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

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended March 31, 2023

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: **001-40086**

Portage Biotech Inc.

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

British Virgin Islands

(Jurisdiction of incorporation or organization)

Clarence Thomas Building, P.O. Box 4649, Road Town, Tortola, British Virgin Islands,VG1110.

(Address of principal executive offices)

c/o Portage Development Services Inc., Ian Walters, 203.221.7378

61 Wilton Road, Westport, Connecticut 06880

(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	Trading Symbol	Name of each exchange on which registered
Ordinary Shares, no par value	PRTG	Nasdaq Capital Market

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

Not applicable

(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 (ordinary shares) as of the close of the period covered by the annual report. **Ordinary shares without par value – 17,801,391 as at July 31, 2023**

Indicate by check mark if the registrant is a well-known seasoned issuer, defined in Rule 405 of the Securities Act. Yes ☐ No ☒

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 ☒

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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files). Yes ☒ 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.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ 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. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

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 International Accounting Standards Board ☒	Other ☐

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 ☒

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FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F ("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," "will," "may," "should," "could," "targets," "projects," "predicts," "plans," "potential," or "continue," 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 timing for availability and release of results of current and future clinical trials;
- our expectations regarding regulatory communications, submissions or approvals;
- the potential functionality, capabilities, 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 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; and
- our selection and licensing of product candidates.

Our business focus is that of being primarily a pharmaceutical development business subject to all of the risks of a pharmaceutical development business. We do not anticipate directly engaging in the commercialization of the product candidates we develop.

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".

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," "our Company," "Portage," "we," "us" or "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. is a British Virgin Islands (“BVI”) business company pursuant to the Certificate of Continuance issued by the Registrar of Corporate Affairs of the BVI on July 5, 2013. More than 50% of our ordinary shares were held by non-United States residents as of the last measurement date. As a result, we believe that we qualify as a "foreign private issuer" for continuing to report regarding the registration of our ordinary shares using this Form 20-F annual report format.

Currency

The financial information presented in this Annual Report is expressed in United States dollars ("US $"), except where otherwise indicated, 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.

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

The selected financial data set forth below should be read in conjunction with our Consolidated Financial Statements and Notes thereto appearing elsewhere in this Annual Report. The selected Operations Data for each of the three fiscal years ended March 31, 2023, 2022 and 2021, and the Balance Sheet data as of March 31, 2023 and 2022 are derived from our audited Consolidated Financial Statements appearing elsewhere in this Annual Report. The selected Operations Data for the years ended March 31, 2020 and 2019 and the Balance Sheet data as of March 31, 2021, 2020 and 2019 are derived from our audited Consolidated Financial Statements, which are not included in this Annual Report.

SUMMARY OF FINANCIAL INFORMATION IN THE COMPANY'S FINANCIAL STATEMENTS (U.S. DOLLARS)

Operating Data

Year ended March 31,	2023	2022	2021	2020	2019
		All amounts in 000'$ (except for per share amounts)			
Net loss before non-controlling interests	**$ (104,666)**	$ (19,169)	$ (17,189)	$ (7,249)	$ (3,594)
Net loss attributable to owners of the Company	**$ (104,611)**	$ (16,870)	$ (15,833)	$ (5,333)	$ (2,635)
Comprehensive loss	**$ (109,949)**	$ (19,169)	$ (17,189)	$ (6,373)	$ (3,544)
Comprehensive loss attributable to owners of the Company	**$ (109,894)**	$ (16,870)	$ (15,833)	$ (4,457)	$ (2,585)
Working capital	**$ 11,811**	$ 24,049	$ 1,738	$ 1,226	$ 4,757
Total assets	**$ 99,129**	$ 194,662	$ 174,860	$ 173,174	$ 173,715
Capital stock	**$ 218,782**	$ 158,324	$ 130,649	$ 117,817	$ 116,237
Warrants	**$ –**	$ 33	$ 1,120	$ –	$ –
Stock option reserves	**$ 21,204**	$ 16,928	$ 7,977	$ 58	$ 324
Equity attributable to owners of the Company	**$ 76,045**	$ 121,205	$ 101,449	$ 96,531	$ 99,674
Weighted average number of shares outstanding - Basic	**16,119**	13,060	11,733	10,952	4,820
Weighted average number of shares outstanding - Diluted	**16,119**	13,060	11,733	10,952	4,820
Net loss per share - Basic	**$ (6.49)**	$ (1.29)	$ (1.35)	$ (0.49)	$ (0.55)
Net loss per share - Diluted	**$ (6.49)**	$ (1.29)	$ (1.35)	$ (0.49)	$ (0.55)

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

2. The per share data has been adjusted to reflect the reverse split of the ordinary shares effective June 5, 2020.

On January 8, 2019, the Company completed an acquisition of SalvaRx Limited ("SalvaRx"), which has been accounted for using the acquisition method as explained elsewhere in this Annual Report. Fiscal 2019 amounts include the effect of acquisition accounting.

The Company has not declared or paid any dividends in any of the reporting periods presented herein.

Exchange Rates

In this Annual Report on Form 20-F, unless otherwise specified, all monetary amounts are expressed in United States dollars. The Company's subsidiaries have transactions in Canadian dollars, British pound sterling ("GBP") and European Union ("EU") euros. Currencies other than the United States dollar have been translated into United States dollars using rates available on Bank of Canada and the Bank of England websites.

On June 30, 2023, 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, for the conversion of British pound sterling into United States dollars was approximately US$1 = £0.79 and for the conversion of EU euros into United States dollars was approximately US$1 = €0.92.

The following table sets out the high and low exchange rates in Canadian dollar, British pounds and EU euros for one United States dollar for each of the last six months of the fiscal year.

Fiscal year 2023	October	November	December	January	February	March
Canadian Dollar						
High	1.39	1.37	1.37	1.36	1.36	1.38
Low	1.36	1.33	1.34	1.33	1.33	1.35
British Pounds						
High	0.91	0.89	0.83	0.84	0.84	0.85
Low	0.86	0.83	0.81	0.81	0.81	0.81
EU Euros						
High	1.03	1.02	0.96	0.95	0.95	0.95
Low	1.00	0.96	0.93	0.92	0.91	0.92

The following table sets out the average exchange rates in Canadian dollar, British pounds and EU euros for one United States dollar for the five most recent financial years.

Year ended March 31,	2023	2022	2021	2020	2019
Average for the Fiscal Year					
Canadian Dollar	1.32	1.25	1.32	1.33	1.31
British Pounds	0.83	0.73	0.77	0.79	0.76
EU Euros	0.96	0.86	0.86	0.90	0.86

We operate in various jurisdictions and are subject to exchange rates for the Canadian dollar, British pound and the Euro. We are subject to currency risk with respect to certain liabilities settleable in foreign currency, as well as invoices payable in foreign currency. While the rates have changed period to period, the overall effect of exchange rates on our financial statements have historically not been significant.

(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 the most significant risk factors that are specific to the Company's operations and industry and that may have a material impact on, or constitute the most significant risk factors in respect of, the Company's future financial performance.

Risks Related to our Business

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

Our current cash resources will not cover all of our operational costs and the needs of our subsidiaries to progress towards clinical trials. Additional capital will be needed to test product candidate in human trials, obtain regulatory approvals and ultimately to commercialize such product candidates if approved.

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, particularly in light of the current inflationary environment;
- we are required to perform additional pre-clinical studies and/or 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.

We have incurred, and we expect to continue to incur substantial costs related to the development of our product candidates, including costs related to the clinical trials for our iNKT platform and adenosine platform. 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.

Furthermore, under General Instruction I.B.5 to Form F-3, or the Baby Shelf Rule, the amount of funds we can raise through primary public offerings of securities in any 12-month period using our registration statement on Form F-3 is limited to one-third of the aggregate market value of the ordinary shares held by non-affiliates of our company, which limitation may change over time based on our stock price, number of ordinary shares outstanding and the percentage of ordinary shares held by non-affiliates. We therefore are limited by the Baby Shelf Rule as of the filing of this Annual Report, until such time as our non-affiliate public float exceeds $75 million.

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

Historically, we have generated only a limited amount of business income, notwithstanding a highly valued asset distribution to our shareholders share ownership of Biohaven.

Our objective is to enable research and development so as to create early- to mid-stage, first- and best-in-class therapies for a variety of cancers, by providing funding, strategic business and clinical counsel, and shared services, with the goal of creating viable products that may be monetized through licensing, manufacturing and distribution or outright sale. Our principal activities are engaging in research and development to identify and validate new drug targets that could become marketed drugs in the future. For this, we will require significant financial resources without any income, and we expect to continue incurring operating losses for the foreseeable future.

Our ability to generate revenue in the future or achieve profitable operations is largely dependent upon our ability to attract and maintain experienced management and know-how to develop new drug candidates and to partner with major pharmaceutical companies to successfully commercialize any successful drug candidates. It takes many years and significant financial resources to successfully develop pre-clinical or early clinical drug candidates into marketable drugs, and we cannot assure you that we will be able to achieve these objectives. Although, we were successful in achieving significant value growth in an investment made in Biohaven, which resulted in the distribution of Biohaven shares as an asset dividend to our shareholders with a then market value of approximately $153 million in fiscal 2018, we cannot guarantee that we will be able to achieve any similar success in our future business activities.

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

Our business must be evaluated in light of the risks, delays, uncertainties and complications encountered in connection with establishing and carrying on a pharmaceutical research and development business.

There is a possibility that only a few or none of our drug candidates that are currently under development, or that may be developed in the future, will be determined to be safe and effective by the governing regulatory bodies, will be able to receive and maintain necessary regulatory approvals in order to be commercialized, or will be commercially viable. Any failure to successfully develop and obtain regulatory approval for our product candidates would have a material adverse effect on our business, financial condition and results of operations.

Rapidly changing medical technology within the life sciences industry could make the product candidates that we are developing obsolete or less attractive to pursue.

The medical industry is characterized by rapid and significant medical technological and therapy changes, frequent new product candidates and product introductions and enhancements and evolving industry standards. Our future success will depend on our ability to continually develop and then improve our product candidates and to develop and introduce new product candidates that address the evolving needs of the physicians and patients on a timely and cost-effective basis. Our new product candidates and products may not be accepted in the intended markets. Our inability to gain market acceptance of new products could harm our future operating results.

Clinical trials for our product candidates will be expensive and will take a considerable amount of time, and the outcomes of such clinical trials are by their nature uncertain.

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

The timing of the commencement, continuation and completion of clinical trials has been, and may continue to 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;
- measures related to the COVID-19 pandemic or other similar circumstances;
- delays arising from our collaborative partnerships;
- delays in obtaining regulatory permission to commence a clinical trial, or government intervention to delay, suspend or terminate a clinical trial;
- delays in approving, or refusal to approve, or suspension, or termination of a clinical trial by the institutional review board or independent ethics board responsible for overseeing the trial;
- delays in identifying and reaching agreement on acceptable terms with prospective clinical trial sites, clinical research organizations, laboratories and testing facilities, or other vendors providing clinical trial services;
- slower than expected rates of patient recruitment and enrollment or patients' early withdrawal from participation;
- 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 trial 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 could result in incomplete data;
- unforeseen safety issues or side effects;
- lack of demonstrated efficacy during the clinical trials;
- our reliance on clinical trial sites, clinical research organizations, laboratories and testing facilities and other vendors to conduct clinical trials or provide clinical trial services, which may not conduct those trials in compliance with applicable laws and regulations, or current good clinical or laboratory practices;
- changes in laws or regulations applicable to clinical trial requirements; 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 product candidate if approved by a regulatory authority.

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

If our product candidates are approved, then in order to produce the quantities necessary to meet anticipated market demand, we and our collaboration partners will need to secure sufficient manufacturing capacity with third-party manufacturers. If we and our collaboration partners are unable to produce, or obtain the materials necessary to produce, any approved product in sufficient quantities to meet the requirements for the launch of any such product or to meet future demand, our revenues and gross margins could be adversely affected. To be successful, any approved product must be manufactured in commercial quantities in compliance with regulatory requirements and at acceptable costs. We and our collaboration partners will regularly need to secure access to third-party facilities to manufacture 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 European Economic Area (“EEA”), the United States Food and Drug Administration (“FDA”) and other regulatory authorities. If we and our collaboration partners are unable to establish and maintain a manufacturing capacity within our planned time and cost parameters, the development of our product candidates and future sales of any product candidates, if approved, as well as our business, results of operations and prospects, and the value of our ordinary shares could be materially adversely affected.

We and our collaboration partners may encounter problems with aspects of manufacturing our product candidates or any approved products, 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 trial supplies and commercial production for 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 that operate manufacturing facilities in which our product candidates can be manufactured under current Good Manufacturing Practice ("cGMP”) regulations, a requirement for all pharmaceutical products in the U.S. We cannot be certain that we and our collaboration partners will be able to contract with any of these companies on acceptable terms to us, if at all, which could harm our business, results of operations and prospects, and the value of our ordinary shares.

In addition, any manufacturing facility will be required to be registered 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 cGMP requirements. We do not directly 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 cGMP regulations for the manufacture of both active drug substances and finished drug products. If we or our collaboration partners or any third-party manufacturer fail to maintain regulatory compliance, the FDA, the Competent Authorities of the Member States of the EEA, or other regulatory authorities may take enforcement action that may include issuing a warning letter, instituting a clinical hold, withdrawing regulatory approval, seeking product seizures or injunctions and, where appropriate, pursuing criminal prosecution, any of which could have an adverse effect on our business, financial condition and results of operations.

The results of pre-clinical studies and initial clinical trials may not be predictive of future results, and our product candidates may not have favorable 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, to understand the side effects of product candidates, and to explore efficacy at various doses and schedules. Favorable results in early trials may not be repeated in later trials. Any success that we may experience in pre-clinical or animal studies and early clinical trials does not ensure that later large-scale efficacy trials will be successful, and does not predict final trial results, which could have an adverse effect on our business, financial condition and results of operations.

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, which could also cause a clinical trial to be repeated or terminated.

There is typically a high rate of attrition for product candidates proceeding through clinical and post-approval trials.

We may face difficulty in enrolling patients in our clinical trials.

We may find it difficult to enroll qualifying patients in our clinical trials. The timing of our current and future clinical trials depends, in part, on the speed at which we can recruit qualifying patients to participate in testing our therapeutic candidates. If qualifying patients are unwilling to participate in our trial(s) because of negative publicity from adverse reactions or for other reasons, including competitive clinical trials for similar patient populations, then the timeline for recruiting patients, conducting trials and obtaining regulatory approval of potential products may be delayed. These delays could result in increased costs, delays in advancing our product development, delays in testing the effectiveness of our technology or termination of the clinical trials altogether. We may not be able to identify, recruit and enroll a sufficient number of qualifying patients, or those with required or desired characteristics to achieve sufficient diversity in a given trial in order to complete our clinical trials in a timely manner. If we have difficulty enrolling a sufficient number of qualifying patients to conduct our clinical trials as planned, we may need to delay, limit or terminate ongoing or planned clinical trials, any of which could have an adverse effect on our business.

The outcomes of clinical trials are uncertain and our clinical trials may fail to demonstrate adequately the safety or efficacy of a particular therapeutic candidates, which would prevent or delay regulatory approval and commercialization.

There is a risk in any clinical trial that side effects from our product candidates will require a hold on, or termination of, our clinical program(s) or further adjustments to our clinical program(s) in order to progress our product candidates. We will need to demonstrate that the product candidate are safe and effective for use in each target indication. Each product candidate must demonstrate an acceptable risk versus benefit profile in its intended patient population and for its intended use. The risk/benefit profile required for product licensure will vary depending on these factors.

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

The success of our business will be largely dependent on our ability to enter into collaborations regarding the development, clinical testing, regulatory approval and commercialization of our product candidates. We may not be able to find collaborative partners to support the future development, marketing and commercialization of our product candidates, 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 collaborators. The amount and timing of resources to be devoted to activities by future collaborators, if any, are not within our direct control and, as a result, we cannot assure you that any future collaborators will commit sufficient resources to our research and development projects or the commercialization of our product candidates if approved. Any future collaborators might not perform their 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 which could have a material adverse effect on our business, financial condition, prospects and results of operations.

In addition, if any future collaborators fail to comply with applicable regulatory requirements, the FDA, the European Medicines Agency ("EMA"), the Therapeutic Products Directorate of Canada ("TPD") or other authorities could take enforcement action that could jeopardize our ability to develop and commercialize our product candidates. Despite our best efforts to limit them, disputes may arise with respect to ownership of technology developed under any such corporate collaboration which could have a material adverse effect on our business, financial condition, prospects and results of operations.

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 and maintain patent protection or patent licenses for our current and future technology related to our product candidates. Obtaining 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.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

The patent prosecution process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications in jurisdictions of interest at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. Moreover, in some circumstances, such as with respect to the LICR License described below, we do not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the patents, covering technology that we license from third parties. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. If such licensors fail to maintain such patents, or lose rights to those patents, the rights we have licensed may be reduced or eliminated. Moreover, changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of our patents or narrow the scope of our patent protection.

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

The development, manufacture and sale of some of the products we develop will involve the use of processes, products, or information, the rights to which are owned by third parties. For example, we rely on certain in-licenses for the development and commercialization of our INKT engager and adenosine receptor antagonists platforms, respectively. If we are unable to obtain and maintain patent protection for technology related to our product candidates, or if our licensors are unable to obtain and maintain patent protection for the technology or products that we license from them, or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and products similar or identical to ours, and our ability to successfully commercialize our technology and products may be impaired. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates. In addition, invalidation of our patent rights by third parties could jeopardize the anticipated revenue streams from current licensees.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of our and our licensors' patent rights are highly uncertain. Any of the abovementioned risks could have a material adverse on us and our business.

We may not be able to successfully identify, consummate or integrate acquisitions or to successfully manage the impacts of such transactions on our operations.

Part of our business strategy includes pursuing synergistic acquisitions, such as our recent acquisition of Tarus Therapeutics. We have expanded, and plan to continue to expand, our business by making strategic acquisitions and regularly seeking suitable acquisition targets to enhance our growth. Material acquisitions, dispositions and other strategic transactions involve a number of risks, including: (i) the potential disruption of our ongoing business; (ii) the distraction of management away from the ongoing oversight of our existing business activities; (iii) finding equity funding and incurring additional indebtedness; (iv) issuing additional equity which may have a dilutive effect on our capital, (v) the anticipated benefits and cost savings of those transactions not being realized fully, or at all, or taking longer to realize than anticipated; (vi) an increase in the scope and complexity of our operations; and (vii) the loss or reduction of control over certain of our assets.

The pursuit of acquisitions may pose certain risks to us. We may not be able to identify acquisition candidates that fit our criteria for growth and profitability. Even if we are able to identify such candidates, we may not be able to acquire them on terms or financing satisfactory to us. We will incur expenses and dedicate attention and resources associated with the review of acquisition opportunities, whether or not we consummate such acquisitions.

We rely on information technology and security systems and any damage, interruption or compromise of our information technology and security systems or data could disrupt and harm our business.

We use information technology and security systems to process, transmit and store electronic information in connection with the operation of our business. We also use such systems to protect proprietary and confidential information, including that of physicians, patients, and other individuals involved in clinical trials, suppliers, and employees. We face risks associated with cybersecurity incidents and other significant disruptions of such systems, including denial of service or other similar attacks, to our facilities or systems; unauthorized access to or acquisition of personal information, confidential information or other data we process or maintain; or viruses, loggers, or other malfeasant code, including ransomware, in our data or software. These cybersecurity incidents or other significant disruptions could be caused by persons inside our organization, persons outside our organization with authorized access to systems inside our organization, or by individuals outside our organization. The risk of a cybersecurity incident or disruption, particularly through cyber-attack or cyber-intrusion, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Although we have not experienced any cybersecurity incidents to date, and have not been affected by any incidents incurred by third-party partners, such incidents could have a material adverse effect on our business, financial condition or results of operations in the future. Additionally, future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks, as our information technology and systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, we may learn of cybersecurity issues that were not identified during due diligence of such entities, and it may be difficult to integrate entities into our information technology environment and security program.

We also rely on a number of third-party service providers to host, store or otherwise process information for us, or to provide other facilities or infrastructure that we make use of, including "cloud-based" providers of corporate infrastructure services relating to, among other things, human resources, communication services and some financial functions, and we are therefore dependent on the security systems of these providers. These third-party entities are subject to similar risks as we are relating to cybersecurity, business interruption and systems and employee failures and a cybersecurity incident or other significant disruption affecting such third parties could have a material adverse effect on our business. While we may be entitled to damages if our third-party service providers fail to satisfy their security-related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award.

Because the techniques used to obtain unauthorized access to or sabotage security systems change frequently and are often not recognized until after an attack, we and our third-party service providers may be unable to anticipate the techniques or implement adequate preventative measures, thereby exposing us to material adverse effects on our business, financial condition, results of operations and growth prospects. In order to address risks to our information systems, we continue to make investments in personnel, technologies and training. Data protection laws and regulations around the world, including in jurisdictions where operate, like the U.S. and EU, often require "reasonable," "appropriate," or "adequate" technical and organizational security measures, and the interpretation and application of those laws and regulations are often uncertain and evolving; there can be no assurance that our security measures will be deemed adequate, appropriate or reasonable by a regulator or court. Moreover, even security measures that are deemed appropriate, reasonable and/or in accordance with applicable legal requirements may not be able to protect the information we maintain. A cybersecurity incident or other significant disruption impacting us or our third-party service providers could require a substantial level of financial resources to rectify and otherwise respond to, may be difficult to identify or address in a timely manner, may compromise our research, the therapies we are developing or other intellectual property or trade secrets, and may divert management's attention and require the expenditure of significant time and resources. Such cybersecurity incidents or other significant disruptions could result in claims, increased regulatory scrutiny or investigations, and may cause us to incur substantial fines, penalties or other liability and related legal and other costs. Any actual or perceived cybersecurity incident or significant disruption may also interfere with our ability to comply with financial reporting requirements and harm our reputation and market position, especially given that we handle sensitive information, including clinical trial data. Any of the foregoing matters could harm our operating results and financial condition.

While we have purchased cybersecurity insurance, there are no assurances that the coverage would be adequate in relation to any incurred losses. Moreover, as cyber-attacks increase in frequency and magnitude, we may be unable to obtain cybersecurity insurance in amounts and on terms we view as adequate for our operations.

Any actual or perceived failure by us to comply with government or other obligations related to privacy or data protection could adversely affect our business.

We are subject to compliance risks and uncertainties under a variety of global laws and regulations governing privacy, data protection and the collection, storage, transfer, use, retention, sharing, disclosure, protection and processing of personal data, including personal data of physicians, patients, and other individuals involved in clinical trials. These laws may include sector-specific requirements, including laws or regulations that govern health or clinical trial data. In addition, we may obtain health data from third parties (including research institutions from which we obtain clinical trial data) that is subject to privacy and security requirements. For example, the U.S. Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH") imposes obligations on certain types of individuals and entities, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information. Privacy and data protection laws may be interpreted and applied differently depending on the jurisdiction and continue to evolve, making it difficult to predict how they may develop and apply to us. The regulatory frameworks for these issues worldwide are rapidly evolving and are likely to remain uncertain for the foreseeable future. Federal, state, or non-U.S. government bodies or agencies have in the past adopted, and may in the future adopt, new laws and regulations or may make amendments to existing laws and regulations affecting data privacy or data protection. In addition to government regulation, industry groups have established or may establish new and different self-regulatory standards that may legally or contractually apply to us or our prospective customers. Failure to comply with these varying laws and standards may subject us to investigations, enforcement actions, civil litigation, fines, claims for damages by third parties or affected individuals, damage to our reputation and loss of goodwill, impact our ability to conduct our research and produce therapies and result in other civil or criminal penalties, all of which may generate negative publicity and have a negative impact on our business, financial condition, results of operations or prospects.

In the United States, there are numerous federal and state laws and regulations related to the privacy and security of personal data that may be applicable to our current and future activities. Numerous federal and state laws and regulations protect the confidentiality, privacy, availability, integrity and security of personal data in the United States. Legal requirements vary from state to state, and these laws and regulations in many cases are more restrictive than, and may not be preempted by, federal privacy laws and regulations. These laws and regulations are often uncertain, contradictory, and subject to changing or differing interpretations. Certain state laws may include a private right of action for certain data breaches or noncompliance with privacy obligations, may provide for penalties and other remedies, and may require us to incur substantial costs and expenses and liabilities in connection with our compliance. Other U.S. states and the U.S. federal government are considering or have enacted similar privacy legislation.

Outside the United States, an increasing number of laws, and regulations may govern data privacy and security. As a company doing business in Europe, we are also subject to European data protection laws and regulations. The European Union General Data Protection Regulation ("GDPR") imposes stringent requirements regarding how we collect and process personal data and provides for significant penalties for noncompliance. Several other countries have passed laws that require personal data relating to their citizens to be maintained on local servers and impose additional data transfer restrictions. In addition, the United Kingdom has adopted a framework similar to the GDPR. The EU has confirmed the UK data protection framework as being "adequate" to receive EU personal data. Although there are currently various mechanisms that may be used to transfer personal data from the EEA and UK to the United States in compliance with law, these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. For example, there have been recent updates to laws and regulations governing transfers of EU data, including updates to Standard Contractual Clauses and a proposed EU-US data transfer adequacy agreement. In light of these and other ongoing developments relating to cross-border data transfers, we may experience additional costs associated with increased compliance burdens, and this regulation may impact our ability to transfer personal data across our organization, to clinical trial physicians or patients, to our customers, or to third parties.

We are subject to risks associated with doing business globally.

As a pharmaceutical research and development company, our operations are likely to expand in the European Union and many other developed countries worldwide, and we will be subject to political, economic, operational, legal, regulatory and other risks that are inherent in conducting business globally. For example, we currently have ongoing clinical operations in the U.K. and are contemplating expanding to other countries. These risks include foreign exchange fluctuations, exchange controls, capital controls, requirements to comply with 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 adversely affect our research and development, reduce the demand for our potential products and reduce the prices that our potential customers will be willing to pay for our potential 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 United Kingdom ("U.K.") Bribery Act, disruption or destruction of operations or changes to our business position, regardless of cause, including pandemic, 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 or events, 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, if approved, will be commercialized.

We intend to generate revenue and expenses internationally that are likely to be primarily denominated in U.S. dollars, Euros and British pound sterling. 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 United States 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 United States 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 could have a material adverse effect on us as a small company with a streamlined management structure, and would be potentially disruptive to our business until such time as a suitable replacement is hired. We do not carry any key person insurance on our senior management.

The U.K.'s withdrawal from the EU, commonly referred to as Brexit, continues to result in regulatory uncertainty which may have a negative effect on global economic conditions, financial markets and our business.

Brexit created significant uncertainty concerning the future relationship between the U.K. and the EU. From a regulatory perspective, there is uncertainty about which laws and regulations will apply. A significant portion of the regulatory framework in the U.K. is derived from EU laws. However, it is unclear which EU laws the U.K. will decide to replace or replicate in connection with its withdrawal from the EU. In particular, the regulatory regime applicable to our operations, including with respect to conduct of clinical trials and the approval of our product candidates, may change, potentially significantly, and the impact of these changes is difficult to quantify until new regulation and guidance is published.

A basic requirement related to the grant of a marketing authorization for a medicinal product in the EU is the requirement that the applicant be established in the EU. Following the expiry of the Brexit transitional arrangements, separate applications for marketing authorizations for Great Britain (England, Scotland and Wales) are required to place medicinal products on the market in Great Britain. The European Commission Decision Reliance Procedure, which allows the U.K. regulatory to "rely" on EU centralized marketing authorization decisions, will expire on 31 December 2023. The EU mutual recognition and decentralized procedures no longer apply to Great Britain. From January 1, 2024, under the Windsor Framework, the EU will no longer have jurisdiction over medicines placed on the market in Northern Ireland and all medicines intended for Northern Ireland (or the U.K. market more generally) will require a U.K. marketing authorisation. Additional regulation and guidance is anticipated to govern how this new regime will operate, including as to labelling of medicines in Northern Ireland.

To replace EU based mutual recognition procedures, the U.K. has announced plans to introduce an international reliance route for the approval of medicinal products in the U.K. From January 1, 2024, the U.K. intends to recognize approvals of medicinal products from: Australia, Canada, the European Union, Japan, Switzerland, Singapore and the United States. This approach may benefit out strategy and operations as it could lead to approval in the U.K. of "cutting-edge medicines" more quickly and through a more streamlined regulatory process. However, the procedure will not come into effect until new regulations are introduced and these have not yet been published. Delays in implementing this new legislation may lead to regulatory uncertainty and delays.

In addition, the laws and regulations that will apply after the U.K. withdrawal from the EU may have implications for manufacturing sites that hold certifications issued by the U.K. competent authorities. If batch release and quality control testing sites for our product candidates are located only in the U.K., manufacturers will need to use sites in other EU member states for EU batch release. All of these changes, if they occur, could increase our costs and otherwise adversely affect our business.

Currency exchange rates for the British pound and the Euro, with respect to each other and to the U.S. dollar, were affected by Brexit, and could be affected in the future by other global events.

We have an office in Oxford, England which is focused on developing our products outside of the U.S. We continue to evaluate whether the U.K.'s withdrawal from the EU could impact our business long-term, particularly our ability to conduct international business from a base of operations in the U.K. The U.K. could lose the benefits of global trade agreements negotiated by the EU on behalf of its members, possibly resulting in increased trade barriers, which could make doing business in Europe more difficult and/or costly. We cannot predict what effects these and potential additional tariffs will have on our business, including in the context of escalating global trade and political tensions. However, these tariffs and other trade restrictions, whether resulting from the U.K.'s withdrawal from the EU or otherwise, could increase our cost of doing business, reduce our future gross margins or otherwise negatively impact our financial results.

Risks Related to Ownership of our Shares

The issuance of additional ordinary shares, including upon the exercise of our outstanding stock options, will dilute the ownership interest of our existing shareholders and increase the number of ordinary shares eligible for future resale.

As of March 31, 2023, we had 378,740 vested restricted stock units outstanding, which are subject to certain restrictions. Additionally, as of March 31, 2023, we had an aggregate of 1,963,420 stock options to acquire ordinary shares outstanding. During fiscal 2023, we issued stock as follows: (i) on July 1, 2022, we issued 2,425,999 ordinary shares in connection with the acquisition of Tarus Therapeutics; (ii) on July 6, 2022, we issued 94,508 ordinary shares to Lincoln Park Capital Fund L.L.C. ("Lincoln") in consideration for entering into the $30 million Committed Share Purchase Agreement (the "Committed Purchase Agreement"), described more fully below; (iii) on July 18, 2022, we executed a Share Exchange Agreement, under which we exchanged 1,070,000 of our ordinary shares for the remaining minority interest of 21.68% of iOx Therapeutics Ltd. ("iOx"); (iv) at various times during fiscal 2023, 480,000 ordinary shares were sold in the aggregate pursuant to the Committed Purchase Agreement with Lincoln; (v) at various times during fiscal 2022 and 2023, 166,145 ordinary shares were sold pursuant to our "at-the-market" ("ATM") offering program; and (vi) 20,154 ordinary shares were issued to a service provider for services rendered. Additionally, a payment of $25,000,000 in ordinary shares or cash to the former iOx equity holders would be triggered upon the achievement of a certain clinical milestone in the PORT-2 or PORT-3 programs. Upon enrolling the first patient in a Phase 2 clinical trial utilizing Tarus' adenosine receptor antagonists, we will pay an additional one-time milestone payment of $15 million to the former Tarus shareholders. Payment will be in the form of cash or our ordinary shares (at our discretion). In the past we have used, and we may continue to use, our capital stock to reward and encourage our employees through the use of options and similar equity grants and to pursue and pay consideration for acquisitions. Each of these issuances will have a dilutive effect on the ownership interest of the Company held by our existing shareholders. The additional ordinary shares that may be or are outstanding may have an adverse effect on the share price of our ordinary shares, especially if the market perceives that the shares are issued at less than their current or anticipated fair value.

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

As of July 30, 2023, our senior management, board members, holders of 5% or more of our share capital and their respective affiliates beneficially owned approximately 46.4% of our outstanding voting securities. As a result, these security holders may 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 certain 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 generally has the ability to control our management and business affairs and direction of our business. Such control and concentration of ownership may affect the market price of our ordinary 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.

We are currently a foreign private issuer, which may limit information about us and legal rights that you as an investor may desire and are different from those of a United States domestic reporting company.

We currently are a "foreign private issuer," as such term is defined in Rule 405 under the U.S. Securities Act 1933, as amended (the “Securities Act”) and, therefore, we are not required to file annual reports on Form 10-K, quarterly reports on Form 10-Q or current reports on Form 8-K with the United States Securities and Exchange Commission (“SEC”). In addition, the proxy rules and Section 16 reporting and short-swing profit rules are not applicable to us. If we lose our status as a foreign private issuer by our election or otherwise and we become subject to the full reporting regime of the United States securities laws, we will be subject to additional reporting obligations and proxy solicitation obligations under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and our officers, directors and 10% shareholders would become subject to the short-swing profit rules. The imposition of these reporting rules would increase our costs associated with legal and accounting compliance and the obligations of those affected by the short-swing rules.

Complex United States taxation rules apply to holders of our ordinary shares if we have too much passive income compared to ordinary income and we are considered a PFIC.

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 (a “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. We believe that we were a PFIC for our fiscal year ended March 31, 2018 and that we were as PFIC for the fiscal year ended March 31, 2023. In addition, we may have been a PFIC in other years and may continue to be a PFIC in the future.

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 ordinary 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 ordinary 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 (“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. We made the information available for the fiscal years 2018 and 2019 to those shareholders who requested it, and can make this information available for our fiscal years 2020, 2021, 2022 or 2023, if requested.

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 ordinary shares if we should be classified as a PFIC.

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. Many 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 (Revised Edition 2020, 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 and 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 may not be as clearly established as they would be under statutes or judicial precedent in jurisdictions in the United States or Canada. 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 or 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 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.

As a foreign private issuer, and as permitted by the listing requirements of the Nasdaq Capital Market ("Nasdaq"), we will rely on certain home country governance practices, which are different from the corporate governance requirements that apply to U.S. domestic companies that are listed Nasdaq.

We are a foreign private issuer, and in accordance with Nasdaq Listing Rule 5615(a)(3), we comply with home country governance requirements and certain exemptions thereunder rather than complying with certain of the corporate governance requirements of Nasdaq which may afford less protection to our stockholders than they would otherwise have if we complied filly with Nasdaq's corporate governance requirements.

British Virgin Islands law does not require that a majority of our board of directors consist of independent directors or that our board committees consist of entirely independent directors. Our board of directors and board committees, therefore, may include fewer independent directors than would be required if we were subject to Nasdaq Listing Rule 5605(b)(1). In addition, we will not be subject to Nasdaq Listing Rule 5605(b)(2), which requires that independent directors must regularly have scheduled meetings at which only independent directors are present.

We also are exempt from the Nasdaq listing rules so as to follow the quorum rules for shareholder meetings under British Virgin Islands law. We also are exempt from the Nasdaq listing rules so as to not be required to obtain shareholder approval for certain issuance of securities, shareholder approval of share option plans and change of control transactions under the Nasdaq Listing Rule 5635.

If we lose our status as a foreign private issuer, we would be required to fully comply with Nasdaq's corporate governance requirements, which could have an adverse effect on us. For example, Nasdaq's director independence requirements could make it more difficult for us to attract directors and Nasdaq's shareholder approval requirements could make it more difficult and time-consuming to raise capital or engage in certain transactions.

We may lose our foreign private issuer status, which would then require us to comply with the Exchange Act's domestic reporting regime and cause us to incur significant legal, accounting and other expenses.

We are a foreign private issuer. In order to maintain our current status as a foreign private issuer, at least 50% of our outstanding ordinary shares must continue to be either directly or indirectly owned of record by non-residents of the United States. If more than 50% of our outstanding ordinary shares are instead held by U.S. residents, then in order to continue to maintain our foreign private issuer status, (i) a majority of our executive officers or directors must not be U.S. citizens or residents, (ii) more than 50% of our assets must not be located in the United States, and (iii) our business must be administered principally outside the United States.

Losing our status as a foreign private issuer would require us to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. We also will be required to make changes in our corporate governance practices in accordance with various SEC and Nasdaq rules. The regulatory and compliance costs to us under U.S. securities laws, if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer, would be significantly higher than the cost we would incur as a foreign private issuer. As a result, we would expect that a loss of foreign private issuer status will increase our legal and financial compliance costs and will make some activities highly time consuming and costly. We also expect that if we will be required to comply with the rules and regulations applicable to U.S. domestic issuers, it will make it more difficult and expensive for us to obtain director and officer liability insurance; we may therefore be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These rules and regulations could also make it more difficult for us to attract and retain qualified members of our board of directors.

Macro-economic Risks Related to our Business

Government efforts to control the effect and spread of the COVID-19 virus have had and will continue to have a disruptive effect on different aspects of our business.

The jurisdictions in which we conduct our business imposed mandates and regulations or suggested measures to counter the spread of the COVID-19 virus and control the level of the pandemic within its populations and the economic activities of their respective economies. These mandates, regulations and measures have changed over the course of the pandemic and have been substantially eased or eliminated. However, the Company has been affected in a number of ways, primarily in the delay in planning for and carrying out clinical trials, which have experienced short-term disruptions and may have a long-term negative impact on the way we will do business. Actions such as government lock downs slowed or, in some cases, temporarily stopped research and development activities and clinical trials. To date, we are primarily focused on our activities related to research and development, and longer timelines for our research and development, clinical trials, regulatory approvals and bringing our product candidates to market, if approved, has caused our operational costs to be greater than anticipated in our most recently completely fiscal year and is expected to cause such costs to be greater in this current fiscal year and going forward. The financial effect of such longer timelines has been and will be that our development expenses will be higher than previously expected and we will have to obtain additional capital funding. Any required additional equity funding will be dilutive to the equity of our investors and debt financing may have restrictive covenants that could adversely affect our business plans and operational objectives. Any further funding that we may need may not be available or even if available it may not be on terms that are favorable or acceptable to the Company.

The impact of changing economic conditions, including the effects of inflation, may adversely affect our business, financial condition, and results of operations.

As has been widely reported, we are currently operating in a period of economic uncertainty and capital markets disruption, which has been significantly impacted by domestic and global monetary and fiscal policy, geopolitical instability and historically high domestic and global inflation. The U.S. Federal Reserve and other central banks may be unable to contain inflation through more restrictive monetary policy and inflation may increase or continue for a prolonged period of time. Inflationary factors, such as increases in the cost of clinical supplies, interest rates, overhead costs and transportation costs have and may continue to have adversely affect our operating results. We continue to monitor these events and the potential impact on our business.

As a result of inflation and overall economic uncertainty, the cost of capital has dramatically increased in the last 12 months, making capital, if available, very expensive. We will require significant financial resources to complete the current development plans with respect to our assets.

Further, there can be no assurance that further deterioration in credit and financial markets and confidence in economic conditions will not occur. Our general business strategy may be adversely affected by any such economic downturn, volatile business environment or continued unpredictable and unstable market conditions. If the current equity and credit markets deteriorate, or do not improve, it may make any necessary debt or equity financing more difficult, more costly, and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable or acceptable terms could have a material adverse effect on our growth strategy, financial performance and stock price and could require us to delay or abandon some or all of our clinical development plans. In addition, there is a risk that one or more of our current service providers, manufacturers and other partners may not survive these difficult economic times, which could directly affect our ability to attain our operating goals and adversely impact our business, financial condition and results of operations.

ITEM 4 – INFORMATION ON THE COMPANY

(A) HISTORY AND DEVELOPMENT OF THE COMPANY

We were originally incorporated in Ontario, Canada in 1973. We were inactive until 1985. Between 1986 and 2009, we were engaged in a 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 resources involving diamond mining and oil & gas exploration. In 2010, we acquired an indirect interest in two drilling licenses in Israel, which were subsequently disposed of in June 2012. During the period 1986 to 2012, we went through several name changes ending with Bontan Corporation Inc.

