



1509 Tyrell Lane, Suite B, Boise, ID 83706  
Tel: 208.424.1027 Fax: 208.424.1030

TRADING SYMBOLS:

April 23, 2007

In the U. S.: OTCBB: **UGTH** and in Canada: TSX-V: **GTH**

## **CONSTRUCTION ADVANCES AT US GEOTHERMAL'S RAFT RIVER POWER PROJECT**

**BOISE, Idaho** – April 23, 2007 (OTCBB: **UGTH**, TSX.V: **GTH**) U.S. Geothermal Inc., a renewable energy development company focused on the production of electricity from geothermal energy, announced today construction progress on its Phase One, 13-megawatt net output Raft River binary cycle geothermal power plant in southeastern Idaho.

The plant's construction is under the direction of Ormat Nevada Inc., a subsidiary of Ormat Technologies Inc. (NYSE: ORA). Plant construction is proceeding on schedule and budget, and the following status is reported:

- Power plant equipment and cooling tower foundations are complete
- The generator, main transformer, air compressors and pentane storage tanks have been delivered to the site
- The cooling tower is under construction
- Industrial Builders of Ontario, Oregon was awarded the mechanical construction contract by Ormat and began fabrication work in February
- The award of the electrical construction contract is anticipated in April
- The Ormat turbines, and Level One heat exchangers have been shipped from the Ormat factory in Israel and are in transit
- Fabrication of the power plant condenser and demister is complete

New photos of the construction site and equipment are posted in the Gallery section on our website at [www.usgeothermal.com](http://www.usgeothermal.com).

In addition, Raft River Rural Electric Cooperative has finished construction of the 3.2-mile power transmission line that connects the power plant to the Bonneville Power Administration substation at Bridge, Idaho. Equipment upgrades to the substation including a breaker, relays, and communications systems are underway.

U.S. Geothermal has awarded a \$1.3 million dollar contract to ITT Industries/Goulds Pumps to provide line-shaft geothermal production pumps for the project. The first production pump is scheduled for delivery to the site by June 6.

The well improvement drill program, which began in August 2006, is in the final stages. Four existing wells were enhanced either by deepening or adding directional legs to improve their production or injection characteristics. Two new wells were drilled to expand the geothermal resource for the planned second 13-megawatt net output power plant at Raft River. Resource utilization studies have determined that production well RRG-3 will be converted to an injection well and that injection well RRG-7 will be converted to a production well.

### **About US Geothermal Inc**

U.S. Geothermal is a renewable energy development company that is currently developing a geothermal power project at Raft River, Idaho and conducting exploration activities at Neal Hot Springs, Oregon. The company believes Raft River is ideally located to make an important contribution to the power needs of the Pacific Northwest. U.S. Geothermal owns and leases geothermal rights of private lands, which comprise the Raft River project in Southeastern Idaho. On the basis of a report prepared by the company's independent consultant, GeothermEx Inc., of Richmond California, the site has a 50% probability of a power production capacity of 15.6 MW per square mile which may translate to 100 MW or more.

Please visit our Website at: **[www.usgeothermal.com](http://www.usgeothermal.com)**

### **FOR ADDITIONAL INFORMATION PLEASE CONTACT:**

Saf Dhillon - Investor Relations  
U.S. Geothermal Inc.  
Tel: 866-687-7059 (Toll Free) or 604-484-3031  
Fax: 604-688-9895  
[saf@usgeothermal.com](mailto:saf@usgeothermal.com)

Mike Journee  
Scott Peyron & Associates, Inc.  
Tel: 208-388-3800  
Fax: 208-388-8898  
[mjournee@peyron.com](mailto:mjournee@peyron.com)

The information provided in this news release contains forward-looking statements within the definition of the Safe Harbor provisions of the US Private Securities Litigation Reform Act of 1995, including statements regarding the nature, size and viability of the geothermal resource, the construction of power plants and the projected production date. These statements are based on US Geothermal Inc.'s current expectations and beliefs and are subject to a number of risks and uncertainties that can cause actual results to differ materially from those described in forward looking statements, including the risks that financing will not be available for construction of the power plants, construction will not be completed on budget or on schedule, and the revenues generated under the power sales agreements will not prove sufficient to fund operations and/or service debt, among others. Forward-looking statements are based on management's expectations, beliefs and opinions on the date the statements are made. U.S. Geothermal Inc. assumes no obligation to update forward-looking statements if management's expectations, beliefs, or opinions, or other factors, should change.

The TSX Venture and OTC Bulletin Board Exchanges do not accept responsibility for the adequacy of this release.