

TEST BOOK 1

# IELTS

ACADEMIC



**IELTS ACADEMIC  
TESTS WITH  
ANSWER BOOK 1**

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## Test 1

**READING****READING PASSAGE 1**

*You should allocate approximately 20 minutes to read the passage and complete **Questions 1–13**.*

**Renewable Energy and Its Impact on the Environment**

For centuries, humanity has relied heavily on fossil fuels—coal, oil, and natural gas—as the primary sources of energy. These resources have been instrumental in advancing industrialization and economic growth but have also contributed significantly to environmental degradation. In response to concerns over climate change, pollution, and the depletion of finite resources, renewable energy sources have gained increasing prominence. This transition to sustainable energy solutions has the potential to mitigate environmental harm, though it is not without challenges.

**Types of Renewable Energy and Their Benefits**

Renewable energy encompasses various sources that are naturally replenished, including solar, wind, hydroelectric, geothermal, and biomass energy. Solar power harnesses energy from the sun using photovoltaic cells, converting sunlight into electricity. Wind energy relies on turbines that generate power through wind movement. Hydropower captures the kinetic energy of flowing water, often via dams, to produce electricity. Geothermal energy taps into the Earth's internal heat to generate power, while biomass energy derives from organic materials such as wood, agricultural waste, and even algae.

One of the most compelling benefits of renewable energy is its capacity to significantly reduce carbon emissions. Unlike fossil fuels, which release vast amounts of carbon dioxide (CO<sub>2</sub>) into the atmosphere, renewable sources produce little to no greenhouse gases during operation. Wind and solar energy, for instance, are entirely emissions-free once installed. Hydropower, while not completely free from environmental concerns, contributes far less to air pollution than coal or oil.

Additionally, renewable energy sources provide energy security. Fossil fuels are finite, and their availability is subject to geopolitical tensions, price fluctuations, and supply disruptions. By investing in renewable energy, countries can reduce their dependence on imported fuels, leading to greater energy independence. Moreover, the decentralized nature of some renewables, such as rooftop solar panels and small-scale wind farms, allows communities and individuals to generate their own electricity, further reducing reliance on traditional power grids.

*Reading***Environmental Challenges of Renewable Energy**

Despite its advantages, renewable energy is not without environmental drawbacks. The large-scale implementation of these technologies can have unintended consequences. For example, wind farms, though a clean source of electricity, are often criticized for their impact on bird and bat populations, as the rotating blades pose a risk to these animals. Similarly, the construction of hydroelectric dams alters natural waterways, disrupting aquatic ecosystems and affecting fish migration patterns. In some cases, dams can lead to the displacement of local communities and the submersion of vast areas of land, causing deforestation and loss of biodiversity.

Solar energy, often regarded as one of the most sustainable options, has its challenges as well. The production of photovoltaic panels requires mining raw materials such as silicon, silver, and rare earth metals, processes that generate waste and consume significant energy. Additionally, disposing of old or damaged panels presents a recycling challenge, as hazardous substances can leach into the environment.

Geothermal energy, while generally environmentally friendly, can lead to the emission of harmful gases trapped beneath the Earth's surface. The drilling process can also cause land instability, although this risk is minimal compared to traditional fossil fuel extraction. Biomass, when sourced from deforestation, can contribute to habitat destruction and carbon release, counteracting some of its sustainability benefits. However, when managed properly, biomass energy can be a sustainable solution, particularly when waste materials are used instead of virgin forests.

**Land Use and Resource Consumption**

Another concern associated with renewable energy is land use. Solar farms require vast areas of land, particularly in regions with abundant sunlight. This can lead to conflicts over land allocation, particularly in densely populated areas or regions where agricultural land is scarce. Wind farms, while requiring less land per unit of energy produced, are often subject to opposition due to their aesthetic impact and noise pollution.

Moreover, the materials used in renewable energy infrastructure require substantial resource extraction. Wind turbines, for instance, contain steel, copper, and rare earth elements, all of which must be mined. While these resources are not necessarily scarce, their extraction and processing have environmental and social implications, such as habitat destruction and labor exploitation. Furthermore, the disposal of end-of-life components, such as wind turbine blades, remains a challenge, as these materials are difficult to recycle.