In December 2012, we decided to change the focus of our business activities from oil and gas to biotechnology mainly due to the increasing difficulty of 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, we 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 an exchange of shares. The transaction was completed on June 4, 2013.

On July 5, 2013, we changed our name to Portage Biotech Inc. and moved our jurisdiction to the British Virgin Islands under a certificate of continuance issued by the Registrar of Corporate Affairs of BVI.

We are a BVI business company incorporated under the BVI Act with our registered office located at Clarence Thomas Building, P.O. Box 4649, Road Town, Tortola, British Virgin Islands, VG1110. Our U.S. agent, Portage Development Services Inc. (“PDS”), is located at 61 Wilton Road, Westport, CT 06880.

We currently are a foreign private issuer under the SEC rules. We are also a reporting issuer under the securities legislation of the provinces of Ontario and British Columbia. Our ordinary shares were listed on the Canadian Securities Exchange (“CSE”) under the symbol “PBT.U”. On February 25, 2021, our ordinary shares began trading on the Nasdaq Capital Market under the symbol “PRTG”. As the principal market for our ordinary shares is Nasdaq, we voluntarily delisted from the CSE on April 23, 2021.

During August 2018, we reached a definitive agreement to acquire 100% of SalvaRx Limited in exchange for 8,050,701 of our ordinary shares. The selling shareholders were SalvaRx Group plc (94.2%), James Mellon (2.9%) and Gregory Bailey (2.9%), the latter two persons being directors of our company. The acquisition of SalvaRx was a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). As a consequence, MI 61-101 required us to seek the approval of a majority of the disinterested shareholders to make this acquisition. On January 8, 2019, the majority of our minority shareholders approved the SalvaRx acquisition on the terms as set out in the signed definitive agreement. At the same time, the SalvaRx Group plc shareholders approved the definitive agreement, all required regulatory approvals were also obtained. The SalvaRx acquisition was completed on January 8, 2019, and we acquired 100% of the equity of SalvaRx, which has full or partial ownership of four immune-oncology companies that are developing nine product candidates.

We filed a shelf registration statement with the SEC under which it may sell ordinary shares, debt securities, warrants and units in one or more offerings from time to time, which became effective on March 8, 2021 ("Registration Statement"). In connection with the Registration Statement, we have filed with the SEC:

- a base prospectus, which covers the offering, issuance and sale by us of up to $200,000,000 in the aggregate of the securities identified above from time to time in one or more offerings;
- a prospectus supplement, which covers the offer, issuance and sale by us in an ATM program of up to a maximum aggregate offering price of $50,000,000 of Portage's ordinary shares that may be issued and sold from time to time under a Controlled Equity Offering Sales Agreement, dated February 24, 2021 (the "Sales Agreement"), with Cantor Fitzgerald & Co., the sales agent ("Cantor Fitzgerald");
- a prospectus supplement dated June 24, 2021, for the offer, issuance and sale by us of 1,150,000 ordinary shares for gross proceeds of approximately $26.5 million in a firm commitment underwritten public offering with Cantor Fitzgerald; and
- a prospectus supplement dated August 19, 2022, for the resale by us of up to $30,000,000 in ordinary shares that Portage may sell from time to time to Lincoln and an additional 94,508 shares that were issued to Lincoln.

The Sales Agreement permits us to sell in an ATM program up to $50,000,000 of ordinary shares from time to time, the amount of which is included in the $200,000,000 of securities that may be offered, issued and sold by us under the base prospectus. The sales under the prospectus will be deemed to be made pursuant to an ATM program as defined in Rule 415(a)(4) promulgated under the Securities Act. Upon termination of the Sales Agreement, any portion of the $50,000,000 included in the Sales Agreement prospectus that is not sold pursuant to the Sales Agreement will be available for sale in other offerings pursuant to the base prospectus.

During the quarter ended June 30, 2021, we commenced an ATM program, and we sold 90,888 ordinary shares during the June 2021 quarter, generating gross proceeds of approximately $2.6 million ($2.5 million, net of commissions).

On June 24, 2021, we sold 1,150,000 ordinary shares in a firm commitment public offering, including the underwriters' option, at a price of $23.00 per share, which generated gross proceeds of approximately $26.5 million and net proceeds of approximately $25.0 million.

On July 1, 2022, we, our wholly-owned subsidiary, Portage Merger Sub I, Inc., our wholly-owned subsidiary, Portage Merger Sub II, LLC and Tarus Therapeutics, Inc., a Delaware corporation advancing adenosine receptor antagonists for the treatment of solid tumors, entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement"). Under the structure of the Merger Agreement, Tarus Therapeutics, Inc. was ultimately merged into Portage Merger Sub II, LLC with the surviving entity renamed Tarus Therapeutics, LLC ("Tarus").

As consideration for Tarus, we issued to the former Tarus shareholders an aggregate of 2,425,999 ordinary shares of Portage, calculated on the basis of $18 million divided by the 60-day volume weighted average price per share of ordinary shares of Portage. Such ordinary shares have not been registered with the SEC and were subject to lock-up agreements for terms ranging from six to twelve months, which expired on February 1, 2023 and July 1, 2023, respectively. Additionally, the ordinary shares that were subject to a twelve month lock-up period, are also subject to a three month dribble-out period which commenced July 1, 2023. During the dribble out period, each holder may not sell more than 10% of the average trading volume of our ordinary shares for the rolling three month period prior to the date on which the holder executes a trade of our ordinary shares without our prior written consent (which we are permitted to withhold at our sole discretion). Additionally, payments of up to $32 million in cash or our ordinary shares (at our discretion) would be triggered upon achievement of future development and sales milestones, as described below. As a result of the transaction:

- We also assumed $2 million in short-term debt held by Tarus and deferred license milestones obligations ($1 million plus interest), for an aggregate of $3 million in liabilities. We repaid the short-term debt in July 2022.

- Upon enrolling the first patient in a Phase 2 clinical trial utilizing Tarus's adenosine receptor antagonists, we will pay an additional one-time payment of $15 million to the former Tarus shareholders. Payment will be in the form of cash or our ordinary shares (at our discretion). The remaining $17 million milestone is based on target commercial sales.

On July 6, 2022, we entered into the Committed Purchase Agreement with Lincoln, pursuant to which we may require Lincoln to purchase our ordinary shares having an aggregate value of up to $30 million (the "Purchase Shares") over a period of 36 months. Upon execution of the Committed Purchase Agreement, we issued to Lincoln 94,508 ordinary shares, representing a 3% commitment fee. Pursuant to the Committed Purchase Agreement, Lincoln will be obligated to purchase the Purchase Shares in three different scenarios that are based on various market criteria and share amounts. We have the right to terminate the Committed Purchase Agreement for any reason, effective upon one business day prior written notice to Lincoln. Lincoln has no right to terminate the Committed Purchase Agreement. The requirement that Lincoln must make a purchase will be suspended based on various criteria such as there not being an effective registration statement for Lincoln to be able to resell the ordinary shares it is committed to purchase and market criteria such as us continuing to be Depository Trust Company eligible, among other things. The Committed Purchase Agreement does not impose any financial or business covenants on the Company, and there are no limitations on the use of proceeds. We may raise capital from other sources in its sole discretion; provided, however, that we shall not enter into any similar agreement for the issuance of variable priced equity-like securities until the three-year anniversary of the date of the Committed Purchase Agreement, excluding, however, an ATM transaction with a registered broker-dealer, which includes any sales under the Sales Agreement with Cantor Fitzgerald.

On July 18, 2022, we and our wholly-owned subsidiary, SalvaRx, entered into a Share Exchange Agreement (the "Share Exchange Agreement") with each of the minority shareholders of iOx (the "Sellers") resulting in the acquisition of the outstanding non-controlling ownership interest (approximately 22%) of iOx, which is developing the iNKT engager platform.

In October 2022, we began selling shares pursuant to the ATM program and the Sales Agreement. From October 2022 through March 31, 2023, we sold 166,145 ordinary shares under the ATM, generating net proceeds of approximately $0.9 million. Separately, between October 2022 and March 31, 2023, we sold 480,000 ordinary shares to Lincoln under the Committed Purchase Agreement for net proceeds totaling approximately $2.0 million. Our access to the ATM program and the Committed Purchase Agreement is generally limited by our trading volume on Nasdaq.

On March 1, 2023, the Company, through Tarus, entered into a clinical service agreement with a third-party service provider. The term of the agreement is through the earlier of August 14, 2025 or the completion of provision of services and the payment of contractual obligations. The budgeted costs for the services to be provided is approximately $12.1 million.

Capital Expenditures and Divestitures

We had no capital expenditures or divestitures in Fiscal 2023 or Fiscal 2022

On March 3, 2021, we disposed of 100% of our interest in Portage Pharmaceuticals Ltd. ("PPL"), which included PPL's interest in Portage Glasgow Ltd. ("PGL") and EyGen for $10 to an entity controlled by two of the Company's current directors (the "Purchaser's Executives"). Under the terms of the arrangement, all outstanding payable obligations were assumed by the purchaser. Simultaneously, we and the Purchaser's Executives entered into a Revenue Share Deed with PPL under which they will be entitled to certain revenue shares based on the achievement of milestones defined in the Revenue Share Deed. We may also be entitled to recover an intercompany receivable from the purchaser in the amount of $229,848 on the fourth anniversary of the Revenue Share Deed. All other intercompany balances were cancelled. We no longer have any interest or obligations associated with PPL, PGL and EyGen, other than the interests provided for in the Revenue Share Deed.

The SEC maintains an internet site at www.sec.gov that contains reports and information statements and other information regarding registrants like us that file electronically with the SEC.

We routinely post important information on our website at www.portagebiotech.com. This website and the information contained therein or connected thereto shall not be deemed to be incorporated into this Annual Report.

(B) BUSINESS OVERVIEW

Nature of Operations and Overview

Portage is a clinical stage immune-oncology company advancing treatments it believes will be first-in-class therapies that target known checkpoint resistance pathways to improve long-term treatment response and quality of life in patients with evasive cancers. Our access to next-generation technologies coupled with a deep understanding of biological mechanisms enables the identification of clinical therapies and product development strategies that accelerate these medicines through the translational pipeline. We currently are working on 9 immuno-oncology assets, of which five are pre-clinical and four of which are clinical stage. This excludes backup compounds. We source, nurture and develop the creation of early- to mid-stage treatments that we believe will be first-in-class therapies for a variety of cancers, by funding, implementing viable, cost effective product development strategies, clinical counsel/trial design, shared services, financial and project management to enable efficient, turnkey execution of commercially informed development plans. Our drug development pipeline portfolio encompasses product candidates or technologies based on biology addressing known resistance pathways/mechanisms of current checkpoint inhibitors with established scientific rationales, including intratumoral delivery, nanoparticles, liposomes, aptamers, and virus-like particles.

The Portage Approach

Our mission is to advance and grow a portfolio of innovative, early-stage oncology assets based on the latest scientific breakthroughs focused on overcoming immune resistance and expanding the addressable patient population. Given these foundations, we manage capital allocation and risk as much as we oversee drug development. By focusing our efforts on translational medicine and pipeline diversification, we seek to mitigate overall exposure to many of the inherent risks of drug development.

Our approach is guided by the following core elements:

- Portfolio diversification to mitigate risk and maximize optionality;
- Capital allocation based on risk-adjusted potential, including staged funding to pre-specified scientific and clinical results;
- Virtual infrastructure and key external relationships to maintain a lean operating base;
- Internal development capabilities complemented by external business development;
- Rigorous asset selection for broad targets with disciplined ongoing evaluation;
- Focus on translational medicine and therapeutic candidates with single agent activity;
- Conduct randomized trials early and test non-overlapping mechanisms of action; and
- Improve potential outcomes for patients with evasive cancers.

Our execution is achieved, in part, through our internal core team and our large network of experts, contract labs, and academic partners.

The Company believes that it is not subject to the regulation of the Investment Company Act of 1940, as amended (“40 Act”), based on the definition of “investment company” and the compositions of its assets. Additionally, as the Company primarily operates within the biomedical industry as a research and development (“R&D”) business, the Company believes that it is also able to take advantage of the non-exclusive safe harbor of Rule 3a-8 promulgated under the 40 Act so as not to be characterized as an investment company. The Company has adopted a capital preservation policy referenced in that rule.

Our Science Strategy

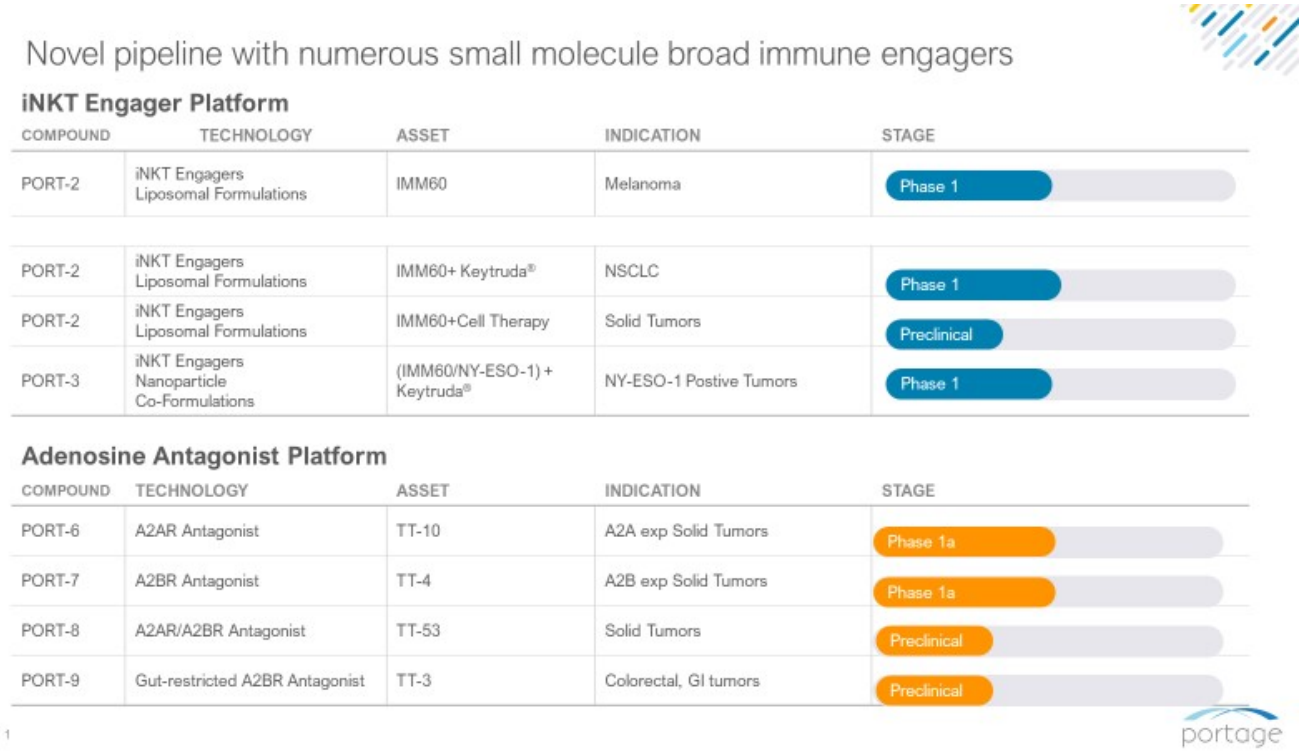
Our goal is to develop immuno-oncology therapeutics that will dramatically improve the standard-of-care for patients with cancer. The key elements of our scientific strategy are to:

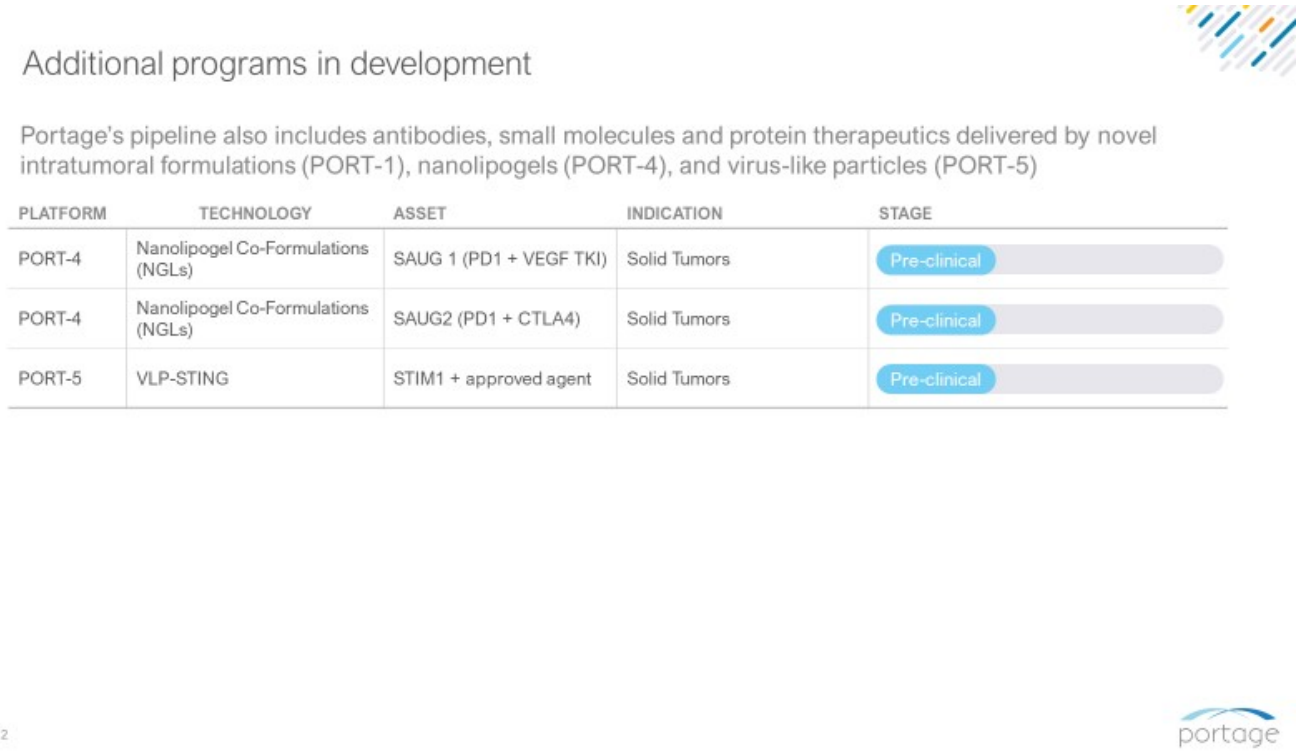
- Build a pipeline of differentiated oncology therapeutic candidates that are diversified by mechanism, broad targets, therapeutic approach, modality, stage of development, leading to a variety of deal types that can be executed with partners;
- Expand our pipeline through research collaborations, business development and internally designed programs;
- Continue to advance and evolve our pipeline with a goal of advancing one therapeutic candidate into the clinic and one program into Investigational New Drug ("IND")-enabling studies each year; and
- Evaluate strategic opportunities to accelerate development timelines and maximize the value of our portfolio.

Our Pipeline

We have built a pipeline of immuno-oncology therapeutic candidates and programs that are diversified by mechanism, therapeutic approach, modality and stage of development. On an ongoing basis, we rigorously assess each of our programs using internally defined success criteria to justify continued investment and determine proper capital allocation. When certain programs do not meet our de-risking criteria for advancement, we look to monetize or terminate those programs and preserve our capital and resources to invest in programs with greater potential. As a result, our pipeline will continue to be dynamic.

The charts below set forth, as of July 31, 2023, the current state of our immuno-oncology therapeutic candidates and programs. The chart contains forward-looking information and projections based on management's current estimates. The chart information is based on and subject to many assumptions, as determined by management and not verified by any independent third party, which may change or may not occur as modeled. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Before you make an investment decision regarding the Company, you should make your own analysis of forward-looking statements and our projections about candidate and program development and results.





Our Programs and Technology – Recent Developments

Invariant Natural Killer T-cells (iNKT cells) Platform

iNKT cells play an important role in anti-tumor immune responses and are a distinct class of T lymphocyte displaying a limited diversity of T-cell receptors. They recognize lipid antigens on the surface of tumor cells and produce large amounts of cytokines within hours of stimulation without the need for clonal expansion. Furthermore, iNKT cells activate multiple immune system components, including dendritic cells, T-cells and B-cells and stimulate an antigen-specific expansion of these cells. The Company's operating subsidiary, iOx, holds an exclusive license (with the right to sub-license) from the Ludwig Institute for Cancer Research (the "Ludwig Institute") to use, research, develop and commercialize iNKT cell engagers, for the treatment of various forms of human disease, including cancer, under the Ludwig Institute's intellectual property and know-how.

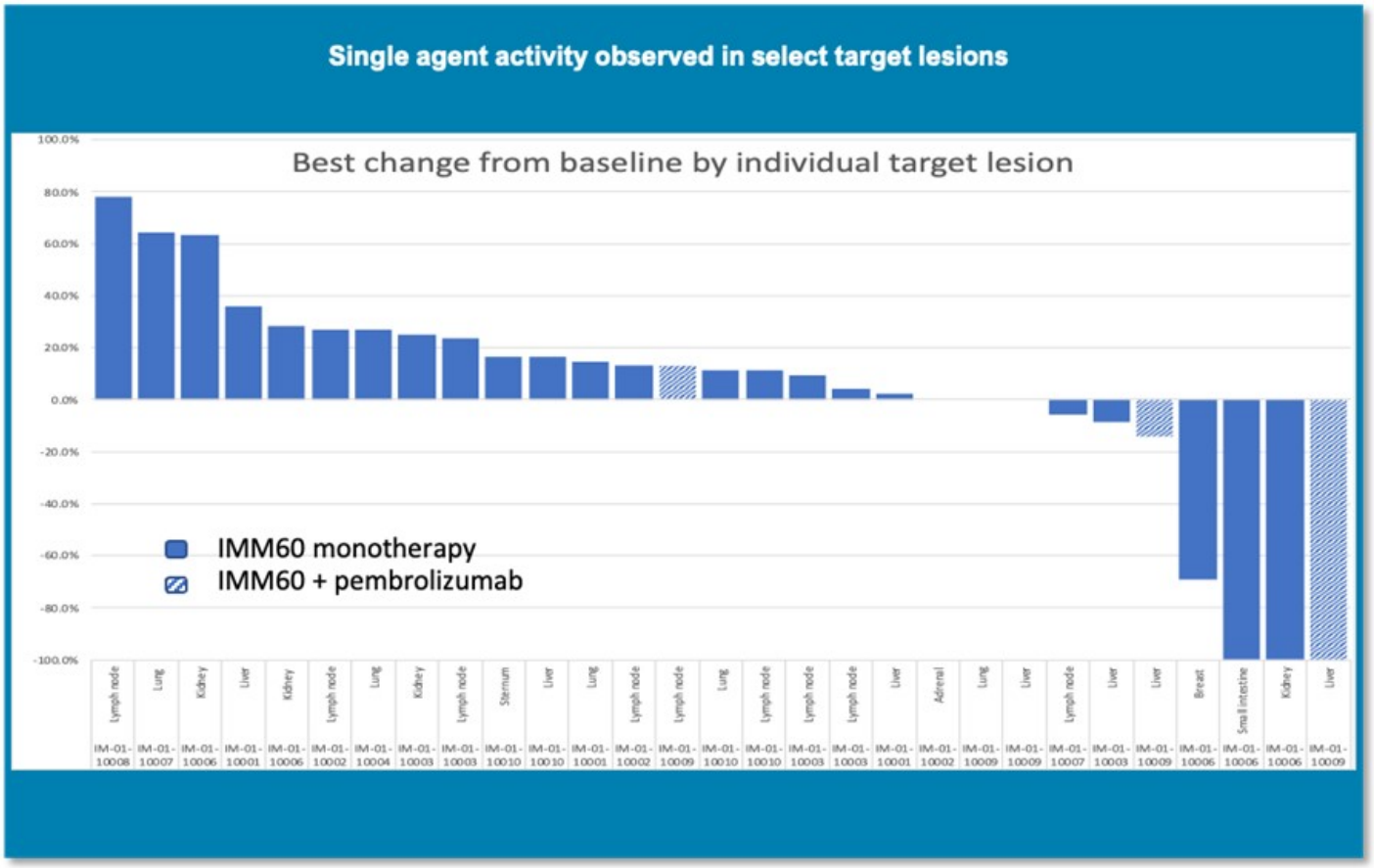
PORT-2 (IMM60)

PORT-2 is an iNKT cell engager formulated in a liposome with a six-member carbon head structure that has been shown to activate both human and murine iNKT cells, resulting in dendritic cell ("DC") maturation and the priming of Ag-specific T and B cells.

In animal models, PORT-2 enhanced the frequency of tumor specific immune responses. iNKT cells are unique lymphocytes defined by their co-expression of surface markers associated with NK cells along with a T-cell antigen receptor. They recognize amphipathic ligands such as glycolipids or phospholipids presented in the context of the non-polymorphic, MHC class I-like molecule CD1d. Activated iNKT cells rapidly produce IFN-gamma and IL-4 and induce DC maturation and IL-12 production.

In August 2021, we dosed the first patient in the IMP-MEL PORT-2 clinical trial, a Phase 1/2 dose escalation and randomized expansion trial. The PORT-2 trial is expected to enroll up to 88 patients with melanoma or non-small cell lung carcinoma ("NSCLC") in order to evaluate safety and efficacy. In November 2022, the Company announced that it had entered into a clinical trial collaboration with Merck to evaluate PORT-2 in combination with pembrolizumab for patients with NSCLC. Under the terms of the collaboration, Merck will supply pembrolizumab for the Company's Phase 1/2 trial of PORT-2 in patients with NSCLC and melanoma.

Preliminary Phase 1 data, presented at the American Society of Clinical Oncology (“ASCO”) Annual Meeting in June 2023, suggests PORT-2 was well tolerated when administered as a monotherapy, with no related severe or serious adverse events. All possibly related adverse events were mild to moderate and did not limit dosing. This has enabled a plan to accelerate opening of the combination safety cohort with pembrolizumab, in parallel with the ongoing high dose monotherapy cohort. As of June 2023, one patient had received the combination with pembrolizumab, and no related severe or serious adverse events were reported. The adverse event profile was consistent with pembrolizumab. Previously reported biomarker data confirmed the mechanism of action (i.e., both activation of the innate and adaptive arms of the immune system). The following figure illustrates the different lesion responses. Although these are preliminary results, several lesions showed shrinkage, and the responses in liver metastases were encouraging.



We are encouraged by the growing patient data set that supports proof of concept for using an iNKT engager in cancer treatment. Preliminary Phase 1 data suggests that PORT-2 has a favorable safety and tolerability profile as a monotherapy at all doses tested to date (as noted above), has demonstrated evidence of single agent activity, and biomarkers confirm mechanistic potential of PORT-2 to activate both the adaptive and innate immune systems.

To accelerate development, Portage has decided to expand the PORT-2 trial beyond the U.K. while addressing COVID-19 headwinds. The Company has hired a global clinical research organization, CRO-Parexel, and has submitted regulatory applications in other countries. By expanding the regions and sites contributing to the trial, Portage expects to accelerate enrollment in the planned Phase 2 portions of this trial. Should there be delays in recruiting patients, this could result in increasing overall costs of program administration and ultimately, slow down the completion of the trial and achievement of results.

In December 2022, the FDA allowed the PORT-2 IND to go into effect. Given the safety data shown at all planned doses, the trial protocol is being amended to escalate patient dosing to include one additional higher dose, and we anticipate the Phase 2 portion of the trial to commence in the first half of calendar 2024.

PORT-3 (IMM65)

PORT-3 is a PLGA-nanoparticle formulation of IMM60 combined with a NY-ESO-1 peptide vaccine. Biodegradable PLGA-nanoparticles function as a delivery platform for immunomodulators and tumor antigens to induce a specific anti-tumor immune response. PLGA has minimal (systemic) toxicity and is used in various drug-carrying platforms as an encapsulating agent. Furthermore, co-formulating an iNKT engager with a peptide vaccine in a particle has shown to be approximately five times more potent in killing cancer cells and generating an antigen-specific CD8 T-cell response than giving the two agents individually.

NY-ESO-1 is a cancer-testis antigen expressed during embryogenesis and in the testis, an immune privileged site. Furthermore, NY-ESO-1 expression is observed in several advanced cancers: Lung (2-32%), melanoma (40%), bladder (32-35%), prostate (38%), ovarian (30%), esophageal (24-33%), and gastric cancers (8-12%). Clinical trials have shown the safety and tolerability of Good Manufacturing Practices ("GMP")-grade NY-ESO-1 peptides in patients with cancer.

The first patient was dosed in 2021 and patients continue to enroll in the PRECIOUS Phase 1 trial of PORT-3 in patients with solid tumors. The Phase 1 portion of the trial is expected to enroll 15 patients. The trial was having difficulty identifying tumors that expressed NY-ESO-1, so the trial protocol was amended to include all solid tumors regardless of expression to facilitate assessment of safety. This platform is designed to demonstrate proof of concept. The combination of NY-ESO-1 and IMM-60 is being evaluated to determine its ability to prime and boost an anti-tumor immune response. Our patent position extends to other known tumor antigens, and we are prepared to rapidly launch other assets into the clinic if we see strong activity of this formulation. Preliminary safety data for repeat dosing of PORT-3, a nanoparticle co-formulation of PORT-2 and NY-ESO-1 immunogenic peptides developed for the treatment of NY-ESO-1 positive solid tumors, shows a favorable safety profile. The investigator trial has paused while we await more data. It is our understanding that the investigators with who we work with have continued to explore next generation targeted nanoparticles.

Adenosine Receptor Antagonist Platform

A critical mechanism of cancer immune evasion is the generation of high levels of immunosuppressive adenosine within the tumor microenvironment ("TME"). Research suggests that the TME has significantly elevated concentrations of extracellular adenosine. Engagement with adenosine receptors A2A and A2B triggers a dampening effect on the immune response, suppressing effector cell function and stabilizing immunosuppressive regulatory cells. Over-expression of the A2A and A2B receptors leads to a poor prognosis in multiple cancers, including prostate cancer, colorectal cancer and lung adenocarcinoma, driven by a reduced ability to generate an immune response against the tumor.

These findings have made A2A and A2B high-priority targets for immunotherapeutic intervention. Portage is advancing four first-in-class adenosine antagonists, which together represent a broad suite of adenosine-targeting approaches and are expected to enable a comprehensive exploration of how targeting the adenosine pathway could potentially improve response in multiple cancer and non-cancer indications. By modulating the adenosine pathway in four different ways, Portage expects to determine the optimal approach to maximize the impact of the mechanism of action on different tumors.

Portage has designed the ADPORT-601 clinical trial to evaluate the activity and safety of PORT-6 and PORT-7 alone and in combination. This trial will adapt over time and also include safety cohorts for these two agents with other immune activating agents including others from the Portage internal pipeline. Depending on the data, it can be expanded to evaluate either agent as monotherapy or a randomized comparison of either agent plus standard of care versus standard of care alone.

PORT-6 (TT-10)

PORT-6 is an adenosine receptor type 2A ("A2A") antagonist being studied for the treatment of A2A expressing solid tumors. We believe PORT-6 is more potent, more durable and more selective than other clinical stage A2A agents.

The ADPORT-601 portion of the Phase 1 trial for PORT-6, dosed its first patient in June 2023.

PORT-7 (TT-4)

PORT-7 is an adenosine receptor type 2B ("A2B") antagonist that we expect to study for the treatment of solid tumors. PORT-7 has a very selective profile that focuses on A2B. We expect to commence a Phase 1 trial in late calendar 2023 or early calendar 2024.

PORT-8 (TT-53)

PORT-8 is a dual antagonist of adenosine receptors 2A and 2B (A2A/A2B) that we expect to study for the treatment of solid tumors. Portage has the ability to combine these two adenosine receptors to titrate the levels of A2A and A2B or has the ability to give the dual antagonist (PORT-08). The PORT-8 program is a pre-clinical stage program.

PORT-9 (TT-3)

PORT-9 is an A2B antagonist to treat colorectal and gastrointestinal cancers.

In connection with the adenosine programs, Portage will focus on solid tumor types with high adenosine expression of receptors A2A and A2B and enrich for patients that have high adenosine expression and therefore have potential to benefit most from treatment. The PORT-9 program is currently in the pre-clinical stage.

Other Programs and Investee Programs in Development

The Company is focused on delivering clinical data with the iNKT and adenosine programs and prioritizing the allocation of financial resources to these programs. Developmental work continues on some of the other developmental assets, through collaborations such as that with the U.S. National Cancer Institute ("NSCI") and other academic groups, as further described below. These developmental assets may be re-evaluated at a future point depending on market conditions, ongoing data, funding priorities and status.

Amphiphilic platform

DfuseRx SM, identifies combinations of anti cancer agents with amphiphilic diffuse enhancers that can passively enter into cancer cells. These novel formulations with unique IP can be directly injected into any solid tumors, and the payloads will diffuse across the membrane and disperse throughout the tumor, while sparing healthy cells. Once inside the cells, the technology is diluted away and the payloads are stuck inside the cells. The payloads are able to disperse to areas of the tumor that do not have blood supply and hence oral or IV drugs will not reach.

PORT-1 (INT230-6)

Intensity Therapeutics, Inc., ("Intensity"), which we have an investment in, is developing INT230-6 ("PORT-1") as a fixed dose formulation of cisplatin, vinblastine and a penetration enhancer. In animal models, the drug has shown efficacy in the majority of the animals, by a combination of direct killing of the cancer cells, and also a CD4 and CD8 T-cell response. Interim safety and survival data from the Phase 1/2 IT-01 trial exploring the safety and efficacy of PORT-1 in patients with refractory or metastatic cancers presented at ASCO Annual Meeting in 2021 demonstrated that both PORT-1 monotherapy and combination therapy with immune checkpoint drugs are well-tolerated. The mechanism of action includes direct tumor-killing effects, as well as responses generated in non-injected tumors (abscopal responses) resulting from antigen presentation and immune activation. The specific rapid local killing in the normal three-dimensional environment inside the body Portage believes is critical for robust antigen presentation and immune activation. Animal studies also showed synergy when combined with checkpoint inhibition. PORT-1 has shown proof of concept in humans in that the vast majority of the drug has been shown to stay in the tumor, and a dose equivalent to three times the approved dose of the cytotoxic agent was well tolerated without the typical chemotherapy side effects. The most common adverse event related to the treatment was pain at the injection site. As a result, PORT-1 is being studied in nine Phase 2 trials including seven clinical collaborations with the two largest immuno-oncology drug manufacturers, Bristol Myers Squibb ("BMS") and Merck, in combination with their respective checkpoints in high unmet need medical types (including pancreatic, gall bladder, sarcoma, non-microsatellite unstable colorectal).

Intensity has also launched a randomized Phase 2 trial of PORT-1 for the treatment in early stage breast cancer for patients who are ineligible or chose not to have presurgical chemotherapy (compared to no treatment, which is the standard of care) (the "INVINCIBLE Trial") and has expanded its collaboration efforts with the INVINCIBLE Trial, conducted by the Ottawa Hospital and the Ontario Institute for Cancer Research. The INVINCIBLE Trial suggests that one treatment with PORT-1, can result in near complete necrosis of breast tumors greater than 3 cm with an influx of key immune cells to process the dying tumor. Intensity presented clinical data from the PORT-1 INVINCIBLE Trial at the ASCO Annual Meeting in June 2023, which demonstrated significant necrosis of presurgical breast cancer tumors in the majority of patients injected with PORT-1 in the window period from diagnosis to surgery and a pathway enrichment analysis that demonstrated changes in T-cell activation, lymphocyte activation and inflammatory response from the INVINCIBLE Trial.

As of March 31, 2023, the Company owned approximately 7.00% of Intensity's outstanding shares on a fully diluted basis. On July 5, 2023, Intensity completed an initial public offering of its common stock, which became listed on the Nasdaq Capital Market under the ticker symbol "INTS." As of July 7, 2023, we owned approximately 4.7% of Intensity's issued and outstanding stock, including the sale of overallotment shares, which closed on the same date.

PORT-4, Nanolipogel ("NLG") co-formulation Platform

Scientists are interested in novel ways to deliver multiple signals to the immune system in order to better activate an anti-tumor response. We have been impressed with a platform from Yale University that allows different types of agents to be packaged together and will concentrate them in tumors. We have licensed the platform for delivery of DNA aptamers and certain aptamer-small molecule-based combination products. In order to have multiple proprietary agents with known mechanisms of action, we have licensed rights to create DNA aptamers for immune-oncology targets and the first one developed is a proprietary PD1 aptamer, which has been placed in the NLG formulation. Early testing has shown the formulation properly modulates PD1 signaling in vitro similar to a PD1 antibody I. In non-clinical, in vivo experiments, the NLG-PD1 performed favorably compared to a mouse PD1 antibody. The current level of funding is expected to support exploration of multiple PD1 based co-formulations with small molecules and other DNA aptamers. The Company has conducted further research with the technology licensed from Yale University to co-deliver a PD1 blocking signal with a small molecule vascular endothelial growth factor inhibitor.

As of March 31, 2023, the Company owned approximately 70% of the outstanding shares of Saugatuck Therapeutics, Ltd. ("Saugatuck"), the subsidiary on which the PORT-4 platform is managed.

PORT-5, STING Agonist Platform

Proprietary immune priming and boosting technology (using a STING agonist delivered in a virus-like particle) has shown proof of concept in animal models and Stimunity S.A. ("Stimunity") is beginning to progress its lead asset towards the clinic. This platform offers multiple ways to target immune stimulation towards the cancer, as well as to co-deliver multiple signals in a single product. The PORT-5 STING platform provides distinct advantages over chemical intratumoral approaches by offering a potent immune priming and boosting pathway within a virus-like particle to enable convenient systemic administration and traffic to the correct targets. This technology preferentially targets dendritic cells, which is differentiated from other chemical STING approaches. Stimunity is progressing this project towards clinical trials as well as developing next generation compounds. To that end, Stimunity has received grant funding to study this technology with any COVID-19 vaccine to evaluate if it is possible to boost the immune response for immunocompromised or elderly patients. During April 2022, the American Association for Cancer Research showcased PORT-5 preclinical data at a late-breaking session that shows that one or more targeted immunotherapy agents could be packaged within a virus-like particle to increase potency, while enabling a selective immune activation. Given the progress to date, Stimunity is preparing to file an IND for PORT-5.

As of March 31, 2023, the Company owned approximately 44% of the outstanding shares of Stimunity, the subsidiary on which the PORT-5 platform is managed.

Early-Stage Research and Development Collaborations

We continue to evaluate and test new antibody targets. Our interest here lies in the suppressive tumor microenvironment, and how we can down regulate or remove MDSC, TAMs, Tregs and other signals that impede the immune response from clearing cancer cells. One effort that we have initiated is collaborations with two leading artificial intelligence/machine learning companies in order to screen for agents with specific attributes in this area. This may allow us to fast track an asset to the clinic with a re-purposed product candidate.

- Portage is collaborating with Dr. Robert Negrin and his team at Stanford University in an IST study to evaluate the use of PORT-2 with iNKT cell therapies in animals. This work will evaluate if an engager co-administered with expanded or transformed iNKT cells can further activate the transplanted and endogenous cells inside the patient. The Stanford collaboration will also study the impact iNKT engagers have on driving an adaptive immune response and correcting the suppressive tumor microenvironment.
- Portage has entered into a Cooperative Research and Development Agreement ("CRADA") with the NCI. Portage and NCI will advance preclinical and potential clinical development of STING agonists and anti-RAGE agents for cancer vaccines. Portage and NCI will develop agents to enhance the efficacy of proprietary cancer vaccines and mouse model cancer vaccines developed by NCI. After the Tarus acquisition, Portage amended the CRADA to include exploration of the different adenosine compounds.

Our Business Model

Portage is a development organization that is structured to facilitate flexibility in financing and ease of partnering, licensing, and merger/acquisition of individual assets and or technology platforms. The intellectual property ("IP") for each platform is held in separate private entities. Our employees and consultants work across the pipeline of assets and we believe that this can (i) enhance operational efficiency, (ii) maintain an optimal cost structure, (iii) attract leading collaborators, and (iv) promote asset flexibility, as further described below.

