



January 25, 2012

**TRADING SYMBOLS:**

In the U.S.: NYSE Amex: **HTM** and in Canada: TSX: **GTH**

**U.S. GEOTHERMAL ANNOUNCES COMPLETION  
OF PRODUCTION WELL REPAIRS  
AT RAFT RIVER PROJECT**

**BOISE**, Idaho, January 25, 2012 (NYSE Amex: **HTM**, TSX: **GTH**) U.S. Geothermal Inc., a renewable energy development company focused on the production and sale of electricity from geothermal energy, announced today that it completed the repair of production well RRG-2 at the Raft River geothermal power project in southeast Idaho. As previously announced, the program also included the successful repair of well RRG 7. The repair work was completed by U.S. Geothermal Services Inc. under the terms of a Repair Services Agreement with Raft River Energy I LLC.

Final repair operations recommenced in early December after a 4 month break to allow for design of the repair program and to schedule the specialized drilling equipment that was required to complete the repair. The 13 3/8" steel production casing was removed and replaced from the surface to 585 feet deep in the well, in order to repair a casing separation that prevented installation of the production pump. RRG-2 returned to production on January 6, and after balancing the well field, the power plant is producing over 10 net megawatts under current conditions.

**About US Geothermal:**

U.S. Geothermal Inc. is a leading renewable energy development company that is operating geothermal power projects at Raft River, Idaho and San Emidio, Nevada. The Neal Hot Springs project, which is currently under construction, will be the company's third operating power project. The company holds geothermal energy rights to 69,500 acres comprising six advanced stage geothermal development projects. The San Emidio project is currently undergoing commissioning of a new 8.6 net MW binary cycle power plant.

Please visit our Website at: [www.usgeothermal.com](http://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. 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, including but not limited to, the results from the exploration drilling at San Emidio and Neal Hot Springs. 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 TSX do not accept responsibility for the adequacy of this release.