Hydropower, in particular, raises concerns regarding water use. While hydroelectric dams generate clean electricity, they also alter natural river flows, affecting ecosystems that depend on seasonal water cycles. In some regions, reduced downstream water availability due to dam construction has led to conflicts between different water users, such as farmers, industries, and local communities.

*Reading***The Role of Technology and Policy in Sustainable Energy Development**

To maximize the benefits of renewable energy while minimizing its negative effects, research and technological advancements continue to refine these systems. Innovations in battery storage, for example, are addressing the intermittency of solar and wind power, ensuring a more stable and reliable energy supply. Advanced energy storage solutions, such as lithium-ion and solid-state batteries, enable excess energy to be stored and used when sunlight or wind is not available. Additionally, improvements in grid infrastructure and smart technologies are making it easier to integrate renewable energy into existing power networks.

Recycling programs for solar panels and wind turbine components are also being developed to reduce waste. Scientists are exploring ways to repurpose old solar cells and recover valuable materials from decommissioned wind turbines. Some companies are even experimenting with biodegradable components to make renewable energy systems more environmentally friendly.

Moreover, governments play a crucial role in promoting sustainable energy policies. Many countries have implemented subsidies, tax incentives, and regulatory frameworks to encourage investment in renewables. Carbon pricing, for example, makes fossil fuels more expensive, thereby incentivizing businesses and consumers to transition to cleaner energy sources. In addition, setting ambitious renewable energy targets can drive innovation and accelerate the adoption of sustainable technologies.

Public awareness and education also contribute to the success of renewable energy initiatives. By understanding the environmental benefits and challenges of various energy sources, individuals can make informed choices, such as installing solar panels, supporting wind energy projects, or advocating for sustainable policies in their communities.

**The Future of Renewable Energy**

The future of renewable energy looks promising as technology advances and awareness grows. The global shift towards sustainability has led to increased research and investment in cleaner energy sources. Hybrid energy systems that combine different renewables, such as solar and wind, can help balance fluctuations in power generation, reducing the need for backup fossil fuels.

Furthermore, emerging technologies such as artificial intelligence (AI) and machine learning are being used to optimize energy efficiency. AI can predict energy demand patterns, adjust power distribution in real time, and enhance grid management, making renewable energy more reliable.

Despite its challenges, renewable energy remains one of the most viable solutions to combat climate change and reduce humanity's reliance on fossil fuels. With continued investment in technology and responsible resource management, the transition to sustainable energy can create a cleaner, healthier planet for future generations.

*Test 1**Questions 1–5*

Do the following statements agree with the information given in the passage?

In boxes 1-5 in your answer sheet, write:

- **TRUE** *if the statement agrees with the information*
- **FALSE** *if the statement contradicts the information*
- **NOT GIVEN** *if there is no information on this*

- 1** Renewable energy sources help reduce carbon emissions.
- 2** Wind turbines have no negative impact on wildlife.
- 3** The mining of materials for solar panels contributes to environmental damage.
- 4** Geothermal energy causes the most land instability among all renewable energy sources.
- 5** Hydroelectric dams never lead to displacement of local populations.

*Questions 6–9*

*Match each **renewable energy source** to the **environmental challenge** it is most associated with.*

*Write the correct letter **A, B, C** or **D** in boxes 6-9 on your answer sheet.*

**Renewable Energy Sources:**

- A. Wind Energy
- B. Solar Energy
- C. Hydropower
- D. Geothermal Energy

**Environmental Challenges:**

- 6. Disrupts aquatic ecosystems and fish migration.
- 7. Requires vast areas of land for installation.
- 8. Can cause underground gas emissions.
- 9. Poses a risk to birds and bats.



