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**OSAGE BIO ENERGY SIGNS CONTRACT WITH LAND O' LAKES PURINA FEED TO MARKET
BARLEY PROTEIN MEAL ANIMAL FEED**

Osage Bio Energy is the only ethanol producer in the U.S. to offer this co-product

GLEN ALLEN, VA (February 23, 2010) – Osage Bio Energy announced today it has signed a contract with Land O'Lakes Purina Feed to market its barley protein meal (BPM), a co-product of its ethanol bio-processing operation.

Osage Bio Energy's first plant, Appomattox Bio Energy, located in Hopewell, Va., is currently under construction and scheduled to come online in late spring 2010. When complete, it will be the first commercial scale barley-to-ethanol processing plant in the United States. A co-product derived from processing barley into ethanol, BPM is a new protein-rich animal feed ingredient.

The innovative process design of Osage Bio Energy's plant includes a specialized milling technique that removes the hulls from the barley -- thus reducing the fiber and concentrating the protein and starch. The hulls will be pelletized on-site and sold as a renewable fuel source.

Through the use of special enzymes during fermentation, the plant will convert the problematic waxy beta-glucans in the barley into ethanol, preventing them from becoming part of the BPM. Additionally, state-of-the-art ring dryers will shorten the BPM drying time and preserve the proteins and amino acids.

The nutritional profile of BPM has unique characteristics that differentiate it in the feeding world. It has a low fat profile and high protein and lysine content relative to other grain-based feeds. Additionally, because the product is derived from barley that has not been genetically modified, it represents a new source of non-GMO animal feed for global customers.

Appomattox Bio Energy has the capacity to produce up to 250,000 tons per year of barley protein meal annually. Interested buyers should contact Darian Carpenter at Land O'Lakes Purina Feed at dacarpenter@landolakes.com or 425-653-4237 for additional information.

About Land O'Lakes Purina Feed

Headquartered in Shoreview, Minn., Land O'Lakes Purina Feed (LOLPF) is a national organization serving producers and their families through 4,700 local cooperatives and independent dealerships throughout the United States. The company, in combination with its wholly-owned subsidiary, Purina Mills, LLC, is North America's leading feed manufacturer with an extensive line of animal feed, ingredients and services designed to help agricultural producers, dealers and cooperatives compete in the global marketplace.

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LOLPF's LongView Animal Nutrition Center, located on 1,188 acres in Gray Summit, Mo., is the premier animal nutrition research and development facility in North America. Their commitment to introducing breakthrough animal nutrition products and services to meet the needs of producers and pet owners has resulted in more than 100 patents worldwide, and multiple new products, programs and line extensions every year.

A dynamic, growing organization, LOLPF is part of Land O'Lakes, Inc., one of the largest, most respected agricultural cooperatives in the world with sales of \$10 billion and business in all 50 states and more than 50 countries. LOLPF has a highly recognized and respected history of success in the livestock feeding business with more than 70 highly technical feed mills located across the U.S. The Land O'Lakes Purina Feed DDG Marketing team has experience and expertise in all forms of logistics (truck, rail car, containers, barge and break-bulk vessel).

About Osage Bio Energy

Headquartered in Glen Allen, Va., Osage Bio Energy was launched in January 2007 with the goal of developing the first major barley-to-ethanol bio-processing facilities in the United States. Osage Bio Energy will market its ethanol through Roanoke, Va.-based Osage, Inc., the largest independent distributor of motor-fuel grade ethanol in the Southeast.

Through its facilities, Osage Bio Energy is developing a market for barley to provide local farmers with an incremental cash crop, producing a high-quality barley protein meal for animal feed and aiding soil conservation efforts by promoting year-round farming opportunities.

Visit www.osagebioenergy.com for more information.

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