

QUEBEC CITY, Sept. 12, 2013 /PRNewswire/ - Medicago Inc. (TSX: MDG; OTCQX: MDCGF) ("**Medicago**" or the "**Company**"), a biopharmaceutical company focused on developing highly effective and competitive vaccines based on proprietary manufacturing technologies and Virus-Like Particles (VLPs), is pleased to announce that the Superior Court of Quebec has granted its final order approving the previously announced plan of arrangement (the "**Arrangement**") involving the Company, Mitsubishi Tanabe Pharma Corporation ("**MTPC**") and 9284-9686 Québec Inc., a wholly-owned subsidiary of MTPC (the "**Purchaser**").

Under the Arrangement, the Purchaser will acquire all of the issued and outstanding common shares ("**Common Shares**") of the Company, other than the Common Shares currently held by MTPC and by Philip Morris Investments B.V. ("**PMI**") an affiliate of Philip Morris International Inc. for cash consideration of \$1.16 per Common Share. In addition, holders of warrants and options will each receive a cash payment equal to the difference between \$1.16 and the exercise price of such warrants or options.

In addition, all regulatory approvals required for the Arrangement have now been obtained. Assuming all other closing conditions are satisfied or waived, it is anticipated that the Arrangement will become effective on September 18, 2013 (the "**Effective Date**"). The Common Shares are expected to be delisted from the Toronto Stock Exchange promptly following the Effective Date. Following completion of the Arrangement, the Company will also apply to cease to be a reporting issuer under applicable Canadian securities laws.

Further details regarding the Arrangement are set out in the press release dated July 12, 2013 and in the Company's Information Circular ("**Circular**") dated

July 31, 2013

, which are available under the corporate profile of the Company on SEDAR at

www.sedar.com

and on the Company's website at

www.medicago.com

About Medicago Medicago is a clinical-stage biopharmaceutical company developing novel vaccines and therapeutic proteins to address a broad range of infectious diseases worldwide. Medicago is committed to providing highly effective and competitive vaccines and therapeutic proteins based on its proprietary VLP and manufacturing technologies. Medicago is a worldwide leader in the development of VLP vaccines using a transient expression system which produces recombinant vaccine antigens in plants. This technology has potential to offer more potent vaccines with speed and cost advantages over competitive technologies, enabling the development of a vaccine for testing in approximately one 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, and supply large volumes of vaccine antigens to the world market. Medicago also intends to expand development into other areas such as biosimilars and biodefense products where the benefits of our technologies can make a significant difference. Additional information about Medicago is available at www.medicago.com.

About Mitsubishi Tanabe Pharma Mitsubishi Tanabe Pharma is a research-driven pharmaceutical company based in Japan, specializing in research, development and marketing of globally competitive pharmaceutical products focused on the field of autoimmune disease, diabetes and kidney disease, and CNS disease. Mitsubishi Tanabe Pharma contributes to the healthier lives of people around the world through the creation of pharmaceuticals that respond to unmet medical needs. Additional information about MTPC is available at <http://www.mt-pharma.co.jp/e>

Forward Looking Statements *This news release includes certain forward-looking statements or forward-looking information for the purposes of applicable securities laws and such statements and information are based upon current expectations, which involve risks and uncertainties associated with Medicago's business and the environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", and similar expressions to the extent they relate to Medicago or its management. The forward-looking statements are not historical facts, but*

reflect Medicago's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under "Risk Factors and Uncertainties" in Medicago's Annual Information Form filed on March 28, 2013, with the regulatory authorities. Medicago assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

SOURCE Medicago Inc.