ASX AND MEDIA ANNOUNCEMENT

23 May 2012

RENEWAL OF PROSPECTING LICENSES IN BOTSWANA

Aviva Corporation Ltd (ASX: AVA, BSE: AVIVA) is pleased to advise that the Mmamantswe Coal Prospecting Licenses in Botswana have been renewed for a further 2 years.

This second renewal required a 50% reduction in the first renewal area and the two Prospecting Licenses (PL070 and PL069) have now been consolidated into a single license PL069 covering 453.7 square kilometres (Refer figure 1). The new Prospecting Licence encompasses more than 12 times the area of the Mmamantswe deposit and retains access to Botswana’s main infrastructure corridor 40km to the west.

A probable reserve of 895 million tons was estimated for Mmamantswe by SRK Consulting in 2010 and studies have demonstrated the project could yield 200 million tons of export grade thermal coal and an additional 100-150 million tonnes of domestic power station coal.

Aviva’s consultant Earthtec has completed the Environmental Impact Assessment (“EIA”) report for Mmamantswe. The Earthtec report does not identify any major environmental impediments and formal meetings with government stakeholders are scheduled in late May 2012 to finalise the EIA report.

Aviva’s Chief Executive Officer, Mr Lindsay Reed said “The renewal of the Prospecting Licenses is further good news for Mmamantswe following on the very positive outcome of the Coal Road Map Review. Mmamantswe is the only coal development project in Botswana with a JORC reserve estimate. It has a very low strip ratio, a defined 8Glpa water resource, and close proximity to both transmission (under construction) for domestic and export power markets, and to the proposed spur to the Trans Kalahari railway. Aviva is considering options to add to its coal portfolio in Botswana.”

The key outcomes of the Coal Road Map Review in Botswana were as follows:

- Overhauling the coal licensing regime to ensure licenses are issued to entities with adequate resources and capacity to develop a mine and associated infrastructure
- Establishment of a dedicated unit to facilitate the coal development process
- Identification of export coal, export power and domestic power as the key target markets for the emerging coal sector
- Ultimate production targets of 90Mtpa of export coal and 30Mtpa of domestic coal
Commitment to completing government-sponsored Preliminary Feasibility studies on both Trans Kalahari rail route to the west and the Ponto Technobane rail route to the east with a view to identifying a preferred route by the end of 2012 (Refer figure 2)

Commitment to the roll-out of Independent Power Projects (IPP’s) as a critical domestic market for middlings (lower energy by-product of export coal production) coal

The announcement of a 400kV transmission line through the Mmamantswe licenses to a new substation within 30km of the Mmamantswe Project.

ABOUT AVIVA

Aviva Corporation Limited is a resource development company listed on the Australian Securities Exchange and the Botswana Stock Exchange, with its head office in Perth. The company is well funded, and has a clear strategy to identify and develop early resource opportunities which are well located to demand and infrastructure. The Aviva management team has strong resource and capital market expertise, with proven expertise in the delivery, generation, exploration, approval and development of resource projects.

In Africa, the company is exploring for gold and base metals at its West Kenyan joint venture project with AfriOre International Ltd, a subsidiary of Lonmin Plc. Aviva also has an interest in two coal-based energy assets – the Mmamantswe project in Botswana, and the Coolimba project in Western Australia.

For more information, please visit our website: avivacorp.com.au or contact us:

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Forward-Looking Statements
This document may include forward-looking statements. Forward-looking statements include, but are not necessarily limited to, statements concerning Aviva Corporation Limited’s planned exploration program and other statements that are not historic facts. When used in this document, the words such as “could”, “plan”, “estimate” “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Although Aviva Corporation Limited believes that its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.
Figure 1: Mmamantswe Licence Area

Figure 2: Export Rail Routes