- *Enhance operational efficiency*: We allocate resources while empowering managers to make program-level decisions in order to increase productivity and speed. We believe this model enables a flexible organizational structure that can achieve scale through the addition of programs without increasing burdensome bureaucracy or redundant infrastructure.

- *Maintain an optimal cost structure*: We have a relatively small number of employees and have partnered with a number of service providers to leverage their infrastructure and expertise as needed instead of embarking on capital-intensive lab, manufacturing, and equipment expenditures. By reducing overhead costs, we believe we can increase the likelihood that we can generate a return on invested capital.

- *Attract leading collaborators and licensors*: Our pipeline is comprised of therapies we believe will be first-in-class therapies for a variety of cancers sourced via our extensive industry contacts and relationships (including academia and pharmaceutical industry executives). On preclinical programs/technology, we initially established development structures enabling us to keep licensors economically incentivized at the program level. We believe that our experienced drug development leadership team and approach to resource allocation differentiate us from other potential licensees.

- *Leverage the commoditized checkpoint marketplace and explore the potential to further enhance long-term clinical benefits for patients with cancer and also expand the eligible population to include those who do not currently receive anti-PD-1 therapy*: Presently there are multiple approved checkpoint therapeutics that lack differentiation, resulting in a competitive market dynamic, which will favor combination therapy. There is substantial opportunity for potential expansion in the PD-1 market with our iNKT engagers and adenosine antagonists. Studies show that 70-80% of patients do not respond or have a limited response to existing monotherapies, such as PD-1 checkpoint inhibitors. We see potential for our unique approach of using iNKT engagers to initiate an immune response in tumors that have become refractory to checkpoint therapy or to increase the number of front-line patients achieving more durable responses. Combinations can improve this but often come at the cost of significant additional toxicity. The market is saturated with 14 approved PD-1 antibodies, and every major pharmaceutical company competes in this space. One illustrative example of potentially expanding eligible patients is with iNKT engagers upregulating expression of PD-L1. Patient populations that are typically not good candidates for PD-1 antibodies due to their lack or low expression of PD-L1 may be able to utilize iNKTs to sensitize tumors to PD-1 agents. Extending the use of PD-1 antibodies represents a significant potential upside for one of these companies competing for market share, should they choose to partner with Portage.

- *Promote asset flexibility*: Our structure is designed to maximize flexibility and cost efficiency. This allows us to efficiently pursue various subsidiary-level transactions, such as stock or asset sales, licensing transactions, strategic partnerships and/or co-development arrangements. It also provides us with the flexibility to terminate programs with minimal costs if results do not meet our de-risking criteria for advancement.

Competition

The Company competes in a global marketplace.

Like all companies operating in the pharmaceutical or biotherapeutic development sector, we face competition from well-established large pharmaceutical companies as well as innovative new entrants. Due to the prevalence of cancer, there are companies that are focusing their efforts in this space. Some of the smaller entrants in this space with which we may compete over time include Cullinan Oncology, Inc., which develops therapeutics geared toward improving the standard of care for those living with cancer; PureTech Health, which develops medicines for diseases including intractable cancers and lymphatic and GI diseases; and immunotherapy companies such as Black Diamond Therapeutics, Repare Therapeutics, Nuvation Bio, Shattuck Labs, Jounce Therapeutics Company, Syndax Pharmaceuticals Inc. and iTeos Therapeutics S.A.

Nevertheless, we believe our strategic approach is sufficiently differentiated in that we focus on multiple aspects of resistance to current immunotherapies based on the experience of our management at BMS developing Opdivo and Yervoy. We believe one of our strengths beyond the experience of our management and directors is our keen ability to understand what technology is attractive from the eyes of a major pharmaceutical partner. We have a broad understanding of what the market will look like by the time our product candidates, if approved, are commercialized and the interests and motivations of our potential partners or acquirers. We pair that with focused execution plans on value added development. We also believe our extensive collaborations within the research facilities of leading, world class universities and institutes, such as the Department of Investigative Medicine at University of Oxford, Stanford University, The National Cancer Institute, the Institut Curie, the Institut National de la Santé et de la Recherche Médicale, Yale University, Radboud University, and the Ludwig Institute, among others, provides us to access and develop potentially innovative technologies.

(C) ORGANIZATIONAL STRUCTURE

We currently have four diverse oncology technology platforms, the product candidates of which have established scientific rationales, including intra-tumoral, nanoparticles, liposomes, aptamers, cell penetrating peptides, and virus-like particles.

Our significant subsidiaries includes:

(a) SalvaRx, a wholly-owned subsidiary, incorporated on May 6, 2015 in the British Virgin Islands;

(b) iOx, a wholly-owned subsidiary incorporated in the U.K. on February 10, 2015;

(c) Saugatuck, a 70% owned subsidiary incorporated in the British Virgin Islands.;

(d) PDS, a wholly-owned subsidiary incorporated in Delaware;

(e) SalvaRx LLC, a wholly-owned subsidiary through SalvaRx incorporated in Delaware;

(f) Saugatuck Rx LLC, a wholly-owned subsidiary of Saugatuck incorporated in Delaware;

(g) Tarus, a wholly-owned subsidiary of Portage incorporated in Delaware; and

(h) Stimunity, a 44% owned subsidiary incorporated in France.

(D) PROPERTY, PLANT AND EQUIPMENT

The Company currently does not have any material tangible fixed assets or leased properties.

ITEM 4A – UNRESOLVED STAFF COMMENTS

None.

ITEM 5 – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

(A) OPERATING RESULTS (All Amounts in 000'$)

The following discussion should be read in conjunction with the Audited Consolidated Financial Statements of the Company and notes thereto for the fiscal year ended March 31, 2023, contained elsewhere in this Annual Report.

Years ended March 31,	**2023**	2022	2021
	in 000'$	in 000'$	in 000'$
Operating expenses	**$ (16,575)**	$ (15,588)	$ (12,440)
Change in fair value of deferred purchase price payable - Tarus and deferred obligation - iOx milestone	**2,711**	–	–
Impairment loss - iOx IPR&D	**(59,320)**	–	–
Impairment loss - Tarus IPR&D	**(4,585)**	–	–
Impairment loss - Goodwill	**(43,862)**	–	–
Impairment loss - Stimunity	**(818)**	–	–
Share of loss in associate accounted for using equity method	**(260)**	(62)	(490)
Change in fair value of warrant liability	**33**	852	(790)
Loss on equity issued at a discount	**–**	–	(1,256)
Loss on extinguishment of notes payable	**–**	–	(223)
Gain on sale of marketable equity securities	**–**	–	72
Gain on disposition of subsidiaries	**–**	–	412
Foreign exchange transaction (loss) gain	**(53)**	24	–
Depreciation	**(1)**	–	–
Interest income (expense), net	**208**	(43)	(177)
Loss before provision for income taxes	**(122,522)**	(14,817)	(14,892)
Income tax benefit (expense)	**17,856**	(4,352)	(2,297)
Net loss	**(104,666)**	(19,169)	(17,189)
Other comprehensive income (loss)			
Net unrealized loss on investments	**(5,283)**	–	–
Total comprehensive loss for year	**$ (109,949)**	$ (19,169)	$ (17,189)
Comprehensive loss attributable to:			
Owners of the Company	**$ (109,894)**	$ (16,870)	$ (15,833)
Non-controlling interest	**(55)**	(2,299)	(1,356)
Total comprehensive loss for year	**$ (109,949)**	$ (19,169)	$ (17,189)

Overview

Portage is a clinical stage immune-oncology company advancing treatments it believes will be first-in-class therapies that target known checkpoint resistance pathways to improve long-term treatment response and quality of life in patients with evasive cancers. Our access to next-generation technologies coupled with a deep understanding of biological mechanisms enables the identification of clinical therapies and product development strategies that accelerate these medicines through the translational pipeline. We currently are working on 9 immuno-oncology assets, four of which are clinical stage. We source, nurture and develop the creation of early- to mid-stage treatments that we believe will be first-in-class therapies for a variety of cancers, by funding, implementing viable, cost effective product development strategies, clinical counsel/trial design, shared services, financial and project management to enable efficient, turnkey execution of commercially informed development plans. Our drug development pipeline portfolio encompasses product candidates or technologies based on biology addressing known resistance pathways/mechanisms of current checkpoint inhibitors with established scientific rationales, including intratumoral delivery, nanoparticles, liposomes, aptamers, and virus-like particles.

The Portage Approach

Our mission is to advance and grow a portfolio of innovative, early-stage oncology assets based on the latest scientific breakthroughs focused on overcoming immune resistance and expanding the addressable patient population. Given these foundations, we manage capital allocation and risk as much as we oversee drug development. By focusing our efforts on translational medicine and pipeline diversification, we seek to mitigate overall exposure to many of the inherent risks of drug development.

Our approach is guided by the following core elements:

- Portfolio diversification to mitigate risk and maximize optionality;
- Capital allocation based on risk-adjusted potential, including staged funding to pre-specified scientific and clinical results;
- Virtual infrastructure and key external relationships to maintain a lean operating base;
- Internal development capabilities complemented by external business development;
- Rigorous asset selection for broad targets with disciplined ongoing evaluation;
- Focus on translational medicine and therapeutic candidates with single agent activity;
- Conduct randomized trials early and test non-overlapping mechanisms of action; and
- Improve potential outcomes for patients with evasive cancers.

Our execution is achieved, in part, through our internal core team and our large network of experts, contract labs, and academic partners.

The Company believes that it is not subject to the regulation of the Investment Company Act of 1940, as amended (“40 Act”), based on the definition of “investment company” and the composition of its assets. Additionally, as the Company primarily operates within the biomedical industry as a research and development (“R&D”) business, the Company believes that it is also able to take advantage of the non-exclusive safe harbor of Rule 3a-8 promulgated under the 40 Act so as not to be characterized as an investment company. The Company has adopted a capital preservation policy referenced in that rule.

Results of Operations for Fiscal 2023 Compared to Fiscal 2022

The Company generated a net loss of approximately $104.7 million and other comprehensive loss of approximately $109.9 million during the year ended March 31, 2023 (“Fiscal 2023”), which include approximately $88.0 million of non-cash expenses, net compared to a net loss and comprehensive loss of approximately $19.2 million during the year ended March 31, 2022 (“Fiscal 2022”), an increase in net loss of $85.5 million and an increase in other comprehensive loss of $90.7 million, year-over-year.

The components of the change in net loss and other comprehensive loss are as follows:

- Operating expenses, which include R&D and general and administrative (“G&A”) expenses, were $16.6 million in Fiscal 2023, compared to $15.6 million in Fiscal 2022, an increase of $1.0 million, which is discussed more fully below.

- The Company’s other items of income and expense were substantially non-cash in nature and aggregated approximately $105.9 million net loss in Fiscal 2023, compared to approximately $0.8 million net income in Fiscal 2022, a change in other items of income and expense of approximately $106.7 million, year-over-year. The primary reason for the year-over-year difference in other items of income and expense were non-cash impairment adjustments relating to the carrying value of in-process research and development (“IPR&D”) for iOx and Tarus of $59.320 million and $4.585 million, respectively, the impairment of goodwill totaling $43.862 million, and the loss on impairment relating to our investment in Stimunity and the Stimunity Convertible Note of $0.607 million and $0.211 million, respectively. The impairment analysis was undertaken as a result of indications of impairment from the overall life sciences market and our market capitalization. We considered a number of factors relating to the fair value analysis of the assets at March 31, 2023, including the cost of capital, discount rates, and the impact of timing delays of obtaining data. These losses were slightly offset by non-cash gains from the change (decrease) in fair value of the deferred purchase price payable to the former Tarus shareholders and the deferred obligation - iOx milestone totaling $2.711 million and net interest income from investments in short-term investments in Fiscal 2023.

- Additionally, the Company reflected a non-cash net deferred income tax benefit of $17.9 million in Fiscal 2023, compared to a net deferred income tax expense of $4.4 million in Fiscal 2022. Fiscal 2023 includes $11.3 million to recognize the deferred tax effect of loss on impairment recognized with respect to the iOx IPR&D, $0.7 million related to other current year losses, $3.8 million to reflect the change related to the future U.K. tax rates and $2.1 million to reflect the effect of the change in exchange rates on the liability settleable in British pound sterling. Fiscal 2022 reflected recoverable R&D tax credits generated in the U.K., partially offset by the foreign currency effect on deferred tax liability balance settleable in British pound sterling.

- At March 31, 2023, the Company performed a fair value analysis on its investment in Intensity, and determined a fair value of $2.087 million, which was $5.322 million less than the then-carrying value. Accordingly, the Company recognized an unrealized loss in value in Intensity of $5.322 million through other comprehensive income (loss) in Fiscal 2023, which was partially offset by an unrealized gain on the change in fair value of the Stimunity Convertible Note (as defined below) of $0.039 million recognized through other comprehensive income (loss).

We may be required to record additional charges during the period in which there is an indication of impairment and the fair value of any of our intangible assets or other long-lived assets is determined to be less than the then carrying value, which could have a material adverse impact on our results of operations. Even though these charges are non-cash items, do not necessarily reflect the underlying fundamentals of our development programs and may not have an immediate impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about us or our securities.

Results of Operations for Fiscal 2022 Compared to Fiscal 2021

The Company generated a net loss and comprehensive loss of approximately $19.2 million during Fiscal 2022, compared to a net loss and comprehensive loss of approximately $17.2 million during the year ended March 31, 2021 (“Fiscal 2021”), an increase in loss of $2.0 million year over year. Operating expenses, which include R&D and G&A expenses, were $15.6 million in Fiscal 2022, compared to $12.4 million in Fiscal 2021, an increase of $3.2 million, which is discussed more fully below. Operating expenses included $9.1 million of non-cash share-based compensation expense in Fiscal 2022, compared to $8.8 million in Fiscal 2021.

The Company's other items of income and expense were substantially non-cash in nature and were approximately $0.8 million net income in Fiscal 2022, compared to approximately $2.5 million net loss in Fiscal 2021, a change in other items of income and expense of approximately $3.3 million, year over year. The primary reasons for the year over year difference in other items of income and expense were:

- the change in the fair value of outstanding warrants of $1.6 million, from a loss of $0.8 million in Fiscal 2021 to income of $0.8 million in Fiscal 2022, as calculated under the Black-Scholes model;
- the change in the Company's share of an associate accounted for under the equity method of $0.4 million, from a loss of $0.5 million in Fiscal 2021 to a loss of $0.1 million in Fiscal 2022;
- the loss on equity issued at a discount with respect to the settlement of the SalvaRx notes of $1.3 million representing the difference between the fair value of the shares in Fiscal 2021 and the warrant exercise price;
- the loss on the extinguishment of the SalvaRx notes of $0.2 million in Fiscal 2021;
- a non-cash gain relating to the settlement of related liabilities on the disposition of Portage Pharmaceuticals Ltd. ("PPL") of $0.4 million, of which $0.2 million was recorded in operations in Fiscal 2021; and
- the decrease in interest expense of $0.2 million due to the settlement of the SalvaRx notes in Fiscal 2022, which were not outstanding in Fiscal 2021.

Additionally, the Company reflected a net deferred income tax expense of $4.4 million in Fiscal 2022, compared to a net deferred income tax expense of $2.3 million in Fiscal 2021. The principal reason for the change was a $5.5 million increase attributable to an increase in the U.K. income tax rate, net of the recognition of deferred tax assets previously unrecognized. This was further offset by a $1.1 million benefit due to the foreign currency effect on deferred tax liability balance settleable in British pound sterling. The Fiscal 2021 net deferred income tax expense was attributable to the foreign currency effect on the deferred tax liability balance settleable in British pound sterling, which was partially offset by recoverable R&D development tax credits.

Other comprehensive loss was $19.2 million in Fiscal 2022, compared to $17.2 million in Fiscal 2021.

Operating Expenses

Total operating expenses (in 000'$) for the last three completed fiscal years are as follows:

Years ended March 31,	**2023**	2022	2021
Research and development	**$ 8,214**	$ 6,769	$ 7,312
General and administrative expenses	**8,361**	8,819	5,128
Total operating expenses	**$ 16,575**	$ 15,588	$ 12,440

Research and Development Costs

Fiscal 2023

R&D costs increased by approximately $1.4 million, or approximately 21%, from approximately $6.8 million in Fiscal 2022, to approximately $8.2 million in Fiscal 2023. The increase was primarily attributable to the start-up and manufacturing costs associated with the adenosine assets (PORT-6 and PORT-7) acquired in the Tarus acquisition of $1.9 million and the clinical trial costs of $1.5 million associated with the iNKT clinical trial for PORT-2. There were no such costs incurred in Fiscal 2022. Additionally, the Company incurred costs of $0.2 million associated with the NCI trial for clinical development of STING agonists and anti-RAGE agents for cancer vaccines in Fiscal 2023 and an increase of $0.2 million in other R&D costs relating to services and storage. These increases were partially offset by a reduction in non-cash share-based compensation expense of $2.4 million with respect to stock options to purchase ordinary shares granted to employees, which was attributable to (a) the vesting over time of a portion of prior year grants; and (b) the decrease in the fair value of grants of stock options made in Fiscal 2023, as well as the timing of the grants.

Fiscal 2022

R&D costs decreased by approximately $0.5 million, or approximately 7%, from approximately $7.3 million in Fiscal 2021, to approximately $6.8 million in Fiscal 2022. Fiscal 2021 R&D costs were reduced by the receipt of a $0.6 million legal settlement in respect of certain clinical development costs; accordingly, normalized expenses decreased $1.1 million year over year. The decrease was primarily attributable to non-cash share-based compensation expense associated with grants of stock options made under the Company's Amended and Restated 2021 Equity Incentive Plan (as defined below) of $0.7 million and a decrease in iOx related share-based compensation expense of $0.5 million, a decrease of $0.5 million in other R&D costs relating to outside supplier costs, control activities and medical writing, and a decrease of $0.4 million in other R&D costs relating to services and storage, partially offset by a year over year increase in compensation of $1.0 million for employees and consultants involved in R&D activities.

Fiscal 2021

R&D costs increased by $3.2 million, or approximately 78%, from $4.1 million in Fiscal 2020, to $7.3 million in Fiscal 2021. The increase was attributable to non-cash share-based compensation expense associated with grants of stock options made under the Amended and Restated 2021 Equity Incentive Plan of $5.1 million, partially offset by a decrease in iOx related share-based compensation expense of $0.8 million. Additionally, Fiscal 2021 was impacted by the receipt of a $0.6 million cash settlement for a legal dispute the Company had with a vendor while developing one of its product candidates, as well as a general slow down in activity of $0.5 million year over year resulting from the COVID-19 pandemic.

General and Administrative Expenses

Fiscal 2023

G&A expenses decreased by approximately $0.4 million, or approximately 5%, from approximately $8.8 million in Fiscal 2022, to approximately $8.4 million in Fiscal 2023. Professional fees increased by $1.3 million, of which $0.8 million was attributable to legal fees associated with the Tarus acquisition and $0.3 million was attributable to audit and accounting related expenses in Fiscal 2023 associated with the updating of public filings, as well as costs associated with the Tarus acquisition review. $0.2 million of the increase was attributable to stamp fees in the U.K. related to acquiring the outstanding minority interest of iOx, our subsidiary that manages our iNKT engager platform. Additionally, payroll-related expenses increased by $0.8 million due to the adoption of a compensation program in Fiscal 2023 designed to attract and retain management; along the same lines, the Company incurred $0.3 million in compensation to its directors in Fiscal 2023. These increases were partially offset by a decrease in non-cash share-based compensation expense of $2.4 million attributable to the vesting of certain stock options granted in prior years and lower fair value associated with more recent grants and the decrease of $0.4 million associated with D&O insurance, which was attributable to a decrease in the D&O premium market year-over-year.

Fiscal 2022

G&A expenses increased by approximately $3.7 million, or approximately 73%, from approximately $5.1 million in Fiscal 2021, to approximately $8.8 million in Fiscal 2022. The principal reason for the increase was the $1.6 million of non-cash share-based compensation expense associated with the Company's Amended and Restated 2021 Equity Incentive Plan, of which $2.4 million is associated with directors' compensation and $0.8 million is associated with the new grants of stock options issued in January and February 2022, which was partially offset by a decrease of $1.6 million associated with management compensation; and a decrease in iOx related share-based compensation expense of $0.1 million. Additionally, the Company incurred an increase of $1.0 million in professional fees relating to initiatives associated with a corporate restructuring and public relations and business development. Finally, D&O insurance premiums increased $1.4 million in Fiscal 2022 compared to Fiscal 2021 due to market rate increases in the cost of coverage, partially offset by a decrease in office and general expenses of $0.2 million, attributable to investor related expense, which includes transfer agent fees, Nasdaq fees and investor meeting costs.

Fiscal 2021

G&A expenses increased by $3.2 million, from $1.9 million in Fiscal 2020, to $5.1 million in Fiscal 2021. The principal reason for the increase was the $2.8 million of non-cash share-based compensation expense associated with the Company's Amended and Restated 2021 Equity Incentive Plan in Fiscal 2021. No share-based compensation expense under the Amended and Restated 2021 Equity Incentive Plan was incurred in Fiscal 2020. Additionally, the Company incurred $0.2 million relating to initiatives associated with a corporate restructuring and public relations and business development and an increase of $0.2 million in D&O insurance premiums.

(B) LIQUIDITY AND CAPITAL RESOURCES

Capital Resources

Portage filed a Registration statement with the SEC under which it may sell ordinary shares, debt securities, warrants and units in one or more offerings from time to time, which became effective on March 8, 2021. In connection with the Registration Statement, Portage has filed with the SEC:

- a base prospectus, which covers the offering, issuance and sale by Portage of up to $200,000,000 in the aggregate of the securities identified above from time to time in one or more offerings;
- a prospectus supplement, which covers the offer, issuance and sale by Portage in an ATM program of up to a maximum aggregate offering price of $50,000,000 of Portage's ordinary shares that may be issued and sold from time to time under a Controlled Equity Offering Sales Agreement, dated February 24, 2021, with Cantor Fitzgerald & Co., the sales agent;
- a prospectus supplement dated June 24, 2021, for the offer, issuance and sale by Portage of 1,150,000 ordinary shares for gross proceeds of approximately $26.5 million in a firm commitment underwritten public offering with Cantor Fitzgerald; and
- a prospectus supplement dated August 19, 2022, for the resale by Portage of up to $30,000,000 in ordinary shares that Portage may sell from time to time to Lincoln and an additional 94,508 shares that were issued to Lincoln.

The Sales Agreement permits the Company to sell in an ATM program up to $50,000,000 of ordinary shares from time to time, the amount of which is included in the $200,000,000 of securities that may be offered, issued and sold by the Company under the base prospectus. The sales under the prospectus will be deemed to be made pursuant to an ATM program as defined in Rule 415(a)(4) promulgated under the Securities Act. Upon termination of the Sales Agreement, any portion of the $50,000,000 included in the Sales Agreement prospectus that is not sold pursuant to the Sales Agreement will be available for sale in other offerings pursuant to the base prospectus.

During the quarter ended June 30, 2021, we commenced an ATM program, and we sold 90,888 ordinary shares during the June 2021 quarter, generating gross proceeds of approximately $2.6 million ($2.5 million, net of commissions).

On June 24, 2021, the Company completed the sale of 1,150,000 ordinary shares, including the underwriters' option, at a price of $23.00 per share, which generated gross proceeds of approximately $26.5 million and net proceeds of approximately $25.0 million, and was settled June 28, 2021.

On July 6, 2022 (the "Signing Date"), the Company entered into the Committed Purchase Agreement with Lincoln, pursuant to which the Company may require Lincoln to purchase ordinary shares of the Company having an aggregate value of up to $30 million over a period of 36 months. Pursuant to the Committed Purchase Agreement, Lincoln will be obligated to purchase the Purchase Shares in three different scenarios as described below.

- Regular Purchase – At any time after the Closing Date (as defined below) and provided that the closing sale price of the ordinary shares is not less than $0.25 per share, from time to time on any business day selected by the Company (the "Purchase Date"), the Company shall have the right, but not the obligation, to require Lincoln to purchase up to 30,000 ordinary shares (the "Regular Purchase Amount") at the Purchase Price (as defined below) per purchase notice (each such purchase, a "Regular Purchase"). Lincoln's committed obligation under each Regular Purchase shall not exceed $1,500,000; provided, that the parties may mutually agree at any time to increase the dollar amount of any Regular Purchase on any Purchase Date above and beyond the forgoing amounts that Lincoln is committed to purchase. The purchase price for Regular Purchases (the "Purchase Price") shall be equal to the lesser of: (i) the lowest sale price of the ordinary shares during the Purchase Date, and (ii) the average of the three (3) lowest closing sale prices of the ordinary shares during the ten (10) business days prior to the Purchase Date. The Company shall have the right to submit a Regular Purchase notice to Lincoln as often as every business day. "Closing Date" shall mean the date that customary conditions to closing have been satisfied, including that the Company's shelf registration statement for the ordinary shares to be issued pursuant to the Committed Purchase Agreement is effective and available for use and any listing application and/or exchange approvals, to the extent applicable, have been approved.

- Accelerated Purchase – In addition to Regular Purchases and provided that the Company has directed a Regular Purchase in full, the Company in its sole discretion may require Lincoln on each Purchase Date to purchase on the following business day ("Accelerated Purchase Date") up to the lesser of (i) three (3) times the number of ordinary shares purchased pursuant to such Regular Purchase, and (ii) 25% of the trading volume on the Accelerated Purchase Date at a purchase price equal to the lesser of 97% of (i) the closing sale price on the Accelerated Purchase Date, and (ii) the Accelerated Purchase Date's volume weighted average price (the "Accelerate Purchase Price"). The parties may mutually agree to increase the number of ordinary shares sold to Lincoln on any Accelerated Purchase Date at the Accelerated Purchase Price. The Company shall have the right in its sole discretion to set a minimum price threshold for each Accelerated Purchase in the notice provided with respect to such Accelerated Purchase and the Company may direct multiple Accelerated Purchases in a day; provided, that delivery of ordinary shares has been completed with respect to any prior Regular Purchases and Accelerated Purchases Lincoln has purchased.

- Tranche Purchase – In addition to Regular Purchases and Accelerated Purchases and provided that the closing price of the ordinary shares is not below $0.25, at any time beginning five (5) business days from the Closing Date, the Company shall have the option to require Lincoln to purchase up to $3,000,000 in separate purchases of up to $1,000,000 of ordinary shares for each purchase (the "Tranche Purchases", and with Regular Purchases and Accelerated Purchases, the "Committed Purchases"). The purchase price for each Tranche Purchase shall be equal to 90% of the Purchase Price. The Company may deliver notice to Lincoln for a Tranche Purchase so long as at least twenty (20) business days have passed since any Tranche Purchase was completed.

Upon execution of the Committed Purchase Agreement, The Company issued to Lincoln 94,508 ordinary shares, representing a 3% commitment fee. The Company has the right to terminate the Committed Purchase Agreement for any reason, effective upon one (1) business day prior written notice to Lincoln. Lincoln has no right to terminate the Committed Purchase Agreement.

Committed Purchases shall be suspended if any of the following occur: (i) the shelf registration statement is not available for the sale of all of the ordinary shares issued pursuant to the Committed Purchase Agreement for ten (10) consecutive trading days or for a total of thirty (30) trading days out of the preceding 365 days; (ii) the ordinary shares cease to be DTC authorized and participating in the D.W.A.C./F.A.S.T. systems; (iii) suspension of the ordinary shares from trading for one (1) trading day; (iv) any breach of the representations and warranties or covenants contained in any related agreements with Lincoln which has or which could have a material adverse effect on the Company, Lincoln or the value of the ordinary shares, subject to reasonable cure periods to be agreed upon for curable breaches of covenants; (v) if the Company is listed on a national exchange or market (excluding the OTC Markets, OTC Bulletin Board or comparable market), at any time prior to shareholder approval of the Committed Purchase Agreement more than 19.99% of the Company's aggregate ordinary shares, determined as of the Signing Date, would be issuable to Lincoln in violation of the principal securities exchange or market rules; (vi) if the ordinary shares cease to be eligible for trading on the Nasdaq Capital Market, the Company's principal market, and is not immediately thereafter trading on the Nasdaq Global Select Market, the Nasdaq Global Market, the NYSE, the NYSE American, or the OTC Markets; or (vii) the Company's insolvency or the Company's participation or threatened participation in insolvency or bankruptcy proceedings by or against the Company. The Committed Purchases may resume following the resolution of any of the forgoing events.

The Committed Purchase Agreement does not impose any financial or business covenants on the Company, and there are no limitations on the use of proceeds received by the Company from Lincoln. The Company may raise capital from other sources in its sole discretion; provided, however, that the Company shall not enter into any similar agreement for the issuance of variable priced equity-like securities until the three-year anniversary of the Signing Date, excluding, however, an ATM transaction with a registered broker-dealer, which includes any sales under the Sales Agreement with Cantor Fitzgerald.

In connection with the Committed Purchase Agreement, the Company and Lincoln entered into a Registration Rights Agreement (the "Registration Rights Agreement"), dated July 6, 2022. Pursuant to the Registration Rights Agreement, the Company agreed, that within the time required under Rule 424(b) under the Securities Act, to file with the SEC the initial prospectus supplement to the Company's shelf registration statement pursuant to Rule 424(b) for the purpose of registering for resale the ordinary shares to be issued to Lincoln under the Committed Purchase Agreement. All reasonable expenses of the Company incurred through the registration of the ordinary shares under the Committed Purchase Agreement shall be paid by the Company.

In October 2022, we began selling shares pursuant to the ATM program and the Sales Agreement. Through March 31, 2023, the Company sold 166,145 ordinary shares under the ATM, generating net proceeds of approximately $0.9 million. Separately, between October 2022 and March 31, 2023, the Company sold 480,000 ordinary shares to Lincoln under the Committed Purchase Agreement for net proceeds totaling approximately $2.0 million. The Company's access to the ATM program and the Committed Purchase Agreement is generally limited by the Company's trading volume.

On March 1, 2023, the Company, through Tarus, entered into a clinical service agreement with a third-party service provider. The term of the agreement is through the earlier of August 14, 2025 or the completion of provision of services and the payment of contractual obligations. The budgeted costs for the services to be provided is approximately $12.1 million.

Going Concern

The accompanying consolidated financial statements for the year ended March 31, 2023 have been prepared on a basis that assumes that we will continue as a going concern and that contemplates the continuity of operations, the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. Accordingly, the accompanying consolidated financial statements for the year ended March 31, 2023 do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts of liabilities that might result from the outcome of this uncertainty.

As of March 31, 2023, we had cash and cash equivalents of approximately $10.5 million and total current liabilities of approximately $1.9 million. For the year ended March 31, 2023, we reported a net loss of approximately $104.7 million (which include approximately $105.9 million of non-cash charges), and cash used in operating activities of approximately $12.1 million. As of June 30, 2023, we had approximately $7.7 million of cash and cash equivalents on hand.

Our cash and cash equivalents balance is decreasing and we will not generate positive cash flows from operations for the year ending March 31, 2024. We intend to meet our ongoing capital needs by using our available cash.

We have and may continue to delay, scale-back, or eliminate certain of our activities and other aspects of our operations until such time as we are successful in securing additional funding. We are exploring various dilutive and non-dilutive sources of funding, including equity and debt financings, strategic alliances, business development and other sources. Our future success is dependent upon our ability to obtain additional funding. There can be no assurance, however, that we will be successful in obtaining such funding in sufficient amounts, on terms acceptable to us, or at all. As of the date of this filing, we currently anticipate that current cash and cash equivalents, excluding any potential proceeds from our ATM program and Committed Purchase Agreement with Lincoln, will be sufficient to meet our anticipated cash requirements through the end of October 2023. Access to our Committed Purchase Agreement with Lincoln is generally limited based on, among other things, our trading volume. Furthermore, we are limited by the Baby Shelf Rule as of the filing of this Annual Report, until such time as our non-affiliate public float exceeds $75 million. The amount of funds we can raise through primary non-affiliate public offerings of securities in any 12-month period using our registration statement on Form F-3 is limited to one-third of the aggregate market value of the ordinary shares held by non-affiliates of our company, which limitation may change over time based on our stock price, number of ordinary shares outstanding and the percentage of ordinary shares held by non-affiliates. These factors raise substantial doubt about our ability to continue as a going concern within one year after the date that the financial statements are issued.

We have incurred substantial operating losses since inception and expect to continue to incur significant operating losses for the foreseeable future and may never become profitable. The losses result primarily from its conduct of research and development activities.

We historically have funded our operations principally from proceeds from issuances of equity and debt securities. We will require significant additional capital to make the investments it needs to execute its longer-term business plan. Our ability to successfully raise sufficient funds through the sale of debt or equity securities when needed is subject to many risks and uncertainties and, future equity issuances would result in dilution to existing stockholders and any future debt securities may contain covenants that limit our operations or ability to enter into certain transactions.

Operating Cash Flow

Fiscal 2023

During Fiscal 2023, the Company used cash of $12.1 million to fund operating activities. Operations in Fiscal 2023 were funded by the Company's existing cash and the ATM program and the public offerings in 2022 and 2021 and the ordinary shares issued to Lincoln under the Committed Purchase Agreement, described above under "Capital Resources."

Fiscal 2022

During Fiscal 2022, the Company used cash of approximately $6.8 million to fund operating activities, which was provided by the Company's existing cash and the ATM program and the public offering, described above.

Fiscal 2021

During Fiscal 2021, the Company used cash of approximately $4.3 million to fund operating activities, which was funded by the Company's existing cash and net proceeds from a private placement that closed in June 2020 of approximately $6.7 million.

The Company's continuing operations are dependent upon any one of:

1. the development and identification of economically recoverable therapeutic solutions;
2. the ability of the Company to obtain the necessary financing to complete the research and development; or
3. the future profitable production, or proceeds, from the disposition of intellectual property.

The Company has incurred substantial operating losses since inception due to significant R&D spending and corporate overhead and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. As of March 31, 2023, the Company had cash and cash equivalents of approximately $10.5 million, working capital of approximately $11.8 million (including prepaid expenses of $2.7 million) and an accumulated deficit of approximately $159.6 million. The Company has funded its operations primarily from proceeds from the sale of equity and debt securities. The Company will require significant additional capital to make the investments that it needs to execute its longer-term business plan. The Company's ability to successfully raise sufficient funds through the sale of debt or equity securities when needed is subject to many risks and uncertainties and, even if it were successful, future equity issuances would result in dilution to its existing stockholders and any future debt securities may contain covenants that limit the Company's operations or ability to enter into certain transactions.

Investing Cash Flows

Fiscal 2023

During Fiscal 2023, the Company used cash of $0.6 million to fund investing activities.

On July 13, 2022, the Company entered into a commitment with Stimunity to provide €600,000 under a convertible note (the "Stimunity Convertible Note") with a maturity date of September 1, 2023 (the "Maturity Date"). The Stimunity Convertible Note provides for interest at 7% per annum. The Stimunity Convertible Note is automatically converted into Series A shares upon Stimunity completing a Series A round for at least €20 million. If such subscription round is completed prior to the Maturity Date, the Company will be entitled to convert the Stimunity Convertible Note into Series A shares of Stimunity at the subscription share price less 15%. Additionally, if Stimunity completes a financing with a new category of shares (other than Common Shares or Series A shares) for at least €5 million (the "Minimum Raise"), the Company will have the right to convert the Stimunity Convertible Note and the historical Series A shares owned into the new category of shares of Stimunity. In the event that Stimunity does not close a financing prior to the Maturity Date or raises less than the Minimum Raise, the Company will have the right to convert the Stimunity Convertible Note into Series A shares at €363.00 per share or the raise price less 15%, whichever is lower. The Stimunity Convertible Note was funded by the Company on September 12, 2022 by existing cash and cash provided under the Committed Purchase Agreement described above.

On July 18, 2022, the Company and its wholly-owned subsidiary, SalvaRx, entered into a Share Exchange Agreement (the "Share Exchange Agreement") with each of the minority shareholders of iOx (the "Sellers") resulting in the acquisition of the outstanding non-controlling ownership interest (approximately 22%) of iOx, which is developing the iNKT engager platform. The Company followed IFRS 3, "Business Combinations," and IAS 27, "Separate Financial Statements," (which substantially replaced IAS 3) to account for this transaction. The Company achieved control of iOx, as defined, on January 8, 2019 upon the completion of its acquisition of SalvaRx. Further transactions whereby the Company acquires further equity interests from non-controlling interests, or disposes of equity interests but without losing control, are accounted for as equity transactions (i.e., transactions with owners in their capacity as owners). As such:

- the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary;
- any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the Company; and
- there is no consequential adjustment to the carrying amount of goodwill, and no gain or loss is recognized in profit or loss.

Fiscal 2022

During Fiscal 2022, the Company did not use any cash for investing activities.

Fiscal 2021

During Fiscal 2021, the Company used cash of $0.9 million to fund investing activities. The Company invested $1.0 million in Stimunity, based upon the achievement of certain agreed milestones, which increased the Company's interest in Stimunity to 44%, which was partially offset by $0.1 million proceeds from the sales of its remaining interest in Biohaven.

Financing Cash Flows

Fiscal 2023

During Fiscal 2023, the Company used cash of $0.1 million to fund financing activities.

During Fiscal 2023, as consideration for the Tarus acquisition, the Company issued to the former Tarus shareholders an aggregate of 2,425,999 ordinary shares of Portage, calculated on the basis of $18 million divided by the 60-day volume weighted average price per ordinary share of Portage. The ordinary shares have not been registered with the SEC and were subject to lock-up agreements for terms ranging from six to twelve months. We also assumed certain liabilities totaling $3.0 million for short-term debt held by Tarus and deferred license milestones obligations, which were repaid by us in July 2022. Additionally, milestone payments of up to $32 million in cash or Portage ordinary shares would be triggered upon achievement of future development and sales milestones, as further described above.

In October 2022, the Company began selling shares pursuant to the ATM program and the Sales Agreement. Through March 31, 2023, the Company sold 166,145 ordinary shares under the ATM, generating net proceeds of approximately $0.9 million. Separately, the Company sold 480,000 ordinary shares to Lincoln under the Committed Purchase Agreement for net proceeds totaling approximately $2.0 million.

Fiscal 2022

During Fiscal 2022, the Company generated net cash from financing activities of $27.3 million.

During the three months ended June 30, 2021, the Company commenced an ATM program, under which it sold 90,888 ordinary shares generating gross proceeds of approximately $2.6 million ($2.5 million, net of commissions). On June 24, 2021, the Company completed a firm commitment underwritten public offering of 1,150,000 ordinary shares at a public offering price of $23.00 per share for gross proceeds of approximately $26.5 million and was settled on June 28, 2021. The Company incurred aggregate offering expenses for the public offering of approximately $1.8 million, including approximately $1.6 million of management, underwriting and selling expenses.

Fiscal 2021

During Fiscal 2021, the Company generated cash from financing activities of $4.8 million. The Company raised net proceeds from a private placement of stock of $6.7 million, which was offset by the repayment of a $1.0 million advance from a related party and $1.0 million for the cash portion of the settlement of the SalvaRx notes.

(C) RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

From May 23, 2012 to date, the Company through its operating subsidiaries is engaged in general research and development and clinical and pre-clinical studies as detailed under Item 4 (B) “Business Overview” of this Annual Report. Research and development expenses analysis and details are provided under Item 5 (A) “Operating Results” of this Annual Report. All research and development expenses are expensed as they are incurred.

iOx License

On July 1, 2015, iOx entered into a licensing agreement with Ludwig Institute for Cancer Research Ltd. (“LICR”), which covers certain technology, intellectual property and know-how and development with respect to iNKT cell agonists to treat human diseases. Under the terms of the License (“LICR License”), LICR granted iOx exclusive worldwide license with the right to grant sublicenses under the Licensed Patent and Licensed Technology, each as defined in the LICR License, in each case, to development, make, have made, use, sell, offer for sale and import Licensed Products, as defined in the LICR License, subject to certain rights retained by LICR for academic and research purposes. The LICR License provides for a royalty term of ten years after the first commercial sale, on a Licensed Product by Licensed Product, country by country basis. Upon the expiration of the applicable royalty term, the license with respect to such Licensed Product in such country will convert to a non-exclusive, fully paid-up license.

