



**GEOHERMAL INNOVATION & INVESTMENT
CONFERENCE, SAN FRANCISCO, CA.**

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Magma Energy Corp – Who are we? The Mission

- ✔ Geothermal pure play focused on becoming THE pre-eminent geothermal energy company in the world
- ✔ We are currently a privately owned company planning to go public in 2009
- ✔ Our management consists of a team of professionals with decades of experience in geothermal and mineral resource exploration, development, financing and operations
- ✔ Corporate head office in Vancouver, Canada; US office in Reno, NV and South American office in Santiago, Chile
- ✔ Since inception in early 2008 we have acquired:
 - 1 operating plant – Soda Lake, Fallon NV (8MW net) currently under review for expansion;
 - 20 advanced stage and exploration projects with a world wide land position of over 500,000 acres in the USA, Peru, Chile, Argentina and Nicaragua.
- ✔ Our 2 year business plan is to produce over 100 MW of geothermal electricity and define geothermal generating capacity of at least 1,000 MW on our properties



Key Factors – Affecting Exploration and Development

Exploration:

- ✔ Exploration personnel with experience
- ✔ Understanding the geologic setting; geochemistry, surface manifestations, historical database, permeability
- ✔ Access to drilling equipment
- ✔ Known and/or operating geothermal resources and/or facilities within the vicinity
- ✔ Land title issues, claims, first nations
- ✔ Remote sites uneconomic

Development:

- ✔ Project Development personnel/experience
- ✔ Favorable permitting and regulatory requirements
- ✔ Accessibility to infrastructure, particularly transmission infrastructure
- ✔ Capital Costs & Contract structures (EPCM/EPC)
- ✔ Experienced Services and Equipment suppliers
- ✔ Attractive electricity rates
- ✔ Government and local support, tax incentives



Biggest Growth Challenges – Resource, Technology and Financial Perspective

Resource and Technology:

- ✔ Drilling risk and geologic resource models
- ✔ Quantifying and confirming the resource temperature and flows
- ✔ Rock permeability and water chemistry
- ✔ Equipment lead times
- ✔ Resource depletion/re-injection
- ✔ Availability of cooling water
- ✔ Overall Project development cycle timeline

Financial:

- ✔ Front end drilling capital
- ✔ Access to development capital and attractive financing rates
- ✔ Taking advantage of Tax Incentives (PTC/ITC)
- ✔ Upfront Capital intensity



Projected Growth – USA and International

USA and International:

- ✔ USA world leader with Nevada currently taking the development lead
- ✔ World wide installed capacity ~10,000 MW with potential of ~140,000 MW
- ✔ Great potential overall!

