



**PRESS RELEASE
FOR IMMEDIATE RELEASE**

**Medicago and Investissement Québec agree to a decrease in interest payments of
Medicago's Bio-Levier loan**

Quebec City, Quebec, — April 29, 2008 — Medicago Inc. ("Medicago" or the "Company") (TSX-V: MDG) announced today that Investissement Québec has agreed to a moratorium on the payment of approximately \$643,877 of interest payable from January 1, 2008 to December 31, 2008 on a loan made by Investissement Québec under the "Bio-Levier". In consideration for this, Medicago will issue to Investissement Québec a total of 643,877 warrants to purchase an equivalent number of common shares at a price of \$0.70 per share for a period of three years.

"We would like to thank Investissement Québec for working alongside us to further the development of our company," said Andy Sheldon, President and CEO of Medicago.

About Medicago Inc.

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 the Company's current expectations regarding future events. The forward-looking statements involve risks and uncertainties. Actual results could differ materially from those projected herein. The Company disclaims any obligation to update these forward-looking statements.

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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