



TRADING SYMBOLS - OTCBB: **UGTH** and TSX-V: **GTH**

January 22, 2007

LOEWEN, ONDAATJE, McCUTCHEON LIMITED INITIATES RESEARCH COVERAGE OF U.S. GEOTHERMAL INC.

BOISE, Idaho – January 22, 2007 (OTCBB: **UGTH**, TSX.V: **GTH**) U.S. Geothermal Inc. (“U.S. Geothermal”), a renewable energy development company focused on the production of electricity from geothermal energy, announced today that Loewen, Ondaatje, McCutcheon Limited (“LOM”) has initiated research coverage of the company.

“We are pleased to have this independent research coverage by LOM”, said Daniel Kunz, President and CEO of U.S. Geothermal.

About US Geothermal:

U.S. Geothermal is developing a geothermal power project at Raft River, Idaho. The Raft River geothermal reservoir is the site of a former US Department of Energy geothermal research facility. 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

About Loewen, Ondaatje, McCutcheon Limited:

LOM is a client-focused, research-driven, independent, international investment dealer and is a member of CIPF. LOM’s strategy is to develop long-term relationships both with a select group of growth-orientated companies and with our institutional clients. As a result, LOM excels at assignments based on building relationships rather than single transactions.

Copies of research can be obtained directly from LOM by sending an email to research@lomltd.com.

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

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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 size and viability of the geothermal resource. 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, Readers are cautioned to review the risk factors identified by the company in its filings with Canadian and US securities agencies.

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