



Chameleon Mining NL

ACN 098 773 785

10 November, 2009

Ms. F. Walker
Issuers Adviser (Perth)
ASX Markets Supervision Pty Ltd
Level 8
2 The Esplanade
Perth WA 6000

By Facsimile: 08 9221 2020

Dear Ms. Walker,

Reply to ASX letter dated 5 November 2009

We refer to your letter dated 5 November 2009 and provide the following response to each of the questions:

1. No.

In the event the Company were to expend cash at the rate for the quarter indicated by the latest Appendix 5B – which is not expected (refer to point 2 below) – the Company has sufficient cash and liquid assets (including listed securities) to draw on.

2. Possibly – refer below.

The quarterly cash flows reported included items represented by cash outflows made in accordance with the contractual commitments of the Company related to the distribution of proceeds received by the Company from the successful settlement of the Koh & Evans proceedings against Murchison Metals Limited.

The operating cash flows of the Company going forward will also be partly determined by the anticipated successful removal of various claims, thereby increasing the Company's minimum expenditure commitments.

Further, the Company's continued efforts with regard to finalising the litigation matters may also cause extraordinary cash flow variances.

* Level 20
100 Pitt Street
Sydney NSW 2000

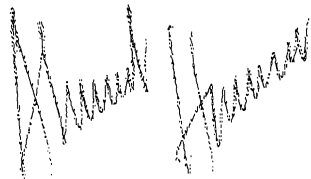
* Tel (612) 8226 3300
* Fax (612) 8226 3306
* www.chmnl.com

* Correspondence
PO Box 8505
Royal Exchange NSW 1225

In any event the Company holds sufficient assets that can readily be converted to cash on short notice to meet cash flow requirements.

3. The Company has sufficient cash and assets to continue to meet its business objectives.
4. Yes.
5. Taking into account the note to Listing Rule 12.2, we confirm that the Company is in compliance with listing rule 12.2.

Yours faithfully,



Ahmad Hassan
Company Secretary



ASX Markets Supervision Pty Ltd
ABN 26 087 780 489
2 The Esplanade
Perth WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9221 2020
www.asx.com.au

5 November 2009

Ahmed Hassan
Company Secretary
Chameleon Mining NL
Level 20, 109 Pitt Street
SYDNEY NSW 2000

By Email: Ahmed.Hassan@infocus.com.au

Dear Ahmed,

Chameleon Mining NL (the "Company")

I refer to the Company's Quarterly Report in the form of Appendix 5B for the period ended 30 September 2009, released to ASX Limited ("ASX") on 30 October 2009 ("Appendix 5B").

ASX notes that the Company has reported the following:

1. Net negative operating cash flows for the quarter of (\$509,000);
2. Cash at end of quarter of \$611,000; and
3. Estimated cash outflows for next quarter for exploration and evaluation of \$30,000.

In light of the information contained in the Appendix 5B, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities for the quarter ending 31 December 2009. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.


This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on **facsimile number 9221 2020**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 5.00pm W.S.T. on Thursday, 12 November 2009**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries regarding any of the above, please contact me on 9224 0015.

Yours Sincerely,

A handwritten signature in black ink, consisting of a stylized 'F' and 'W' followed by a long horizontal line.

Farlee Walker
Adviser, Issuers (Perth)