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CORPORATION LTD

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22 October 2013

SEPTEMBER 2013 – QUARTERLY REPORT

Aviva Corporation Limited (“Aviva” or the “Company”) is pleased to present its quarterly report for the period ended 30 September 2013. The Company’s primary focus during the quarter continued to be to pursue new opportunities in the resources sector by leveraging off its strong cash position.

Highlights during the quarter were as follows:

- *Sale of Mmamantswe Coal Project completed and \$3.5 million (gross) received;*
- *Restructure of the Board;*
- *Capital placement raising \$1.65 million;*
- *Increased focus on identifying new investment opportunities in the resources sector;*
- *Restructure of Aviva’s operations to reduce cost going forward; and*
- *The Company delisted from the Botswana Stock Exchange (“BSE”).*

Aviva’s cash balance of \$ 23.2 million as at 30 September 2013 means that it is very well placed to attract and pursue new opportunities.

PROJECTS AND INVESTMENTS

Coppermoly Investment

Aviva continues to hold a \$125,000 convertible note investment and 1 million unlisted options at an exercise price of 5 cents per option in ASX listed company Coppermoly Limited (“Coppermoly”). The convertible notes and the unlisted options respectively mature on 21 January 2014 and 4 February 2016. The convertible note can be converted at 3.3 cents per share or redeemed for cash at the maturity date.

Coppermoly is re-acquiring 100% of the three tenements in the West New Britain Project (“West Britain”) from Barrick Gold subsidiary Barrick (PNG Exploration) Limited. Coppermoly announced on 8 October 2013 that it has made the first payment on the re-acquisition increasing its ownership to 51% in West Britain.

Mmamantswe Coal Project (“the Project”)

Aviva completed the sale of the Project to African Energy Resources Limited on 12 July 2013 following receipt of the \$3.5 million.

Aviva announced the sale of the Project on 29 April 2013 and approval by Aviva shareholders at the shareholder meeting held on 9 July 2013 satisfied the last condition precedent to this transaction.

The disposal of the Project which included Prospecting License PL 069/2007 for more than US\$3 million led to a final payment to Mawana Minerals Pty Ltd of US\$22,000 which was 10% of the difference between the disposal price and US\$3 million.

CORPORATE

New Projects

During the quarter the Company continued its efforts to identify and acquire suitable resource projects. Opportunities both domestic and overseas in the resources sector were assessed targeting a number of commodities.

However no agreements have been reached and the Directors are not able to assess the likelihood or timing of a successful outcome of any of these opportunities.

Placement

At a shareholder meeting held on 9 July 2013 shareholders approved:

- a capital placement of 15 million shares at 11 cents per share to Arredo Pty Ltd or its nominees to raise \$1.65 million; and
- the issue of 10 million unlisted options at an exercise price of 17.5 cents and expiring four years after their date of issue.

These shares and options were issued on 15 July 2013. The placement increased Aviva's issued share capital to 188.9 million. Proceeds from the placement will be used for general working capital purposes and to assist Aviva to pursue new investment opportunities.

Board changes

Messrs Ian Middlemas and Mark Pearce were appointed as directors of Aviva on 16 July 2013 following approval of shareholders on 9 July 2013 and completion of the capital placement on 15 July 2013. Mr Middlemas was also appointed Chairman of Aviva on 16 July 2013.

Non-Executive Director Dr Geoff Loftus-Hills resigned on 26 July 2013. The role of Chief Executive Officer became redundant on 31 July 2013 however Mr Lindsay Reed remains on the Board as a Non-Executive Director of the Company.

Restructuring of activities

During the quarter a number of the positions in the Company became redundant, including the position of the Chief Executive Officer. The Company also closed its Subiaco office and relocated remaining activities on 31 July 2013 to reduce cost going forward.

BSE delisting

Aviva voluntarily delisted from the BSE on 27 September 2013. Following the sale of Aviva's Mmamantswe Coal Project Aviva has no commercial interest remaining in Botswana and thus the continued listing of its shares on the BSE was no longer justified.

Aviva shareholders that remained on the Botswana Share Register ("BSR") may for 6 weeks following the delisting sell their shares through a Share Sale Facility.

Aviva shareholders on the BSR who do not utilise the Share Sale Facility will have their shareholding in Aviva transferred to the Australian register on completion of the Share Sale Facility.

Cash position

Aviva's cash position as of 30 September 2013 was \$23.2 million, with no debt. The Company continues to review its operating and administrative costs to further reduce overheads.

About Aviva

Aviva Corporation Limited is a resource development company listed on the ASX with its head office in Perth. The Company is well funded, and has a strategy to identify and develop resource opportunities in Australia and overseas. The Aviva Board and management team has strong resource and capital market expertise, with proven expertise in the identification and development of resource projects.

For more information, please visit our website: www.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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity



ABN

31 009 235 956

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(26)	(26)
(b) development	-	-
(c) production	-	-
(d) administration	(227)	(227)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	217	217
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Staff redundancies	(281)	(281)
Other restructuring cost	(102)	(102)
Business development	(17)	(17)
Net Operating Cash Flows	(436)	(436)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) tenements	(304)	(304)
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	3,500	3,500
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – payments for a security deposit	-	-
Net investing cash flows	3,196	3,196
1.13 Total operating and investing cash flows (carried forward)	2,760	2,760

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	2,760	2,760
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,650	1,650
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Share issue costs)	(13)	(13)
	Net financing cash flows	1,637	1,637
	Net increase in cash held	4,397	4,397
1.20	Cash at beginning of quarter/year to date	18,790	18,790
1.21	Exchange rate adjustments to item 1.20	(2)	(2)
1.22	Cash at end of quarter	23,185	23,185

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2 and 1.7	335
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 Salaries, director's fees and consultant's fees paid to directors and associates of directors. Payments made to the former CEO and approved by the previous Board included redundancy (\$194, 600) and leave payments (\$62,486).

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration, evaluation and business development	50
4.2 Development	-
4.3 Production	-
4.4 Administration	180
Total	230

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	185	540
5.2 Deposits at call- Term deposits	23,000	18,250
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	23,185	18,790

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed*			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

*Aviva acquired tenement PL 069/2007 from Mawana Minerals Pty Ltd in Botswana on 4 July 2013 and sold it to African Energy Resources Ltd effective 12 July 2013 as part of the disposal of the Mmamantswe Coal Project.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	173,993,287	173,993,287		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	15,000,000	15,000,000	\$0.11	\$0.11
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				

+ See chapter 19 for defined terms.

7.7	Options (description and conversion factor)	250,000	Nil	<i>Exercise price</i>	<i>Expiry date</i>
		250,000	Nil	\$0.25	1 July 2014
		1,000,000	Nil	\$0.35	1 July 2014
		2,000,000	Nil	\$0.12	18 March 2014
		500,000	Nil	\$0.12	18 March 2014
		500,000	Nil	\$0.20	31 December 2013
		500,000	Nil	\$0.30	31 December 2013
		750,000	Nil	\$0.20	31 December 2013
		750,000	Nil	\$0.30	31 December 2013
		500,000	Nil	\$0.30	30 June 2015
		500,000	Nil	\$0.20	30 June 2015
		10,000,000	Nil	\$0.175	15 July 2017
7.8	Issued during quarter			<i>Exercise price</i>	<i>Expiry date</i>
		10,000,000	Nil	\$0.175	15 July 2017
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	-	-		
7.11	Debentures	-	-		
7.12	Unsecured notes	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 22 October 2013

Print name: Stef Weber – Company Secretary

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* applies to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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