

FOR IMMEDIATE RELEASE

OSAGE BANCSHARES, INC.
ANNOUNCES
NEW 18% STOCK BUYBACK PLAN

February 10, 2011

Pawhuska, OK

Mark S. White, President and Chief Executive Officer of Osage Bancshares, Inc. (OTC Bulletin Board: OSBK.OB) (the “Company”) and its subsidiary Osage Federal Bank, today announced that the Company’s Board of Directors had approved a stock repurchase program for up to 18% of its outstanding shares of common stock (approximately 452,000 shares) in open market or private transactions. Stock repurchases will be made from time to time in the market based upon stock availability, price and the Company’s financial performance. It is anticipated that such repurchases will be made during the next 12 months, although no assurance may be given when such purchases will be made or the total number of shares that will be purchased.

Last week, the Company announced record net income for the three months ended December 31, 2010 of \$371,000 (\$.16 per diluted share), compared to \$205,000 (\$0.08 per diluted share) in the same period of 2009. Net income for the six months ended December 31, 2010 was \$684,000 (\$0.30 per diluted share), compared to net income of \$478,000 (\$0.19 per diluted share) in the same period of 2009. The Company also announced that its Board of Directors had declared a quarterly cash dividend of \$0.085 per share, payable February 18, 2011 to stockholders of record as of February 4, 2011. For more information about earnings, please visit the Company’s website at www.osagefed.com, and click on the Shareholders tab.

Osage Bancshares, Inc., through its subsidiary Osage Federal Bank, operates three offices and three automated teller machines in Osage and Washington Counties, Oklahoma. The Company's stock is traded on the Over the Counter Bulletin Board under the symbol OSBK.OB.

Statements contained in this news release which are not historical facts are forward-looking statements as the term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, changes in economic conditions in our market area, regulatory changes, interest rate changes, and competition.

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Vice President and Chief Financial Officer

OSAGE BANCSHARES, INC.

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