UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

[ ]	REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934
	OR
[X]	ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
	For the fiscal year ended **March 31, 2018**
	OR
[ ]	TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
	OR
[ ]	SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report_____

For the transition period from _____ to _____

Commission file number: **0-30314**

Portage Biotech Inc.

(Exact name of Registrant as specified in its charter)

Inapplicable
(Translation of Registrant's name into English)

British Virgin Islands
(Jurisdiction of incorporation or organization)

c/o Portage Services Ltd, 47 Avenue Road, Suite 200, Toronto, Ontario, Canada, M5R 2G3
(Address of principal executive offices)

Kam Shah, 416.929.1806,ks@portagebiotech.com, Fax: 416.929.6612
47 Avenue Road, Suite 200, Toronto, Ontario, Canada M5R 2G3
(Name, telephone, e-mail and/or facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Not applicable	**Not applicable**

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Common shares without par value
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

Not applicable
(Title of Class)

Indicate the number of outstanding shares of each of the Issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Common shares without par value - **280,719,920 as at March 31, 2018**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes [ ] No [X]

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes [ ] No [X]

Note - Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such report) and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]	Accelerated filer [ ]	Non-accelerated filer [X]	Emerging growth company [ ]

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP [ ]	International Financial Reporting Standards as issued by the Accounting Standards Board [X]	Other [X]

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow: Item 17 - Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

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FORWARD LOOKING STATEMENTS

This annual report includes “forward looking statements”. All statements, other than statements of historical facts, included herein or incorporated by reference herein, including without limitation, statements regarding our business strategy, plans and objectives of management for future operations and those statements preceded by, followed by or that otherwise include the words “believe”, “expects”, “anticipates”, “intends”, “estimates” or similar expressions or variations on such expressions are forward-looking statements. We can give no assurances that such forward-looking statements will prove to be correct.

Each forward-looking statement reflects our current view of future events and is subject to risks, uncertainties and other factors that could cause actual results to differ materially from any results expressed or implied by our forward-looking statements.

Risks and uncertainties include, but are not limited to:

- our plans and ability to develop and commercialize product candidates and the timing of these development programs;
- clinical development of our product candidates, including the results of current and future clinical trials;
- the benefits and risks of our product candidates as compared to others;
- our maintenance and establishment of intellectual property rights in our product candidates;
- our need for additional financing and our estimates regarding our capital requirements and future revenues and profitability;
- our estimates of the size of the potential markets for our product candidates;
- our selection and licensing of product candidates;

These statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments based on the focus of our business activities on Biotechnology, as well as other factors we believe are appropriate in particular circumstances. However, whether actual results and developments will meet our expectations and predictions depends on a number of risks and uncertainties, which could cause actual results to differ materially from our expectations, including the risks set forth in "Item 3-Key Information-Risk Factors."

We do not currently have the marketing expertise needed to commercialize our products; we will be primarily a pharmaceutical development business subject to all of the risks of a pharmaceutical development business;

Consequently, all of the forward-looking statements made in this annual report are qualified by these cautionary statements. We cannot assure you that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected effect on us or our business or operations.

Unless the context indicates otherwise the terms "Portage Biotech Inc." the "Company”, "Portage", “we”, “us”, “our” are used interchangeably in this Annual Report and mean Portage Biotech Inc. and its subsidiaries.

FOREIGN PRIVATE ISSUER STATUS AND REPORTING CURRENCY

Foreign Private Issuer Status

Portage Biotech Inc., which is a British Virgin Islands (BVI)company as per the certificate of Continuance issued by the Registrar of Corporate Affairs of the BVI on July 5, 2014. Approximately 62% of its common stock was held by non-United States citizens and residents as of September 30, 2017 being its latest second quarter end. Further, our business is administered principally outside the United States and majority of our assets are located outside the United States; As a result, we believe that we qualify as a "foreign private issuer" for continuing to report regarding the registration of our common stock using this Form 20-F annual report format.

Currency

The financial information presented in this Annual Report is expressed in US dollars ("US $") and the financial data in this Annual Report is presented in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee.

All dollar amounts set forth in this report are in US dollars, except where otherwise indicated.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS

Not required since this is an annual report.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not required since this is an annual report

ITEM 3. KEY INFORMATION

(A) SELECTED FINANCIAL DATA

On June 4, 2013, the Company completed an acquisition with Portage Pharma Ltd, incorporated in the British Virgin Islands on May 23, 2012, through exchange of shares. The transaction was treated as reverse acquisition for accounting purposes.

The selected financial data set forth below should be read in conjunction with our Consolidated Financial Statements and Notes thereto included in this Annual Report. The selected Operations Data for each of the three fiscal years ended March 31, 2018, 2017 and 2016, and the Balance Sheet data as of March 31, 2018 and 2017 are derived from our audited Consolidated Financial Statements included in this Annual Report. The selected Operations Data for the Years ended March 31, 2015 and 2014 and the Balance Sheet data as of March 31, 2014 and 2015 are derived from our audited Consolidated Financial Statements, which are not included in this Annual Report.

SUMMARY OF FINANCIAL INFORMATION IN THE COMPANY FINANCIAL STATEMENTS (US $)

Operating data

Year ended March 31,	**2018**	**2017**	**2016**	**2015**	**2014**
	all amounts in 000' $ and number in 000 (except per share value)				
Net profit (Loss) before non-controlling interests	123,741	(641)	(9,195)	(4,341)	(6,627)
Net profit (loss) attributable to shareholders	123,741	16,299	(5,706)	(3,118)	(6,305)
Working capital	7,489	59,027	4,593	1,115	2,067
Total assets	10,003	59,904	12,629	4,736	5,263
Capital stock	23,654	18,360	17,055	9,692	7,257
Warrants	-	-	2,756	1,108	1,108
Stock option reserve	267	1,706	5,076	1,312	362
Shareholders equity	9,619	59,594	10,269	2,660	2,393
Weighted average number of shares outstanding - Basic	267,796	254,043	239,745	193,442	161,977
Weighted average number of shares outstanding - diluted	269,642	272,193	239,745	193,442	161,977
Net income (loss) per share - Basic	0.46	0.06	(0.02)	(0.02)	(0.04)
Net income (loss) per share - Diluted	0.46	0.06	(0.02)	(0.02)	(0.04)

1. The effect of potential share issuances pursuant to the exercise of options and warrants would be anti-dilutive and, therefore, basic and diluted losses per share are the same for the fiscal years 2014 through 2016.

The Company has not declared or paid any dividends in any of the financial periods except in the fiscal 2018, when the Company distributed stock dividend as further explained elsewhere in the report.

Exchange Rates

In this Annual Report on Form 20-F, unless otherwise specified, all monetary amounts are expressed in US dollars. One of the Company's subsidiaries maintains its books in Canadian dollars. The exchange rates used herein were obtained from Bank of Canada; however, they cannot be guaranteed.

On July 13, 2018, the exchange rate, based on the noon buying rates, for the conversion of Canadian dollars into United States dollars (the "Noon Rate of Exchange") was approximately US$1 = CDN$1.32.

The following table sets out the high and low exchange rates in Canadian dollar for one US dollar for each of the last six months

2018	June	May	April	March	February	January
High for the period	1.33	1.30	1.29	1.31	1.28	1.25
Low for the period	1.29	1.28	1.26	1.28	1.23	1.23

The following table sets out the average exchange rates in Canadian dollar for one US dollar for the five most recent financial years calculated by using the average of the Noon Rate of Exchange on the last day of each month during the period.

Year ended March 31,	2018	2017	2016	2015	2014
Average for the year	1.28	1.31	1.31	1.14	1.05

(B) CAPITALIZATION AND INDEBTEDNESS

Not applicable

(C) REASONS FOR THE OFFER AND USE OF PROCEEDS

Not applicable

(D) RISK FACTORS

The following is a brief discussion of those distinctive or special characteristics of the Company's operations and industry that may have a material impact on, or constitute risk factors in respect of, the Company's future financial performance.

Risks Related to our Business

We have a history of operating losses and may never achieve profitability in the future.

We have not generated any business income since July 5, 2013. While our management and the Board consist of persons with significant experience in the biotechnology industry, we have no product sales and have no established sales and distribution network.

We expect to be involved in research and development to identify and validate new drug targets that could become marketed drugs for several years to come and will be requiring significant financial resources without any income. We expect these expenses to result in continuing operating losses in the near future.

Our ability to generate future revenue or achieve profitable operations is largely dependent upon our ability to attract and maintain the experienced management and know-how to develop new drug candidates and to partner with major pharmaceutical companies to successfully commercialize the drug candidates. It takes many years and significant financial resources to successfully develop pre-clinical or early clinical drug candidate into a marketable drug and we cannot assure you that we will be able to successfully achieve these objectives. However, we were successful in achieving significant value growth in an investment made in Biohaven and in January 2018, we distributed most of the shares held in Biohaven by way of a stock dividend to our shareholders on a pro-rata basis as explained elsewhere in this report. We cannot say if we will be able to achieve similar success in our future business activities.

We will be primarily in a pharmaceutical development business and will be subject to all of the risks of a pharmaceutical development business.

As a result, our business must be evaluated in light of the problems, delays, uncertainties and complications encountered in connection with establishing a pharmaceutical development business.

There is a possibility that none of our drug candidates that are currently and/or may be under development in future will be found to be safe and effective, that we will be unable to receive necessary regulatory approvals in order to commercialize them, or that we will obtain regulatory approvals that are too narrow to be commercially viable.

Any failure to successfully develop and obtain regulatory approval for products would have a material adverse effect on our business, financial condition and results of operations.

Clinical trials for our potential product candidates will be expensive and time consuming, and their outcome uncertain.

Before we can obtain regulatory approval for the commercial sale of any product candidate or attract major pharmaceutical company to collaborate with, we will be required to complete extensive clinical trials to demonstrate its safety and efficacy. Clinical trials are very expensive, and are difficult to design and implement. The clinical trial process is also time-consuming and can often be subject to unexpected delays.

The timing of the commencement, continuation and completion of clinical trials may be subject to significant delays relating to various causes, including:

- our inability to manufacture or obtain sufficient quantities of materials for use in clinical trials;
- delays arising from our collaborative partnerships;
- delays in obtaining regulatory approvals to commence a study, or government intervention to suspend or terminate a study;
- delays, suspension, or termination of the clinical trials due to the institutional review board or independent ethics board responsible for overseeing the study to protect research subjects at a particular study site;
- delays in identifying and reaching agreement on acceptable terms with prospective clinical trial sites;
- slower than expected rates of patient recruitment and enrollment;
- uncertain dosing issues;
- inability or unwillingness of medical investigators to follow our clinical protocols;
- variability in the number and types of subjects available for each study and resulting difficulties in identifying and enrolling subjects who meet trial eligibility criteria;
- scheduling conflicts with participating clinicians and clinical institutions;
- difficulty in maintaining contact with subjects after treatment, which results in incomplete data;
- unforeseen safety issues or side effects;
- lack of efficacy during the clinical trials;
- our reliance on clinical research organizations to conduct clinical trials, which may not conduct those trials with good clinical or laboratory practices; or
- other regulatory delays.

We rely on third parties to manufacture our preclinical and clinical drug supplies, and we intend to rely on third parties to produce commercial supplies of any approved product candidate.

We have limited personnel with experience in manufacturing, and we do not own facilities for manufacturing our products and product candidates for the potential pivotal clinical studies and/or commercial manufacturing of our products and product candidates. We depend on our collaboration partners and other third parties to manufacture and provide analytical services with respect to our most advanced product candidates.

In addition, if our product candidates are approved, in order to produce the quantities necessary to meet anticipated market demand, we and/or our collaboration partners will need to secure sufficient manufacturing capacity with third-party manufacturers. If we and/or our collaboration partners are unable to produce our product candidates in sufficient quantities to meet the requirements for the launch of the product or to meet future demand, our revenues and gross margins could be adversely affected. To be successful, our product candidates must be manufactured in commercial quantities in compliance with regulatory requirements and at acceptable costs. We and/or our collaboration partners will regularly need to secure access to facilities to manufacture some of our product candidates commercially. All of this will require additional funds and inspection and approval by the Competent Authorities of the Member States of the EEA, the FDA and other regulatory authorities. If we and/or our collaboration partners are unable to establish and maintain a manufacturing capacity within our planned time and cost parameters, the development and sales of our products and product candidates as well as our business, results of operations and prospects, and the value of our shares could be adversely affected.

We and/or our collaboration partners may encounter problems with aspects of manufacturing our collaboration products and product candidates, including the following:

- production yields;
- quality control and assurance;
- shortages of qualified personnel;
- compliance with FDA and EEA regulations;
- production costs; and
- development of advanced manufacturing techniques and process controls.

We evaluate our options for clinical study supplies and commercial production of our product candidates on a regular basis, which may include use of third-party manufacturers, or entering into a manufacturing joint venture relationship with a third party. We are aware of only a limited number of companies on a worldwide basis who operate manufacturing facilities in which our product candidates can be manufactured under cGMP regulations, a requirement for all pharmaceutical products. We cannot be certain that we or our collaboration partners will be able to contract with any of these companies on acceptable terms, if at all, all of which could harm our business, results of operations and prospects, and the value of our shares.

In addition, we or our collaboration partners, as well as any third-party manufacturer, will be required to register such manufacturing facilities with the FDA (and have a U.S. agent for the facility, if outside the United States), the Competent Authorities of the Member States of the EEA, and other regulatory authorities. The facilities will be subject to inspections confirming compliance with the FDA, the Competent Authorities of the Member States of the EEAs, or other regulatory authority cGMPs requirements. We do not control the manufacturing process of our product candidates, and, other than with respect to our collaboration product candidates, we are dependent on our contract manufacturing partners for compliance with cGMPs regulations for manufacture of both active drug substances and finished drug products. If we or our collaboration partners or any third-party manufacturer fails to maintain regulatory compliance, our business, financial condition and results of operations may be harmed, and the FDA, the Competent Authorities of the Member States of the EEA, or other regulatory authorities can impose regulatory sanctions that range from a warning letter to withdrawal of approval to seeking product seizures, injunctions and, where appropriate, criminal prosecution

The results of pre-clinical studies and initial clinical trials are not necessarily predictive of future results, and our potential product candidates may not have favourable results in later trials or in the commercial setting.

Pre-clinical tests and Phase 1 and Phase 2 clinical trials are primarily designed to test safety, to study pharmacokinetics and pharmacodynamics and to understand the side effects of product candidates and explore efficacy at various doses and schedules. Success in pre-clinical or animal studies and early clinical trials does not ensure that later large-scale efficacy trials will be successful nor does it predict final results; favorable results in early trials may not be repeated in later trials.

A number of companies in the life sciences industry have suffered significant setbacks in advanced clinical trials, even after positive results in earlier trials. Clinical results are frequently susceptible to varying interpretations that may delay, limit or prevent regulatory approvals. Negative or inconclusive results or adverse medical events during a clinical trial could cause a clinical trial to be delayed, repeated or terminated. In addition, failure to construct appropriate clinical trial protocols could result in the test or control group experiencing a disproportionate number of adverse events and could cause a clinical trial to be repeated or terminated.

There is typically an extremely high rate of attrition from the failure of product candidates proceeding through clinical and post-approval trials.

Our success will be dependent upon our corporate collaborations with third parties in connection with services we will need for the development, marketing and commercialization of our products.

The success of our business will be largely dependent on our ability to enter into corporate collaborations regarding the development, clinical testing, regulatory approval and commercialization of our potential product candidates. We may not be able to find new collaborative partners to support our future development, marketing and commercialization of our products, which may require us to undertake research and development and/or commercialization activities ourselves, and may result in a material adverse effect on our business, financial condition, prospects and results of operations.

Even if we are able to find new collaborative partners, our success is highly dependent upon the performance of these new corporate collaborators. The amount and timing of resources to be devoted to activities by future corporate collaborators, if any, are not within our direct control and, as a result, we cannot assure you that any future corporate collaborators will commit sufficient resources to our research and development projects or the commercialization of our potential product candidates. Any future corporate collaborators might not perform its obligations as expected and might pursue existing or other development-stage products or alternative technologies in preference to those being developed in collaboration with us, or may terminate particular development programs, or the agreement governing such development programs.

In addition, if any future collaborators fail to comply with applicable regulatory requirements, the FDA, the European Medicines Agency (“EMA”), the Therapeutic Products Directorate (“TPD”) or other authorities could take enforcement action that could jeopardize our ability to develop and commercialize our potential product candidates. Despite our best efforts to limit them, disputes may arise with respect to ownership of technology developed under any such corporate collaboration.

We will rely on proprietary technology, the protection of which can be unpredictable and costly.

Our success will depend in part upon our ability to obtain patent protection or patent licenses for our future technology and products. Obtaining such patent protection or patent licenses can be costly and the outcome of any application for patent protection and patent licenses can be unpredictable. In addition, any breach of confidentiality by a third party by premature disclosure may preclude us from obtaining appropriate patent protection, thereby affecting the development and commercial value of our technology and products.

Some of our future products may rely on licenses of proprietary technology owned by third parties and we may not be able to maintain these licenses on favorable terms.

The manufacture and sale of some of the products we hope to develop may involve the use of processes, products, or information, the rights to which are owned by third parties. Such licenses frequently provide for limited periods of exclusivity that may be extended only with the consent of the licensor. If licenses or other rights related to the use of such processes, products or information are crucial for marketing purposes, and we are not able to obtain them on favorable terms, or at all, the commercial value of our products will be significantly impaired. If we experience delays in developing our products and extensions are not granted on any or all of such licenses, our ability to realize the benefits of our efforts may be limited.

We will have additional future capital needs and there are uncertainties as to our ability to raise additional funding.

We believe that the proceeds from the disposal of our investment in a public entity together with cash on hand may be adequate to cover our operational costs and the needs of our subsidiaries to proceed into various stages of clinical trials to develop potential product candidates, obtain regulatory approvals and ultimately to commercialize such product candidates.

In addition, our future cash requirements may vary materially from those now expected. For example, our future capital requirements may increase if:

- we experience scientific progress sooner than expected in our future discovery, research and development projects, if we expand the magnitude and scope of these activities, or if we modify our focus as a result of our discoveries;
- we experience setbacks in our progress with pre-clinical studies and clinical trials are delayed;
- we experience delays or unexpected increased costs in connection with obtaining regulatory approvals;
- we are required to perform additional pre-clinical studies and clinical trials;
- we experience unexpected or increased costs relating to preparing, filing, prosecuting, maintaining, defending and enforcing patent claims; or
- we elect to develop, acquire or license new technologies and products.

If sufficient capital is not available, we may be required to delay, reduce the scope of, eliminate or divest of one or more of our research or development projects, any of which could have a material adverse effect on our business, financial condition, prospects or results of operations.

We will be subject to risks associated with doing business globally.

As a pharmaceutical company, our operations are likely to expand in the European Union and worldwide, we will be subject to political, economic, operational, legal, regulatory and other risks that are inherent in conducting business globally. These risks include foreign exchange fluctuations, exchange controls, capital controls, new laws or regulations or changes in the interpretation or enforcement of existing laws or regulations, political instability, macroeconomic changes, including recessions and inflationary or deflationary pressures, increases in prevailing interest rates by central banks or financial services companies, economic uncertainty, which may reduce the demand for our potential products or reduce the prices that our potential customers will be willing to pay for our products, import or export restrictions, tariff increases, price controls, nationalization and expropriation, changes in taxation, diminished or insufficient

protection of intellectual property, lack of access to impartial court systems, violations of law, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, disruption or destruction of operations or changes to the Company's business position, regardless of cause, including war, terrorism, riot, civil insurrection, social unrest, strikes and natural or man-made disasters, including famine, flood, fire, earthquake, storm or disease. The impact of any of these developments, either individually or cumulatively, could have a material adverse effect on our business, financial condition and results of operations.

We may face exposure to adverse movements in foreign currency exchange rates while completing international clinical trials and when our products will be commercialized.

We intend to generate revenue and expenses internationally that are likely to be primarily denominated in U.S., Euros and other foreign currencies. Our intended international business will be subject to risks typical of an international business including, but not limited to, differing tax structures, a myriad of regulations and restrictions, and general foreign exchange rate volatility. A decrease in the value of such foreign currencies relative to the US dollar could result in losses in revenues from currency exchange rate fluctuations. Conversely, an increase in the value of such foreign currencies relative to the US dollar could negatively impact our operating expenses. To date, we have not hedged against risks associated with foreign exchange rate exposure. We cannot be sure that any hedging techniques we may implement in the future will be successful or that our business, results of operations, financial condition and cash flows will not be materially adversely affected by exchange rate fluctuations.

