



# Abra Mining Limited

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ASX Code: AII

## QUARTERLY REPORT June 2010

### Highlights

#### *EXPLORATION*

- Abra Mining Limited was awarded two government co-funded drilling grants under the Western Australian Government Exploration Incentive Scheme.
- The grants total \$234,000 and will be used for targeted drilling at the Abra West and Greater Hyperion prospects within the Mulgul Project.
- Galena bearing quartz veins carrying up to 10.9% Pb were identified 16 kilometres north-west of Woodlands Dome, within the Jillawarra Project.





## EXPLORATION ACTIVITIES

### MULGUL PROJECT

(Abra Mining Limited 100%)

#### Exploration

##### *Government Co-Funded Exploration Drilling Initiative*

Abra Mining Limited ("AML") was awarded two government co-funded drilling grants under the Western Australian Government Exploration Incentive Scheme. The grants are worth \$108,000 and \$126,000 respectively and are to be used for drilling programmes planned at the Abra West and Greater Hyperion prospects.

The planned programme at Greater Hyperion consists of two holes for 1,400 metres and, at Abra West, the planned programme comprises two holes for 1,200 metres. AML will be required to pay the remaining 50% of the direct drilling costs and all additional expenses.

### JILLAWARRA JOINT VENTURE

(Abra Mining Limited 90%)

(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 1).

The belt is prospective for the discovery of near-surface and deeper base metal mineralisation.

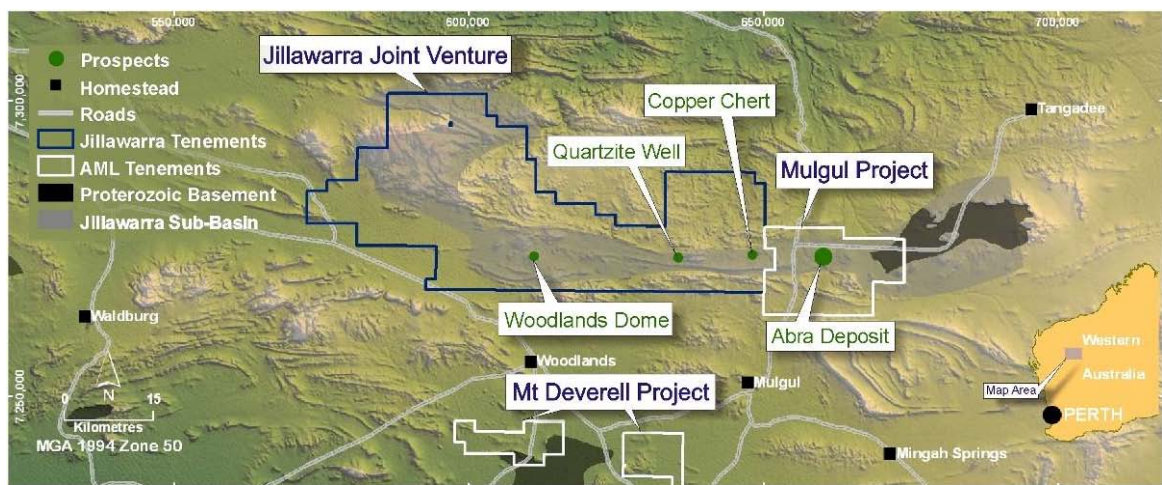
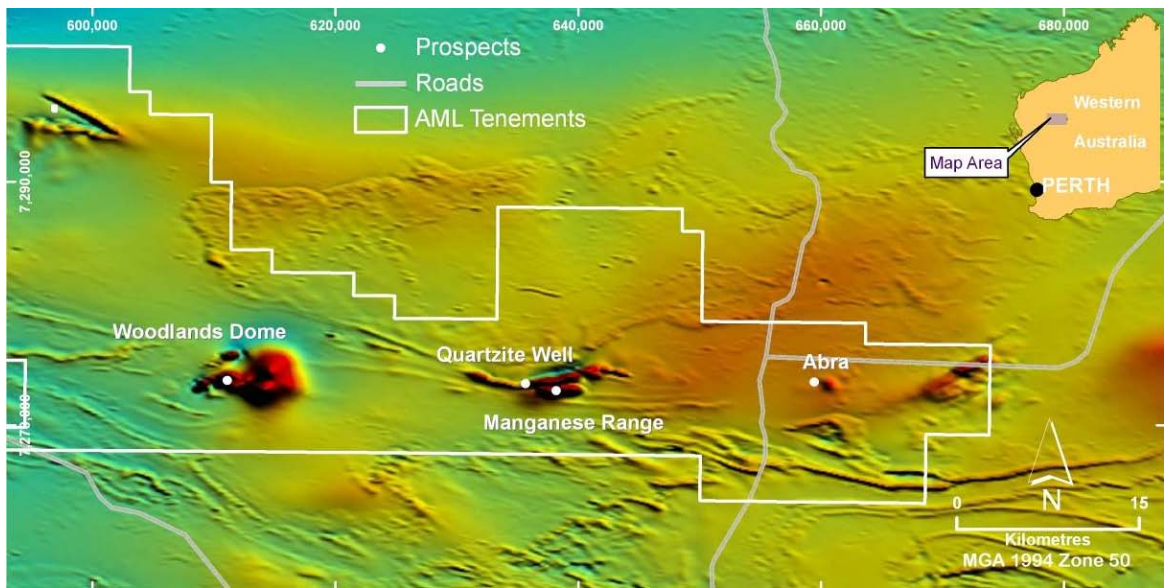


