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U.S. GEOTHERMAL PROVIDES RAFT RIVER UPDATE

BOISE, Idaho – November 7, 2007 (OTCBB: **UGTH**, TSX: **GTH**) U.S. Geothermal Inc. (“U.S. Geothermal”), a renewable energy company focused on the production of electricity from geothermal energy, announced a progress update on the company’s Unit One geothermal power plant at Raft River, Idaho.

Construction activities associated with the Unit One plant are nearly complete. The plant commenced a test phase of power production and was operating over a six-day period, from October 18th to 23rd, during which time it ran for 108 hours and generated a total of 1,022 megawatt-hours of electrical power. On October 21st the plant ran for 24 hours and produced a peak of 13.2 megawatts. The plant was then shut down for evaluation. Two mechanical problems were identified and are in the process of being corrected by Ormat Nevada Inc. (“Ormat”), the power plant contractor. To improve the attachment of the pump impellor to the drive shaft, the manufacturer is reconfiguring each of two large injection pumps. In addition, a turbine inlet screen used to protect the high-pressure turbine from possible ingestion of construction debris came loose and was swept into the turbine. Ormat is working to assess the situation and make repairs if necessary.

Once the repairs are complete, an approximate sixty to ninety-day start-up and testing phase is planned during which time all generated electricity will be sold. Plant operations are being scheduled to allow for operator training, equipment testing and for Ormat to complete power plant performance testing and other completion obligations. The geothermal production and injection wells, and the cooling water system are also under a limited start-up process. Well control modules and communications systems in the cooling water arrangement are in the final phases of installation and calibration.

Full commercial power generation is still expected toward the end of the 4th quarter of 2007.

Power sold during the start-up phase is being purchased by Idaho Power Company under the terms of a 10-megawatt Public Utility Regulatory Policies Act (“PURPA”) contract. Full energy prices will be paid when the plant achieves commercial operations. Pending approval by the Idaho Public Utility Commission, the recently executed full output contract will take effect and replace the existing 10-megawatt PURPA contract. The plant is expected to produce an annual average output of 13 megawatts. Currently, three production wells and three injection wells are in service to the power plant. To achieve 13-megawatts of production under the full output, a number of issues are being addressed, including completion of a pump installation in a fourth production well and evaluation of total injection well capacity.

About U.S. Geothermal:

U.S. Geothermal is a renewable energy development company that is operating a geothermal power project at Raft River, Idaho and developing Neal Hot Springs in eastern Oregon. U.S. Geothermal holds, through ownership or lease, geothermal rights of lands that comprise the Raft River Neal Hot Springs projects.

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 potential energy resources and projects, development possibilities for Raft River and 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.

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