

U.S. Geothermal Inc. Announces Substantial Completion at Neal Hot Springs Power Plant

BOISE, IDAHO--(Marketwired - July 2, 2013) - U.S. Geothermal Inc. (TSX:GTH) (NYSE MKT:HTM), a leading renewable energy company focused on the development, production, and sale of electricity from geothermal energy, announced today that USG Oregon LLC, has accepted the Facility Substantial Completion certificate for the 22 megawatt Neal Hot Springs Project.

The certificate of Substantial Completion was received from TAS Energy, Inc. on June 17 and approval was granted by USG Oregon on June 27. Under an Equipment Supply Agreement, TAS Energy provided three innovative, high efficiency modular energy systems that generate approximately 22 MW (net) of power, which is being sold to Idaho Power under a long term sales agreement. Achieving Substantial Completion required, among other things, passing an integral 7 day reliability test. The reliability test required all three modules to operate continuously for 7 days while generating a minimum of 97% of the designed power output.

"We are very excited to have completed this significant milestone. Since initially synchronizing these units to the grid in the 4th Quarter 2012, there has been a tremendous amount of work associated with optimizing the plant performance by the teams from TAS Energy and U.S. Geothermal, and their efforts are very much recognized and appreciated.", said Dennis Gilles, CEO of US Geothermal.

"Collaborating with the US Geothermal team in bringing our innovative ORC technology to the geothermal industry has been a rewarding experience for the TAS Energy team and we are equally excited that our customer has achieved this important milestone.", said JT Grumski, CEO of TAS Energy.

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

About U.S. Geothermal Inc.:

U.S. Geothermal Inc. is a leading renewable energy company focused on the development, production and sale of electricity from geothermal energy and is operating geothermal power projects at Raft River, Idaho, San Emidio, Nevada and Neal Hot Springs, Oregon. The company is developing El Ceibillo, an advanced stage, steam geothermal prospect located within a 24,710 acre (100sq km) energy rights concession area located 8.5 miles (14 km) from Guatemala City, the largest city in Central America.

About TAS Energy Inc.:

TAS Energy, Inc. is a technology company providing clean economic power solutions by focusing on the energy efficiency and renewable energy markets. TAS designs and manufactures modular energy conversion and cooling systems for the power generation industry; district, commercial and industrial process cooling; mission critical; and the renewable energy sector. TAS specializes in high efficiency standard product designs for the geothermal and industrial waste heat power generation markets, gas fired generation augmentation, chilled water systems, modular data centers and clean heat and power on-site energy systems. More can be learned at www.tas.com.

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 results from the exploration, production and injection well drilling at El Ceibillo. 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 MKT and the TSX do not accept responsibility for the adequacy of this release.

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