

US GEOTHERMAL, INC.
CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

This code of conduct (“Code”) applies to everyone at US Geothermal, Inc. (the “Company”), including employees, officers and board members regardless of their position in our organization, at all times and everywhere we do business. References in this Code to the Company mean the Company and any of its subsidiaries.

This Code reflects our commitment to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which everyone at the Company is expected to comply.

We require the highest standards of professional and ethical conduct from our employees, officers and directors. Our reputation for honesty and integrity is important for the success of our business. No one at the Company will be permitted to achieve results through violations of laws or regulations, or through unscrupulous dealings.

We aim for our business parties to be compatible with, and sensitive to, the economic and social priorities of each location in which we operate. Although customs vary from country to country and standards of ethics may vary in different business environments, honesty and integrity must always characterize our business activity.

In addition to following this Code, you are expected to seek guidance in any case where there is a question about compliance with both the letter and spirit of our policies and applicable laws. This Code is not a complete code of conduct. It sets forth general principles and does not supersede the specific policies and procedures that are in effect, such as the Company’s Corporate Disclosure, Confidentiality and Securities Trading Policy or other policies that are in effect from time to time.

This Code will be reviewed periodically by the Board of Directors of the Company and supplemented as required from time to time.

I. Compliance with Laws, Rules and Regulations:

We have a responsibility to monitor all legal boundaries and to comply with all applicable laws and regulations in all of our activities worldwide. Compliance with both the letter and spirit of all laws, rules and regulations applicable to our business is important for our reputation and continued success. We must respect and obey the laws of the cities, states and countries in which we operate and avoid even the appearance of impropriety. Individuals who fail to comply with this Code and applicable laws will be subject to disciplinary measures, up to and including discharge from the Company.

II. Conflicts of Interest

A conflict of interest occurs when an individual's private interest interferes, or appears to interfere, in any way with the interests of the Company. A conflict of interest could arise where:

- An individual's personal interests interfere, or appear to interfere, in any way, with the interests of the Company;
- An individual takes action for his or her direct or indirect benefit or the direct or indirect benefit of a third party that is inconsistent with the interest of the Company; or
- An individual, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company.

Activities that could give rise to conflicts of interest are prohibited unless specifically approved in advance by the Board of Directors. Where a conflict involves a Board member (i.e. where a Board member has an interest in a material contract or material transaction involving the Company), the Board member involved will be required to disclose his or her interest to the Board and refrain from voting at the Board meeting of the Company considering such contract or transaction in accordance with applicable law.

It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interest should be reported immediately to a member of senior management who is independent of the potential conflict and who will assess the issue with the advice of legal counsel. For unresolved potential conflicts involving any employee or where a member of senior management or a board member is involved in a potential conflict, the issue should be referred to the Board of Directors (assisted by the Nominating and Corporate Governance committee and legal counsel as necessary).

III. Corporate Opportunities

Directors, officers and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises and are prohibited from taking, for themselves personally, opportunities that arise through the use of corporate property, information or position for personal gain, except where the Board has, after receiving the necessary information concerning such opportunity and receiving advice of legal counsel, has elected not to avail itself of the opportunity in compliance with applicable corporate law. A director interested in a corporate opportunity being considered by the Board shall refrain from voting at the Board meeting considering such opportunity.

If an employee has any doubt as to whether any activity they are contemplating violates this requirement, they must refer the issue to a member of senior management who will assess the issue with the advice of legal counsel.

IV. Confidentiality

Directors, officers and employees of the Company must preserve and protect the confidentiality of information entrusted to them by the Company or that otherwise comes into their possession in the course of their employment, except when disclosure is expressly authorized or legally mandated.

The obligation to preserve confidential information continues even after you leave the Company. The Company's Corporate Disclosure, Confidentiality and Securities Trading Policy sets forth certain specific obligations in respect of confidentiality.

Confidential information includes all non-public information that may be of use to competitors, or harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us.

