



Abra Mining Limited

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ASX Code: **ALL**

QUARTERLY REPORT December 2009

Highlights

EXPLORATION

- 18 targets generated peripheral to the Abra deposit with good potential to host large scale base metal mineralisation.
- Numerous lead, copper, zinc and manganese geochemical anomalies in soils identified within the Jillawarra Project.
- Manganese exploration continuing within the Jillawarra Project.

CORPORATE

- Subject to satisfaction or waiver of certain conditions, China Minmetals Corporation will take a controlling interest in the Company's ultimate parent, Hunan Nonferrous Metals Holdings Group Co.,Ltd ("HNG") with an injection of RMB5.595 billion into HNG.





EXPLORATION ACTIVITIES

MULGUL PROJECT

(Abra Mining Limited 100%)

Exploration

Target Generation

Target generation work has been completed in areas peripheral to the Abra deposit (**Indicated and Inferred Mineral Resource of 93 million tonnes @ 4.0% Pb and 10 g/t Ag and 14 million tonnes @ 0.6% Cu and 0.5 g/t Au**) following a comprehensive review of all available geological, geochemical and geophysical data from the Mulgul Project area.

The mineralisation models targeted included Abra-style and classic Sedex-style. Eighteen targets were identified and ranked (See Figure 1). Detailed analysis of the priority targets has commenced to determine locations for drill testing.

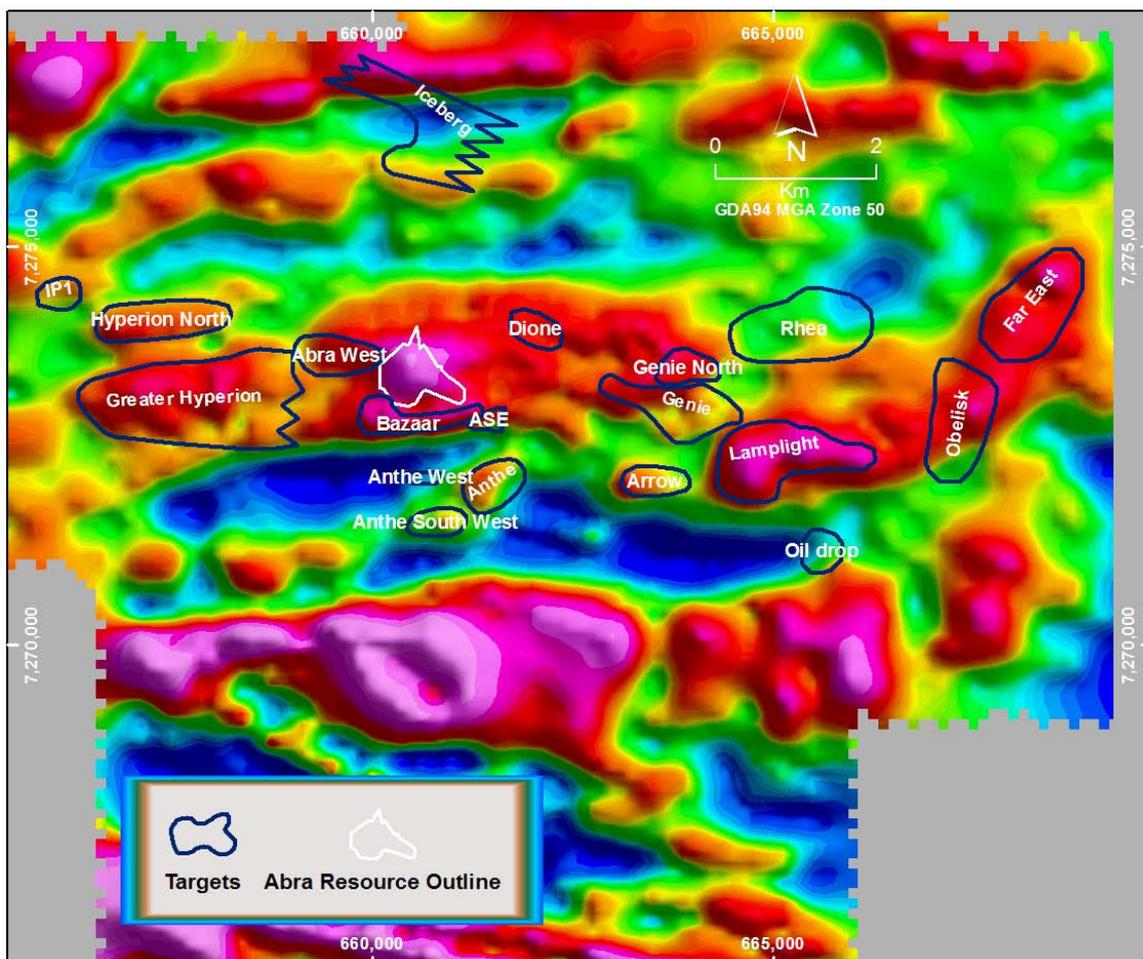


Figure 1. Mulgul targets on gravity background



JILLAWARRA JOINT VENTURE

(Abra Mining Limited 80%)

(Apex Minerals NL 10%)

Jillawarra Project Exploration

The Jillawarra Project comprises four exploration licences and twelve prospecting licences covering more than 1,500 square kilometres. It covers 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 and deeper base metal mineralisation.

