PRESS RELEASE
NOT FOR IMMEDIATE RELEASE

Medicago's H5N1 VLP vaccine demonstrates cross-reactivity against multiple strains of avian flu in key ferret animal model

Quebec City, Quebec, June 25, 2008 — Medicago Inc. (TSX-V: MDG) today announced additional positive results for the Company's H5N1 Avian Influenza VLP vaccine from a preclinical immunogenicity study performed in ferrets, the most predictive animal model for evaluating the effectiveness of influenza vaccines in humans. The Company's H5N1 VLP vaccine induced high levels of antibodies that neutralized strains of H5N1 circulating virus beyond the strain used to develop the original vaccine. Cross-reactivity was demonstrated against three of the deadliest strains of H5N1: the Turkey strain (clade 2.2), the Anhui strain (clade 2.3) and the Vietnam strain (clade 1).

"These data further highlight the competitive advantages of our proprietary avian flu vaccine. Not only have we been able to demonstrate the efficacy of our vaccine at very low doses, we have now demonstrated that our vaccine offers broad protection against a variety of strains of this deadly virus," said Andy Sheldon, President and CEO of Medicago. "These unique properties, combined with the speed of our vaccine production platform, should prove highly attractive to governments and institutions seeking to develop vaccine stockpiles and pandemic planning in the most efficient and effective manner possible."

The objective of Medicago's study was to determine the optimal dosage for its H5N1 VLP vaccine in ferrets. At the start of the study, ferrets were vaccinated with a range of doses of the Company's VLP vaccine made from an Indonesian strain of H5N1 Avian Influenza. A booster immunization was administered after three weeks. The results demonstrated that ferrets vaccinated with the 5 micrograms dose met all CHMP (European Union Committee for Medicinal Products for Human Use) criteria for other H5N1 strains after the second dose with 100% of the ferrets having an hemagglutination inhibition (HAI) titer greater than 1:40 for the Turkey strain, and 80%, for the Anhui and Vietnam strains. These criteria set by the CHMP for the approval of seasonal flu vaccines in the European Union are widely used to assess immune responses of new pandemic influenza vaccines in humans. In the case of ferrets, these criteria are useful to predict effective doses that should be tested in humans.

About Medicago

Medicago is committed to provide highly effective and affordable vaccines based on proprietary Virus-Like Particle (VLP) and manufacturing technologies. Medicago is developing VLP vaccines to protect against H5N1 pandemic influenza, using a transient expression system which produces recombinant vaccine antigens in non-transgenic plants. This technology has potential to offer advantages of speed and cost over competitive technologies. It could deliver a vaccine for testing in about a month after the identification and reception of genetic sequences from a pandemic strain. This production time frame has the potential to allow vaccination of the population before the first wave of a pandemic strikes and to supply large volumes of vaccine antigens to the world market. Additional information about Medicago is available at www.medicago.com.

Forward Looking Statements

This press release contains forward-looking statements which reflect Medicago's current expectations regarding future events. The forward-looking statements involve risks and uncertainties. Actual results could differ materially from those projected herein. Medicago disclaims any obligation to update these forward-looking statements.

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