The loss of key personnel could have an adverse effect on our business

We are highly dependent upon the efforts of our senior management. The loss of the services of one or more members of senior management and directors could have a material adverse effect on us.as a small company with a streamlined management structure, the departure of any key person could have a significant impact and would be potentially disruptive to our business until such time as a suitable replacement is hired.

Risks Related to Ownership of our shares

There is currently a limited trading market for our Common Shares.

There currently is a limited public market for our Common Shares. Further, although our Common Shares are currently traded on the OTC marketplace (PTGEF) and are also listed and traded on the Canadian Securities Exchange (PBT.U). Trading of our Common Shares is currently extremely sporadic. As a result, an investor may find it difficult to sell, or to obtain accurate quotations of the price of our Common Shares. There can be no assurance that a more active trading market for our Common Shares will develop. Accordingly, investors must assume they may have to bear the economic risk of an investment in our Common Shares for an indefinite period of time.

Risks related to penny stocks.

Our Common Shares are subject to regulations prescribed by the SEC relating to "penny stock." These regulations impose additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors (as defined in Rule 501 of the U.S. Securities Act). These regulations could adversely impact market demand for our shares and adversely impact our trading volume and price.

The issuance of Common Shares upon the exercise of our outstanding options will dilute the ownership interest of existing shareholders and increase the number of shares eligible for future resale.

The exercise of some or all of our outstanding options could significantly dilute the ownership interests of our existing shareholders. During the fiscal 2018, approximately 18.4 million of 20.3 million options were exercised for the equal number of common shares. As at March 31, 2018, we had approximately 1.8 million options issued and outstanding. We may issue more options in future as part of compensating our management and other consultants.

Our principal shareholders and senior management own a significant percentage of our shares and are able to exert significant control over matters subject to shareholder approval.

As of March 31, 2018, our senior management, board members, holders of 5% or more of our share capital and their respective affiliates beneficially own approximately 54% of our outstanding voting securities. As a result, these security holders have the ability either alone or voting together as a group to determine and/or significantly influence the outcome of matters submitted to our shareholders for approval, including the election and removal of board members, payment of dividends, amendments to our articles of association, including changes to our share capital or any mergers, demergers, liquidations and similar transactions. This may prevent or discourage unsolicited acquisition proposals or offers for our ordinary shares that our shareholders may feel are in their best interest as a shareholder In addition, this group of shareholders may have the ability to control our management and affairs. Such control and concentration of ownership may affect the market price of our shares and may discourage certain types of transactions, including those involving actual or potential change of control of us (whether through merger, consolidation, take-over or other business combination), which might otherwise have a positive effect on the market price of the shares.

Your investment return may be reduced if we lose our foreign private issuer status.

We are a "foreign private issuer," as such term is defined in Rule 405 under the U.S. Securities Act 1933, and, therefore, we are not required to file quarterly reports on Form 10-Q or current reports on Form 8-K with the SEC. In addition, the proxy rules and Section 16 reporting and short-swing profit recapture rules are not applicable to us. If we lose our status as a foreign private issuer by our election or otherwise, we will be subject to additional reporting obligations under the Exchange Act which would increase our SEC compliance costs.

There is a material risk that we will be classified as a passive foreign investment company beginning in our fiscal year ended March 31, 2018, and our U.S. shareholders may suffer adverse tax consequences as a result.

Generally, if, for any taxable year, at least 75% of our gross income is passive income or at least 50% of the value of our assets is attributable to assets that produce passive income or are held for the production of passive income, including cash, we will be classified as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes. For purposes of these tests, passive income includes dividends, interest, and gains from the sale or exchange of investment property and rents and royalties other than certain rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business. Based on our income and assets at March 31, 2018, there is a material risk that we will be classified as a PFIC for our fiscal year ending March 31, 2018. In addition, we may have been a PFIC in prior years and may be a PFIC in the future. We are looking for new business opportunities which may allow us not to be considered PFIC. However, we are unable to predict if our efforts will be successful.

If we are classified as a PFIC, our U.S. tax-resident shareholders could be liable for additional taxes and interest charges upon certain distributions by us and any gain recognized on a sale, exchange or other disposition, including a pledge, of our common shares (and such gain would generally be treated as ordinary income, rather than capital gain, for U.S. federal income tax purposes), whether or not we continue to be a PFIC. In addition, U.S. tax residents who own an interest in a PFIC are required to comply with certain reporting requirements.

A U.S. tax-resident shareholder may in certain circumstances be able to mitigate some of the adverse U.S. federal income tax consequences of us being classified as a PFIC if our common shares qualify as "marketable stock" under the PFIC rules and the shareholder is eligible to make, and successfully makes, a “mark-to-market” election. A U.S. tax-resident shareholder could also mitigate some of the adverse U.S. federal income tax consequences by making a “qualified electing fund”, or QEF, election, provided that we provide the information necessary for our U.S. tax-resident shareholders to make such an election, but we are not required to make this information available and have not yet determined whether we can or will do so for our fiscal year ending March 31, 2018 or for any other fiscal year.

U.S. tax-resident shareholders are strongly urged to consult their tax advisors about the PFIC rules, including tax return filing requirements and the eligibility, manner, and consequences to them of making a QEF or mark-to-market election with respect to our common shares if we should be classified as a PFIC. See section 10(E) “Taxation-Certain Material U.S. Federal Income Tax Considerations-Passive Foreign Investment Company Considerations” for more information.

U.S. shareholders may not be able to enforce civil liabilities against us.

We are a company incorporated under the laws of the British Virgin Islands. Most of our directors and executive officers are non-residents of the United States. Because a substantial portion of their assets and currently most of our assets are located outside the United States, it may be difficult for investors to effect service of process within the United States upon us or those persons.

Our corporate affairs will be governed by our Memorandum and Articles of Association, the BVI Business Companies Act 2004 (as amended) (the “BVI Act”), and the common law of the British Virgin Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under British Virgin Islands law are to a large extent governed by the BVI Act and common law of the British Virgin Islands. The common law of the British Virgin Islands is derived in part from comparatively limited judicial precedent in the British Virgin Islands, as well as from English common law, the decisions of whose courts are considered persuasive authority but are not binding on a court in the British Virgin Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under British Virgin Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the British Virgin Islands has a less developed body of securities laws as compared to the United States, and some states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law. In addition, British Virgin Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States.

The British Virgin Islands courts are also unlikely:

- to recognize or enforce against us judgments of U.S. courts based on certain civil liability provisions of U.S. securities laws; and
- to impose liabilities against us, in original actions brought in the British Virgin Islands, based on certain civil liability provisions of U.S. securities laws that are penal in nature.

There is no statutory recognition in the British Virgin Islands of judgments obtained in the United States.

We have been advised by Forbes Hare, our counsel as to British Virgin Islands law, that (i) they are unaware of any proceedings that have been brought in the British Virgin Islands to enforce judgments of the U.S. courts or to impose liabilities based on the civil liability provisions of the U.S. federal or state securities laws; (ii) a final and conclusive judgment in the federal or state courts of the United States under which a sum of money is payable, other than a sum payable in respect of taxes, fines, penalties or similar charges, may be subject to enforcement proceedings as a debt in the courts of the British Virgin Islands under the common law doctrine of obligation; and (iii) because it is uncertain whether a British Virgin Islands court would determine that a judgment of a U.S. court based on the civil liability provisions of the U.S. federal or state securities laws is in the nature of a penalty, it is uncertain whether such a liability judgment would be enforceable in the British Virgin Islands.

ITEM 4. INFORMATION ON THE COMPANY

(A) HISTORY AND DEVELOPMENT OF THE COMPANY

The Company was originally incorporated in Ontario in 1973. It was inactive until 1985. Between 1986 and 2009 , it was engaged in variety of businesses including development of a new technology for the marine propulsion business, distribution and manufacture of a snack food, emerging technology-based businesses and natural resource involving diamond mining and oil & gas exploration. In 2010, the company acquired an indirect interest in two drilling licenses in Israel, which was disposed of for US$ 5 million under a settlement agreement on June 29, 2012 with our minority partner on this project. During the period, the Company went through several name changes ending with Bontan Corporation Inc. (Bontan).

In December 2012, the Company decided to change the focus of its business activities from oil and gas to biotechnology mainly due to the increasing difficulty in getting access to viable oil & gas projects and also due to the potentially more profitable business opportunities which existed in the biotechnology sector. On March 21, 2013, the Company signed a letter of intent with Portage Pharma Ltd, a biotech private limited company formed under the laws of the British Virgin Islands to acquire Portage Pharma Ltd through exchange of shares. The transaction was completed on June 4, 2013 and accounted for as a reverse acquisition.

On July 5, 2013, the Company changed its name to Portage Biotech Inc. and moved its jurisdiction to the British Virgin Islands (BVI) under a certificate of Continuance issued by the Registrar of Corporate Affairs of 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 continues to be a reporting issuer with Ontario Securities Commission and US Securities and Exchange Commission and its shares trade on the Quotation Board of the OTC Markets under the trading symbol “PTGEF,” effective August 23, 2013. Prior to this date, it was trading as Bontan Corporation Inc. under the trading symbol “BNTNF”. Effective October 28, 2013, the Company’s shares are also listed for trading in US currency on the Canadian Securities Exchange (formerly, Canadian National Stock Exchange) under the symbol “PBT.U”.

(B) BUSINESS OVERVIEW

Portage develops pharmaceutical and biotech products through to clinical “proof of concept” focussing on unmet clinical needs. Following proof of concept, Portage will look to sell or license the products to large pharmaceutical companies for further development through to commercialization. Portage seeks products and co-development partners in cancer, infectious disease, neurology and psychiatry with novel targeted therapies, or reformulations that can be patented.

Portage will work with a wide range of partners, in all phases of development. The collaboration may include direct funding or investing human capital/sweat equity from our extensive pool of talented scientists and physicians to value-add by mitigating risks, clinical trial design and regulatory expertise.

A summary of developments at our portfolio companies including our subsidiaries as of March 31, 2018 is provided below:

Portage Pharmaceuticals Ltd (PPL)

On June 4, 2013, following the acquisition of Portage Pharma Ltd, the Company’s wholly owned subsidiary, Portage Acquisition Inc. and Portage Pharma Ltd amalgamated. The amalgamated company was named Portage Pharma Limited and was incorporated in the BVI.

PPL focuses on discovering and developing innovative cell permeable peptide (CPP) therapies to normalize gene expression, restore protein function, and improve medical outcomes. Its core technology involves delivering biologically active “cargo” to intracellular and intranuclear targets to normalize cell and tissue function, improve the immunogenicity of vaccines and enable better treatment of intracellular pathogens.

PPL tested a number of different cell penetrating peptides (CPPs)CPPs and found one that they derived from human genes that was superior to the others tested including the Antennapedia fruit fly-derived CPP PPL previously licensed from Trojantec and Imperial College in London. PPL selected this human--based CPP to be the basis of their CellPorter® platform. PPL strategy was and still is exploring the ways it can be used therapeutically. The CPP platform is protected until 2034 by international patent filings for its proprietary human-derived cell penetrating peptide structures without any therapeutic restrictions.

In July 2014, PPL successfully validated CellPorter®, a new proprietary cell permeable peptide platform technology derived from human proteins. CellPorter® has been shown to efficiently deliver an active pharmacological agent or cargo into cells without disrupting the cell membrane. In a collaboration with the Pirbright Institute (UK), a CellPorter® conjugated CD8 T-cell antigenic epitope derived from mycobacterium tuberculosis was demonstrated to provoke a specific CD8 T-cell immune response in Balb/c mice suggesting possible application of this technology for vaccines.

PPL pursued other collaborations to bring world-class subject area expertise to some of their research questions. PPL collaborated with scientists at Yale to evaluate its cell penetrating properties, with scientists at the National Eye Institute to evaluate its penetration into eye tissues when given as eye drops, and with a scientist at the University of Michigan to investigate blood brain barrier penetration.

Through these collaborations PPL management learned that CellPorter® enhances immune reactions to vaccines, did get inside eye tissues, and did penetrate the blood brain barrier. PPL also conducted its own studies that demonstrated CellPorter® can be used to dose peptides systemically by inhalation, and has ongoing work using CellPorter® to deliver peptide cargos that regulate gene function in cancer and other diseases.

Over the last two years PPL developed PPL-003 ophthalmic solution, a topical eye drop intended to treat dry eye disease, uveitis, and other inflammatory eye diseases. After completing animal efficacy studies in models of these diseases and developing a commercializable formulation, PPL put together a non-clinical and clinical development plan for PPL-003 ophthalmic solution and held a pre-IND meeting with FDA on September 15, 2017. After this very successful meeting, PPL-003 ophthalmic solution now has a clear path to Phase I and Phase II studies in healthy volunteers and patients with dry eye disease.

PPL also continues to advance early stage programs aimed at cancers with high medical need. Positive laboratory data in these programs has further validated the CellPorter® platform. The most advanced program is investigating the peptide's pharmacodynamics in a mouse tumor model.

Portage Glasgow Ltd. (PGL)

On January 31, 2018, PPL, formed a new joint venture company, Portage Glasgow Limited ("PGL"), incorporated in Scotland, to develop more effectively-targeted drugs to treat chronic conditions including cancer.

PPL acquired 65% equity in PGL. The CEO of PPL, Dr. Frank Marcoux is the CEO of PGL and the chairman of the Board of Directors PGL, which currently consists of two persons.

The University of Glasgow is providing therapeutic peptides developed through the research of Prof. George Baillie and access to a therapeutic peptide discovery platform.

PGL will focus on the commercialisation of new therapies aimed at disrupting protein-protein interactions (PPI) in disease pathways which give therapeutic benefit. Candidate peptides and PPI targets have already been identified from existing research at the University.

Till the date of this report, PGL management has been working on its development plans and budget.

EYGEN Ltd (EyGen)

EyGen was incorporated on September 20, 2016 under the laws of the British Virgin Islands.

Since the final preclinical and clinical development of PPL-003 would be substantially more capital intensive than prior work on the CellPorter® platform, Portage management decided to spin out its lead asset with the aim of independently financing PPL-003 and building a company in ophthalmology while retaining an interest in the company. EyGen was therefore created as a new ophthalmic company focused on developing preclinical ophthalmology assets through proof of concept. In addition to a license for PPL-003 in ophthalmic indications, EyGen will also have an exclusive license for the use of the CellPorter® technology for other ophthalmic drugs.

EyGen's lead asset is PPL-003, a potent anti-inflammatory created by PPL and being developed for topical ophthalmic delivery in patients with ocular surface and anterior segment diseases. PPL-003 has demonstrated steroid-like efficacy in animal disease models without steroid-like side effects.

EyGen has put together a seasoned management team with both business and drug development expertise in this area and will develop PPL-003 ophthalmic solution for dry eye disease before exploring other ocular inflammatory diseases. EyGen will be seeking financing of approximately $10 million to reach the end of a Phase II trial in dry eye disease to confirm its target profile of corticosteroid-like efficacy without the adverse effects of steroids such as increased intraocular pressure (glaucoma).

Stimunity S.A.S.

On February 28, 2018, the Company made an initial investment of €500,850 ($680,662) by subscribing to 3,780 new Class A shares at a price of €132.50 per share of Stimunity SAS ("Stimunity"), a Paris based immune-oncology company. The investment gave Portage 27% equity in Stimunity.

Stimunity is an early-stage research and development company focused on the development of STING agonists in cancer. The technology, licensed from Institut Curie, Inserm, and the University of Oxford, is based on a unique biologic approach which encapsulates endogenous STING-activating molecules in a Virus-Like Particle (VLP). These VLPs will fuse with immune cells and induce a potent T-cell response against tumor cells that are poorly immunogenic. The lead program is now at the early phase of preclinical validation. Stimunity's seed round will help the company complete its preclinical package and advance the manufacturing process used to create its virus-like particles to pharmaceutical grade.

Sentien Biotechnologies, Inc. (Sentien)

Portage invested $700,000 in Sentien in August 2015 to acquire 210,210 series A preferred stock, which is fully convertible into equal number of Sentien's common shares, currently representing approximately 5.06% of Sentien's equity.

Sentien is a privately-owned, clinical-stage company pioneering new approaches to cell therapy. Sentien's technology harnesses the power of cell therapy with innovative drug delivery systems to treat a wide range of systemic inflammatory diseases. Sentien's lead product, SBI-101, is designed to allow for controlled, sustained delivery of mesenchymal stromal cell (MSC) secreted factors. This approach immobilizes the MSCs in an extracorporeal device, allowing for doses of therapeutic factors that are unattainable by direct injection.

SBI-101 is the first product application of Sentien's platform blood-conditioning technology that has the potential to restore balance to the immune system after acute vital organ injury, such as acute kidney injury.

Sentien raised $15 million up to January 2018 and commenced its Phase 1/2 clinical trial in June 2017 of its lead product SBI-101, a cell-containing dialysis device for the treatment of Acute Kidney Injury and have so far enrolled seven patients, passing the mid-point of the low dose cohort enrolment. The data safety monitoring board concluded that there were no safety issues and recommended continuation of enrolment. In February 2018, Sentien had a pre-IND meeting with the FDA to use SBI-101 for another indication - proposed acute liver failure. Sentien plans to file another IND in the second half of 2018.

Portage Services Ltd (PSL)

PSL is a wholly owned subsidiary, incorporated in Ontario, Canada under the name 1843343 Ontario Inc. which changed its name to the present name on July 11, 2013. PSL acts as a local agent for the Company under requirements of the Ontario Securities Commission. PSL maintains an office in Toronto, Canada and administers the corporate, financials and regulatory matters of Portage and its direct and indirect subsidiaries and investments.

We have developed a comprehensive website - www.portagebiotech.com which provide information on our people, activities and other corporate details. The information on this company website is not incorporated into this report and should not be relied upon for any investment decision in Portage shares. Investors in the Portage shares and potential investors in Portage should only rely on the information that the company has filed with the United States SEC or the CSE, that is intended to be information for investors.

(C) ORGANIZATIONAL STRUCTURE

The current organization structure comprises:

1. Operating subsidiaries/associates:
    a. Portage Pharmaceuticals Ltd., a wholly owned subsidiary incorporated in the British Virgin Island.
    b. EyGen ltd., a wholly owned subsidiary of Portage Pharmaceutical Ltd. Incorporated in the British Virgin Islands.
    c. Portage Glasgow Ltd., incorporated in Scotland wherein PPL holds 65% equity. PGL will be operative in the fiscal 2019.
    d. Stimunity SAS, incorporated in France. Portage holds 27% and has a significant influence. Stimunity is considered an associate
2. One service company, Portage Services Ltd., a wholly owned subsidiary incorporated in Ontario, Canada. Portage Services Ltd. Acts as an agent for Portage and is primarily engaged in handling all corporate and regulatory services.
3. An investment in Sentien Biotechnologies Inc., Portage's investment is less than 10% of the equity of Sentien.

We have six members on the Board of Directors - Dr. Declan Doogan, Dr. Gregory Bailey, Mr. James Mellon, Mr. Steven Mintz, Dr. Ian Walters and Mr. Kam Shah. These six directors were re-appointed in the shareholders annual and special meeting of July 6, 2017. Dr. Bailey is our chairman, Dr. Doogan is a chief executive officer and Mr. Shah is Chief Financial Officer and corporate secretary.

PPL/EyGen management consisted of Dr. Bruce Littman as CEO until November 2017. Dr. Littman resigned and become a consultant to PPL. Dr. Frank Marcoux who was a Chief Scientific Officer (CSO) also took over as CEO effective November 2017and Mr. Kam Shah as CFO. The PPL management reports to the PPL Board of directors comprising Dr. Doogan as Chairman, Dr. Bailey, Mr. Shah, Dr. Littman and Dr. Marcoux. PPL also created a scientific advisory board (SAB) consisting of Drs. Sankar Ghosh, Michael Caplan and Burt Adelman.

Our independent director, Dr. Walters is on the Board of Stimunity and Dr. Marcoux is a CEO and on the Board of PGL.

