





**Dundee helps geothermal developers finance projects by matching them with the resources they require to grow their businesses.**

Why Are We All Here ??

*Electricity From Geothermal Resources is a Low-Cost,*

## The Challenge: Accessing Capital

*Geothermal developers who wish to access capital must meet several investor requirements:*

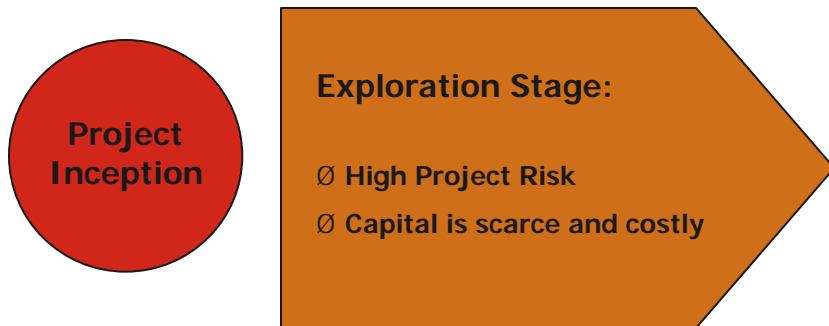
- Ø Investors require strong development teams and strong resource prospects
- Ø Investors need thorough understanding of a well thought out “Game Plan” to gain comfort with risks
- Ø Investors demand experience, which is rare in this nascent industry

# The Solution: Match the Developer with Necessary Resources

## 1. Dundee Matches the Right Capital with Each Phase of Development.

**Exploration stage:** Equity is expensive at this stage because of the risk profile – need to tap the right sources

- ∅ “Cheap” capital can be found with DOE, family & friends, public equity offerings
- ∅ More costly capital is private equity, but it is often accompanied by expertise



# The Solution: Match the Developer with Necessary Resources

**Confirmation stage:** Equity is still the primary source of capital for developers. Again, need to tap the right sources

- ∅ *Public equity* offers.... Shorter fundraising timeframe, liquidity / tangible rewards for milestone achievements
- ∅ *Private equity* offers... Smart, experienced investor, financial discipline

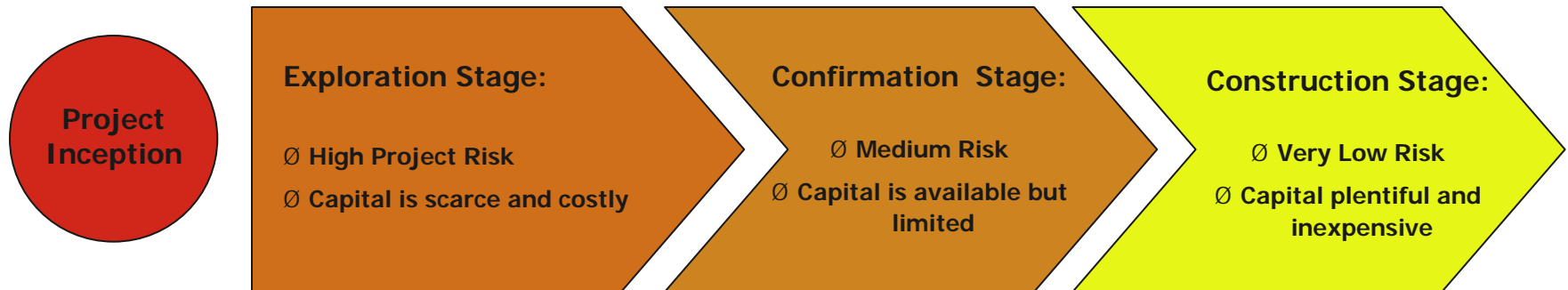


# The Solution: Match the Developer with Necessary Resources

## 1. Dundee Matches the Right Capital with Each Phase of Development.

**Construction stage:** Risk is almost entirely eliminated, so developers tap project finance (debt / tax equity)

- ∅ Construction financing, which converts to term once project is completed. Power/infrastructure financiers active at this stage
- ∅ Leverage available, also PTC tax equity flip structure, accelerated depreciation to raise funding





