



NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting of the shareholders (the “**Meeting**”) of Medicago Inc. (the “**Corporation**”) will be held at ALT Hotel Québec City, 1200, avenue Germain des Prés, Québec, Québec G1V 3M7 at **10:30 a.m. (Québec City Time), on December 15, 2011**, for the purposes of :

1. examining and, if deemed appropriate, to pass a resolution approving and authorizing the issuance by the Corporation, on a private placement basis, of 17,200,000 common shares of the Corporation at a price of CAD\$0.65 per common share for a consideration of CAD\$11,180,000, to Philip Morris Investments B.V. (the full text of such resolution is set out in Schedule A of the accompanying Management Information Circular); and
2. transacting such other business as may properly be brought before the Meeting.

Québec City, Province of Québec, November 11, 2011

By order of the Board of Directors

(s) Andrew J. Sheldon
Andrew J. Sheldon,
President and Chief Executive Officer

IMPORTANT

Shareholders may exercise their rights by attending the Meeting or by completing a form of proxy. If you are unable to attend the Meeting in person, please complete, date and sign the enclosed form of proxy and return it in the envelope provided for that purpose. Proxies, to be valid, must be deposited at the office of the registrar and transfer agent of the Corporation, Computershare Investor Services Inc., 1500 University, Suite 700, Montréal, Province of Québec, H3A 3S8, no later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the Meeting. **Your common shares will be voted in accordance with your instructions as indicated on the form of proxy or, if no instructions are given on the form of proxy, the proxyholder will vote “IN FAVOUR” of the matter indicated in item 1 hereinabove.**