



Abra Mining Limited

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ASX Code: AII

QUARTERLY REPORT September 2010

Highlights

CORPORATE

- Mr Li Li, an Executive Director and General Manager of Hunan Nonferrous Metals Corporation, has been appointed as Chairman of Abra Mining Limited

EXPLORATION

- Jillawarra Project infill NITON soil sampling better defined significant lead anomalies
- Woodlands Dome Prospect geological mapping and surface quartz vein sampling defined new anomalies
- Havelock Project infill NITON geochemistry survey defined two discrete, high order lead anomalies immediately south of the Magellan Lead Mine





EXPLORATION ACTIVITIES

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.

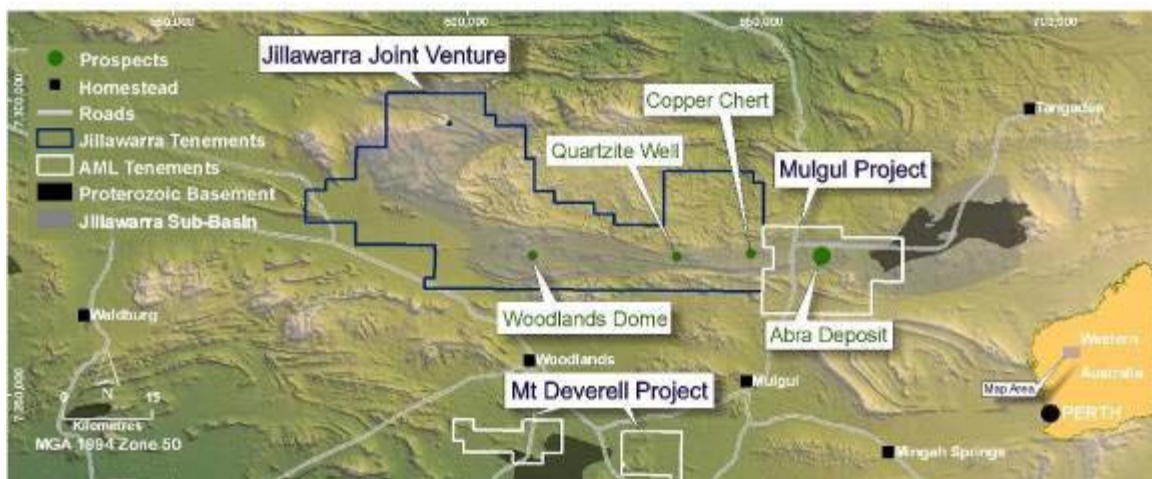


Figure 1. JILLAWARRA JOINT VENTURE – Tenement Location Map

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 kilometre 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.

