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TRADING SYMBOLS:

March 9, 2010

In the United States: NYSE Amex: **HTM** and in Canada: TSX: **GTH**

U.S. GEOTHERMAL ANNOUNCES \$8.6 MILLION PRIVATE PLACEMENT FINANCING

Boise, Idaho – March 9, 2010 (NYSE Amex: HTM, TSX: GTH) U.S. Geothermal Inc. (the “Company”) announced today that it has entered into a securities purchase agreement with several institutional investors, pursuant to which the Company has agreed to issue 8,209,519 shares of Common Stock at a price of \$1.05 per share for gross proceeds of approximately \$8.6 million (the “Private Placement”). Pursuant to the terms of the Private Placement, each Investor will also be issued a common share purchase warrant (a “Warrant”) exercisable for 50% of the number of shares of Common Stock purchased by the investor. Each Warrant is exercisable at \$1.25 per share for a period of five years beginning six months after the closing of the private placement. After deducting for fees and expenses, the net proceeds are anticipated to total approximately \$8.0 million. The net proceeds of the offering will be used by the Company to further develop its Neal Hot Springs geothermal project and for general working capital purposes. Initiating a planned capital project for Raft River Unit I and a well drilling program for a planned future expansion at San Emidio may be subject to completion of future financing.

The Private Placement is subject to certain conditions including, but not limited to, the approval of the NYSE Amex and the Toronto Stock Exchange and is anticipated to close on or about March 12, 2010. The Company will be required to file a resale registration statement within 30 days of the closing date and will use its best efforts to cause the registration statement to be declared effective within 120 days of the closing date. The Private Placement pursuant to the securities purchase agreement is being made upon an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to Section 4(2) thereof.

The securities described herein have not been registered under the U.S. Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to U.S. persons unless an exemption from registration is available. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

About U.S. Geothermal Inc.:

U.S. Geothermal Inc. is a renewable energy development company that is operating geothermal power projects at Raft River, Idaho and San Emidio, Nevada. U.S. Geothermal Inc. recently announced signing of a power purchase agreement and is in the final stages of negotiations for a

project loan as part of its development activities at Neal Hot Springs in eastern Oregon.

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

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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 the offering, anticipated use of proceeds and availability of future financing. 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. Important factors that could cause actual results to differ materially from U.S. Geothermal's expectations include the uncertainties involving the completion of the offering and the need for additional financing to explore and develop projects and availability of financing in the capital markets. Readers are cautioned to review the risk factors identified by the company in its filings with Canadian and US securities agencies, including U.S. Geothermal's annual report on Form 10-K for the year ended March 31, 2009. 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 Toronto Stock Exchange do not accept responsibility for the adequacy of this release.