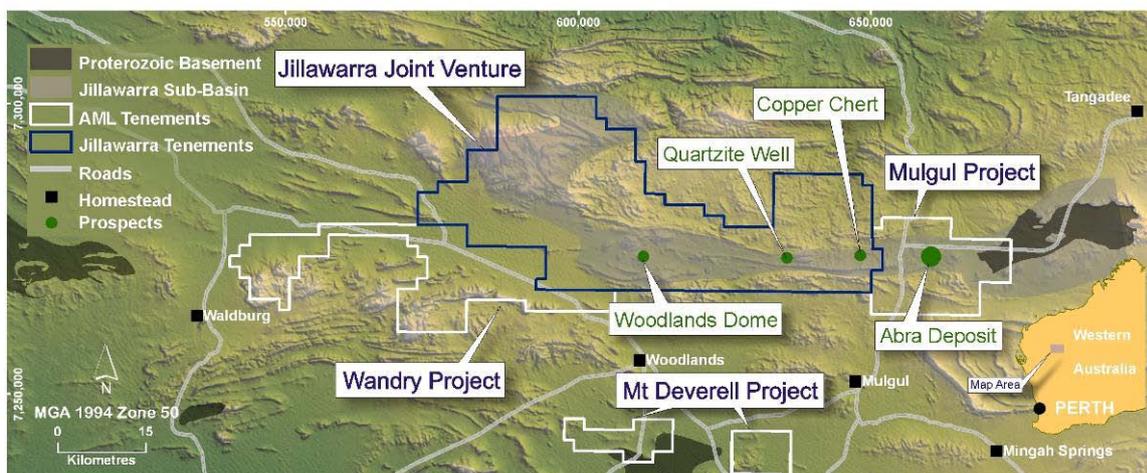


Figure 2. JILLAWARRA JOINT VENTURE – Tenement Location Map

The Woodlands Dome hosts a large area of hydrothermal magnetite alteration which is apparent in the regional magnetic data sets (see Figure 3). This alteration system, which covers an area of 6km by 4km, is much larger than the 1km by 0.6km area associated with the Abra mineralisation, indicating that the Woodlands hydrothermal system represents a major exploration target area.

Historic drilling consistently intersected strong geochemical anomalism, typically comprising **60 to 70 metres at 0.2% to 0.3% copper**, associated with silica-magnetite-barite alteration in the Woodlands Arenite, over an area of 5km by 2km.

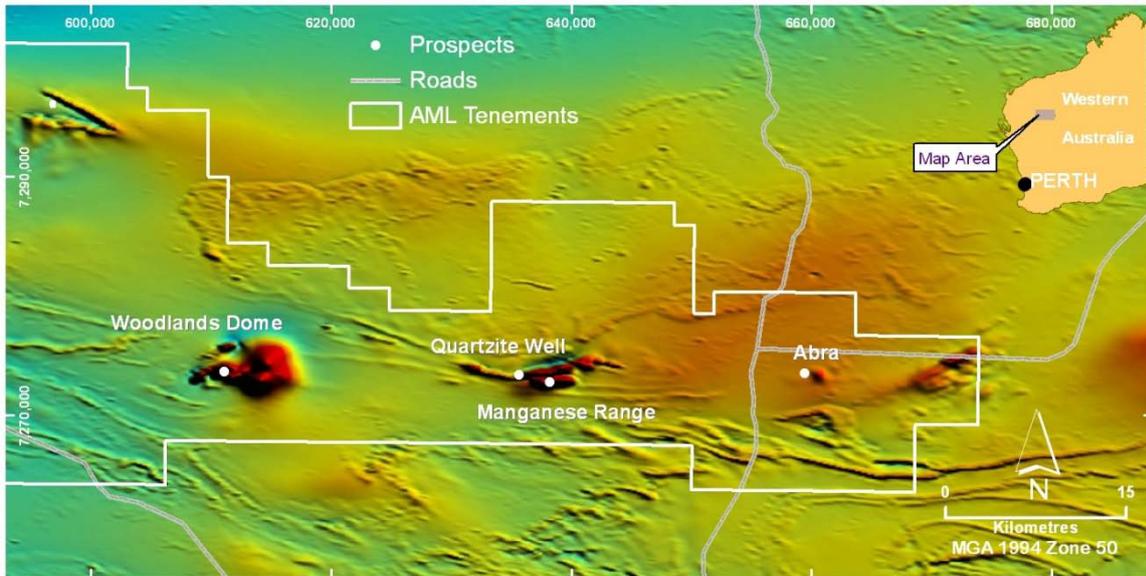


Figure 3. Total Magnetic Intensity Image showing Hydrothermal Magnetite Alteration Centres

Manganese Exploration

Manganese mineralisation had been identified, at surface and in drilling, by previous explorers throughout the Jillawarra Project.