LICR is entitled to 15,000 GBP as an annual license fee on each annual anniversary of the effective date of the LICR License until royalties become duly payable and 15,000 GBP as a patent reimbursement fee until LICR has been fully reimbursed for all patent costs incurred prior to the LICR License.

Additionally, LICR is entitled to milestone payments totaling up to 20.45 million GBP based upon the first Licensed Product achieving specific clinical, regulatory and sales based milestones. LICR is also entitled to milestone payment totaling up to 10.25 million GBP based upon a second Licensed Product achieving specific clinical, regulatory and sales based milestones.

Finally, LICR is entitled to a low-single digit royalty on net sales of Licensed Products that marginally escalates upon sales levels all determined by territory. LICR is also entitled to a percentage of any sublicensing income that gradually decreases based on the stage of development of the most advanced Licensed Product that is the subject of the applicable sublicense agreement.

Pursuant to the terms and conditions of the LICR License, LICR is responsible for managing the preparation, filing, prosecution and maintenance of all Licensed Patent Rights, as defined in the LICR License. iOx will reimburse LICR for all reasonable patent costs it incurs after the effective date of the LICR License. Further, the LICR License provides that both parties have the right to termination for material breach or default in the performance of obligations under the LICR License by the other party and in the event of insolvency of the other party.

Tarus License

On July 1, 2022, we acquired Tarus Therapeutics, Inc. Pursuant to the license agreement entered into by Tarus Therapeutics, Inc. and Impetis Biosciences Limited (“Impetis”) dated October 29, 2019 (“Impetis License”), Impetis granted to Tarus an exclusive sublicensable worldwide license to develop and commercialize the adenosine receptor antagonists for all indications and certain other assets which were granted upon exercise of a call option on November 5, 2020.

Under the terms of the Impetis License, Impetis is eligible to receive payments totaling up to $38 million on an Impetis Compound (as defined in the Impetis License) based upon achievement of certain clinical and commercial milestones. Milestone payments due in the amount of USD $1 million for achievement of certain regulatory milestones were paid in July 2022.

Additionally, commencing upon the First Commercial Sale (as defined in the Impetis License) of a Licensed Product (as defined in the Impetis License), Impetis is entitled to royalties on worldwide net sales that begin in the mid-single digits and escalate through multiple tiers, with net sales over $1 billion receiving low double digit royalties.

Pursuant to the terms and conditions of the Impetis License, Tarus has exclusive and full authority to manage all intellectual property (whether licensed or not) underlying the assets covered by the Impetis License and any other aspects related to exploitation, development and commercialization thereof at its own cost, and Impetis must provide Tarus reasonable assistance as requested at Tarus’ cost and expense. Further, the Impetis License provides that both parties have the right to termination for material breach by the other party and in the event that the other party undergoes certain events such as a voluntary winding-up, a liquidation or entry into receivership.

(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 Annual Report (refer to the heading entitled "Risk Factors") under Item 3 (D) and Item 4 (B) “Business Overview” and elsewhere in this Item 5).

(E) CRITICAL ACCOUNTING 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 estimates are made include valuation of financial instruments (including the Stimunity Convertible Note (as defined below), deferred tax assets and liabilities, research and development costs, fair value used for acquisition of intangible assets, contingent consideration assumed and measurement of share-based compensation. Significant areas where critical judgments are applied include assessment of impairment of investments, goodwill and in-process research and development and the determination of the accounting acquirer and acquiree in the business combination accounting.

ITEM 6 – DIRECTORS AND SENIOR MANAGEMENT

(A) DIRECTORS AND SENIOR MANAGEMENT

At March 31, 2023, we had seven members on the Board of Directors – Dr. Gregory Bailey, Mr. Steven Mintz, Dr. Ian Walters, Mr. James Mellon, Ms. Linda Kozick, Mr. Mark Simon and Dr. Robert Glassman. In connection with the acquisition of Tarus Therapeutics, Dr. Robert Glassman joined our Board of Directors on July 1, 2022. Dr. Walters is our Chairman of the Board and Chief Executive Officer (“CEO”), Dr. Bailey is our Lead Director and Mr. Allan Shaw is our Chief Financial Officer (“CFO”).

Biographical information of the key people in our organization is provided below.

Ian B. Walters, MD, MBA – Chairman of the Board and CEO

Ian B. Walters, M.D., M.B.A., is the CEO of Portage Biotech Inc. Over his 25-year plus career, he has demonstrated both leadership and expertise in drug development, including the advancement of multiple cancer compounds from research stages through regulatory approval.

Ian specializes in the evaluation, prioritization, 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, 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. Ian is also a member of the board of directors of Enzo Biochem, Inc., a Nasdaq listed company, and BoKo Therapeutics. Ian is also a part-time consultant to Intensity Therapeutics, Inc.

Gregory Bailey MD – Lead Director

Dr. Bailey is the Lead Director of the Company. Gregory Bailey is a co-founder and managing partner of MediqVentures. Previously he was a managing partner of Palantir Group, Inc., a merchant bank involved in a number of biotech company startups and financings. Palantir was also involved in acquiring intellectual property assets and founding companies around such IP.

Greg was the co-founder of Portage, Ascent Healthcare Solutions, VirnetX Inc. (VHC: AMEX) and DuraMedic Inc. He was the initial financier and an independent director of Medivation, Inc. (MDVN: Nasdaq), from 2005 to December 2012. Dr. Bailey served as the Managing Director and co-Head of Life Sciences at MDB Capital Group LLC from May 2004 to December 2006. Greg has served on the board of directors of multiple public companies. His current company board positions include Biohaven, Culminant Reinsurance, Chelsea Avondale, Agex, Manx Financial, and Portage. He is also a director and the CEO of Juvanescence Ltd. Dr. Bailey is a Member of the Compensation Committee of our Board of Directors.

Greg practiced emergency medicine for 10 years before entering finance. He received his medical degree from the University of Western Ontario.

Steven Mintz – Director

Steven Mintz C.A. graduated from University of Toronto in 1989 and went into public accounting, working at a large accounting firm from 1989 until 1992. He obtained his C.A. designation in June of 1992. In June 1992 he became employed by a boutique bankruptcy and insolvency firm where he was employed until January 1997. He obtained his Trustee in Bankruptcy license in 1995.

Since January 1997, he has been a self-employed financial consultant serving both private individuals and companies, as well as public companies in a variety of industries including mining, oil and gas, real estate and investment strategies. He is currently President of St. Germain Capital Corp., a private consulting and investment firm. He is also a principal and CFO of the Minkids Group, a family investment, and development company. Steven is currently a director of Pool Safe, Inc. (since December 2009), Everton Resources, Inc. (since May 2023) and IM Cannabis (since April 2018, formerly Navasota Resources). Mr. Mintz is the Chair of the Audit Committee and a Member of the Compensation Committee of our Board of Directors.

Mr. James Mellon – Director

Jim Mellon is an author, entrepreneur and investor. He was one of the founders of Portage Biotech and is the co-author of five books, all written with a view toward identifying emerging thematic trends leading to investment opportunities. He is a founder and Executive Director of Agronomics Limited (LSE:ANIC), an investment vehicle for cellular agriculture and cultivated meat. He has a particular interest in longevity research and is currently the co-founder and chairman of anti-aging biopharma company, Juvenescence. He is also a non-executive director of Condor Gold plc, the Executive Chairman of the Board of Manx Financial Group plc, Co-founder and Non-Executive Director of Bradda Head Lithium (LSE:BHL.L). He is also Co-founder and Chairman of Endurance RP. Mr. Mellon is a Member of the Nominating Committees of our Board of Directors.

Jim studied Philosophy, Politics & Economics at Oxford University.

Ms. Linda Kozick – Director

Linda M. Kozick has more than 25 years of experience in the biopharmaceutical industry, including 15 years of strategic commercial leadership in oncology with a focus in immuno-oncology. Prior to retiring she held leadership positions at Bristol Myers Squibb and was instrumental to Obdivo and Yervoy product management and portfolio strategy. In addition to Portage, she currently serves on the Board of Directors for RAPT Therapeutics, Inc. and Artiva Biotherapeutics. Ms. Kozick is the Chair of the Compensation Committee and a Member of the Nominating Committee of our Board of Directors.

Linda received her B.S. in Medical Technology and M.S. in Molecular Immunology from SUNY Upstate Medical Center, and her MBA from Chapman University.

Mr. Mark Simon – Director

Mark Simon has over 30 years advising experience for biotech and pharma companies as an investment banker and research analyst. He is the co-founder and an advisor of Torreya Capital, LLC, which was acquired by Stifel Financial Corporation, a global investment bank serving companies in the life sciences industry on March 1, 2023. Before co-founding Torreya Capital, LLC, he was a Managing Director and the head of life sciences investment banking at Citigroup, where he covered global biopharmaceutical companies, and also served as a Managing Director and Senior Biotechnology Research Analyst at Robertson Stephens. Mark serves on the boards of Cabaletta Bio and several disease advocacy and philanthropic foundations. Mr. Simon is the Chair of the Nominating Committee and a Member of the Audit Committee of our Board of Directors.

Mark holds a B.A. in History from Columbia College and an MBA from Harvard Business School.

Robert Glassman, MD – Director

Dr. Robert Glassman brings more than 25 years of healthcare banking, venture investing and advisory experience, including as vice chair of Credit Suisse, Global Healthcare Banking and Venture Partner of Public Equity at OrbiMed. Robert also serves on the boards of directors of Umoja Biopharma, Pharvaris, and Jubilant Therapeutics. He previously served as clinical assistant professor at Weill Cornell Medicine and has also held academic positions at the Hospital University of Pennsylvania, Cornell and Rockefeller University. Robert holds an M.D. from Harvard Medical School and is a Board-certified hematologist-oncologist.

Allan L. Shaw – CFO

Allan brings more than two decades of public company financial, operational, and strategic global business leadership. Allan serves as our CFO and is a five-time public company CFO with proven skills across multiple finance disciplines: corporate finance, capital markets and strategic transactions as well as a broad base of expertise in corporate governance and risk management. He structured, directed, negotiated and closed over $4 billion in public and private financings for several companies. Mr. Shaw has served on five public boards including chairing two audit committees, two compensation committees, and is currently involved with a portfolio of healthcare activities. Mr. Shaw is the founder and since 2005, has served as senior managing director, of Shaw Strategic Capital LLC, an international financial advisory firm focused on providing strategic financial counsel on a wide variety of issues such as general corporate finance, mergers and acquisitions, capital structuring, licensing and capital markets, and serving as financial consultant to private and public companies. Mr. Shaw was the CFO and Treasurer of Syndax Pharmaceuticals, Inc. from January 2016 to February 2017 and from December 2011 to September 2015 was Managing Director of Alvarez & Marsal LLC, a global professional services firm, where he led their biopharmaceutical consulting practice. Additional prior experience includes serving as the CFO of Serono S.A. from November 2002 to May 2004, NewLead Holdings Ltd from October 2009 to July 2011 and Viatel, Inc. from November 1994 to June 2002. He currently serves on the board of directors of Calcimedica (Nasdaq: CALC) as an independent director and Edith & Carl Marks JCH of Bensonhurst, a non-profit organization, and chairs their finance committee. Mr. Shaw is a certified public accountant in the State of New York. Mr. Shaw received a B.S. from the State University of New York at Oswego College.

Robert Kramer, PhD – Chief Scientific Officer

Robert has 25 years of experience in the pharmaceutical industry and is the former Head of Oncology Discovery Research at both Bristol Myers Squibb and Janssen Pharmaceuticals, part of the Johnson & Johnson group of companies. He has been responsible for enabling the transition of 35 drugs from initial discovery into the clinic. Robert championed immunotherapy at Bristol Myers Squibb, which led, in 2009 to the acquisition of Medarex, Inc. and its portfolio of immune therapeutics that included Ipilimumab and Nivolumab. He received his PhD in pharmacology from the University of Vermont and undertook his post doctorate studies at the U.S. National Cancer Institute. Robert has also held an Assistant Professorship at the Harvard Medical School.

Steven Innaimo – Vice President of Project Management & Operations

Steven Innaimo is a seasoned research and development expert who brings more than 25 years of experience in drug development from the large pharma, biotech and contract research organization sectors. Prior to joining Portage in 2018, Steve spent two years at Covance as Executive Director and Head of the Global Project Management Office for Covance Clinical Development Services. He previously spent 23 years at Bristol Myers Squibb including as Senior Director of Oncology Project Management and Clinical Operations. During his time at Bristol Myers Squibb, Steve directly managed or provided development oversight for a number of immune-oncology assets, including Yervoy and Opdivo. He has driven multiple therapies to initial and post-marketing registrations globally. Steve began his research and development career as a molecular biologist for Targetech Inc. Steve holds a B.S. in Molecular Biology, an M.S. in Endocrinology from the University of Connecticut and a Project Management Certificate from Boston University.

Brian Wiley – Chief Business Officer

Brian Wiley has nearly 30 years of experience in the biopharmaceutical industry, with over 25 years dedicated to oncology. His experience includes licensing deals, collaborations, M&A, both public and private financings and multiple product launches in oncology. He founded Boston BioConsulting, LLC, a consulting firm that specializes in corporate strategy, business development and pre-commercial planning for the biopharmaceutical industry. Additionally, he served as Chief Commercial Officer and Head of Business Development at NewLink Genetics and also served in various leadership and management roles at Celgene, Gloucester Pharmaceuticals, Millennium and Aventis.

Brian has a B.A. in Marketing from Pennsylvania State University.

Justin Fairchild – Vice President of Development

Justin Fairchild has nearly 20 years of oncology drug development experience. Prior to joining Portage, Justin served as Vice President of Clinical Development at the Parker Institute for Cancer Immunotherapy, where he was responsible for a cross-functional team dedicated to the delivery of novel immunotherapy combination clinical trials. He also previously held several roles in both clinical operations and clinical development at Bristol Myers Squibb, where he contributed to both early- and late-stage studies of multiple targeted and immunotherapy oncology agents, including ipilimumab, nivolumab, dasatinib and cetuximab.

Justin earned an M.P.H. from The Johns Hopkins School of Public Health, and a B.A. in Chemistry from Colgate University.

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 Company, as of the date of this Annual Report, and the month and year in which they became directors or executive 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 (2) London, U.K. Lead Director effective August 16, 2022 (formerly Chairman of the Board)	June 4, 2013	See Item 6 (A) above
Mr. Steven Mintz (3) Ontario, Canada Director	April 6, 2016	See Item 6 (A) above
Mr. James Mellon (4) Isle of Man Director	February 15, 2022	See Item 6 (A) above
Mr. Mark Simon (5) New Jersey, USA Director	February 15, 2022	See Item 6 (A) above

Name, Province/State and Country of Residence and Present Position with Portage (1)	Date became Director/Officer	Principal Occupation Last five years
Ms. Linda M. Kozick (6) Florida, USA Director	February 15, 2022	See Item 6 (A) above
Dr. Robert Glassman (7) New Jersey, USA Director	July 1, 2022	See Item 6 (A) above
Dr. Ian Walters Connecticut, USA Chairman of the Board effective August 16, 2022 and CEO effective May 1, 2019 (formerly Director)	August 1, 2016	See Item 6 (A) above
Mr. Allan Shaw New York, USA CFO	May 12, 2020	See Item 6 (A) above
Mr. Robert Kramer (8) Utah, USA Chief Scientific Officer	January 8, 2019	See Item 6 (A) above
Mr. Steven Innaimo (8) Connecticut, USA Vice President of Project Management & Operations	January 8, 2019	See Item 6 (A) above
Mr. Brian Wiley Massachusetts, USA Chief Business Officer	February 15, 2022	See Item 6 (A) above
Mr. Justin Fairchild Connecticut, USA Vice President of Development	June 1, 2022	See Item 6 (A) above

(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) Lead Director of the Company and Member of the Compensation Committee (formerly Chair of the Company).
(3) Chair of the Audit Committee and Member of the Compensation Committee.
(4) Member of the Nominating Committee.
(5) Chair of the Nominating Committee and Member of the Audit Committee.
(6) Chair of the Compensation Committee and Member of the Nominating Committee.
(7) Dr. Glassman joined the Board of Directors on July 1, 2022 in connection with the Tarus Therapeutics transaction. Dr. Glassman joined the Audit Committee on July 19, 2023.
(8) Reflects the date of the SalvaRx acquisition by the Company. Prior to that, this individual was contracted by SalvaRx.

Family Relationships

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

Other Relationships

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

Board Diversity Matrix of Portage Biotech Inc.

The below chart is intended to disclose, to the extent legally permitted, the board of director diversity of Portage Biotech Inc., pursuant to Rule 5606(f) of the Nasdaq listing rules.

Board Diversity Matrix (As of July 31, 2023)				
Country of Principal Executive Offices:	British Virgin Islands			
Foreign Private Issuer	Yes			
Disclosure Prohibited under Home Country Law	No			
Total Number of Directors	7			
	Female	**Male**	**Non-Binary**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	1	6	–	–
Part II: Demographic Background				
Under-represented person in Home Country	4			
LGBTQ+	–			
Did not Disclose Demographic Background	1			

(B) COMPENSATION

1. General

During Fiscal 2023 and Fiscal 2022, the Company engaged two separate third-party compensation consultants to review the Company's compensation structure and provide recommendations to make the Company competitive for the purpose of recruiting and retaining board members, key management and staff. The review included benchmarking and other analytical tools.

As a result of the compensation consultant's studies and resulting recommendations, in November 2021, the Board, as recommended by the Compensation Committee, approved cash fees and stock options to be paid and awarded, as applicable, to the Company's independent Board members for both participation as a member, as well as membership of Board committees. Cash fees to board members commenced as of January 1, 2022.

As a result of the compensation consultants' studies and resulting recommendations, in December 2022, the Board approved, and as recommended by the Compensation Committee, salaries for officers and employees commencing January 1, 2023 and approved achievement of 73% of the target bonus for Fiscal 2023, of which 25% was paid in January 2023 and the balance of which accrued as of March 31, 2023 and is payable upon achievement of a successful financing. Additionally, as part of this effort, on March 30, 2023, the Board approved grants of stock options for all employees and directors.

Additionally, as a result of the compensation consultant's studies and resulting recommendations, in December 2022, the Compensation Committee recommended and the Board approved a compensation regime based upon targeted goals and other metrics.

The Company does not have any plans that provide for pensions, retirement or similar benefits.

2. Statement of Director and Executive Compensation

The following tables and accompanying notes set forth all compensation paid or payable by the Company to its directors and senior management for the fiscal years ended March 31, 2023, 2022 and 2021:

2. Statement of Director and Executive Compensation *(Cont'd)*

Name & Principal Position	Year	Fee and Salary [2]	Bonus	Other	Securities Under Options / SARs Granted [1]	Shares or Units Subject to Resale Restrictions	Other [15]	Total Compensation
		$	$	$	$	$	$	$
Gregory Bailey – Lead Director (Former Chairman of the Board of Directors) and Compensation Committee Member								
	2023	**68,500**	**–**	**–**	**35,478** [4]	**–**	**–**	**103,978**
	2022	**21,667**	**–**	**–**	**57,063** [8]	**–**	**–**	**78,730**
	2021	**--**	**–**	**–**	**1,416,100** [12]	**–**	**–**	**1,416,100**
James Mellon - Independent Director and Audit Committee Member and Nominating Committee Member								
	2023	**51,500**	**–**	**–**	**35,478** [4]	**–**	**–**	**86,978**
	2022	**5,208**	**–**	**–**	**99,360** [9]	**–**	**–**	**104,568**
Steven Mintz - Independent Director and Chairman of the Audit Committee and Compensation Committee Member								
	2023	**61,000**	**–**	**–**	**35.478** [4]	**–**	**–**	**96,478**
	2022	**18,750**	**–**	**–**	**57,063** [8]	**–**	**–**	**75,813**
`	**2021**	**–**	**–**	**–**	**1,416,100** [12]	**–**	**–**	**1,416,100**
Linda Kozick - Independent Director and Chairperson of the Compensation Committee and Nominating Committee Member								
	2023	**56,000**	**–**	**–**	**35,478** [4]	**–**	**–**	**91,478**
	2022	**5,000**	**–**	**–**	**99,360** [9]	**–**	**–**	**104,360**
Mark Simon - Independent Director and Chairman of the Nominating Committee and Audit Committee Member								
	2023	**55,500**	**–**	**–**	**35,478** [4]	**–**	**–**	**90,978**
	2022	**5,208**	**–**	**–**	**99,360** [9]	**–**	**–**	**104,568**
Robert Glassman - Independent Director								
	2023	**30,000**	**–**	**–**	**168,743** [5]	**–**	**–**	**198,743**
Ian Walters - Chairman of the Board (Former Director) and CEO								
	2023	**624,175**	**267,996** [3]	**–**	**748,186** [6]	**–**	**75,480**	**1,715,837**
	2022	**459,195**	**375,000**	**–**	**1,101,132** [10]	**879,942** [11]	**13,952**	**2,829,221**
	2021	**368,503**	**200,000**	**–**	**2,583,610** [13]	**2,698,000** [14]	**–**	**5,850,113**
Allan Shaw – CFO and Secretary								
	2023	**378,250**	**102,312** [3]	**–**	**349,308** [6]	**–**	**43,519**	**873,389**
	2022	**256,000**	**161,000**	**–**	**294,336** [10]	**235,469** [11]	**13,952**	**960,757**
	2021	**186,290**	**–**	**–**	**2,241,410** [13]	**–**	**–**	**2,427,700**

2. Statement of Director and Executive Compensation *(Cont'd)*

Name & Principal Position	Year	Fee and Salary [3]	Bonus	Other	Securities Under Options / SARs Granted [1]	Shares or Units Subject to Resale Restrictions	Other [15]	Total Compensation
		$	$	$	$	$	$	$
Robert Kramer - Chief Scientific Officer								
	2023	**218,628**	**63,504** [3]	**–**	**137,454** [6]	**–**	**28,025**	**447,611**
	2022	**195,501**	**83,000**	**–**	**219,876** [10]	**175,784** [11]	**–**	**674,161**
	2021	**147,500**	**–**	**–**	**1,043,710** [13]	**1,615,250** [14]	**–**	**2,806,460**
Steven Innaimo - Vice President of Project Management & Operations								
	2023	**313,875**	**68,355** [3]	**–**	**76,632** [6]	**–**	**61,827**	**520,689**
	2022	**310,000**	**93,000**	**–**	**120,888** [10]	**96,068** [11]	**13,952**	**633,908**
	2021	**298,000**	**–**	**–**	**2,994,250** [13]	**–**	**–**	**3,292,250**
Brian Wiley - Chief Business Officer								
	2023	**177,185**	**38,588** [3]	**–**	**118,343** [6]	**–**	**4,915**	**339,031**
	2022	**84,057**	**–**	**–**	**525,600** [10]	**–**	**–**	**609,657**
Justin Fairchild – Vice President of Development								
	2023	**190,000**	**25,358** [3]	**–**	**544,632** [7]	**–**	**30,473**	**790,463**

Notes:

1. "SAR" means stock appreciation rights. The Company never issued any SARs.

2. Represents base salary earned by officers in accordance with their respective contracts and Director's fees earned by directors, as applicable, in accordance with the directors' fee structure established by the Compensation Committee of the Board.

3. Represents the bonus for Fiscal 2023 approved the Board, as recommended for approval by the Compensation Committee. Such amount represents 73% of the target bonus for Fiscal 2023, of which 25% was paid in January 2023 and the balance of which is accrued as of March 31, 2023 and is payable upon achievement of a successful financing.

4. Represents aggregate grant date fair value of 14,600 options to purchase ordinary shares granted March 30, 2023, which vest on the first anniversary of the date of grant.

5. Represents aggregate grant date fair value of 15,900 options to purchase ordinary shares granted July 27, 2022, which vest monthly on the grant date anniversary over three years following the date grant and the grant date fair value of 14,600 options to purchase ordinary shares granted March 30, 2023, which vest on the first anniversary of the date of grant.

6. Represents aggregate grant date fair value of options to purchase ordinary shares granted March 30, 2023, which vest ratably on each of the first four anniversaries of the date of grant. See "Outstanding Equity Awards at Fiscal Year-End" below for additional information.

7. Represents aggregate grant date fair value of 50,000 options to purchase ordinary shares granted June 8, 2022, and 30,900 options to purchase granted March 30, 2023, which vest ratably on each of the first four anniversaries of the respective date of grant.

8. Represents aggregate grant date fair value of 6,900 options to purchase ordinary shares granted January 19, 2022, which vest on the first anniversary of the date of grant.

9. Represents aggregate grant date fair value of 13,800 options to purchase ordinary shares granted February 15, 2022, which vest monthly on the grant date anniversary over the first three years following the date of grant.

10. Represents aggregate grant date fair value of options to purchase ordinary shares granted January 19, 2022, which vest ratably on each of the first four anniversaries of the date of grant. See "Outstanding Equity Awards at Fiscal Year-End" below for additional information.

11. Represents aggregate grant date fair value (market value) of restricted stock units granted January 19, 2022, which were vested on grant date and are subject to certain restrictions.

12. Represents aggregate grant date fair value of options to purchase ordinary shares granted January 13, 2021, which vested 1/3 on January 13, 2021, and 1/3 each on the first and second anniversaries of the grant date. See "Outstanding Equity Awards at Fiscal Year-End" below for additional information.

13. Represents aggregate grant date fair value of options to purchase ordinary shares granted January 13, 2021, which vest ratably on the first, second and third anniversaries of the grant date. See "Outstanding Equity Awards at Fiscal Year-End" below for additional information.

14. Represents aggregate grant date fair value (market value) of restricted stock units granted January 13, 2021, which were vested at grant date and are subject to certain restrictions.

15. Represents employee benefits paid by the Company.

Outstanding Equity Awards at Fiscal Year-End

The following table and related notes provide information regarding all outstanding equity awards for our executive officers as of March 31, 2023:

	Option Awards [1]				Stock Awards [6] [7] [8] [9]			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable [1]	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) [1]	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (#)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (#)
Ian B Walters	–	301,688 [2]	$2.92	March 30, 2033	–	–	–	–
Ian B. Walters	31,425 [3]	94,275 [3]	$10.22	January 19, 2032	–	–	–	–
Ian B. Walters	100,667 [4]	50,333 [4]	$17.75	January 13, 2031	–	–	–	–
Allan Shaw	–	140,850 [2]	$2.92	March 30, 2033				
Allan Shaw	8,400 [3]	25,200 [3]	$10.22	January 19, 2032	–	–	–	–
Allan Shaw	87,333 [4]	43,667 [4]	$17.75	January 13, 2031	–	–	–	–
Robert Kramer	–	55,425 [2]	$2.92	March 30, 2033				
Robert Kramer	6,275 [3]	18,825 [3]	$10.22	January 19, 2032	–	–	–	–
Robert Kramer	40,667 [4]	20,333 [4]	$17.75	January 13, 2031	–	–	–	–
Steve Innaimo	–	30,900 [2]	$2.92	March 30, 2033				
Steve Innaimo	3,450 [3]	10,350 [3]	$10.22	January 19, 2032	–	–	–	–
Steve Innaimo	116,667 [4]	58,333 [4]	$17.75	January 13, 2031	–	–	–	–
Brian Wiley	–	47,719 [2]	$2.92	March 30, 2033	–	–	–	–
Brian Wiley	15,000 [3]	45,000 [3]	$10.22	January 19, 2032	–	–	–	–
Justin Fairchild	–	30,900 [2]	$2.92	March 30, 2033				
Justin Fairchild	–	50,000 [5]	$11.00	June 8, 2032	–	–	–	–

Outstanding Equity Awards at Fiscal Year-End *(Cont'd)*

(1) Amounts represent options to purchase ordinary shares.

(2) These options to purchase ordinary shares were granted on March 30, 2023, have a ten-year term and vest ratably on each of the first four anniversaries of the grant date.

(3) These options to purchase ordinary shares were granted on January 19, 2022, have a ten-year term and vest ratably on each of the first four anniversaries of the grant date.

(4) These options to purchase ordinary shares were granted on January 13, 2021, have a ten-year term and vest ratably on each of the first three anniversaries of the grant date.

(5) These options to purchase ordinary shares were granted on June 8, 2022, have a ten-year term and vest ratably on each of the first four anniversaries of the grant date.

(6) The above table excludes 152,000 restricted stock units to Mr. Walters granted January 13, 2021 with a grant day value of $2,698,000, which vested on grant date but are subject to certain restrictions and 86,100 restricted stock units granted January 19, 2022 with a grant day value of $879,942, which vested on grant date but are subject to certain restrictions.

(7) The above table excludes 23,040 restricted stock units to Mr. Shaw granted January 19, 2022 with a grant day value of $235,469, which vested on grant date but are subject to certain restrictions.

(8) The above table excludes 91,000 restricted stock units to Mr. Kramer granted January 13, 2021, with a grant day value of $1,615,250, which vested on grant date but are subject to certain restrictions and 17,200 restricted stock units granted January 19, 2022 with a grant day value of $175,784, which vested on grant date but are subject to certain restrictions.

(9) The above table excludes 9,400 restricted stock units to Mr. Innaimo granted January 19, 2022, with a grant day value of $96,068, which vested on grant date but are subject to certain restrictions.

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.

EXECUTIVE COMPENSATION

For the year ended March 31, 2023, our members of senior management are:

- Ian B. Walters, Chairman of the Board and CEO
- Allan Shaw, CFO
- Steven Innaimo, Vice President of Project Management & Operations
- Robert Kramer, Chief Scientific Officer
- Brian Wiley, Chief Business Officer
- Justin Fairchild, Vice President of Development

Executive Compensation Overview

Through November 30, 2021, the compensation of our members of senior management has primarily consisted of consulting fees (and in some cases bonuses), and share-based compensation. During Fiscal 2022 and Fiscal 2023, the Company entered into Employment contracts with Dr. Walters, Mr. Shaw, Mr. Innaimo, Mr. Kramer, Mr. Wiley and Mr. Fairchild that provide for a combination of base salary, bonuses and long-term incentive compensation in the form of restricted stock units and options to purchase ordinary shares. Our members of senior management, like all full-time employees, are eligible to participate in our health and dental benefit plans and 401(k) plan matching program. At a minimum, we expect to review executive compensation annually with input from a compensation consultant. As part of this review process, we expect the Board and the Compensation Committee to apply our values and philosophy, while considering the compensation levels needed to ensure our executive compensation program remains competitive. We will also review whether we are meeting our retention objectives and the potential cost of replacing a key employee.

Components of Executive Compensation

Annual Base Salary

Our members of senior management each receive a base salary to compensate them for services rendered to our company. The base salary payable to each member of senior management is intended to provide a fixed component of compensation reflecting the executive’s skill set, experience, role and responsibilities. Base salaries are reviewed annually, typically in connection with our annual performance review process, approved by our board of directors and the compensation committee, and may be adjusted from time to time to realign salaries with market levels after taking into account individual responsibilities, performance, and experience.

Annual Bonus

In December 2022, the Board approved executive performance bonuses, as recommended by the Compensation Committee, totaling $0.6 million, which is equivalent to 73.5% of original annual targets established by the Board in December 2021. The bonuses were approved based upon the original performance targets established. The Board further approved a payment structure of 25% of approved bonuses, which were paid in January 2023, with the balance of amounts due payable upon a new financing.

Equity-Based Compensation

In Fiscal 2023, the Compensation Committee approved the granting of options to purchase shares of common stock as follows:

On June 8, 2022, the Company granted 50,000 options to purchase shares to an executive of the Company. The options have an exercise price of $11.00, the average price of the stock on that date, vest ratably on each of the first four anniversaries of the grant date and will expire, if unexercised, on June 8, 2032.

On July 27, 2022, the Company granted 15,900 options to purchase shares to a member of the Board. The options have an exercise price of $10.06, the average price of the stock on that date, vest ratably on each monthly anniversary of the grant date in the three year period following the grant date and will expire, if unexercised, on July 27, 2032.

On March 30, 2023, the Board unanimously approved to increase the maximum number of ordinary shares reserved for issuance under the Amended and Restated 2021 Equity Incentive Plan. The aggregate number of shares available for awards under the Amended and Restated 2021 Equity Incentive Plan was increased to 2,880,992, which represented a 5% increase (or 879,180 shares) based on ordinary shares outstanding on March 29, 2023, which is equal to 16% of the issued and outstanding ordinary shares in the capital of the Company as of this date.

On March 30, 2023, the Company granted an aggregate of 746,120 stock options exercisable at a price of $2.92 per share, representing the average price of the shares on the grant date (March 30, 2023), which expire on March 30, 2033, to various directors, officers and a consultant of the Company. 14,600 options to purchase ordinary shares (total 87,600), were granted to each non-executive member of the Board and vest on the first anniversary of the grant date. A total of 651,020 stock options were granted to employees (including Mr. Walters, who is Chairman of the Board of Directors), and a consultant, and such stock options vest ratably on each of the first four annual anniversaries of the grant date. The balance of 7,500 stock options were also granted to a consultant, which was fully vested as of the grant date.

Employment Agreements

PDS entered into a Services Agreement with our CEO effective December 15, 2021 (the “CEO Services Agreement”). The CEO Services Agreement originally provided for a base salary of $618,000, plus cost-of-living increases. On December 19, 2022, the Compensation Committee approved the CEO’s compensation of $642,700 for Fiscal 2024. The CEO Services Agreement provides for annual increases based upon the review of the base salary by the Board prior to the anniversary of the CEO Services Agreement provided that the annual increase cannot be less than the cost-of-living increase. The CEO Services Agreement also provides that the CEO is eligible to receive an annual performance-based bonus targeted at 59% of the applicable year’s base salary, which bonus is earned based on the achievement of performance targets, as determined annually by the Board and communicated to the CEO in the first quarter of the year. Any annual bonus, to the extent earned, is to be paid no later than March 15 of the following year. The CEO Services Agreement is for an initial term of three years, after which it will automatically renew annually unless terminated in accordance with the CEO Services Agreement.

Under the CEO Services Agreement, the CEO may terminate his employment with PDS at any time for Good Reason (as defined in the CEO Services Agreement). PDS may terminate the CEO’s employment immediately upon his death, upon a period of disability or without Just Cause (as defined in the CEO Services Agreement). In the event that the CEO’s employment is terminated due to his death or Disability (as defined in the CEO Services Agreement), for Good Reason or without Just Cause, he will be entitled to accrued obligations (accrued unpaid portion of base salary, accrued unused vacation time and any unpaid expenses). Additionally, he may be entitled to Severance Benefits (as defined in the CEO Services Agreement), which include his then current base salary and the average of his annual bonus for the prior two completed performance years, paid over 12 monthly installments. Additionally, the CEO will be entitled to life insurance benefits and medical and dental benefits for a period of 12 months at the same rate the CEO and PDS shared such costs during his period of employment.

Additionally, all stock options (and any other unvested equity incentive award) held by the CEO relating to shares of the Company will be deemed fully vested and exercisable on the Termination Date (as defined in the CEO Services Agreement), and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

If the CEO’s employment by PDS is terminated by PDS or any successor entity without Just Cause (not including termination by virtue of the CEO’s death or Disability) or by the CEO for Good Reason within 12 months following the effective date of a Change in Control (as defined in the CEO Services Agreement), then, in addition to paying or providing the CEO with the Accrued Obligations (as defined in the CEO Services Agreement), the Company will provide the following Change in Control Severance Benefits (as defined in the CEO Services Agreement):

(1) PDS will pay the base salary continuation benefit for 18 months;

(2) PDS will pay the life insurance benefit for 18 months;

(3) PDS will pay an additional amount equivalent to the CEO's target annual bonus calculated using the bonus percentage for the performance year in which the CEO's termination occurs. This bonus will be paid in 12 equal installments commencing on the first payroll date that is more than 60 days following the date of termination of the CEO's employment, with the remaining installments occurring on the first day of the month for the 11 months thereafter;

(4) PDS will provide the CEO with continued medical and dental benefits, as described above, for 18 months; and

(5) All stock options (and any other unvested equity incentive award) held by the CEO relating to shares of the Company or its parent will be deemed fully vested and exercisable on the Termination Date, as defined, and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

PDS entered into services agreements (individually, an "Executive Service Agreement," and collectively, the "Executive Service Agreements") with each of our five other members of senior management (individually, "Executive" and collectively, "Executives"), three of which are dated as of December 1, 2021, one of which is dated December 15, 2021 and one of which is dated June 1, 2022. Each of the Executive Services Agreements provides for an initial term of two years that is automatically renewed for one-year periods (except two of the Executive Services Agreement, which provides for an initial term of one year and that is automatically renewed for one-year periods). The Executive Services Agreements initially provide for annual base salaries ranging from $175,000 to $348,000 (pro-rated for services rendered) and annual bonus targets ranging from 30% to 40%. They also provide for long-term incentives in the form of equity awards from time to time under the Portage Biotech Inc. Amended and Restated 2021 Equity Incentive Plan.

On December 19, 2022, the Compensation Committee approved executive compensation for Fiscal 2024, as set forth below. Compensation for Fiscal 2023 is also set forth below:

	FISCAL 2024		FISCAL 2023	
	BASE SALARY	TARGET BONUS	BASE SALARY	TARGET BONUS
Allan Shaw	$ 469,000	40%	$ 348,000	40%
Robert Kramer	$ 225,000	40%	$ 216,000	40%
Steven Innaimo	$ 325,500	30%	$ 310,000	30%
Brian Wiley	$ 183,750	40%	$ 175,000	30%
Justin Fairchild [(*)]	$ 300,000	30%	$ 300,000	30%

[(*)] Mr. Fairchild's Executive Service Agreement took effect on June 1, 2022 and his base salary for Fiscal 2023 was pro-rated based upon the contract terms.

The Executive Services Agreements can be terminated by PDS without Just Cause, by death or Disability, or by the Executive (except Mr. Fairchild) for Good Reason (each as defined in the respective Executive Services Agreements). In such instances, the Executive Services Agreements provide for the payment of accrued obligations (accrued unpaid portion of base salary, accrued unused vacation time and any unpaid expenses). Additionally, the Executives (except Messrs. Wiley and Fairchild) are entitled to 50% of base salary plus 50% of average annual bonus earned over the prior two performance years, as well as prevailing life insurance benefits for a period of six months and medical and dental benefits for a period of six months at the prevailing rate PDS and the Executive were sharing such expenses.

Additionally, all stock options (and any other unvested equity incentive award) held by the Executives relating to shares of the Company will be deemed fully vested and exercisable on the Termination Date (as defined in the respective Executive Services Agreements), and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

If an Executive's employment by PDS is terminated by the Company or any successor entity without Just Cause (not including termination by virtue of the Executive's death or Disability) or by the Executive (except Mr. Fairchild) for Good Reason within 12 months following the effective date of a Change in Control (as defined in the respective Executive Services Agreements), then, in addition to paying or providing the Executive with the Accrued Obligations (as defined in the respective Executive Services Agreements), the Company will provide the following Change in Control Severance Benefits (as defined in the respective Executive Services Agreements), except in two cases in which the Executive is entitled to Item (5) and 50% of Items (1) and (3) below:

(1) PDS will pay the Base Salary continuation benefit for 12 months;

(2) PDS will pay the life insurance benefit for 12 months;

(3) The Company will pay an additional amount equivalent to the Executive's target annual bonus calculated using the bonus percentage for the performance year in which the Executive's termination occurs. This bonus will be payable in 12 equal installments commencing on the first payroll date that is more than 60 days following the date of termination of the Executive's employment, with the remaining installments occurring on the first day of the month for the 11 months thereafter;

(4) PDS will provide the Executive with continued medical and dental benefits, as described above, for 12 months; and

(5) All stock options (and any other unvested equity incentive award) held by the Executive relating to shares of the Company or its parent will be deemed fully vested and exercisable on the Termination Date and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

The Executive Services Agreements also include customary confidentiality, as well as provisions relating to assignment of inventions. The Executive Services Agreements also includes non-competition and non-solicitation of employees and customers provisions that run during the Executive's employment with PDS and for a period of one year after termination of employment.