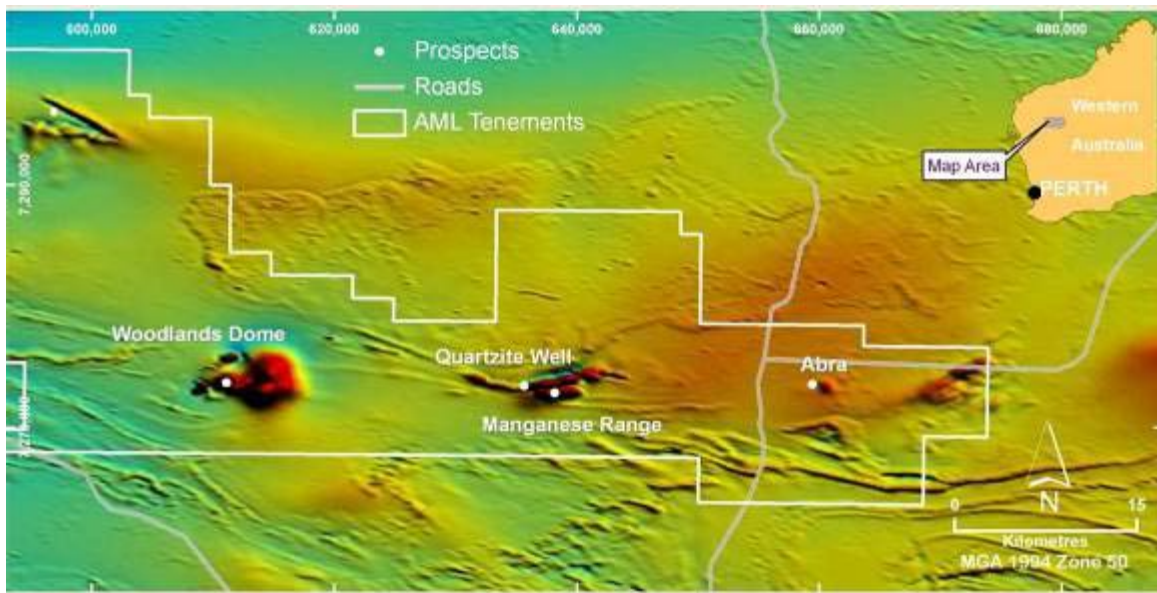


Figure 2. Total Magnetic Intensity Image showing Hydrothermal Magnetite Alteration Centres

Surface Geochemistry

Follow-up NITON soil sampling and mapping continued during the Quarter on 200 metres spaced lines and 50 metres sample spacing. The programme was designed to better define anomalies identified during 2009 on one kilometre spaced lines. A number of large lead anomalies are now more clearly defined (see Figure 3 and 4 for lead results).

An additional 3,356 readings were taken on 179 lines over the Jillawarra tenements for a total of 159 line kilometres.

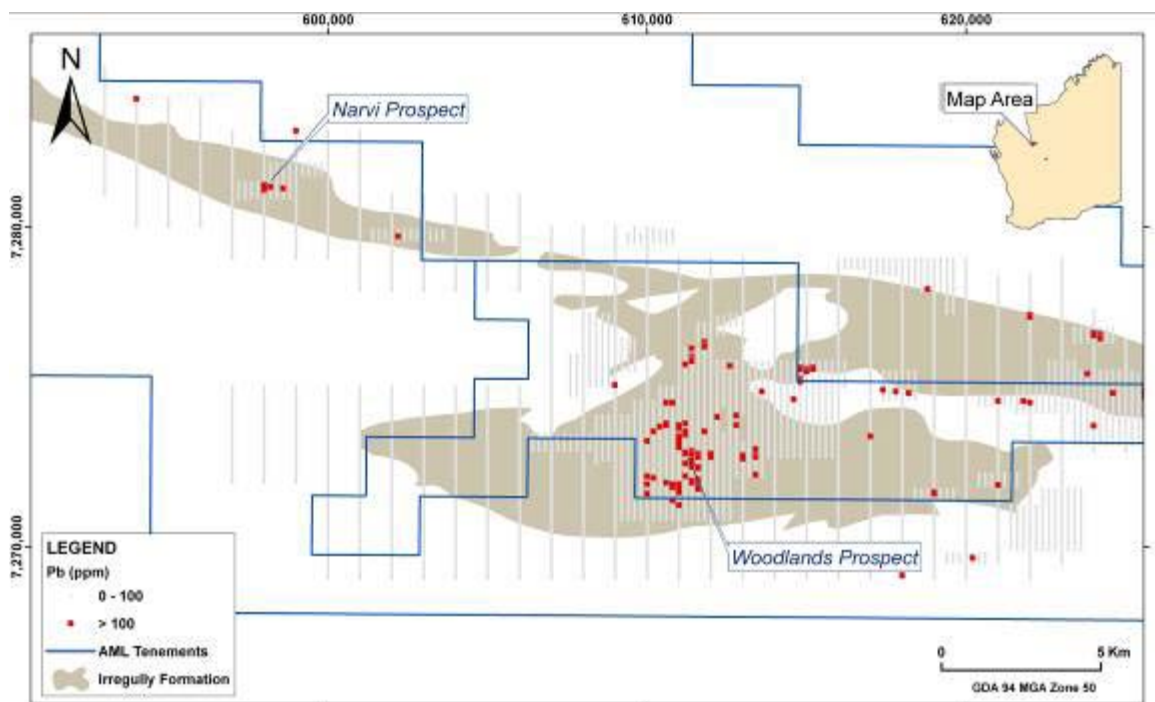


Figure 3. JILLAWARRA PROJECT - NITON infill sampling - lead results – Western Sheet