Historic drilling produced intersections of **8m @ 21.5% Mn** from 102m in WDDD005 at Woodlands Dome and **12m @ 18.8% Mn** from 52m in MRRC004 at Manganese Range. The highest grade intersection was **2m @ 71% Mn** from 94m in JRP-77-16 at Manganese Range.

The prospective horizons, which are more than 5km long at both Woodlands Dome and Manganese Range, have been identified and mapped, assisted by information from historic drilling and surface geochemistry (*see Figures 4 and 5*). Geological controls on mineralisation have been determined to assist in developing drill targets.

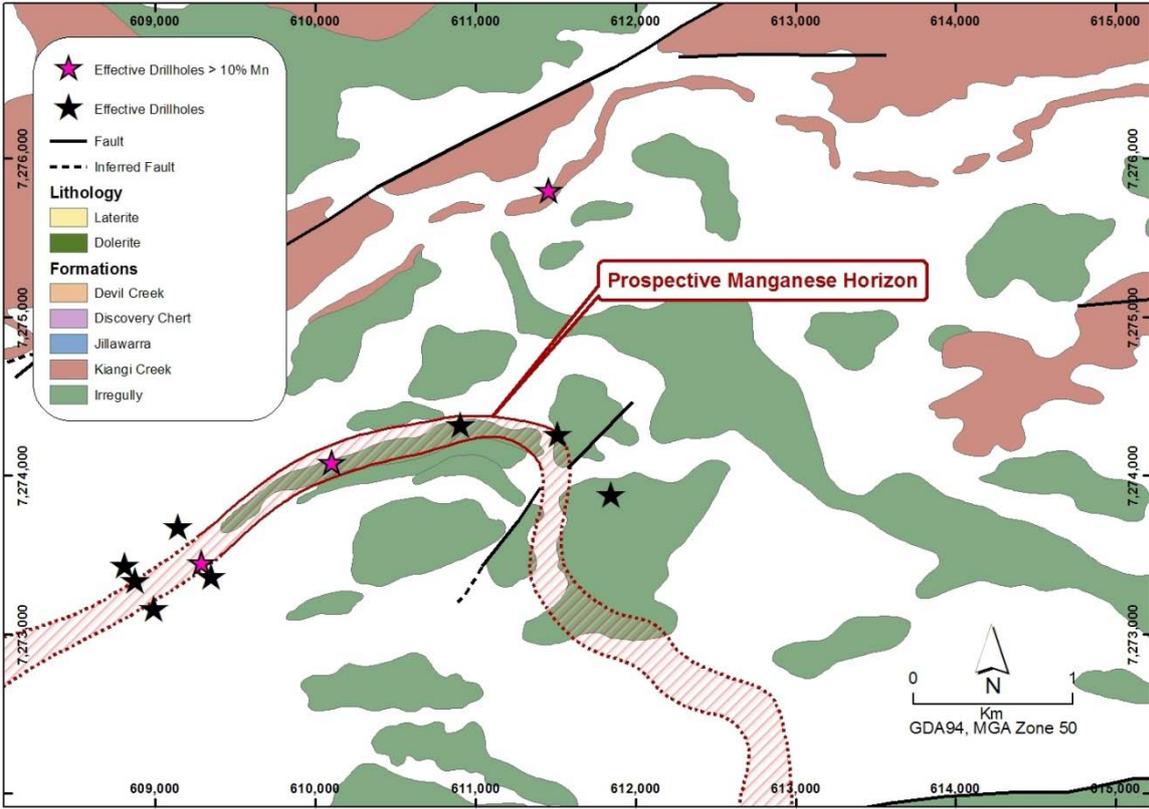


Figure 4. Prospective manganese horizon at Woodlands Dome.

