Portage Biotech Inc.

Consolidated Interim Financial Statements

For the three months ended June 30, 2015
Unaudited – Prepared by Management

(US Dollars)

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For the Three Months Ended June 30, 2015

(US Dollars)

Index

NOTICE TO READER OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The consolidated interim financial statements for Portage Biotech Inc. comprised of the consolidated interim statements of financial position as at June 30, 2015 and for the year ended March 31, 2015, and the consolidated interim statement of operations, statement of changes in equity and cash flows for the three month period ended June 30, 2015 are the responsibility of the Company's management.

The consolidated interim financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these consolidated interim financial statements in accordance with International Financial Reporting Standards.

The consolidated interim financial statements have not been reviewed by the Company's independent external auditors, Schwartz Levitsky Feldman LLP.

"signed"	"signed"
Kam Shah CPA,C.A., Director	Declan Doogan MD, Director

August 24, 2015

Portage Biotech Inc.

Consolidated Interim Statements of Financial Position
(US Dollars)
(Unaudited – see Notice to Reader dated August 24, 2015)

As at ,	Note	June 30, 2015	March 31, 2015 (audited)
Assets			
Current			
Cash	4	$ 5,987,490	$ 1,718,289
Advances and other receivable		14,728	17,575
		$ 6,002,218	$ 1,735,864
Long-term assets			
Goodwill	5	3,000,000	3,000,000
Total assets		$ 9,002,218	$ 4,735,864
Liabilities and Shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities	7(d),12(iii)	628,031	620,560
		$ 628,031	$ 620,560
Shareholders' Equity			
Capital stock	6	14,846,795	9,691,715
Stock option reserve	7	1,451,860	1,312,519
Warrants	8(i)	1,108,402	1,108,402
Deficit		(10,243,767)	(9,452,864)
Total Shareholders' equity		$ 7,163,290	$ 2,659,772
Non-controlling interests		$ 1,210,897	$ 1,455,532
Total equity		8,374,187	4,115,304
Total liabilities and Shareholders' equity		$ 9,002,218	$ 4,735,864
Commitments and Contingent Liabilities (Note 10)			
Related Party Transactions (Note 12)			

On behalf of the Board ”Kam Shah” Director ”Declan Doogan” Director
(signed) (signed)

The accompanying notes are an integral part of these consolidated interim financial statements.

Portage Biotech Inc.

Consolidated Interim Statements of Operations and Comprehensive Loss
(US Dollars)
(Unaudited – see Notice to Reader dated August 24, 2015)

Three months ended June 30,	Note		2015		2014
Expenses					
Research and development	10((b) to (d))		786,160		771,519
Consulting fees	11 and 12(ii)		168,278		184,917
Professional fees			48,140		41,907
Other oprating costs	12(i)		30,834		34,046
Bank charges and interest			2,126		984
Amortization			-		242
			$1,035,538		$1,033,615
Net loss and comprehensive loss for period		$	(1,035,538)	$	(1,033,615)
Net loss and comprehensive loss attributable to :					
Owners of the Company			(790,903)		(785,639)
Non-controlling interest			(244,635)		(247,976)
		$	(1,035,538)	$	(1,033,615)
Basic and diluted loss per share					
Net Loss per share	9	$	(0.00)	$	(0.00)

The accompanying notes are an integral part of these consolidated financial statements.

Portage Biotech Inc.