*Reading**Questions 10–13**Complete the sentences below**Complete the summary using **NO MORE THAN TWO WORDS** from the passage.**Write your answers in boxes 10-13 on your answer sheet.*

Renewable energy provides an alternative to **(10)** \_\_\_\_\_, which have contributed significantly to environmental damage. However, these energy sources are not without their own challenges. For instance, the development of **(11)** \_\_\_\_\_ farms has led to concerns over land use and noise pollution. Similarly, large-scale **(12)** \_\_\_\_\_ projects affect river ecosystems, leading to habitat destruction. Despite these issues, improvements in **(13)** \_\_\_\_\_ storage are helping to address some of the limitations of renewable energy sources.

*Test 1***READING PASSAGE 2**

*You should allocate approximately 20 minutes to read the passage and complete **Questions 14–26**.*

**Dinosaurs and the Science of Paleontology**

For over 160 million years, dinosaurs dominated the Earth, occupying diverse ecological niches and evolving into a wide variety of species. However, despite their apparent invincibility, they vanished from the planet around 66 million years ago in an event known as the Cretaceous-Paleogene (K-Pg) extinction. The study of dinosaurs, their fossils, and the prehistoric ecosystems they inhabited has been a subject of fascination for scientists and the general public alike. The field of paleontology, which is dedicated to the study of ancient life, continues to shed light on the evolutionary history of dinosaurs, their biology, and their ultimate extinction.

**A. The Discovery and Study of Dinosaurs**

The history of dinosaur paleontology dates back to the early 19th century when the first scientifically recognized dinosaur fossils were unearthed. British geologist William Buckland described *Megalosaurus* in 1824, marking the first formally named dinosaur species. Shortly after, Gideon Mantell identified *Iguanodon*, and Richard Owen, a renowned anatomist, coined the term “Dinosauria” in 1842, meaning “terrible lizards.” The discovery of these prehistoric creatures ignited global interest and led to the famous “Bone Wars” of the late 19th century between American paleontologists Othniel Charles Marsh and Edward Drinker Cope. Their rivalry led to the identification of many new dinosaur species but was also marked by unethical scientific practices.

Over time, technological advancements revolutionized the field of paleontology. Traditional excavation methods, which involved chisels and hammers, were supplemented by sophisticated imaging techniques such as computed tomography (CT) scans, which allow scientists to examine fossilized bones in unprecedented detail without causing damage. Moreover, geochemical analysis of fossils has provided insight into dinosaur diets, behaviors, and even the coloration of their feathers—an astonishing discovery that has transformed how dinosaurs are perceived.

*Reading***B. Dinosaur Evolution and Adaptations**

Dinosaurs belonged to the clade Archosauria, which also includes modern birds and crocodiles. They exhibited remarkable adaptability, evolving into an array of forms ranging from the gigantic, plant-eating sauropods like Brachiosaurus to the fearsome, carnivorous theropods like Tyrannosaurus rex. Some species, such as Velociraptor, were relatively small but highly agile, indicating a range of survival strategies across different ecosystems.

One of the most groundbreaking discoveries in recent paleontological research is the link between dinosaurs and birds. Fossil evidence from China, particularly in the Liaoning province, has revealed dinosaurs with feather-like structures. Archaeopteryx, often regarded as a transitional species between non-avian dinosaurs and modern birds, provides compelling evidence that birds are the direct descendants of theropod dinosaurs. This evolutionary link has led to a significant reclassification of dinosaurs, with scientists now considering birds as a subset of the dinosaur clade rather than an entirely separate group.

Beyond their external features, dinosaurs displayed complex social behaviors. Fossilized trackways suggest that some species moved in herds, while nesting sites indicate parental care, particularly in species like Maiasaura. The ability to regulate body temperature, once thought to be exclusive to mammals and birds, is now believed to have existed in certain dinosaur species, further challenging the long-standing perception that all dinosaurs were cold-blooded.

**C. The Cretaceous-Paleogene Extinction Event**

The extinction of non-avian dinosaurs remains one of the greatest mysteries in paleontology. The most widely accepted hypothesis attributes their demise to the impact of a massive asteroid, which struck what is now the Yucatán Peninsula in Mexico. The impact released an enormous amount of energy, equivalent to billions of atomic bombs, triggering global wildfires, tsunamis, and a dramatic shift in climate. Dust and debris thrown into the atmosphere likely blocked sunlight for months or even years, disrupting photosynthesis and leading to a collapse of the food chain.

