



TRADING SYMBOLS:

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In the United States: OTCBB: **UGTH** and in Canada: TSX: **GTH**

## **U.S. GEOTHERMAL RECEIVES DRILLING PERMIT FOR NEAL HOT SPRINGS PROJECT**

**BOISE, Idaho** – February 28, 2008 (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 today that the Oregon Department of Geology and Mineral Industries (DOGAMI) has issued a drilling permit for the first full size exploration well at the Neal Hot Springs Project located in eastern Oregon.

The new exploration well is permitted for a depth of 3,500 feet and is expected to further develop a geothermal resource discovery made by Chevron Resources in 1979. The surface discharge of Neal Hot Springs was sampled and shows a potential source temperature of 311 to 347° F.

“Neal Hot Springs provides an excellent target for us, and is consistent with our corporate focus of reducing risk by taking on projects that have a discovery,” said Daniel Kunz, President and CEO. “We anticipate drilling the well during the second quarter of the year, once a drill is contracted and site preparation is complete.

A water supply well to support the drilling operation was completed at the site in December 2007. Construction of the access road, drill pad and test pond is scheduled to commence within the next 15 days, and it is expected that drilling operations will start within the next 30-60 days depending upon availability of a suitable drill rig. Upon completion of the well, flow testing and reservoir engineering will commence. It is anticipated that temperature and flow results from the well may be available by the end of the second quarter.

The Neal Hot Springs project was selected by Idaho Power Company for negotiation of a 26 megawatt power purchase agreement.

### **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 and Neal Hot Springs projects.

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, 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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