A brief biodata of the key people in our organization is provided below:

Declan Doogan M.D. - Director and CEO

Dr. Doogan has served as a director of Portage since June 2013. Dr. Doogan is a director in Biohaven Pharmaceutical Holding Company Ltd., a director of Portage Pharmaceuticals Limited since July 2013, and a director of Sosei Group Corporation since June 2007. Dr. Doogan has over30 years of industry experience in both major pharma and biotech. He was the Senior Vice-President and Head of Worldwide Development at Pfizer. He has held a number of executive positions in Pfizer in the US, the UK and Japan. Since leaving Pfizer in 2007, he has been engaged in executive roles in small pharma. Dr. Doogan was chief medical officer and acting CEO of Amarin (AMRN: NASDAQ). He has also been Chief Medical Officer for Prometheus Laboratories, a molecular diagnostics company in San Diego. Dr. Doogan holds a number of board appointments, principally in pharma companies, and has also held professorship at Harvard School of Public Health, Glasgow University Medical School and Kitasato University (Tokyo). Dr. Doogan received his medical degree from Glasgow University in 1975. He is a Fellow of the Royal College of Physicians and the Faculty of Pharmaceutical Medicine and holds a Doctorate of Science at the University of Kent in the UK.

Kam Shah CA, CPA (CANADA), CPA (US), CGMA (US) -CFO and Director

Kam Shah is a senior finance executive with over 25 years of financial and management experience across a range of industries and companies with significant operating scale and complexity. Kam is a Certified Public Accountant and Chartered Global Management Accountant of the American Institute of CPAs and a Chartered Professional Accountant of the Canadian Institute of CPAs. He has experience in all aspects of corporate finance, including audits, SEC/OSC reporting, forecasting, and business plan development. Kam is also a director and the Chief Financial Officer of SalvaRx Group plc a publicly listed group of companies trading on alternative investment market of London Stock Exchange and engaged in biotechnology.

Gregory Bailey M.D. - Chairman

Greg Bailey, M.D., is chairman of Portage Biotech, Inc. and was previously managing partner of Palantir Group, Inc., a merchant bank specializing in biotech and intellectual property. He has over 15 years' experience in investment banking and has founded several companies. Along with comprehensive experience in healthcare, finance and medicine, Greg brings to the Board an extensive involvement in corporate governance. He has served on multiple public company boards of directors and is a director in SalvaRx Group plc., trading on alternative investment market of London Stock Exchange and engaged in biotechnology. Greg was a practicing physician for ten years and holds a M.D. degree from the University of Western Ontario.

Jim Mellon - Director

Jim Mellon is an investor with interests in several industries. After leaving Oxford University, where he studied PPE, he worked in Asia and the United States in two fund management companies, GT and Thornton, before establishing his own business in 1991. This now has two components: a listed fund management company, Charlemagne Capital Limited and an Asian investment group, Regent Pacific Group Limited. In addition, Jim is a controlling shareholder and a director of Manx Financial Group, an Isle of Man based bank and a controlling shareholder of Webis Holdings plc. He is also a co-founder of Uramin and Red Dragon Resources, both mining groups. Burnbrae, his private company, is a substantial landlord in Germany and in the Isle of Man, and it owns outright the hotel chain, Sleepwell Hotels Limited. Jim is the co-chairman of FastForward Innovations Limited and a director of SalvaRx Group plc.. trading on alternative investment market of London Stock Exchange and engaged in biotechnology. His book 'Cracking the Code', which was published in 2012, focused on investment opportunities in the life sciences sector. Jim is an honorary fellow of Oriel College, Oxford University

Steven Mintz - director

Steven Mintz is a senior financial consultant qualified as CA since 1992 and received BA (Economics and accounting) from University of Toronto in 1989.He obtained Trustee in Bankruptcy license in 1995 and Practiced public accounting at a large accounting firm between 1989 to 1992. He has been president of St. Germain Capital Corp., and CFO of Minkids Group, a family investment and holding company and director in various other companies.

Dr Ian Walters - Director

Ian Walters, M.D., M.B.A., is the Entrepreneur in Residence at Mediqventures and is part-time CMO of Intensity Therapeutics, Inc. Over his 19 year career, he has demonstrated both leadership and expertise in drug development, including the advancement of multiple cancer compounds from research stages through approval. Ian specialises in the evaluation, prioritisation, and the innovative development of new therapies for the treatment of severe diseases. He has worked at PDL BioPharma, Inc., Millenium Pharmaceuticals, Inc., and Sorrento Therapeutics, Inc., leading corporate development, translational medicine, clinical development and medical affairs. Ian spent seven years at Bristol-Myers Squibb between 2007 and 2014, where he managed physicians overseeing the international development of more than eight oncology compounds (including Nivolimab (anti-PD-1), Ipilimumab (anti-CTLA-4), brivanib (anti VEGF/FGF), anti-IGF/IR, VEGFR2 biologic, Elotuzimab (antiCS1), as well as biomarker and companion diagnostic work. He was a core member of Bristol-Myers Squibb's Strategic Transactions Group evaluating and executing licensing agreements, mergers and acquisitions, clinical collaborations, and the company's immuno-oncology strategy. Before entering the private sector, Ian was a lead investigator at the Rockefeller University and initiated advanced immunology research to understand the mechanism of action of several compounds. Ian received his MD from the Albert Einstein College of Medicine and an MBA from the Wharton School of The University of Pennsylvania.

Frank W. Marcoux, Ph.D. - CSO

Dr Frank W. Marcoux is a founding Director and the CEO of PGL. He currently serves as the Chief Executive Officer and Chief Scientific Officer of Portage Pharmaceuticals Ltd. and has over 25 years of drug development experience in a variety of senior management roles at Pfizer and Parke-Davis, culminating with an eight year tenure as Vice President, Pfizer Global Research and Development.

(D) PROPERTY PLANTS AND EQUIPMENT

Our subsidiary, Portage Services Ltd., currently leases office space at 47 Avenue Road, Suite 200, and Toronto, Ontario, Canada for approximately $2,300 per month. The leased area is approximately 950 square feet. Our current lease agreement is a month to month arrangement.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

(A) OPERATING RESULTS

The following discussion should be read in conjunction with the Audited Financial Statements of the Company and notes thereto for the year ended March 31, 2018 contained elsewhere in this report.

Operating results

Year ended March 31,	2018 in 000'$	2017 in 000'$	2016 in 000'$
Operating expenses	2,259	36,044	9,195
Realized gain on sale of investment	(126,000)		
Gain on restating retained interest in associate at fair value	-	(49,864)	-
Share of losses in associate	-	14,461	
Net (profit) loss	(123,741)	641	9,195
Gain on investment transferred to retained earnings on disposal of investment	24,515	-	-
Unrealized gain on investment, available for sale	-	(24,547)	
Total comprehensive (profit) loss for year	(99,226)	(23,906)	9,195
Non-controlling interest	-	16,940	3,489
Net (profit) loss attributable to owners	(123,741)	(16,299)	5,706
	(123,741)	641	9,195
(Retained earnings) deficit	14,334	(14,981)	14,618

Overview

Our subsidiaries, PPL and EyGen are in pre-clinical stage. We commenced our operations in June 2013 after acquiring Bontan Corporation Inc. through a reverse acquisition. We devoted substantially all our efforts in identifying and developing our product candidates including acquisition of exclusive licenses and several preclinical studies for PPL-003, our lead product candidate in PPL.

In January 2018, we distributed substantially all of our shares in Biohaven Pharmaceutical Holding Company Ltd., as stock dividend to our shareholders on a pro-rata basis as explained elsewhere in this report. Biohaven was our subsidiary until September 30, 2016. However, effective February 15, 2017, we concluded that we lost control and significant influence over Biohaven and de-consolidated it as at September 30, 2016 and discontinued its accounting on an equity basis on February 15, 2017. Since then, we were holding our investment in Biohaven at fair value as an investment available for sale. We also sold some of the shares of Biohaven and raised approximately $ 7 million for our operating needs. We currently hold 2,000 shares of Biohaven.

Our other portfolio companies also included Sentien wherein we invested $700,000 We also acquired equity interest in an associate, Stimunity SAS for approximately $681,000 and invested $950,000 by way of a convertible note in IOX Therapeutics Ltd., a UK based immune-oncology company.

Details of these companies are explained above under item 4 (B) - business overview and elsewhere in this report..

We do not have any approved products and have never generated any revenue from product sales. We have funded our operations from funds raised through various private placements, exercise of options and sale of our investments.

We anticipate that our expenses will increase substantially in the future as we:

- pursue our ongoing planned pre-clinical and clinical development at PPL and EyGen, seek further new investment opportunities to expand our pipeline.
- hire additional personnel, particularly in our research and development, clinical supply and quality control groups;
- Add operational, financial and management information systems and related finance and compliance personnel and
- Operate as a public company

We hope to meet the future financing requirements through further equity and debt financing.

Expenses

The overall analysis of the expenses is as follows: (in 000'$)

Year ended March 31,	2018 in 000'$	2017 in 000'$	2016 in 000'$
Research and development	561	32,450	4,577
Consulting fee	1,335	1,923	4,014
Professional fee	215	634	501
Other costs	148	1,037	103
	2,259	36,044	9,195

Research & development

These costs comprised the following:

Year ended March 31,	2018 in 000'$	2017 in 000'$	2016 in 000'$
Licence fee at Biohaven	-	21,297	-
Development expenditure at Biohaven	-	9,912	3,675
Amortization of intangible	-	168	-
Patent registration	47	60	78
Consulting fee	332	677	359
Other outside services	182	336	465
	561	32,450	4,577

Fiscal 2018

Significant decline in overall expenses during the fiscal 2018 compared to prior years was mainly due to non-consolidation of Biohaven as explained earlier.

There was also a slow down in development activities at PPL and EyGen during the fiscal 2018 compared to prior years as we were, and are still , trying to raise financing needed to complete potential IND filings and partnership possibilities with other pharmaceutical companies.

Consulting fee for the fiscal 2018 included fees paid to Drs. Littman and Macoux of approximately $263,000 and included $50,000 early termination fee paid to Dr. Bruce whose contract was terminated in October 2017 and increase in Dr. Marcoux's fee form $6,667 per month to $14,000 per month neffective December 2017 due to him assuming the duel roles of chief executive and chief scientific officer. There was a meeting of scientific advisory board in December 2017 for which four consultants were paid fees of approximately $5, 000. The balance of the fees were charged by three other consultants.

Section 4(B) also describes in greater details development activities carried out at PPL, EyGen.

Fiscal 2017

As discussed earlier, Biohaven financials were consolidated for the period from April 1, 2016 to September 30, 2016 since it was considered a subsidiary of Portage.

Biohaven is a clinical-stage biopharmaceutical company with a portfolio of innovative, late-stage product candidates targeting neurological diseases, including rare disorders. Biohaven product candidates are small molecules based on two distinct mechanistic platforms-calcitonin gene-related peptide, or CGRP, receptor antagonists and glutamate modulators.

During the six months to September 30, 2016, approximately $21.1 million of the licence fee related to payments in cash and in shares made to Bristol-Myers Squibb under a licence agreement relating to rimegepant, a CGRP program for the acute treatment of migraine.

Other development expenditure related to BHV-3500, the second product candidate from the CGRP receptor antagonist platform, which is a small molecule, structurally distinct from rimegepant, that Biohaven is developing for the prevention of chronic and episodic migraine, trigriluzole (previously known as BHV-4157) for the treatment of ataxias, BHV-0223 for the treatment of ALS and BHV-5000 for the treatment of symptoms associated with Rett syndrome, the last three under their glutamate modulation platform.

Consulting fee relates to cash fee charged by the CEO, CSO and others at PPL and EyGen of approximately $382,000 and value of PPL options issued to CEO and CSO vested during the year of approximately $11,000. PPL also incurred third party costs of approximately $ 336,000 for various pre-clinical trials as more fully described under section 4(B) of this report.

Fiscal 2016

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 Under the agreement, Biohaven was charged $500,000 each quarter by BPI. Biohaven also contracted other parties for trial samples and testing. During the year, Biohaven had significant activities resulting in submission of three INDs, clinical phase one testing for BHV-223 and other related activities as more fully described in section 4(B) of this report.

Consulting fee relates to cash fee charged by the CEO, CSO and others at PPL of approximately $306,000 and value of PPL options issued to CEO and CSO vested during the year of approximately $53,000. PPL also incurred third party costs of approximately $ 465,000 for various pre-clinical trials.

Consulting fees

Fiscal 2018

Consulting fee for the fiscal 2018 declined significantly compared to the prior years due to de-consolidation of Biohaven and also because no new options were issued in the fiscal 2018.

Consulting fee for the fiscal 2018 included cash fee of $206,000. $180,000 was charged by the CFO and balance was charged by the other consultants who provided services including due diligence and technical reviews of new business opportunities. Consulting fee also included $936,000 being the value of 1,580,000 shares issued as compensation to six consultants under the existing 2011 Consultants’ Stock Compensation Plan. 1,390,000 of the shares were issued to five directors who provided specific services during the fiscal 2018.

Further analysis are included in Note 16 to the consolidated financial statements for the year ended March 31, 2018.

Fiscal 2017

Fees include cash fee, shares and options issued to key management, directors and others as detailed in Note 16 to the consolidated financial statements for the year ended March 31, 2018. Significant part of the consulting fee for the year ended March 31, 2017 comprised stock based compensation of approximately $1.7 million. $1.3 million related to 7,250,000 shares issued to four directors in lieu of their services.

Fiscal 2016

Fiscal 2016 consulting fee includes cash fee of $204,000, shares and options granted to Portage directors and management of $554,078 and options granted by Biohaven to its Board, management and other consultants of $3,256,182. CFO took in cash fee while chairman accepted shares and CEO accepted options in lieu of their fees.

Professional fees

Fiscal 2018

Significant decline in fees during he fiscal 2018 compared to prior years was mainly due to deconsolidation of Biohaven.

Professional fees for the fiscal 2018 includes audit fee of approximately $80,000 and legal fee of approximately $135,000. Legal fees at corporate level were mainly incurred in connection with the matters relating to the distribution of stock dividend and included preparation of shareholder information statement and various regulatory compliance matters and approvals. Approximately $37,000 fee was incurred in connection with PGL investment.

Fiscal 2017

Professional fees include $137,480 at Portage comprising audit fee of approximately $72,000 and the balance was the legal fee. Biohaven legal fee for the six months to September 30, 206 included in the professional fee was $496,510. Portage legal fee included approximately $46,000 fee charged by a litigation lawyer in launching a claim against a supplier by PPL which successfully resulted in settlement under which PPL would receive total of $120,000.

Fiscal 2016

Professional fee for fiscal 2016 consists of $34,182 at Portage and $467,091 at Biohaven. Portage fee comprised legal fee of $22,141 relating to various corporate and regulatory legal services and audit fee accrual for the year of $40,000 which was offset by reversal of previous year's over accrual of $27,959 resulting in net cost of $12,071 plus other services by the auditors of $1,387. Biohaven fee consists entirely of legal fees, which were mainly incurred in providing corporate services including preparation and review of various contracts and option agreements and also providing secretarial services.

DISPOSAL OF BIOHAVEN SHARES

As at February 15, 2017, the Company held 6,341,500 shares of Biohaven as investment, available for sale after it lost control and significant influence over Biohaven.

On January 16, 2018, 6,102,730 shares of Biohaven held by the Company were distributed as stock dividend on a pro-rata basis among the shareholders of the Company. Under the distribution plan, holders of Portage ordinary shares received one (1) common share of Biohaven as a dividend on each forty-six (46) outstanding ordinary share of Portage owned as of the Record Date, which was January 5, 2018, No fractional shares, or cash in lieu of fractional shares, was distributed. Rather, the number of Portage shares held by a Portage shareholder as of the Record Date were rounded to the nearest 46 share increment to determine the number of whole Biohaven shares such shareholder would receive in the distribution. As a result, one Biohaven share was distributed in respect of 23 to 45 incremental Portage shares held as of the Record Date and no Biohaven share was distributed in respect of fewer than 23 incremental Portage shares held as of the Record Date. This distribution was accounted for in accordance with IFRIC 17.

Further details of the distribution plan are included in the Information Statement which was filed with the SEC on January 8, 2018 and included in this report by way of a reference and a copy was also distributed to the shareholders of the Company eligible for the stock dividend.

Between January 3, 2018 and February 1, 2018, the Company sold net 236,770 of the Biohaven shares in the open market for an average price of $30.79 per share for total proceeds of $7,289,337.

The Company currently holds 2,000 shares of Biohaven.

Operating cash flow

During the fiscal year 2018, operating activities required a net cash outflow of approximately $1.1 million, which was met from cash received form exercise of options and from the sale of Biohaven shares. Key non-cash items adjusted against the income included gain of approximately $126 million on disposal of Biohaven shares by way of stock dividend.

During the fiscal year 2017, operating activities required a net cash outflow of approximately $1.3 million, which was met from cash on hand and additional cash raised through debt financing at PPL. Key non-cash items adjusted against the loss included gain of approximately $50 million on investment at the date of loss of control of subsidiary, subsidiary’s expenses to the date of deconsolidation of approximately $33 million and share of losses in associate of approximately $15 million.

During the fiscal year 2016, operating activities required a net cash outflow of approximately $5.8 million, of which approximately $4.5 million was spent on research and development activities. Cash required was met from cash on hand and additional cash raised through equity financing.

The Company is required to support further research and development at its subsidiaries -PPL and EyGen are looking for partner for further development of its PPL-003 as explained under section 4(B) of this report.

The Company has not yet determined whether costs incurred and to be incurred are economically recoverable. The Company's continuing operations are dependent upon any one of:

1. the existence of economically recoverable medical solutions;

2. the ability of the Company to obtain the necessary financing to complete the research; or

3. future profitable production from, or proceeds from the disposition of intellectual property.

The Company believes that its existing cash on hand will enable it to meet its operating needs and financial commitments on its existing investments for the next twelve months. However, it will require further financing if it were to acquire new business opportunities. Although there are no assurances that management's plan will be realized, management believes the Company will be able to secure the necessary financing to continue operations into the future.

Investing cash flows

Fiscal 2018

Major activity in the fiscal 2018 included sale of Biohaven shares as explained earlier for the net proceeds of approximately $7.3 million.

The Company made several investments:

(a) Invested approximately $681,000 in Stimunity SAS to acquire 27% equity in February 2018. This is further explained in Section 4(B) of this report. Portage has also committed to a second investment in the amount of €1,502,820 ($1,857,786) on successful completion of agreed milestones to be satisfied by Stimunity by subscribing to 4,140 new ordinary shares at a price of €363 per share. No milestones have been completed to date.

Under the shareholders agreement, Portage has a right to maintain its equity interest in Stimunity in the event of a capital increase and issuance of new securities by Stimunity except for issuance of stock options and issuance under a merger plan or for acquisition.

(b) On March 7, 2018, the Company invested $950,000 in a convertible note issued by IOX Therapeutics Ltd. ("IOX"), a United Kingdom based immune-oncology company. The Note carries interest at 7% accruing daily and matures within twelve months of its issuance. The Company can convert the note and accrued interest into ordinary shares of IOX at any time before maturity at £120 per share. There is an automatic conversion on a qualifying event, being IOX raising $2 million. Conversion price will be the price at which the money was raised discounted by 25%. IOX has right to repay the convertible note together with accrued interest at any time. Two of the directors of the Company, Drs. Doogan and Walters are also directors in IOX.

(c) On January 31, 2018, the Company's wholly owned subsidiary, PPL, acquired 650 ordinary shares of Portage Glasgow Ltd ("PGL"), a company incorporated in Glasgow, Scotland for a total price of £6.50 ($9.11) at £0.01 per share. PPL holds 65% equity in PGL.

As per the terms of a Convertible Loan Agreement dated January 31, 2018 signed with PGL, PPL has committed to provide PGL with an unsecured convertible loan facility up to £1 million ($1.4 million) with minimum drawdown of £50,000 ($700,75) and maximum drawdown of £250,000 ($350,375) during any three-month period. Interest on loan is at 7% accruing on a monthly basis and facility is repayable within nine years from the date of the agreement. Loan with accrued interest can be converted into ordinary shares to be priced at between £9,000 per share and £5,000 per share depending on the conversion date being within one year to eight years. However, completion of an eligible fundraising by PGL, being £5 million ($7 million) at a pre-money valuation of minimum £10 million ($14 million) , will require loan to be mandatorily converted as per the terms of conversion described above. To date, there was no drawdown against this facility.