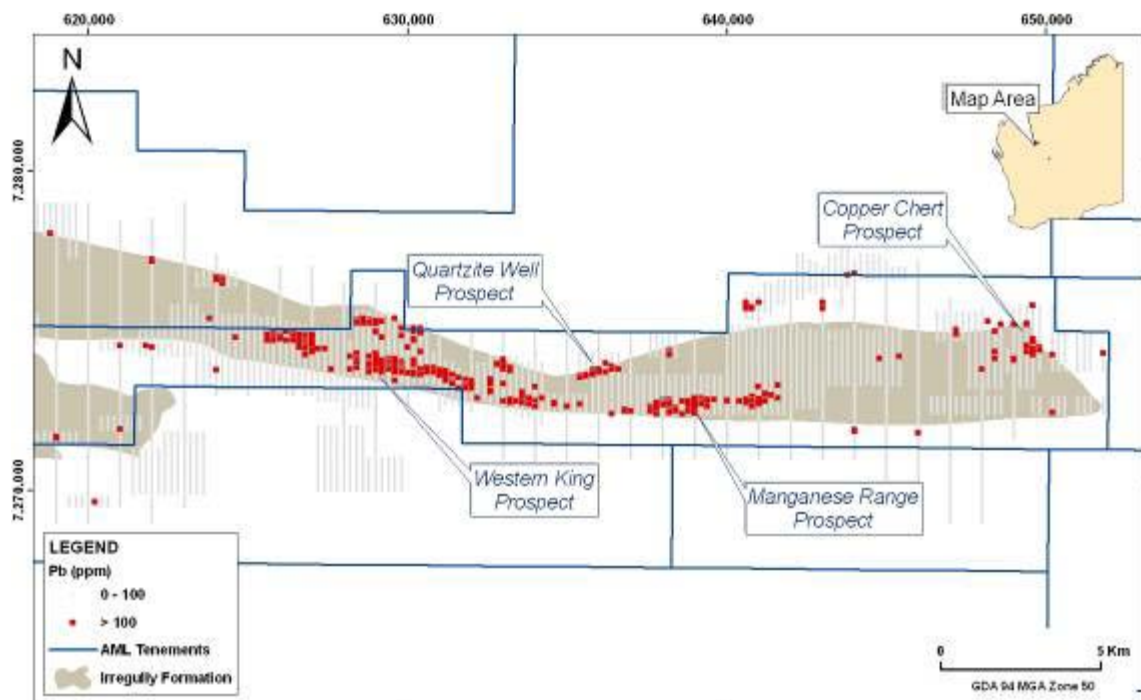


Figure 4. JILLAWARRA PROJECT - NITON infill sampling - lead results – Eastern Sheet

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 extended during the Quarter to include several additional prospective areas close to the Woodlands Dome. The sampling was designed 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 (*see Figure 5 for geological mapping and vein sample locations*).

Results from the vein sampling identified several new anomalies with pathfinder element signature similarities to those over the Abra Deposit (*see Figure 6 for quartz vein sample results*).