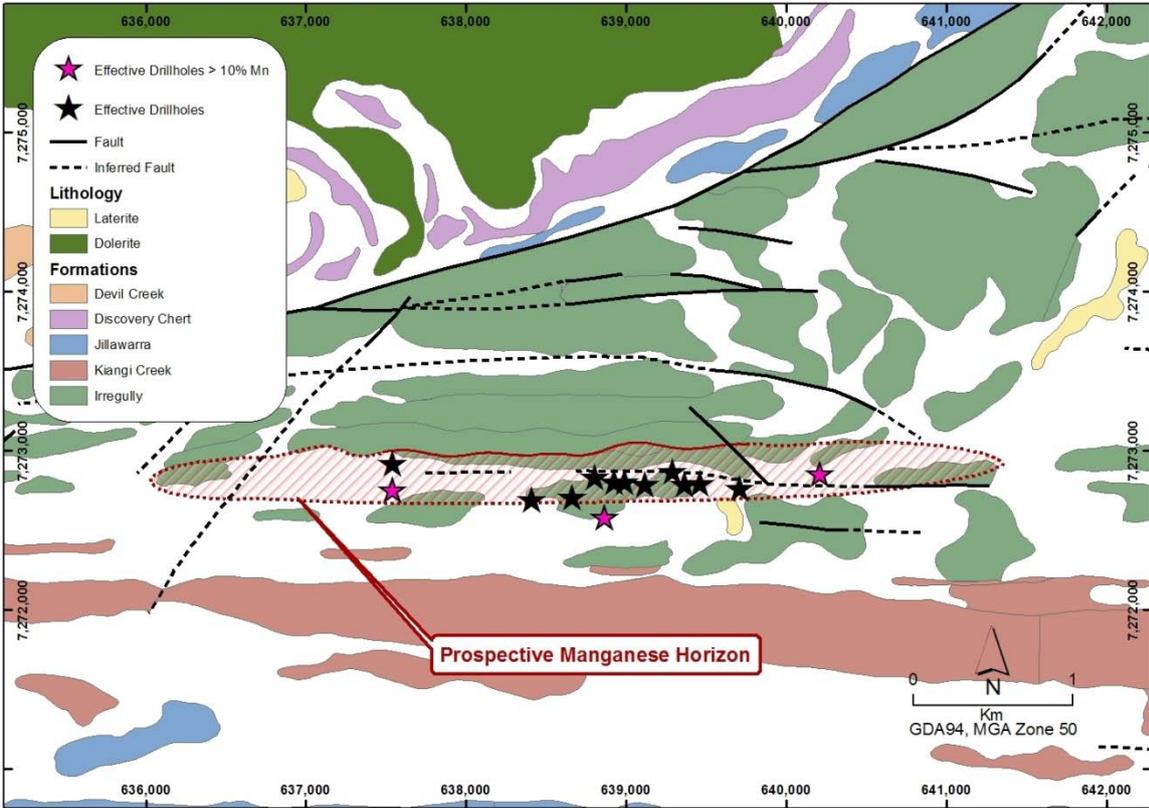


Figure 5. Prospective manganese horizon at Manganese Range



Surface Geochemistry

An infill soil sampling programme, using a NITON handheld analyser, was completed to follow up on anomalies identified in 2008 within the Irregularly Formation, the host unit of the Abra mineralisation. The 2008 survey sampled on 1000m x 50m intervals and the infill survey closed the sample spacing to 200m x 50m.

In total 213 km of traverses were completed with many encouraging anomalies now better defined (see Figures 6 – 13). Geological mapping was also completed. Target generation, incorporating the results of the soil sampling and mapping, will be completed next quarter.