On January 16, 2018, PPL signed a Studentship Agreement with the University of Glasgow and Mr. Connor Blair under which PPL agreed to provide contribution of £33,419 ($46,837) payable in instalments of £11,140 ($15,606) per year. First instalment of £11,140 (US$15,606) was paid on March 14, 2018 and has been expensed.

Fiscal 2017

There was no investing activity during the fiscal year 207. However, The Company de-consolidated Biohaven due to loss of control as at September 30, 2016. As a result, net Biohaven cash on hand from prior periodwas reversed as investing cash outflow on deconsolidation.

Fiscal 2016

There were two significant investments during the fiscal year 2016:

As part of the Company's commitment to expand its drug development pipeline, the Company acquired in August 2015, 210,210 Series A preferred stock in Sentien Biotechnologies Inc., a Medford, MA based private company ("Sentien") for $ 700,000 in cash. The cash was met from additional cash raised through equity financing. The preferred stock is fully convertible into equal number of common shares. The Company's holdings represent less than 20% of the equity of Sentien. Sentien is planning Phase 1 study of its lead product, a cell-containing dialysis device for the treatment of Acute Kidney Injury.

Further, in August 2015, Biohaven acquired worldwide intellectual property rights to a portfolio of over 300 prodrugs, classified as New Molecular Entities, including IP rights to all future therapeutic indications. Biohaven paid cash of $ 1,000,000 plus issued 100 shares valued at $ 2,800 per share and two warrants for a total of 1,200 shares. Total purchase price of approximately $4 million has been capitalised as intangible assets.

Financing cash flows

Fiscal 2018

Significant financing activities during the fiscal year 2018 included the following:

(a) Approximately 18.5 million vested options were exercised during he fiscal year, which provided the Company with net cash of approximately $2.7 million.

(b) PPL and EyGen raised additional $25,000 each in convertible loans.

Fiscal 2017

During the fiscal year 2017, PPL raised $200,000 by issuance of loan notes carrying 7% interest coupon and warrants convertible into common shares of PPL. Note 7 to the audited consolidated financials for the fiscal 2017 provides further details on these loan notes.

Fiscal 2016

During the fiscal year 2016, Portage raised approximately $6.2 million through various private equity placements. Details of these private placements are given in Note 8 to the consolidated financial statements for the fiscal year. Biohaven also raised approximately $4.4 million from third parties through private placement of its shares.

(C) RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

From May 23, 2012 to date, the Company through its operating subsidiaries is engaged in clinical and pre-clinical studies as detailed under Item 4 (B) business overview of this report. Research and development expenses analysis and details are provided under Item 5 (A) of this report. All research and development expenses are expensed as they are incurred.

PPL's CPP platform is protected by two suits of intellectual property - (a) an exclusive license for all patents on Antennapedia - based cell permeable peptides for non-oncology use. And (b) international patents for proprietary human-derived cell penetrating peptide structures

(D) TREND INFORMATION

There are no other trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than as disclosed elsewhere in this report (Refer to the heading entitled "Risk Factors").

(E) OFF-BALANCE SHEET ARRANGEMENTS

At March 31, 2018, and 2017, the Company did not have any off balance sheet arrangements, including any relationships with unconsolidated entities or financial partnership to enhance perceived liquidity.

(F) CONTRACTUAL OBLIGATIONS

None.

(G) SAFE HARBOUR

Not applicable.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

(A) DIRECTORS AND SENIOR MANAGEMENT

The following sets forth the names and province or state and country of residence of our directors and executive officers, the offices held by them in the Corporation, their current principal occupations, all as of July 16, 2018, the date of this report, their principal occupations during the last five years and the month and year in which they became directors or officers. The term of each director expires on the date of our next annual meeting.

Name, Province/State and Country of Residence and Present Position with Portage (1)	**Date became Director/Officer**	**Principal Occupation Last five years**
Dr. Gregory Bailey London, UK Chairman of the Board of Director	June 4, 2013	See section 4 (C) of this report
Dr. Declan Doogan Stonington, CT, USA Chief Executive Officer and Director	June 4, 2013	See section 4 (C) of this report
Mr. Jim Mellon (2) (3) Isle of Man Director	June 4, 2013	See section 4 (C) of this report
Mr. Kam Shah Ontario, Canada Director and Chief Financial Officer	January 3, 1999	See section 4 (C) of this report
Dr. Ian Walters (2) (3) Connecticut, USA	August 1, 2016	See section 4 (C) of this report
Mr. Steven Mintz (2) (3) Ontario, Canada) Director	April 6, 2016	See section 4 (C) of this report

(1) Neither age nor date of birth of directors or executive officers is required to be reported in our home country nor otherwise publicly disclosed.
(2) Member of the Audit and Compensation Committee. Mr. Steven Mintz is the Chair of this Committee.
(3) Independent directors

Family Relationships

There are no family relationships between the directors and executive officers.

Other Relationships

There are no arrangements or understandings between any major shareholder, customer, supplier or others, pursuant to which any of the above-named persons were selected as directors or members of senior management.

(B) COMPENSATION

The compensation payable to directors and officers of the Company and its subsidiary is summarized below:

1. General

The Company does not compensate directors for acting solely as directors. Except as described below, the Company does not have any arrangements pursuant to which directors are remunerated by the Company or its subsidiary for their services in their capacity as directors, other than options to purchase shares of the Company which may be granted to the Company's directors from time to time and the reimbursement of direct expenses.

The Company does not have any pension plans.

2. Statement of Executive Compensation

The following table and accompanying notes set forth all compensation paid by the Company to its directors, senior management and key consultants for the fiscal years ended March 31, 2018,2017 and 2016:

		Annual compensation			Long term compensation				
Name & principal position	**Year**	**Fee (3)**	**Bonus**	**Other**	**Securities under options/SARs granted (1) & (4)**	**Shares or units subject to resale restrictions**	**LTIP payout (2)**	**Other**	**Total compensation**
		$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Declan Doogan - CEO									
	2018	147,000	-	-	-	-	-	-	147,000
	2017	468,000	-	-	-	-	-	-	468,000
	2016	-	-	-	187,900	-	-	-	187,900
Kam Shah - CFO									
	2018	348,000	-	-	-	-	-	-	348,000
	2017	360,000	-	-	-	-	-	-	360,000
	2016	180,000	-	-	43,362	-	-	-	223,362
Gregory Bailey - Business development and Chairman									
	2018	321,000	-	-	-	-	-	-	321,000
	2017	540,000	-	-	-	-	-	-	540,000
	2016	100,000	-	-	126,471	-	-	-	226,471
James Mellon - Independent director and audit committee member									
	2018	99,000	-	-		-	-	-	99,000
	2017	117,000	-	-	-	-	-	-	117,000
	2016	-	-	-	36,135	-	-	-	36,135
Steven Mintz - Independent director and audit committee member									
	2018	-	-	-	-	-	-	-	-
	2017	-	-	-	55,934	-	-	-	55,934
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
Ian Walters - Independent director and audit committee member									
	2018	99,000	-	-	-	-	-	-	99,000
	2017	-	-	-	55,934	-	-	-	55,934
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-

Notes:

1. "SAR" means stock appreciation rights. The Company never issued any SARs
2. "LTIP" means long term incentive plan. The Company does not have any such Plan.

3. a.) Fees for fiscal 2018 include 280,000 shares issued to Mr. Shah for a valuation of $168,000, 535,000 shares issued to Dr. bailey for a valuation of $321,000, 245,000 shares issued to Dr. Doogan for a valuation of $147,000, 165,000 shares issued to Mr. Mellon for a valuation of $99,000 and 165,000 shares issued to Mr. Walters for a valuation of $99,000.
   b.) Fiscal 2017 fees include 3 million shares issued to Dr. Bailey for a valuation of $540,000, 2.6 million shares issued to Dr. Doogan for a value of $468,000, 650,000 shares issued to Mr. Mellon for a value of $117,000 and 1 million shares issued to Mr. Shah for a value of $180,000.
   c.) Fee for fiscal 2016 includes 1 million shares to Dr. Bailey valued at $100,000,
4. a.) No options were issued during he year.
   b.) For fiscal 2017, Mr. Mintz and Dr. Walters were issued 633,597 options each as joining bonus. These options can be exercised to convert into equal number of common shares of the Company at an exercise price of $0.15 per share, are valid for five years and will vest in equal number over four years from October 11, 2017. In addition, they were issued 175,000 options each for their services during the fiscal year 2017. These options are valid for five years, vesting in equal installments over two years from January 1, 2017 and are convertible into equal number of common shares of the Company at an exercise price of $0.15 per share.
   c.) For the fiscal year 2016: Dr. Bailey was issued 1,750,000 options, Dr. Doogan was issued 2.6 million options, Mr. Shah was issued 600,000 options and Mr. Mellon was issued 500,000 options. These options are valid for five years, convertible into equal number of shares at an exercise price of $0.15/share and will vest in 24 equal instalments over the two years.

Long Term Incentive Plan (LTIP) Awards

The Company does not have a LTIP, pursuant to which cash or non-cash compensation intended to serve as an incentive for performance (whereby performance is measured by reference to financial performance or the price of the Company's securities) was paid or distributed to the Named Executive Officers during the most recently completed financial year.

Defined Benefit or Actuarial Plan Disclosure

There is no pension plan or retirement benefit plan that has been instituted by the Company and none are proposed at this time.

Indebtedness of Directors, Executive Officers and Senior Officers

None.

Directors' and Officers' Liability Insurance

The Company has purchased, at its expense, directors' and officers' liability insurance policy to provide insurance against possible liabilities incurred by them in their capacity as directors and officers of the Company.

(C) BOARD PRACTICES

Directors may be appointed at any time in accordance with the by-laws of the Company and then re-elected annually by the shareholders of the Company. Directors receive no compensation for serving as such, other than stock option and reimbursement of direct expenses. Officers are elected annually by the Board of Directors of the Company and serve at the discretion of the Board of Directors.

The Company has not set aside or accrued any amount for retirement or similar benefits to the directors.

Mandate of the Board

The Board has adopted a mandate; in which it has explicitly assumed responsibility for the stewardship of Portage. In carrying out its mandate the Board holds at least one meeting every alternate month. The frequency of meetings, as well as the nature of the matters dealt with, will vary from year to year depending on the state of our business and the opportunities or risks, which we face from time to time. The Board held a total of 10 meetings (2016: 11 meetings), mostly by way of conference calls, during our financial year ended March 31, 2017. Apart from these meetings, directors also held technical meetings with management of subsidiaries on a monthly basis to assist in the discharge of its responsibilities, the Board has designated one standing committee: An Audit and Compensation Committee effective June 27, 2013.as more particularly discussed below.

Audit and Compensation Committee ("ACC")

The members of the ACC consist of all independent directors - Jim Mellon, Steven Mintz and Ian Walters. Mr. Mellon is an insider and Mr. Mintz and Dr. Walters being independent directors as required under the new rules of the Ontario Securities Commission. Mr. Mintz, who is a Canadian CPA is the chairman of the Committee.

Two new Charters were adopted on June 27, 2013 - Charter of the ACC relating to compensation matters and Charter of the ACC relating to Audit matters. These Charters are included in the Exhibits to this report by way of a reference.

The ACC relating to audit matters is charged with overseeing the Company's accounting and financial reporting policies, practices and internal controls. The committee reviews significant financial and accounting issues and the services performed by and the reports of our independent auditors and makes recommendations to our Board of Directors with respect to these and related matters.

Audit Committee charter assists the Board in fulfilling its responsibilities for our accounting and financial reporting practices by:

- reviewing the quarterly and annual consolidated financial statements and management discussion and analyses;
- meeting at least annually with our external auditor;
- reviewing the adequacy of the system of internal controls in consultation with the chief executive and financial officer;
- reviewing any relevant accounting and financial matters including reviewing our public disclosure of information extracted or derived from our financial statements;
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
- pre-approving all non-audit services and recommending the appointment of external auditors;
- reviewing and approving our hiring policies regarding personnel of our present and former external auditor: and
- reviewing and approving all employee and consultants' contracts, bonuses and other compensation matters

ACC Charter relating to compensation matters will monitor incentive and equity based compensation plans for the executives based on their periodic performance evaluation.

Corporate Governance Committee

The Company does not have a separate corporate governance committee. The management in conjunction with the ACC has developed and updated corporate governance practices and policies, code of ethics and corporate disclosure policy which form part of our internal control over financial reporting manual. The goal is to provide a mechanism that can assist in our operations, including but not limited to, the monitoring of the implementation of policies, strategies and programs and the development, continuing assessment and execution of the Company's strategic plan.

(D) EMPLOYEES

The Company presently has no employee. It uses the services of consultants from time to time.

(E) SHARE OWNERSHIP

The Company usually creates a Stock Option Plan.

As at July 3, 2018, the Company had one active Stock Option Plan. Details of the Plan and movements therein during the fiscal 2018 are given in Note 12(b) to the consolidated financial statements for the fiscal 2018. As of the date of this report, there were 1,561,667 common shares registered under the Consultants Stock Compensation Plan of which 1,560,000 were issued during the fiscal year 2018 and the balance of 1,667 shares were canceled.

On December 19, 2013 and March 17, 2015, the Company registered with US Securities and Exchange Commission, options under 2013 Option Plan, under which maximum number of options issuable at any time shall not exceed 10% of issued and outstanding common shares of the Company. 1,846,168 options were issued and outstanding as at July 3, 2018. In addition, our subsidiary, PPL also has option plans for acquiring equity in the subsidiary for their management.

The objective of these stock plans is to provide for and encourage ownership of our common shares by our directors, officers, consultants and employees and those of any subsidiary companies so that such persons may increase their stake in our company and benefit from increases in the value of the common shares. The Plans are designed to be competitive with the benefit programs of other companies in the Biotechnology sector. It is the view of management that the plans are a significant incentive for the directors, officers, consultants and employees to continue and to increase their efforts in promoting our operations to the mutual benefit of both our company and such individuals and also allows us to avail of the services of experienced persons with minimum cash outlay.

The following table sets forth the share ownership of our executive officers and directors as at July 16, 2018:

Name	Common shares beneficially owned		Options exercisable for equal number of common shares			
	number	Percentage*	number	Exercise price		expiry date
Kam Shah	4,972,131	2%	-	$	-	
Declan Doogan	37,256,068	13%	-	$	-	
Gregory Bailey	67,150,883	24%	-	$	-	
Jim Mellon	45,973,688	16%	-	$	-	
Steven Mintz	504,000	0%	316,799	$	0.15	Oct. 10, 2021
			58,336	$	0.15	Dec. 19, 2021
Ian Walters	573,195	0%	475,198	$	0.15	Oct. 10, 2021
			58,336	$	0.15	Dec. 19, 2021

* Based on 280,719,920 issued and outstanding common shares at July 3, 2018

All shares and options held by the above persons carry same rights as the other holders of the Common shares of the Company.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

(A) MAJOR SHAREHOLDERS

The Company's securities are recorded on the books of its transfer agent in registered form. The majority of such shares are, however, registered in the name of intermediaries such as brokerage houses and clearing-houses on behalf of their respective clients. The Company does not have knowledge of all the beneficial owners thereof.

As at July 3, 2018, Intermediaries like CDS & Co, Toronto, Canada and Cede & Co of New York, USA held approximately 46.67% of the issued and outstanding common shares of the company on behalf of several beneficial shareholders whose individual holdings details were not available.

At July 3, 2017, the Company had 280,719,920 shares of common stock outstanding, which, as per the details provided by the Transfer Agents, were held by 91 record holders excluding the beneficial shareholders held through the intermediaries.

The following table sets forth persons known by us to be beneficial owners of more than 5% of our common shares as of July 24, 2017. Beneficial ownership of shares is determined under rules of the SEC and generally includes any shares over which a person exercises sole or shared voting or investment power. Shares subject to options and warrants that are currently exercisable or exercisable within 60 days of the date of this prospectus are deemed to be outstanding and beneficially owned by the person holding the option and warrant. These shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person.

Name of Beneficial Owner	No. of Shares	Percentage of Shares*
Declan Doogan	37,256,088	13%
Greg Bailey	67,150,883	24%
James Mellon	45,973,688	16%

* based on 280,719,920 shares. There were no outstanding options.

The Company is a publicly owned BVI corporation, the shares of which are owned by Canadian residents, US residents, and residents of other countries. The Company is not owned or controlled directly or indirectly by another corporation or any foreign government. There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change of control of the Company.

Insider Reports under Canadian Securities Legislation

Since the Company is a reporting issuer under the Securities Acts of each of the province of Ontario in Canada, certain "insiders" of the Company (including its directors, certain executive officers, and persons who directly or indirectly beneficially own, control or direct more than 10% of its common shares) are generally required to file insider reports of changes in their ownership of the Company's common shares five days following the trade under National Instrument 55-104 - Insider Reporting Requirements and Exemptions, as adopted by the Canadian Securities Administrators. Insider reports must be filed electronically five days following the date of the trade at www.sedi.ca. The public is able to access these reports at www.sedi.ca.

The U.S. rules governing the ownership threshold above which shareholder ownership must be disclosed are more stringent than those discussed above. Section 13 of the Exchange Act imposes reporting requirements on persons who acquire beneficial ownership (as such term is defined in the Rule 13d-3 under the Exchange Act) of more than 5 per cent of a class of an equity security registered under Section 12 of the Exchange Act. In general, such persons must file, within 10 days after such acquisition, a report of beneficial ownership with the Securities and Exchange Commission containing the information prescribed by the regulations under Section 13 of the Exchange Act. This information is also required to be sent to the issuer of the securities and to each exchange where the securities are traded.

(B) RELATED PARTY TRANSACTIONS

All related part transactions occurred with key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chairman, Chief Executive Officer and Chief Financial Officer are key management personnel.

Related party transactions have been disclosed in note 17 to the audited consolidated financial statements for the fiscal year 2018 included in this report.

(C) INTERESTS OF EXPERTS AND COUNSEL

Not applicable.

ITEM 8. FINANCIAL INFORMATION

(A) CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

Financial Statements

Information regarding our financial statements is contained under Item18 of this Annual Report.

Legal Proceedings

The Company has no pending legal claims as of today.

Dividend Policy

Since its incorporation, the Company has not declared or paid, and has no present intention to declare or to pay in the foreseeable future, any cash dividends with respect to its Common Shares. Earnings will be retained to finance further growth and development of the business of the Company. However, if the Board of Directors declares dividends; all Common Shares will participate equally in the dividends, and, in the event of liquidation, in the net assets, of the Company.

However, the Company did declare and distribute stock dividend in January 2018 as explained in Item 5(A) under “DISPOSAL OF BIOHAVEN SHARES” section.

(B) SIGNIFICANT CHANGES

There were no significant events or changes to report that happened subsequent to March 31, 2018 to the date of this report.

ITEM 9. THE OFFER AND LISTING

(A) OFFER AND LISTING DETAILS

The following tables set forth the reported high and low sale prices for our common shares as quoted on OTC Markets and on Canadian Securities Exchange (CSE) , where the Company’s shares got listed and began trading effective October 28, 2013

The following table outlines the annual high and low market prices for the five most recent fiscal years:

	High		Low	
Year ended March 31,	**OTC US$**	**CSE US$**	**OTC US$**	**CSE US$**
2018	0.66	0.66	0.06	0.06
2017	0.25	0.22	0.10	0.12
2016	0.31	0.32	0.08	0.08
2015	0.18	0.24	0.07	0.08
2014	0.42	0.22	0.06	0.13

The following table outlines the high and low market prices for each fiscal financial quarter for the two most recent fiscal periods and any subsequent period:

	High		Low	
Quarter ended:	**OTC US$**	**CSE US$**	**OTC US$**	**CSE US$**
30-Jun-18	0.16	0.15	0.07	0.65
31-Mar-18	0.66	0.66	0.06	0.06
31-Dec-17	0.59	0.57	0.33	0.33
30-Sep-17	0.64	0.99	0.31	0.32
30-Jun-17	0.41	0.40	0.18	0.12
31-Mar-17	0.25	0.22	0.13	0.13
31-Dec-16	0.15	0.15	0.12	0.12
30-Sep-16	0.14	0.13	0.11	0.10
30-Jun-16	0.17	0.16	0.10	0.10

The following table outlines the high and low market prices for each of the most recent six months:

	High		Low	
Month 2018	**OTC US$**	**CSE US$**	**OTC US$**	**CSE US$**
June	0.16	0.15	0.10	0.11
May	0.12	0.12	0.07	0.07
April	0.08	0.09	0.07	0.07
March	0.14	0.15	0.07	0.07
February	0.08	0.08	0.06	0.06
January	0.66	0.66	0.07	0.07

(B) PLAN OF DISTRIBUTION

Not applicable.