V. Protection and Proper Use of Company Assets

We should all endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. Any suspected incidents of fraud or theft should be immediately reported to an individual's supervisor or to a member of senior management for investigation.

Company assets, such as funds, products or computers, may only be used for legitimate business purposes or other purposes approved by management. Company assets may never be used for illegal purposes.

The obligation to protect Company assets includes proprietary information. Proprietary information includes any information that is not generally known to the public or would be helpful to our competitors. Examples of proprietary information are intellectual property, business and marketing plans and employee information. The obligation to preserve proprietary information continues even after you leave the Company.

VI. Insider Trading

Insider trading is unethical and illegal. We are not allowed to trade in securities of any company while in possession of material non-public information regarding that company. This includes the Company or any other company. It is also illegal to "tip" or pass on inside information to any other person who might make an investment decision based on that information or pass the information on further. The Company's Corporate Disclosure, Confidentiality and Securities Trading Policy sets forth your obligations in respect of trading the Company's securities.

VII. Fair Dealing

We should all endeavor to deal fairly with the Company's customers, suppliers, competitors and the other employees of the Company. No one at the Company should take unfair advantage of anyone through illegal conduct, concealment, manipulation,

abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

VIII. Compliance with Environmental Laws

The Company is sensitive to the environmental, health and safety consequences of its operations. Accordingly, the Company's policy is to comply with all applicable environmental laws and regulations within all jurisdictions in which it operates. If an employee has any doubt as to the applicability or meaning of a particular environmental, health or safety regulation, he or she should immediately discuss the matter with his or her supervisor or with a member of the Company's senior management.

IX. Equal Opportunity

We value the diversity of our employees and are committed to providing equal opportunity in all aspects of employment.

X. Safety and Health

We are all responsible for maintaining a safe workplace by following safety and health rules and practices. The Company is committed to keeping its workplaces free from hazards. Please report any accidents, injuries, unsafe equipment, practices or conditions immediately to a supervisor or other designated person. In order to protect the safety of all employees, employees must report to work free from the influence of any substance that could prevent them from conducting work activities safely and effectively.

XI. Financial and Business Disclosure and Accuracy of Company Records and Reporting

Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions and to meet our reporting obligations to our shareholders. This includes both the Company's financial reporting and ongoing disclosure requirements under applicable securities and stock exchange requirements. The Company's accounting and other records are relied upon to produce reports for the Company's management, shareholders, creditors, governmental agencies and others.

Full, fair, accurate, timely and understandable disclosure in the reports and other documents that we file with, or submit to, securities regulators and stock exchanges and in our other public communications is critical for us to maintain our good reputation, to comply with our obligations under the securities laws and to meet the expectations of our shareholders and other members of the investment community. In preparing such reports and documents and other public communications, the following guidelines should be adhered to:

- all accounting records, and the reports produced from such records, must be in accordance with all applicable laws;

- all accounting records must fairly and accurately reflect the transactions or occurrences to which they relate;
- all accounting records must fairly and accurately reflect in reasonable detail the Company's assets, liabilities, revenues and expenses;
- no accounting records should contain any false or intentionally misleading entries;
- no transactions should be intentionally misclassified as to accounts, departments or accounting periods;
- all transactions must be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period;
- no information should be concealed from the internal auditors or the independent auditors; and
- compliance with the Company's system of internal controls is required.

If any employee, officer or director of the Company has concerns or complaints regarding accounting or auditing issues, he or she is encouraged to submit those concerns to a member of the Audit Committee of the Board.

Business records and communications often become public through legal or regulatory investigations or the media. We should avoid exaggeration, derogatory remarks, legal conclusions or inappropriate characterizations of people and companies. This applies to communications of all kinds, including e-mail and informal notes or interoffice memos. Records should be retained and destroyed in accordance with the Company's records retention policy.

XII. Use of E-Mail and Internet Services

E-Mail systems and internet services are provided to help us do work. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. You should not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit messages, ethnic or racial slurs, or messages that could be viewed as harassment.