Consolidated Interim Statements of Changes in Shareholders' Equity
For the Three Months ended June 30, 2015
(US Dollars)
(Unaudited – see Notice to Reader dated August 24, 2015)

	Number of Shares	Capital Stock	Stock Option Reserve	Warrants	Accumulated Deficit	Non-controlling interest	Total Equity
Balance, April 1, 2014	**180,775,790**	**$ 7,256,715**	**$ 362,440**	**$ 1,108,402**	**$ (6,334,433)**	**$ 2,678,317**	**$ 5,071,441**
Options vested			139,438				139,438
Net loss for year					(785,639)	(247,976)	(1,033,615)
Balance, June 30, 2014	**180,775,790**	**$ 7,256,715**	**$ 501,878**	**$ 1,108,402**	**$ (7,120,072)**	**$ 2,430,341**	**$ 4,177,264**
Balance, April 1, 2015	**206,775,791**	**$ 9,691,715**	**$1,312,519**	**$ 1,108,402**	**$ (9,452,864)**	**$ 1,455,532**	**$ 4,115,304**
Issued under private placement	36,822,003	$ 5,155,080					5,155,080
Private placement finders fee		$ (257,754)					(257,754)
Finders fee settled in shares	1,841,100	$ 257,754					257,754
Options vested			139,341				139,341
Net loss for period					(790,903)	(244,635)	(1,035,538)
Balance, June 30, 2014	**245,438,894**	**$ 14,846,795**	**$1,451,860**	**$ 1,108,402**	**(10,243,767)**	**$ 1,210,897**	**$ 8,374,187**

The accompanying notes are an integral part of these consolidated financial statements.

Portage Biotech Inc.

Consolidated Interim Statements of Cash Flows
(US Dollars)
(Unaudited – see Notice to Reader dated August 24, 2015)

For the three months ended June 30,		2015		2014
Cash flows from operating activities				
Net loss for period	$	(1,035,538)	$	(1,033,616)
Adjustments for non-cash items:				
Amortization of office equipment and furniture		-		242
Value of shares and options expensed as consulting fee		117,278		139,438
Value of options expensed as research and development		22,063		-
Net change in working capital components				
Other receivables		2,847		207,195
Accounts payable and accrued liabilities		7,471		304,423
	$	(885,879)	$	(382,318)
Cash flows from financing activities				
Capital contribution		5,155,080		-
	$	5,155,080	$	-
(Decrease) Increase in cash during period		4,269,201		(382,318)
Cash at beginning of period		1,718,289		2,032,058
Cash at end of period	$	5,987,490	$	1,649,740
Supplemental disclosures				
Non-cash financing activities				
Shares issued in settlement of finders fee		(257,754)		-
		(257,754)		-

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Portage Biotech Inc. ("the Company") was operating as an Ontario, Canada incorporated company, Bontan Corporation Inc. ("Bontan"), until July 5, 2013. On July 5, 2013 Bontan changed its name to the current name and was issued a certificate of Continuance by the Registrar of Corporate Affairs of the British Virgin Islands ("BVI").

The Company now continues as a BVI incorporated company with its registered office located at FH Chambers, P.O. Box 4649, Road Town, Tortola, BVI. Its Toronto agent is located at 47 Avenue Road, Suite 200, Toronto, Ontario, M5R 2G3, Canada.

The Company is a reporting issuer with the Ontario Securities Commission and US Securities and Exchange Commission and its shares trade on the OTC Markets under the trading symbol "PTGEF," and are also listed for trading in US currency on the Canadian Securities Exchange under the symbol "PBT.U".

The Company is engaged in researching and developing pharmaceutical and biotech products through to clinical "proof of concept" with an initial focus on unmet clinical needs. Following proof of concept, the Company will look to sell or license the products to large pharmaceutical companies for further development and commercialization.

The Company is in the pre-clinical stage, and as such no revenue has been generated from its operations. The Company has accumulated losses of approximately $9 million and has negative cash flows from operating activities of approximately $2.6 million during the year ended March 31, 2015.

Management has secured sufficient equity financing which it believes will enable it to complete its pre-clinical work and other commitments. However, it will require additional resources to continue into clinical trials and/or for additional acquisitions The Company continues to obtain financing, although there are no assurances that the management's plan will be realized. These conditions indicate the existence of a material uncertainty that raises substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts, or the amounts and classification of liabilities, which might be necessary should the Company be unable to continue its operations.

