



U.S. Geothermal, Inc. (AMEX: HTM, TSX: GTH) is a renewable energy development company with assets in Idaho, Nevada and Oregon, U.S.A. Our mission is to rapidly grow these resources for electrical energy production based on management's extensive resource development experience, domestic contacts, and operating skills.

GEOTHERMAL ENERGY

Geothermal energy (*geo* meaning "earth" and *thermal* meaning "heat") is energy recovered from the heat of the earth's interior. Geothermal heat can appear in the form of volcanoes, hot springs and geysers. The high temperatures in the earth's interior are a result of heat trapped during the formation of the planet, as well as the decay of naturally occurring radioactive elements. Temperatures below the surface can reach 4,200° C, decreasing to 650 - 1200° at depths of 80km-100km. Through the deep circulation of groundwater and the intrusion of molten magma into the earth's crust at depths of only 1km-5km, the heat is brought closer to the earth's surface. The molten rock then heats the surrounding groundwater, which is forced to the surface in certain areas in the form of steam or hot water (i.e. hot springs, geysers). The heat energy close to or at the earth's surface can be utilized as a source of energy.

THE RAFT RIVER PROJECT

The Raft River geothermal project is located in southern Idaho, approximately 200 miles SE of Boise, at the site of a former U.S. Department of Energy geothermal installation. The Company currently owns and/or leases approximately 10.8 square miles of land with a proven geothermal reservoir which GeothermEx estimates may be capable of producing up to 110 MW of power.

U.S. Geothermal acquired the Raft River project in 2002 and the power plant construction began in June 2006. Commercial power generation was achieved on January 3, 2008. The power is being purchased by Idaho Power Company under the terms of a 13-megawatt contract. Full energy prices are being paid under this agreement. U.S. Geothermal has reserved 36 megawatts of transmission on the 138kV transmission line that is located adjacent to the project which insures access to the western power markets.



SAN EMIDIO PROJECT

The San Emidio geothermal project, purchased by U.S. Geothermal Inc. in April of 2008, has an operating binary power plant with 3.6 MW net capacity. It is located in northern Washoe County, Nevada just south of the town of Gerlach, approximately 100 miles north of Reno. The project is comprised of approximately 22,944 acres of private and BLM administered land that contains a proven geothermal reservoir that is estimated to be capable of producing up to 44 megawatts of power at a 90% probability, based on an independent estimate from Black Mountain Technology.

The power plant was constructed in 1986 with commercial power generation beginning in 1987. Deeper wells with higher temperatures were drilled in 1994 to supply the plant after output declined due to cooling of the original, shallow production wells. The current configuration of the plant consists of four 1.2 MW Ormat Energy Converters, three injection wells and four production wells. A three cell cooling tower was added in 1998 to improve summer power generation. Sierra Pacific Power Company purchases the power under the terms of a power purchase agreement that continues to 2017.

THE NEAL HOT SPRINGS PROJECT

The Neal Hot Springs project consists of 9.6 square miles of geothermal energy and surface rights, located in eastern Oregon approximately 90 miles northwest of Boise. Chevron Resources drilled at the site in the late 1970s and made a discovery of a commercial geothermal resource at a depth of 2,820 feet. A Chevron drill hole encountered high temperature and massive lost circulation of drill fluids within the geothermal zone, which indicates the potential for prolific production.

An independent consulting firm analyzed geothermal fluid from Neal Hot Springs and the resulting cation geothermometer indicates a likely reservoir temperature of 311°F to 320°F, with an estimated distal source temperature of 347°F to 356°F. A geophysical program using gravity and magnetic surveys was completed in February 2007 and will be used to develop drill targets. A well drilling program began in Spring 2008. The current development plan anticipates 26MW of power production.

Recent Company Highlights

(February 12, 2009) U.S. Geothermal announced today that an interconnection agreement for the Neal Hot Springs project has been signed with the Idaho Power Company.

(October 14, 2008) Raft River wins U.S. Department of Energy Grant for \$9 Million EGS Program

U.S. Geothermal Inc.