Your messages (including voice mail) and computer information are considered the property of the Company and you should not have any expectation of privacy. Unless prohibited by law, the Company reserves the right to access and disclose this information as necessary for business purpose. Use good judgment, and do not access, send messages or store any information that you would not want to be seen or heard by other individuals.

Violation of these policies may result in disciplinary actions up to and including discharge from the Company.

XIII. Gifts and Entertainment

Business gifts and entertainment are customary courtesies designed to build goodwill among business partners. These courtesies include such things as meals and beverages, tickets to sporting or cultural events, discounts not available to the general public, travel, accommodation and other merchandise or services. In some cultures they play an important role in business relationships. However, a problem may arise when such courtesies compromise, or appear to compromise, our ability to make objective and fair business decisions. The same rules apply to employees offering gifts and entertainment to our business associates.

Offering or receiving any gift, gratuity or entertainment that influences, or might be perceived to unfairly influence a business relationship, should be avoided. The value of any gifts should be nominal, both with respect to frequency and amount. Gifts that are repetitive (no matter how small) may be perceived as an attempt to create an obligation to the giver and are therefore inappropriate. Likewise, business entertainment should be moderately scaled and intended only to facilitate business goals. If you are having difficulty determining whether a specific gift or entertainment item lies within the bounds of acceptable business practice, consult your supervisor or a member of senior management and ask yourself whether or not the gift or item is legal, business related, moderate and reasonable, whether or not public disclosures would embarrass the Company, and whether or not there is any pressure to reciprocate or grant special favors.

XIV. Payments to Domestic and Foreign Officials

Employees and officers of the Company must comply with all applicable laws prohibiting improper payments to domestic and foreign officials, including the Corruption of Foreign Public Officials Act (Canada) (the “Act”).

The Act makes it illegal for any person, in order to obtain or retain an advantage in the course of business, directly or indirectly, to offer or agree to give or offer a loan, reward, advantage or benefit of any kind to a foreign public official or to any person for the benefit of a public official. Foreign public officials include persons holding a legislative, administrative or judicial position of a foreign state, persons who perform public duties or functions for a foreign state (such as person employed by board, commissions or government corporations), officials and agents of international organizations, foreign political parties and candidates for office.

Although “facilitated payments” or certain other transactions may be exempted or not illegal under applicable law, the Company’s policy is to avoid them. If any employee or officer has any questions about the application of this policy to a particular situation, please report to the Corporate Secretary or such other senior officer as may be designated by the Company from time to time who, with the advice of counsel as necessary, will determine acceptability from both a legal and a corporate policy point of view, and any appropriate accounting treatment and disclosures which are applicable to the particular situation.

Violation of the Act is a criminal offense subjecting the Company to substantial fines and penalties and any officer, director or employee acting on behalf of the Company to imprisonment and fines. Violation of this policy may result in disciplinary actions up to and including discharge from the Company.

XV. Reporting of any Illegal or Unethical Behavior

We have a strong commitment to conduct our business in a lawful and ethical manner. Employees are encouraged to report violations of laws, rules, regulations of this code to their supervisor or member of senior management. We prohibit retaliatory action against any employee who, in good faith, reports a possible violation. It is unacceptable to file a report knowing it to be false.

XVI. Amendment, Modification and Waivers of the Code of Business Conduct and Ethics

The Code may be amended or modified by the Board of Directors and waivers may be granted by the Nominating and Corporate Governance Committee or a vote of the independent directors of the Board, subject to disclosure and other provisions of applicable securities legislation and stock exchange requirements.

XVII. Compliance Procedures

The Code cannot, and is not intended to, address all of the situations you may encounter. There will be occasions where you are confronted by circumstances not covered by policy or procedure and where you must make a judgment as to the appropriate course of action. In those circumstances, or if you have any questions concerning your obligations under this Code, we encourage you to use your common sense, and to contact your supervisor or a member of senior management for guidance. Senior management or directors are encouraged to consult with the Corporate Secretary, or such other senior officer of the Company as may be designated by the Company from time to time.

