	3.9	10	0.12	0.04	0.1
		Total	93	4.0	10	0.12	0.05	0.1
Copper- gold	0.4% Cu	Indicated	4	0.4	5	0.59	0.56	0.0
		Inferred	10	0.3	4	0.63	0.47	0.0
		Total	14	0.3	4	0.62	0.49	0.0
The lead and silver mineralisation interpretation was constructed using a 2.5% lead cutoff and the estimation was completed using Ordinary Kriging. The copper and gold mineralisation interpretation was constructed using a 0.4g/t copper cutoff and the estimation was completed using Ordinary Kriging.								
Mineral Resource Statement as at 14 May 2008.								



The information in this report that relates to Exploration Results is based on information compiled by Mr Paul Cranney, Consulting Geologist. Mr Cranney is a Member of The Australasian Institute of Mining and Metallurgy.

Mr Cranney has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken 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 Cranney 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 document that relates to the Mineral Resource is based on information compiled by Mr. Diederik Speijers, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Speijers is employed by consultants McDonald Speijers and 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 Mineral Resources and Reserves". Mr. Speijers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.