Figure 1. JILLAWARRA JOINT VENTURE – Tenement Location Map



The Woodlands Dome hosts a large area of hydrothermal magnetite alteration which is apparent in the regional magnetic data sets (*see Figure 2*). This alteration system, which covers an area of 6 kilometres by 4 kilometres, is much larger than the 1 kilometre by 0.6 kilometres 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 5 kilometres by 2 kilometres.



**Figure 2. Total Magnetic Intensity Image showing Hydrothermal Magnetite Alteration Centres**

### **Surface Geochemistry**

The follow-up NITON survey and mapping programme continued during the Quarter. The programme is being undertaken at 200 metre line spacing with 50 metre recording intervals and is designed to better define anomalies identified in 2009 on the initial 1 kilometre spaced lines.

An additional 66 lines were completed for a total of 59 line kilometres. 208 kilometres remain to be surveyed.

Outcropping galena-bearing veins were identified approximately 16 kilometres to the north-west of the Woodlands Dome. Rock chip samples returned assays up to 10.9% Pb within an antiform at the top of the Irregularly Formation. This stratigraphic position is similar to that which hosts the Abra Deposit (*see Figure 3 for the rock chip sample locations*).



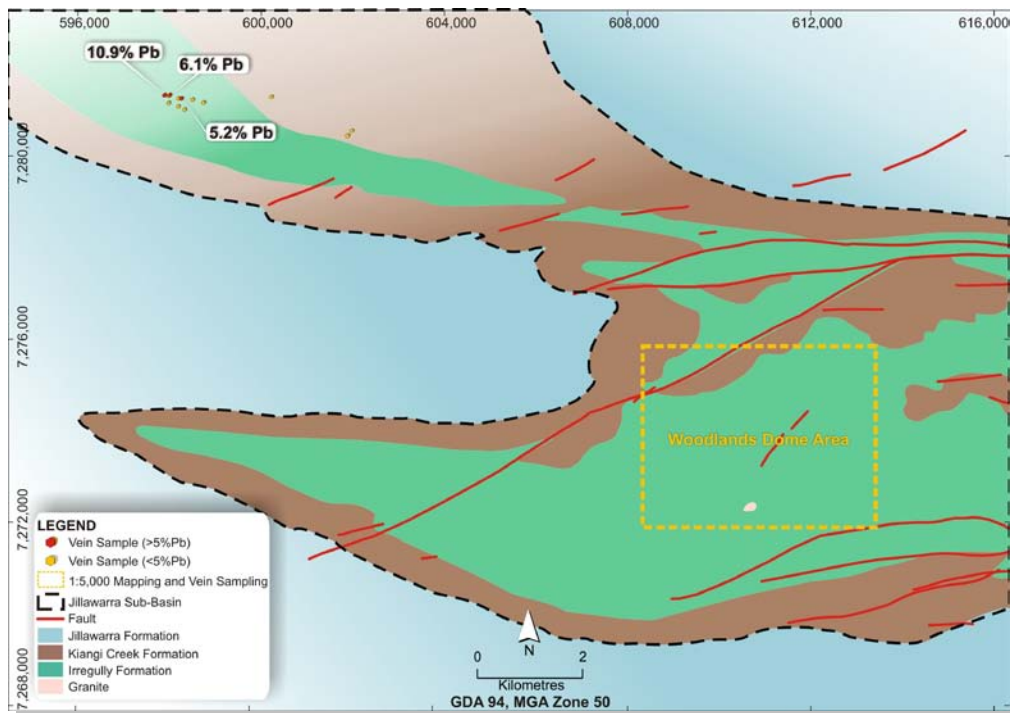


Figure 3. Location of mineralised rock chip samples and Woodlands Dome map area.

### **Woodlands Dome 1:5,000 Scale Geological Mapping And Vein Sampling**

A programme of 1:5,000 scale geological mapping and surface vein sampling has been completed over the prospective Woodlands Dome area to identify anomalies relating to mineralisation under cover, based on orientation work completed over the Abra Deposit. The mapping has better defined geology, structure and the granitic basement underlying the Irregularly Formation sediments. Results from the vein sampling are pending (see Figure 4 for vein sample locations).

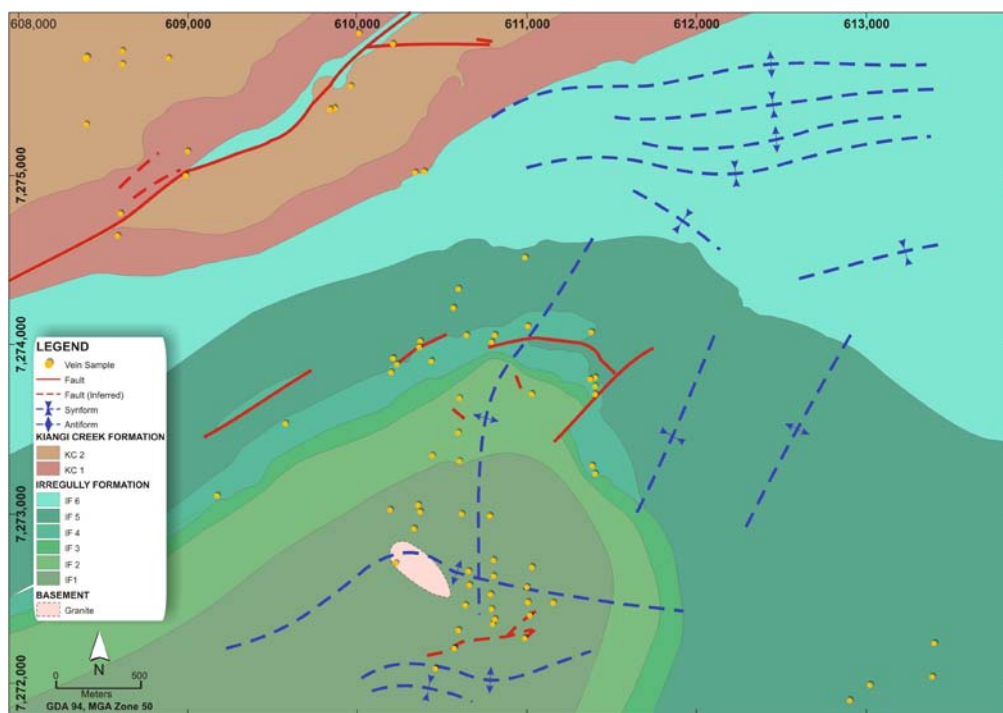


Figure 4. Woodlands Dome 1:5,000 scale geological mapping and vein sampling



## TENEMENT ACTIVITY

During the Quarter two tenements were granted, Miscellaneous Licence L52/121 to cover the airstrip at the Abra Camp and General Purpose Lease G52/286 to cover the Abra Camp and core processing area.