While the asteroid impact is considered the primary cause, some researchers argue that extensive volcanic activity in the Deccan Traps of India may have played a significant role in the extinction. Large-scale volcanic eruptions released vast amounts of carbon dioxide and sulfur dioxide into the atmosphere, causing temperature fluctuations and ocean acidification. These environmental stressors, combined with the asteroid impact, likely created an inhospitable environment for dinosaurs.

Interestingly, not all life forms perished in the extinction event. Many small mammals, amphibians, and certain bird species survived, eventually filling ecological niches left vacant by the disappearance of dinosaurs. The end of the Cretaceous marked the beginning of the Cenozoic Era, an age dominated by mammals, leading to the eventual rise of human civilization.



*Reading***D. Modern Paleontology and Future Discoveries**

Paleontology has evolved significantly from its early days of fossil collection and classification. Today, interdisciplinary approaches, incorporating genetics, chemistry, and physics, are enhancing our understanding of prehistoric life. One of the most ambitious projects in modern paleontology is the attempt to extract ancient proteins from well-preserved fossils. Although the retrieval of dinosaur DNA remains scientifically implausible due to its degradation over millions of years, the study of proteins, such as collagen, may provide insights into evolutionary relationships.

Another groundbreaking field is paleoecology, which seeks to reconstruct ancient environments based on fossil evidence. By studying pollen, sediment layers, and isotopic compositions, scientists can infer climate conditions and ecological interactions that existed during the time of the dinosaurs. These reconstructions have challenged previous assumptions about dinosaur habitats, suggesting that some species may have thrived in polar regions.

Moreover, recent discoveries suggest that dinosaurs were more diverse than previously thought. Fossils from South America, Antarctica, and Africa have uncovered new species, highlighting that many regions remain underexplored. With advancements in excavation techniques and imaging technologies, it is likely that many more species await discovery, potentially reshaping our understanding of dinosaur evolution.

**E. The Enduring Fascination with Dinosaurs**

Dinosaurs continue to captivate the human imagination, inspiring books, films, and museum exhibitions worldwide. The portrayal of dinosaurs in popular culture, however, is often at odds with scientific reality. Many classic representations, such as those seen in early cinema, depicted dinosaurs as sluggish, tail-dragging reptiles, a misconception that has since been debunked. Modern reconstructions emphasize their agility, intelligence, and evolutionary connections to birds.

Educational initiatives and paleontological museums play a crucial role in bridging the gap between science and the public. Institutions such as the American Museum of Natural History in New York and the Natural History Museum in London house extensive fossil collections, allowing visitors to engage with real specimens and learn about the history of life on Earth. Public interest in paleontology also drives funding for research, ensuring that new discoveries continue to be made.

As scientific techniques advance, our understanding of dinosaurs will undoubtedly continue to evolve. Whether through the discovery of new species, the unraveling of prehistoric ecosystems, or the refinement of extinction theories, paleontology remains a dynamic and ever-expanding field. While dinosaurs themselves may be long gone, their legacy endures in the scientific discoveries that continue to shape our understanding of the ancient world.

*Test 1**Questions 14–18*

*Write the correct letter **A**, **B**, **C** or **D** in boxes 6–9 on your answer sheet.*

