



## PORTAGE BIOTECH INC.

### NEWS RELEASE

#### **For Immediate Release**

#### **PORTAGE ANNOUNCES FURTHER SUBSCRIPTION OF US\$950,000 IN CONVERTIBLE LOAN NOTES TO IOX THERAPEUTICS AND PROVIDES UPDATE ON CTO REVOCATION APPLICATION**

**Toronto, Ontario, January 30, 2020** – Portage Biotech Inc. (PBT.U, OTC Markets: PTGEF) (“Portage” or the “Company”) is pleased to announce that it has increased its subscription to iOx’s convertible loan to \$2.9M USD, (previous subscriptions totalled \$1.9M on December 8th, 2018).

iOx Therapeutics, Ltd. (“iOx”) is a United Kingdom-based immuno-oncology company. Portage will invest \$950,000 by subscribing to an unsecured, convertible loan instrument. iOx will use the proceeds to enable the start of human studies this year. The notes carry a 7% interest rate and will price at a discount to the next round of financing into iOx. The terms of the notes differ from those announced previously as these carry two year warrants to purchase additional shares at the same price as the next financing. All three convertible notes currently held by Portage have been extended.

Greg Bailey, Chairman of Portage, remarked, “We are looking forward to iOx achieving a major milestone and begin to collect safety data in cancer patients. This bridge financing will support the iOx team to advance this asset as well as to continue to support the PRECIOUS consortium in Europe who has received Horizon 2020 funding to advance its second drug candidate into the clinic.”

#### *Related Party Transaction*

The transaction is a related party transaction within the meaning of Multilateral Instrument 61-101 *Protection of Minority Shareholders in Special Transactions* (“MI 61-101”) as Portage’s CEO, Dr. Ian B. Walters serves as iOx’s CEO and Dr. Declan Doogan, a director of Portage, is iOx’s chairman. The transaction, however, is exempt from both formal valuation and minority shareholder approval requirements under MI 61-101. The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a), 5.5(b) and 5.7(1)(a) of MI 61-101 in respect of related party participation in this transaction as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved the related parties, exceeded 25% of the Company’s market capitalization (as determined under MI 61-101).

## *Corporate Update*

The Company is also providing an update on the status of its application (the "Revocation Application") to the Ontario Securities Commission (the "OSC") to revoke an outstanding cease trade order issued on August 2, 2019 (the "CTO").

The OSC has commenced their review of the Revocation Application (filed on January 13, 2020) and issued an initial set of comments. The Company is currently preparing a response which is expected to be submitted shortly. As the relief being sought is discretionary, no estimate can be provided as to when a revocation order may be issued by the OSC. The Company, though, would like to take this opportunity to thank its shareholders for their continued patience. It is the Company's every intention to complete the OSC's review process in a timely manner.

## **Forward-Looking Statements**

This news release contains statements about the Company's information that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them as actual results may differ materially from the forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof, and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, except as required by law.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release. We seek Safe Harbor.

## **FOR MORE INFORMATION, PLEASE CONTACT:**

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