## CORPORATE

## FINANCIAL

At the end of the Quarter the Company held **\$6.1million** 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.*

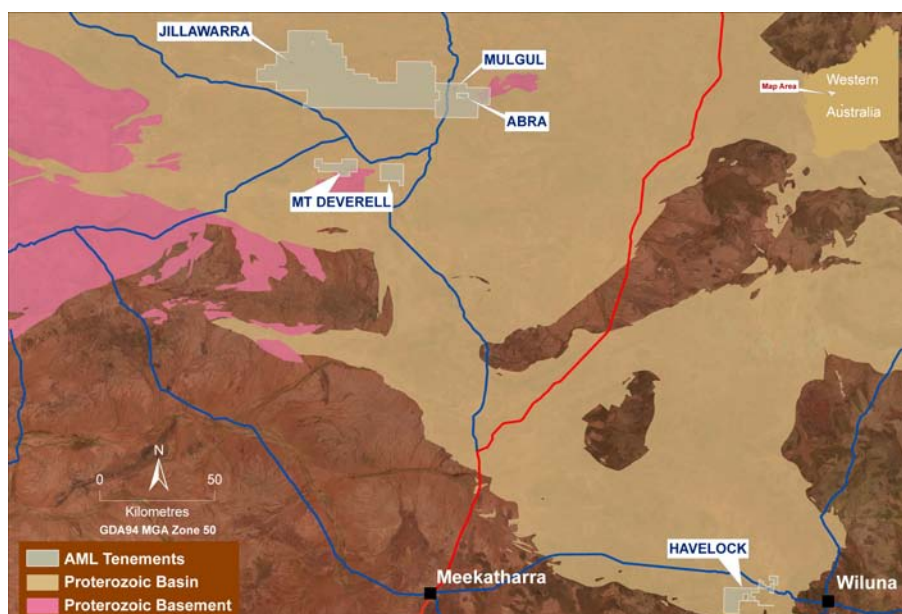
*Mr Cranney has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources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

30 June 2010

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(394)	(1,174)
(b) development	-	-
(c) production	-	-
(d) administration	(403)	(871)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	170	196
1.5 Interest and other costs of finance paid	(2)	(4)
1.6 Income taxes paid	-	-
1.7 Energy grants & fuel rebates	-	-
<b>Net Operating Cash Flows</b>	<b>(629)</b>	<b>(1,853)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(3)	(4)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(3)</b>	<b>(4)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(632)</b>	<b>(1,857)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(632)	(1,857)
	<b>Cash flows related to financing activities</b>		
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)	(24)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	(12)	(24)
	<b>Net increase (decrease) in cash held</b>	(644)	(1,881)
1.20	Cash at beginning of quarter/year to date	6,813	8,050
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarters</b>	6,169	6,169

**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	54
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

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



### 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	
<b>Total</b>	<b>500</b>

### 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	7	4
5.2 Deposits at call	262	311
5.3 Bank overdraft	-	(2)
5.4 Term deposits	5,900	6,500
<b>Total: cash at end of quarter (item 1.22)</b>	<b>6,169</b>	<b>6,813</b>

### 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	L52/121	100%	Nil	100%
	G52/286	100%	Nil	100%

+ 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 <b>Preference</b> <sup>+</sup> <b>securities</b> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b><sup>+</sup>Ordinary securities</b>	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 <b><sup>+</sup>Convertible debt securities</b> (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	100,000	None of the options is quoted.	\$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	11,360,000		\$0.25	08/04/2010
7.11 <b>Debentures</b> (totals only)				
7.12 <b>Unsecured notes</b> (totals only)				

+ 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:  Date: 16 July 2010  
Company Secretary

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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