Manganese Range Infill NITON Surveys

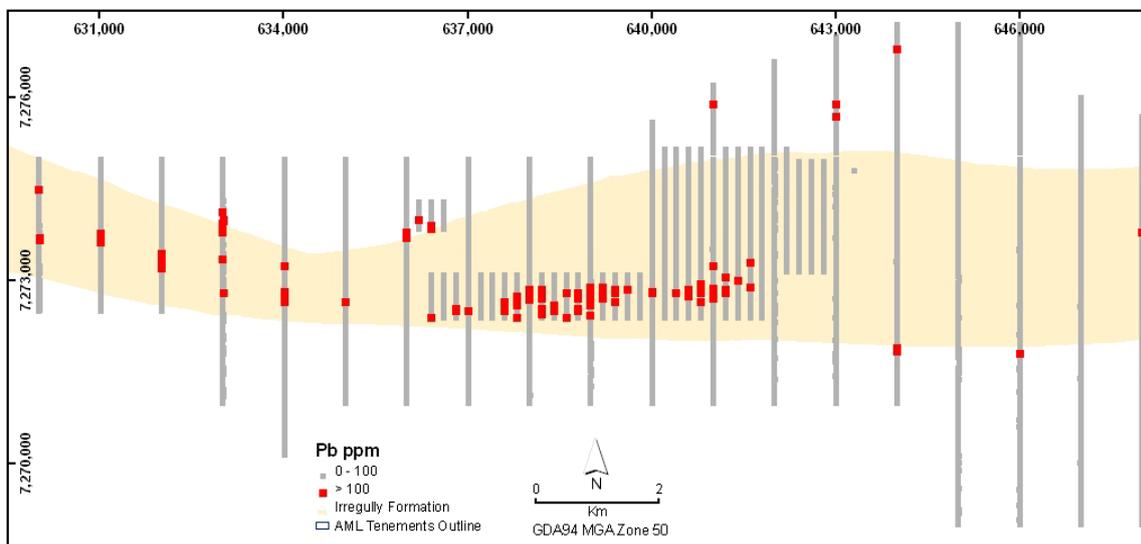


Figure 6. Lead results at Manganese Range

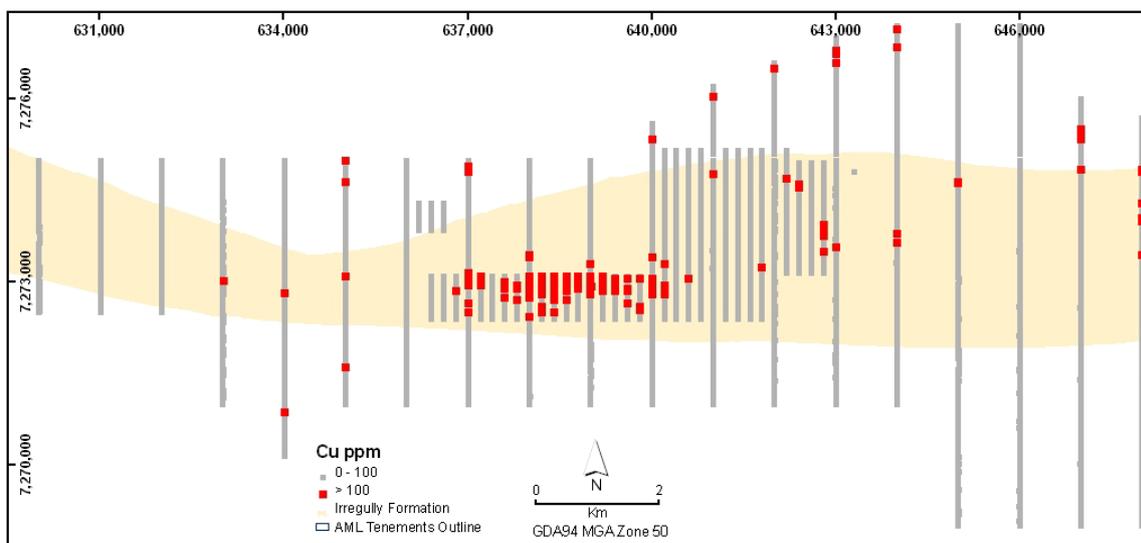


Figure 7. Copper results at Manganese Range

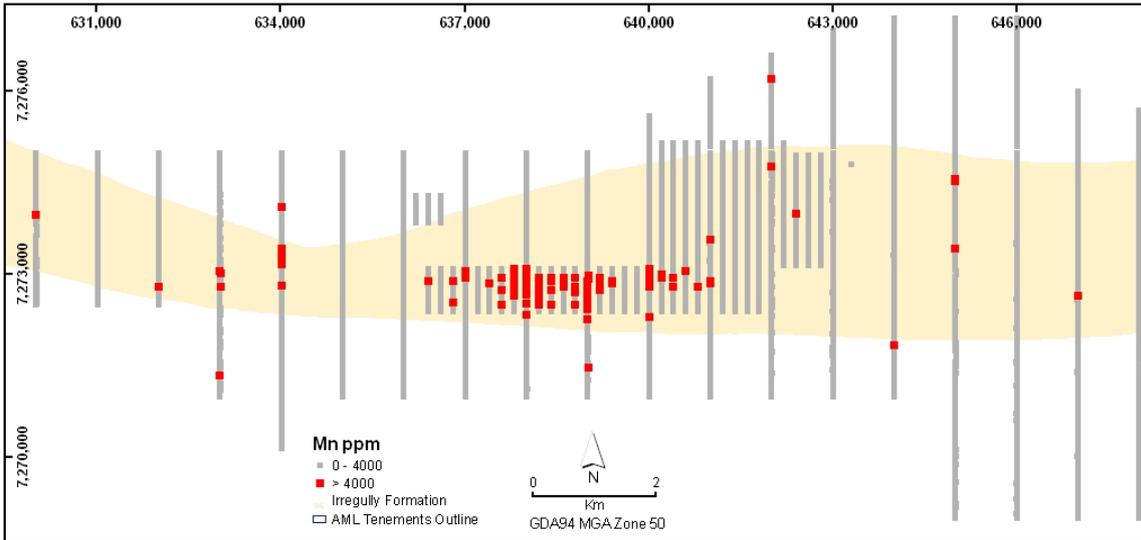


Figure 8. Manganese results at Manganese Range