If you fail to comply with this Code or applicable laws, rules or regulations you will be subject to disciplinary measures, up to and including discharge from the Company. Violations of this Code may also constitute violations of law and may result in civil or criminal penalties for you, your supervisors and/or the Company.

You are expected to report all violations of this code promptly to your supervisor or to the Corporate Secretary or such other senior officer of the Company who may be designated from time to time. You may choose to remain anonymous in reporting any possible violation of this Code, and all reports will remain confidential.

**US GEOTHERMAL INC.
CORPORATE DISCLOSURE, CONFIDENTIALITY AND
SECURITIES TRADING POLICY**

The objective of this disclosure policy is to ensure that communications to the investing public about US Geothermal, Inc. (the “Company”) are:

- Timely, factual and accurate; and
- Broadly disseminated in accordance with all applicable legal and regulatory requirements.

This policy confirms in writing the Company’s existing disclosure policies and practices. Its goal is to raise awareness of the Company’s approach to disclosure among its board of directors, management and employees.

This policy extends to all directors, officers, employees and authorized spokespersons of the Company and its subsidiaries and all other person involved in business with the Company and its subsidiaries who, by virtue of such relationships, have access to material non-public information and who have agreed to comply with the terms of this policy (collectively, “Covered Persons”). It covers disclosures in documents filed with the securities regulators and written statements made in the Company’s annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and other Company personnel and information contained on the Company’s website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

I. Disclosure Committee

The board of directors has established a disclosure committee (the “Committee”) responsible for developing and overseeing the Company’s corporate disclosure policies, protocols and practices with respect to all electronic, written and oral disclosure of corporate information. The Committee consists of the Corporate Secretary, President, Chief Operating Officer (COO), Chief Financial Officer (CFO) and the Company’s senior Investor Relations Officers (IROs). The Committee will seek advice from outside legal counsel on matters covered by this policy.

The Committee’s responsibilities will include assessing controls, procedures and policies with respect to all electronic, written and oral disclosure of corporate information. The Committee will make judgments on what information is material, determine when developments affecting the Company’s business justify public disclosure and review and authorize all disclosure in advance of public release. The Committee will also monitor the Company’s website, scrutinize the effectiveness and compliance with its disclosure controls, procedures and policies and be responsible for educating its directors, officers and employees on all matters related to corporate disclosure. The Committee shall establish procedures to ensure that it is fully apprised of all pending Company developments that may require public disclosure. If it is deemed that the information

should remain confidential, the Committee will determine how that inside information will be controlled.

The Committee will review and update, if necessary, this policy on a regular basis to ensure compliance with changing regulatory requirements and to foster adherence to best practices. The Committee will report to the board of directors on at least an annual basis and more frequently as required.

II. Principles of Disclosure of Material Information

Material information is any information relating to the business and affairs of the Company that results in, or would reasonably be expected to result in a significant change in the market price or value of the Company's securities or that would be expected to have a significant influence on a reasonable investor's investment decisions. Material information consists of both material facts and material changes relating to the business and affairs of the Company. In complying with requirements to disclose as soon as practicable all material information under applicable securities laws and stock exchange rules, the Company will adhere to the following basic disclosure principles:

Material information will be publicly disclosed as soon as practicable via news release.

In certain circumstances, it may be determined that complete disclosure would be unduly detrimental to the Company, for example, if release of the information would prejudice negotiations in a corporate transaction. In such cases the information will be kept confidential until the Committee determines that it is appropriate to publicly disclose it. The Committee will cause a confidential material change report to be filed as required by applicable securities regulators.

Disclosure must be made in terms that can be clearly understood by the reasonable investor and should include a full description of the material information, how it positively or negatively impacts the Company and any information the omission of which would make the rest of the disclosure misleading.

Unfavorable material information must be disclosed as promptly and completely as favorable information.

Previously undisclosed material information must not be disclosed to selected individuals, for example, in an interview with an analyst or in a telephone conversation with an investor. If previously undisclosed material information has been inadvertently disclosed to analyst or any other person not bound by an express confidentiality obligation, such information must be broadly disclosed as soon as practicable via news release.