Director Compensation

Non-Employee Director Compensation Policy

Effective January 1, 2022, our board of directors adopted a non-employee director compensation policy that is designed to enable us to attract and retain, on a long-term basis, highly qualified non-employee directors. Under the policy, each director who is not an employee will be paid cash compensation quarterly in arrears based upon the following table:

		ANNUAL RETAINER
Board of Directors:		
Chair (if applicable)	$	30,000
Lead	$	20,000
All non-employee members	$	40,000
Audit Committee:		
Chair	$	15,000
Members	$	7,500
Compensation Committee:		
Chair	$	12,000
Members	$	6,000
Nominating Committee:		
Chair	$	8,000
Members	$	4,000

Effective January 1, 2022, each non-employee Board member is entitled to receive cash Board fees of $40,000 per annum, payable quarterly in arrears. Additionally, each non-employee Board member is entitled to an annual grant of 6,900 options to purchase Portage ordinary shares, which vest the first annual anniversary of the grant date. The Company incurred Board fees totaling $322,500 and $55,833 during the years ended March 31, 2023 and 2022, respectively. There were no Board fees incurred prior to January 1, 2022.

Non-executive Board chairpersons are entitled to an annual cash fee of $30,000, payable quarterly in arrears. In lieu of a non-executive chairperson, the lead director is entitled to an annual cash fee of $20,000 per annum paid quarterly in arrears. Additionally, the chairperson of each of the Audit Committee, Compensation Committee and Nominating Committee is entitled to annual fees of $15,000, $12,000 and $8,000, respectively, payable quarterly in arrears. Members of those committees is entitled to annual fees of $7,500, $6,000 and $4,000, respectively, payable quarterly in arrears.

(C) BOARD PRACTICES

Audit Committee

Our audit committee consists of Mr. Steven Mintz, Dr. Robert Glassman and Mr. Mark Simon, with Mr. Steven Mintz serving as Chairperson. Each member of our audit committee meets the financial literacy requirements of Nasdaq listing standards. In addition, our board of directors has determined that Mr. Steven Mintz is an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K under the Exchange Act. Mr. Steven Mintz is a Canadian Chartered Professional Accountant. He has over sixteen years of international experience in corporate financial analysis, mergers and acquisitions. He has been on the board of directors of several private and public corporations, operating in various sectors, including technology, oil & gas and biotechnology.

Dr. Glassman brings more than 25 years of healthcare banking, venture investing and advisory experience, including as vice chair of Credit Suisse, Global Healthcare Banking and Venture Partner of Public Equity at OrbiMed.

Mr. Simon has over 30 years advising experience for biotech and pharma companies as an investment banker and research analyst.

Our audit committee will, among other things:

- review our consolidated financial statements and our critical accounting policies and practices;
- select a qualified firm to serve as the independent registered public accounting firm to audit our consolidated financial statements;
- help to ensure the independence and performance of the independent registered public accounting firm;
- discuss the scope and results of the audit with the independent registered public accounting firm and review, with management and the independent registered public accounting firm, our interim and year-end results of operations;
- pre-approve all audit and all permissible non-audit services to be performed by the independent registered public accounting firm;
- oversee the performance of our internal audit function when established;
- review the adequacy of our internal controls;
- develop procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- review our policies on risk assessment and risk management; and
- review related party transactions.

Pre-Approval Policies and Procedures

In the event that we plan to retain the services of the external auditors to the Company for tax compliance, tax advice or tax planning, the CFO of the Company must consult with the chair of the Audit Committee, who has the authority to approve or disapprove on behalf of the committee, those non-audit services. All other permissible non-audit services shall be approved or disapproved by the ACC as a whole.

Our external auditors are prohibited from performing for the Company non-audit services of the following nature: (a) bookkeeping or other services related to the accounting records or financial statements; (b) financial information systems design and implementation; (c) appraisal or valuation services, fairness opinions or contribution in-kind reports; (d) actuarial services; (e) internal audit outsource services; (f) management functions; (g) human resources; (h) broker or dealer, investment adviser or investment banking services; (i) legal services; (j) expert services unrelated to the audit; and (k) any other service that the Canadian and the United States Public Company Accounting Oversight Board determines is impermissible.

The Audit Committee Charter relating to compensation matters sets forth the evaluation and review requirements for incentive and equity-based compensation plans for the executives based on their periodic performance evaluation.

Compensation Committee

Our compensation committee consists of Ms. Linda Kozick, Mr. Gregory Bailey and Mr. Steven Mintz, with Ms. Linda Kozick serving as Chairperson. Each member of the compensation committee is also a non-employee director, as defined pursuant to Rule 16b-3 promulgated under the Exchange Act. The purpose of our compensation committee is to discharge the responsibilities of our board of directors relating to compensation of our executive officers. Our compensation committee will, among other things:

- review annually our compensation strategy, including base salary, incentive compensation and equity-based plans, including whether to adopt, amend and terminate compensation plans or arrangements
- review and approve, or recommend to the Board for review and approval, annually our corporate goals and objectives, including those applicable to the compensation of the CEO and to the extent applicable, other executive officers;
- review, approve and determine, or make recommendations to our board of directors regarding, the compensation of our executive officers;
- administer our stock and equity incentive plans;
- review and approve, or make recommendations to our board of directors regarding, incentive compensation and equity plans;
- evaluate the efficacy of our compensation policy and strategy in achieving gender and minority pay parity, positive social impact and attracting a diverse workforce; and
- establish and review general policies relating to compensation and benefits of our employees.

Nominating Committee

Our nominating and committee consists of Mr. Mark Simon, Ms. Linda Kozick and Mr. James Mellon with Mr. Mark Simon as Chairperson. Our nominating committee will, among other things:

- identify, evaluate and select, or make recommendations to our board of directors regarding, nominees for election to our board of directors and its committees;
- evaluate the performance of our board of directors and of individual directors;
- consider and make recommendations to our board of directors regarding the size and composition of our board of directors and its committees;
- review developments in corporate governance practices;
- oversee environmental, social and governance (ESG) matters;
- evaluate the adequacy of our corporate governance practices and reporting; and
- develop and make recommendations to our board of directors regarding corporate governance guidelines and matters.

Role of Board of Directors in Risk Oversight Process

Our board of directors has responsibility for the oversight of our risk management processes and, either as a whole or through its committees, regularly discusses with management our major risk exposures, their potential impact on our business and the steps we take to manage them. The risk oversight process includes receiving regular reports from board committees and members of senior management to enable our board of directors to understand our risk identification, risk management and risk mitigation strategies with respect to areas of potential material risk, including operations, finance, legal, regulatory, cybersecurity, strategic and reputational risk.

Code of Business Conduct

The Company has established a Code of Conduct applicable to our directors, officers and employees. The Code of Conduct is accessible on our website at *www.portagebiotech.com*. If we make any substantive amendments to the Code of Conduct or grant any waiver, including any implicit waiver, from a provision of the Code of Conduct to our officers, we will disclose the nature of such amendment or waiver on that website or in a report on Form 6-K.

Compensation Committee Interlocks and Insider Participation

All compensation and related matters are reviewed by our Compensation Committee. None of the members of our compensation committee is or has at any time during the past year been an officer or employee of ours. None of our executive officers currently serves or in the past year has served as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or on our compensation committee.

(D) EMPLOYEES

The Company had seven full-time employees as of March 31, 2023, as compared to five employees as of March 31, 2022. The employees are located in the United States. Four employees oversee business operations and management of clinical development, one employee provides business development, one employee is the CFO and one employee is the executive chairman and CEO. It also uses the services of consultants from time to time.

(E) SHARE OWNERSHIP

The objective of the Company's and our subsidiaries equity-based incentive plans is to provide for and encourage ownership of our ordinary shares by our directors, officers, consultants and employees, if any 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 ordinary shares. The plans are designed to be competitive with the benefit programs of other companies in the biotechnology sector and enable the Company and its subsidiaries to attract and retain directors, officers and employees of the Company and its subsidiaries and to consultants and management company employees of exceptional skill. 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.

On June 25, 2020, at the annual meeting of shareholders, the Company’s incentive stock option plan (the “2020 Stock Option Plan”) was approved, which authorized the Company’s directors to fix the option exercise price and to issue stock options under the plan as they see fit. The Company’s 2020 Stock Option Plan was a 10% rolling stock option plan under which the Company’s directors were authorized to grant up to a maximum of 10% of the issued and outstanding ordinary shares on the date of grant.

Effective January 13, 2021, the Company amended and restated its 2020 Stock Option Plan to permit the grant of additional types of equity compensation securities, including restricted stock units (“RSUs”) and dividend equivalent rights (the “2021 Equity Incentive Plan”). Pursuant to the 2021 Equity Incentive Plan, on January 13, 2021, the Company granted an aggregate of 868,000 stock options exercisable at a price of $17.75 per share, representing the closing price of the shares on the day immediately preceding the grant date, which expire on January 13, 2031 to various directors, officers and consultants of the Company. 350,000 options granted to members of the Board vest 1/3 on grant date, 1/3 on the first anniversary of the grant and 1/3 on the second anniversary of the grant. 518,000 options granted to consultants (one of whom is also a director of the Company) vest 1/3 on each of the first three anniversaries of the grant date.

Additionally, the Company granted 243,000 RSUs on January 13, 2021, with a grant date fair value of $17.75 per share, which was the closing price on the day immediately preceding the grant date. The RSUs vested on the date of grant, but underlying shares cannot be sold until one of four of the following conditions are met: (1) a Change in Control (as defined in the Amended and Restated 2021 Equity Incentive Plan), (2) the participant's Separation from Service (as defined in the Amended and Restated 2021 Equity Incentive Plan), (3) the participant's death, or (4) the participant's Disability (as defined in the Amended and Restated 2021 Equity Incentive Plan).

On January 19, 2022, the Board of Directors unanimously approved the Amended and Restated 2021 Equity Incentive Plan. The Amended and Restated 2021 Equity Incentive Plan provides for:

(1) An increase of aggregate number of ordinary shares available for awards to 2,001,812, which is equal to 15% of the issued and outstanding ordinary shares of the Company as of January 19, 2022 subject to discretionary annual increases (on a cumulative basis) as may be approved by the Board in future years by a number of ordinary shares not to exceed an additional 5% of the aggregate number of shares then outstanding;
(2) The authorization of incentive stock options under the Amended and Restated 2021 Equity Incentive Plan; and
(3) The provision of dividend equivalent rights to be issued when authorized.

Pursuant to the Amended and Restated 2021 Equity Incentive Plan, on January 19, 2022, the Company granted an aggregate of 302,000 stock options exercisable at a price of $10.22 per share, representing the average price of the Company's ordinary shares on the grant date (January 19, 2022), which expire on January 19, 2032, to various directors, officers and consultants of the Company. A total of 13,800 of the 302,000 stock options were granted to two members of the Board and vest on the first anniversary of the grant date. The balance of 288,200 stock options were granted to employees (one of whom is also a director of the Company), and a consultant, and such stock options vest ratably on each of the first four annual anniversaries of the grant date.

Additionally, the Company granted 135,740 RSUs to employees (one of whom is also a director of the Company) on January 19, 2022, with a fair value of $10.22 per share, representing the average price of the shares on the grant date (January 19, 2022). The RSUs were fully vested and nonforfeitable as of the grant date and will expire on January 19, 2032.

On February 15, 2022, James Mellon, Linda Kozick and Mark Simon were appointed to the Board. Mr. Mellon owned approximately 23.9% of the Company's outstanding shares at that date. Additionally, Mr. Mellon had previously served as a member of the Board from 2016 to August 14, 2020. On February 15, 2022, in connection with the appointments, each of these directors were granted 13,800 non-qualified stock options, which vest ratably monthly over a three-year period. The options have an exercise price of $8.59 per share, the average price of the stock on February 15, 2022, the day immediately preceding the grant date, and will expire, if unexercised, on February 15, 2032.

On June 8, 2022, the Company granted 50,000 options to purchase shares to an executive of the Company. The options have an exercise price of $11.00, the average price of the stock on that date, vest ratably on each of the first four anniversaries of the grant date and will expire, if unexercised, on June 8, 2032.

On July 27, 2022, the Company granted 15,900 options to purchase shares to a member of the Board. The options have an exercise price of $10.06, the average price of the stock on that date, vest ratably on each monthly anniversary of the grant date in the three year period following the grant date and will expire, if unexercised, on July 27, 2032.

On March 30, 2023, the Board unanimously approved to increase the maximum number of ordinary shares reserved for issuance under the Amended and Restated 2021 Equity Incentive Plan. The aggregate number of shares available for awards under the Amended and Restated 2021 Equity Incentive Plan was increased to 2,880,992, which represented a 5% increase (or 879,180 shares) based on ordinary shares outstanding on March 29, 2023, which is equal to 16% of the issued and outstanding ordinary shares in the capital of the Company as of this date.

On March 30, 2023, the Company granted an aggregate of 746,120 stock options exercisable at a price of $2.92 per share, representing the average price of the shares on the grant date (March 30, 2023), which expire on March 30, 2033, to various directors, officers and a consultant of the Company. 14,600 options to purchase ordinary shares, totaling 87,600, were granted to each non-executive member of the Board and vest on the first anniversary of the grant date. A total of 651,020 stock options were granted to employees (including Mr. Walters, who is Chairman of the Board of Directors), and a consultant, and such stock options vest ratably on each of the first four annual anniversaries of the grant date. The balance of 7,500 stock options were also granted to a consultant, which was fully vested as of the grant date.

The following table sets forth the share ownership of our executive officers and directors as at March 31, 2023:

	Ordinary Shares Beneficially Owned	
Name	**Number**	**Percentage ***
Gregory Bailey	3,494,095**(1)(10)**	19.63%
Steven Mintz	147,211**(1)(2)**	0.83%
James Mellon	3,039,004**(7)(10)**	17.07%
Linda Kozick	7,283**(7)**	0.04%
Mark Simon	7,283**(7)**	0.04%
Robert Glassman	29,820**(9)**	0.17%
Ian Walters	347,183**(3)**	1.95%
Allan Shaw	95,734**(4)**	0.54%
Robert Kramer	187,676**(5)**	1.05%
Steven Innaimo	120,117**(6)**	0.67%
Brian Wiley	15,000**(8)**	0.08%

* Based on issued and outstanding ordinary shares at July 30, 2023 plus vested stock options and stock options that vest in the following 60 days.

(1) Includes 85,000 and 6,900 vested stock options to purchase ordinary shares granted January 13, 2021 and January 19, 2022, respectively. Excludes 14,600 unvested stock options granted March 30, 2023.

(2) Excludes 60,000 shares for which Mr. Mintz has shared investment control and disclaims beneficial ownership.

(3) Includes 100,667 vested stock options to purchase ordinary shares and excludes 152,000 vested restricted stock units subject to certain restrictions and 50,333 unvested stock options granted January 13, 2021. Includes 31,425 vested stock options to purchase ordinary shares and excludes 86,100 vested restricted stock units subject to certain restrictions and 94,275 unvested stock options granted January 19, 2022. Excludes 301,688 unvested stock options granted March 30, 2023. Additionally, excludes 87,519 shares held in trusts for the benefit of his children for which Mr. Walters disclaims beneficial ownership.

(4) Includes 87,334 vested stock options to purchase ordinary shares and excludes 43,666 unvested stock options granted January 13, 2021. Includes 8,400 vested stock options to purchase ordinary shares and excludes 23,040 vested restricted stock units subject to certain restrictions and 25,200 unvested stock options granted January 19, 2022. Excludes 140,850 unvested stock options granted March 30, 2023.

(5) Includes 40,667 vested stock options to purchase ordinary shares and excludes 91,000 vested restricted stock units subject to certain restrictions and 20,333 unvested stock options granted January 13, 2021. Includes 6,275 vested stock options to purchase ordinary shares and excludes 17,200 vested restricted stock units subject to certain restrictions and 18,825 unvested stock options granted January 19, 2022. Excludes 55,425 unvested stock options granted March 30, 2023.

(6) Includes 116,667 vested stock options to purchase ordinary shares and excludes 58,333 unvested stock options granted January 13, 2021. Includes 3,450 vested stock options to purchase ordinary shares and excludes 9,400 vested restricted stock units subject to certain restrictions and 10,350 unvested stock options granted January 19, 2022. Excludes 30,900 unvested stock options granted March 30, 2023.

(7) Includes 6,516 vested stock options to purchase ordinary shares and 767 stock options that vest in the following 60 days and excludes 6,517 unvested stock options granted February 15, 2022. Excludes 14,600 unvested stock options granted March 30, 2023.

(8) Includes 15,000 vested stock options to purchase ordinary shares and excludes 45,000 unvested stock options granted January 19, 2022. Excludes 47,719 unvested stock options granted March 30, 2023.

(9) Includes 5,300 vested stock options to purchase ordinary shares and 883 stock options that vest in the following 60 days and excludes 9,717 unvested stock options granted July 27, 2022. Excludes 14,600 unvested stock options granted March 30, 2023.

(10) These shares for Mr. Bailey and Mr. Mellon exclude 713,191 shares owned by SalvaRx Group plc. Mr. Bailey and Mr. Mellon own 36.91% and 35.07% of SalvaRx Group plc, respectively.

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

(F) DISCLOSURE OF A REGISTRANT'S ACTION TO RECOVER ERRONEOUSLY AWARDED COMPENSATION.

Not applicable.

ITEM 7 – MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

(A) MAJOR SHAREHOLDERS

The Company's ordinary shares are recorded on the books of its transfer agent in registered form. A large number of the ordinary shares are, however, registered in the name of intermediaries such as brokerage houses and clearing firms on behalf of their respective clients. The Company does not have knowledge of all the beneficial owners of its ordinary shares. Intermediaries like CDS & Co, Toronto, Canada and Cede & Co., New York, USA held approximately 17% of the issued and outstanding ordinary shares of the company on behalf of beneficial shareholders whose individual holdings details were not available.

At March 31, 2023, the Company had 17,605,748 ordinary shares issued and outstanding and at July 30, 2023, the Company had 17,789,691 ordinary shares issued and oustanding.

The following table sets forth persons known by us to be beneficial owners of more than 5% of our ordinary shares as of July 30, 2023. 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 indicated above are deemed to be beneficially owned by the person holding the option and warrant and included in the holding. These beneficially held ordinary 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[(1)]	Percentage of Shares[(2)]
Gregory Bailey	3,494,095	19.63%
James Mellon	3,039,004	17.07%

(1) The share counts below exclude 713,191 shares of our stock owned by SalvaRx Group plc, in which Mr. Bailey and Mr. Mellon own interests of 36.91% and 35.07%, respectively.

(2) Based on ordinary shares issued and outstanding as of July 30, 2023.

There were no changes to the holdings of major shareholders in Fiscal 2023 other than through stock options granted. All shares have the same voting rights. For details on Mr. Bailey and Mr. Mellon’s holdings for the last three years, see the Company’s Annual Report on Form 20-F for the fiscal year ended March 31, 2022, the Company’s Annual Report on Form 20-F for the fiscal year ended March 31, 2021 and the Company’s Annual Report on Form 20-F for the fiscal year ended March 31, 2020.

The Company is a publicly owned BVI business company. 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.

Exemption from Insider Report Filing under Canadian Securities Legislation

The Company is a reporting issuer under the Securities Acts of each of the province of Ontario and British Columbia in Canada, which would normally require 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 ordinary shares) to file insider reports of changes in their ownership of the Company's ordinary shares under National Instrument 55-104 - *Insider Reporting Requirements and Exemptions (“NI 55-104”)*. Under section 4.12 of National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* however, as the Company is deemed to be an SEC Foreign Issuer, the insider reporting requirements of NI 55-104 do not apply provided the insiders comply with the requirements of U.S. federal securities law relating to insider reporting.

The United States also has rules governing public reporting of the ownership of securities held in public companies. 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 five per cent of a class of an equity security registered under Section 12 of the Exchange Act. Subject to certain exceptions, these persons must file, within 10 days after such acquisition, a report of beneficial ownership with the United States 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.

As a foreign private issuer, the reporting and short-swing profit re-capture rules of Section 16 of the Exchange Act are not applicable to our directors, offices and holders of 10% or more of our issued and outstanding ordinary shares, calculated on a beneficial basis under Rule 13d-3 of the Exchange Act.

(B) RELATED PARTY TRANSACTIONS

SalvaRx Acquisition

Four of the Company's then six directors are also directors of SalvaRx Group plc. The Company's CEO is also the CEO of SalvaRx Limited and employees of the Company comprise the management team of SalvaRx.

Payable

In January 2020, the then Chairman of the Company advanced the Company $1.0 million which was repaid in July 2020. There was no interest or fees associated with this advance.

Investments

The Company has entered into related party transactions and certain services agreement with the companies that it has invested in. Key management personnel of the Company have also entered into related party transactions with these invested companies. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including directors and senior management of companies.

The following subsidiaries and associates are considered related parties:

(a) **Stimunity**. The CEO of Portage is one of three members of the board of directors of Stimunity. Also see the discussion of the Stimunity Convertible Note as described under Item 5 (B) Liquidity and Capital Resources of this Annual Report.

(b) **iOx**. Upon the iOx Share Exchange on July 18, 2022, the non-Portage director resigned from the iOx board leaving two Portage insiders as directors. The CEO of Portage is also the CEO of iOx, and the management team of Portage comprises the management team of iOx. See below for a discussion of the Company's purchase of the non-controlling interest in iOx through its wholly-owned subsidiary SalvaRx.

(c) **Saugatuck**. One of the three directorships on the board of directors of Saugatuck is controlled by Portage. Additionally, the CEO of Portage is also the CEO of Saugatuck, and the management team of Portage comprises the management team of Saugatuck.

(d) **Intensity**. The CEO of Portage previously served as a part-time officer of Intensity until becoming a consultant in 2023. Additionally, Intensity provided services (primarily rent) to Portage, totaling $69,759, $83,437 and $77,088 for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively, of which $63,624 was unpaid at March 31, 2023.

(e) **Portage Development Services Inc**. PDS provides human resources and other services to each operating subsidiary of Portage through a shared services agreement.

(f) **PGL.** PPL held 65% equity in PGL, committed to provide financing and also handles financial and administrative matters of PGL. The Company disposed of 100% of its interests in PPL and PGL on March 3, 2021.

The following are related party balances and transactions other than those disclosed under Note 21, “Related Party Transactions” to the Company’s consolidated financial statements:

Interest expense includes $78,427 interest incurred in the year ended March 31, 2021, on notes issued to members of the Board. The SalvaRx Notes were settled as of August 6, 2020 and, accordingly, no further interest expense was incurred. In connection with the settlement of the SalvaRx Notes, $692,045 of accrued interest and $805,000 of principal was paid to directors. The directors also exchanged an aggregate $2,415,000 of notes payable for SalvaRx warrants at a price of $6.64, which were exchanged for Portage warrants and converted to Portage stock on October 13, 2020.

Transactions between the parent company and its subsidiaries, which are related parties, have been eliminated in consolidation and are not disclosed in this note.

On September 8, 2021, the Company, through SalvaRx, completed a settlement of loans (including interest) to and receivables from iOx for services rendered in exchange for 23,772 ordinary shares of iOx at a price of £162. Simultaneously, the Company entered into an agreement with OSI, the holder of $0.15 million notes plus accrued interest under which OSI exchanged the notes plus accrued interest for 820 shares of iOx.

Share Exchange Agreement – iOx

On July 18, 2022, the Company and SalvaRx entered into a Share Exchange Agreement with each of the minority shareholders of iOx resulting in the acquisition of the outstanding non-controlling ownership interest (approximately 22%) of iOx, which is developing the iNKT engager platform. As such:

- the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary;
- any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the parent; and
- there is no consequential adjustment to the carrying amount of goodwill, and no gain or loss is recognized in profit or loss.

The Company now owns the worldwide rights to its small molecule iNKT engagers, including lead programs PORT-2 and PORT-3. Under the terms of the Share Exchange Agreement, each Seller sold to the Company, and the Company acquired from each Seller, legal and beneficial ownership of the number of iOx shares held by each Seller, free and clear of any share encumbrances, in exchange for the issuance in an aggregate of 1,070,000 Portage ordinary shares to be allocated among the Sellers based upon their relative ownership. As a result of the Share Exchange Agreement, the Company owns 100% of the issued and outstanding shares of iOx through its wholly-owned subsidiary, SalvaRx.

As additional consideration for the sale of the iOx shares to the Company under the Share Exchange Agreement, the Sellers shall have the contingent right to receive additional shares (“Earnout Shares”) from the Company having an aggregate value equal to $25 million calculated at the Per Share Earnout Price, as defined in the Share Exchange Agreement, upon the achievement of certain milestones defined as the dosing of the first patient in a Phase 3 clinical trial for either PORT-2 (IMM60 iNKT cell activator/engager) or PORT-3 (PLGA-nanoparticle formulation of IMM60 combined with a NY-ESO-1 peptide vaccine). The Company shall have the option, in its sole and absolute discretion, to settle the Earnout Shares in cash.

Employment Agreements

For a description of compensation arrangements and employment agreements between the Company and its members of senior management as well as director compensation arrangements, see Part I Item 6.B “Compensation” of this Annual 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 Item 18 of this Annual Report.

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 ordinary 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 the ordinary shares will participate equally in the dividends, and, in the event of liquidation, in the net assets, of the Company.

In January 2018, the Company declared and distributed its then holdings of common shares of Biohaven Pharmaceuticals Holding Company Ltd. as stock dividend. Whether or not the Board of Directors will determine to do any other distributions of property of the Company in the future is in their sole discretion and will depend on their determination at the future time.

(B) SIGNIFICANT CHANGES

There were no significant events or changes to report that happened subsequent to March 31, 2023, to the date of this report.

ITEM 9 – THE OFFER AND LISTING

(A) OFFER AND LISTING DETAILS

The Company’s shares have been listed for trading on Nasdaq on the Nasdaq Capital Market under the symbol “PRTG” since February 25, 2021.

The following table outlines the annual high and low market prices for an ordinary share for the five most recent fiscal years. Except as noted, reflects share price prior to the 100 to 1 reverse stock split effective June 5, 2020:

	High		Low	
Year ended March 31,	**Nasdaq US$**	**CSE US$**	**Nasdaq US$**	**CSE US$**
2023*	11.95	N/A	2.60	N/A
2022*	42.81	N/A	6.57	N/A
2021*	39.50	38.99	8.88	0.09
2020	0.15	0.14	0.07	0.08
2019	0.14	0.15	0.07	0.07

* Reflects share price subsequent to the 100 to 1 reverse stock split effective June 5, 2020.

The following table outlines the high and low market prices for an ordinary share for each fiscal financial quarter for the two most recent fiscal periods and subsequent periods. Except as noted, reflects share price prior to the 100 to 1 reverse stock split effective June 5, 2020:

	High	Low
Quarter ended:	**Nasdaq US$**	**Nasdaq US$**
30-Jun-23*	3.87	2.73
31-Mar-23*	7.20	2.60
31-Dec-22*	7.53	4.42
30-Sep-22*	10.12	5.89
30-Jun-22*	11.95	5.16
31-Mar-22*	12.00	6.57
31-Dec-21*	23.74	10.73
30-Sept-21*	22.40	13.65
30-Jun-21*	42.81	20.96

* Reflects share price subsequent to the 100 to 1 reverse stock split effective June 5, 2020.

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

	High	Low
Month	**Nasdaq US$**	**Nasdaq US$**
July 2023 (through July 30, 2023)	3.68	2.76
June 2023	3.87	3.20
May 2023	3.66	2.73
April 2023	3.52	2.95
March 2023	3.70	2.60
February 2023	5.06	3.60

(B) PLAN OF DISTRIBUION

Not applicable.

(C) MARKETS

The Company's ordinary shares currently trade in one place. The Company's shares have been listed for trading on Nasdaq on the Nasdaq Capital Market under the symbol "PRTG" since February 25, 2021. Before April 23, 2021, the Company's ordinary shares were traded in two places.

1. Since February 25, 2021, the ordinary shares of the Company began trading on Nasdaq under the trading symbol "PRTG". Before then, the ordinary shares had been traded in the OTC market since 2000 under the trading symbol "PTGEF".

2. Effective October 28, 2013, the Company's ordinary shares were also listed for trading in United States currency on the Canadian Securities Exchange (formerly, Canadian National Stock Exchange) under the symbol "PBT.U". The Company voluntarily delisted its ordinary shares from the CSE at the market close on April 23, 2021, since the Company's shares were trading on Nasdaq from February 2021.

(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 20-F 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.

(J) ANNUAL REPORT TO SECURITY HOLDERS

If we are required to provide an annual report to security holders in response to the requirements of Form 6-K, we will submit the annual report to security holders in electronic format in accordance with the EDGAR Filer Manual.

(B) MEMORANDUM AND ARTICLES OF ASSOCIATION

General

Portage Biotech Inc. amended its Memorandum of Association and Articles of Association ("M&A") on September 20, 2022 and filed an updated version thereof with the Registrar of Companies in the British Virgin Islands on September 20, 2022.

Pursuant to our M&A, 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 M&A 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 M&A.

The directors may decide whether a meeting of the shareholders will be held as a Physical Meeting, a Virtual Meeting or a Hybrid Meeting as those terms are defined in the M&A.

Subject to our M&A, a meeting of shareholders of the company will be called by not less than ten days' written notice and no more than 60 days’ 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 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 M&A 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 Company, our M&A. Shareholders are entitled to have our affairs conducted in accordance with the BVI Act and the M&A.

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 M&A, 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 M&A. There are no pre-emption rights applicable to the issuance of new shares by us under either British Virgin Islands law generally or our M&A more specifically.

Modification of rights

As permitted by British Virgin Islands law, and our M&A, we may vary the rights attached to our ordinary shares.

Transfer of shares

Subject to any applicable restrictions set forth in our M&A, 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 a form prescribed by the Designated Stock Exchange or by means of a Relevant System (as defined in our M&A) or in any other form which our directors may approve. Shares may be held electronically and transferred electronically.

The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine.

Changes in authorized ordinary shares

By 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.

Dividends

Subject to the BVI Act and our M&A, 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 M&A, 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, save where such redemption is pursuant to certain statutory provisions, such as pursuant to section 179 of the BVI Act (redemption of minority shares) which allows for the holders of 90% or more of the votes to instruct the company to redeem the shares of the company held by the remaining shareholders.

Liquidation rights

As permitted by British Virgin Islands law and our M&A, a voluntary liquidator may be appointed under Part XII of the BVI Act if we satisfy the solvency test (as aforementioned save that it is satisfied if assets equal or exceed liabilities).

Board of directors

We are managed by a board of directors, which consisted of seven directors at March 31, 2023. Our M&A provide that the board of directors may be established by the board of directors up to a maximum of 15 members.

Our shareholders may, pursuant to our M&A, 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 M&A, elect another person in his or her stead. Subject to our M&A, 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 does not at any time exceed the maximum number fixed by or in accordance with our M&A (if any).

Our M&A do not provide for alternate directors.

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 a majority of the directors are present or represented. 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 M&A 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 M&A 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; or
- create new classes of shares with preferences to be determined by the board of directors at the time of authorization.

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) M&A; (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 M&A, 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.

Conflicts of interest

Pursuant to the BVI Act and the Company's M&A, a director of the 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, which 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 for our ordinary shares. 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 (Revised Edition 2020, 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 memorandum and 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 those persons voting at a meeting or in the case of a written resolution of shareholders, the vote of a majority of the shareholders.

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 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 M&A 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 M&A 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 two fiscal years immediately preceding the filing of this report that are not otherwise disclosed in this Annual Report (including the Exhibits).

(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 ordinary 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 ordinary shares of the Company, and all holders of ordinary shares of the Company are not liable to the British Virgin Islands for income tax on gains realized on the sale or disposal of securities. The British Virgin Islands does not impose a withholding tax on dividends paid by a company incorporated or continued under the BVI Act.

There are no capital gains, gift or inheritance taxes levied by the British Virgin Islands on companies incorporated under the BVI Act. In addition, securities of companies incorporated under the BVI Act 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.

The BVI Economic Substance (Companies and Limited Partnership) Act (Revised Edition 2020) ("ESA")

The above legislation aimed at addressing concerns raised by the Council of the European Union as to offshore structures engaged in certain activities, which attract profits without real economic activity provides (among other things) that BVI companies that carry out certain defined activities, need to take steps to establish substance in the British Virgin Islands. We have taken advice and will be filing our economic substance declaration in the BVI shortly in accordance with the requirements of the legislation. The Company itself will not be subject to any such requirements to establish economic substance in the BVI. Although it is presently anticipated that the ESA will have little material impact on the Company or its operations, as the legislation is new and remains subject to further clarification and interpretation, it is not currently possible to ascertain the precise impact of these legislative changes on the Company.

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 ordinary shares. Each holder or a prospective holder of our ordinary 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 of the ownership and disposition of our ordinary shares. 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 ordinary shares as a capital asset within the meaning of Section 1221 of the Code. The United States Internal Revenue Service ("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 ownership or disposition of our ordinary 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 ordinary 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 non-United States 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, non-United States and United States federal estate and gift tax consequences of the ownership and disposition of our ordinary shares. In addition, this summary does not take into account any special United States federal income tax rules that may apply to a particular holder of our ordinary shares, including, without limitation, the following:

- a dealer in securities;
- 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 ordinary 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 ordinary shares;
- certain former U.S. citizens and residents who have expatriated; or
- a person who receives our ordinary 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 ordinary 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 ordinary 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 ordinary shares, you should consult your tax advisor.

Distributions

In general, subject to the PFIC rules discussed below, the gross amount of any distribution received by a U.S. Holder with respect to our ordinary shares will be included in the gross income of the U.S. Holder as a dividend to the extent attributable to our current and accumulated earnings and profits, as determined under U.S. federal income tax principles. Unless we maintain calculations of our earnings and profits in accordance with U.S. federal income tax principles, U.S. Holders should expect that distributions will generally be treated as a dividend for U.S. federal income tax purposes. Any dividends from us will not be eligible for the dividends-received deduction generally allowed to corporations in respect of dividends received from U.S. corporations. For U.S. foreign tax credit purposes, dividends received on our ordinary shares by a U.S. Holder will generally be treated as income from sources outside the United States and will generally constitute “passive category income.” A portion of such dividends, however, will be treated as U.S. source income, subject to certain exceptions, in proportion to our U.S. source earnings and profits if U.S. persons collectively own, directly or indirectly, 50% or more of the voting power or value of our ordinary shares.

U.S. Holders that are individuals and certain other non-corporate U.S. Holders will be subject to tax on dividend income from a “qualified foreign corporation” at preferential rates of taxation provided that certain holding period and other requirements are met. For this purpose, a foreign corporation (other than a corporation that is classified as a PFIC (as discussed below) for the taxable year in which the dividend is paid or the preceding taxable year) will generally be considered to be a qualified foreign corporation (i) if it is eligible for the benefits of a comprehensive tax treaty with the United States which the Secretary of Treasury of the United States determines is satisfactory for purposes of this provision and which includes an exchange of information program, or (ii) with respect to any dividend it pays on stock which is readily tradable on an established securities market in the United States. Our ordinary are listed on Nasdaq, which is an established securities market in the United States, and are expected to be readily tradable. Thus, we expect that dividends paid on its ordinary shares will meet the conditions above required for the preferential tax rates, provided we are not a PFIC in the year such dividend is paid or the preceding taxable year.

Sale, Exchange or Other Taxable Disposition

Subject to the PFIC rules discussed below, upon a sale, exchange or other taxable disposition of our ordinary shares, a U.S. Holder will generally recognize a capital gain or loss equal to the difference between the amount realized on such sale, exchange or other taxable disposition and the adjusted tax basis of such ordinary shares. As discussed above, a U.S. Holder's initial tax basis in our ordinary shares will generally equal the fair market value on the distribution date of such shares. Such gain or loss will be a long-term capital gain or loss if our ordinary shares have been held for more than one year and will be a short-term gain or loss if the holding period is equal to or less than one year. Such gain or loss will generally be considered U.S. source gain or loss for U.S. foreign tax credit purposes. Long-term capital gains of certain non-corporate U.S. Holders are eligible for reduced rates of taxation. For both corporate and non-corporate U.S. Holders, limitations apply to the deductibility of capital losses.

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. We believe that we were a PFIC in the fiscal year ended in 2018 and that we were a PFIC for the fiscal year ended March 31, 2023. We may have been a PFIC in other years and we may be a PFIC in the future.

If we are a PFIC for any fiscal year during which a U.S. Holder holds our ordinary 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 ordinary 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 ordinary shares. If such an election is made, the U.S. Holder will be deemed to have sold the ordinary 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 ordinary 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 ordinary 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 ordinary shares by the U.S. Holder would be allocated ratably over the U.S. Holder's holding period for such ordinary 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 ordinary shares exceeds 125% of the average of the annual distributions on such ordinary 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 ordinary 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 ordinary 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 ordinary shares would be treated as "regularly traded" in any calendar year in which more than a de minimis quantity of the ordinary shares are traded on a qualified exchange on at least 15 days during each calendar quarter. Nasdaq is a qualified exchange for this purpose. However, 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 ordinary 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 ordinary 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 ordinary shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of our ordinary 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 ordinary 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 ordinary 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 prior fiscal years for those U.S. Holders 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 ordinary 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, 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 ownership and disposition of our ordinary shares, the consequences if we are or become a PFIC, any elections available with respect to our ordinary shares, and the IRS information reporting obligations with respect to the ownership and disposition of our ordinary shares.

Non-U.S. Holders

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

Distributions on Our Ordinary Shares

You generally will not be subject to U.S. federal income tax, including withholding tax, on distributions made on our ordinary 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 ordinary 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 Ordinary 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 ordinary 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 ordinary 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.

If you meet one of tests above, you generally will be subject to tax in respect of any gain effectively connected with your conduct of a trade or business in the United States 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 ordinary shares that are made in the United States or by a United States related financial intermediary may be subject to United States information reporting rules. In addition, U.S. Holders may be subject to United States federal backup withholding tax. U.S. Holders 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. To fulfill these requirements we file with the Securities and Exchange Commission, within four months after the end of our fiscal year an annual report on Form 20-F containing financial statements that will be examined and reported on, with an opinion expressed, by an independent public accounting firm. We also file current reports on Form 6-K for significant corporate events throughout the year. As a foreign private issuer, we are exempt from the rules under the Exchange Act relating to the furnishing of proxy statements. Also, because we are a foreign private issuer our officers, directors and principal shareholders are exempt from the reporting and short swing profit provisions contained in Section 16 of the Exchange Act.

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 61 Wilton Road, Westport, Connecticut 06880.

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.

Fair value of Financial Instruments

The Company’s financial assets and liabilities are comprised of cash and cash equivalents, receivables and investments in equities and private entities, accounts payable, 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. Investments are 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.

Management has assessed that the fair values of cash and cash equivalents and accounts payable approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Company’s financial instruments are exposed to certain financial risks: Credit Risk, Liquidity Risk and Foreign Currency Risk.

Credit Risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfil its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value as reflected in the Company’s condensed consolidated interim statements of financial position.

Cash and cash equivalents. Cash and cash equivalents comprise cash on hand and amounts invested in underlying Treasury and money market funds that are readily convertible to a known amount of cash with three months or less from date of acquisition and are subject to an insignificant risk of change in value. As of March 31, 2023 and 2022, cash equivalents was comprised of a money market account with maturities less than 90 days from the date of purchase. Cash and cash equivalents are held with major international financial institutions and therefore the risk of loss is minimal.

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 and cash equivalents to satisfy obligations under accounts payable and accruals.

The Company monitors its liquidity position regularly to assess whether it has the funds necessary to meet 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.