Corporate Information

AMEX: HTM
TSX: GTH

Shares Issued: 62,033,887

Fully Diluted: 69,655,862

Year high / low:

AMEX: 4.75/ 0.85 USD
TSX: 4.75/1.03—CND

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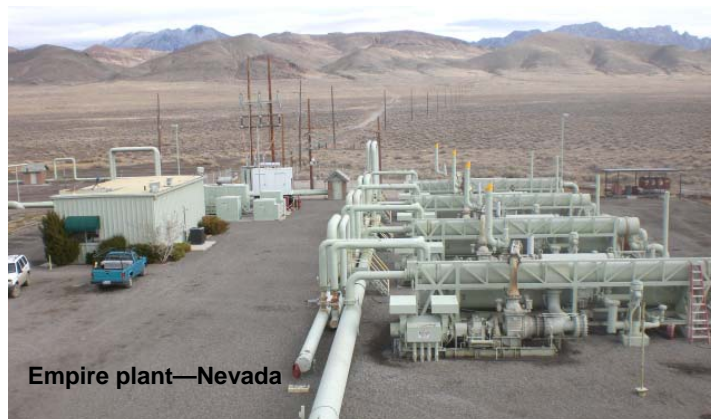
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MANAGEMENT

U.S. Geothermal's management team is an experienced group of key individuals with experience in geothermal development, power generation, engineering, exploration, mining, business development and finance.



Empire plant—Nevada

John Walker – Chairman – M.S. Environmental Studies, over 30 years involved in renewable energy, planning, infrastructure and corporate finance.

Daniel Kunz – President, CEO, and Director – MBA, B.S. Engineering Science, over 28 years in natural resource development. Former President of Ivanhoe Mines Ltd., MK Gold, and Controller of Morrison Knudsen Corporation.

Doug Glaspey – COO and Director – B.S. Metallurgical Engineering, over 27 years of resource development, permitting, construction management, and plant operations.

Kerry D. Hawkley – CFO and Secretary – B.B.A. Accounting and Finance, over 28 years of experience in all areas of finance, accounting, and administration.

Kevin Kitz – VP Project Development – B.S. Mechanical Engineering, 21 years of geothermal power plant operating experience with Unocal at the Geysers (CA), Salton Sea, and the Philippines.

Robert Cline – VP Engineering – B.S. Civil Engineering, 24 years experience developing gas-fired hydroelectric, generating facilities and water resource projects with Ida-West Energy Company (a subsidiary of Idaho Power company) and the U.S. Bureau of Reclamation.

Paul Larkin – Director - 30 years in corporate governance, finance, merchant banking, and public company administration.

Dr. Leland "Roy" Mink – Director - Former Program Director for the Geothermal Technologies Program, U.S. Department of Energy as well as the former Vice President of Exploration for U.S. Geothermal Inc. Also worked for Morrison-Knudson, Idaho Bureau of Mines and Geology and Idaho Water Resources Research Institute.

THE U.S. MARKET – RISING DEMAND FOR ELECTRICITY

Population growth, technological advancement, and economic development have contributed to rising demand for fossil fuels as a source of energy. The developed world has maintained a growing dependency on non-renewable resources such as oil, natural gas and coal, consequently thinning out a limited supply of global reserves. Dependency by western countries on foreign supplies of non-renewable resources has also contributed to political tension and at times rising commodity prices. Our consumption of fossil fuels has produced significant environmental problems including air pollution, smog and global warming.

As a result, the world has looked to other sources of energy that will help to alleviate some of the problems created by the consumption of fossil fuels and the growing demand for more power. One of these alternative sources of energy is geothermal, a rapidly growing industry in the U.S.

Geothermal energy production in the U.S. is a US\$1.5 billion per year industry. There is approximately 12,000 MW of direct use and over 8,000 MW of generating capacity of geothermal resources globally. The United States makes up the largest supplier and end user of this form of power. With the current rate of electricity consumption in the United States 1 MW of power can provide for approximately 1,000 households. U.S. Geothermal's 10 MW phase one plant will supply enough electricity for about 10,000 homes or 25,000 to 30,000 people.

Certain statement and other information included herein constitute "forward looking statements" within the meaning of applicable laws or regulatory policies. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements described herein to be materially different from any future results or achievements expressed or implied by such forward looking statements.

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