

NEWS RELEASE

PORTAGE'S BIOHAVEN RAISES \$ 4.1 MILLION IN FIRST TRANCHE OF PRIVATE PLACEMENT. PORTAGE INVESTS \$ 2.5 MILLION

Toronto, Ontario, August 11, 2015 – Portage Biotech Inc. (“Portage” or “the Company”) (OTC: **PTGEF**, **Canadian Securities Exchange: PBT.U**) is pleased to announce that Biohaven Pharmaceutical Holding Company Limited (Biohaven), in which Portage holds 54% equity, has raised approximately \$4.1 million by closing the first tranche of the non-brokered Private Placement. Pursuant to the terms of the private placement, Biohaven issued 1,464 common shares at a price of US\$2,800 per share. Portage invested \$ 2.5 million in the Biohaven placement.

Due to strong investor interest and commitments received to date, Management of Biohaven expects a second and final tranche of approximately \$ 2.9 million to close shortly pursuant to the terms of the first tranche described herein.

The net proceeds will be used for funding Biohaven’s clinical trials, new intellectual property purchase and other general corporate purposes.

Declan Doogan M.D., CEO of Portage and Executive Chairman of Biohaven commented. “We are encouraged by the degree of investor interest which is driven by the excellent progress made by the team at Biohaven this year as we commence our clinical trial program.”

About Biohaven

Biohaven is a privately-held biopharmaceutical company engaged in the identification and development of clinical stage neuroscience compounds targeting the glutamatergic system. Biohaven founders were among the first researchers at Yale University to discover the therapeutic potential of the NMDA antagonist ketamine and other glutamate modulating agents in the treatment of neuropsychiatric disorders. Biohaven has a worldwide license from Yale University to use intellectual property relating to the use of certain glutamate modulating agents in the treatment of neuropsychiatric disorders. The company's first drug candidate, BHV-0223, is a reformulated glutamate modulating agent being developed for treatment-resistant mood and anxiety disorders. On July 23, 2015 Biohaven filed an Investigational New Drug (IND) Application with the U.S. Food and Drug Administration (FDA) to conduct clinical testing of BHV-0223 and is ready to commence clinical trial phases 1 and 2 on earlier of approval of its IND by FDA and expiry of 30-day period from the IND filing.

About Portage:

Portage 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, Portage will look to sell or license the products to large pharmaceutical companies for further development and commercialization.

Portage is seeking discovery and co-development partners in areas such as certain inherited diseases, inflammatory and autoimmune disease, cancer, infectious disease, neurology and psychiatry developing novel targeted therapies, and even older marketed products that have been found to have novel patentable characteristics that bring new value to patients.

Portage seeks to work with a wide range of partners, in all phases of development through in-licensing or other types of alliances. The collaboration may include direct funding or investing human capital from our extensive pool of talented scientists and physicians. Specifically, Portage will invest sweat equity as well as, or instead of, capital. This internal pool of drug developers, financiers, scientists and physicians will provide unique value-add for our partners including but not limited to mitigating risks, clinical trial design, regulatory expertise and maximizing the rewards.

Apart from Biohaven, Portage also has fully owned subsidiary, Portage Pharmaceuticals Limited (PPL). PPL has successfully validated a new proprietary cell permeable peptide platform technology derived from human genes. This proprietary platform technology has been shown to efficiently deliver an active pharmacological agent or cargo into a cell without disrupting the cell membrane. The platform has favourable pharmaceutical properties simplifying formulation development for systemic and locally administered conjugates which will allow more rapid development of drug products. PPL has converted its previously filed provisional patent application for this delivery system to an international patent application that includes a variety of structures utilizing cargos that address important areas of medical need.

For further information, contact Dr. Greg Bailey, the Chairman at gb@portagebiotech.com or Kam Shah, Chief Financial Officer, at (416) 929-1806 or ks@portagebiotech.com or refer to a website at www.portagebiotech.com.

Forward-Looking Statements

This news release includes forward-looking statements within the meaning of the U.S. federal and Canadian securities laws. Any such statements reflect Portage's current views and assumptions about future events and financial performance. Portage cannot assure that future events or performance will occur. Important risks and factors that could cause actual results or events to differ materially from those indicated in our forward-looking statements.

Portage assumes no obligation and expressly disclaims any duty to update the information in this News Release.