



Chameleon Mining NL

ACN 098 773 785

4 December, 2008

Jill Hewitt
Issuers Adviser (Perth)
ASX Markets Supervision Pty Ltd
Level 8
2 The Esplanade
Perth WA 6000

By Facsimile: 08 9221 2020

Dear Jill,

Reply to ASX letter dated 3 December, 2008

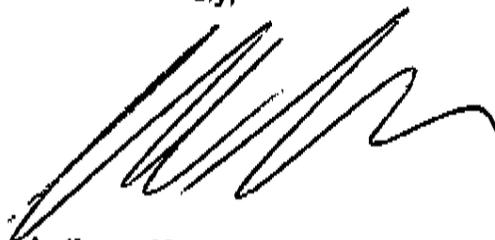
We refer to your letter and provide the following response to each of the questions:

1. No.
2. Not applicable.
3. There have been no announcements on that subject (refer to answer 4).
4. The Company immediately took legal advice upon receipt of the Statutory Demand and was satisfied that we could successfully apply to have it set aside.
The Company has applied to set aside the Statutory Demand in accordance with Section 459G of the Corporations Act.
Further, the Company now fully expects that Atanaskovic Hartnell will formally withdraw the Statutory Demand in accordance with earlier verbal undertakings provided by a partner of that firm.
5. Yes.
6. Re 6.1: The Company will have the Statutory Demand set aside or withdrawn, and has applied to have the total fees claimed by Atanaskovic Hartnell fully assessed.
The Company is in compliance with listing rule 12.2.

Re 6.2: The Company has, as previously announced, entered into a litigation funding agreement that deals with the security for costs in respect of the Murchison litigation.
The Company is in compliance with listing rule 12.2.

- 7. The election is not due until January 2010, accordingly the Company cannot speculate as to the dilution effect to shareholders in the event the structured debt is converted to shares. In any event the conversion rate at the election time is at the lower of 2.7cents per share or 85% of market.
- 8. It is not.
- 9. Nil.
- 10. It is not.

Yours sincerely,



Anthony Karam
Director

+ 61 2 8226 3302



ASX
AUSTRALIAN SECURITIES EXCHANGE

ASX Markets Supervision Pty Ltd
ABN 26 087 780 489
Level 8
Exchange Plaza
2 The Esplanade
Perth WA 6000

PO Box D187
Perth WA 6840

Telephone 61 (08) 9224 0000
Facsimile 61 (08) 9221 2020
Internet <http://www.asx.com.au>

FAXED
3 December 2008

Mr A Karam
Director
Chameleon Mining NL
Level 20
109 Pitt Street
SYDNEY NSW 2000

Facsimile: 02 8226 3305

Dear Anthony

Chameleon Mining NL (the "Company")

We refer to the article in The Australian ("Article") dated 3 December 2008 titled "Options turn into hospital pass for Benny" and to previous correspondence regarding the Company's debt financing facility.

ASX Limited draws the Company's attention to listing rule 3.1 which requires an entity to give ASX immediately any information concerning it that 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 listing rule 3.1A. Please note that for disclosure not to be required under this listing rule all of the exceptions must apply.

Having regard to the above definition, listing rule 3.1 and Guidance Note 8 – Continuous Disclosure, we ask that you answer the following questions in a format suitable for release to the market in accordance with listing rule 18.7A.

1. Does the Company believe that the statutory demand issued on the Company by Atanaskovic Hartnell on or about 6 November 2008 ("Statutory Demand") is material to the Company pursuant to listing rule 3.1?
2. If the answer to question 1 is yes, when did the Company first become aware of the Statutory Demand?
3. Please identify any announcement from the Company relating specifically to the Statutory Demand.
4. If there was no earlier announcement, why was the information not released to the market?. Please comment specifically on the application of listing rule 3.1 and the exceptions to the rule in listing rule 3.1A. The requirements in the exception of listing rule 3.1A include that information must be confidential and in relation to an incomplete proposal or negotiation.
5. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
6. Please comment on the Company's compliance with listing rule 12.2, with reference in particular to the impact of:
 - 6.1 the Statutory Demand; and
 - 6.2 the requirement by the Federal Court that the Company give security for costs in respect of the Murchison litigation,

on the Company's stated financial position as at 30 September 2008.

7. Please comment on the impact of dilution to shareholders in the event that the Company elects to convert the structured debt facility (referred to in the Company's Annual Report) to equity and specifically whether any such conversion would be outside the Company's 15% threshold under listing rule 7.1%.
8. Please confirm whether or not the debt facility is with a related party of the Company.
9. In respect of the Company's litigation funding arrangements, please comment on the impact of dilution to shareholders, if any.
10. Please confirm whether or not the Company's litigation funder is a related party of the Company.

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.

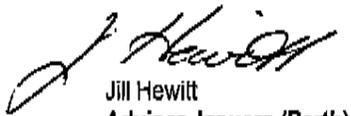
This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

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 7.30am. W.D.S.T. on Thursday, 4 December 2008.

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

Should you have any queries, please contact me.

Yours sincerely



Jill Hewitt
Adviser, Issuers (Perth)