Foreign Currency Risk

While the Company operates in various jurisdictions, substantially all of the Company's transactions are denominated in the U.S. Dollar, except the deferred tax liability in the U.K. settleable in British pound sterling and the Stimunity Convertible Note receivable settleable in euros.

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 CEO and the 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 (ICFR)

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 Securities Exchange Act of 1934, as amended). The Company's internal control system was designed to provide reasonable assurance to the Company's management and the Company's 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 the 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.

Management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2023. In making this assessment, it used the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the evaluation under these criteria, management identified material weaknesses in the Company's internal controls over financial reporting and, as a result, management concluded that the Company's internal control over financial reporting was not effective as of March 31, 2023.

Management identified the following material weaknesses in our internal control over financial reporting.

- Management was unable to perform an effective risk assessment or monitor internal controls over financial reporting;

- Management lacks the number of skilled persons that it requires given the complexity of the reporting requirements that it has to make, which more specifically include the staff and expertise to (i) properly segregate duties and perform oversight of work performed and to perform compensating controls over the finance and accounting functions, (ii) establish and perform fair value estimates or subsequently monitor fluctuations in fair value estimates, and (iii) apply complex accounting principles, including those relating to business combination accounting, income taxes and fair value estimates; and

- There are insufficient written policies and procedures in place to ensure the correct application of accounting and financial reporting with respect to the current requirements of IFRS and SEC disclosure requirements, some of which specifically relate to investment accounting and fair value measures, assessment of in-process R&D assets, share-based payments, carrying amounts of goodwill and intangible assets and business combination accounting.

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

Management is committing additional resources to improve and augment its control over financial reporting as well as continue to leverage experienced consultants to assist with ongoing IFRS and SEC compliance requirements.

ITEM 16(A) – AUDIT COMMITTEE FINANCIAL EXPERTS

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

ITEM 16 (B) – CODE OF ETHICS

We have adopted a Code of Ethics, which applies to all consultants, officers and directors. A copy of our current code of ethics was included in the exhibits to the fiscal 2014 annual report on Form 20-F.

A copy of our Code of Ethics can be obtained, without charge, by writing to our corporate office at c/o Portage Development Services Inc., Ian Walters, 61 Wilton Road, Westport, Connecticut 06880.

During the most recently completed fiscal year, we 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 paid or accrued to our independent auditing firm of the Company for the last two fiscal periods ended:

March 31,	**2023**	**2022**
Audit fee	$ 292,075	$ 196,780
Audit-related fees	$ –	$ –
Other services	$ 109,160	$ 30,900

Included in audit fees are $157,075 and $67,800 with respect to the three quarterly reviews performed in fiscal 2023 and fiscal 2022, respectively. We also incurred fees of $74,160 and $30,900 with respect to work performed on our comfort letter and registration statement in fiscal 2023 and fiscal 2022, respectively, and $35,000 in fiscal 2023 with respect to a review of the financial statements of an acquired company. We did not have any engagement with the independent accounting firm of the Company during the fiscal years ended March 31, 2023 and 2022 with respect to professional services for tax compliance, tax advice or tax planning or for any audit-related services.

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

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 2023.

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

Not Applicable.

ITEM 16 (G) – CORPORATE GOVERNANCE

We are incorporated under the BVI Act. Our ordinary shares are registered with the SEC and are listed on the Nasdaq Capital Market. As a result, our corporate governance framework is subject to laws of the British Virgin Islands, or BVI, the securities laws and regulations of the United States and the listing requirements of the Nasdaq Marketplace Rules.

Under Rule 5615 of the Nasdaq Marketplace Rules, a foreign private issuer may follow its home country practice in lieu of the requirements of the Nasdaq Marketplace Rules. We follow the exemptions provide under the Nasdaq Marketplace Rules as described below.

British Virgin Islands law does not require that a majority of our board of directors consist of independent directors or that our board committees consist of entirely independent directors. Our board of directors and board committees, therefore, may include fewer independent directors than would be required if we were subject to Nasdaq Listing Rule 5605(b)(1). In addition, we will not be subject to Nasdaq Listing Rule 5605(b)(2), which requires that independent directors must regularly have scheduled meetings at which only independent directors are present.

We also are exempt from the Nasdaq listing rules so as to follow the quorum rules for shareholder meetings under British Virgin Islands law. We also are exempt from the Nasdaq listing rules so as to not be required to obtain shareholder approval for certain issuance of securities, shareholder approval of share option plans and change of control transactions under the Nasdaq Listing Rule 5635.

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 Securities Exchange Act of 1934. The Company solicits proxies in accordance with applicable rules and regulations in British Virgin Islands.

ITEM 16 (H) – MINE SAFETY DISCLOSURE

Not applicable.

PART III

ITEM 17 – FINANCIAL STATEMENTS

The financial statements are provided pursuant to Item 18.

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

PORTAGE BIOTECH INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2023, 2022 AND 2021

(U.S. Dollars in thousands)

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Portage Biotech Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Portage Biotech Inc. (the "Company") as of March 31, 2023 and 2022, the related consolidated statements of operations and other comprehensive income (loss), changes in equity and cash flows for each of the three years in the period ended March 31, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2023, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Explanatory Paragraph – Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in Note 2, the Company has incurred significant losses and needs to raise additional funds to meet its obligations and sustain its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Fair Value of In-Process Research & Development Assets Acquired in the Acquisition of Tarus Therapeutics, Inc.

Critical Audit Matter Description

As discussed in Note 10 to the consolidated financial statements, the Company completed the acquisition of the stock of Tarus Therapeutics, Inc. The Company accounted for this transaction under the acquisition method as prescribed by IFRS 3 *Business Combinations.* Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their respective fair values, including in-process research & development assets of $28.2 million.

Auditing the fair value of the in-process research & development assets as of the acquisition date was complex and highly judgmental due to the significant measurement uncertainty, particularly due to the sensitivity of the estimates to changes in significant assumptions such as discount rates, revenue growth rates and operating margins. These assumptions are affected by expected future market or economic conditions.

How the Critical Audit Matter was addressed in the Audit

We obtained a copy of the independent appraisal of the fair value of the in-process research & development assets acquired in the acquisition of Tarus Therapeutics, Inc. that was used by management to determine their fair values and assessed the qualifications of the specialist.

To test the fair values of the in-process research & development assets, our audit procedures included:

- We obtained the valuation report prepared by management's third party valuation specialists. We performed the following procedures in respect to the valuation report:
  - We assessed the qualifications of the third party specialists who performed the analysis and prepared the report; and
  - We tested the mathematical accuracy of all the schedules used in the analysis.

- With assistance from our valuation specialists, we evaluated the reasonableness of the valuation methodology and significant assumptions, including the following:
  - Weighted average cost of capital;
  - Testing certain inputs utilized by comparing them to similar companies in the industry.

- We performed the following additional procedures:
  - Performed a sensitivity analysis of the significant assumptions to assess the range of potential fluctuations that would materially impact the fair value of the in-process research & development assets;
  - Assessed the reasonableness of the probability of success of current research & development projects;
  - Assessed the reasonableness of the expected timing to realization of revenue;
  - Assessed the reasonableness of the market penetration after commercialization; and
  - Developed an independent expectation for comparison to management's estimated revenue, costs of revenue and administrative expenses

Impairment of In-Process Research & Development Assets

Critical Audit Matter Description

As disclosed in Note 12 to the consolidated financial statements, the Company's in-process research & development assets are tested for impairment at least annually or more frequently if indicators of impairment require the performance of an interim impairment assessment. As a result of its year end assessment, management concluded that the fair values of the Company's in-process research & development assets exceeded their respective carrying values and were therefore impaired. As a result, the Company recognized impairments related to its in-process research & development assets of $63.9 million, respectively, during the year ended March 31, 2022.

Auditing management's impairment tests of in-process research & development assets was complex and highly judgmental due to the significant measurement uncertainty in determining the fair values of the assets. In particular, the fair value estimates are sensitive to changes in significant assumptions such as discount rates, revenue growth rates and operating margins. These assumptions are affected by expected future market or economic conditions.

How the Critical Audit Matter was addressed in the Audit

We obtained a copy of the Company's impairment assessments including an independent appraisal of the fair values of the Company's in-process research & development assets that were used by management to determine their fair values, in accordance with IAS 36 (Impairment of Assets) and assessed the qualifications of the specialist.

To test the impairment assessment including fair values of the in-process research & development assets, our audit procedures included:

- We obtained the valuation report prepared by management's third party valuation specialists. We performed the following procedures in respect to the valuation report:
  - We assessed the qualifications of the third party specialists who performed the analysis and prepared the report; and
  - We tested the mathematical accuracy of all the schedules used in the analysis.

- With assistance from our valuation specialists, we evaluated the reasonableness of the valuation methodology and significant assumptions, including the following:
  - Weighted average cost of capital;
  - Testing certain inputs utilized by comparing them to similar companies in the industry.

- We performed the following additional procedures:
  - Performed a sensitivity analysis of the significant assumptions to assess the range of potential fluctuations that would materially impact the fair value of the in-process research & development assets;
  - Assessed the reasonableness of the probability of success of current research & development projects;
  - Assessed the reasonableness of the expected timing to realization of revenue;
  - Assessed the reasonableness of the market penetration after commercialization;
  - Evaluated the reasonableness of the expected time to a possible liquidation event; and
  - Developed an independent expectation for comparison to management's estimated revenue, costs of revenue and administrative expenses

/s/ Marcum LLP

Marcum LLP

We have served as the Company's auditor since 2019.

Melville, NY
July 31, 2023

PORTAGE BIOTECH INC.
Consolidated Statements of Financial Position
(U.S. Dollars in thousands)

	Notes	March 31, 2023	March 31, 2022
Assets			
Current assets			
Cash and cash equivalents	**4**	**$ 10,545**	$ 23,352
Prepaid expenses and other receivables	**5**	**2,689**	1,480
Convertible note receivable	**6**	**442**	–
Total current assets		**13,676**	24,832
Non-current assets			
Investment in associate	**6**	**806**	1,673
Investment in private company	**7**	**2,087**	7,409
Goodwill	**8, 9**	**–**	43,324
In-process research and development	**8, 10**	**81,683**	117,388
Deferred commitment fee	**18**	**839**	–
Other assets, including equipment, net		**38**	36
Total non-current assets		**85,453**	169,830
Total assets		**$ 99,129**	$ 194,662
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	**11**	**$ 1,865**	$ 750
Warrant liability	**14**	**–**	33
Total current liabilities		**1,865**	783
Non-current liabilities			
Deferred tax liability	**10, 13**	**10,564**	28,445
Deferred purchase price payable - Tarus	**8, 20**	**7,179**	–
Deferred obligation - iOx milestone	**19, 20**	**4,126**	–
Total non-current liabilities		**21,869**	28,445
Total liabilities		**23,734**	29,228
Shareholders' Equity			
Capital stock	**15**	**218,782**	158,324
Stock option reserve	**16**	**21,204**	16,928
Accumulated other comprehensive (loss) income		**(4,325)**	958
Accumulated deficit		**(159,616)**	(55,005)
Total equity attributable to owners of the Company		**76,045**	121,205
Non-controlling interest	**22**	**(650)**	44,229
Total equity		**75,395**	165,434
Total liabilities and equity		**$ 99,129**	$ 194,662

Commitments and Contingent Liabilities (Note 18)

/s/Allan Shaw	Chief Financial Officer	/s/Ian Walters	Chairman of the Board and Chief Executive Officer
Allan Shaw		Ian Walters	

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

PORTAGE BIOTECH INC.
Consolidated Statements of Operations and Other Comprehensive Income (Loss)
(U.S. Dollars in thousands, except per share amounts)

	Notes	Years Ended March 31, 2023	2022	2021
Expenses				
Research and development		**$ 8,214**	$ 6,769	$ 7,312
General and administrative expenses		**8,361**	8,819	5,128
Loss from operations		**(16,575)**	(15,588)	(12,440)
Change in fair value of deferred purchase price payable - Tarus and deferred obligation - iOx milestone	**8, 19, 20**	**2,711**	–	–
Impairment loss - iOx IPR&D	**10**	**(59,320)**	–	–
Impairment loss - Tarus IPR&D	**8, 10**	**(4,585)**	–	–
Impairment loss - Goodwill	**8, 9**	**(43,862)**		
Impairment loss - Stimunity	**6**	**(818)**		
Share of loss in associate accounted for using equity method	**6**	**(260)**	(62)	(490)
Change in fair value of warrant liability	**14**	**33**	852	(790)
Loss on equity issued at a discount	**15**	**–**	–	(1,256)
Loss on extinguishment of notes payable		**–**	–	(223)
Gain on sale of marketable equity securities		**–**	–	72
Gain on disposition of subsidiaries		**–**	–	412
Foreign exchange transaction (loss) gain	**10, 13**	**(53)**	24	–
Depreciation expense		**(1)**	–	–
Interest income		**217**	–	–
Interest expense		**(9)**	(43)	(177)
Loss before provision for income taxes		**(122,522)**	(14,817)	(14,892)
Income tax benefit (expense)	**10, 13**	**17,856**	(4,352)	(2,297)
Net loss		**(104,666)**	(19,169)	(17,189)
Other comprehensive income (loss)				
Net unrealized loss on investments	**6, 7**	**(5,283)**	–	–
Total comprehensive loss for year		**$ (109,949)**	$ (19,169)	$ (17,189)
Net loss attributable to:				
Owners of the Company		**$ (104,611)**	$ (16,870)	$ (15,833)
Non-controlling interest	**22**	**(55)**	(2,299)	(1,356)
Net loss		**$ (104,666)**	$ (19,169)	$ (17,189)
Comprehensive loss attributable to:				
Owners of the Company		**$ (109,894)**	$ (16,870)	$ (15,833)
Non-controlling interest	**22**	**(55)**	(2,299)	(1,356)
Total comprehensive loss for year		**$ (109,949)**	$ (19,169)	$ (17,189)
Loss per share	**17**			
Basic and diluted		**$ (6.49)**	$ (1.29)	$ (1.35)
Weighted average shares outstanding	**17**			
Basic and diluted		**16,119**	13,060	11,733

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

PORTAGE BIOTECH INC.
Consolidated Statements of Changes in Equity
(U.S. Dollars in thousands)

	Number of Shares	Capital Stock	Stock Option Reserve	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Equity Attributable to Owners of Company	Non-Controlling Interest	Total Equity
Balance, April 1, 2020	10,988	$ 117,817	$ 58	$ 958	$ (22,302)	$ 96,531	$ 49,110	$ 145,641
Issued under private placement	698	6,980	–	–	–	6,980	–	6,980
Share issuance costs	–	(248)	–	–	–	(248)	–	(248)
Share-based compensation expense	–	–	7,977	–	–	7,977	850	8,827
Exchange of SalvaRx warrants for Portage warrants	–	2,640	–	–	–	2,640	–	2,640
Settlement of non-controlling interest in SalvaRx Limited	–	2,451	–	–	–	2,451	(2,451)	–
Warrant liability at contract price	–	(330)	–	–	–	(330)	–	(330)
Fair value adjustment for shares issued at a discount in SalvaRx Limited	397	1,256	–	–	–	1,256	–	1,256
Shares issued for services	1	25	–	–	–	25	–	25
Expiration of unexercised stock options	–	58	(58)	–	–	–	–	–
Net loss for year	–	–	–	–	(15,833)	(15,833)	(1,356)	(17,189)
Balance, March 31, 2021	12,084	130,649	7,977	958	(38,135)	101,449	46,153	147,602
Share-based compensation expense	–	–	8,951	–	–	8,951	191	9,142
Shares issued under ATM	91	2,643	–	–	–	2,643	–	2,643
Shares issued under offering	1,150	26,450	–	–	–	26,450	–	26,450
Share issuance costs	–	(1,877)	–	–	–	(1,877)	–	(1,877)
Shares issued or accrued for services	8	120	–	–	–	120	–	120
Warrants exercised	16	339	–	–	–	339	–	339
Exchange of notes payable and accrued interest for iOx shares	–	–	–	–	–	–	184	184
Net loss for year	–	–	–	–	(16,870)	(16,870)	(2,299)	(19,169)
Balance, March 31, 2022	**13,349**	**$ 158,324**	**$ 16,928**	**$ 958**	**$ (55,005)**	**$ 121,205**	**$ 44,229**	**$ 165,434**
Share-based compensation expense	**–**	**–**	**4,276**	**–**	**–**	**4,276**	**–**	**4,276**
Shares issued in Tarus acquisition	**2,426**	**17,200**	**–**	**–**	**–**	**17,200**	**–**	**17,200**
Shares issued in iOx exchange	**1,070**	**9,737**	**–**	**–**	**–**	**9,737**	**(9,737)**	**–**
Deferred obligation - iOx milestone	**–**	**–**	**–**	**–**	**–**	**–**	**(5,478)**	**(5,478)**
Excess of non-controlling interest acquired over consideration - iOx	**–**	**29,609**	**–**	**–**	**–**	**29,609**	**(29,609)**	**–**
Shares issued to Lincoln for commitment fee under Committed Purchase Agreement	**94**	**900**	**–**	**–**	**–**	**900**	**–**	**900**
Shares issued under ATM	**167**	**944**	**–**	**–**	**–**	**944**	**–**	**944**
Purchase of shares issued under Committed Purchase Agreement	**480**	**2,038**	**–**	**–**	**–**	**2,038**	**–**	**2,038**
Share issuance costs	**–**	**(90)**	**–**	**–**	**–**	**(90)**	**–**	**(90)**
Shares issued or accrued for services	**20**	**120**	**–**	**–**	**–**	**120**	**–**	**120**
Net unrealized loss on investments	**–**	**–**	**–**	**(5,283)**	**–**	**(5,283)**	**–**	**(5,283)**
Net loss for period	**–**	**–**	**–**	**–**	**(104,611)**	**(104,611)**	**(55)**	**(104,666)**
Balance, March 31, 2022	**17,606**	**$ 218,782**	**$ 21,204**	**$ (4,325)**	**$ (159,616)**	**$ 76,045**	**$ (650)**	**$ 75,395**

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

PORTAGE BIOTECH INC.
Consolidated Statements of Cash Flows
(U.S. Dollars in thousands)

	Years Ended March 31,		
	2023	**2022**	**2021**
Cash flows from operating activities:			
Net loss for the year	**$ (104,666)**	$ (19,169)	$ (17,189)
Adjustments for non-cash items:			
Share-based compensation expense	**4,276**	9,142	8,827
Impairment loss – iOx IPR&D	**59,320**	–	–
Impairment loss – Tarus IPR&D	**4,585**	–	–
Impairment loss – Goodwill	**43,862**	–	–
Impairment loss – Stimunity	**818**	–	–
Change in fair value of deferred purchase price payable – Tarus and deferred obligation – iOx milestone	**(2,711)**	–	–
(Decrease) increase in deferred tax liability	**(17,881)**	4,394	2,446
Share of loss in associate	**260**	62	490
Change in fair value of warrant liability	**(33)**	(852)	790
Fair value of shares issued for services	**120**	120	25
Foreign exchange transaction gain	**(14)**	–	–
Depreciation	**1**	–	–
Gain on sale of marketable equity securities	**–**	–	(72)
Loss on equity issued at a discount	**–**	–	1,256
Amortization of debt discount	**–**	–	76
Loss on early extinguishment of debt	**–**	–	223
Gain on disposition of subsidiaries	**–**	–	(412)
Changes in operating working capital:			
Accounts receivable	**(31)**	522	(111)
Prepaid expenses and other receivables	**(1,201)**	355	(1,477)
Other assets	**24**	(165)	(36)
Accounts payable and accrued liabilities	**1,114**	(1,212)	880
Other	**84**	39	–
Net cash used in operating activities	**(12,073)**	(6,764)	(4,284)
Cash flows from investing activities:			
Purchase of convertible note receivable	**(614)**	–	–
Purchase of equipment	**(3)**	–	–
Proceeds from sale of marketable securities	**–**	–	140
Investment in associates	**–**	–	(1,000)
Net cash used in investing activities	**(617)**	–	(860)
Cash flows from financing activities:			
Repayment of notes payable assumed in Tarus acquisition	**(2,000)**	–	–
Repayment of milestone obligation assumed in Tarus acquisition	**(1,009)**	–	–
Proceeds from shares issued under ATM and Committed Purchase Agreement	**2,982**	–	–
Proceeds from shares issued under registered offering	**–**	29,093	6,980
Share issuance costs	**(90)**	(1,852)	(248)
Proceeds from exercise of stock purchase warrants	**–**	105	–
Repayment of unsecured notes payable	**–**	–	(1,020)
(Repayment of) proceeds from advance from related party	**–**	–	(1,000)
Note proceeds received	**–**	–	50
Net cash (used in) provided by financing activities	**(117)**	27,346	4,762
(Decrease) increase in cash and cash equivalents during year	**(12,807)**	20,582	(382)
Cash and cash equivalents at beginning of year	**23,352**	2,770	3,152
Cash and cash equivalents at end of year	**$ 10,545**	$ 23,352	$ 2,770

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

PORTAGE BIOTECH INC.
Consolidated Statements of Cash Flows *(Cont'd)*
(U.S. Dollars in thousands)

	Years Ended March 31,		
	2023	**2022**	**2021**
Supplemental disclosure of cash flow information:			
Cash paid for interest	**$ –**	$ 19	$ 748
Increase in accounts payable for stock issuance costs	**$ –**	$ 25	$ –
Supplemental disclosure of non-cash investing and financing activities:			
Fair value of shares issued for Tarus	**$ 17,200**	$ –	$ –
Fair value of shares issued for non-controlling interest purchase of iOx	**$ 9,737**	$ –	$ –
Fair value of deferred purchase price payable - Tarus	**$ 8,538**	$ –	$ –
Fair value of deferred obligation - iOx milestone	**$ 5,478**	$ –	$ –
Liabilities assumed in Tarus acquisition	**$ 3,000**	$ –	$ –
Fair value of shares issued for commitment fees - Committed Purchase	**$ 900**	$ –	$ –
Net unrealized loss on investments in Intensity and Stimunity Convertible Note	**$ (5,283)**	$ –	$ –
Exchange of iOx shares for settlement of notes payable, accrued interest and warrants	**$ –**	$ 184	$ –
Shares issued pursuant to settlement of SalvaRx Notes and warrants	**$ –**	$ –	$ 2,640
Notes payable settled in disposition of subsidiaries	**$ –**	$ –	$ 200

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

NOTE 1. NATURE OF OPERATIONS

Portage Biotech Inc. (the "Company" or "Portage") is incorporated in the British Virgin Islands ("BVI") with its registered office located at Clarence Thomas Building, P.O. Box 4649, Road Town, Tortola, BVI. Its USA agent, Portage Development Services Inc. ("PDS"), is located at 61 Wilton Road, Westport, CT, 06880, USA.

The Company is a foreign private issuer under the Securities and Exchange Commission (the "SEC") rules. It is also a reporting issuer under the securities legislation of the provinces of Ontario and British Columbia. Its ordinary shares were listed on the Canadian Securities Exchange ("CSE") under the symbol "PBT.U". On February 25, 2021, the ordinary shares of the Company began trading on the Nasdaq Capital Market ("Nasdaq") under the symbol "PRTG". As the principal market for the Company's ordinary shares is Nasdaq, the Company voluntarily delisted from the CSE on April 23, 2021.

Portage is a clinical-stage immuno-oncology company advancing therapies that target known checkpoint resistance pathways to improve long-term treatment response and quality of life in patients with evasive cancers. Portage's access to next-generation technologies coupled with a deep understanding of biological mechanisms enable the identification of clinical therapies and product development strategies that accelerate these medicines through the translational pipeline. Portage's portfolio consists of four diverse platforms, with lead programs including invariant natural killer T-cell ("iNKT") engagers and a suite of treatments targeting the adenosine pathway. Additional programs leverage delivery by intratumorals, nanoparticles, liposomes, aptamers, and virus-like particles. Within these four platforms, Portage has 9 product candidates currently in development with multiple clinical readouts expected through the end of calendar year 2023.

On August 13, 2018, the Company reached a definitive agreement to acquire 100% of SalvaRx Limited ("SalvaRx") in exchange for 8,050,701 ordinary shares of the Company (the "SalvaRx Acquisition"). The SalvaRx Acquisition was completed on January 8, 2019 (the "Acquisition Date") upon receiving shareholder and regulatory approval. In connection with the SalvaRx Acquisition, the Company acquired interests in SalvaRx's five research and development invested entities and subsidiaries: iOx Therapeutics Ltd. ("iOx") (60.49% interest), Nekonal Oncology Limited ("Nekonal"), Intensity Therapeutics, Inc. ("Intensity"), Saugatuck Therapeutics, Ltd. ("Saugatuck") and Rift Biotherapeutics Inc. The Company also acquired an option in Nekonal SARL, a Luxembourg-based company holding intellectual property rights for therapeutics and diagnostics in the field of autoimmune disorders and oncology, to participate in the funding of its autoimmune programs.

In September 2021, the Company, through SalvaRx, exchanged certain notes, accrued interest, warrants and receivables in exchange for shares of iOx representing 60.49% of the outstanding shares of iOx. As a result of this exchange, the Company, through SalvaRx, increased its ownership of iOx from 60.49% to 78.32%. On July 18, 2022, the Company purchased the remaining non-controlling interest of iOx. See Note 19, "Related Party Transactions – Share Exchange Agreement – iOx," for a further discussion.

NOTE 2. GOING CONCERN

As of March 31, 2023, the Company had cash and cash equivalents of approximately $10.5 million and total current liabilities of approximately $1.9 million. For the year ended March 31, 2023, the Company is reporting a net loss of approximately $104.7 million and cash used in operating activities of approximately $12.1 million. As of June 30, 2023, the Company had approximately $7.7 million of cash and cash equivalents on hand.

NOTE 2. GOING CONCERN *(Cont'd)*

The Company's cash and cash equivalents balance is decreasing, and we will not generate positive cash flows from operations for the year ending March 31, 2024.

The Company may have to delay, scale-back, or eliminate certain of its activities and other aspects of its operations until such time as the Company is successful in securing additional funding. The Company is exploring various dilutive and non-dilutive sources of funding, including equity and debt financings, strategic alliances, business development and other sources. The future success of the Company is dependent upon its ability to obtain additional funding. There can be no assurance, however, that the Company will be successful in obtaining such funding in sufficient amounts, on terms acceptable to the Company, or at all. As of the date of this filing, the Company currently anticipates that current cash and cash equivalents, excluding any potential proceeds from its ATM program and Committed Purchase Agreement with Lincoln Park, access to which are generally limited, based on the Company's Nasdaq trading volume, will be sufficient to meet its anticipated cash requirements through the end of October 2023. These factors raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that these financial statements are issued.

The Company has incurred substantial operating losses since inception and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. The losses result primarily from its conduct of research and development activities.

The Company historically has funded its operations principally from proceeds from issuances of equity and debt securities. The Company will require significant additional capital to make the investments it needs to execute its longer-term business plan, beyond the potential proceeds that could be reasonably generated from its ATM program and Committed Purchase Agreement with Lincoln Park given the Company's current trading volume on Nasdaq. The Company's ability to successfully raise sufficient funds through the sale of debt or equity securities when needed is subject to many risks and uncertainties and, future equity issuances would result in dilution to existing stockholders and any future debt securities may contain covenants that limit the Company's operations or ability to enter into certain transactions.

NOTE 2. GOING CONCERN *(Cont'd)*

The Company has incurred substantial operating losses since inception and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. The losses result primarily from its conduct of research and development activities.

The Company historically has funded its operations principally from proceeds from issuances of equity and debt securities and would expect to enter the capital markets if additional funding is required.

NOTE 3. BASIS OF PRESENTATION

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 an historical cost basis except for items disclosed herein at fair value (see Note 20, "Financial Instruments and Risk Management"). 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 reportable operating segment.

These consolidated financial statements were approved and authorized for issuance by the Audit Committee and Board of Directors (the "Board") on July 31, 2023.

Consolidation

The consolidated financial statements include the accounts of the Company and:

(a) SalvaRx, a wholly-owned subsidiary, incorporated on May 6, 2015 in the British Virgin Islands;

NOTE 3. BASIS OF PRESENTATION *(Cont'd)*

Consolidation (Cont'd)

(b) iOx, a wholly-owned subsidiary incorporated in the U.K. on February 10, 2015. In September 2021, the Company, through SalvaRx, exchanged certain notes, accrued interest, warrants and receivables in exchange for shares of iOx representing 60.49% of the outstanding shares of iOx. As a result of this exchange, the Company, through SalvaRx, increased its ownership of iOx from 60.49% to 78.32%. On July 18, 2022, the Company purchased the remaining non-controlling interest of iOx. See Note 19, "Related Party Transactions – Share Exchange Agreement – iOx," for a further discussion;

(c) Saugatuck, a 70% owned subsidiary incorporated in the British Virgin Islands. Saugatuck and subsidiary refers to Saugatuck and Saugatuck Rx LLC;

(d) PDS, a 100% owned subsidiary incorporated in Delaware, which provides human resources, and other services to each operating subsidiary via a shared services agreement;

(e) SalvaRx LLC, a wholly-owned subsidiary through SalvaRx;

(f) Saugatuck Rx LLC, a wholly-owned subsidiary of Saugatuck; and

(g) Tarus Therapeutics, LLC ("Tarus"), a wholly-owned subsidiary of Portage.

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

Non-controlling interest in the equity of a subsidiary is accounted for and reported as a component of stockholders' equity. As of March 31, 2023, non-controlling interest represents the 30% shareholder ownership interest in Saugatuck and subsidiary, which is consolidated by the Company. See Note 12, "Unsecured Notes Payable – iOx Unsecured Notes Payable," for a discussion of the Company's settlement of loans with iOx and Note 19, "Related Party Transactions – Share Exchange Agreement – iOx" for a discussion of the Company's purchase of the balance of the non-controlling interest in iOx.

Functional and Presentation Currency

The Company's functional and presentation currency is the U.S. Dollar.

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.

NOTE 3. BASIS OF PRESENTATION *(Cont'd)*

Significant areas where estimates are made include valuation of financial instruments (including the Stimunity Convertible Note (as defined below), deferred tax assets and liabilities, research and development costs, fair value used for acquisition of intangible assets, contingent consideration assumed and measurement of share-based compensation. Significant areas where critical judgments are applied include assessment of impairment of investments, goodwill and in-process research and development and the determination of the accounting acquirer and acquiree in the business combination accounting.

NOTE 4. 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

i) Financial Assets

Classification

Upon the initial recognition of financial assets, the financial assets are classified as one of the following measurement methodologies: (a) amortized cost, (b) fair value through other comprehensive income (“FVTOCI)”, or (c) fair value through profit or loss (“FVTPL”). Subsequent measurement will be based on the initial classification of the financial assets.

The classification of a financial asset at initial recognition depends on the Company's business model for managing the financial asset and the financial asset's contractual cash flow characteristics.

In order for a financial asset to be measured at amortized cost or fair value through other comprehensive income (“OCI”), it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTOCI (equity instruments); and
- Financial assets at FVTPL.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Financial Assets at Amortized Cost (Debt Instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective of holding the financial asset in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate method and are subject to a period impairment review. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets classified at amortized cost includes other receivables.

Financial Assets designated at Fair Value through OCI (Equity Instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVTOCI when they meet the definition of equity under IAS 32, “Financial Instruments: Presentation,” and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company irrevocably elected to classify its investments in Biohaven Pharmaceuticals Holding Company Ltd. (“Biohaven”) and Intensity as FVTOCI.

Financial Assets at Fair Value through Profit or Loss

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured FVTPL, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. The investment in associate (Stimunity) and the Stimunity Convertible Note receivable are accounted for as FVTPL.

ii) Financial Liabilities

The Company's financial liabilities include accounts payable which approximate fair value due to their short maturity and unsecured notes payable assumed in the SalvaRx Acquisition. The unsecured notes payable assumed in the SalvaRx Acquisition are recorded at fair value on the acquisition date.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Warrant Liability and Note Payable

The warrants expired and the note payable was settled as part of the Portage Pharmaceuticals Ltd. (“PPL”) disposition in March 2021.

At subsequent balance sheet dates the fair value of the warrants was remeasured with movements in the fair value recorded in profit or loss. The loan was recorded at amortized cost and is accounted for using the effective interest method. In March 2021, the Company completed the disposition of its interest in PPL and EyGen Limited (“EyGen”) and these liabilities were settled.

In connection with the SalvaRx Acquisition, the Company acquired notes payable and associated warrants, which were recorded at fair value on the date of the acquisition. 33,888 warrants expired unexercised in October 2022. See Note 14, “Warrant Liability” for a further discussion.

Impairment of Financial Assets

IFRS 9, “Financial Instruments,” requires the Company to recognize an allowance for expected credit losses ("ECLs") for all debt instruments and investments not held at fair value through profit or loss and contract assets. For intangible assets, at the end of each reporting period and whenever there is an indication that the intangible asset may be impaired, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

At the end of each reporting period, the Company assesses whether there was objective evidence that a financial asset was impaired. The Company recognizes an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Foreign Currencies

The functional and presentation currency of the Company and its subsidiaries (see Note 3, “Basis of Presentation”) is the U.S. 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 recognized in income or loss.

The effect of exchange rates on our foreign currency-denominated asset and liability balances are recorded as foreign currency transaction losses in the determination of net income (loss).

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and amounts invested in underlying Treasury and money market funds that are readily convertible to a known amount of cash with three months or less from date of acquisition and are subject to an insignificant risk of change in value. As of March 31, 2023 and 2022, cash equivalents was comprised of a money market account with maturities less than 90 days from the date of purchase. The Company did not have any cash equivalents as of March 31, 2021.

Intangible Assets acquired in Business Combinations

Intangible assets acquired in business combinations that are separable from goodwill are recorded at their acquisition date fair value. Subsequent to initial recognition, intangible assets acquired in business combinations are reported net of accumulated amortization and any impairment losses.

Impairment of Indefinite Life Intangible Assets other than Goodwill

At the end of each annual reporting period and whenever there is an indication that an indefinite life intangible asset may be impaired, the Company reviews the carrying amounts of such intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of any individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units ("CGU" or "CGUs"), or the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Share-based Payments

The Company determines the fair value of share-based payments granted to directors, officers, employees and consultants using the Black-Scholes option-pricing model at the grant date. Assumptions for the Black-Scholes model are determined as follows:

- ***Expected Volatility.*** The expected volatility rate used to value stock option grants is based on the Company’s historical volatility.
- ***Expected Term.*** The Company used historical experience.
- ***Risk-free Interest Rate.*** The risk-free interest rate assumption was based on zero-coupon U.S. Treasury instruments that had terms consistent with the expected term of the Company's stock option grants.
- ***Expected Dividend Yield.*** The Company has never declared or paid any cash dividends and does not presently plan to pay cash dividends in the foreseeable future.

(U.S. Dollars)

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Share-based payments to employees, officers and directors are recorded and reflected as an expense over the vesting period with a corresponding increase in the stock option reserve. On exercise, the associated amounts previously recorded in the stock option reserve are transferred to common share capital.

(Loss) Per Share

Basic (loss) per share is calculated by dividing net (loss) income (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period. Diluted (loss) per share reflects the dilution that would occur if outstanding stock options and share purchase warrants were exercised into ordinary shares using the treasury stock method and convertible debt instruments were converted into ordinary shares using the if-converted method. Diluted (loss) per share is calculated by dividing net (loss) income applicable to ordinary shares by the sum of the weighted average number of ordinary shares outstanding and all additional ordinary shares that would have been outstanding if potentially dilutive common shares had been issued. The share and per share information has been retroactively adjusted to reflect the impact of the stock dividend.

The inclusion of the Company's stock options, restricted stock units 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 for the years ended March 31, 2023, 2022 and 2021. The following table reflects the outstanding securities by year that would have an anti-dilutive effect on loss per share, and accordingly, were excluded from the calculation (see Note 17, “(Loss) Per Share”).

	As of March 31,		
	2023	**2022**	**2021**
Stock options	**1,963,420**	1,151,400	868,000
Restricted stock units	**378,740**	378,740	243,000
Warrants	**–**	33,888	49,701

Investment in Private Company

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 (see Note 7, “Investment in Private Company”).

Investment in Associate

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.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

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, “Non-current Assets Held for Sale and Discontinued Operations”. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost from the date the investee becomes an associate and adjusted thereafter to recognize 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 exceed 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 recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss within 'share of (loss) income in associate' in the consolidated statements of operations.

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 expensed 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. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

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 is 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.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

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 assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When applicable, further information about the assumptions made in determining fair values is disclosed in Note 20, “Financial Instruments and Risk Management” and other footnotes that specifically relate to assets or liabilities measured at fair value.

Income Tax

The Company uses the asset and liability method to account for income taxes. Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities for accounting purposes, and their respective tax bases.

Deferred income tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted and applied to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in statutory tax rates is recognized in profit or loss in the year of change. Deferred income tax assets are recorded when their recoverability is considered probable and are reviewed at the end of each reporting period.

Business Combinations

Business combinations are accounted for using the acquisition method as of the date when control transfers to the Company. The total purchase price less the fair value of non-controlling interest is allocated to the acquired net tangible and intangible assets and liabilities assumed at fair value.

Transaction costs that the Company incurs in connection with a business combination are expensed as incurred.

Goodwill

Goodwill represents the excess of the purchase price paid for the acquisition of an entity and the amount recognized for non-controlling interests over the fair value of the net identifiable assets acquired and liabilities assumed. Goodwill is allocated to the CGUs, which are expected to benefit from the synergies of the combination. Goodwill is not subject to amortization and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Impairment is determined for goodwill by assessing if the carrying value of a CGU, including the allocated goodwill, exceeds its recoverable amount determined as the greater of the estimated fair value less costs to sell and the value in use. Impairment losses recognized in respect of a CGU are first allocated to the carrying value of goodwill and any excess is allocated to the carrying amount of assets in the CGU. Any goodwill impairment is recorded in income in the period in which the impairment is identified. Impairment losses on goodwill are not subsequently reversed.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Recent Accounting Pronouncements

IFRS Pronouncements Issued

Impact of Adoption of Significant New IFRS Standards in Fiscal 2023

(a) Annual Improvements to IFRS Standards 2018-2020

The annual improvements process addresses issues in the 2018-2020 reporting cycles including changes to IFRS 9, “Financial Instruments,” IFRS 1, “First Time Adoption of IFRS,” IFRS 16, “Leases,” and IAS 41, “Biological Assets”.

i) The amendment to IFRS 9 addresses which fees should be included in the 10% test for derecognition of financial liabilities.

ii) The amendment to IFRS 1 allows a subsidiary adopting IFRS at a later date than its parent to also measure cumulative translation differences using the amounts reported by the parent based on the parent’s date of transition to IFRS.

iii) The amendment to IFRS 16’s illustrative example 13 removes the illustration of payments from the lessor related to leasehold improvements.

These amendments were effective for annual periods beginning on or after January 1, 2022. The adoption of these amendments did not have a material effect on the Company’s annual consolidated financial statements.

(b) IAS 37: Onerous Contracts – Cost of Fulfilling a Contract

The amendment to IAS 37 clarifies the meaning of costs to fulfil a contract and that before a separate provision for an onerous contract is established, an entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to the contract. This amendment is effective for annual periods beginning January 1, 2022. The Company’s adoption of IAS 37 did not have a material effect on its consolidated financial statements.

(c) IAS 16: Proceeds Before Intended Use

The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of Property, plant and equipment any proceeds received from selling items produced while the entity is preparing the assets for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). It also clarifies that an entity is testing whether the asset is functioning properly when it assesses the technical and physical performance of the asset. The amendment also requires certain related disclosures. This amendment is effective for annual periods beginning January 1, 2022. The Company’s adoption of IAS 16 did not have a material effect on its consolidated financial statements.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

New Accounting Standards, Interpretations and Amendments

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.

(a) IAS 1: Presentation of Financial Statements

The amendment to IAS 1 clarifies how to classify debt and other liabilities as either current or non-current. The amendment will be effective for annual periods beginning on or after January 1, 2024. The Company is currently evaluating the new guidance and impacts on its consolidated financial statements.