2. BASIS OF PRESENTATION

(a) Statement of Compliance and Basis of presentation

These consolidated Interim financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), IAS 34 *Interim Financial Reporting* and interpretations of the International Financial Reporting Interpretations Committee. These consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended March 31, 2015.

These consolidated interim financial statements have been prepared on a historical cost basis except for stock based compensation and warrants which are measured at fair value as detailed in Notes 7 and 8 to these financial statements. In addition, these consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The Company has no requirement to report on segments as it operates as only one segment.

These consolidated interim financial statements were approved and authorized for issue by the Audit Committee and Board of Directors on August 24, 2015

(b) Consolidation

The consolidated interim financial statements include the accounts of the Company and,

a. Portage Services Ltd.), a wholly owned subsidiary incorporated in Ontario on January 31, 2011. .
b. Portage Pharmaceuticals Ltd. a wholly owned subsidiary incorporated on April 5, 2013 under the laws of the BVI, as a BVI business company..
c. Biohaven Pharmaceutical Holding Company Limited ("Biohaven), a private corporation incorporated in BVI on September 25, 2013. The Company acquired approximately 54% equity in Biohaven on January 6, 2014.

All inter-company balances and transactions have been eliminated on consolidation.

(c) Functional and presentation currency

The Company's functional and presentation currency is US Dollar.

(d) Use of Estimates and judgments

The preparation of the consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant areas where estimation uncertainty and critical judgments are applied include valuation of financial instruments, research and development costs, fair value used for acquisition and measurement of share- based compensation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies are set out in Note 3 to the fiscal 2015 audited consolidated financial statements. These policies have been applied consistently to all periods presented in these consolidated interim financial statements,

New standards and interpretations not yet adopted

Standards issued but not yet effective up to the date of issuance of the Company's interim consolidated financial statements are listed below. This listing is of standards and interpretations issued which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

IFRS 9 - *Financial Instruments*

The IASB intends to replace IAS 39, Financial Instruments: Recognition and Measurements, with IFRS 9, Financial Instruments. IFRS 9 will be published in six phases, of which the first phase has been published.

For financial assets, IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, and replaces the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used. For financial liabilities, the approach to the fair value option may require different accounting for changes to the fair value of a financial liability as a result of changes to an entity's own credit risk.

IFRS 9 (2014) is effective for the Company for annual periods beginning on April 1, 2018, but is available for early adoption. The Company has yet to assess the full impact of IFRS 9.

4. CASH

Cash includes $ 648,644 (As at March 31, 2015: 1,201,509) held in trust by a US lawyer, pending opening of a bank account by Biohaven. There are no restrictions on use of cash.

5. GOODWILL

The Company assesses the recoverability of the carrying value of goodwill on an annual basis as of March 31, and whenever events occur or when circumstances change that would, more likely than not, indicate that the fair value of our reporting unit (Biohaven) is below its carrying value.

As at June 30, 2015, no new information was available which would indicate that the fair value of goodwill is below its carrying value.

6. CAPITAL STOCK

(a) Authorized**:** Unlimited number of common shares

(b) Issued

	As at June 30, 2014		As at March 31, 2015	
	Common Shares	**Amount**	Common Shares	Amount
Balance , beginning of period	**206,775,791**	**$ 9,691,715**	180,775,790	$ 7,256,715
Conversion of debts and coupons	**-**	**-**	3,500,001	315,000
Issued under private placement (i)	**36,822,003**	**5,155,080**	20,000,000	2,000,000
finders fee/Commitment fee settled in shares (i) (ii)	**1,841,100**	**257,754**	1,000,000	100,000
finders fee/Underwriting costs	**-**	**(257,754)**		(100,000)
Shares issued as compensation	**-**	**-**	1,500,000	120,000
Balance, end of period	**245,438,894**	**$ 14,846,795**	206,775,791	$ 9,691,715

i. On June 24, 2015, the Company completed a private placement comprising non-brokered offering of 36,822,003 restricted common shares at a price of US$0.14 per share for gross proceeds of $5,155,080 to accredited investors. Two directors subscribed approximately 11.4 million shares at a total cost of $ 1.6 million. The private placement was done in two tranches. First tranche closed on June 15, 2015 and second one closed on June 24, 2015. MediqVentures Ltd., a private corporation owned by two of the directors of the Company and/or its nominees received 5% of the gross proceeds or $257,754 as finder's fee as per the terms of the consulting agreement with them. The fee was settled by issuance of 1,841,100 restricted common shares valued at US$ 0.14 per common shares (see ii below).