Woodlands Infill NITON Surveys

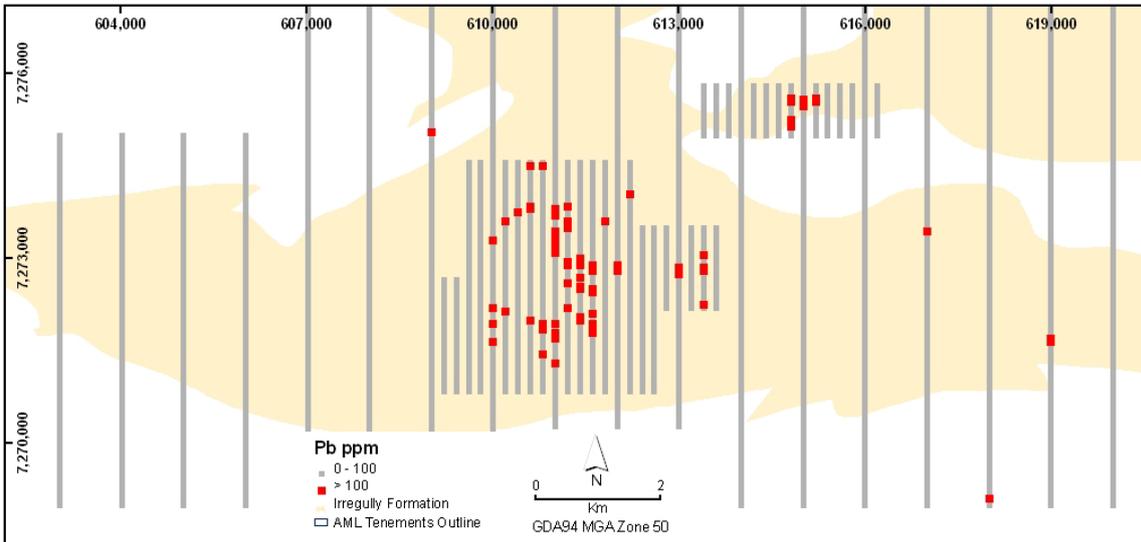


Figure 9. Lead results at Woodlands Dome

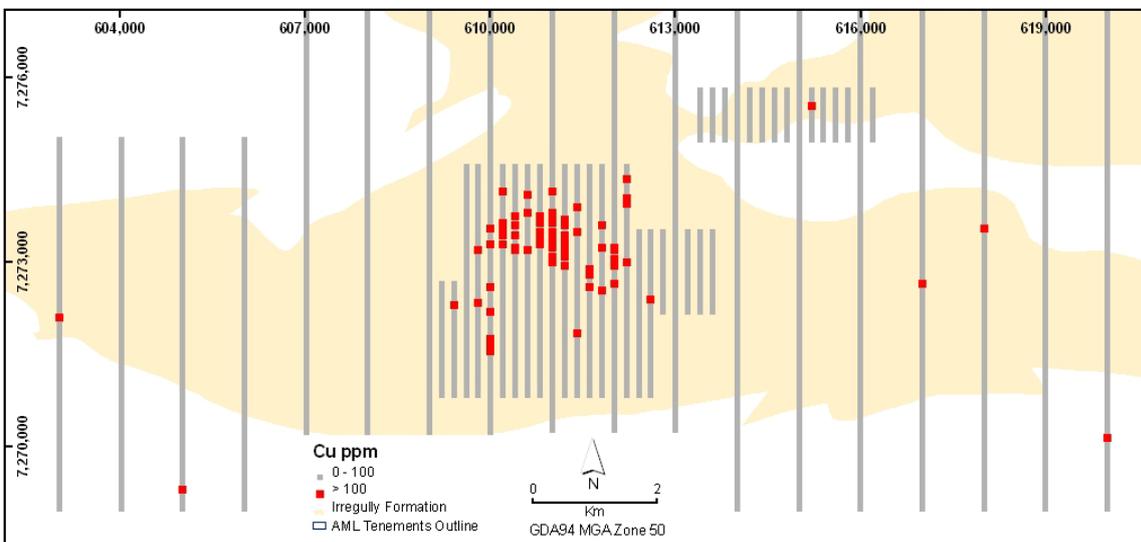


Figure 10. Copper results at Woodlands Dome

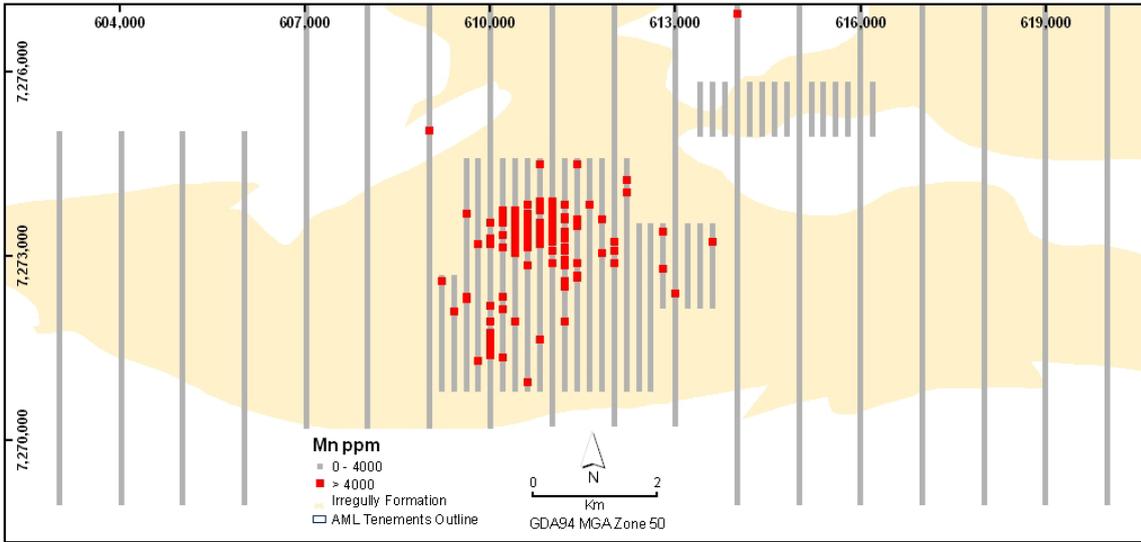


Figure 11. Manganese results at Woodlands Dome

Western King Infill NITON Surveys

