



ASX AND MEDIA ANNOUNCEMENT

21 November 2007

ELS 34 2008

POSITIVE ENGINEERING STUDY FOR COOLIMBA POWER

Integrated energy company Aviva Corporation Limited (“Aviva”) (ASX: AVA) has received the preliminary technical and commercial report on its Coolimba Power project prepared by owners’ engineer PB Power.

The preliminary study confirms that a 2x200MW plant configuration incorporating world leading emissions technology for water, sulphur and carbon will have attractive economic returns in the SWIS (South West Interconnected System) market.

Aviva Chief Executive Officer Lindsay Reed said the results from the PB Power study are a further step forward for the Coolimba Power project, which will be a new name in energy in WA, based near Eneabba in the states’ Mid West region.

“The PB Power study highlights the robust nature of the project, incorporating carbon capture ready emissions technology whilst providing a competitive new source of electricity for the SWIS.

“We look forward to working with equipment supply and design engineers in the coming months to configure Coolimba and work towards pre-development activities including approvals, network access agreements, power purchase agreements, EPC contracts and financing,” Mr Reed said.

Aviva believes the initial results have positioned the company strongly for securing debt and equity finance for Coolimba and achieving financial close in the last quarter of 2008. Aviva has previously announced that Citigroup Global Markets Australia Pty Limited had been retained to assist in the ongoing development, structuring and financing of the Coolimba project.

This first phase of a feasibility study was to undertake capital cost and plant performance estimates, electricity revenue analysis and financial modelling. The second phase, which includes EPC (engineering, procurement and construction) contract formation, fuel supply, regulatory approvals, project planning and off-take contracts is well underway and due for completion in 2008

Technical

The PB Power technical report highlighted a range of options available for delivering world's best practice emissions technology to Coolimba. The company's preferred technology is a fluidised bed boiler with air-cooling and oxy-ready technology incorporated in the design. These technologies will eliminate up to 90% of future water, sulphur and carbon emissions.

Market

The Independent Market Operator's 2007 Statement of Opportunities outlining the supply and demand balance for the SWIS, points to new generation investment opportunities from 2010/11 onwards. Reserve deficits in 2009/10 and 2010/11 are forecast at 165MW and 353MW, respectively.

Commercial

The study demonstrates Coolimba will have an attractive internal rate of return well in excess of Coolimba's assessed cost of capital, and generate returns to equity that compare favourably to comparable projects in companies listed on the Australian Stock Exchange.

The next phase of financial analysis will incorporate detailed capital and operating cost estimates from equipment suppliers. A request for proposal (RFP) has already been issued to potential equipment suppliers capable of providing proposals for EPC supply incorporating the key air-cooled, desulfurization, and carbon capture-ready technologies.

For further information contact:

Lindsay Reed
Aviva
Chief Executive Officer
Tel: +61 (0) 8 9367 2344

Robert Kirtlan
Aviva
Director
Tel: +61 (0) 8 9367 2344

Issued by:

Warrick Hazeldine
Purple Communications
Tel: +61 (0) 8 9485 1254 Mob: 0417 944 616

ABOUT AVIVA

Aviva is an integrated energy company listed on the Australian Stock Exchange with its head office in Perth. The company is growing a portfolio of integrated energy assets. Aviva's most advanced asset is the Coolimba Power project in Western Australia.

The Coolimba Power Project will be on the Central West Coal project and is ideally located in the northern half of the SWIS power grid to take advantage of demand growth both in the SWIS and from new resource projects in the Mid West Region. The location has the advantage of low cost fuel, available water, adjacent infrastructure, existing mining lease and freehold land. Coolimba will be a 400MW base load generator employing leading emissions technology for water, sulphur and carbon dioxide.

Aviva is earning a 90% interest in the Mmamantswe project in Botswana where it is targeting a 600Mt coal deposit. The project is well positioned, being on the South African border and adjacent to key infrastructure including, highway, railway, and high voltage transmission lines.

Please visit: www.avivacorp.com.au

ABOUT PB POWER

As a long standing, proven leader in the implementation of major infrastructure projects worldwide, PB has the technical skills, personnel, support services and systems available to ensure that a project of this nature can be delivered to a high standard. PB offers total project delivery — from planning, engineering, and environmental services, to project and construction management.

In Australia PB has been in business for over 40 years, consistently demonstrating a high level of skill in solving complex problems, and using innovation, technology and the principles of sustainable development to optimize their clients' project outcomes. PB have offices in Perth, Brisbane, Sydney, Melbourne, Adelaide, Newcastle, Singleton, Canberra, Gold Coast, Sunshine Coast, as well as a number of project and alliance offices.

With experience in virtually all types of power generation - including a wide range of fuel and plant types - PB's Power division has engineered over 50,000 MW of generating capacity on over 200 sites around the globe in the past 30 years.

In Western Australia alone PB have had engineering roles recently on Collie Power Station, Kwinana Power Station, the Pinjarra Cogeneration Plants Unit 1&2, the Wagerup Cogeneration Plant, the Bluewaters coal-fired power station development. Similarly in the renewables sector PB has had key roles in the Alinta Walkaway and Emu Downs wind farms.