(C) MARKETS

The Company’s common shares currently trade in two places

On OTC Quotation Board under the trading symbol “PTGEF”. The shares have been traded on OTCQB since 2000. Effective October 28, 2013, the Company’s shares are also listed for trading in US currency on the Canadian Securities Exchange (formerly, Canadian National Stock Exchange) under the symbol “PBT.U”.

(D) SELLING SHAREHOLDERS

Not applicable.

(E) DILUTION

Not applicable.

(F) EXPENSES OF THE ISSUE

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

(A) SHARE CAPITAL

This Form 20F is being filed as an Annual Report under the Exchange Act and, as such, there is no requirement to provide any information under this section.

(B) MEMORANDUM AND ARTICLES OF ASSOCIATION

General

Effective July 5, 2013, the Company moved its place of domicile from Ontario to the British Virgin Islands. Our affairs are therefore governed by the provisions of our Memorandum and Articles of Association, as adopted on becoming a BVI registered company limited by shares, and by the provisions of applicable British Virgin Islands law.

On July 6, 2017, the shareholders in the annual and special meeting, approved the replacement by way of amendment and restatement of the existing Memorandum and Articles of Association of the Company with amended and restated memorandum and articles of association. Most of the changes are minor and will not affect shareholders or the day to day administration of the Company. The amended and restated Memorandum and Articles of Association will take effect on the date of filing with the BVI Registry of Corporate Affairs, which was July 25, 2017.

Pursuant to our Memorandum and Articles of Association, we are authorized to issue an unlimited number of ordinary shares of no par value.

The following are summaries of material terms and provisions of our Memorandum and Articles of Association and the BVI Act, insofar as they relate to the material terms applicable to our ordinary shares. Unless otherwise stated, the following summaries are of the terms of our shares as of the date of this annual report. This summary is not intended to be complete, and you should read the form of our Memorandum and Articles of Association, which has been filed as an exhibit to this report.

Meetings of shareholders

If our shareholders want us to hold a meeting of shareholders of the company, they may requisition the directors to hold one upon the written request of shareholders entitled to exercise at least 10% of the voting rights in respect of the matter for which the meeting is requested. Under British Virgin Islands law, This 10% threshold may only be increased to a maximum of 30% and any such increase would require an amendment to the Memorandum and Articles of Association.

Subject to our Memorandum and Articles of Association, a meeting of shareholders of the company will be called by not less than twenty-one days' written notice. Notice of every meeting of shareholders may be delivered electronically and will be given to all of our shareholders. However, the inadvertent failure of the convener or conveners of a meeting of shareholders to give notice of the meeting to a shareholder, or the fact that a shareholder has not received the notice, does not invalidate the meeting.

A meeting may be called by shorter notice than that mentioned above, but, subject to our articles of association, it will be deemed to have been duly called if shareholders holding at least 90% of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a shareholder at the meeting shall constitute a waiver in relation to all the shares which that shareholder holds.

A meeting of shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy two or more shareholders entitled to vote at the meeting.

Rights attaching to shares

Voting rights

Holders of our ordinary shares have identical rights, including dividend and liquidation rights, provided that, except as otherwise expressly provided in our Amended Memorandum and Articles of Association or required by applicable law, on any matter that is submitted to a vote of our shareholders, holders of our ordinary shares are entitled to one vote per ordinary share.

Under the BVI Act, the ordinary shares are deemed to be issued when the name of the shareholder is entered in our register of members. Our register of members is maintained by our transfer agent, TSX Trust Company., which enters the names of our shareholders in our register of members. If (a) information that is required to be entered in the register of shareholders is omitted from the register or is inaccurately entered in the register, or (b) there is unreasonable delay in entering information in the register, a shareholder of the company, or any person who is aggrieved by the omission, inaccuracy or delay, may apply to the British Virgin Islands courts for an order that the register be rectified, and the court may either refuse the application or order the rectification of the register, and may direct us to pay all costs of the application and any damages the applicant may have sustained.

Subject to any rights or restrictions attached to any shares, at any general meeting on a show of hands every shareholder of record who is present in person (or, in the case of a shareholder being a corporation, by its duly authorized representative) or by proxy shall have one vote and on a poll every shareholder present in person (or, in the case of a shareholder being a corporation, by its duly appointed representative) or by proxy shall have one vote for each share which such shareholder is the holder. Voting at any meeting of the shareholders is by show of hands unless a poll is demanded. A poll may be demanded by shareholders present in person or by proxy if the shareholder disputes the outcome of the vote on a proposed resolution and the chairman shall cause a poll to be taken. In the case of a tie vote at a meeting of shareholders, the chairman shall be entitled to a second or casting vote.

No shareholder shall be entitled to vote or be reckoned in a quorum, in respect of any share, unless such shareholder is registered as our shareholder at the applicable record date for that meeting. Shareholders of record may also pass written resolutions without a meeting by a majority vote.

Protection of minority shareholders

Under the laws of the British Virgin Islands, there is little statutory law for the protection of minority shareholders other than the provisions of the BVI Act dealing with shareholder remedies. The principal protection under statutory law is that shareholders may bring an action to enforce the BVI Act or the constituent documents of the corporation, our Memorandum and Articles of Association. Shareholders are entitled to have our affairs conducted in accordance with the BVI Act and the Memorandum and Articles of Association.

There are common law rights for the protection of shareholders that may be invoked, largely dependent on English company law, since the common law of the British Virgin Islands is limited. Under the general rule pursuant to English company law known as the rule in Foss v. Harbottle, a court will generally refuse to interfere with the management of a company at the insistence of a minority of its shareholders who express dissatisfaction with the conduct of the company's affairs by the majority or the board of directors. However, every shareholder is entitled to have the affairs of the company conducted properly according to British Virgin Islands law and the constituent documents of the company. As such, if those who control the company have persistently disregarded the requirements of the BVI Act or the provisions of the company's Memorandum and Articles of Association, then the courts may grant relief. Generally, the areas in which the courts will intervene are the following: (1) an act complained of which is outside the scope of the authorized business or is illegal or not capable of ratification by the majority; (2) acts that

constitute fraud on the minority where the wrongdoers control the company; (3) acts that infringe or are about to infringe on the personal rights of the shareholders, such as the right to vote; and (4) where the company has not complied with provisions requiring approval of a special or extraordinary majority of shareholders, which are more limited than the rights afforded minority shareholders under the laws of many states in the U.S.

Pre-emption rights

British Virgin Islands law does not make a distinction between public and private companies and some of the protections and safeguards (such as statutory pre-emption rights) that investors may expect to find in relation to a public company are not provided for under British Virgin Islands law, save to the extent they are expressly provided for in the Memorandum and Articles of Association. There are no pre-emption rights applicable to the issuance of new shares by us under either British Virgin Islands law generally or our Memorandum and Articles of Association more specifically.

Modification of rights

As permitted by British Virgin Islands law, and our Memorandum and Articles of Association, we may vary the rights attached to our ordinary shares only with the consent in writing of or by a resolution passed at a meeting by the holders of not less than three-fourths of the issued shares of a particular class of shares

Transfer of shares

Subject to any applicable restrictions set forth in our Memorandum and Articles of Association, any of our shareholders may transfer all or any of his or her shares by a written instrument of transfer in the usual or common form or in any other form which our directors may approve.

The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine. If the directors were to refuse (or suspend) a transfer, then the directors should provide the transferor and transferee with a notice providing their reasons for the suspension.

Changes in authorized ordinary shares

By resolution of our shareholders or resolution of our directors we may (i) consolidate and divide all or any of our unissued authorized shares into shares of larger amount than our existing shares; (ii) sub-divide our existing ordinary shares, or any of them into shares of smaller amount than is fixed by our memorandum of association, subject nevertheless to the provisions of the BVI Act; or (iii) create new classes of shares with preferences to be determined by the board of directors at the time of authorization, although any such new classes of shares may only be created with prior shareholder approval and subject to amending our Memorandum of Association setting out the new class of shares and the rights, preferences and privileges attaching to such class of shares.

Dividends

Subject to the BVI Act and our Memorandum and Articles of Association, our directors may, by resolution, authorize a distribution to shareholders at such time and of such an amount as they think fit, if they are satisfied, on reasonable grounds, that, immediately after the distribution, we will satisfy the 'solvency test'. A company will satisfy the solvency test if (i) the value of the company's assets exceeds its liabilities; and (ii) the company is able to pay its debts as they fall due. Where a distribution is made to a shareholder at a time when the company did not, immediately after the distribution, satisfy the solvency test, it may be recovered by the company from the shareholder unless (i) the shareholder received the distribution in good faith and without knowledge of the company's failure to satisfy the solvency test; (ii) the shareholder has altered his position in reliance on the validity of the distribution; and (iii) it would be unfair to require repayment in full or at all.

Share repurchases

As Permitted by the BVI Act and our Memorandum and Articles of Association, shares may be repurchased, redeemed or otherwise acquired by us provided that, immediately following the repurchase or redemption, we are satisfied we will pass the aforementioned solvency test.

We will require member consent before any share can be purchased,redeemed or otherwise acquired by us.

Liquidation rights

As permitted by British Virgin Islands law and our Memorandum and Articles of Association, a voluntary liquidator may be appointed under Part XII of the BVI Act if we satisfy the aforementioned solvency test.

Board of directors

We are managed by a board of directors which currently consists of six directors.

Our shareholders may, pursuant to our Memorandum and Articles of Association, by resolution of shareholders passed at a meeting of shareholders called for the purpose of removing the director or for purposes including the removal of the director or by a written resolution of shareholders at any time remove any director before the expiration of his or her period of office with or without cause, and may, pursuant to our Memorandum and Articles of Association, elect another person in his or her stead. Subject to our Memorandum and Articles of Association, the directors will have power at any time and from time to time to appoint any person to be a director, either as an addition to the existing directors or to fill a vacancy as long as the total number of directors (exclusive of alternate directors) does not at any time exceed the maximum number fixed by or in accordance with our Memorandum and Articles of Association (if any) and one third time the number of directors to have been elected at the last annual meeting of shareholders.

There are no share ownership qualifications for directors, unless otherwise decided by a resolution of shareholders. Meetings of our board of directors may be convened at any time deemed necessary by any of our directors.

Unless the quorum has been otherwise fixed by the board, a meeting of our board of directors will be competent to make lawful and binding decisions if at least one half of the directors are present or represented. Unless there are only two directors, in which case, the quorum shall be two. At any meeting of our directors, each director, whether by his or her presence or by his or her alternate, is entitled to one vote.

Questions arising at a meeting of our board of directors are required to be decided by simple majority votes of the directors present or represented at the meeting. In the case of a tie vote, the chairman of the meeting shall not have a second or deciding vote. Our board of directors may also pass written resolutions without a meeting by a majority vote.

The remuneration to be paid to the directors shall be such remuneration as the directors or shareholders shall determine through a resolution.

Issuance of additional ordinary shares

Our Memorandum and Articles of Association authorize our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares.
Our Memorandum and Articles of Association authorize our board of directors from time to time to issue ordinary shares to the extent permitted by the BVI Act.

Changes in authorized shares

We are authorized to issue unlimited number of ordinary shares without par value, which will be subject to the same provisions with reference to the payment of calls, liens, transfers, transmissions, forfeitures and otherwise as the shares in issue. We may by resolution:

- consolidate and divide all or any of our unissued authorized shares into shares of a larger amount than our existing shares;
- sub-divide our existing ordinary shares, or any of them into shares of smaller amount than is fixed by our memorandum of association, subject nevertheless to the provisions of the BVI Act;
- cancel any ordinary shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person; or

- create new classes of shares with preferences to be determined by the board of directors at the time of authorization, although any such new classes of shares may only be created with prior shareholder approval and subject to amendments to our Memorandum and Articles of Association..

Inspection of books and records

Under British Virgin Islands law holders of our ordinary shares will be entitled, on giving written notice to us, to inspect and make copies or take extracts of our: (a) Memorandum and Articles of Association; (b) register of shareholders; (c) register of directors; and (d) minutes of meetings and resolutions of shareholders and those classes of shareholders of which he is a shareholder.

Subject to our Memorandum and Articles of Association, our board of directors may, if they are satisfied that it would be contrary to our interest to allow a shareholder to inspect any document, or part of a document as referenced above, refuse to permit the shareholder to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records. Where our directors exercise their powers in these circumstances, they shall notify the shareholder as soon as reasonably practicable.

Differences in corporate law

We are incorporated under, and are governed by, the laws of the British Virgin Islands. The flexibility available under British Virgin Islands law has enabled us to adopt the memorandum and articles of association that will provide shareholders with rights that do not vary in any material respect from those they enjoyed under the Ontario Companies laws.

Conflicts of interest

Pursuant to the BVI Act and the company's memorandum and articles of association, a director of a company who has an interest in a transaction and who has declared such interest to the other directors, may:

- vote on a matter relating to the transaction;
- attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and
- sign a document on behalf of the company, or do any other thing in his capacity as a director, that relates to the transaction.

Anti-money laundering laws

In order to comply with legislation or regulations aimed at the prevention of money laundering we are required to adopt and maintain anti-money laundering procedures and may require subscribers to provide evidence to verify their identity. Where permitted, and subject to certain conditions, we may also delegate the maintenance of our anti-money laundering procedures (including the acquisition of due diligence information) to a suitable person.

We reserve the right to request such information as is necessary to verify the identity of a subscriber. In the event of delay or failure on the part of the subscriber in producing any information required for verification purposes, we may refuse to accept the application, in which case any funds received will be returned without interest to the account from which they were originally debited.

If any person resident in the British Virgin Islands knows or suspects that another person is engaged in money laundering or terrorist financing and the information for that knowledge or suspicion came to their attention in the course of their business, the person will be required to report his belief or suspicion to the Financial Investigation Agency of the British Virgin Islands, pursuant to the Proceeds of Criminal Conduct Act 1997 (as amended). Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

Duties of directors

British Virgin Islands law provides that every director of the company in exercising his powers or performing his duties shall act honestly and in good faith and in what the director believes to be in the best interests of the company. Additionally, the director shall exercise the care, diligence, and skill that a reasonable director would exercise in the same circumstances taking into account the nature of the company, the nature of the decision and the position of the director and his responsibilities. In addition, British Virgin Islands law provides that a director shall exercise his powers as a director for a proper purpose and shall not act, or agree to the company acting, in a manner that contravenes British Virgin Islands law or the memorandum and articles of association of the company.

Anti-takeover provisions

The BVI Act does not prevent companies from adopting a wide range of defensive measures, such as staggered boards, blank check preferred shares, removal of directors only for cause and provisions that restrict the rights of shareholders to call meetings and submit shareholder proposals.

Voting rights and quorum requirements

Under British Virgin Islands law, the voting rights of shareholders are regulated by the company's Memorandum and Articles of Association and, in certain circumstances, the BVI Act. The articles of association will govern matters such as quorum for the transaction of business, rights of shares, and majority votes required to approve any action or resolution at a meeting of the shareholders or board of directors. Unless the articles of association otherwise provide, the requisite majority is usually a simple majority of votes cast. Under the M&A, a resolution of shareholders requires a majority vote of those persons voting at a meeting or in the case of a written resolution of shareholders, the vote of a majority of the shareholders.

Mergers and similar arrangements

Under the BVI Act, two or more companies may merge or consolidate in accordance with the statutory provisions. A merger means the merging of two or more constituent companies into one of the constituent companies, and a consolidation means the uniting of two or more constituent companies into a new company. In order to merge or consolidate, the directors of each constituent company must approve a written plan of merger or consolidation which must be authorized by a resolution approved at a duly convened and constituted meeting of the shareholders of the Company by the affirmative vote of a majority of the votes of the shares entitled to vote thereon which were present at the meeting and voted, or a resolution consented to in writing by the same number of the votes of the Shares entitled to vote thereon.

Shareholders not otherwise entitled to vote on the merger or consolidation may still acquire the right to vote if the plan or merger or consolidation contains any provision which, if proposed as an amendment to the memorandum of amended association and articles of association, would entitle them to vote as a class or series on the proposed amendment. In any event, all shareholders must be given a copy of the plan of merger or consolidation irrespective of whether they are entitled to vote at the meeting or consent to the written resolution to approve the plan of merger or consolidation.

Shareholder suits

We are not aware of any reported class action or derivative action having been brought against the company in a British Virgin Islands court.

Under the BVI Act, if a company or a director of a company engages in, or proposes to engage in, conduct that contravenes the BVI Act or the memorandum of association or articles of the company, the BVI Court may, on the application of a shareholder or a director of the company, make an order directing the company or director to comply with, or restraining the company or director from engaging in that conduct.

In addition, under the BVI Act, the BVI Court may, on the application of a shareholder of a company, grant leave to that shareholder to bring proceedings in the name and on behalf of that company or to intervene in proceedings to which the company is a party for the purpose of continuing, defending or discontinuing the proceedings on behalf of the company. In determining whether to grant leave for such derivative actions, the Court must take into account certain matters, including whether the shareholder is acting in good faith, whether the derivative action is in the interests of the company taking account of the views of the company's directors on commercial matters and whether an alternative remedy to the derivative claim is available.

A shareholder of a company may bring an action against the company for breach of a duty owed by the company to him as a shareholder. The BVI Act also includes provisions for actions based on oppression, and for representative actions where the interests of the claimant are substantially the same as those of other shareholders.

Corporate governance

British Virgin Islands laws do not restrict transactions between a company and its directors, requiring only that directors exercise a duty to act honestly, in good faith and in what the directors believe to be in the best interests to the companies for which they serve.

Indemnification

British Virgin Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the British Virgin Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our Memorandum and Articles of Association provide for the indemnification of our directors against all losses or liabilities incurred or sustained by a director as a director of our company in defending any proceedings, whether civil or criminal and this indemnity only applies if he or she acted honestly and in good faith with a view to our best interests and, with respect to any criminal action, he or she must have had no reasonable cause to believe his or her conduct was unlawful.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted for directors, officers or persons controlling us under the foregoing provisions, we have been advised that, in the opinion of the U.S. Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and therefore is unenforceable.

Staggered board of directors

The BVI Act does not contain statutory provisions that require staggered board arrangements for a British Virgin Islands company and our Memorandum and Articles of Association do not provide for a staggered board.

(C) MATERIAL CONTRACTS

The Company had no material contract, other than contracts entered into in the ordinary course of business, to which we or any of our subsidiaries is a party, for the year immediately preceding the filing of this report.

(D) EXCHANGE CONTROLS

There is no income or other tax of the British Virgin Islands imposed by withholding or otherwise on any payment to be made by us.

We are free to acquire, hold and sell foreign currency and securities without restriction. There is no exchange control legislation under British Virgin Islands law and accordingly there are no exchange control regulations imposed under British Virgin Islands law that would prevent us from paying dividends to shareholders in United States Dollars or any other currencies, and all such dividends may be freely transferred out of the British Virgin Islands, clear of any income or other tax of the British Virgin Islands imposed by withholding or otherwise without the necessity of obtaining any consent of any government or authority of the British Virgin Islands.

(E) TAXATION

British Virgin Islands Tax Consequences

Under the law of the British Virgin Islands as currently in effect, a holder of shares of the Company who is not a resident of the British Virgin Islands is not liable for British Virgin Islands income tax on dividends paid with respect to the shares of the Company, and all holders of securities of the Company are not liable to the British Virgin Islands for income tax on gains realized on the sale or disposal of such securities. The British Virgin Islands does not impose a withholding tax on dividends paid by a company incorporated or re-registered under the BCA.

There are no capital gains, gift or inheritance taxes levied by the British Virgin Islands on companies incorporated or re-registered under the BCA. In addition, securities of companies incorporated or re-registered under the BCA are not subject to transfer taxes, stamp duties or similar charges.

