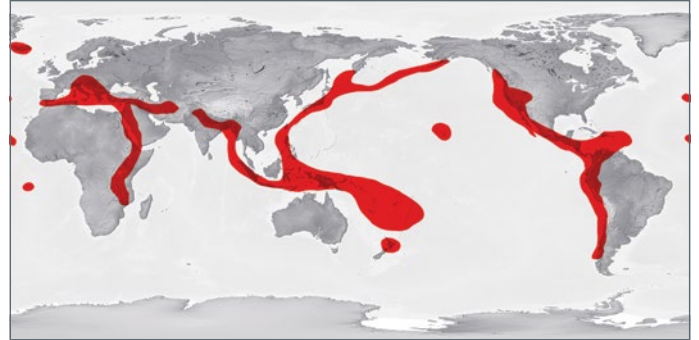


# Risk Mitigation of Geothermal Projects

Geothermal heat offers an immense reservoir of base load energy. However, the early drilling phase for project companies and investors is the most difficult one: if the targeted geothermal reservoir is not able to produce enough output, the project usually is not to be continued and the investment is lost. Geothermal projects are therefore difficult to finance. Munich Re covers the resource risk with its Multi Well Exploration Risk Insurance, thereby helping ambitious projects to be realized.

Munich Re's solution has various advantages for investors and operators. For investors, the existence of exploration risk insurance makes investments in deep geothermal energy projects considerably safer, more plannable and more attractive, while operators can better convince investors of their ambitious projects and get these launched, since Munich Re, as a technically experienced and financially sound partner, assumes the risk of unsuccessful exploration.



Regions with promising geothermal potential are in the focus of Munich Re's activities (High-enthalpy)

## Exploration Risk Insurance