Disclosure on the Company's website alone does not constitute adequate disclosure of material non-public information.

Disclosure must be corrected as soon as practicable if the Company subsequently learns that earlier disclosure by the Company contained a material error at the time it was given.

III. Securities Trading Restrictions

It is illegal for anyone to purchase or sell securities of any public Company with knowledge of material information affecting that Company that has not been publicly disclosed. Except in the necessary course of business, it is also illegal for anyone to inform any other person of material non-public information. Therefore, Covered Persons with knowledge of confidential or material information about (i) the Company or (ii) any counter-parties in negotiations of material potential transactions, are prohibited from trading any shares in the Company or any counter-party until the information has been fully disclosed and a reasonable period of time has passed for the information to be widely disseminated (a minimum of two days).

For the purposes of this section, references to “purchases and sales of securities” include purchases or sales of shares, bonds, options, puts and calls, as well as stock option exercises, and sales of Company shares acquired upon the exercise of stock options. If and when the Company is subject to applicable United States securities law requirements, this section would also apply to the following elections under a U.S. 401(k) plan: (i) increasing or decreasing periodic contributions allocated to the purchase of Company share; (ii) intra-plan transfers of an existing balance in or out of Company shares; (iii) borrowing money against the account if the loan results in the liquidation of any portion of Company shares; and (iv) pre-paying a loan if the prepayment results in allocation of proceeds to Company shares.

The trading restrictions described in this section continue to apply after termination of employment or other relevant relationship with the Company to the extent that a former Covered Person is in possession of material non-public information at the time of termination. In such case, no trading may take place until the information becomes public or ceases to be material.

Covered Persons are expected to be responsible for compliance with the trading restrictions described in this section by their spouse, minor children and anyone else living in their household, a partnership in which such Covered Person is a general partner, a trust of which such Covered Person is a trustee and an estate of which such Covered Person is an executor (collectively ‘Related Parties’).

Transactions that may be necessary or justifiable for independent reasons, such as the need to raise money for an emergency expenditure, are no exception. Even the appearance of an improper transaction must be avoided.

IV. Blackout Periods

Trading blackouts are periods of time during which Covered Persons cannot trade the Company’s securities or other securities whose price may be affected by material undisclosed information. Trading blackout periods will apply to those Covered Persons

during periods when financial statements are being prepared but results have not yet been publicly disclosed.

Blackout periods may be prescribed for Covered Persons, from time to time, by the Committee in circumstances in which material non-public information exists. All persons with knowledge of such information will be covered by the blackout, including external advisors such as legal counsel and investment bankers.

Persons subject to the blackout period restrictions whose employment or other relationship with the Company terminates during a blackout period will remain subject to the restrictions until the end of such period.

V. Pre-Clearance of Trades

To protect the reputation of the Company and avoid the appearance of impropriety, all directors, officers and employees of the Company and its subsidiaries, whether or not they are Covered Persons, are required to pre-clear all proposed trades in the Company's securities, whether by themselves or by their Related Parties, including the exercise of stock options, with the Corporate Secretary of the Company or such other person as may be designated by the Company from time to time.

VI. Additional Prohibited Transaction

It is improper and inappropriate for any personnel of the Company to engage in short-term or speculative transaction involving the Company's securities. It is the policy of the Company that Covered persons and their Related Parties, should not engage in any of the following activities with respect to securities of the Company:

Purchases of stock of the Company on margin;

Short sales (*i.e.*, selling stock such person does not own and borrowing the shares to make delivery); and

Buying or selling puts, calls or other derivatives in securities of the Company.

VII. Maintaining Confidentiality

Any person subject to this policy is prohibited from communicating confidential information to anyone else, unless it is necessary to do so in the ordinary course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information and such persons will be advised that the information is to be kept confidential.

Covered Persons should be aware that communication by e-mail leaves a physical track of its passage that may be subject to later decryption attempts. Caution should be taken for all confidential information being transmitted over the Internet. All confidential e-mails should be secured by appropriate encryption and validation methods.