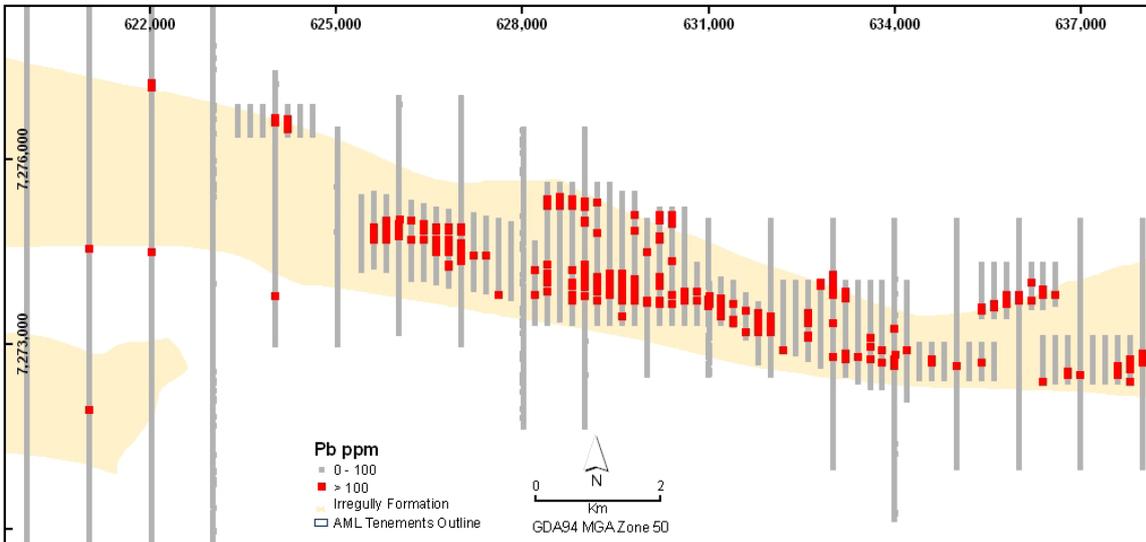


Figure 12. Lead results at Western King

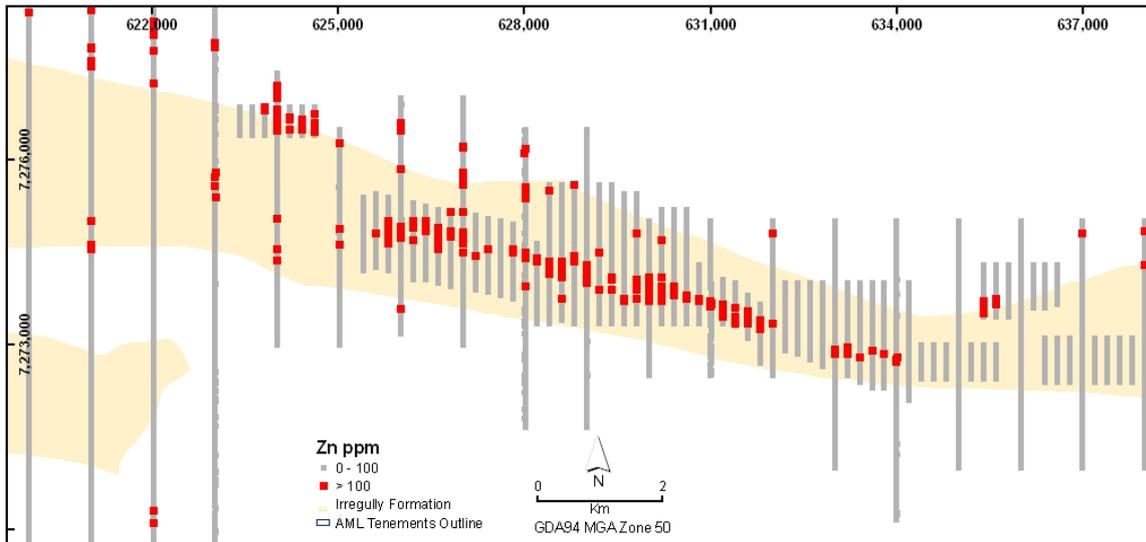


Figure 13. Zinc results at Western King

TENEMENT ACTIVITY

There were no changes to tenements held or in joint venture by the Company during the December quarter.

