COOLIMBA TERM SHEET AND EXCLUSIVITY PERIOD

Aviva Corporation Ltd (ASX: AVA, BSE: AVIVA) is pleased to advise that it has nominated a preferred development proponent for the Coolimba Power project and has entered into an Term Sheet and Exclusivity Period, extending from now until 31 January 2011. The Exclusivity Period will allow for the completion of a due diligence process and if terms are finalized, the execution of detailed documentation.

The Term Sheet provides for the establishment of a Coolimba special purpose vehicle (SPV) to take the project forward and includes:

- a payment of $1.25 million to Aviva upon the execution of detailed documents;
- reimbursement of Aviva’s direct expenditure of $11 million upon initial financial close; and
- an ongoing economic interest in the power project.

Under the proposal Aviva will make available to the Coolimba SPV all the resource data, operational data, design, approval processes and corporate entities required to effect the development of the Coolimba Power project. Aviva will continue to provide input and assistance to the project as required. Aviva has agreed to the proponents request for a $3 million break fee, for the duration of the Exclusivity Period.

The proposal is a positive step toward value recovery for Aviva shareholders for five years of effort and millions of development dollars. Coolimba is well placed for development as an integrated energy supply for one or more resource developments in the Midwest region. The preferred proponent has strong relationships with likely customers in the Midwest.

The configuration of the Coolimba Power project allows a number of staged development scenarios to be considered, said Mr Lindsay Reed, CEO of Aviva Corporation. “The approval secured for 2 x 180MW gas fired units and 3 x 150MW coal fired units will enable a developer to elegantly match available fuel with the timing of emerging loads.” he said.

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ABOUT AVIVA

Aviva is a resource development company listed on the Australian Stock Exchange (ASX: AVA) and the Botswana Stock Exchange, with its head office in Perth. The company is well funded, and is developing a pipeline of energy and metal projects both in Africa and Australia.

Aviva’s strategy is 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 Lonmin Plc. Aviva also has an interest in two coal-based energy assets – the Mmamantswe project in Botswana, and the Coolimba Power and Coal project in WA.

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

Forward Looking Statements

This announcement contains forward looking statements concerning the projects owned by Aviva Corporation Limited. Statements concerning mineral reserves and resources may also be deemed to be forward looking statements in that they involve elements based on specific assumptions. Forward looking statements are not statements of historical fact, and actual events or results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management’s beliefs, opinions and estimates as of the date they are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or reflect other future developments.

Coolimba Reserve Competent Person

The information relating to Coal Resources, is based on information compiled and reviewed by Mr. Rowan Johnson, who is a Member of the Australasian Institute of Mining and Metallurgy and is a Senior Geologist employed by McElroy Bryan Geological Services Pty Ltd (MBGS). Rowan Johnson has more than 15 years experience in the estimation of coal resources for coal projects and coal mines in Australia. This expertise has been acquired principally through exploration and evaluation assignments at operating coal mines and for coal exploration areas in Australia’s major coal basins. This experience is more than adequate to qualify him as a Competent Person for the purpose of Resource Reporting as defined in the 2004 edition of the JORC Code.