

PRESS RELEASE



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MEDIA CONTACT: Katie Hays
Weber Shandwick Seattle
Phone: (425) 452-5428
Email: khays@webershandwick.com

INVESTOR CONTACT: Sean Li
Investor Relations International
Phone: (818) 382-9700
Email: sli@irintl.com

AT PETROALGAE:
David Szostak
President
Phone: (321) 409-7407

INDONESIAN GOVERNMENT ALLOWS PETROALGAE PROTEIN AS ANIMAL FEED INGREDIENT

MELBOURNE, Fla. - October 27, 2009 – PetroAlgae Inc. (OTCBB: PALG) (“PetroAlgae”), a leading renewable energy company, today announced that it has received official notice that the protein from PetroAlgae’s proprietary micro-crop production technology has successfully passed testing by the Indonesian Ministry of Agriculture, and that the PetroAlgae protein is suitable for use as a raw material in animal feed in Indonesia.

Furthermore, the protein has been cleared for importation as a raw material to be used as an ingredient for animal feed. This protein is a co-product of PetroAlgae’s core bio-crude (renewable fuel feedstock) production system. Licensees of the PetroAlgae production system will be expected to follow the Guidance and Procedures for the Registration of Animal Feed in Indonesia.

About PetroAlgae Inc.

PetroAlgae Inc. (OTCBB: PALG) is a leading alternative energy company that licenses a commercial micro-crop technology system to produce clean fuel and food in an environmentally sustainable manner. Through a modular, flexible design construction, PetroAlgae enables a near-continuous growing and harvesting process of a wide variety of micro-crops suited to local climates, ensuring maximum growth rates. PetroAlgae’s globally scalable system produces high-value protein as well as a cost-effective alternative to fossil fuels, while absorbing carbon dioxide from greenhouse gas emissions. The Florida-based company expects to establish first-mover advantage in the biofuels industry and offers a path to sustainable and clean energy independence while promoting local job growth.

For further information on PetroAlgae, please visit www.petroalgae.com.

Forward Looking Statements: *This news release may contain certain forward-looking statements. Forward-looking statements are based on current expectations and assumptions and are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, and many of which are beyond the Company's control. Actual results could differ materially from these forward-looking statements as a result of a number of factors, including the uncertainty of the launch of our commercialization strategy, the availability of additional capital to support the Company's operations, as well as other risks detailed in the Company's filings with the Securities and Exchange Commission (the "SEC"). Given these risks and uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and no assurances can be given that such statements will be achieved.*

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