

U.S. Geothermal updates progress at two project sites

06/27/2016 by Marketwired

BOISE, IDAHO--(Marketwired - June 27, 2016) - U.S. Geothermal Inc. (the "Company") (NYSE MKT:HTM), a leading and profitable renewable energy company focused on the development, production, and sale of electricity from geothermal energy, announced today an update on two of its advanced stage development projects.

El Ceibillo (Guatemala)

Drilling of a new large diameter well, EC-5, began June 9. Well EC-5 is targeting the production zone previously encountered in well EC-2A. Well EC-5 will be used to test the geothermal reservoir's flow characteristics and provide critical data required for the numerical reservoir model being developed by Mannvit Engineering of Iceland. The reservoir model will be used to determine the size, production characteristics, and power production capability of the reservoir.

San Emidio Phase II (Nevada)

Approval has been received from the U.S. Bureau of Land Management (BLM) to deepen two geothermal wells originally drilled to obtain temperature gradients at San Emidio. Drilling is scheduled to begin on July 11. A vegetation survey was completed in May, and a nesting bird survey will be conducted within 10 days before drilling operations commence. Extended vegetation surveys were completed over the larger resource target area in anticipation of the need for additional roads and well pads.

The two wells were originally drilled to a depth of 1,000 feet and encountered high bottom hole temperatures and high temperature gradients. Both of these are indicators of a deeper, active geothermal system. If productive zones are encountered, the wells will be tested to determine resource temperature and production characteristics of this south-west zone.

"We are pleased to be moving forward again with drilling at our El Ceibillo project in Guatemala and our San Emidio project in Nevada," said Doug Glaspey, President and COO of US Geothermal. "Both projects hold great promise and we are very optimistic that the drilling results and testing will allow us to confirm their respective resource potentials in support of obtaining a power purchase agreement."

About U.S. Geothermal Inc.:

U.S. Geothermal Inc. is a leading and profitable renewable energy company focused on the development, production and sale of electricity from geothermal energy. The company is currently operating geothermal power projects at Neal Hot Springs, Oregon, San Emidio, Nevada and Raft River, Idaho for a total power generation of approximately 45 MWs. The company is also developing an additional estimated 90 MW's of new projects at: the Geysers, California; a second phase project at San Emidio, Nevada; the El Ceibillo project located near Guatemala City, Guatemala; and at Crescent

Valley, Nevada. US Geothermal's growth strategy is to reach 200 MWs of generation by 2020 through a combination of internal development and strategic acquisitions.

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