



Press release
For immediate publication

Medicago and PBL sign license agreements for PBL's bipartite expression and related technologies

Quebec City, Canada and Norwich, UK, August 8th 2006 – Medicago and PBL (Plant Bioscience Limited) announced today the signing of license agreements to give Medicago access to a range of technologies for the high level expression of heterologous proteins in plants. The agreements give Medicago access to PBL's bipartite expression system and a wide range of suppressors of gene silencing.

The bipartite viral expression system was developed by Dr George Lomonosoff and co-workers at the John Innes Centre, UK using specific elements of comoviruses. It achieves high levels of heterologous protein expression by relying on truncated replicons for amplification. It also has the benefit of not requiring the production of infective viral particles and thus provides complete bio-containment. A patent application with inventors from the John Innes Centre and Medicago has been filed by PBL. The suppressors of gene silencing are from two other research groups.

Under the agreements Medicago receives a non-exclusive license with exclusive options to produce pharmaceutical and industrial proteins in Medicago, Trifolium and Nicotiana species. PBL will receive license fees and milestone fees as well as product royalties. Details of the financial terms were not disclosed.

Medicago is a leading biotechnology company focused on the development, production and commercialization of protein-based biopharmaceutical products using unique manufacturing systems developed from its expertise in the genetic engineering of plants.

"We believe that Medicago is an excellent partner to further develop and use this unique protein expression technology and to bring to market successful and innovative products, together with its partners. The combination of Medicago's unique manufacturing systems and the advantages of the bipartite expression system will result in the safe and efficient production of protein based pharmaceuticals. We are delighted that the John Innes Centre's first class science is being used in such immediate and practical applications, and also that our partner Medicago is able to benefit from a multiple technology package drawn from across PBL's portfolio" said Dr Jan Chojecki, Managing Director, PBL.

“I am very pleased with our collaboration with Dr. George Lomonosoff. In a short timeframe we have been able to demonstrate that the bipartite expression system provides a robust and broadly applicable approach for high speed and high level protein production in plants” said Dr. Louis Vezina, VP Research and Development.

Andy Sheldon, President and CEO added “We are delighted to announce this license agreement with PBL. We view this agreement as a significant step towards our goal of becoming a leading provider of innovative protein manufacturing solutions in plants.”

About Medicago:

Medicago is a biotechnology company focused on the development, production and commercialization of protein-based biopharmaceuticals using a proprietary manufacturing system developed from its expertise in the genetic engineering of plants.

Medicago’s breakthrough Proficia™ technology offers speed, flexibility and cost advantages that can greatly improve the accessibility of today’s emerging biopharmaceuticals for both partners and patients.

The company has established collaboration agreements with Acambis PLC (NASDAQ: ACAM – www.acambis.com) and InterveXion Therapeutics LLC (www.intervexion.com) for the development of several products and is also developing its own proprietary pipeline.

Located in Québec City, Medicago is a venture capital backed company. For additional information, please visit Medicago web site at www.medicago.com.

About PBL:

Plant Bioscience Limited (www.pbltechnology.com) is a technology development and intellectual property management company specialising in plant and microbial science. Established in 1994, the Company is jointly and equally owned by the Sainbury Laboratory the John Innes Centre and the BBSRC. PBL actively identifies, protects, markets and commercialises intellectual property and materials generated from public-funded research in the plant and microbial sciences.

— 30 —

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 Companies disclaims any obligation to update these forward-looking statements.

Source: Medicago and PBL

For any additional information, please contact :

Mr. Frederic Ors
(418) 658-9393
e-mail: info@medicago.com
www.medicago.com

Mr. Lars Von Borcke