Outside parties privy to undisclosed material information concerning the Company will be told that they must not divulge such information to anyone else, other than in the necessary course of business and that they may not trade in the Company's securities until the information is publicly disclosed. Where appropriate, such outside parties will be requested to confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

1. Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who "need to know" that information in necessary course of business. Code names should be used as required.
2. Confidential matters should not be discussed in places where it is reasonable to expect that the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
3. Confidential matters should not be discussed on wireless telephones or other wireless devices.
4. Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
5. Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.
6. Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
7. Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
8. Access to confidential electronic data should be restricted through the use of passwords.

VIII. Designated Spokesperson

The Company designates a limited number of spokespersons responsible for communication with the investment community, regulators or media. The President, COO, CFO and IROs shall be the official spokespersons for the Company. Individuals holding these offices may, from time to time, designate others within the Company to speak on behalf of the Company as back-ups or to respond to specific inquires.

Persons who are not official spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by an official spokesperson.

IX. News Releases

Once the Committee determines that a development is material, a news release will be drafted, approved and issued. Should a material statement inadvertently be made on a selective basis the Company will issue a news release as soon as practicable in order to fully disclose that information.

Whenever feasible, news releases will be scheduled to be issued before or after the trading hours of stock exchange(s) on which the Company's securities are listed or quoted. Prior to delivery to newswire services, copies of the news release will be provided to the exchange including the market surveillance department for such exchanges. If the market surveillance department of the stock exchanges are open at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to such departments, and a verbal confirmation of receipt obtained, to enable a trading halt, if deemed necessary by the stock exchange(s).

Annual and interim financial results will be publicly released as scheduled to meet filing requirements, following audit committee and board approval of the financial statements.

News releases will be disseminated through an approved news wire service that provides simultaneous national and/or international distribution. News releases will be transmitted to appropriate regulatory bodies, major business wires, national financial media and the local media in areas where the Company has its headquarters and major operations. News releases will be posted on the Company's website as soon as practicable after release over the news wire.

X. Conference Calls

Conference calls may be held for quarterly earnings and major corporate developments, whereby discussion of key aspects is accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a web cast over the Internet. The call will be preceded by a news release containing all relevant material information. At the beginning of the call, a Company spokesperson will provide appropriate cautionary language with respect to any forward-looking information

and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties.

XI. Rumors

The Company does not comment, affirmatively or negatively, on rumors unless required to do so by applicable securities laws or stock exchange rules. This also applies to rumors promulgated on the Internet. The Company's spokespersons will respond consistently by saying, "It is our policy not to comment on market rumors or speculation." Should a stock exchange request that the Company make a definitive statement in response to a market rumor that is causing significant volatility in the stock, the Committee will consider the matter and decide whether to make a policy exception.

XII. Contacts with Analysts, Investors and Media

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Company intends to announce material information at an analyst or shareholder meeting, press conference or conference call, the announcement must be preceded by a news release.

The Company recognizes that meetings with analysts and significant investors are an important element of the Company's investor relations program. The Company will meet with analysts and investors on an individual or small group basis as needed and will initiate contacts or respond to calls in a timely, consistent and accurate fashion in accordance with this policy.

The Company will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. The Company cannot alter the materiality of information by breaking down the information into smaller, non-material components.

XIII. Review Analyst Draft Reports and Models

It is the Company's policy to review, upon request, analysts' draft research reports or models for the purpose of pointing out error in fact based on publicly disclosed information. When an analyst inquires with respect to his/her estimates, the Company will question an analyst's assumptions if the estimate is significantly different than the range of estimates provided in the Company's published earnings guidance. The Company will limit its comments in responding to such inquires to non-material information. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's model and earnings estimates.

In order to avoid appearing to "endorse" an analyst's report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

XIV. Forward-Looking Information

Should the Company elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, etc., the following guidelines will be observed.

