



TRADING SYMBOLS:

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

November 14, 2011

**U.S. GEOTHERMAL SECURES \$9.0 MILLION CASH
GRANT BRIDGE LOAN FOR SAN EMIDIO PROJECT**

BOISE, Idaho – November 14, 2011 (NYSE Amex: **HTM**; TSX: **GTH**) U.S. Geothermal Inc., a leading renewable energy company focused on the development, production and sale of electricity from geothermal energy, today announced the signing of a bridge loan agreement between its wholly owned subsidiary USG Nevada LLC and Ares Capital Corporation. The bridge loan has monetized the Section 1603 ITC cash grant associated with the planned commercial operation of the new Phase I power plant at the San Emidio Geothermal Project, located in Washoe County, Nevada.

The loan agreement provides for payment to the Company of approximately 90% of the total expected cash grant and consists of an initial funding of \$7.5 million which has been received by the Company, and a subsequent funding of \$1.5 million when the Phase I plant is placed in service. The funds are drawn from a loan facility that includes commercial terms for the payment of interest and associated fees. Once the placed in service date has been achieved, an application will be submitted to the United States Department of the Treasury for an estimated \$10 million ITC cash grant. The cash grant proceeds will be used to repay the Ares Capital bridge loan facility with the remaining balance payable to USG Nevada LLC.

The new 8.6 net megawatt (annual average) Phase I power plant has been under construction since August 2010 by SAIC Constructors, a subsidiary of Science Applications International Corporation (“SAIC”). SAIC is also providing a construction loan to the project. The Phase I power plant, which will replace the existing 3.6 net megawatt plant, is scheduled to be placed in service in December, 2011.

“We are pleased to be able to monetize the Phase I ITC cash grant from our San Emidio project”, said Daniel Kunz, CEO of U.S. Geothermal Inc. “This funding allows us to maintain continuous construction required for the timely development of the Phase II power plant and should allow Phase II, subject to successful completion of the ongoing drilling program, to qualify for the ITC cash grant”.

The San Emidio geothermal project is being developed in two phases under single 19.9 MW power purchase and interconnection agreements. Subject to ongoing production well development, the Phase II power generation plant is scheduled to be on line during the 3rd quarter of 2013.

Please visit our Website at: <http://www.usgeothermal.com>

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About U.S. Geothermal Inc.:

U.S. Geothermal Inc. is a leading renewable energy development company that is operating geothermal power projects at Raft River, Idaho and San Emidio, Nevada. The Neal Hot Springs project, which is currently under construction, will be the company's third operating power project. The company holds geothermal energy rights to 69,500 acres comprising six advanced stage geothermal development projects. The San Emidio project is currently undergoing construction of a new 8.6 net MW binary cycle power plant.

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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. 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, including but not limited to, the schedule for planned commercial operation of the new Phase I power plant and development of Phase II at San Emidio, the timing of the application for the ITC cash grant, the expected amount of the expected cash grant and use of cash grant proceeds. 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 NYSE Amex and the TSX do not accept responsibility for the adequacy of this release.