(b) Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The amendment addresses the conflict between IFRS 10, "Consolidated Financial Statements," and IAS 28, "Investments in Associates and Joint Ventures," in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, "Business Combinations," between an investor and its associate or joint venture, is recognized in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. The Company is evaluating whether the adoption of the above amendment will have a material impact on its financial statements.

NOTE 5. PREPAID EXPENSES AND OTHER RECEIVABLES

(In thousands)	As of March 31, 2023	As of March 31, 2022
Prepaid clinical research costs	**$ 1,653**	$ –
Prepaid insurance	**621**	1,084
Research & development tax credits	**169**	169
Tax deposits	**119**	142
Other receivables	**71**	40
Other prepaid expenses	**56**	45
Total prepaid expenses and other receivables	**$ 2,689**	$ 1,480

NOTE 6. INVESTMENT IN ASSOCIATE

Details of the Company's associate, Stimunity S.A. ("Stimunity"), as of March 31, 2023 and 2022 are as follows:

Name	Principal Activity	Place of Incorporation and Principal Place of Business	Voting Rights Held as of March 31, 2023	Voting Rights Held as of March 31, 2022
Associate: Stimunity S.A.	Biotechnology	Paris, France	44.0%	44.0%

The following table is a roll-forward of the Company's investment in Stimunity as of and for the years ended March 31, 2023 and 2022:

(In thousands)	As of and for the Years Ended March 31, 2023	2022
Balance, beginning of year	**$ 1,673**	$ 1,735
Share of loss	**(260)**	(62)
Impairment loss	**(607)**	–
Balance, end of year	**$ 806**	$ 1,673

On June 1, 2020, the Company made an additional investment of €0.9 million ($1.0 million) by executing its subscription for 2,479 Class A shares upon the achievement of certain milestones, as provided in a shareholders' agreement with Stimunity (the "Shareholders' Agreement"), increasing its equity share in Stimunity to 44%.

The Company accounts for its investment in Stimunity under the equity method and, accordingly, records its share of Stimunity's earnings or loss based on its ownership percentage. The Company recorded equity in loss in Stimunity of $260,000, $62,000 and $490,000 for the years ended March 31, 2023, 2022 and 2021, respectively.

Under the Shareholders' Agreement, Portage has (i) a preferential subscription right to maintain its equity interest in Stimunity in the event of a capital increase from the issuance of new securities by Stimunity, except for issuances of new securities for stock options under a merger plan or for an acquisition, and (ii) the right to vote against any (a) issuances of additional securities that would call for Portage to waive its preferential subscription right, or (b) any dilutive issuance.

The following table illustrates the summarized financial information of the Company's investment in Stimunity S.A:

(In millions)	As of March 31, 2023 (Unaudited)	2022 (Unaudited)
Current assets	$ 0.9	$ 1.1
Non-current assets	$ –	$ –
Current liabilities	$ 0.8	$ –
Non-current liabilities	$ 0.1	$ 0.8
Equity	$ –	$ 0.3
Company's share in equity – 44.0% and 44.0%	$ –	$ 0.1

	Years Ended March 31, 2023 (Unaudited)	2022 (Unaudited)
Revenue	$ 0.1	$ 0.2
Loss from operations	$ (0.8)	$ (0.8)
Net loss	$ (0.6)	$ (0.4)

NOTE 6. INVESTMENT IN ASSOCIATE *(Cont'd)*

On July 13, 2022, the Company entered into a commitment with Stimunity to provide €600,000 under a convertible note (the "Stimunity Convertible Note") with a maturity date of September 1, 2023 (the "Maturity Date"). The Stimunity Convertible Note provides for simple interest at 7% per annum. The Stimunity Convertible Note is automatically converted into Series A shares of Stimunity upon Stimunity completing a Series A round for at least €20 million. If such subscription round is completed prior to the Maturity Date, the Company will be entitled to convert the Stimunity Convertible Note into Series A shares of Stimunity at the subscription share price less 15%. Additionally, if Stimunity completes a financing with a new category of shares (other than Common Shares or Series A shares) for at least €5 million (the "Minimum Raise"), the Company will have the right to convert the Stimunity Convertible Note and the historical Series A shares of Stimunity owned into the new category of shares. In the event that Stimunity does not close a financing prior to the Maturity Date or raises less than the Minimum Raise, the Company will have the right to convert the Stimunity Convertible Note into Series A shares at €363.00 per share or the raise price less 15%, whichever is lower. The Stimunity Convertible Note was funded on September 12, 2022. See Note 18, "Commitments and Contingent Liabilities – Stimunity Convertible Note," for a further discussion.

The Stimunity Convertible Note was initially recorded at $0.614 million to record the translated value of the Stimunity Convertible Note on September 12, 2022. The Company recognized an unrealized gain of $0.039 million through OCI in fiscal 2023 to reflect the change in translation rate for the Stimunity Convertible Note settleable in euros, increasing the carrying value of the Stimunity Convertible Note to $0.653 million.

At March 31, 2023, the Company determined that there were indications of impairment of both the investment in associate and the Stimunity Convertible Note receivable, based upon the inability of Stimunity to obtain financing. The Company performed an IAS 36 fair value analysis evaluating the likelihood of various scenarios given the current market conditions, the increasing cost of capital and development delays associated with Stimunity's lack of liquidity. The Company recorded provisions of impairment of $0.607 million and $0.211 million, with respect to the investment in associate and the Stimunity Convertible Note receivable, respectively, decreasing the carrying value of the investment in associate and the Stimunity Convertible Note to $0.806 million and $0.442 million, respectively, at March 31, 2023.

NOTE 7. INVESTMENT IN PRIVATE COMPANY

The following table is a roll-forward of the investments in Intensity as of March 31, 2023 and 2022:

(In thousands)		**Intensity**
Balance as of April 1, 2021	$	7,409
Unrealized (loss) gain on investment		–
Balance as of March 31, 2022		**7,409**
Unrealized loss on investment		**(5,322)**
Balance as of March 31, 2023	**$**	**2,087**

NOTE 7. INVESTMENT IN PRIVATE COMPANY *(Cont'd)*

The following is a discussion of the Company's investment in private company as of March 31, 2023 and March 31, 2022.

Intensity Therapeutics, Inc.

In connection with the SalvaRx Acquisition in fiscal 2019, the Company acquired a $4.5 million interest in Intensity, a private clinical stage biotechnology company, of 1.0 million shares, which represented a 7.5% equity interest in Intensity. The investment was recorded at fair value (which approximates cost) at the acquisition date. The investment in Intensity has been irrevocably designated as a financial asset recorded at fair value with gains and losses recorded through OCI. The fair value of the asset is determined by considering other comparable equity funding transactions by Intensity with unrelated investors.

On July 11, 2019, the Company entered into an agreement with Fast Forward Innovations Limited ("Fast Forward") to purchase Intensity Holdings Limited ("IHL"), a wholly-owned subsidiary of Fast Forward. The Company paid $1.3 million for IHL through the issuance of 129,806 ordinary shares of the Company. The sole asset of IHL consists of 288,458 shares of Intensity. This transaction increased the Company's ownership of Intensity to 1,288,458 shares.

There was no unrealized gain or loss recognized during the years ended March 31, 2022 and 2021.

As of March 31, 2023 and March 31, 2022, the Company owned approximately 7.00% and approximately 7.35%, respectively, of the outstanding shares of Intensity, on a fully diluted basis. On July 5, 2023, Intensity completed an initial public offering of its common stock, which became listed on the Nasdaq Capital Market under the ticker symbol "INTS." As of July 7, 2023, we owned approximately 4.7% of Intensity's issued and outstanding stock, including the sale of overallotment shares, which closed on the same date. See Note 23(b), "Events After the Balance Sheet Date – Intensity IPO" for a further discussion.

On October 28, 2021, Intensity filed a Form S-1 Registration Statement with the SEC to register shares for an initial public offering ("IPO"), which was declared effective by the SEC, but subsequently withdrawn prior to closing. As of March 31, 2022, the Company had valued its investment in Intensity based on Intensity's Series C Preferred Stock Offering completed in 2020. The Company will value its investment in Intensity based upon fair value (market price) and will record periodic changes in carrying value through OCI.

In October and November of 2022, Intensity filed amendments to its Form S-1 Registration Statement, which reflected a proposed offering price in the range of $4.00 - $5.00 per share, which is less than the Company's carrying value, which was an external indication of impairment. Accordingly, the Company performed an IAS 36, "Impairment of Assets," fair value analysis and determined a fair value of $3.363 million, which was $4.046 million less than the then carrying value at December 31, 2022. Intensity continued to seek a successful offering during the fourth quarter of fiscal year ended March 31, 2023. At March 31, 2023, the Company undertook an IAS 36 fair value analysis based on the continued existence of external indications of impairment. The analysis included evaluating the likelihood of a successful IPO and the timing of such an event, as well as the then lack of marketability of the shares and the continued uncertainty surrounding an IPO, or any type of financing. In April 2023, Intensity completed a 1:2 reverse stock split, which reduced our holdings to 644,299 shares. As the offering was priced at $4.00 to $5.00 per share, we determined the fair value of our interest to be $2.087 million with an additional $1.276 million loss recognized through OCI at March 31, 2023. In total, the Company recognized an impairment loss of $5.322 million with respect to Intensity for the fiscal year ended March 31, 2023, which was recognized through OCI.

NOTE 8. ACQUISITION OF TARUS

On July 1, 2022, the Company, its wholly-owned subsidiary, Portage Merger Sub I, Inc., its wholly-owned subsidiary, Portage Merger Sub II, LLC and Tarus Therapeutics, Inc., a Delaware corporation advancing adenosine receptor antagonists for the treatment of solid tumors, entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement"). Under the structure of the Merger Agreement, Tarus Therapeutics, Inc. was ultimately merged into Portage Merger Sub II, LLC of the Company with the surviving entity renamed Tarus Therapeutics, LLC. The Tarus merger entitles the Company to the rights, know-how and/or ownership related to the assets developed by Tarus (the "Adenosine Compounds"), including:

1. All rights and obligations related to the License Agreement between Tarus and Impetis Biosciences Limited, dated October 29, 2019, and the Call Option under the License Agreement, which was exercised on November 5, 2020;

2. All intellectual property and related documents owned or controlled by Tarus, including issued or pending patents, patent applications and trade secrets. Additionally, any draft submissions and/or correspondence with patent authorities;

3. All documents and supplies related to Adenosine Compounds including inventory, reagents, data, assays, reports, vendor agreements and other information related to the preclinical development;

4. All clinical supplies, manufacturing know-how, batch records, regulatory documents pertaining to the Adenosine Compounds, certain reservations for manufacturing campaigns and any related agreements;

5. All regulatory documents and correspondence pertaining to the Adenosine Compounds;

6. All Contract Research Organization ("CRO") agreements and protocol related documents for Adenosine Compounds;

7. All current documents related to market research, forecasting, budgets and competitive intelligence; and

8. Rights to the use of Tarus Therapeutics' name for regulatory purposes.

As consideration for Tarus, the Company issued to former Tarus shareholders an aggregate of 2,425,999 ordinary shares of Portage, calculated on the basis of $18 million divided by the 60-day volume weighted average price per share of ordinary shares of Portage. Such ordinary shares have not been registered with the SEC and were subject to lock-up agreements for terms ranging from six to twelve months, which expired on February 1, 2023 and July 1, 2023, respectively. Additionally, the ordinary shares that were subject to a twelve month lock-up period, are also subject to a three month dribble-out period which commenced July 1, 2023. During the dribble out period, each holder may not sell more than 10% of the average trading volume of our ordinary shares for the rolling three month period prior to the date on which the holder executes a trade of our ordinary shares without our prior written consent (which we are permitted to withhold at our sole discretion). Additionally, milestone payments of up to $32 million in cash or Portage ordinary shares (at the discretion of the Company) would be triggered upon achievement of future development and sales milestones, as described below. As a result of the transaction:

- The Company also assumed $2 million in short-term debt held by Tarus and deferred license milestones obligations ($1 million plus interest). The short-term debt was repaid by the Company in July 2022.

- Upon enrolling the first patient in a Phase 2 clinical trial utilizing Tarus's adenosine receptor antagonists, the Company will pay an additional one-time milestone payment of $15 million to the former Tarus shareholders. Payment will be in the form of cash or Portage ordinary shares (at the discretion of the Company). The remaining $17 million milestone is based on targeted commercial sales.

NOTE 8. ACQUISITION OF TARUS *(Cont'd)*

In connection with the acquisition of Tarus, the Company performed a fair value analysis of the assets acquired and liabilities assumed. The Company based the analysis on its clinical plan and timing of development events, and the probabilities of success determined primarily based upon empirical third party data and Company experience as well as the relevant cost of capital. In its fair value analysis, the Company used the Multi-Period Excess Earnings Method for PORT-6 and PORT-7 and the Replacement Cost Method for PORT-8 and PORT-9, determined based upon the maturity of the assets and the availability of sufficient data to measure fair value. The Company recorded the ordinary shares issued at $17.2 million, which represented the aggregate market value of the ordinary shares issued on July 1, 2022. The Company followed the guidance of IAS 3 and IAS 32 and recorded a deferred purchase price payable - Tarus of $8.538 million, which reflected the estimated acquisition date fair value of contractual milestone obligations incurred. The principal assumptions for determining the fair value include the timing of development events, the probabilities of success and the discount rate used. The Company recorded the obligation as a non-current liability, in accordance with the provisions IAS 32 with respect to the classification of financial assets and financial liabilities.

The Company will determine the fair value of the shares issuable upon achievement of future development and sales milestones at each balance sheet date. Any change to the fair value will be recorded in the Company's statements of operations and other comprehensive income (loss).

The following table summarizes the preliminary purchase price allocation to the fair value of assets acquired and liabilities assumed for Tarus:

Assets:	(In thousands)
Identifiable intangible assets	**$ 28,200**
Goodwill	**538**
Total assets	**$ 28,738**
Consideration:	
Fair value of shares issued	**$ 17,200**
Liabilities assumed	**3,000**
Deferred purchase consideration at fair value	**8,538**
Total liabilities	**$ 28,738**

Pro forma Information

Summary unaudited pro forma condensed results of operations for the years ended March 31, 2023, 2022 and 2021, assuming the Tarus acquisition had occurred at the beginning of the earliest period presented, are as follows:

	Years Ended March 31,		
(In thousands)	**2023**	**2022**	**2021**
Loss from operations	**$ (16,277)**	$ (17,931)	$ (14,873)
Loss before provision for income taxes	**$ (122,239)**	$ (17,164)	$ (17,325)
Net loss	**$ (104,383)**	$ (21,516)	$ (19,622)
Total comprehensive loss for year	**$ (109,666)**	$ (21,516)	$ (19,622)
Loss per share	**$ (5.63)**	$ (1.24)	($1.29)

These pro forma results are not necessarily indicative of what would have occurred if the acquisition had been in effect for the period presented, and they may not be indicative of results expected in the future.

NOTE 9. GOODWILL

The following is a roll-forward of goodwill:

(In thousands)	As of March 31, 2023	2022
Balance, beginning of year	**$ 43,324**	$ 43,324
Tarus goodwill	**538**	–
Loss on impairment	**(43,862)**	–
Balance, end of year	**$ –**	$ 43,324

The Company's goodwill arose primarily from the acquisition of SalvaRx and its portfolio of several projects and investments.

As a result of the acquisition of Tarus in July 2022, the Company recorded $0.538 million of goodwill, representing the difference between the consideration paid of $28.738 million and the fair value of identifiable assets acquired of $28.200 million.

Under purchase accounting as of July 1, 2022 (the acquisition date), the assets and liabilities of Tarus Therapeutics, Inc., was recorded at their respective fair values and the excess of the acquisition consideration is goodwill. The purchase was in the form of a merger in which Tarus Therapeutics, Inc. was merged into Tarus Therapeutics, LLC., which is a wholly-owned subsidiary of Portage. All of the consideration for Tarus Therapeutics, LLC was paid or assumed by Portage and Portage will control the voting rights, the Board and the operations of Tarus Therapeutics, LLC.

As of March 31, 2023, the Company determined that it has only one CGU, the consolidated Portage Biotech Inc.

Impairment Review

On an annual basis, pursuant to IAS 36, the Company assesses its long-lived assets with definite lives, which are not yet available for use, for potential indicators of impairment.

If any such indication exists, the Company estimates the recoverable amount of the asset or CGU and compares it to the carrying value.

The Company performed its annual impairment test in each of fiscal 2023 and fiscal 2022 and estimated the recoverable amount of the above-noted CGU based on its value in use, which was determined using a capitalized cash flow methodology and categorized within level 3 of the fair market value hierarchy.

The recoverable amount of the CGU has been determined based on its value in use. The recoverable amount considered assumptions based on probabilities of technical, regulatory and clinical acceptances and financial support. Further, management uses risk-adjusted cash flow projections based on financial budgets. Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount. The discount rate has been determined based on the Company's best estimate of a risk adjusted discount rate.

NOTE 9. GOODWILL *(Cont'd)*

The key assumptions used in the calculation of the recoverable amount include forecasts of the following:
(a) revenues;
(b) normalized operating expenses;
(c) income taxes; and
(d) capital expenditures.

Each asset and liability analyzed was valued independently, as required. Certain assets were valued under the discounted cash flow method and discount rates ranged from 24.5% to 31.5%. Other assets were valued using the cost approach.

As of March 31, 2023, management determined that there were external factors, including the fact that the Company's market capitalization was less than its net assets. As a result, the Company completed an IAS 36 fair value analyses for all assets required to be tested. The studies evaluated current market conditions, costs of capital, the Company's development plans and recorded losses on impairment aggregating $64.723 million. The Company further assessed the CGU and determined that a loss on impairment was required for all of the goodwill previously recognized. Accordingly, the Company recognized a loss on impairment of $43.862 million with respect to goodwill.

NOTE 10. IN-PROCESS RESEARCH AND DEVELOPMENT AND DEFERRED TAX LIABILITY

In-process research and development ("IPR&D") consists of the following projects (in thousands):

		Value as of March 31,	
Project #	**Description**	**2023**	**2022**
iOx:			
PORT 2 (IMM60)	Melanoma & Lung Cancers	**$ 36,181**	$ 84,213
PORT 3 (IMM65)	Ovarian/Prostate Cancers	**21,709**	32,997
		57,890	117,210
Oncomer/Saugatuck	DNA Aptamers	**178**	178
Tarus:			
PORT 6 & PORT 7	Adenosine Receptors	**22,723**	–
PORT 8	Adenosine Receptors	**420**	–
PORT 9	Adenosine Receptors	**472**	–
		23,615	–
In-process research and development		**$ 81,683**	$ 117,388
Deferred tax liability		**$ 13,195**	$ 30,198

Additionally, at the end of each reporting period, the Company is required to assess whether there is any indication that an asset may be impaired. As indicated above, the Company identified external indicators of potential impairment as of March 31, 2023. Pursuant to IAS 36, the Company evaluated the current capital markets, the increasing costs of capital, and the delays in the timing of asset development and concluded that provisions for impairment were required during the year ended March 31, 2023 with respect to the iOx IPR&D and the Tarus IPR&D. The Company recognized an impairment of $59.320 million with respect to the iOx assets, reducing the Company's carrying value from $117.210 million to $57.890 million and an impairment of $4.585 million with respect to the Tarus assets, reducing the Company's carrying value from $28.2 million to $23.615 million. The deferred tax liability in the U.K. was reduced as a result of the IPR&D impairment loss recognized by iOx for financial statement purposes.

NOTE 10. IN-PROCESS RESEARCH AND DEVELOPMENT AND DEFERRED TAX LIABILITY *(Cont'd)*

Deferred tax liability represents iOx's estimated tax on the difference between book and tax basis of the IPR&D, which is taxable in the U.K, and the effect of usable net operating loss carryforwards.

As of March 31, 2023 and 2022, iOx had a net deferred tax liability of approximately $10.6 million and approximately $28.4 million, respectively. On January 8, 2019, the Company originally recognized a $19.8 million deferred tax liability, reflecting the then prevailing U.K. tax rate of 17% on the difference between the book and income tax basis of IPR&D acquired as part of the SalvaRx Acquisition. In the fiscal 2022, the Company recorded a $7.0 million increase in deferred income taxes to reflect a future change in the U.K. income tax rate to 25% effective April 1, 2023 and recognized $0.7 million of current year losses and $0.8 million of prior year losses. The Company also recognized a $1.1 million decrease in deferred tax liability in fiscal 2022 to reflect the effect of the change in exchange rates on the liability settleable in Great British Pounds. For the year ended March 31, 2023, the Company recognized an aggregate reduction in net deferred tax liability of $17.9 million, comprised of $11.3 million to recognized the deferred tax effect of loss on impairment recognized with respect to the iOx IPR&D, $0.7 million related to other current year losses, $3.8 million to reflect the change related to the future U.K. tax rates and $2.1 million to reflect the effect of the change in exchange rates on the liability settleable in British pound sterling.

NOTE 11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(In thousands)	As of March 31, 2023	2022
Accrued bonuses and other payroll-related expenses	**$ 465**	$ 193
Accrued legal fees	**357**	186
Accounts payable	**274**	188
Accrued clinical and R&D services	**264**	–
Accrued other professional fees	**229**	75
Accrued accounting and auditing fees	**133**	69
Accrued CRO	**58**	–
Accrued rent and administration	**51**	–
Other	**34**	39
Total accounts payable and accrued liabilities	**$ 1,865**	$ 750

NOTE 12. UNSECURED NOTES PAYABLE

The following is a roll-forward of current notes payable:

(In thousands)	iOx	Total
Balance, April 1, 2021	$ 150	$ 150
Exchange of notes payable and accrued interest for iOx shares	(150)	(150)
Balance, March 31, 2022	**$ –**	**$ –**
Balance, March 31, 2023	**$ –**	**$ –**

NOTE 12. UNSECURED NOTES PAYABLE *(Cont'd)*

iOx Unsecured Notes Payable

On September 8, 2021, the Company, through SalvaRx, completed a settlement of loans (including interest) to and receivables from iOx for services rendered in exchange for 23,772 ordinary shares of iOx at a price of £162. Simultaneously, the Company entered into an agreement with Oxford Sciences Innovation, Plc ("OSI"), the holder of $0.15 million notes plus accrued interest under which OSI exchanged the notes plus accrued interest for 820 shares of iOx. The Company followed the guidance provided by an IFRS Discussion Group Public Meeting dated November 29, 2016, following the general tenets of IAS 39, "Financial Instruments: Recognition and Measurement," and IFRIC 19, "Extinguishing Financial Liabilities with Equity Instruments," and recorded the exchange at historical cost. Additionally, no profit or loss was recorded in connection with the exchange. As a result of these transactions, the Company, through SalvaRx, increased its ownership of iOx from 60.49% to 78.32%. See Note 19, "Related Party Transactions," for a further discussion.

NOTE 13. INCOME TAXES

The Company is a BVI business company. The BVI government does not, under existing legislation, impose any income or corporate tax on corporations.

PDS is a U.S. corporation and is subject to U.S. federal, state and local income taxes, as applicable.

iOx is subject to U.K. taxes.

The (expense) benefit from income taxes consists of the following:

(In thousands)	Years Ended March 31, 2023	2022
Current:		
Federal	**$ (25)**	$ –
State and local	**–**	–
Foreign	**–**	42
Total current	**(25)**	42
Deferred:		
Federal	**–**	–
State and local	**–**	–
Foreign	**17,881**	(4,394)
Total deferred	**17,881**	(4,394)
Benefit (expense) from income taxes	**$ 17,856**	$ (4,352)

The following is a reconciliation of the U.S. taxes to the effective income tax rates for the years ended March 31, 2023 and 2022 (U.S. Dollars in thousands):

	Years Ended March 31, 2023	2022
Loss on ordinary activities before tax	**$ (2,252)**	$ (1,342)
Statutory U.S. income tax rate	**21.0%**	21.0%
Income tax benefit at statutory income tax rate	**474**	282
Losses (unrecognized)	**(604)**	(282)
Utilization of losses not previously benefitted	**105**	–
Income tax (expense)	**$ (25)**	$ –

At March 31, 2023, the Company had $0.7 million of federal net operating losses, which carryforward indefinitely but are limited to 80% of taxable income when utilized and $0.4 million of items deducted for financial statements but not tax, excluding share-based compensation. As of March 31, 2023 and 2022, the Company had U.S. deferred tax assets of $0.2 million and $0.3 million, respectively.

NOTE 13. INCOME TAXES *(Cont'd)*

The following is a reconciliation of the U.K. taxes to the effective income tax rates for the years ended March 31, 2023 and 2022 (U.S. Dollars in thousands):

	Years Ended March 31,	
	2023	**2022**
Loss on ordinary activities before tax	**$ 63,248**	$ 4,127
Statutory U.K. income tax rate	**19.0%**	19.0%
Loss at statutory income tax rate	**12,017**	784
Change from increase in deferred income tax rate	**3,795**	(6,998)
Recognition of deferred tax assets	**–**	722
Foreign currency effect	**2,069**	1,098
Research and development credit	**–**	42
Income tax benefit (expense)	**$ 17,881**	$ (4,352)

Research and development credit receivables of $0.2 million and $0.2 million were included in prepaid expenses and other receivables on the consolidated statements of financial position as of March 31, 2023 and 2022, respectively.

The following is a reconciliation of financial statement income (loss) to tax basis income (loss) (in thousands):

	Years Ended March 31,							
	2023				2022			
	United States	**BVI**	**United Kingdom**	**Total**	**United States**	**BVI**	**Foreign**	**Total**
Pre-tax loss	**$ (2,252)**	**$ (57,022)**	**$ (63,248)**	**$ (122,522)**	$ (1,342)	$ (9,348)	$ (4,127)	$ (14,817)
Loss for which no benefit was taken	**2,875**	**–**	**59,320**	**62,195**	–	–	–	–
Losses not subject to tax	**–**	**57,022**	**–**	**57,022**	–	9,348	–	9,348
Utilization of losses not previously benefitted	**(498)**	**–**	**–**	**(498)**	–	–	–	–
Taxable income (loss)	**$ 125**	**$ –**	**$ (3,928)**	**$ (3,803)**	$ (1,342)	$ –	$ (4,127)	$ (5,469)

As of March 31, 2023 and 2022, the Company's deferred tax assets and liabilities in the U.K. consisted of the effects of temporary differences attributable to the following (in thousands):

	As of March 31,	
	2023	**2022**
Deferred tax assets:		
Net operating loss	**$ (4,131)**	$ (3,253)
Deferred tax asset (unrecognized)	**1,500**	1,500
Deferred tax asset	**(2,631)**	(1,753)
Deferred tax liabilities:		
In-process research and development	**13,195**	30,198
Deferred tax liability	**13,195**	30,198
Net deferred tax liability	**$ 10,564**	$ 28,445

NOTE 13. INCOME TAXES *(Cont'd)*

iOx generated research and development cash credits of approximately $0.02 million that have been recorded for the year ended March 31, 2022. There were no research and development cash credits recorded for the year ended March 31, 2023.

As of March 31, 2023 and 2022, iOx had a net deferred tax liability of approximately $10.6 million and approximately $28.4 million, respectively. On January 8, 2019, the Company originally recognized a $19.8 million deferred tax liability, reflecting the then prevailing U.K. tax rate of 17% on the difference between the book and income tax basis of IPR&D acquired as part of the SalvaRx Acquisition. In the fiscal 2022, the Company recorded a $7.0 million increase in deferred income taxes to reflect a future change in the U.K. income tax rate to 25% effective April 1, 2023 and recognized $0.7 million of current year losses and $0.8 million of prior year losses. The Company also recognized a $1.1 million decrease in deferred tax liability in fiscal 2022 to reflect the effect of the change in exchange rates on the liability settleable in Great British Pounds. For the year ended March 31, 2023, the Company recognized an aggregate reduction in net deferred tax liability of $17.9 million, comprised of $11.3 million to recognized the deferred tax effect of loss on impairment recognized with respect to the iOx IPR&D, $0.7 million related to other current year losses, $3.8 million to reflect the change related to the future U.K. tax rates and $2.1 million to reflect the effect of the change in exchange rates on the liability settleable in British pound sterling.

There is no expiration date for accumulated tax losses in the U.K. entities.

NOTE 14. WARRANT LIABILITY

Below is the roll-forward of warrants issued by entity (see Note 12, "Unsecured Notes Payable"):

	PBI		
	Exercise Price	**Warrants**	**Amount**
			In 000'$
Warrants outstanding, April 1, 2021	$ 6.64	49,701	1,120
Exercise of warrants as of March 31, 2022	$ 6.64	(15,813)	(235)
Fair value adjustment as of March 31, 2022 (1)	–	–	(852)
Warrants outstanding, April 1, 2022	**$ 6.64**	**33,888**	**33**
Fair value adjustment as of March 31, 2023 (1)	**–**	**(33,888)**	**(33)**
Warrants outstanding, March 31, 2023	**$ –**	**–**	**$ –**

(1) The Company recognized a gain of $0.033 million and $0.852 million in the years ended March 31, 2023 and 2022, respectively, to reflect the change in fair value of the underlying warrants. The warrants expired in October 2022 unexercised.

NOTE 15. CAPITAL STOCK

(a) Authorized ordinary shares**:** Unlimited number of Portage ordinary shares without par value.
(b) The following is a roll-forward of Portage ordinary shares for the years ended March 31, 2023 and 2022:

	Years Ended March 31,			
	2023		2022	
	Ordinary Shares	Amount	Ordinary Shares	Amount
	In 000'	In 000'$	In 000'	In 000'$
Balance, beginning of year	**13,349**	**$ 158,324**	12,084	$ 130,649
Shares issued in Tarus acquisition	**2,426**	**17,200**	–	–
Shares issued in iOx exchange	**1,070**	**9,737**	–	–
Excess of non-controlling interest acquired over consideration – iOx	**–**	**29,609**	–	–
Shares issued to Lincoln for commitment fee under Committed Purchase Agreement	**94**	**900**	–	–
Shares issued under public offering and ATM, net of issue costs	**167**	**915**	1,241	27,216
Purchase of shares issued under Committed Purchase Agreement, net of issue costs	**480**	**1,977**	–	–
Shares issued or accrued for services	**20**	**120**	8	120
Warrants exercised	**–**	**–**	16	339
Balance, end of year	**17,606**	**$ 218,782**	13,349	$ 158,324

On June 16, 2020, the Company completed a private placement of 698,145 restricted ordinary shares at a price of $10.00 per share for gross proceeds of $6.98 million to accredited investors. Directors of the Company subscribed for 215,000 shares, or approximately 30.8% of the private placement, for proceeds of $2.15 million. The Company incurred costs of approximately $0.25 million in connection with the offering, which was treated as contra-equity on the Company's balance sheet.

During September 2020, the Company settled the SalvaRx Notes obligations originally due in June 2021 in an aggregate principal amount of approximately $3.7 million, plus accrued interest of $0.75 million in exchange for cash payments totaling $1.77 million and 397,604 of the associated SalvaRx warrants with an exercise price of $6.64 per share. The warrants were exchanged for an equal number of warrants to acquire Portage stock at the same price per share. The Company accounted for the contractual value of the exercised and outstanding warrants of $2.64 million (397,604 shares at $6.64 per share) as accrued equity issuable at September 30, 2020. The Company also recorded a loss of $1.26 million during the year ended March 31, 2021, to recognize the discount between the fair value of the underlying shares on October 13, 2020 (the settlement date) of $9.80 per share and the contract price of $6.64 per share.

Four of the Company's directors, Gregory Bailey, James Mellon, Steven Mintz (in trust) and Kam Shah (now a former director), received, in total, 363,718 of the shares pursuant to this transaction.

Portage filed a shelf registration statement with the SEC under which it may sell ordinary shares, debt securities, warrants and units in one or more offerings from time to time, which became effective on March 8, 2021 ("Registration Statement"). In connection with the Registration Statement, Portage has filed with the SEC:

- a base prospectus, which covers the offering, issuance and sale by Portage of up to $200,000,000 in the aggregate of the securities identified above from time to time in one or more offerings;
- a prospectus supplement, which covers the offer, issuance and sale by Portage in an "at-the-market" ("ATM") offering of up to a maximum aggregate offering price of $50,000,000 of Portage's ordinary shares that may be issued and sold from time to time under a Controlled Equity Offering Sales Agreement, dated February 24, 2021 (the "Sales Agreement"), with Cantor Fitzgerald & Co., the sales agent ("Cantor Fitzgerald");

NOTE 15. CAPITAL STOCK *(Cont'd)*

- a prospectus supplement dated June 24, 2021, for the offer, issuance and sale by Portage of 1,150,000 ordinary shares for gross proceeds of approximately $26.5 million in a firm commitment underwritten public offering with Cantor Fitzgerald; and
- a prospectus supplement dated August 19, 2022, for the resale by Portage of up to $30,000,000 in ordinary shares that Portage may sell from time to time to Lincoln Park Capital Fund, LLC ("Lincoln") and an additional 94,508 shares that were issued to Lincoln.

The Sales Agreement permits the Company to sell in an ATM program up to $50,000,000 of ordinary shares from time to time, the amount of which is included in the $200,000,000 of securities that may be offered, issued and sold by the Company under the base prospectus. The sales under the prospectus will be deemed to be made pursuant to an ATM program as defined in Rule 415(a)(4) promulgated under the Securities Act of 1933, as amended. Upon termination of the Sales Agreement, any portion of the $50,000,000 included in the Sales Agreement prospectus that is not sold pursuant to the Sales Agreement will be available for sale in other offerings pursuant to the base prospectus. See Note 23(a), "Events After the Balance Sheet Date – Sale of Ordinary Shares," for a further discussion.

During the quarter ended June 30, 2021, the Company commenced an ATM program, and the Company sold 90,888 ordinary shares during the June 2021 quarter, generating gross proceeds of approximately $2.6 million ($2.5 million, net of commissions).

On June 24, 2021, the Company sold 1,150,000 ordinary shares in a firm commitment underwritten public offering, including the underwriters' option at a price of $23.00 per share for gross proceeds of approximately $26.5 million. The Company incurred aggregate offering expenses for the public offering of approximately $1.8 million, including approximately $1.6 million of management, underwriting and selling expenses.

The Company has issued 2,425,999 ordinary shares in connection with the acquisition of Tarus Therapeutics, Inc. and in connection with the Tarus Therapeutics, Inc.'s acquisition we may issue additional ordinary shares. See Note 8, "Acquisition of Tarus," for a further discussion.

On July 18, 2022, the Company entered into the iOx Share Exchange Agreement under which it exchanged 1,070,000 ordinary shares of the Company for the remaining minority interest of 21.68% of iOx. See Note 19, "Related Party Transactions – Share Exchange Agreement – iOx," for a further discussion.

On July 6, 2022, the Company entered into a Purchase Agreement (the "Committed Purchase Agreement") with Lincoln, under which it may require Lincoln to purchase ordinary shares of the Company having an aggregate value of up to $30 million (the "Purchase Shares") over a period of 36 months. Upon execution of the Committed Purchase Agreement, the Company issued to Lincoln 94,508 ordinary shares, representing a 3% commitment fee. Pursuant to the Committed Purchase Agreement, Lincoln will be obligated to purchase the Purchase Shares in three different scenarios that are based on various market criteria and share amounts. The Company has the right to terminate the Committed Purchase Agreement for any reason, effective upon one business day prior written notice to Lincoln. Lincoln has no right to terminate the Committed Purchase Agreement. The requirement that Lincoln must make a purchase will be suspended based on various criteria such as there not being an effective registration statement for Lincoln to be able to resell the ordinary shares it is committed to purchase and market criteria such as the Company continuing to be Depository Trust Company eligible, among other things. The Committed Purchase Agreement does not impose any financial or business covenants on the Company, and there are no limitations on the use of proceeds. The Company may raise capital from other sources in its sole discretion; provided, however, that the Company shall not enter into any similar agreement for the issuance of variable priced equity-like securities until the three-year anniversary of the date of the Committed Purchase Agreement, excluding, however, an ATM transaction with a registered broker-dealer, which includes any sales under the Sales Agreement with Cantor Fitzgerald.

NOTE 15. CAPITAL STOCK *(Cont'd)*

As discussed in Note 2, "Going Concern," the Company's access to the ATM program and the Committed Purchase Agreement is generally limited, based on the Company's trading volume on Nasdaq. See Note 18, "Commitments and Contingent Liabilities – Committed Purchase Agreement," for a further discussion.

In October 2022, the Company began selling shares pursuant to the ATM program and the Sales Agreement. From October 2022 through March 31, 2023, the Company sold 166,145 ordinary shares under the ATM, generating net proceeds of approximately $0.9 million. Separately, between October 2022 and March 31, 2023, the Company sold 480,000 ordinary shares to Lincoln under the Committed Purchase Agreement for net proceeds totaling approximately $2.0 million.

NOTE 16. STOCK OPTION RESERVE

(a) The following table provides the activity for the Company's stock option reserve for the years ended March 31, 2023 and 2022:

	Years Ended March 31,			
	2023		2022	
(In thousands)	Non-Controlling Interest	Stock Option Reserve	Non-Controlling Interest	Stock Option Reserve
Balance, beginning of year	**$ 11,659**	**$ 16,928**	$ 11,468	$ 7,977
Share-based compensation expense	**–**	**4,276**	191	8,951
Settled in iOx exchange	**(11,659)**	**–**	–	–
Balance, end of year	**$ –**	**$ 21,204**	$ 11,659	$ 16,928

Stock Options

On June 25, 2020, at the annual meeting of shareholders, the Company's new incentive stock option plan (the "2020 Stock Option Plan") was approved, which authorized the Company's directors to fix the option exercise price and to issue stock options under the plan as appropriate. The Company's 2020 Stock Option Plan was a 10% rolling stock option plan under which the Company's directors were authorized to grant up to a maximum of 10% of the issued and outstanding ordinary shares on the date of grant.

Effective January 13, 2021, the Company amended and restated its 2020 Stock Option Plan to permit the grant of additional types of equity compensation securities, including restricted stock units ("RSUs") and dividend equivalent rights (the "2021 Equity Incentive Plan"). The aggregate number of equity securities, which may be issued under the 2021 Equity Incentive Plan has not been changed. Pursuant to the 2021 Equity Incentive Plan, on January 13, 2021, the Company granted an aggregate of 868,000 stock options exercisable at a price of $17.75 per share, representing the closing price of the shares on the day immediately preceding the grant date, which expire on January 13, 2031 to various directors, officers and consultants of the Company. 350,000 options granted to members of the Board vest 1/3 on grant date, 1/3 on the first anniversary of the grant and 1/3 on the second anniversary of the grant. 518,000 options granted to consultants (one of whom is also a director of the Company) vest 1/3 on each of the first three anniversaries of the grant date.

NOTE 16. STOCK OPTION RESERVE *(Cont'd)*

Additionally, the Company granted 243,000 RSUs on January 13, 2021, with a fair value of $17.75 per share, which was the closing price on the day immediately preceding the grant date. The RSUs vested on the date of grant, but underlying shares cannot be sold until one of four of the following conditions are met: (1) a Change in Control (as defined in the Amended and Restated 2021 Equity Incentive Plan (defined below)), (2) the participant's Separation from Service (as defined in the Amended and Restated 2021 Equity Incentive Plan), (3) the participant's death, or (4) the participant's Disability (as defined in the Amended and Restated 2021 Equity Incentive Plan). In accordance with IFRS 2, "Share-based Payment," the Company recognized compensation expense of $4.3 million in the year ended March 31, 2021, in connection with the RSU grants.

Amended and Restated 2021 Equity Incentive Plan and Grants of Stock Options and Restricted Stock Units

On January 19, 2022, the Board unanimously approved the Amended and Restated 2021 Equity Incentive Plan (the "Amended and Restated 2021 Equity Incentive Plan"). The Amended and Restated 2021 Equity Incentive Plan provides for:

(1) An increase of aggregate number of ordinary shares available for awards to 2,001,812, which is equal to 15% of the issued and outstanding ordinary shares of the Company as of January 19, 2022 subject to discretionary annual increases (on a cumulative basis) as may be approved by the Board in future years by a number of ordinary shares not to exceed an additional 5% of the aggregate number of shares then outstanding;

(2) The authorization of incentive stock options under the Amended and Restated 2021 Equity Incentive Plan; and

(3) The provision of dividend equivalent rights to be issued when authorized.