## The Solution: Match the Developer with Necessary Resources

### ***2. Dundee Provides Developers with the Right Resources – Including Seed Capital.***

***∅ When a developer has not yet satisfied investor requirements, we connect them with the appropriate:***

*∅ Seed Capital*

*∅ Resource Professionals*

*∅ Project Development Team*

## The Solution: Match the Developer with Necessary Resources

### 3. Dundee Draws on its Unique Market Experience.

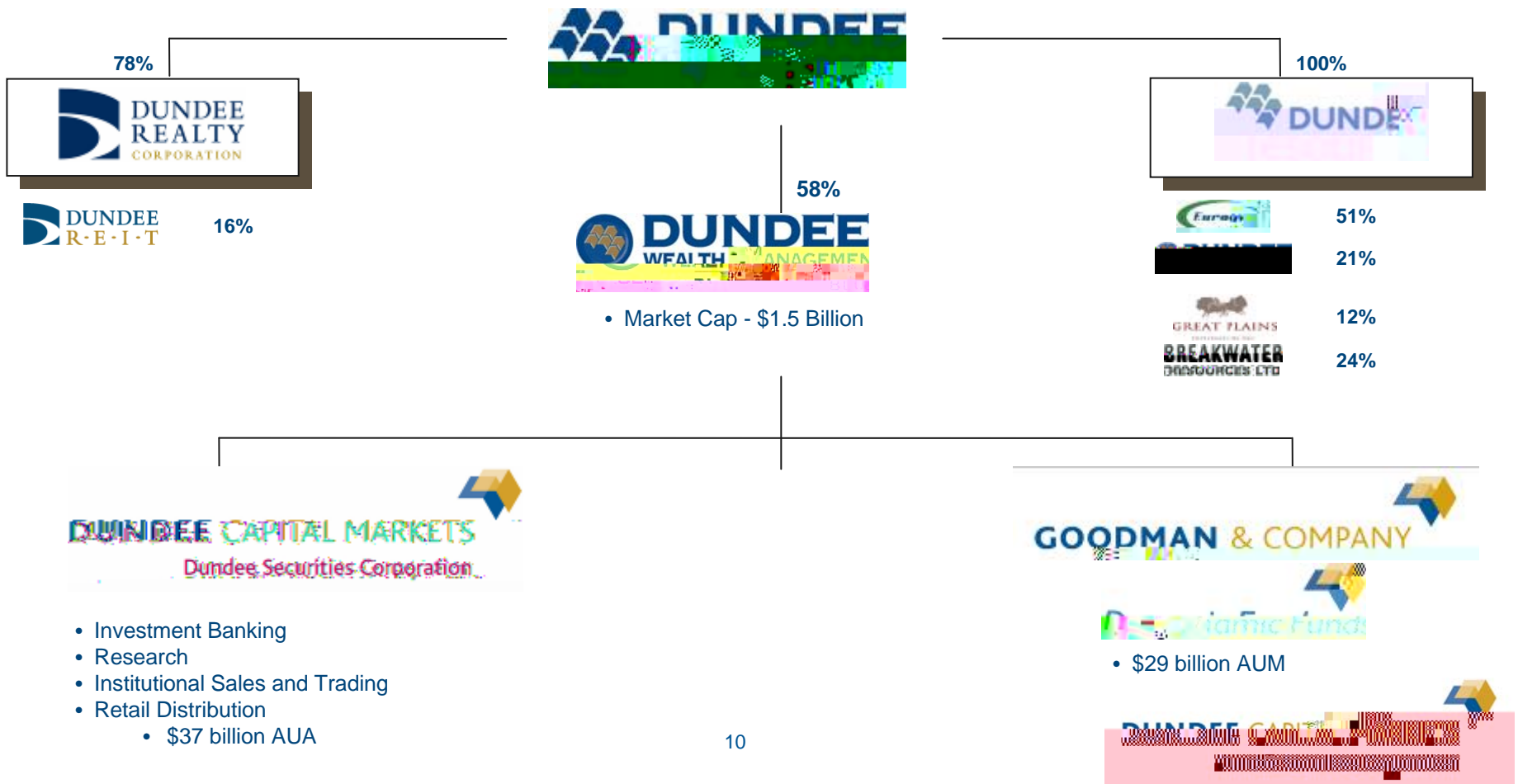
Ø **Uniquely qualified to connect developers and investors thanks to our:**

Ø *Unparalleled relationships with and access to institutional investors focused on geothermal financing*

Ø *Industry expertise*

Ø *History of success in leading financings*

# The Solution: Dundee Matches Developers with Resources



## The Solution: Dundee Matches Developers with Resources

### 3. Draw on Dundee's Unique Market Expertise

- Ø ***Our firm has the necessary scale and assets to structure financings:***
  - Ø Current market capitalization is approximately \$1.5 billion
  - Ø 2005 – 2007: Dundee has been the lead underwriter for over \$250 million and a syndicate member for in excess of \$1.1 billion in capital transactions within the Renewable Energy sector
  - Ø Dundee has a focused mandate to provide aftermarket support for its Renewable Energy universe

**Bottom line: \$150 MILLION OF CAPITAL RAISED FOR  
GEOHERMAL POWER PROJECT DEVELOPERS**

**Dundee is uniquely positioned to help geothermal developers gain access to capital.**



Photo courtesy of CANWEA



Photo courtesy of NREL - Renner, Joel

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Thank you !

## Disclosures & Disclaimers

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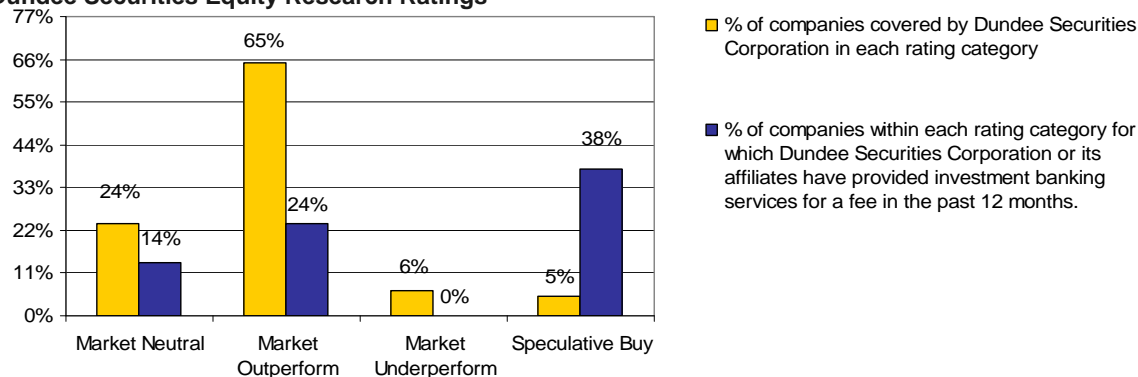
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As at October 31, 2007

Source: Dundee Securities Corporation