There is no income tax treaty or convention currently in effect between (i) the United States and the British Virgin Islands or (ii) Canada and the British Virgin Islands, although a Tax Information Exchange Agreement is in force between the United States and the BVI and Canada and the BVI

U.S. Federal Income Tax Consequences

The discussion below is for general information only and is not, and should not be interpreted to be, tax advice to any holder of our common shares. Each holder or a prospective holder of our common shares is urged to consult his, her or its own tax advisor.

General

This section is a general summary of the material United States federal income tax consequences to U.S. Holders, as defined below, of the ownership and disposition of our common shares as of the date of this report. This summary is based on the provisions of the Internal Revenue Code of 1986, as amended, or the Code, the applicable Treasury regulations promulgated and proposed thereunder, judicial decisions and current administrative rulings and practice, all of which are subject to change, possibly on a retroactive basis. The summary applies to you only if you hold our common shares as a capital asset within the meaning of Section 1221 of the Code. In addition, this summary generally addresses certain U.S. federal income tax consequences to U.S. Holders if we were to be classified as a PFIC. The United States Internal Revenue Service, or the IRS, may challenge the tax consequences described below, and we have not requested, nor will we request, a ruling from the IRS or an opinion of counsel with respect to the United States federal income tax consequences of acquiring, holding or disposing of our common shares. This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to the ownership of our common shares. In particular, the discussion below does not cover tax consequences that depend upon your particular tax circumstances nor does it cover any state, local or foreign law, or the possible application of the United States federal estate or gift tax. You are urged to consult your own tax advisors regarding the application of the United States federal income tax laws to your particular situation as well as any state, local, foreign and United States federal estate and gift tax consequences of the ownership and disposition of the common shares. In addition, this summary does not take into account any special United States federal income tax rules that apply to a particular U.S. or non-U.S. holder of our common shares, including, without limitation, the following:

- a dealer in securities or currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for its securities holdings;
- a financial institution or a bank;
- an insurance company;
- a tax-exempt organization;
- a person that holds our common shares in a hedging transaction or as part of a straddle or a conversion transaction;
- a person whose functional currency for United States federal income tax purposes is not the U.S. dollar;
- a person liable for alternative minimum tax;

- a person that owns, or is treated as owning, 10% or more, by voting power or value, of our common shares;
- certain former U.S. citizens and residents who have expatriated; or
- a person who receives our shares pursuant to the exercise of employee stock options or otherwise as compensation.

U.S. Holders

For purposes of the discussion below, you are a “U.S. Holder” if you are a beneficial owner of our common shares who or which is:

- an individual United States citizen or resident alien of the United States (as specifically defined for United States federal income tax purposes);
- a corporation, or other entity treated as a corporation for United States federal income tax purposes, created or organized in or under the laws of the United States, any State or the District of Columbia;
- an estate whose income is subject to United States federal income tax regardless of its source; or
- a trust (x) if a United States court can exercise primary supervision over the trust’s administration and one or more United States persons are authorized to control all substantial decisions of the trust or (y) if it was in existence on August 20, 1996, was treated as a United States person prior to that date and has a valid election in effect under applicable Treasury regulations to be treated as a United States person.

If a partnership holds our common shares, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. If you are a partner of a partnership holding our common shares, you should consult your tax advisor.

Passive Foreign Investment Company (PFIC)

Under the Code, we will be a PFIC for any taxable year in which, after the application of certain "look-through" rules with respect to related companies, either (i) 75% or more of our gross income consists of "passive income," or (ii) 50% or more of the average quarterly value of our assets consist of assets that produce, or are held for the production of, "passive income." Passive income generally includes interest, dividends, rents, rents and royalties other than certain rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business, and capital gains. Whether we will be a PFIC in any year depends on the composition of our income and assets, and the relative fair market value of our assets from time to time, which we expect may vary substantially over time. We must make a separate determination each year as to whether we are a PFIC. As a result, our PFIC status may change from year to year based on our income and assets at March 31, 2018 and our anticipated future operations, however, there is a material risk that we will be classified as a PFIC for our fiscal year ended March 31, 2018. In addition, we may have been a PFIC in prior years and may be a PFIC in the future.

If we are a PFIC for any fiscal year during which a U.S. Holder holds our common shares, we generally will continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding fiscal years during which the U.S. Holder holds our common shares, unless we cease to meet the threshold requirements for PFIC status and that U.S. Holder makes a qualifying "deemed sale" election with respect to the common shares. If such an election is made, the U.S. Holder will be deemed to have sold the common shares it holds at their fair market value on the last day of the last fiscal year in which we qualified as a PFIC, and any gain from such deemed sale will be subject to the consequences described below. After the deemed sale election, the common shares with respect to which the deemed sale election was made will not be treated as shares in a PFIC unless we subsequently become a PFIC.

If we are a PFIC for any taxable year during which a U.S. Holder holds our common shares, the U.S. Holder may be subject to adverse tax consequences. Generally, gain recognized upon a disposition (including, under certain circumstances, a pledge) of our common shares by the U.S. Holder would be allocated ratably over the U.S. Holder's holding period for such common shares. The amounts allocated to the taxable year of disposition and to years before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and would be increased by an additional tax equal to interest on the resulting tax deemed deferred with respect to each such other taxable year.

Further, to the extent that any distribution received by a U.S. Holder on our common shares exceeds 125% of the average of the annual distributions on such common shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner described immediately above with respect to gain on disposition.

If we are a PFIC for any fiscal year during which any of our non-U.S. subsidiaries is also a PFIC, a U.S. Holder of our common shares during such year will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules to such subsidiary. U.S. Holders should consult their tax advisers regarding the tax consequences if the PFIC rules apply to any of our subsidiaries. Alternatively, if we are a PFIC and if our common shares are "regularly traded" on a "qualified exchange," a U.S. Holder may be eligible to make a mark-to-market election that would result in tax treatment different from the general tax treatment described above. Our common shares would be treated as "regularly traded" in any calendar year in which more than a de minimis quantity of the common shares are traded on a qualified exchange on at least 15 days during each calendar quarter. NASDAQ is a qualified exchange for this purpose. Additionally, because a mark-to-market election cannot be made for equity interests in any lower-tier PFIC that we may own, a U.S. Holder that makes a mark-to-market election with respect to us may continue to be subject to the PFIC rules with respect to any indirect investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes. If a U.S. Holder makes the mark-to-market election, the U.S. Holder generally will recognize as ordinary income any excess of the fair market value of the common shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the common shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, the U.S. Holder's tax basis in the common shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of our common shares in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes a mark-to-market election it will be effective for the taxable year for which the election is made and all subsequent taxable years unless our common shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election. U.S. Holders are urged to consult their tax advisers about the availability of the mark-to-market election, and whether making the election would be advisable in their particular circumstances.

Alternatively, a U.S. Holder of stock in a PFIC may make a so-called "Qualified Electing Fund" election to avoid the PFIC rules regarding distributions and gain described above. The PFIC taxation regime would not apply to a U.S. Holder who makes a QEF election for all taxable years that such U.S. Holder has held our common shares while we are a PFIC, provided that we comply with specified reporting requirements. Instead, each U.S. Holder who has made a valid and effective QEF election is required for each taxable year that we are a PFIC to include in income such U.S. Holder’s pro rata share of our ordinary earnings as ordinary income and such U.S. Holder’s pro rata share of our net capital gains as long-term capital gain, regardless of whether we make any distributions of such earnings or gain. In general, a QEF election is effective only if we make available certain required information. U.S. Holders should be aware, however, that we are not required to make this information available but have agreed to do so for our fiscal year ended March 31, 2018 for those US shareholders who ask for it. The QEF election is made on a shareholder-by-shareholder basis and generally may be revoked only with the consent of the IRS. U.S. Holders should consult with their own tax advisors regarding eligibility, manner and advisability of making a QEF election if we are treated as a PFIC.

In addition, if we are a PFIC or, with respect to particular U.S. Holders, are treated as a PFIC for the taxable year in which we paid a dividend or for the prior taxable year, the preferential rates discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If a U.S. Holder owns our common shares during any year in which we are a PFIC, the U.S. Holder generally will be required to file an IRS Form 8621 (Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) with respect to us, generally with the U.S. Holder’s federal income tax return for that year. If we are a PFIC for a given taxable year, then you should consult your tax advisor concerning your annual filing requirements.

The U.S. federal income tax rules relating to PFICs are complex. U.S. Holders are urged to consult their own tax advisers with respect to the acquisition, ownership and disposition of our common shares, the consequences to them if we are or become a PFIC, any elections available with respect to our common shares, and the IRS information reporting obligations with respect to the acquisition, ownership and disposition of our common shares.

Non-U.S. Holders

If you are not a U.S. Holder, you are a "Non-U.S. Holder."

Distributions on Our Common Shares

You generally will not be subject to U.S. federal income tax, including withholding tax, on distributions made on our common shares unless:

- you conduct a trade or business in the United States and
- the distributions are effectively connected with the conduct of that trade or business (and, if an applicable income tax treaty so requires as a condition for you to be subject to U.S. federal income tax on a net income basis in respect of income from our common shares, such distributions are attributable to a permanent establishment that you maintain in the United States).

If you meet the two tests above, you generally will be subject to tax in respect of such dividends in the same manner as a U.S. Holder, as described above. In addition, any effectively connected dividends received by a non-U.S. corporation may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30 percent rate or such lower rate as may be specified by an applicable income tax treaty.

Sale, Exchange or Other Disposition of Our Common Shares

Generally, you will not be subject to U.S. federal income tax, including withholding tax, in respect of gain recognized on a sale or other taxable disposition of our common shares unless:

- your gain is effectively connected with a trade or business that you conduct in the United States (and, if an applicable income tax treaty so requires as a condition for you to be subject to U.S. federal income tax on a net income basis in respect of gain from the sale or other disposition of our common shares, such gain is attributable to a permanent establishment maintained by you in the United States), or
- you are an individual Non-U.S. Holder and are present in the United States for at least 183 days in the taxable year of the sale or other disposition, and certain other conditions exist.

You will be subject to tax in respect of any gain effectively connected with your conduct of a trade or business in the United States generally in the same manner as a U.S. Holder, as described above. Effectively connected gains realized by a non-U.S. corporation may also, under certain circumstances, be subject to an additional "branch profits tax" at a rate of 30 percent or such lower rate as may be specified by an applicable income tax treaty.

Backup Withholding and Information Reporting

Payments, including dividends and proceeds of sales, in respect of our common shares that are made in the United States or by a United States related financial intermediary will be subject to United States information reporting rules. In addition, such payments may be subject to United States federal backup withholding tax. You will not be subject to backup withholding provided that:

- you are a corporation or other exempt recipient, or
- you provide your correct United States federal taxpayer identification number and certify, under penalties of perjury, that you are not subject to backup withholding.

Amounts withheld under the backup withholding rules may be credited against your United States federal income tax, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the IRS in a timely manner.

Foreign asset reporting

Certain U.S. Holders who are individuals are required to report information relating to an interest in ordinary shares, subject to certain exceptions (including an exception for ordinary shares held in accounts maintained by U.S. financial institutions). U.S. Holders are urged to consult their tax advisors regarding their information reporting obligations, if any, with respect to their ownership and disposition of ordinary shares.

(F) DIVIDEND AND PAYING AGENTS

Not applicable.

(G) STATEMENT BY EXPERTS

Not applicable.

(H) DOCUMENTS ON DISPLAY

We are currently subject to the informational requirements of the Exchange Act applicable to foreign private issuers. We fulfill these requirements by filing annual, quarterly and current reports and other information with the SEC, which you can access using the means described above. As a foreign private issuer, we are exempt from the rules under the Exchange Act relating to the furnishing and content of proxy statements, and our officers, directors and principal shareholders will be exempt from the reporting and short swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the Securities and Exchange Commission as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we are required to file with the Securities and Exchange Commission, within four months after the end of our fiscal year ended March 31, 2014 and each subsequent fiscal year, an annual report on Form 20-F containing financial statements which will be examined and reported on, with an opinion expressed, by an independent public accounting firm. We also intend to file with the Securities and Exchange Commission reports on Form 6-K containing unaudited financial information for the first three quarters of each fiscal year, within 90 days after the end of each quarter.

You may read and copy any document we file with the SEC without charge at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1 800 SEC 0330 for further information on the public reference room. The SEC also maintains an Internet site that contains reports and other information regarding issuers that file electronically with the SEC. Our filings with the SEC are also available to the public through this web site at http://www.sec.gov.

(I) SUBSIDIARY INFORMATION

The documents concerning the Company’s subsidiaries referred to in this Annual Report may be inspected at the Company's office at 47 Avenue Road, Suite 200, Toronto, Ontario, Canada, M5R 2G3.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed in varying degrees to a number of risks arising from financial instruments. Management’s close involvement in the operations allows for the identification of risks and variances from expectations. The Company does not participate in the use of financial instruments to mitigate these risks and has no designated hedging transactions. The Board approves and monitors the risk management processes. The Board’s main objectives for managing risks are to ensure liquidity, the fulfilment of obligations, the continuation of the Company’s search for new business participation opportunities, and limited exposure to credit and market risks while ensuring greater returns on the surplus funds on hand. There were no changes to the objectives or the process from the prior year.

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, receivable and investments in equities in private entities and, accounts payable and accrued liabilities and unsecured notes payable.

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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. Investment is classified as level 3 financial instrument.

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 and liquidity 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 major international financial institutions in Canada and therefore the risk of loss is minimal.
b. Other receivable - The Company is exposed to credit risk attributable to customers since a significant portion of this amount represents the amount agreed on a settlement of a claim by PPL payable over the next seven years. The debtor has so far been diligent in paying the amounts on due dates and PPL management will be monitoring the matter on a regular basis.

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 it will require further funding to finance the committed drug development work apart from meeting its operational needs for the foreseeable future. However, the exact need for additional cash cannot be reasonably ascertained at this stage. The Company has already initiated actions to secure further funds through equity financing at its subsidiary level and potential partnership arrangement.

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.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's disclosure controls and procedures, as such term is defined in Rules 13(a)-13(e) and 15(d)-15(e) of the Exchange Act are designed to provide reasonable assurance that all relevant information is communicated to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), to allow timely decisions regarding required disclosure. We carried out an evaluation, under the supervision and with the participation of our management, including our CEO and CFO. Based on this evaluation these officers concluded that as of the end of the period covered by this Annual Report on Form 20-F, our disclosure controls and procedures were not effective to ensure that the information required to be disclosed by our company in reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. These disclosure controls and procedures include controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management, including our company's principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure. The conclusion that the disclosure controls and procedures were not effective was due to the presence of a material weakness in internal control over financial reporting as identified below under the heading "Internal Controls over Financial Reporting Procedures". Management anticipates that such disclosure controls and procedures will not be effective until the material weakness is remediated.

Management's Annual Report on Internal Control over Financial Reporting

The management of the Company, including the CEO and CFO, is responsible for establishing and maintaining adequate internal controls over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). The Company's internal control system was designed to provide reasonable assurance to the Company's management and the board of directors regarding the reliability of financial reporting and preparation and fair presentation of published financial statements for external purposes in accordance with IFRS. Internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of our management, including our CEO, CFO and Chairman, we conducted an evaluation of the design and operation of internal control over financial reporting as of March 31, 2018, based on the framework set forth in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The CEO has instituted a system of disclosure controls for the Company to ensure proper and complete disclosure of material information. The limited number of consultants and direct involvement of the CEO and CFO facilitates access to real time information about developments in the business for drafting disclosure documents. All documents are circulated to the board of directors and audit committee according to the disclosure time-lines.

However, we have no accounting support staff to ensure segregation of duties and CFO handles all accounting, banking and treasury functions under direct supervision from the chairman and CEO. Based on this evaluation, management concluded that the Company's ICFR was not effective as at March 31, 2018 due to the following material weakness:

Due to the limited number of staff with an appropriate level of technical accounting knowledge, experience and training and the inability to attract outside expert advice on a cost-effective basis, there is a risk of material misstatements related to the accounting and reporting for complex transactions. This control deficiency creates a reasonable possibility that a material misstatement of the annual financial statements would not have been prevented or detected in a timely manner.

Attestation Report of the Registered Public Accounting Firm

This Annual Report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report is not subject to attestation by the Company's registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this Annual Report.

Changes in Internal Control over Financial Reporting and Planned Remediation Activities

There have been no changes in the Company's internal controls identified in connection with the evaluation described in the preceding paragraph that occurred during the period covered by this Annual Report on Form 20-F which have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

No remediation activities have been undertaken to date in fiscal 2018. Due to resource constraints and the present stage of the Company's development, the Company does not have sufficient size and scale to warrant the hiring of additional staff to correct this material weakness at this time.

ITEM 16(A). AUDIT COMMITTEE FINANCIAL EXPERTS

the Board of Directors has determined that Mr. Steven Mintz, who is an independent director, is an audit committee financial expert as such term is defined in Rule 10A-3(b)(1) under the Exchange Act.

ITEM 16 (B). CODES OF ETHICS

We have adopted a Code of Ethics, which applies to all employees, consultants, officers and directors. A copy of our current code of ethics was included in the exhibits to the fiscal 2014 annual report.

A copy of our Code of Ethics can be obtained by writing to our corporate office at 47 Avenue Road, Suite 200, Toronto, ON M5R 2G3 attention: Chief Financial Officer.

During the most recently completed fiscal year, the Company has neither: (a) amended its Code of Ethics; nor (b) granted any waiver (including any implicit waiver) from any provision of its Code of Ethics.

ITEM 16 (C). PRINCIPAL ACCOUNTANT'S FEES AND SERVICES

The following outlines the expenditures for accounting fees for the last two fiscal periods ended:

March 31,	2018	2017
Audit fee	$59,234	79,150
Other services	1,584	-

Under our existing policies, the audit committee must approve all audit and non-audit related services provided by the auditors.

ITEM 16 (D). EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16 (E). PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

We did not, nor did any affiliated purchaser, purchase any of our equity securities during the fiscal year 2016.

ITEM 16 (F). CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16 (G). CORPORATE GOVERNANCE

Our securities are listed on the Canadian Securities Exchange and are traded on OTC markets. There are no significant ways in which our corporate governance practices differ from those followed by domestic companies under the listing standards of that exchange except for proxy delivery requirements. As a foreign private issuer, the Company is exempt from the proxy rules set forth in Sections 14(a), 14(b), 14(c) and 14(f) of the Act. The Company solicits proxies in accordance with applicable rules and regulations in British Virgin Islands and requirements of Ontario Securities Commission and applicable CSE rules.

PART III

ITEM 17. FINANCIAL STATEMENTS

Refer to Item 18 - Financial Statements

ITEM 18. FINANCIAL STATEMENTS

See the Financial Statements and Exhibits listed in Item 19 hereof and filed as part of this Annual Report.

ITEM 19. EXHIBITS

(a) Financial Statements

(b) Exhibits

The following documents are filed as part of this Annual Report on Form 20-F

1.1	Certificate of Continuance - Incorporated herein by reference to Exhibit 3.1 to Form 6-K filed on August 1, 2013.
1.2	Memorandum and Articles of Association
4(c) (iv).1	2011 Consultant stock compensation plan - Incorporated herein by reference to Form S-8 filed on April 21, 2011.
4(c) (iv).2	2013 Stock option plan - Incorporated herein by reference to Form S-8 filed on December 19, 2013.
4(c) (iv).3	2013 option plan - Incorporated herein by reference to Form S-8 filed on March 17, 2015.
11.1	Charter of audit and compensation committee regarding compensation matters - Incorporated herein by reference to Form F-20 filed on July 31, 2014.
11.2	Charter of audit and compensation committee regarding audit matters - Incorporated herein by reference to Form F-20 filed on July 31, 2014.
11.3	Code of conduct - Incorporated herein by reference to Form F-20 filed on July 31, 2014.
12.1	Certifications of Chief Executive Officer Pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.
12.2	Certifications of Chief Financial Officer Pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.
13.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
13.2	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.(b)	Information Statement in respect of a dividend distribution of Biohaven common shares, dated January 5, 2018 - Incorporated herein by reference to Form 6-K filed on January 8, 2018
101	The following financial information from our Annual Report on Form 20-F for the year ended March 31, 2018 has been formatted in Extensible Business Reporting Language (XBRL): (i) Consolidated Statements of Financial Position, (ii) Consolidated Statements of Operations and Other Comprehensive Income, (iii) Consolidated Statements of Cash Flows, and (iv) Notes to Consolidated Financial Statements

SIGNATURES

The Company hereby certifies that it meets all of the requirements for filing on Form 20-F and it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

DATED at Toronto, Ontario, Canada, this 26th day of July, 2018

PORTAGE BIOTECH INC.