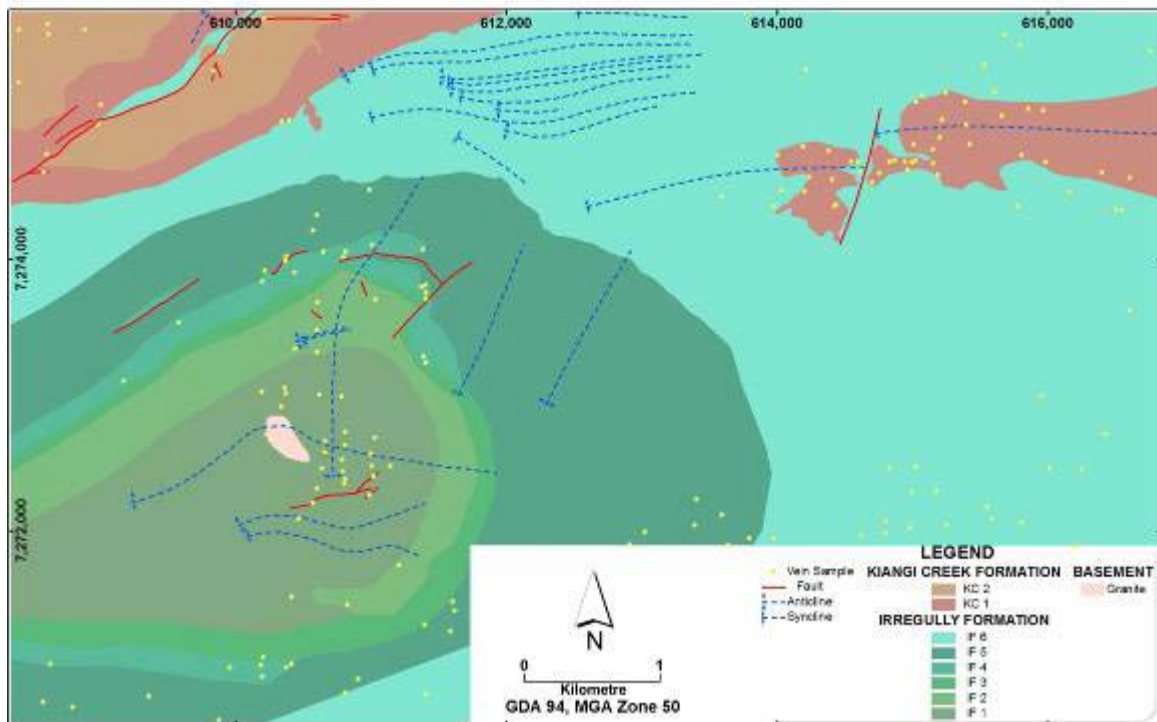


Figure 5. WOODLANDS DOME - 1:5,000 scale geological mapping and vein sampling

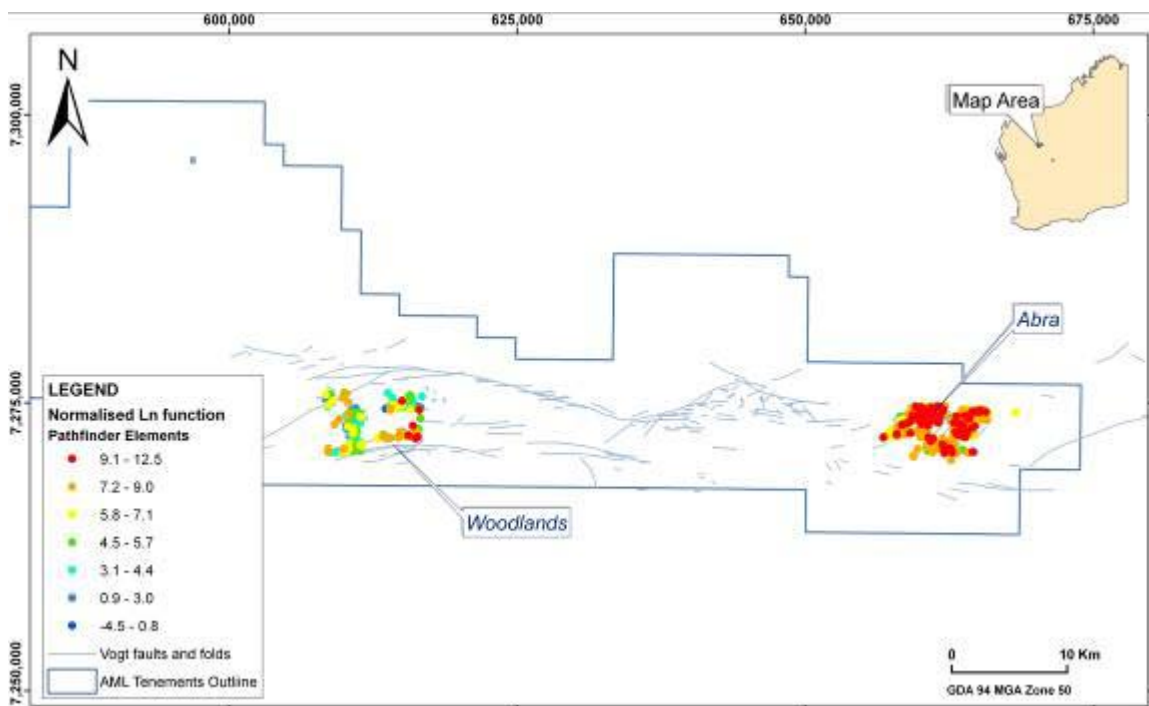


Figure 6. Surface quartz vein samples - Normalised Log function pathfinder elements.



