



Suite 4, Level 3, South Shore Centre
83-85 The Esplanade,
South Perth, Western Australia 6151

PO Box 859, South Perth, WA 6951

Phone: +61 8 9367 2344

Fax: +61 8 9367 2355

Email: info@avivacorp.com.au

www.avivacorp.com.au

ACN 009 235 956

ASX AND MEDIA ANNOUNCEMENT

ELS 26 2010

14 JULY 2010

MINISTER CLEARS THE WAY FOR COOLIMBA APPROVAL

Perth-based resources developer, Aviva Corporation Ltd (ASX: AVA, BSE: AVIVA) confirms Environment Minister Donna Faragher has communicated her decision on (environmental approval) appeals in respect of the Company's proposed new 400MW Coolimba Power Project in Western Australia's fast growing Mid West region.

The Company reiterates its position that under current government policy it is not possible to progress Coolimba as an Independent Power Project, however the Minister's decision will make it more attractive for third parties interested in Coolimba as a captive energy supply for their own needs.

Aviva Chief Executive Officer, Lindsay Reed said today the Company has received the Minister's Appeal Determination document setting out the Minister's decision that the appeals were 'allowed in part'.

The Minister has overruled an EPA recommendation for Coolimba plant stack emissions to meet European Directive 2001/80/EC, favouring instead a regional airshed approach to sulphur emissions management.

"Coolimba was designed with sulphur mitigation technology to meet regional airshed requirements and we believe the Minister's determination will result in a better outcome for the community and the project," Mr Reed said.

"The Minister has requested the Department of Environment and Conservation to police the implementation of appropriate and viable carbon capture and storage technology, industry wide, within five years of technology becoming available."

"Coolimba already incorporated world-benchmark plans to phase in up to 2.9 million tonnes per annum of carbon capture and sequestration (CCS) as a separate project when feasible, so the Minister's decision is in effect, what we had already committed to for this project," Mr Reed said.

"We have designed Coolimba to be a project of national and global significance and likely the first coal-fired generation project to successfully integrate CCS."

"The less onerous conditions on Coolimba is good news for the project, clearing the way for final environmental approval. Aviva has expended considerable time, effort and expense to develop a project proposal that, we believe, positions it at the leading edge of future low-emissions generation, and which takes into consideration the feedback and impacts on communities in which it would operate."

"Given the extensive Public Environment Review process that Aviva diligently followed for Coolimba, we find it highly irregular that Minister Faragher is allowing the Muja AB Power Station project to proceed with no EPA assessment when SO₂ emissions from Muja AB are predicted to result in exceedances of the National Environment Protection Measure standard."

"We are committed to operating in a sustainable manner and following due process. As a minimum, we would expect all projects to be subject to the same process," Mr Reed said.

Mr Reed confirmed that he and other industry peers are in discussions to consider appropriate action following the Minister's decision yesterday in regard to Muja Power Station.

ENDS

Contacts:
Lindsay Reed,
Chief Executive Officer,
Aviva Corporation Ltd
P: +61 8 9367 2344

Issued by:
Warrick Hazeldine,
Purple Communications,
P: +61 (0) 8 6314 6300
M: 0417 944 616

ABOUT AVIVA

Aviva is a resource development company listed on the Australian Stock Exchange (ASX: AVA) and the Botswana Stock Exchange (BSE: AVIVA), 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: www.avivacorp.com.au