ii. Common shares issuable as finder's fee under the private placement referred to in I above were issued in July 2015.

(c) As at June 30, 2015, the Company had the following active Consultant Stock Compensation Plan:

	Date of registration *	Registered shares under Plan	Issued to March 31, 2015	As at April 1, 2015	issued	Cancelled	Balance at March 31, 2015
2011 Plan	11-Apr-11	6,000,000	(3,438,333)	2,561,667	-	-	2,561,667

As at March 31, 2015, the Company had the following active Consultant Stock Compensation Plan:

	Date of registration *	Registered shares under Plan	Issued to March 31, 2014	As at April 1, 2014	issued	Cancelled	Balance at March 31, 2014
2011 Plan	11-Apr-11	6,000,000	(1,938,333)	4,061,667	(1,500,000)	-	2,561,667

* Registered with the Securities and Exchange Commission of the United States of America (SEC) as required under the Securities Act of 1933.

(d) As required under listing requirements by Canadian Securities Exchange, the Company signed, on October 25, 2013, an escrow agreement with TMX Equity Transfer Services to escrow 88,444,293 of its common shares and 68,724,447 of its warrants issued to four insiders. The escrowed shares and warrants will be released in agreed tranches over the period of three years. As at June 30, 2015, 48,644,356(As at March 31, 2015, 53,066,580) common shares and nil (As at March 31, 2015: 41,234,670 warrants) are still under escrow. All warrants in escrow expired as at June 30, 2015.

7. STOCK OPTION PLANS

	June 30, 2015	Year ended March 31, 2015
	(unaudited)	(Audited)
Balance, beginning of period	$ 1,312,519	$ 362,440
Options issued on December 17, 2013 and vested		238,221
Options issued on February 25, 2015 and vested	117,278	
2015 Options to acquire equity in PPL granted to PPl management and vested	22,063	-
2014 Options to acquire equity in PPL granted to PPl management and vested	-	188,282
Revaluation of 2014 PPL options due to extension of maturity period	-	5,576
Options to acquire equity in Biohaven granted to Biohaven consultants and directors (iv)	-	518,000
Balance, end of period	$ 1,451,860	$ 1,312,519

(a) The following is a summary of all active Stock Option Plans as at June 30, 2015:

Plan	2005 Stock Option Plan	2013 Option Plan	
Date of Registration	Dec. 5, 2005	Dec 19, 2013 and March 17, 2015	Total
Registered *	1,000,000	20,167,579	21,167,579
Issued	1,000,000	9,700,000	10,700,000
Outstanding, April 1, 2015	560,000	9,700,000	10,260,000
Issued	-	-	-
Exercised	-	-	-
Expired	-		-
Outstanding, June 30, 2015	**560,000**	**9,700,000**	**10,260,000**
Options fully vested - June 30, 2015	560,000	5,062,499	5,622,499
Options not yet vested as at June 30, 2015	-	4,637,501	4,637,501
	560,000	**9,700,000**	**10,260,000**
Options fully vested - March 31, 2015	560,000	4,400,000	4,960,000
Options not yet vested as at March 31, 2015	-	5,300,000	5,300,000
	560,000	**9,700,000**	**10,260,000**

* Registered with the Securities and Exchange Commission of the United States of America (SEC) as required under the Securities Act of 1933.

(b) The weighted average exercise price of the outstanding stock options was US$0.16 as at June 30, 2015 and as at March 31, 2015and weighted average remaining contractual life was approximately 3.93 years (4.18 years as at March 31, 2015).