HAVELOCK PROJECT

(Abra Mining Limited 80%-100%)

Exploration

Havelock Surface Geochemistry

A follow up NITON soil sampling and mapping programme was completed during the Quarter. The programme was completed at 50 metres line spacing and 50 metres sample spacing and was designed to better define lead anomalies previously identified to the south of the Magellan mine site. The peak value returned was 2,565 ppm Pb (see *Figure 7 for results*).

Ninety-three lines were completed for a total of 176 line kilometres with 3,613 readings taken.

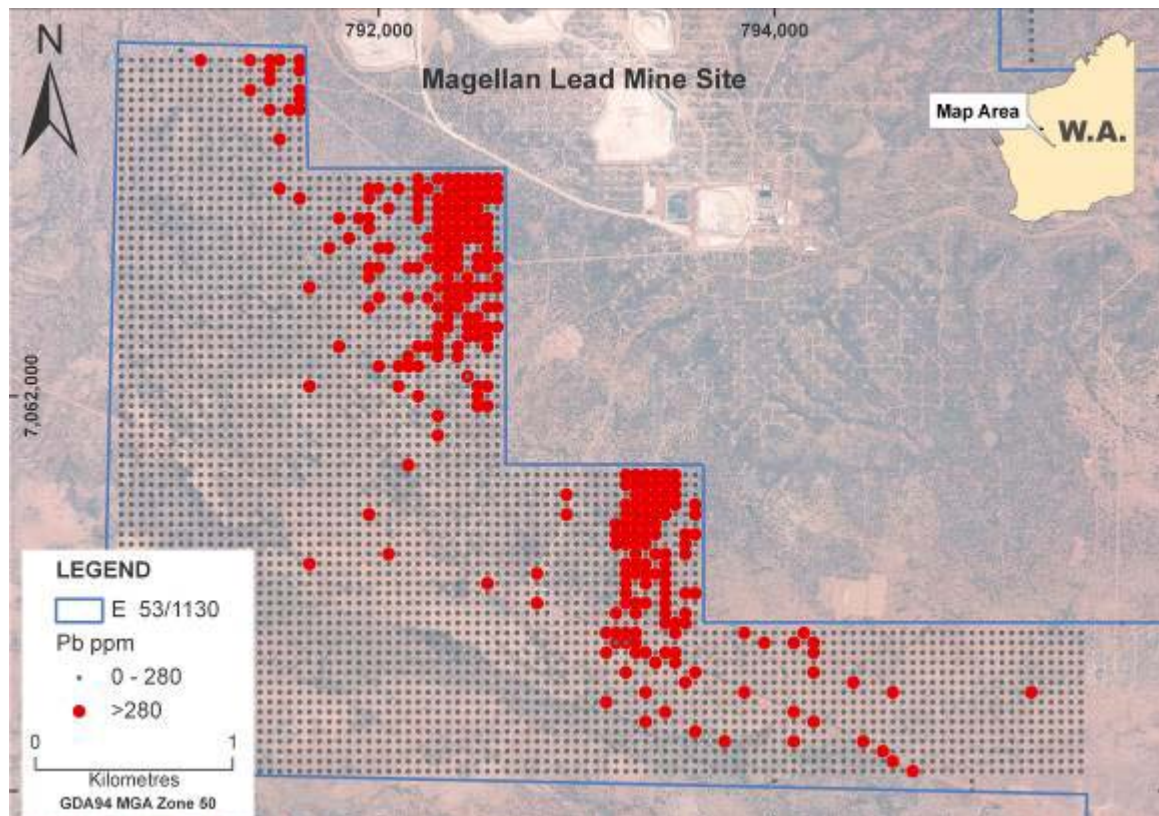


Figure 7. Havelock infill NITON survey results.

TENEMENT ACTIVITY

During the Quarter prospecting licence P53/1514 was granted within the Havelock Project.



CORPORATE

Subsequent to the end of the Quarter, on 14 October 2010 the Company announced that Mr Renchun He has resigned as a Director and Chairman of the Board and that Mr David Bo has resigned as a Director.