Per: */s/ Declan Doogan*
Title: Chief Executive Officer

Per: */s/ Kam Shah*
Title: Chief Financial Officer

Portage Biotech Inc.

Consolidated Financial Statements

For the Years Ended March 31, 2018 and 2017

(US Dollars)

Portage Biotech Inc.

Consolidated Financial Statements
For the Years Ended March 31, 2018 and 2017
(US Dollars)

Schwartz Levitsky Feldman llp
CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS
TORONTO • MONTREAL

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Directors of Portage Biotech Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Portage Biotech Inc. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2018 and March 31, 2017, the consolidated statements of operations and other comprehensive income (loss), changes in shareholders' equity and cash flows for the years ended March 31, 2018, 2017 and 2016, and the related notes, comprising a summary of significant accounting policies and other explanatory information (collectively referred to as the consolidated financial statements).

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2018 and March 31, 2017, and its consolidated financial performance and its consolidated cash flows for the years ended March 31, 2018, 2017 and 2016 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

2300 Yonge Street, Suite 1500, Box 2434
Toronto, Ontario M4P 1E4
Tel: 416 785 5353
Fax: 416 785 5663

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to error or fraud. Those standards also require that we comply with ethical requirements, including independence. We are required to be independent with respect to the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We are a public accounting firm registered with the PCAOB.

An audit includes performing procedures to assess the risks of material misstatements of the consolidated financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included obtaining and examining, on a test basis, audit evidence regarding the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of accounting policies and principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a reasonable basis for our audit opinion.

We have served as the Company's auditor since 2006.

/s/ "SCHWARTZ LEVITSKY FELDMAN LLP"

Toronto, Ontario
July 26, 2018

Chartered Accountants
Licensed Public Accountants

Portage Biotech Inc.

Consolidated Statements of Financial Position
(US Dollars)

As at March 31,	Note	2018 in 000$	2017 in 000$
Assets			
Current			
Cash		7,520	159
Prepaid expenses and other receivable	4	44	64
Investment, available for sale	6	52	58,913
		$7,616	$59,136
Long-term assets			
Long term portion of other receivable	4	56	68
Convertible note receivable	5	950	-
Investment in associate	7	681	-
Investment	9	700	700
		2,387	768
Total assets		$10,003	$59,904
Liabilities and Shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		127	109
		$127	$109
Non-current liabilities			
Unsecured notes payable	10	233	181
Warrant liability	10	24	20
		257	201
Total liabilities		$384	$310
Shareholders' Equity			
Capital stock	11	23,654	18,360
Stock option reserve	12	267	1,706
Accumulated other comprehensive income		32	24,547
Retained earnings (Deficit)		(14,334)	14,981
Total equity		$9,619	$59,594
Total liabilities and Shareholders' equity		$10,003	$59,904
Commitments and Contingent Liabilities (Note 15)			
Related Party Transactions (Note 17)			

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

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

Portage Biotech Inc.

Consolidated Statements of Operations and Other Comprehensive Income
(US Dollars)

Year ended March 31,	Note	2018 in 000$	2017 in 000$	2016 in 000$
Expenses				
Research and development		561	32,450	4,577
Consulting fees	16,17(ii)	1,335	1,923	4,014
Professional fees		215	634	501
Other operating costs	17(i)	116	485	96
Bank charges and interest		32	552	7
		2,259	36,044	9,195
Realized gain on sale of investment		(126,000)	-	-
Gain on restating retained interest in associate at fair value		-	(49,864)	-
Share of losses in associate		-	14,461	
Net income (loss)		$123,741	$(641)	$(9,195)
Other comprehensive income				
Gain on investment transferred to retained earnings on disposal of investment		$(24,515)	-	-
Unrealized gain on Investment, available for sale		-	$24,547	-
Total comprehensive Income (loss) for year		$99,226	$23,906	$(9,195)
Net income (loss) attributable to :				
Owners of the Company		123,741	16,299	(5,706)
Non-controlling interest		-	(16,940)	(3,489)
		$123,741	$(641)	$(9,195)
Net comprehensive Income (loss) attributable to :				
Owners of the Company		99,226	40,846	(5,706)
Non-controlling interest		-	(16,940)	(3,489)
		$99,226	$23,906	$(9,195)
Basic and diluted income (loss) per share (Actual)	14			
Basic		$0.46	$0.06	$(0.02)
Diluted		$0.46	$0.06	$(0.02)

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

Portage Biotech Inc.

Consolidated Statements of Changes in Shareholders' Equity
For the Year ended March 31, 2018
(US Dollars)

	Number of Shares 000'	Capital Stock 000$	Stock Option Reserve 000$	Warrants 000$	Accumulated other comprehensive income 000$	Retained earnings (Accumulated Deficit) 000$	Non-controlling interest 000$	Total Equity 000$
Balance, April 1, 2015	206,776	$9,692	$1,312	$1,108	$ -	$(9,453)	$1,456	$4,115
Issued under private placement	43,489	6,155	-	-	-	-	-	6,155
Private placement finder's fee	-	(308)	-	-	-	-	-	(308)
Finder's fee settled in shares	2,174	308	-	-	-	-	-	308
Value of shares issued as compensation	1,000	100	-	-	-	-	-	100
Shares and warrants issued by Biohaven to acquire intangible assets	-	-	-	2,756	-	-	280	3,036
Options vested	-	-	3,764	-	-	-	-	3,764
Transfer of carrying cost on expiration of warrants	-	1,108	-	(1,108)	-	-	-	-
Shares issued	-	-	-	-	-	541	3,813	4,354
Net loss for year	-	-	-	-	-	(5,706)	(3,489)	(9,195)
Balance, March 31, 2016	253,439	$17,055	$5,076	$2,756	$ -	$(14,618)	$2,060	$12,329
Balance, April 1, 2016	253,439	$17,055	$5,076	$2,756	$ -	$(14,618)	$2,060	$12,329
Options vested	-	-	404	-	-	-	-	404
Value of shares issued as compensation	7,250	1,305	-	-	-	-	-	1,305
Unrealized gain on investment, available for sale	-	-	-	-	24,547	-	-	24,547
Loss of control of subsidiary	-	-	(3,774)	(2,756)	-	13,300	14,880	21,650
Net income (loss) for year	-	-	-	-	-	16,299	(16,940)	(641)
Balance, March 31, 2017	260,689	$18,360	$1,706	$ -	$24,547	$14,981	$ -	$59,594
Balance, April 1, 2017	260,689	$18,360	$1,706	$ -	$24,547	$14,981	$ -	$59,594
Options vested	-	-	193	-	-	-	-	193
Options exercised	18,471	4,358	(1,632)	-	-	-	-	2,726
Value of shares issued as compensation	1,560	936	-	-	-	-	-	936
Realized gain transferred to income on disposition of Biohaven shares by sale and stock dividend	-	-	-	-	(24,515)	-	-	(24,515)
Stock dividend of Biohaven shares	-	-	-	-	-	(153,056)	-	(153,056)
Net income for year	-	-	-	-	-	123,741	-	123,741
Balance, March 31, 2018	280,720	$23,654	$267	$ -	$32	$(14,334)	$ -	$9,619

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

Portage Biotech Inc.
Consolidated Statements of Cash Flows
(US Dollars)

For the year ended March 31,	2018 in 000$	2017 in 000$	2016 in 000$
Cash flows from operating activities			
Net income (loss) for year	123,741	(641)	(9,195)
Adjustments for non-cash items:			
Value of shares and options expensed as consulting fee	1,129	1,697	3,810
Realised gain on sale of investment, available for sale	(126,000)	-	-
Increase in warrant liability charged to interest	7	-	-
Gain on investment at date of loss of control of subsidiary	-	(49,863)	-
Share of losses in associate	-	14,461	-
Value of options expensed as research and development	-	12	53
Subsidiary's expenses to date of deconsolidation	-	33,064	-
Net change in working capital components			
Prepaid expenses and other receivable	32	140	(186)
Accounts payable and accrued liabilities	18	(191)	(321)
	(1,073)	(1,321)	(5,839)
Cash flows into investing activities			
Acquisition of intangible by Biohaven	-	-	(1,000)
Disposal of cash on deconsolidation	-	(3,409)	-
Proceeds from sale of investment, available for sale	7,289	-	-
Investment in associate	(681)	-	-
Convertible note receivable	(950)	-	(700)
	5,658	(3,409)	(1,700)
Cash flows from financing activities			
Options exercised	2,726	-	-
Shares issued under private placement	-	-	6,155
Unsecured notes payable	50	200	-
Shares issued by a subsidiary	-	-	4,355
	2,776	200	10,510
(Decrease) Increase in cash during year	7,361	(4,530)	2,971
Cash at beginning of year	159	4,689	1,718
Cash at end of year	7,520	159	4,689
Supplemental disclosures			
Non-cash investing activities			
Shares and warrants issued by subsidiary towards acquisition of intangible assets	-	-	(3,036)
	-	-	(3,036)
Non-cash financing activities			
Shares issued in settlement of finders' fees			(308)
	-	-	(308)

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

1. NATURE OF OPERATIONS

Portage Biotech Inc. ("the Company") is incorporated in the British Virgin Islands ("BVI") with its registered office located at FH Chambers, P.O. Box 4649, Road Town, Tortola, BVI. Its Toronto agent, Portage Services Ltd., 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's subsidiaries are in the pre-clinical stage, and as such no revenue has been generated from their operations.

2. BASIS OF PRESENTATION

(a) Statement of Compliance and Basis of presentation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and interpretations of the International Financial Reporting Interpretations Committee.

These consolidated financial statements have been prepared on a historical cost basis except for items disclosed herein at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The Company has only one material operating segment.

These consolidated financial statements were approved and authorized for issue by the Audit Committee and Board of Directors on July 26, 2018.

b) Consolidation

The consolidated 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. ("PPL") a wholly owned subsidiary resulting from a merger on July 23, 2013 and is incorporated under the laws of the British Virgin Islands, as a BVI business company.
c. EyGen Limited, ("EyGen") which is a wholly owned subsidiary of PPL, was incorporated on September 20, 2016 under the laws of the BVI.

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 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, assessment of impairment of investments and measurement of share- based compensation, in the current and prior years.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, which have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Financial instruments

Financial assets

All financial assets are initially recorded at fair value and are designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans and receivables or at fair value through income or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables are measured at amortized cost using the effective interest method. The Company's convertible note receivable and other receivables are classified as loans and receivables and investment in a public entity's shares is classified as available for sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The Company's accounts payable and accrued liabilities are classified as other financial liabilities.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Warrant liability and note payable

The notes issued by PPL and EyGen have warrants attached to them which are convertible into common shares of PPL and EyGen respectively. Accordingly, at inception the warrant part is treated as an embedded derivative and recorded at fair value as a financial liability and the face value of the Note as a whole less the value of the warrant is recorded as a note payable.

At subsequent balance sheet dates the fair value of the warrant is remeasured with movements in the fair value being recorded in the income statement. The loan element is recorded at amortized cost and is subject to a notional interest charge in each reporting period which is recorded in the income statement.

Impairment of financial assets

The Company assesses at each date of the statement of financial position whether a financial asset is impaired.

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in income or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is reversed through income or loss.

Foreign currency translation

The functional and presentation currency of the Company and its subsidiaries (note 2(c)) is the US dollar. Monetary assets and liabilities are translated at exchange rates in effect at the balance sheet date. Non-monetary assets are translated at exchange rates in effect when they were acquired. Revenue and expenses are translated at the approximate average rate of exchange for the period. Foreign currency differences arising on retranslation are recognised in income or loss.

Share-based payments

The Company accounts for share-based payments granted to directors, officers, employees and consultants using the Black-Scholes option-pricing model to determine the fair value of the plan at the grant date. Share-based payments to employees, officers and directors are recorded and reflected as an expense over the vesting period with a corresponding amount reflected in stock option reserve. On exercise, the associated amounts previously recorded in the stock option reserve are transferred to the common share capital.

The quoted market price of the Company's shares on the date of issuance under any share- based plan is considered as fair value of the shares issued.

Share-based payments to non-employees are recognized and measured at the date the services are received based on the fair value of the services received unless if the fair value of the services cannot be reliably measured in which case it is based on the fair value of equity instruments issued using the Black-Scholes option pricing model.

Accounting for equity units

When the Company issues Units under a private placement comprising of common shares and warrants, the Company follows the relative fair value method of accounting for warrants attached to and issued with common shares of the Company. Under this method, the fair value of warrants issued is estimated using a Black-Scholes option pricing model which is added to fair value of the common shares determined using the stock price at the date of issuance and the percentage relative to the fair values determined. The fair value of the common shares and the warrants are proportionately adjusted to the net proceeds received.

Income (Loss) per Share

Basic income (loss) per share is calculated by dividing net income (loss) (the numerator) by the weighted average number of common shares outstanding (the denominator) during the period. Diluted Income (loss) per share reflects the dilution that would occur if outstanding stock options and share purchase warrants were exercised or converted into common shares using the treasury stock method and are calculated by dividing net income (loss) applicable to common shares by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding if potentially dilutive common shares had been issued.

The inclusion of the Company's stock options and share purchase warrants in the computation of diluted loss per share would have an anti-dilutive effect on loss per share and are therefore excluded from the computation. Consequently, there is no difference between basic loss per share and diluted loss per share.

Investment

The investment is comprised of shares of private companies that have been acquired through a private placement. The investment is initially recorded at fair value. Following acquisition, the Company evaluates whether control or significant influence is exerted by the Company over the affairs of the investee company. Based on the evaluation, the Company accounts for the investment using either the consolidation, equity accounting or fair value method. The Company evaluates the investment each reporting period for evidence of impairment and adjusts the carrying value accordingly.

Investment in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost from the date the investee becomes an associate and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

On acquisition of the investment in an associate any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

When necessary, the entire carrying amount of the investment is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Research and Development Expenses

(i) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in income or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. No development costs have been capitalized to date.

Research and development expenses include all direct and indirect operating expenses supporting the products in development.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in income or loss as incurred.

(iii) Clinical trial expenses

Clinical trial expenses are a component of the Company's research and development costs. These expenses include fees paid to contract research organizations, clinical sites, and other organizations who conduct development activities on the Company's behalf. The amount of clinical trial expenses recognized in a period related to clinical agreements are based on estimates of the work performed using an accrual basis of accounting. These estimates incorporate factors such as patient enrolment, services provided, contractual terms, and prior experience with similar contracts

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Contingent liability

A contingent liability is a possible obligation that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Corporation; or a present obligation that arises from past events (and therefore exists), but is not recognized because it is not probable that a transfer or use of assets, provision of services or any other transfer of economic benefits will be required to settle the obligation; or the amount of the obligation cannot be estimated reliably.

Determination of fair value

A number of the Company's accounting policies and disclosures required the determination of fair value, both for financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of prepaid expenses and receivable and accounts payable and accruals are equivalent to their carrying amounts due to the short term nature of these items.

Income Tax

The Company is a British Virgin Island corporation. The Government of British Virgin Islands does not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Company or its security holders. The British Virgin Islands is not party to any double taxation treaties.

New standards and interpretations not yet adopted

Standards issued but not yet effective up to the date of issuance of the Company's 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

In July 2014, the IASB issued the final version of IFRS 9 - Financial Instruments to replace IAS - Financial Instruments: Recognition and Measurement.

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. The Company does not believe that the above standard will have any impact on its financial statements.

IFRS 9 (2014) is effective for the Company for annual periods beginning on April 1, 2018 but is available for early adoption.

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16 which requires lessees to recognize assets and liabilities for most leases. Lessees will have a single accounting model for all leases, with certain exemptions. The new standard is effective January 1, 2019, with limited early application permitted. The new standard permits lessees to use either a full retrospective or a modified retrospective approach on transition for leases existing at the date of transition, with options to use certain transition reliefs. The Company does not believe that the above standard will have any impact on its financial statements.

IFRIC 22 foreign currency Transaction and Advance Consideration

On December 8, 2016, the IASB issued IFRIC 22 which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The interpretation is applicable to annual periods beginning on or after January 1, 2018. The Company does not believe that the above standard will have any impact on its financial statements.

IFRIC 23 Uncertainty over Income Tax Treatment

The interpretation addresses the determination of taxable income (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. The new standard is effective to annual reporting periods beginning on or after January 1, 2019. The Company does not believe that the above standard will have any impact on its financial statements.

Prepayment Features with Negative Compensation (Amendments to IFRS 9)

Amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The amendment is effective to annual reporting periods beginning on or after January 1, 2019. The Company does not believe that the above standard will have any impact on its financial statements.

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

Clarifies that an entity applies IFRS 9 Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.
The amendment is effective to annual reporting periods beginning on or after January 1, 2019. The Company has yet to assess the full impact of this amendment.

4. PREPAID EXPENSES AND OTHER RECEIVABLE

Year ended March 31,		**2018 in 000'$**		**2017 in 000'$**
Prepaid expenses	$	16	$	48
Other receivable (i)		28		16
	$	44	$	64

(i) The Company's wholly-owned subsidiary, PPL agreed to a settlement on October 19, 2016 with a supplier in respect of a claim made by PPL against the said supplier. As per the terms of this agreement, supplier agreed to pay a total of $ 120,000 to PPL, of which $52,500 was received up to the year ended March 31, 2018 and balance payable in six annual installments of $11,250 starting from January 3, 2018.

Accordingly, $11,250 was classified as prepaid expenses and other receivable under current assets and the balance of $56,250 classified as long-term assets. ($67,500 at March 31, 2017)

5. CONVERTIBLE NOTE RECEIVABLE

On March 7, 2018, the Company invested $950,000 in a convertible note issued by IOX Therapeutics Ltd. ("IOX"), a United Kingdom based immune-oncology company. The Note carries interest at 7% accruing daily and matures within twelve months of its issuance. The Company can convert the note and accrued interest into ordinary shares of IOX at any time before maturity at £120 per share. There is an automatic conversion on a qualifying event, being IOX raising $2 million. Conversion price will be the price at which the money was raised discounted by 25%. IOX has right to repay the convertible note together with accrued interest at any time. The Note is classified as long term receivable since it is less likely to be settled or converted within the twelve months period.

IOX was founded in February 2015 in order to develop a series of iNKT agonists that have been shown to inhibit the growth of tumors in several preclinical models of cancer. IOX has a clinical trial sponsorship agreement with Oxford University to conduct and fund (or arrange funding for) the first in human Phase I/II clinical trial for IOX's lead compound, both alone and in combination with anti-PD1 antibodies. IOX's second program, IMM65 (a nanoparticle formulation of IMM60 plus an NY-ESO-1 vaccine), is being developed with funding from the European Union's Horizon 2020 grant program (the PRECIOUS GRANT). Both compounds are potent approaches to priming and boosting an immune response in solid tumors with multiple Phase 1 and 2 trials funded by third party agreements.

As at March 31, 2018, the Company has determined that there was no evidence of any impairment in the value of this investment and as a result no adjustment was considered necessary in its carrying value.

6. INVESTMENT, AVAILABLE FOR SALE

The following are the movements in the number of the shares in Biohaven held by the Company as investment, available for sale:

(i) The Company accounted for its investment in Biohaven as a financial asset classified as "available-for-sale" effective February 15, 2017 and stated at a fair value. Biohaven was listed and began trading on New York Stock Exchange effective May 4, 2017 and therefore fair value as at March 31, 2018 was based on quoted market price. (Fair value as at March 31, 2017 was based on the price of the last available third-party financing by Biohaven in absence of any quoted market price).

(ii) On January 16, 2018, 6,102,730 shares of Biohaven held by the Company were distributed as stock dividend on a pro-rata basis among the shareholders of the Company. Under the distribution plan, holders of Portage ordinary shares received one (1) common share of Biohaven as a dividend on each forty-six (46) outstanding ordinary share of Portage owned as of the Record Date, which was January 5, 2018, No fractional shares, or cash in lieu of fractional shares, was distributed. Rather, the number of Portage shares held by a Portage shareholder as of the Record Date were rounded to the nearest 46 share increment to determine the number of whole Biohaven shares such shareholder would receive in the distribution. As a result, one Biohaven share was distributed in respect of 23 to 45 incremental Portage shares held as of the Record Date and no Biohaven share was distributed in respect of fewer than 23 incremental Portage shares held as of the Record Date. This distribution was accounted for in accordance with IFRIC 17.