1. The information, if deemed material, will be broadly disseminated via news release, in accordance with this disclosure policy.
2. The information will be clearly identified as forward looking.
3. The Company will identify all material assumptions used in the preparation of the forward-looking information.
4. The information will be accompanied by a statement that identifies, in very specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the information, including a sensitivity analysis to indicate that extent to which different business conditions from the underlying assumptions may affect the actual outcome.
5. The information will be accompanied by a statement that the information is given as of a current date and may be subject to future change and that the Company disclaims any intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, the Company may choose to update its guidance on the anticipated impact on revenue and earnings or other key measures of corporate performance via news release, explaining underlying reasons.

XV. Providing Guidance

The Company will try to ensure, through its regular public dissemination of quantitative and qualitative information that the analysts' estimates are generally in line with the Company's own expectations. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' models and earning estimates.

If the Company has determined that it will be reporting results materially different to market expectations, it will disclose this information in a news release in order to avoid the risk of selective disclosure.

XVI. Quiet Periods

In order to avoid the appearance of selective disclosure, the Company will observe a quarterly quiet period, during which no guidance as to revenues, earnings or other

measures of corporate performance will be provided externally. The quiet period commences on the first day of the month following the end of a quarter and ends with the filing of the Company's quarterly results.

XVII. Disclosure Record

The Corporate Secretary will maintain a file containing all public information about the Company, including continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls, debriefing notes, notes from meetings and telephone conversations with analysts and investors, as well as newspaper articles.

XVIII. Responsibility for Electronic Communications

This disclosure policy also applies to electronic communications. Accordingly, those responsible for written and oral public disclosures shall also be responsible for electronic communications.

The IROs are responsible for causing the Company's website to be updated and for monitoring all Company information placed on the website to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws. The IROs shall only post to the website documents publicly filed on the Canadian SEDAR or U.S. EDGAR systems and other documents approved by the Committee. The IROs shall advise the Committee as to any information placed on the website that will be removed having ceased to be accurate or relevant.

Any links from the Company website to a third party website will include a notice that advises the reader that he or she is leaving the Company's website and that the Company is not responsible for the contents of the other site.

Investor relations material shall be contained within a separate section of the Company's website and shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures. All data posted to the website, including text and audiovisual material, shall show the date on which such material was originally issued. Any material changes in information posted on the Company's website must be updated as soon as practicable.

The IROs shall also be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this disclosure policy shall be utilized in responding to electronic inquiries.

In order to ensure that no material undisclosed information is inadvertently disclosed, Covered Persons are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Company's activities or its securities. Covered Persons are expressly prohibited from posting any information related to the Company on any Internet chat room or other form of newsgroup discussion. Any Covered Person who encounters a discussion pertaining to the Company should advise the IROs immediately, so the discussion may be monitored.

XIX. Communication and Enforcement

This policy extends to all Covered Persons, as defined in the scope. New Covered Persons will be provided with a copy of this policy and will be educated about its importance. This policy will be circulated to all Covered Persons whenever changes are made.

Any person covered by this policy who violates the policy may face disciplinary action up to and including termination of his or her employment with the Company without notice. The violation of this disclosure policy may also violate certain securities laws, which could lead to penalties, fines or imprisonment.

US GEOTHERMAL, INC. (the “Company”)

**Re: Code of Business Conduct and Ethics (the “Ethics Code”) and
Corporate Disclosure, Confidentiality and Securities Trading Policy
(the “Trading Policy”)**

ACKNOWLEDGEMENT AND AGREEMENT

NAME: _____

POSITION: _____

I acknowledge having received, reviewed and understood the terms of the Business Conduct and Ethics Code and Corporate Securities Trading Policy of the Company. I agree to be bound by the terms of the Business Conduct and Ethics Code and the Corporate Securities Trading Policy and by all determinations made in accordance with the Business Conduct and Ethics Code and Corporate Securities Trading Policy.

I confirm that, except as detailed below, as of this date, I am unaware of any actual or potential conflict as described in Item II, Conflicts of Interest of the Ethics Code.

Name: _____

Signed: _____

Date: _____