

PRESS RELEASE



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PETROALGAE ANNOUNCES STRATEGIC PARTNERSHIP WITH INDIAN OIL CORPORATION LIMITED

*PetroAlgae to Partner with India's Largest Energy Company to
Deploy Micro-crop to Renewable Fuel Technology*

MELBOURNE, Fla. – November 3, 2009 – PetroAlgae Inc. (OTCBB: PALG) (PetroAlgae or the Company) today announced that PA LLC, a Delaware limited liability company that is PetroAlgae's operating subsidiary has signed a Memorandum of Understanding (MoU) to enter into an agreement to license the Company's proprietary micro-crop technology to Indian Oil Corporation Limited (IOCL) for its future large-scale production of renewable fuels.

Under the terms of the MoU and the license agreement to be completed, IOCL will build a pilot facility to demonstrate the commercial viability of producing renewable fuels from micro-crops. Upon achieving success, the pilot facility is expected to lead to the completion of a licensed unit for large-scale production of renewable fuels by IOCL.

IOCL publicly issued the following information on the partnership announcement:

IndianOil signs MoU with PA LLC of Florida

IndianOil signed a Memorandum of Understanding (MoU) with PA LLC of Florida to collaborate on biodiesel production from micro-algae on October 16, 2009.

The MoU was signed by Mr. B. M. Bansal, Director (P&BD) and Mr. Ottmar Dippold, CEO, PetroAlgae LLC. Fred Tennant, Executive Vice President, and Adam Wolfe, Financial Analyst, Mr. Anand Kumar, Director (R&D), were also present.

Together with PA LLC, IndianOil, will pioneer the commercial bio-diesel production from algae. IndianOil and PA LLC, initially will collaborate on adapting the algal strains and technology developed by PA LLC to suit Indian conditions. Thereafter, a pilot facility is proposed to demonstrate the

commercial viability of the technology. A commercial production facility with a capacity of 200,000 TPA of bio-diesel is proposed in the near future, along with a high-value protein that can be used as feedstock for animal feed production as a by-product.

IndianOil has been exploring commercial ventures in all form of alternate energy including, solar, wind and bio-fuels. Significant progress has been made by the Corporation in energy crop plantation. Over 850 ha of jatropha plantation has already been completed in Madhya Pradesh and Chhattisgarh. During the next season, almost 40,000 ha of plantation is proposed to be completed along with commercial marketing of bio-diesel through IndianOil-CREDA Biofuels Limited.

About PetroAlgae Inc.

PetroAlgae (OTCBB: PALG) expects to be the first renewable energy company to commercialize a system that enables the production of a drop-in replacement for fossil fuels. The company's globally scalable micro-crop technology produces a cost-effective alternative to fossil fuels as well as a high quality protein co-product, while absorbing carbon dioxide from greenhouse gas emissions. The green fuels produced are functionally compatible with petroleum-based fuels and therefore use the existing industry infrastructure, hence the term "drop-in". Through a modular, flexible design construction, PetroAlgae enables a near-continuous growing and harvesting process of a wide variety of micro-organisms suited to local climates, ensuring maximum growth rates. The Florida-based company has established first-mover advantage in the micro-crop to fuels 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.

About Indian Oil Corporation Ltd.

Indian Oil Corporation Ltd. (Indian Oil) is currently India's largest company by sales with a turnover of Rs. 285,337 crore and profit of Rs. 2,950 crore for fiscal 2008-09. Indian Oil is also the highest ranked Indian company in the prestigious Fortune 'Global 500' listing, having moved up 19 places to the 116th position in 2008. It is also the 18th largest petroleum company in the world. Indian Oil's vision is driven by a group of dynamic leaders who have made it a name to reckon with. The Corporation is celebrating the year 2009 as its golden jubilee year.

For further information on Indian Oil, please visit www.iocl.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, potential delays and/or other factors that may negatively impact the Company's ability to progress with its strategic alliance with Indian Oil Corporation Limited (IOCL), the availability of additional capital to support the Company's operations, particularly the launch of its commercialization strategy, 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. The Company and all affiliated parties do not assume any duty to publicly update or revise the material contained herein.*

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