14. What was one of the main consequences of the "Bone Wars" in the late 19th century?
  - A. A decline in interest in paleontology
  - B. The destruction of valuable fossils
  - C. The discovery of many new dinosaur species
  - D. The rejection of the theory of evolution
15. How has technology improved the study of dinosaur fossils?
  - A. It has made excavation unnecessary
  - B. It allows for fossils to be studied without damage
  - C. It has reduced the number of fossils needed for research
  - D. It has replaced the need for paleontologists
16. What is the significance of the Liaoning province discoveries in China?
  - A. They proved that all dinosaurs were covered in feathers
  - B. They provided strong evidence linking birds to dinosaurs
  - C. They revealed that dinosaurs lived in polar regions
  - D. They confirmed that dinosaurs lived longer than previously thought
17. What does the passage suggest about the Cretaceous-Paleogene extinction event?
  - A. It was caused entirely by volcanic activity
  - B. It only affected large animals like dinosaurs
  - C. It involved both an asteroid impact and environmental changes
  - D. It led to the immediate extinction of all species
18. Why is paleoecology important to paleontology?
  - A. It helps scientists understand the diet of dinosaurs
  - B. It allows researchers to reconstruct ancient environments
  - C. It proves that dinosaurs were intelligent creatures
  - D. It confirms that dinosaurs coexisted with early humans

## Reading

## Questions 19–22

Match each paragraph (A–D) to the correct heading (19–22).

Choose the correct **heading (i–vii)** from the list below and write in boxes 19–22 on your answer sheet.

**List of Headings:**

- i. The use of new scientific tools in dinosaur research
- ii. The ongoing debate about the cause of extinction
- iii. How dinosaurs adapted to their environments
- iv. The relationship between dinosaurs and modern birds
- v. The history of dinosaur discoveries
- vi. The rise of mammals after the dinosaurs disappeared
- vii. How dinosaurs continue to capture public interest

**Paragraphs:**

- 19. Paragraph A
- 20. Paragraph B
- 21. Paragraph C
- 22. Paragraph E

## Questions 23–26

Complete the table below using **NO MORE THAN TWO WORDS** from the passage and write in boxes 23–26 on your answer

Discovery	Significance
Megalosaurus	First scientifically named (23) _____
Archaeopteryx	Provided evidence of a link between dinosaurs and (24) _____
Yucatán asteroid impact	One of the causes of the (25) _____ event
Paleoecology research	Helps reconstruct (26) _____ from prehistoric times

*Test 1***READING PASSAGE 3**

*You should allocate approximately 20 minutes to read the passage and complete **Questions 27–40**.*

**The Future of Cryptocurrencies: A Revolutionary Currency or a Bubble?**

Cryptocurrencies have emerged as one of the most disruptive financial innovations of the 21st century, challenging traditional banking systems and redefining the concept of money. Initially regarded as a niche technological experiment, digital currencies such as Bitcoin and Ethereum have gained mainstream recognition, attracting both institutional investors and retail traders. However, debates persist regarding their long-term viability. Are cryptocurrencies the foundation of a new financial paradigm, or are they merely another economic bubble destined to burst?

**The Rise of Digital Currencies**

The concept of a decentralized digital currency was first introduced in 2008 by an anonymous entity known as Satoshi Nakamoto, who published a white paper outlining Bitcoin's structure. Unlike traditional fiat currencies, Bitcoin operates on a peer-to-peer network without the need for a central authority such as a government or financial institution. Transactions are verified through blockchain technology, an immutable ledger that records transactions securely and transparently.

Bitcoin's success paved the way for thousands of alternative cryptocurrencies, commonly referred to as "altcoins." Some, like Ethereum, introduced smart contract capabilities, enabling automated and programmable financial transactions. Others, such as Ripple (XRP), were designed for international banking solutions. This rapid expansion of digital currencies has led to speculation about their potential to replace traditional financial systems.

Proponents of cryptocurrencies argue that decentralization empowers individuals by eliminating reliance on banks, reducing transaction costs, and providing financial inclusion to the unbanked population. In countries experiencing economic instability, such as Venezuela and Zimbabwe, cryptocurrencies have served as a refuge from hyperinflation and governmental control over financial systems.

## **The Case for Cryptocurrencies as the Future of Finance**

Advocates of cryptocurrencies highlight their transformative potential. One of the key arguments is that blockchain technology enhances security and transparency. Since transactions are stored in a distributed ledger, they are theoretically immune to fraud and tampering. Unlike conventional banking, where transactions can be reversed or manipulated, cryptocurrencies operate on cryptographic principles, ensuring trust in the system.