The options can be exercised at any time after vesting within the exercise period in accordance with the applicable option agreement. The exercise price was more than the market price on the date of the grants for all options outstanding as at June 30, 2015 and March 31, 2015.

8. WARRANTS

(i) Movements during the period were as follows:

	June 30, 2015 (Unaudited)			**March 31, 2015 (Audited)**		
	# of warrants	**Weighted average exercise price**	**Fair value**	**# of warrants**	**Weighted average exercise price**	**Fair value**
beginning of year	**87,906,420**	**$ 0.30**	**$ 1,108,402**	114,281,420	$ 0.31	1108402
Exercised	**-**	**-**		-	-	
Expired	**(87,906,420)**	**$ (0.30)**		(26,375,000)	(0.35)	
March 31, 2014	**-**	**$ -**	**$ 1,108,402**	87,906,420	$ 0.30	$ 1,108,402

(ii) Details of weighted average remaining life of the warrants granted and outstanding are as follows:

	As at June 30, 2015		As at March 31, 2014	
	Warrants outstanding & exercisable		Warrants outstanding & exercisable	
Exercise price in US$	**Number**	**Weighted average remaining contractual life (years)**	Number	Weighted average remaining contractual life (years)
0.29	-	-	71,456,420	0.18
0.35	-	-	16,450,000	0.06
	-	-	87,906,420	0.16

9. LOSS PER SHARE

Loss per share is calculated on the weighted average number of common shares outstanding during the three months ended June 30, 2014, which was 219,663,492 (Three months ended June 30, 2014: 180,775,790).

The Company had nil warrants (June 30, 2014: 114 million) and 10.3 million options (June 30, 2014: 5 million) which were not exercised as at June 30, 2015. Inclusion of these warrants and options in the computation of diluted loss per share would have an anti-dilutive effect on the loss per share and are therefore excluded from the computation. Consequently, there is no difference between loss per share and diluted loss per share.

10. COMMITMENTS AND CONTINGENT LIABILITIES

(a) Under the terms of the License Agreement dated January 25, 2013, PPL is required to reimburse to the Licensor, Trojan Technologies Limited, 50% of all maintenance costs of the US Patent # 7,968,512 and to pay royalties of 3% on Net Receipts from sales of the Licensed Product and 5% on Net Receipts from third parties in respect of development or other exploitation of Licensed Intellectual Property and/or Licensed Products up to a maximum of $ 30 million. Total amount that may be payable in future under the terms of the Agreement cannot be reasonably estimated at this time.

(b) PPL has signed consulting contracts with its Chief Executive Officer and Chief Scientific Officer expiring in or around March 2017 and carrying a total monthly commitment of $22,683.Early termination without cause would require a lump sum compensation of $ 75,000 to be paid to the two consultants.

(c) Biohaven has signed a Master Service Agreement on January 31, 2014, as subsequently amended in April 2014, with Biohaven Pharmaceuticals Inc, a private Delaware incorporated research and development company (“BPI”). BPI is owned by non-controlling shareholders of Biohaven and is engaged by Biohaven to conduct, on behalf of Biohaven, research and development services relating to identification and development of clinical stage neuroscience compounds targeting the glutamatergic system. The agreement expires on December 31, 2018 and will automatically renew on a year to year basis. Either party can terminate the agreement upon ninety days prior notice. Agreed fee for the period up to June 30, 2015 is $ 3 million payable in quarterly instalment commencing from March 1, 2014.

(d) Under the terms of the License Agreement dated September 16, 2013 signed with Yale University, Biohaven is required to pay to the Licensor a milestone royalty of $ 2 million within six months of receiving approval of an NDA (New Drug Application) and pay earned royalty at 3% on worldwide annual net sales of the licensed products, subject to minimum royalty payment of $ 300,000 in the year one, $ 600,000 in year two, $ 750,000 in year three and $ 1 million from year four onwards subject to reduction ranging from 33% to 95% depending on sales of generic exceeding an agreed market share on a country by country basis and further reduction by 50% is licensee is required to pay third party royalties. Total amount that may be payable in future under the terms of the Agreement cannot be reasonably estimated at this time. Licensor also has right to purchase in cash up to 10% of any securities offered in future financing.