(iii) Between January 3, 2018 and February 1, 2018, the Company sold net 236,770 of the Biohaven shares in the open market for an average price of $30.79 per share for total proceeds of $7,289,337.

7. INVESTMENT IN ASSOCIATE

The following are the details of investment in an associate:

As at March 31,	2018 in 000'$	2017 in 000'$
Stimunity S.A.S.	681	--
Principal activity	Biotechnology	--
Place of incorporation and principal place of business	Paris, France	--
Proportion of voting rights held	27%	--

On February 28, 2018, the Company made an initial investment of €500,850 ($680,662) by subscribing to 3,780 new Class A shares at a price of €132.50 per share of Stimunity SAS ("Stimunity"), a French simplified joint stock company located and operating in Paris, France. The investment gave Portage 27% equity in Stimunity. One of the three directors on the Board of Directors is represented by Portage. The management of Stimunity is controlled by the two other founding shareholders of Stimunity. Management has evaluated the Company's investment and concluded that Portage has significant influence and therefore its investment in Stimunity should therefore be accounted for on an equity basis.

Portage has also committed to a second investment in the amount of €1,502,820 ($1,857,786) on successful completion of agreed milestones to be satisfied by Stimunity by subscribing to 4,140 new ordinary shares at a price of €363 per share. No milestones were completed as at March 31, 2018.

Under the shareholders agreement, Portage has a right to maintain its equity interest in Stimunity in the event of a capital increase and issuance of new securities by Stimunity except for issuance of stock options and issuance under a merger plan or for acquisition.

Stimunity is an early-stage research and development company focused on the development of STING agonists in cancer. The technology, licensed from Institut Curie, Inserm, and the University of Oxford, is based on a unique biologic approach which encapsulates endogenous STING-activating molecules in a Virus-Like Particle (VLP).

Stimunity's drug has the potential to be best-in-class, activating the innate immune system and enhancing T-cell response against tumor cells with low immunogenicity.

Recently, US Patent Office has granted Stimunity its main patent, US2016/074507, entitled "Method for preparing viral particles with cyclic dinucleotide and use of said particles for inducing immune response." This rapid grant of a patent in the US indicates the novelty with Stimunity's approach to promoting tumor immunity.

As at March 31, 2018, the Company has determined that there was no evidence of any impairment in the value of this investment and as a result no adjustment was considered necessary in its carrying value.

8. INVESTMENT IN PGL

On January 31, 2018, the Company's wholly-owned subsidiary, PPL, acquired 650 ordinary shares of Portage Glasgow Ltd. (PGL), a newly incorporated company in Glasgow, Scotland at £0.01 per share for a total consideration of £6.50 ($9.11). PPL's ownership comprised 65% of the issued ordinary shares in PGL. PPL's CEO is also the chairman of the board of directors of PGL which currently consists of two persons.

Portage Glasgow Limited ("PGL") was formed to develop more effectively-targeted drugs to treat chronic conditions including cancer. The University of Glasgow is providing therapeutic peptides developed through the research of one of their professors and access to a therapeutic peptide discovery platform. PGL will focus on the commercialisation of new therapies aimed at disrupting protein-protein interactions (PPI) in disease pathways which give therapeutic benefit. Candidate peptides and PPI targets have already been identified from existing research at the University.

The Shareholder's Agreement has not yet been finalized as of March 31, 2018, as conditions precedent have not yet been met. As PGL operations have not yet begun, there is no effect on the consolidated financial statements for the year ended March 31, 2018.

As per the terms of a Convertible Loan Agreement dated January 31, 2018 signed with PGL, PPL has committed to provide PGL with an unsecured convertible loan facility up to £1 million ($1.4 million) with a minimum drawdown of £50,000 ($70,075) and maximum drawdown of £250,000 ($350,375) during any three-month period. Interest will be at 7% accruing on a monthly basis and the facility is repayable within nine years from the date of the agreement. The outstanding loan with accrued interest can be converted into ordinary shares to be priced at between £9,000 per share and £5,000 per share depending on the conversion date being within one year to eight years. However, completion of an eligible fundraising by PGL, being £5 million ($7 million) at a pre-money valuation of minimum £10 million ($14 million), will require the loan to be mandatorily converted as per the terms of conversion described above. As at March 31, 2018, there was no drawdown against this facility.

PPL is also committed to providing a contribution of £33,419 ($46,837) payable in installments of £11,140 ($15,606) per year for tuition expenses with the University of Glasgow.

9. INVESTMENT

In August 2015, the Company acquired 210,210 Series A preferred stock in Sentien Biotechnologies Inc., a Medford, MA based private company ("Sentien") for $700,000 in cash. The preferred stock is fully convertible into equal number of common shares. The Company's holdings represent 5.06% (as at March 31, 2017: 6.9%) of the equity of Sentien on a fully diluted basis. The Company has determined that it has no significant control or influence over the affairs of Sentien and has therefore accounted for this investment at cost since these shares do not have a quoted price in an active market and the fair value cannot be reliably measured.

Sentien raised $15 million up to January 2018 and commenced its Phase 1/2 clinical trial in June 2017 of its lead product SBI-101, a cell-containing dialysis device for the treatment of Acute Kidney Injury and have so far enrolled seven patients, passing the mid-point of the low dose cohort enrolment. The data safety monitoring board concluded that there were no safety issues and recommended continuation of enrolment. In February 2018, Sentien had a pre-IND meeting with the FDA to use SBI-101 for another indication - proposed acute liver failure. Sentien plans to file another IND in the second half of 2018.

As at March 31, 2018, the Company has determined that there was no evidence of any impairment in the value of this investment and as a result no adjustment was considered necessary in its carrying value.

10. UNSECURED NOTES PAYABLE

During fiscal 2017, the Company's subsidiaries, PPL and Eygen, began raising debt financing through private placement of unsecured notes. Aggregate principal amount raised up to March 31, 2018 was $250,000 (Up to March 31, 2017: $200,000).

The notes bear interest at 7% per annum, payable annually on each anniversary date (the date issued). The notes are not redeemable by the Company prior to maturity. The notes holders were granted a warrant to subscribe for $7,500 new ordinary shares for every $10,000 of note held, provided that certain qualifying event occurs within the three anniversary years of issuance. The exercise price of the warrant will be based on the price of equity shares determined by the qualifying event and the year in which it takes place. Given that there was an obligation to issue a variable number of shares, the warrant was classified as a financial liability.

Accordingly, $233,203 (March 31, 2017: $180,815) of the face value was ascribed to the note payable component and $24,438 (March 31, 2017: $19,550) fair value was ascribed to the warrant. The value of note payable component was increased by $7,276 (March 31, 2017: by $365) as at March 31, 2018 representing the difference between the notional interest at 11% and actual interest at 7% being charged to interest expense.

Fair value was determined by reference to market transactions and similar debt instruments without warrants. The Company did not incur financing costs in connection with this placement of notes.

11. CAPITAL STOCK

(a) Authorized: Unlimited number of common shares

(b) Issued

Year ended March 31,	2018		2017	
	Common Shares in 000'	Amount in '000$	Common Shares in 000'	Amount in '000$
Balance, beginning of year	260,689	$ 18,360	253,439	$ 17,055
Options exercised (i)	18,471	4,358	--	--
Shares issued as compensation (ii) and (iii)	1,560	936	7,250	1,305
Balance, end of year	280,720	$ 23,654	260,689	$ 18,360

(i) During the year ended March 31, 2018, 18,471,026 options were exercised to convert into equal number of common shares at an average exercise price of $0.15 per share for gross proceeds of $2,725,654. In addition, $1,631,734 being the value of options exercised was transferred from option reserve to capital stock. Options exercised included 13,414,789 options exercised by the directors.

(ii) During the year ended March 31, 2018, 1,560,000 shares were issued under 2011 Consultant Stock Compensation Plan to six consultants including 1,390,000 to five directors, for services provided. The shares were valued at $936,000 based on the market price of the Company's common shares prevailing on the date of their issuance.

(iii) On March 21, 2017, four of the directors were issued 7,250,000 shares under the 2017 Consultants Stock Compensation Plan in lieu of cash fee for services provided. The shares were valued at $1,305,000 based on the market price of the Company's common shares prevailing on the dates of their issuance. Since the shares were issued without any conditions of forfeiture or cancellation, the entire value was expensed during the year ended March 31, 2017 as consulting fee (note 13).

(c) As at March 31, 2018, the Company had the following active Consultant Stock Compensation Plan*:

	Date of registration*	Registered shares under Plan	Issued to March 31, 2017	As at April 1, 2017	Issued	Cancelled	Balance at March 31, 2018
2011 Plan	11-Apr-11	6,000,000	(4,438,333)	1,561,667	(1,560,000)	(1,667)	--

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

(d) As at March 31, 2017, the Company had the following active Consultant Stock Compensation Plan:

	Date of registration*	Registered shares under Plan	Issued to March 31, 2016	As at April 1, 2016	Issued	Cancelled	Balance at March 31, 2017
2011 Plan	11-Apr-11	6,000,000	(4,438,333)	1,561,667	--	--	1,561,667
2017 Plan	21-Mar-17	7,250,000	--	7,250,000	(7,250,000)	--	--
		13,250,000	(4,438,333)	8,811,667	(7,250,000)	--	1,561,667

12. STOCK OPTION RESERVE

(a) The movements during the year were:

Year ended March 31,	2018 in 000'$	2017 in 000'$
Balance, beginning of year	$ 1,706	$ 5,075
Vested ((i) to (iii))	193	392
Exercised (Note 11(b)(i))	(1,632)	--
Options to acquire equity in PPL granted to PPL management and vested	--	12
Options granted by former subsidiary reversed on loss of control	--	(3,773)
Balance, end of year	$ 267	$ 1,706

(i) On October 11, 2016, The Board of Directors of the Company approved and issued total of 1,267,194 options to the two independent directors as joining bonus under the 2013 Option Plan. These options are valid for five years and are convertible into equal number of common shares of the Company at an exercise price of $0.15 per common share. These Options will vest in four equal annual installments starting from October 11, 2017.

The fair value of these options has been estimated using a Black-Scholes model with the following assumptions:
option pricing

Risk free interest rate	1%
Expected dividend	Nil
Expected volatility	65.83%
Expected life	1825 days
Market price	US$0.13

The fair value of the options as per the Black-Scholes option pricing model amounted to $85,183. None of the options was vested on March 31, 2017. Options valued at $51,168 were vested as at March 31, 2018 and included options valued at $11,536 which were originally vesting on October 11, 2018 but were accelerated to December 22, 2017 by a Board resolution of December 22, 2017 to match the services provided by an optionee. The value of the remaining options will be accounted upon vesting of the related options as per the accounting policy.

(ii) On December 19, 2016, The Board of Directors of the Company approved and issued total of 2,300,000 options to five consultants including 350,000 Options to the two independent directors for services provided under the 2013 Option Plan. These options are valid for five years and are convertible into equal number of common shares of the Company at an exercise price of $0.15 per common share. These Options vested in equal monthly installments over the two years starting from January 1, 2017.

The fair value of these options has been estimated using a Black-Scholes model with the following assumptions:
option pricing

Risk free interest rate	1%
Expected dividend	Nil
Expected volatility	67.42%
Expected life	1826 days
Market price	US$0.14

The fair value of the options as per the Black-Scholes option pricing model amounted to $175,352. The value of the options vested during the year ended March 31, 2018 of $96,774 was expensed and charged to the stock option reserve. (March 31, 2017 of $62,988)

(iii) The fair value of 7.05 million options granted on March 17, 2015 and vested during the year ended March 31, 2018 of $45,312 (during the year ended March 31, 2017 of $276,779) was expensed and charged to the stock option reserve.

No new options were granted during the year ended March 31, 2018

(b). The following is a summary of all active Stock Option Plans:

As at March 31,	**2018**	**2017**
Plan	**2013 Option Plan**	**2013 Option Plan**
Date of Registration	**Dec 19, 2013 and March 17, 2015 in 000'**	**Dec 19, 2013 and March 17, 2016 in 000'**
Registered *	26,069	26,069
Issued to date	20,317	16,750
Outstanding, beginning of period	20,317	16,750
Issued	--	3,567
Exercised (Note 11(b)(i))	(18,471)	--
Outstanding, end of period	1,846	20,317
Options fully vested	287	14,490
Options not yet vested	1,559	5,827
	1,846	20,317

* Registered with the Securities and Exchange Commission of the United States of America (SEC) as required under the Securities Act of 1933. On March 17, 2015, the Company filed form S-8 with SEC registering an additional 15,717,579 options under 2013 Stock Option Plan.

(c) The weighted average exercise price of the outstanding stock options was US$0.15 as at March 31, 2018 and 2017 and weighted average remaining contractual life was approximately 3.63 years as at March 31, 2018. (approximately 3.25 years as at March 31, 2017).

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 March 31, 2018 and March 31, 2017.

13. WARRANTS

(i) The movements during the year were as follows:

Year ended March 31,	2018			2017		
	# of warrants	Weighted average exercise price	Fair value	# of warrants	Weighted average exercise price	Fair value
	in 000'	in 000'$	in 000'$	in 000'	in 000'$	in 000'$
Issued and outstanding, beginning of year	--	$ --	$ --	1	$ 2.80	$ 2,756
Reversed on loss of control of subsidiary	--	$ --	--	(1)	$ (2.80)	(2,756)
Issued and outstanding, end of year	--	$ --	$ --	--	$ --	$ --

14. EARNINGS (LOSS) PER SHARE

Year ended March 31,	2018 in 000'$	2017 in 000'$	2016 in 000'$
Numerator			
Net income(loss) attributable to owners of the Company	$ 123,741	$ 16,299	$ (5,706)
Denominator	in 000'	in 000'	in 000'
Weighted average number of shares - Basic	267,796	254,043	239,745
Diluted effect of average number of options	1,846	18,150	--
Weighted average number of shares - Diluted	269,642	272,193	239,745
Basic earnings (loss) per share (Actual)	$ 0.46	$ 0.06	$ (0.02)
Diluted earnings (loss) per share (Actual)	$ 0.46	$ 0.06	$ (0.02)

Inclusion of the options in the computation of diluted loss per share for the year ended March 31, 2016 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 for the year ended March 31, 2016.

15. 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.

(b) As explained in Note 7, the Company is committed to invest approximately €1.5 million ($1.85 million) in Stimunity on Stimunity's achievement of certain agreed milestones.

(c) As explained in Note 8, PPL is committed to provide loan facility to PGL of up to £1 million ($1.4 million) and studentship grant to the University of Glasgow of £22,279 ($31, 224) in equal instalments over the next two years.

(d) Under a consulting contract dated November 11, 2017, Dr. Marcoux, the CEO and CSO of PPL is entitled to an additional option to acquire up to 2% equity in PPL for $50,000. The options have not yet been finalized and issued. None will vest in the year ended March 31, 2018.

16. CONSULTING FEES

Year ended March 31,	2018 in 000'$	2017 in 000'$	2016 in 000'$
Cash fee to management and others	$ 206	$ 226	$ 204
Shares and vested Options issued to key management and directors	941	1,572	466
Shares and vested Options issued to others	188	125	88
Biohaven options granted to the Company's directors	--	--	1,019
Biohaven options granted to Biohaven consultants and management	--	--	2,237
	$ 1,335	$ 1,923	$ 4,014

17. RELATED PARTY TRANSACTIONS

All related party transactions occurred with key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chairman, Chief Executive Officer and Chief Financial Officer are key management personnel.

Related party transactions have been listed below, unless they have been disclosed elsewhere in the consolidated financial statements.

(i) Business expenses of $2,291 (2017: $3,491, 2016: 2,701) were reimbursed to directors of the Company.

(ii) Consulting fees include cash fee paid to key management for services of $ 180,000 (2017: $180,000, 2016: $180,000). Refer to notes 11(ii), 12 and 16 for shares and options issued to key management and directors in lieu of fees.

(iii) PPL terminated its consulting agreement with its CEO, Dr. Bruce Littman and on October 1, 2017, entered into a new consulting agreement with Dr. Littman's company as an independent consultant for a period up to December 31, 2019. Dr. Littman will be paid at the rate of $300 per hour for the actual services rendered. There were no charges for the period ended March 31, 2018.

(iv) PPL replaced its consulting agreement with its Chief Scientific Officer (CSO), Dr. Frank Marcoux with a new one on November 11, 2017 valid for one year. The new agreement appoints Dr. Marcoux as a CEO and CSO for a total annual fee of $168,000. Dr. Marcoux is also entitled to an additional option to acquire up to 2% equity in PPL for $50,000. The options have not yet been finalized and issued. None will vest in the year ended March 31, 2018.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

Year ended March 31,	2018		2017	
	Carrying value in 000'$	Fair value in 000'$	Carrying value in 000'$	Fair value in 000'$
Financial assets				
Cash (level 1)	7,520	7,520	159	159
Other receivable (level 2)	100	100	132	132
Investment, investment in associate and convertible note receivable (level 3)	2,331	2,331	700	700
Investment, available for sale (level 1)	19	52	35,366	58,913
Financial liabilities				
Accounts payable and accrued liabilities (level 3)	127	127	109	109
Unsecured notes payable (level 3)	250	250	181	181
Warrant liability (Level 3)	24	24	20	20

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, receivable and investments in equities and private entities, accounts payable and accrued liabilities, warrant liability and unsecured notes payable.

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. Investment is classified as level 3 financial instrument.

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 and liquidity 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 major international financial institutions in Canada and therefore the risk of loss is minimal.

b. Other receivable - The Company is exposed to credit risk attributable to customers since a significant portion of this amount represents the amount agreed on a settlement of a claim by PPL (Note 4) payable over the next six years. The debtor has so far been diligent in paying the amounts on due dates and PPL management will be monitoring the account on a regular basis.

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 it has sufficient funding to finance the committed drug development work apart from meeting its operational needs for the foreseeable future.

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.

19. CAPITAL DISCLOSURES

The Company considers the items included in Shareholders' Equity as capital. The Company had payables of approximately $0.1 million as at March 31, 2018 (approximately $0.1 million as at March 31, 2017) and current assets, mostly in cash, of approximately $8.6 million (approximately $59.1 million as at March 31, 2017). 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.

As at March 31, 2018, the shareholders' equity was approximately $9.6 million (approximately $59.6 million as at March 31, 2017), $7.5 million ($0.2 million as at March 31, 2017) 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 years ended March 31, 2018 and March 31, 2017.

EXHIBIT 12.1

CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Dr. Declan Doogan, Chief Executive Officer of Portage Biotech Inc.., certify that:

1. I have reviewed this Annual Report on Form 20-F of Portage Biotech Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: July 26, 2018

/s/ Declan Doogan
By: Dr. Declan Doogan
Title: Chief Executive Officer

EXHIBIT 12.2

CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kam Shah, Chief Financial Officer of Portage Biotech Inc., certify that:

1. I have reviewed this Annual Report on Form 20-F of Portage Biotech Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: July 26, 2018

/s/ Kam Shah
By: Kam Shah
Title: Chief Financial Officer

EXHIBIT 13.1

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Dr. Declan Doogan, Chief Executive Officer of Portage Biotech Inc. (the "Company"), hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(i) the Annual Report on Form 20-F of the Company for the fiscal year ended March 31, 2018 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 26, 2018

/s/ Declan Doogan
By: Dr. Declan Doogan
Title: Chief Executive Officer

This written statement is being furnished to the Securities and Exchange Commission as an exhibit to the Company's Annual Report on Form 20-F. A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies this Annual Report on Form 20-F pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

EXHIBIT 13.2

CERTIFICATION OF
CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kam Shah, Chief Financial Officer of Portage Biotech Inc. (the "Company"), hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(i) the Annual Report on Form 20-F of the Company for the fiscal year ended March 31, 2018 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 26, 2018

/s/ Kam Shah
By: Kam Shah
Title: Chief Financial Officer

This written statement is being furnished to the Securities and Exchange Commission as an exhibit to the Company's Annual Report on Form 20-F. A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies this Annual Report on Form 20-F pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.