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TRADING SYMBOLS:

In the United States: NYSE Amex: **HTM** and in Canada: TSX: **GTH**

**\$10 MILLION U.S. DEPARTMENT OF ENERGY GRANT
PROGRAM BEGINS AT RAFT RIVER**

Boise, Idaho – February 23, 2010 (NYSE Amex: **HTM**, TSX: **GTH**) U.S. Geothermal Inc. (“U.S. Geothermal”), a renewable energy company focused on the production and sale of electricity from geothermal energy, announced today that work has begun at its Raft River Project in Idaho on a \$10 million Enhanced Geothermal System grant program funded by the U.S. Department of Energy.

The program team is comprised of the Energy & Geoscience Institute from The University of Utah (“EGI”) as the program lead, U.S. Geothermal, APEX Petroleum Engineering Services (“APEX”) and HiPoint Reservoir Imaging (“HiPoint”). U.S. Geothermal contributed an existing phase two production well to the program for testing thermal fracturing of reservoir rock some 6,000 feet below the surface. A bridge plug was placed in well RRG-9 at 2,235’ below surface by Halliburton Energy services. EGI is on site to oversee the program and APEX has installed a Vertical Seismic Profiling instrument package in the wellbore in preparation for the seismic survey. Seismic lines have been set and data acquisition is underway which will provide high resolution 2D/3D time lapse seismic reflection images of the faults and stratigraphic features in the field.

The first phase of the program, with a total estimated cost of \$4.7 million, extends to the end of 2010. This phase will measure in-place characteristics of the reservoir rock and prepare well RRG-9 for the first well stimulation using “cold” water injection. U.S. Geothermal’s participation in the program does not require contribution of cash and is limited to providing well RRG-9 for the test program, and other in-kind contributions of scientific reservoir data and on-site program support. Work in this portion of the program includes: borehole imaging, fracture analysis, development of a geologic/structural reservoir model, interference testing, and construction of injection pipelines and installation of a liner in the wellbore to the stimulation target horizon. Valuable information regarding techniques to stimulate fluid flow in geothermal reservoirs is expected to be gained by this important program.

About U.S. Geothermal:

U.S. Geothermal is a renewable energy development company that is operating geothermal power projects at Raft River, Idaho and San Emidio, Nevada and completed testing a new well as part of its exploration activities at Neal Hot Springs in eastern Oregon.

Please visit our Website at: www.usgeothermal.com

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The information provided in this news release may contain 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 ability to complete the private placement, the use of proceeds of the anticipated offering, drilling plans, or development possibilities at Neal Hot Springs. These statements are based on U.S. 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. Readers are cautioned to review the risk factors identified by the company in its filings with Canadian and US securities agencies. 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 NYSE Amex and the Toronto Stock Exchange do not accept responsibility for the adequacy of this release.