11. CONSULTING FEE

Three months ended June 30,	Notes	**2015**	2014
Cash fee		**$ 51,000**	45,479
Options issued to key management	7	**97,363**	105,031
Options issued to others	7	**19,915**	34,407
		$ 168,278	$ 184,917

12. RELATED PARTY TRANSACTIONS

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to between the related parties. Related party transactions and balances have been listed below, unless they have been disclosed elsewhere in the consolidated financial statements.

(i) Business expenses of $594 (June 30, 2014: 3,867) were reimbursed to directors of the Company.

(ii) Consulting fees include cash fee paid to key management for services of $45000 (June 30, 2014: $.45,000)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company’s financial instruments recognized in the balance sheet consist of the following:

	June 30, 2015 (Unaudited)		March 31, 2015 (Audited)	
	Carrying value	**Fair value**	Carrying value	Fair value
Financial assets				
Cash	**5,987,490**	**5,987,490**	1,718,289	2,032,058
Advances and other receivable	**14,728**	**14,728**	17,575	227,233
Financial liabilities				
Accounts payable and accrued liabilities	**628,031**	**628,031**	620,560	620,560

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

a) Fair value of financial instruments

The Company's financial assets and liabilities are comprised of cash, advances and receivable and, accounts payable and accrued liabilities.

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The Company classifies the fair value of these transactions according to the following fair value hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 – Values are based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values are based on prices or valuation techniques that are not based on observable market data.

Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy.

The Company's financial instruments are exposed to certain financial risks: credit risk, liquidity risk, other price risk and market risk.

b) Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value amount carried on the statement of financial position.

a. Cash– Cash is held with a major international financial institutions in Canada and a major law firm in the USA and therefore the risk of loss is minimal.
b. Other receivable – The Company is not exposed to major credit risk attributable to customers. A significant portion of this amount is prepaid to BPI under a master service agreement.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation. The Company holds sufficient cash to satisfy obligations under accounts payable and accruals.

The Company monitors its liquidity position regularly to assess whether it has the funds necessary to take care of its operating needs and needs for investing in new projects. The Company believes that its existing cash will allow it to finance the drug development work apart from meeting its operational needs for at least another year. However, the exact need for additional cash cannot be reasonably ascertained at this stage Should the Company require further funding, it intends to secure it through further rounds of equity financing.

However, as a biotech company at an early stage of development and without significant internally generated cash flows, there are inherent liquidity risks, including the possibility that additional financing may not be available to the Company, or that actual drug development expenditures may exceed those planned. The current uncertainty in global markets could have an impact on the Company's future ability to access capital on terms that are acceptable to the Company. There can be no assurance that required financing will be available to the Company.

14. CAPITAL DISCLOSURES

The Company considers the items included in Shareholders' Equity as capital. The Company had payables of approximately $ 0.6 million as at June 30, 2015 ($0.6 million as at March 31, 2015) and current assets, mostly in cash, of approximately $6 million ($1.7 million as at March 31, 2015). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue new business opportunities and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

As at June 30, 2015, the shareholders' equity was approximately $ 7.2 million ($2.7 million as at March 31, 2015), $6 million ($1.7 million as at March 31, 2015) of it was held in the form of cash.

The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. There have been no changes to the Company's approach to capital management during the three months ended June 30, 2015 and June 30, 2014.

15. SUBSEQUENT EVENT

i. On July 30, 2015, the Company invested $ 700,000 in series A Preferred Stock with conversion rights in a private corporation.

ii. On August 5, 2015, the Company acquired 893 additional common shares in Biohaven for a total cost of $ 2.5 million.