



TRADING SYMBOLS:

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

U.S. GEOTHERMAL PROVIDES RAFT RIVER UPDATE

BOISE, Idaho – June 19, 2008 (AMEX: **HTM**, TSX: **GTH**) U.S. Geothermal Inc. (“U.S. Geothermal”), a renewable energy company focused on the production of electricity from geothermal energy, announced a project update on the Raft River Unit I geothermal power plant in Idaho. The net electrical power output of the plant is currently between 10.5 and 11.5 megawatts. With four production and four injection wells in operation, the maximum net electrical output achieved by the plant during March, April and May were 11.2, 12.0, and 11.7 megawatts respectively. The power plant operated at 99% availability during the same period, including scheduled maintenance.

A computer model of the reservoir volume, pressure and temperature has been completed by an independent expert and is now being used to investigate possible production and injection well strategies to increase power production and to evaluate alternative well locations and capacities. As part of the program to test the reservoir, geothermal fluid from the power plant is being injected into production well No. 5, which has resulted in increased pressure stability within other nearby production wells and improved plant performance. This injection test is ongoing.

Final “punch list” construction activities are still being completed by Ormat Nevada. Project operating costs have been higher than budget due primarily to winter startup issues, chemical treatment of cooling water, and environmental monitoring and compliance activities. While the production well issues are being addressed, the project is purchasing power for the production pumps from a third party.

The electrical power from Raft River Unit I is being sold under a full-output contract to Idaho Power Company. Under the terms of the contract, power prices vary by season, with lower prices paid during the spring months of March through May at 73.5% of the contract price, and are paid at 120% of the contract price during the summer and winter peak months of July-August and November-January. The remaining months are paid at the 100% price level. The renewable energy credits contracted to Holy Cross Energy of Colorado have been registered with Western Renewable Energy Generation Information System so they meet the Colorado Renewable Portfolio Standard requirements. It is anticipated that the first payments due that have been accrued will be received during the current quarter and then payments are expected on a monthly basis thereafter.

About U.S. Geothermal:

U.S. Geothermal is a renewable energy development company that is operating geothermal power projects at Raft River, Idaho and San Emidio, Nevada and testing a new well at Neal Hot Springs in eastern Oregon.

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, San Emidio 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.

The TSX and American Stock Exchanges do not accept responsibility for the adequacy of this release.