



**PRESS RELEASE
FOR IMMEDIATE RELEASE**

Medicago shareholders approve \$15,975,000 investment by Philip Morris International

QUEBEC, QC, November 10, 2008 — Medicago Inc. (“Medicago”) (TSX-V: MDG) today announced that it has received the approval of its shareholders for the completion of its previously announced \$15,975,000 private placement transaction with Philip Morris International (“PMI”). At a special meeting held in Quebec City earlier today, 40.4% of Medicago shareholders were present or represented by proxy and 99.9% of these shareholders approved the subscription by Philip Morris Participations B.V. (“PMP”), a wholly owned indirect subsidiary of PMI, for 45,000,000 units (the “Units”) at a price of \$0.355 per Unit. PMP now holds an interest of 49.8% of the issued and outstanding common shares of Medicago. The proceeds of this transaction which were held in escrow since October 21, 2008 will now be released to Medicago.

“This transaction represents a major achievement for Medicago. PMI’s investment is particularly significant in today’s challenging market conditions as it provides us the funding to allow us to realize the full potential of our technology platform and advance our pandemic and seasonal influenza vaccine candidates,” said Andy Sheldon, President and CEO of Medicago. “Our innovative proprietary vaccine technology and know-how, coupled with PMI’s expertise in plant science and genetics makes for a compelling collaboration. We look forward to combining our respective strengths and capitalizing on the opportunities in the fast-growing vaccine market.”

“We are delighted to continue working closely with Medicago. We believe that the tobacco plant represents a natural vehicle to meet the needs for rapid and cost-effective production of vaccines,” said Frances Bruttin, VP Applied Science of PMI. “Medicago’s tobacco-based technology platform makes it an ideal fit for PMI in exploring adjacent opportunities where synergies exist with our current field of knowledge and our R&D activities.”

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 the cells of 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

About Philip Morris International

Philip Morris International Inc. (PMI) is the leading international tobacco company, with seven of the world’s top 15 brands, including Marlboro, the number one cigarette brand worldwide. PMI has more than 75,000 employees and its products are sold in approximately 160 countries. In 2007, the company held an estimated 15.6% share of the total international cigarette market outside of the U.S. For more information, see www.pmintl.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.

- 30 -

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