The Board welcomes Mr Li Li who has been appointed as a Director and Chairman of the Board following the takeover of the Company's ultimate parent, Hunan Nonferrous Metals Holdings Group Co.,Ltd, by China Minmetals Corporation.

Mr Li is an Executive Director and General Manager of Hunan Nonferrous Metals Corporation Limited, holds a bachelor's degree in industrial automation from Central South University and an EMBA from Hunan University. Mr Li has also studied economic law at postgraduate level and participated in a senior executive training programme at the University of Maryland.

FINANCIAL

At the end of the Quarter, the Company held **\$5.3 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.

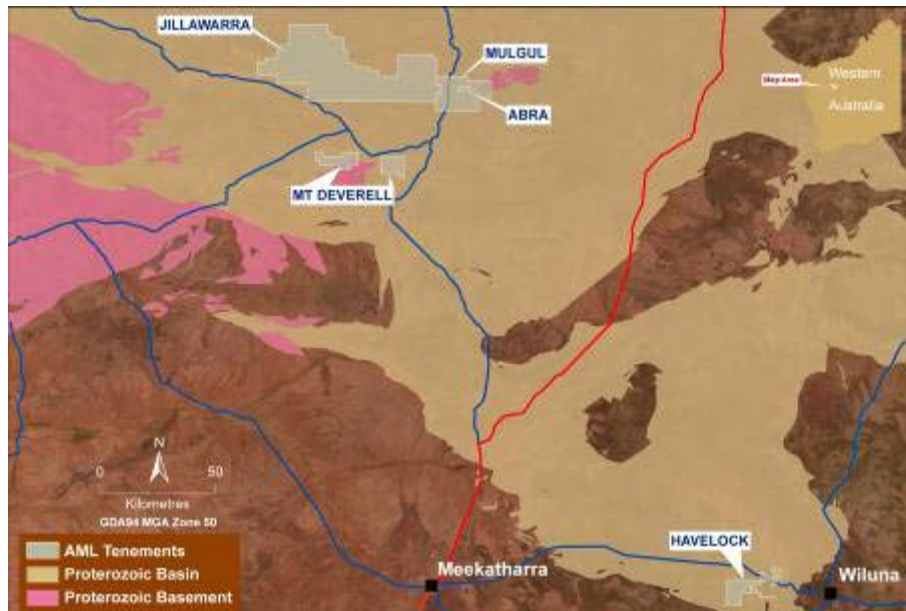
Mr Cranney has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources 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, 01/06/10.

Name of entity

ABRA MINING LIMITED

ABN

30 110 233 577

Quarter ended ("current quarter")

30 SEPTEMBER 2010

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration & evaluation	(393)	(1,567)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(342)	(1,213)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	9	205
1.5	Interest and other costs of finance paid	(1)	(5)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(727)	(2,580)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(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)	-	-
Net investing cash flows		-	(4)
1.13	Total operating and investing cash flows (carried forward)	(727)	(2,584)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(727)	(2,584)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	(7)	(31)
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(7)	(31)
	Net increase (decrease) in cash held	(734)	(2,615)
1.20	Cash at beginning of quarter/year to date	6,169	8,050
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	5,435	5,435

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	55
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 Includes salaries and superannuation contributions for all directors

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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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	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	350
4.2 Development	-
4.3 Production	-
4.4 Administration	350
Total	700

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	135	7
5.2 Deposits at call	-	262
5.3 Bank overdraft	-	-
5.4 Term Deposits	5,300	5,900
Total: cash at end of quarter (item 1.22)	5,435	6,169

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	P53/1514	100%	0%	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 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 <i>(description)</i>	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>			Exercise price	Expiry date
	300,000	-	\$0.25	08/10/2010
	475,000	-	\$0.35	31/10/2010
	475,000	-	\$0.45	31/10/2010
	325,000	-	\$0.25	27/06/2011
	1,000,000	-	\$0.31	31/07/2011
	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
	1,250,000	-	\$0.35	15/05/2012
	750,000	-	\$0.50	15/05/2012
7.8 Issued during quarter		-		
7.9 Exercised during quarter				
7.10 Expired during quarter	100,000	-	\$0.25	07/07/2010
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 does give a true and fair view of the matters disclosed.

Sign here:



Date: 15 October 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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