



ASX AND MEDIA ANNOUNCEMENT

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Aviva Corporation Limited (Aviva) and NEMI Northern Energy & Mining Inc (NEMI) Termination of Merger Implementation Agreement

On 22 October 2008, Aviva (ASX: AVA) and NEMI (TSX: NNE.A) announced the execution of a Merger Implementation Agreement (MIA), under which they agreed to merge by way of Scheme of Arrangement.

NEMI advised Aviva on Tuesday 9 December 2008 that errors in determining the partners' historical cash calls in the Peace River Coal Limited Partnership (PRC) had been made and hence their interest in the PRC had been affected. The effect of this error was to reduce NEMI's PRC interest from an expected 16-17% to approximately 12%. Under the terms of the Merger Implementation Agreement, this constitutes a material adverse change in respect of NEMI which allows Aviva to terminate the merger and also call for NEMI to pay Aviva the CAD\$1 million break fee as prescribed in the MIA. Aviva has issued a notice to NEMI to this effect. As a result, NEMI and Aviva will not be proceeding with the merger and all obligations under the MIA, other than payment of the break fee, have been terminated.

The Directors of both Companies are disappointed the merger will not, at this time, proceed as a great deal of work has been done and goodwill created.

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ABOUT AVIVA

Aviva is an integrated energy company listed on the Australian Stock Exchange and the Botswana 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.

Coolimba Power is a 400MW base load power station in the Mid West. The project is conveniently 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.

Aviva is earning a 90% interest in the Mmamantswe Coal project in Botswana where it has delineated a 1.3 billion tonne indicated resource. The project is well positioned, being on the South African border and adjacent to key infrastructure including, highway, railway, and high voltage transmission lines. Aviva is proposing a 1,000MW power station for Mmamantswe.

Please visit: www.avivacorp.com.au or www.coolimbapower.com.au