Additionally, cryptocurrencies offer speed and efficiency in cross-border payments. Traditional international transfers can take several days and incur high fees due to intermediary banks and regulatory constraints. Cryptocurrencies, on the other hand, enable near-instantaneous global transactions at a fraction of the cost. This feature is particularly valuable in remittance markets, where migrant workers send money back to their home countries.

Furthermore, decentralized finance (DeFi) platforms have expanded the use cases of cryptocurrencies beyond simple transactions. DeFi allows users to engage in lending, borrowing, and earning interest on digital assets without relying on traditional banks. The rise of stablecoins—cryptocurrencies pegged to the value of fiat currencies—has also addressed concerns regarding volatility, making digital assets more practical for everyday use.

## **Challenges and Risks: A Speculative Bubble?**

Despite their potential, cryptocurrencies face significant challenges that cast doubt on their sustainability. One major concern is volatility. Bitcoin, for example, has experienced extreme price fluctuations, surging to nearly \$69,000 in 2021 before plummeting to below \$20,000 within a year. Such unpredictable price movements make it difficult for cryptocurrencies to function as stable stores of value, limiting their adoption as a mainstream currency.

Regulatory uncertainty is another obstacle. Governments around the world have responded to cryptocurrencies with varying degrees of acceptance. While some countries, such as El Salvador, have embraced Bitcoin as legal tender, others, including China, have imposed strict bans on cryptocurrency trading and mining. Central banks fear that unregulated digital currencies could undermine monetary policy, facilitate illicit activities, and pose risks to financial stability.

Additionally, concerns regarding environmental impact have led to criticism of cryptocurrencies, particularly Bitcoin. The process of mining, which involves solving complex mathematical problems to validate transactions, consumes vast amounts of electricity. Studies have shown that Bitcoin mining alone consumes more energy than entire countries such as Argentina, raising questions about the sustainability of proof-of-work blockchains.

*Reading*

Security threats also pose a significant risk. While blockchain technology itself is highly secure, cryptocurrency exchanges and digital wallets remain vulnerable to hacking. High-profile incidents, such as the collapse of the Mt. Gox exchange and the 2022 hacking of the Ronin Network, resulted in billions of dollars in losses. These breaches highlight the need for enhanced security measures and regulatory oversight.

**Are Cryptocurrencies a Threat to Traditional Banking?**

The rapid rise of cryptocurrencies has prompted concerns within the traditional banking sector. Central banks and financial institutions have long maintained control over money supply, interest rates, and financial transactions. The emergence of decentralized finance challenges this model by enabling individuals to bypass intermediaries entirely.

In response, many central banks have begun exploring Central Bank Digital Currencies (CBDCs)—government-backed digital currencies that combine the benefits of blockchain technology with state control. Unlike Bitcoin, CBDCs would be regulated and issued by central banks, ensuring price stability and compliance with existing monetary policies. Countries such as China, Sweden, and the European Union are actively testing digital currencies as part of their financial infrastructure.

While CBDCs may offer an alternative to decentralized cryptocurrencies, critics argue that they undermine the fundamental purpose of blockchain technology—eliminating central authority. Unlike Bitcoin, which is censorship-resistant, CBDCs could enable governments to monitor and control financial transactions, raising concerns over privacy and surveillance.

**The Future of Cryptocurrencies: A Paradigm Shift or a Fading Trend?**

Predicting the future of cryptocurrencies remains a complex challenge. Optimists believe that digital assets will continue to evolve, gradually integrating into mainstream finance. Large corporations, including Tesla and PayPal, have already begun accepting cryptocurrency payments, while institutional investors increasingly view Bitcoin as a legitimate asset class.

Moreover, advancements in blockchain scalability and energy-efficient consensus mechanisms, such as proof-of-stake, may address current limitations. Ethereum's transition from proof-of-work to proof-of-stake in 2022 significantly reduced its environmental impact, setting a precedent for more sustainable blockchain technologies.