CORPORATE

Pursuant to a Capital Injection Agreement dated 24 December 2009 and an Equity Transfer Agreement dated 28 December 2009 between the State-owned Assets Supervision and Administration Commission of Hunan Province of the People's Republic of China ("Hunan SASAC"), China Minmetals Nonferrous Metals Holding Company Limited ("MNH") (a wholly owned subsidiary of China Minmetals Corporation in the People's Republic of China with limited liability ("China Minmetals")), Hunan Nonferrous Metals Holding Group Company Limited ("HNG") (a State-owned enterprise incorporated in the People's Republic of China and holder of approximately 53.08% of the voting rights in the Company's major shareholder Hunan Nonferrous Metals Corporation Limited ("HNC")), and China Minmetals, MNH agreed to contribute RMB5.595 billion into HNG to become the holder of a 51% interest in HNG.

Completion of the Equity Transfer Agreement is conditional upon the satisfaction or waiver of a number of conditions as described in the Agreement, which if not satisfied or waived by the specified date means the transactions will not proceed.

FINANCIAL

At the end of the Quarter, the Company held **\$8.05 million** in cash.

J J Moore
Managing Director



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.

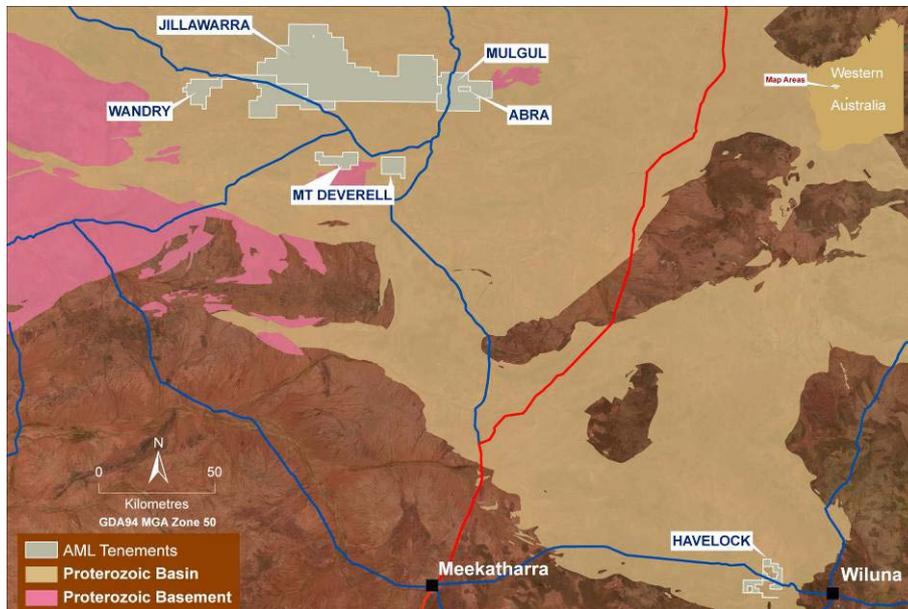
Mr Cranney has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources 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 Fellow 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 Exploration Results, Mineral Resources and Ore 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.



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:

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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

ABRA MINING LIMITED

ABN

30 110 233 577

Quarter ended ("current quarter")

31 December 2009

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(532)	(1,931)
(b) development	-	-
(c) production	-	-
(d) administration	(426)	(1,839)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	120	529
1.5 Interest and other costs of finance paid	(2)	(6)
1.6 Income taxes paid	-	-
1.7 Energy grants & fuel rebates	-	-
Net Operating Cash Flows	(840)	(3,247)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(30)	(54)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	30
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(30)	(24)
1.13 Total operating and investing cash flows (carried forward)	(870)	(3,271)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(870)	(3,271)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Capital raising costs	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(12)	(45)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(12)	(45)
	Net increase (decrease) in cash held	(882)	(3,316)
1.20	Cash at beginning of quarter/year to date	8,932	11,366
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarters	8,050	8,050

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	52
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Directors' fees and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	
Total	500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3	10
5.2 Deposits at call	272	336
5.3 Bank overdraft	(11)	-
5.4 Term deposits	7,786	8,586
Total: cash at end of quarter (item 1.22)	8,050	8,932

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference⁺ securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	141,257,504	141,257,504		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	11,360,000	None of the options is quoted.	\$0.25	08/04/2010
	100,000		\$0.25	07/07/2010
	325,000		\$0.25	27/06/2011
	300,000		\$0.25	08/10/2010
	475,000		\$0.35	31/10/2010
	475,000		\$0.45	31/10/2010
	1,000,000		\$0.31	31/07/2011
	1,250,000		\$0.35	15/05/2012
	750,000		\$0.50	15/05/2012
	250,000		\$0.35	31/07/2011
	100,000		\$0.45	31/07/2011
	150,000		\$0.35	14/05/2012
	100,000	\$0.45	14/05/2012	
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	3,400,000		\$0.50	1/12/2009
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
Company Secretary Date: 25 January 2010

Print name: Anthony Wright

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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