On the other hand, skeptics warn that cryptocurrencies exhibit characteristics of speculative bubbles, driven primarily by hype and investor sentiment rather than intrinsic value. The collapse of projects such as Terra Luna and FTX in 2022 highlights the risks associated with unregulated digital assets. If regulatory crackdowns intensify, the crypto market could face significant obstacles to widespread adoption.



### *Reading*

Ultimately, the trajectory of cryptocurrencies depends on how key stakeholders—governments, financial institutions, technology developers, and consumers—navigate the challenges and opportunities ahead. Whether digital currencies will reshape the financial landscape or fade into obscurity remains to be seen. For now, they continue to captivate investors, policymakers, and economists alike, serving as both an innovation and an enigma in modern finance.

*Test 1**Questions 27–28*

Which TWO of the following statements does the writer make about cryptocurrencies? *Write the correct letters in boxes 27 and 28 on your answer sheet.*

- A. Cryptocurrencies can provide financial stability in economies facing inflation.
- B. The environmental concerns surrounding Bitcoin mining have been exaggerated.
- C. Governments fear losing control over financial regulation due to cryptocurrencies.
- D. Stablecoins have successfully eliminated all volatility from digital currencies.
- E. Institutional investors are increasingly viewing cryptocurrencies as an asset class.

*Questions 29–32*

*Write the correct letter (A–G) in boxes 29–32 on your answer sheet.*

**Key Aspects of Cryptocurrencies**

- 29. Unlike traditional banking, cryptocurrency transactions do not require a \_\_\_\_\_.
- 30. Bitcoin's energy consumption comes primarily from the \_\_\_\_\_ process.
- 31. Governments have responded to cryptocurrencies in different ways, with some imposing a \_\_\_\_\_ on trading.
- 32. The introduction of \_\_\_\_\_ has provided a more stable alternative to highly volatile digital currencies.

**Word List:**

- A. regulation
- B. ban
- C. middleman
- D. smart contracts
- E. mining
- F. stablecoins
- G. inflation

*Reading**Questions 33–40*

Complete the summary using **NO MORE THAN TWO WORDS** from the passage. Write in boxes **33–40** on your answer sheet.

**The Potential and Challenges of Cryptocurrencies**

Cryptocurrencies, particularly Bitcoin, have introduced a decentralized financial system that removes reliance on (33) \_\_\_\_\_, allowing users to transact independently. Some argue that they enhance (34) \_\_\_\_\_, as transactions on a blockchain cannot be altered. Additionally, they enable (35) \_\_\_\_\_ payments at lower costs compared to traditional methods. However, concerns remain. Bitcoin's price is highly (36) \_\_\_\_\_, making it unsuitable for use as a stable currency. Governments also fear that the lack of regulation could result in financial crimes and disrupt (37) \_\_\_\_\_. Furthermore, some critics highlight the (38) \_\_\_\_\_ of Bitcoin mining, which requires enormous amounts of computational power. Meanwhile, financial institutions are exploring (39) \_\_\_\_\_, which could provide the benefits of blockchain technology while maintaining centralized control. The future of cryptocurrencies remains uncertain, with both (40) \_\_\_\_\_ and policymakers debating their long-term role in the economy.

**Test 1: Answer Key**

## Reading Passage 1: Questions 1–13

1. **TRUE**
2. **FALSE**
3. **TRUE**
4. **NOT GIVEN**
5. **FALSE**
6. **C**
7. **B**
8. **D**
9. **A**
10. **fossil fuels**
11. **wind**
12. **hydropower**
13. **battery**

## Reading Passage 3: Questions 27 -40

27. **A**
28. **C**
29. **C**
30. **E**
31. **B**
32. **F**
33. **banks**
34. **security**
35. **cross-border**
36. **volatile**
37. **financial stability**
38. **energy consumption**
39. **CBDCs**
40. **investors**

## Reading Passage 2: Questions 14-26

14. **C**
15. **B**
16. **B**
17. **C**
18. **B**
19. **v**
20. **iii**
21. **ii**
22. **vii**
23. **dinosaur**
24. **birds**
25. **extinction**
26. **ecosystems**