Pursuant to the Amended and Restated 2021 Equity Incentive Plan, on January 19, 2022, the Company granted an aggregate of 302,000 stock options exercisable at a price of $10.22 per share, representing the average price of the Company's ordinary shares on the grant date (January 19, 2022), which expire on January 19, 2032, to various directors, officers and consultants of the Company. A total of 13,800 of the 302,000 stock options were granted to two members of the Board and vest on the first anniversary of the grant date. The balance of 288,200 stock options was granted to employees (one of whom is also a director of the Company), and a consultant, and such stock options vest ratably on each of the first four annual anniversaries of the grant date.

Additionally, the Company granted 135,740 RSUs to employees (one of whom is also a director of the Company) on January 19, 2022, with a fair value of $10.22 per share, representing the average price of the shares on the grant date (January 19, 2022). The RSUs were fully vested and nonforfeitable as of the grant date and will expire on January 19, 2032.

On February 15, 2022, James Mellon, Linda Kozick and Mark Simon were appointed to the Board. Mr. Mellon owned approximately 23.9% of the Company's outstanding shares at that date. Additionally, Mr. Mellon had previously served as a member of the Board from 2016 to August 14, 2020. On February 15, 2022, in connection with the appointments, each of these directors were granted 13,800 non-qualified stock options, which vest ratably monthly over a three-year period. The options have an exercise price of $8.59 per share, the average price of the stock on February 15, 2022, the day immediately preceding the grant date, and will expire, if unexercised, on February 15, 2032.

On June 8, 2022, the Company granted 50,000 options to purchase shares to an executive of the Company. The options have an exercise price of $11.00, the average price of the stock on that date, vest ratably on each of the first four anniversaries of the grant date and will expire, if unexercised, on June 8, 2032.

(U.S. Dollars)

NOTE 16. STOCK OPTION RESERVE *(Cont'd)*

On July 27, 2022, the Company granted 15,900 options to purchase shares to a member of the Board. The options have an exercise price of $10.06, the average price of the stock on that date, vest ratably on each monthly anniversary of the grant date in the three year period following the grant date and will expire, if unexercised, on July 27, 2032.

On March 30, 2023, the Board unanimously approved to increase the maximum number of ordinary shares reserved for issuance under the Amended and Restated 2021 Equity Incentive Plan. The aggregate number of shares available for awards under the Amended and Restated 2021 Equity Incentive Plan was increased to 2,880,992, which represented a 5% increase (or 879,180 shares) based on ordinary shares outstanding on March 29, 2023, which is equal to 16% of the issued and outstanding ordinary shares in the capital of the Company as of this date.

On March 30, 2023, the Company granted an aggregate of 746,120 stock options exercisable at a price of $2.92 per share, representing the average price of the shares on the grant date (March 30, 2023), which expire on March 30, 2033, to various directors, officers and a consultant of the Company. 14,600 options to purchase ordinary shares, totaling 87,600, were granted to each non-executive member of the Board and vest on the first anniversary of the grant date. A total of 651,020 stock options were granted to employees (including Mr. Walters, who is Chairman of the Board of Directors), and a consultant, and such stock options vest ratably on each of the first four annual anniversaries of the grant date. The balance of 7,500 stock options were also granted to a consultant, which was fully vested as of the grant date.

Following are the weighted average assumptions used in connection with the January 13, 2021 option grants, with respect to the Company's Amended and Restated 2021 Equity Incentive Plan:

Assumption	Unvested Options	Vested Options
Risk free interest rate	0.48%	0.48%
Expected dividend	Nil	Nil
Expected volatility	144%	139%
Expected life	6.00 years	5.5 years
Fair value of Portage stock	US$17.11	US$16.66

Following are the weighted average assumptions used in connection with the January 19, 2022 option grants, with respect to the Company's Amended and Restated 2021 Equity Incentive Plan:

Assumption	Unvested Options
Risk free interest rate	1.11%
Expected dividend	Nil
Expected volatility	116%
Expected life	6.25 years
Fair value of Portage stock	US$8.76

Following are the weighted average assumptions used in connection with the February 15, 2022 option grants, with respect to the Company's Amended and Restated 2021 Equity Incentive Plan:

Assumption	Unvested Options
Risk free interest rate	1.99%
Expected dividend	Nil
Expected volatility	111%
Expected life	6.00 years
Fair value of Portage stock	US$7.20

(U.S. Dollars)

NOTE 16. STOCK OPTION RESERVE *(Cont'd)*

The following is the weighted average assumptions used in connection with the June 8, 2022 option grant with respect to the Company's Amended and Restated 2021 Equity Incentive Plan:

Assumption	Unvested Options
Risk free interest rate	3.05%
Expected dividend	Nil
Expected volatility	111%
Expected life	6.25 years
Fair value of Portage option	US$9.36

The following is the weighted average assumptions used in connection with the July 27, 2022 option grant with respect to the Company's Amended and Restated 2021 Equity Incentive Plan:

Assumption	Unvested Options
Risk free interest rate	2.83%
Expected dividend	Nil
Expected volatility	112%
Expected life	5.75 years
Fair value of Portage option	US$8.38

The following is the weighted average assumptions used in connection with the March 30, 2023 option grants with respect to the Company's Amended and Restated 2021 Equity Incentive Plan:

	Unvested Options	
Assumption	(1 Year Grants)	(4 Year Grants)
Risk free interest rate	3.66%	3.64%
Expected dividend	Nil	Nil
Expected volatility	113%	110%
Expected life	5.50 years	6.25 years
Fair value of Portage option	US$2.43	US$2.48

(b) The changes in the number of options issued for the years ended March 31, 2023 and 2022 were:

	Years Ended March 31,			
	2023	2022	2023	2022
	PBI Amended and Restated 2021 Equity Incentive Plan		iOx Option Plan (Subsidiary Plan)	
Balance, beginning of year	**1,151,400**	868,000	**1,275**	1,924
Granted	**812,020**	343,400	**–**	–
Expired or forfeited	**–**	(60,000)	**(1,275)**	(649)
Balance, end of year	**1,963,420**	1,151,400	**–**	1,275
Exercisable, end of year	**747,163**	405,997	**–**	1,275

(c) The following is the weighted average exercise price and the remaining contractual life for outstanding options by plan as of March 31, 2023 and 2022:

	As of March 31,			
	2023	2022	2023	2022
	PBI Amended and Restated 2021 Equity Incentive Plan		iOx Option Plan (Subsidiary Plan)	
Weighted average exercise price	**$ 10.53**	15,47	**$ –**	$ 157.60
Weighted average remaining contractual life (in years)	**8.86**	9.10	**–**	0.05

NOTE 16. STOCK OPTION RESERVE *(Cont'd)*

The vested options can be exercised at any time in accordance with the applicable option agreement. The exercise price was greater than the market price for all options outstanding as of March 31, 2023 and March 31, 2022, except 7,500 vested options and 738,620 unvested options at March 31, 2023.

The Company recorded approximately $4.3 million, $8.9 million and $8.0 million of share-based compensation expense with respect to the Amended and Restated 2021 Equity Incentive Plan in the years ended March 31, 2023, 2022 and 2021, respectively. The Company expects to record additional share-based compensation expense of approximately $4.1 million through March 2027 with respect to the Amended and Restated 2021 Equity Incentive Plan.

The Company recorded approximately $0.2 million and $0.9 million of share-based compensation expense related to the iOx stock option plan in the years ended March 31, 2022 and 2021, respectively. As of March 31, 2022, the Company's iOx stock option plan was fully vested. Additionally, the intrinsic value of the iOx stock options was approximately $0.1 million at March 31, 2022, all of which was associated with vested exercisable options. The iOx stock option plan expired on May 5, 2022 and all outstanding stock option awards issued under the iOx stock option plan expired.

NOTE 17. (LOSS) PER SHARE

Basic earnings per share ("EPS") is calculated by dividing the net income (loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the net income (loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the loss and share data used in the basic and diluted EPS calculations (U.S. Dollars in thousands, except per share amounts):

	Years Ended March 31,		
	2023	**2022**	**2021**
Numerator (in 000'$)			
Net loss attributable to owners of the Company	**$ (104,611)**	$ (16,870)	$ (15,833)
Denominator (in 000')			
Weighted average number of shares – Basic and Diluted	**16,119**	13,060	11,733
Basic and diluted (loss) per share	**$ (6.49)**	$ (1.29)	$ (1.35)

The inclusion of the Company's stock options, RSUs 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 for the years ended March 31, 2023, 2022 and 2021. The following table reflects the Company's outstanding securities by year that would have an anti-dilutive effect on loss per share and, accordingly, were excluded from the calculation.

	As of March 31,		
	2023	**2022**	**2021**
Stock options	**1,963,420**	1,151,400	868,000
Restricted stock units	**378,740**	378,740	243,000
Warrants	**–**	33,888	49,701

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES

Effective March 15, 2022, iOx entered into a Master Services Agreement (the "MSA") with Parexel International (IRE) Limited ("Parexel") under which Parexel agrees to provide services as CRO provided in a work order ("Work Order") effective June 1, 2022. Pursuant to such Work Order, Parexel will operate a Phase 2 trial of IMM60 and pembrolizumab in advanced melanoma and non-small lung cancer ("NSCLC"). The MSA provides for a five-year term, and the Work Order provides for a term to be ended upon the completion of the services required. The budget provides for service fees and pass-through expenses and clinical sites totaling $11.5 million. During Fiscal 2023, the Company executed two change orders resulting in a $0.6 million increase in the overall estimated budgeted costs.

On March 1, 2023, the Company, through Tarus, entered into a clinical service agreement with a third-party service provider. The term of the agreement is through the earlier of August 14, 2025 or the completion of provision of services and the payment of contractual obligations. The budgeted costs for the services to be provided is approximately $12.1 million.

Stimunity Convertible Note

On July 13, 2022, the Company entered into a commitment with Stimunity to provide €600,000 under the Stimunity Convertible Note. The Stimunity Convertible Note provides for simple interest at 7% per annum. The Convertible Note is automatically converted into Series A shares of Stimunity upon Stimunity completing a Series A round for at least €20 million. If such subscription round is completed prior to the Maturity Date, the Company will be entitled to convert the Stimunity Convertible Note into Series A shares of Stimunity at the subscription share price less 15%. Additionally, if Stimunity completes a financing with a new category of shares (other than Common Shares or Series A shares of Stimunity) for at least €5 million (the "Minimum Raise"), the Company will have the right to convert the Stimunity Convertible Note and the historical Series A shares of Stimunity owned into the new category of shares. In the event that Stimunity does not close a financing prior to the Maturity Date or raises less than the Minimum Raise, the Company will have the right to convert the Stimunity Convertible Note into Series A shares of Stimunity at €363.00 per share or the raise price less 15%, whichever is lower. The Stimunity Convertible Note was funded by the Company on September 12, 2022. In addition, the Company has eliminated 100% of the interest earned on the Stimunity Convertible Note in reporting its consolidated financial results. See Note 7, "Investment in Private Company," for a further discussion.

Committed Purchase Agreement

On July 6, 2022 (the "Signing Date"), the Company entered into the Committed Purchase Agreement with Lincoln, pursuant to which the Company may require Lincoln to purchase ordinary shares having an aggregate value of up to $30 million over a period of 36 months. Pursuant to the Committed Purchase Agreement, Lincoln will be obligated to purchase ordinary shares in three different scenarios that are based on various market criteria and share amounts.

Upon execution of the Committed Purchase Agreement, the Company issued to Lincoln 94,508 ordinary shares, representing a 3% commitment fee valued at $0.9 million. The Company has the right to terminate the Committed Purchase Agreement for any reason, effective upon one business day prior written notice to Lincoln. Lincoln has no right to terminate the Committed Purchase Agreement. The Company is accounting for the commitment fee as a deferred commitment fee on the consolidated statement of financial position as of March 31, 2023 and will amortize it pro-rata against equity sold under the Committed Purchase Agreement. Any unamortized balance will be written-off to operations at the expiration of the commitment.

The Committed Purchase Agreement does not impose any financial or business covenants on the Company and there are no limitations on the use of proceeds received by the Company from Lincoln. The Company may raise capital from other sources in its sole discretion; provided, however, that the Company shall not enter into any similar agreement for the issuance of variable priced equity-like securities until the three-year anniversary of the Signing Date, excluding, however, an at-the-market transaction with a registered broker-dealer.

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES *(Cont'd)*

In connection with the Committed Purchase Agreement, the Company and Lincoln entered into a Registration Rights Agreement, dated July 6, 2022 (the "Registration Rights Agreement"). Pursuant to the Registration Rights Agreement, the Company agreed to file with the SEC the prospectus supplement to the Company's shelf registration statement pursuant to Rule 424(b) for the purpose of registering for resale the ordinary shares to be issued to Lincoln under the Committed Purchase Agreement. The prospectus supplement was filed on August 19, 2022.

The Company is obligated under the Tarus Merger Agreement and the iOx Share Exchange Agreement to pay certain third party earnouts based on the achievement of certain milestones. See Note 8, "Acquisition of Tarus," and Note 19, "Related Party Transactions – Share Exchange Agreement – iOx," for further discussions.

NOTE 19. RELATED PARTY TRANSACTIONS

SalvaRx Acquisition

Two of the Company's directors are also directors of SalvaRx Group plc, a company which owns approximately 4.1% of the Company's issued and outstanding ordinary shares at March 31, 2023.

Investments

The Company has entered into related party transactions and certain services agreements with its investees. Key management personnel of the Company have also entered into related party transactions with investees. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, including directors and senior management of the Company.

The following subsidiaries and associates are considered related parties:

(a) **Stimunity**. The CEO of Portage is one of three members of the board of directors of Stimunity (see Note 6, "Investment in Associate," and Note 18, "Commitments and Contingent Liabilities – Stimunity Convertible Note").
(b) **iOx**. Upon the iOx Share Exchange on July 18, 2022, the non-Portage director resigned from the iOx board leaving two Portage insiders as directors. The CEO of Portage is also the CEO of iOx, and the management team of Portage comprises the management team of iOx. See below for a discussion of the Company's purchase of the non-controlling interest in iOx through its wholly-owned subsidiary SalvaRx.
(c) **Saugatuck**. One of the three directorships on the board of directors of Saugatuck is controlled by Portage. Additionally, the CEO of Portage is also the CEO of Saugatuck, and the management team of Portage comprises the management team of Saugatuck.
(d) **Intensity**. The CEO of Portage previously served as a part-time officer of Intensity until becoming a consultant in 2023. Additionally, Intensity provided services (primarily rent) to Portage, totaling $69,759, $83,437 and $77,088 for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively, of which $63,624 was unpaid at March 31, 2023.
(e) **Portage Development Services Inc**. PDS provides human resources and other services to each operating subsidiary of Portage through a shared services agreement.
(f) **PGL.** PPL held 65% equity in PGL, committed to provide financing and also handles financial and administrative matters of PGL. The Company disposed of 100% of its interests in PPL and PGL on March 3, 2021.

NOTE 19. RELATED PARTY TRANSACTIONS *(Cont'd)*

The following are related party balances and transactions other than those disclosed elsewhere in the consolidated financial statements:

Interest expense includes $78,427 interest incurred in the year ended March 31, 2021, on notes issued to members of the Board. The SalvaRx Notes were settled as of August 6, 2020 and, accordingly, no further interest expense was incurred. In connection with the settlement of the SalvaRx Notes, $692,045 of accrued interest and $805,000 of principal was paid to directors. The directors also exchanged an aggregate $2,415,000 of notes payable for SalvaRx warrants at a price of $6.64, which were exchanged for Portage warrants and converted to Portage stock on October 13, 2020.

Transactions between the parent company and its subsidiaries, which are related parties, have been eliminated in consolidation and are not disclosed in this note.

On September 8, 2021, the Company, through SalvaRx, completed a settlement of loans (including interest) to and receivables from iOx for services rendered in exchange for 23,772 ordinary shares of iOx at a price of £162. Simultaneously, the Company entered into an agreement with OSI, the holder of $0.15 million notes plus accrued interest under which OSI exchanged the notes plus accrued interest for 820 shares of iOx. The Company followed the guidance provided by an IFRS Discussion Group Public Meeting dated November 29, 2016, following the general tenets of IAS 39, "Financial Instruments: Recognition and Measurement," and IFRIC 19, "Extinguishing Financial Liabilities with Equity Instruments," and recorded the exchange at historical cost. Additionally, no profit or loss was recorded in connection with the exchange. As a result of these transactions, the Company, through SalvaRx, increased its ownership of iOx from 60.49% to 78.32%.

Share Exchange Agreement – iOx

On July 18, 2022, the Company and SalvaRx entered into a Share Exchange Agreement (the "Share Exchange Agreement") with each of the minority shareholders of iOx (the "Sellers") resulting in the acquisition of the outstanding non-controlling ownership interest (approximately 22%) of iOx, which is developing the iNKT engager platform. The Company followed IFRS 3, "Business Combinations," and IAS 27, "Separate Financial Statements," (which substantially replaced IAS 3) to account for this transaction. The Company achieved control of iOx, as defined, on January 8, 2019 upon the completion of the SalvaRx Acquisition. Further transactions whereby the parent entity acquires further equity interests from non-controlling interests, or disposes of equity interests but without losing control, are accounted for as equity transactions (i.e., transactions with owners in their capacity as owners). As such:

- the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary;
- any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the parent; and
- there is no consequential adjustment to the carrying amount of goodwill, and no gain or loss is recognized in profit or loss.

The Company now owns the worldwide rights to its small molecule iNKT engagers, including lead programs PORT-2 and PORT-3. Under the terms of the Share Exchange Agreement, each Seller sold to the Company, and the Company acquired from each Seller, legal and beneficial ownership of the number of iOx shares held by each Seller, free and clear of any share encumbrances, in exchange for the issuance in an aggregate of 1,070,000 Portage ordinary shares to be allocated among the Sellers based upon their relative ownership. As a result of the Share Exchange Agreement, the Company owns 100% of the issued and outstanding shares of iOx through its wholly-owned subsidiary, SalvaRx.

NOTE 19. RELATED PARTY TRANSACTIONS *(Cont'd)*

As additional consideration for the sale of the iOx shares to the Company under the Share Exchange Agreement, the Sellers shall have the contingent right to receive additional shares ("Earnout Shares") from the Company having an aggregate value equal to $25 million calculated at the Per Share Earnout Price, as defined in the Share Exchange Agreement, upon the achievement of certain milestones defined as the dosing of the first patient in a Phase 3 clinical trial for either PORT-2 (IMM60 iNKT cell activator/engager) or PORT-3 (PLGA-nanoparticle formulation of IMM60 combined with a NY-ESO-1 peptide vaccine). The Company shall have the option, in its sole and absolute discretion, to settle the Earnout Shares in cash. The Company followed IFRS 3 and IAS 32, "Financial Instruments: Presentation," to account for the fair value of the Earnout Shares. The principal assumptions for determining the fair value include the timing of development events, the probabilities of success and the discount rate used. The fundamental principle of IAS 32 is that a financial instrument should be classified as either a financial liability or an equity instrument according to the substance of the contract, not its legal form, and the definitions of financial liability and equity instrument. A financial instrument is an equity instrument if, and only if, both conditions (a) and (b) below are met:

(a) the instrument includes no contractual obligation to deliver cash or another financial asset to another entity, and
(b) if the instrument will or may be settled in the Company's own equity instruments, it is either:
    (i) a non-derivative that includes no contractual obligation for the Company to deliver a variable number of its own equity instruments; or
    (ii) a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

When a derivative financial instrument gives one party a choice over how it is settled (for instance, the Company or the holder can choose settlement net in cash or by exchanging shares for cash), it is a financial asset or a financial liability unless all of the settlement alternatives would result in it being an equity instrument. The financial instrument includes the exclusive right of the Company to settle the obligation with cash or equity and, accordingly, accounted for the fair value of the Earnout Shares as a non-current liability.

The Company recorded $5.478 million as the fair value estimate of the Earnout Shares, which is reflected as deferred obligation - iOx milestone on the condensed consolidated balance sheet included herein. The Company will determine the fair value of the Earnout Shares at each balance sheet date. Any change to the fair value will be recorded in the Company's statements of operations and other comprehensive income (loss). The Company recorded a gain from the change (decrease) in fair value of the liability of $1.352 million for the year ended March 31, 2023.

Employment Agreements

PDS entered into a Services Agreement with our CEO effective December 15, 2021 (the "CEO Services Agreement"). The CEO Services Agreement originally provided for a base salary of $618,000, plus cost-of-living increases. On December 19, 2022, the Compensation Committee approved the CEO's compensation of $642,700 for Fiscal 2024. The CEO Services Agreement provides for annual increases based upon the review of the base salary by the Board prior to the anniversary of the CEO Services Agreement provided that the annual increase cannot be less than the cost-of-living increase. The CEO Services Agreement also provides that the CEO is eligible to receive an annual performance-based bonus targeted at 59% of the applicable year's base salary, which bonus is earned based on the achievement of performance targets, as determined annually by the Board and communicated to the CEO in the first quarter of the year. Any annual bonus, to the extent earned, is to be paid no later than March 15 of the following year. The CEO Services Agreement is for an initial term of three years, after which it will automatically renew annually unless terminated in accordance with the CEO Services Agreement.

NOTE 19. RELATED PARTY TRANSACTIONS *(Cont'd)*

Under the CEO Services Agreement, the CEO may terminate his employment with PDS at any time for Good Reason (as defined in the CEO Services Agreement). PDS may terminate the CEO's employment immediately upon his death, upon a period of disability or without Just Cause (as defined in the CEO Services Agreement). In the event that the CEO's employment is terminated due to his death or Disability (as defined in the CEO Services Agreement), for Good Reason or without Just Cause, he will be entitled to accrued obligations (accrued unpaid portion of base salary, accrued unused vacation time and any unpaid expenses). Additionally, he may be entitled to Severance Benefits (as defined in the CEO Services Agreement), which include his then current base salary and the average of his annual bonus for the prior two completed performance years, paid over 12 monthly installments. Additionally, the CEO will be entitled to life insurance benefits and medical and dental benefits for a period of 12 months at the same rate the CEO and PDS shared such costs during his period of employment.

Additionally, all stock options (and any other unvested equity incentive award) held by the CEO relating to shares of the Company will be deemed fully vested and exercisable on the Termination Date (as defined in the CEO Services Agreement), and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

If the CEO's employment by PDS is terminated by PDS or any successor entity without Just Cause (not including termination by virtue of the CEO's death or Disability) or by the CEO for Good Reason within 12 months following the effective date of a Change in Control (as defined in the CEO Services Agreement), then, in addition to paying or providing the CEO with the Accrued Obligations (as defined in the CEO Services Agreement), the Company will provide the following Change in Control Severance Benefits (as defined in the CEO Services Agreement):

(1) PDS will pay the base salary continuation benefit for 18 months;

(2) PDS will pay the life insurance benefit for 18 months;

(3) PDS will pay an additional amount equivalent to the CEO's target annual bonus calculated using the bonus percentage for the performance year in which the CEO's termination occurs. This bonus will be paid in 12 equal installments commencing on the first payroll date that is more than 60 days following the date of termination of the CEO's employment, with the remaining installments occurring on the first day of the month for the 11 months thereafter;

(4) PDS will provide the CEO with continued medical and dental benefits, as described above, for 18 months; and

(5) All stock options (and any other unvested equity incentive award) held by the CEO relating to shares of the Company or its parent will be deemed fully vested and exercisable on the Termination Date, as defined, and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

PDS entered into services agreements (individually, an "Executive Service Agreement," and collectively, the "Executive Service Agreements") with each of the Company's five other members of senior management (individually, "Executive" and collectively, "Executives"), three of which are dated as of December 1, 2021, one of which is dated December 15, 2021 and one of which is dated June 1, 2022. Each of the Executive Services Agreements provides for an initial term of two years that is automatically renewed for one-year periods (except two of the Executive Services Agreement, which provides for an initial term of one year and that is automatically renewed for one-year periods). The Executive Services Agreements initially provided for annual base salaries ranging from $175,000 to $348,000 (pro-rated for services rendered) and annual bonus targets ranging from 30% to 40%. They also provide for long-term incentives in the form of equity awards from time to time under the Portage Biotech Inc. Amended and Restated 2021 Equity Incentive Plan.

NOTE 19. RELATED PARTY TRANSACTIONS *(Cont'd)*

On December 19, 2022, the Compensation Committee approved executive compensation for Fiscal 2024 for annual base salaries ranging from $183,750 to $469,000 (pro-rated for services rendered) and annual bonus targets ranging from 30% to 40%.

The Executive Services Agreements can be terminated by PDS without Just Cause, by death or Disability, or by the Executive (except one) for Good Reason (each as defined in the respective Executive Services Agreements). In such instances, the Executive Services Agreements provide for the payment of accrued obligations (accrued unpaid portion of base salary, accrued unused vacation time and any unpaid expenses). Additionally, the Executives (except two) are entitled to 50% of base salary plus 50% of average annual bonus earned over the prior two performance years, as well as prevailing life insurance benefits for a period of six months and medical and dental benefits for a period of six months at the prevailing rate PDS and the Executive were sharing such expenses.

Additionally, all stock options (and any other unvested equity incentive award) held by the Executives relating to shares of the Company will be deemed fully vested and exercisable on the Termination Date (as defined in the respective Executive Services Agreements), and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

If an Executive's employment by PDS is terminated by the Company or any successor entity without Just Cause (not including termination by virtue of the Executive's death or Disability) or by the Executive (except one) for Good Reason within 12 months following the effective date of a Change in Control (as defined in the respective Executive Services Agreements), then, in addition to paying or providing the Executive with the Accrued Obligations (as defined in the respective Executive Services Agreements), the Company will provide the following Change in Control Severance Benefits (as defined in the respective Executive Services Agreements), except in two cases in which the Executive is entitled to Item (5) and 50% of Items (1) and (3) below:

(1) PDS will pay the Base Salary continuation benefit for 12 months;

(2) PDS will pay the life insurance benefit for 12 months;

(3) The Company will pay an additional amount equivalent to the Executive's target annual bonus calculated using the bonus percentage for the performance year in which the Executive's termination occurs. This bonus will be payable in 12 equal installments commencing on the first payroll date that is more than 60 days following the date of termination of the Executive's employment, with the remaining installments occurring on the first day of the month for the 11 months thereafter;

(4) PDS will provide the Executive with continued medical and dental benefits, as described above, for 12 months; and

(5) All stock options (and any other unvested equity incentive award) held by the Executive relating to shares of the Company or its parent will be deemed fully vested and exercisable on the Termination Date and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

The Executive Services Agreements also include customary confidentiality, as well as provisions relating to assignment of inventions. The Executive Services Agreements also includes non-competition and non-solicitation of employees and customers provision that run during the Executive's employment with PDS and for a period of one year after termination of employment.

NOTE 19. RELATED PARTY TRANSACTIONS *(Cont'd)*

Bonuses & Board Compensation Arrangements

In December 2021, the Compensation Committee approved performance bonuses payable to senior management totaling $0.7 million. The bonuses were paid in December 2021.

In December 2022, the Board approved executive performance bonuses, as recommended by the Compensation Committee, totaling $0.6 million, which is equivalent to 73.5% of original annual targets established by the Board in December 2021. The bonuses were approved based upon the original performance targets established. The Board further approved a payment structure of 25% of approved bonuses, which were paid in January 2023, with the balance of amounts due payable upon a new financing.

Effective January 1, 2022, each non-employee Board member are entitled to receive cash Board fees of $40,000 per annum, payable quarterly in arrears. Additionally, each non-employee Board member is entitled to an annual grant of 6,900 options to purchase Portage ordinary shares, which would vest the first annual anniversary of the grant date. The Company incurred Board fees totaling $322,500 and $55,833 during the years ended March 31, 2023 and 2022, respectively. There were no Board fees incurred prior to January 1, 2022.

Non-employee Board chairpersons are entitled to an annual cash fee of $30,000, payable quarterly in arrears. In lieu of a non-executive chairperson, the lead director is entitled to an annual cash fee of $20,000 per annum paid quarterly in arrears. Additionally, the chairperson of each of the Audit Committee, Compensation Committee and Nominating Committee is entitled to annual fees of $15,000, $12,000 and $8,000, respectively, payable quarterly in arrears. Members of those committees will be entitled to annual fees of $7,500, $6,000 and $4,000, respectively, payable quarterly in arrears.

NOTE 20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments recognized in the Company's consolidated statements of financial position 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; and therefore, these estimates cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

(U.S. Dollars)

NOTE 20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Cont'd)*

The following table summarizes the Company's financial instruments as of March 31, 2023 and March 31, 2022:

	Years Ended March 31,					
	2023			2022		
	Amortized Cost	FVTOCI	FVTPL	Amortized Cost	FVTOCI	FVTPL
Financial assets						
Cash and cash equivalents	**$ 10,545**	**$ –**	**$ –**	$ 23,352	$ –	$ –
Prepaid expenses and other receivables	**$ 2,689**	**$ –**	**$ –**	$ 1,480	$ –	$ –
Convertible note receivable, including accrued interest, net of impairment	**$ –**	**$ –**	**$ 442**	$ –	$ –	$ –
Investment in associate	**$ –**	**$ –**	**$ 806**	$ –	$ –	$ 1,673
Investment in private company	**$ –**	**$ 2,087**	**$ –**	$ –	$ 7,409	$ –

	Years Ended March 31,			
	2023		2022	
	Amortized Cost	FVTPL	Amortized Cost	FVTPL
Financial liabilities				
Accounts payable and accrued liabilities	**$ 1,865**	**$ –**	$ 750	$ –
Warrant liability	**$ –**	**$ –**	$ –	$ 33
Deferred purchase price payable - Tarus	**$ –**	**$ 7,179**	$ –	$ –
Deferred obligation - iOx milestone	**$ –**	**$ 4,126**	$ –	$ –

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

Fair value of Financial Instruments

The Company's financial assets and liabilities are comprised of cash and cash equivalents, receivables and investments in equities and private entities, accounts payable, 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. Investments are 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.

Management has assessed that the fair values of cash and cash equivalents, other receivables and accounts payable approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE 20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Cont'd)*

The following methods and assumptions were used to estimate their fair values:

Investment in Associate: The fair value of the Stimunity investment was determined based on an IAS 36 fair value analysis evaluating the likelihood of various scenarios given the current market conditions, the increasing cost of capital and development delays associated with Stimunity's lack of liquidity (Level 3). The Company recorded a provision of impairment of $0.607 million with respect to the investment in associate decreasing the carrying value of the investment in associate to $0.806 million at March 31, 2023. See Note 6, "Investment in Associate," for a further discussion.

Convertible Note Receivable: The fair value of the Stimunity Convertible Note receivable denominated in euros at initial recognition is the transaction price for the instrument adjusted for the effect of the currency translation rate on the reporting date (Level 3) (see Note 18, "Commitments and Contingent Liabilities – Stimunity Convertible Note"). The Stimunity Convertible Note was initially recorded at $0.614 million to record the translated value of the Stimunity Convertible Note on September 12, 2022. The Company recognized an unrealized gain of $0.039 million through OCI in fiscal 2023 to reflect the change in translation rate for the Stimunity Convertible Note settleable in euros, increasing the carrying value of the Stimunity Convertible Note to $0.653 million. At March 31, 2023, the Company determined that there were indications of impairment, based upon the inability of Stimunity to obtain financing. The Company performed an IAS 36 fair value analysis evaluating the likelihood of various scenarios given the current market conditions, the increasing cost of capital and development delays associated with Stimunity's lack of liquidity. The Company recorded an impairment of $0.211 million resulting from the impairment analysis decreasing the carrying value of the Stimunity Convertible Note to $0.442 million at March 31, 2023.

Investment in Intensity: Fair value of the investment was determined based on an IAS 36 impairment analysis after determining there were external indications of impairment (Level 3). See Note 7, "Investment in Private Company," for a further discussion.

Accrued Equity Issuable: The fair value is estimated based on the average of the quoted market prices for the period in which the shares were earned (Level 1).

Warrant Liability: The fair value was estimated using a Black-Scholes model (Level 3) (see Note 14, "Warrant Liability").

Deferred Purchase Price Payable - Tarus: The fair value is the estimated value of a future contingent obligation based upon a fair value analysis performed in accordance with IFRS 3 at acquisition date, adjusted at each reporting date for any change in fair value (Level 3) (see Note 8, "Acquisition of Tarus"). The fair value was determined using the Income Approach and was based upon the analysis on the Tarus clinical plan, the timing of development events and the probabilities of success determined primarily based upon empirical third party data and Company experience, as well as the relevant cost of capital. The Company recorded a gain from the change (decrease) in fair value of the liability of $1.359 million for the year ended March 31, 2023, respectively.

Deferred Obligation - iOx Milestone: The fair value is the estimated value of a future contingent obligation based upon a fair value analysis performed in accordance with IFRS 3 as of July 18, 2022, the date of the Share Exchange Agreement, adjusted at each reporting date for any change in fair value (Level 3) (see Note 19, "Related Party Transactions – Share Exchange Agreement – iOx"). The fair value was determined using the Income Approach and based on factors including the clinical plan, the timing of development events and the probabilities of success determined primarily based upon empirical third party data and Company experience, as well as the relevant cost of capital. The Company recorded a gain from the change (decrease) in fair value of the liability of $1.352 million for the year ended March 31, 2023, respectively.

There have been no transfers between levels of the fair value hierarchy for the years ended March 31, 2023 and 2022.

The Company's financial instruments are exposed to certain financial risks: Credit Risk, Liquidity Risk and Foreign Currency Risk.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value as reflected in the Company's condensed consolidated interim statements of financial position.

NOTE 20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Cont'd)*

***Cash and cash equivalents*.** Cash and cash equivalents comprise cash on hand and amounts invested in underlying Treasury and money market funds that are readily convertible to a known amount of cash with three months or less from date of acquisition and are subject to an insignificant risk of change in value. As of March 31, 2023 and 2022, cash equivalents was comprised of a money market account with maturities less than 90 days from the date of purchase. Cash and cash equivalents are held with major international financial institutions and therefore the risk of loss is minimal.

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 and cash equivalents to satisfy current obligations under accounts payable and accruals.

The Company monitors its liquidity position regularly to assess whether it has the funds necessary to meet its operating needs and needs for investing in new projects.

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. See Note 2, "Going Concern," and Note 15, "Capital Stock," for a discussion of the Company's share offering and Note 18, "Commitments and Contingent Liabilities – Committed Purchase Agreement," for a further discussion.

Foreign Currency Risk

While the Company operates in various jurisdictions, substantially all of the Company's transactions are denominated in the U.S. Dollar, except the deferred tax liability in the U.K. settleable in British pound sterling and the Stimunity Convertible Note receivable settleable in euros.

NOTE 21. CAPITAL DISCLOSURES

The Company considers the items included in shareholders' equity as capital. The Company had accounts payable and accrued expenses of approximately $1.9 million as of March 31, 2023 (approximately $0.8 million as of March 31, 2022) and current assets of approximately $13.7 million as of March 31, 2023 (approximately $24.8 million as of March 31, 2022). 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 of March 31, 2023, shareholders' equity attributable to the owners of the company was approximately $76.0 million (approximately $121.2 million as of March 31, 2022).

NOTE 21. CAPITAL DISCLOSURES *(Cont'd)*

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, 2023 and 2022.

NOTE 22. NON-CONTROLLING INTEREST

(In thousands)	iOx	Saugatuck and subsidiary	Total
Non-controlling interest as of April 1, 2021	$ 46,173	$ (20)	$ 46,153
Share-based compensation expense	191	–	191
Exchange of notes payable, accrued interest and warrants for iOx shares	184	–	184
Net (loss) attributable to non-controlling interest	(1,847)	(452)	(2,299)
Non-controlling interest as of March 31, 2022	44,701	(472)	44,229
Net income (loss) attributable to non-controlling interest	**123**	**(178)**	**(55)**
Purchase of non-controlling interest pursuant to Share Exchange Agreement	**(44,824)**	**–**	**(44,824)**
Non-controlling interest as of March 31, 2023	**$ –**	**$ (650)**	**$ (650)**

On September 8, 2021, the Company, through SalvaRx, completed a settlement of loans (including interest) to and receivables from iOx for services rendered in exchange for 23,772 ordinary shares of iOx at a price of £162. On July 18, 2022, the Company completed the acquisition of the remaining non-controlling interest in iOx, by issuing 1,070,000 shares of its ordinary shares and assuming certain milestone obligations. See Note 12, "Unsecured Notes Payable – iOx Unsecured Notes Payable," and Note 19, "Related Party Transactions – Share Exchange Agreement – iOx," for further discussions.

Saugatuck and subsidiary includes Saugatuck and its wholly-owned subsidiary, Saugatuck Rx LLC.

NOTE 23. EVENTS AFTER THE BALANCE SHEET DATE

(a) ***Sale of Ordinary Shares***

From April 1, 2023 through July 28, 2023, the Company sold 186,604 ordinary shares under the ATM program and generated net proceeds of approximately $0.6 million.

(b) ***Intensity IPO***

On July 5, 2023, Intensity completed an IPO of its common stock selling 3,900,000 shares at a price of $5.00 per share generating net proceeds of approximately $16.2 million. In connection with the offering, Intensity's common stock began trading on Nasdaq on June 30, 2023, under the ticker symbol "INTS." The Intensity shares closed at a price of $5.96 on June 30, 2023. The Company valued its interest in Intensity consisting of 644,229 shares to be $2.087 million at March 31, 2023, based upon information available at that date. The Company received an additional 2,659 shares in connection with the offering pursuant to certain anti-dilution rights. Intensity sold its overallotment shares totaling 585,000 shares, which closed on July 7, 2023. At that date, the Company owned approximately 4.7% of the issued and outstanding shares of Intensity.

(b) EXHIBITS

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

Exhibit No.	Description of Exhibit
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 of Association and Articles of Association of Portage Biotech Inc. as filed in the British Virgin Island on June 21, 2022 - **Incorporated herein by reference** to Exhibit 99.1 to Form 6-K filed on June 23, 2022.
1.3	Amended and Restated Memorandum of Association and Articles of Association of Portage Biotech Inc. as filed in the British Virgin Island on September 22, 2022 - **Incorporated herein by reference** to Exhibit 4.1 to Form 6-K filed on September 22, 2022.
2.1	Description of Rights of Stock Registered under Section 12 of the Exchange Act – **Incorporated herein by reference** to Exhibit 2.1 to Form 20-F filed on August 1, 2022.
4.1	Controlled Equity Offering[SM] Sales Agreement by and between Portage Biotech Inc. and Cantor Fitzgerald & Co., dated February 24, 2021 - **Incorporated herein by reference** to Exhibit 1.1 to Form F-3 filed on February 24, 2021.
4.2	Underwriting Agreement, dated as of June 24, 2021 the Company, Cantor Fitzgerald & Co. and Oppenheimer & Co. Inc. - **Incorporated herein by reference** to Exhibit 1.1 to Form 6-K filed on June 24, 2021.
4.3	2011 Consultant Stock Compensation Plan - **Incorporated herein by reference** to Exhibit 10.1 to Form S-8 filed on April 21, 2011.
4.4	2013 Stock Option Plan - **Incorporated herein by reference** to Exhibit 10 to Form S-8 filed on December 19, 2013.
4.5	Stock Option Plan - **Incorporated herein by reference** to Exhibit 10 to Form S-8 filed on March 17, 2015.
4.6	Portage Biotech Inc. 2021 Equity Incentive Plan dated as of January 13, 2021 - **Incorporated herein by reference** to Exhibit 4(c)(iv).4 to Form 20-F filed on July 29, 2021.
4.7	Portage Biotech Inc. Amended and Restated 2021 Equity Incentive Plan dated as of January 19, 2022.
4.8	Form of Lock-Up Agreement dated July 1, 2022 - **Incorporated herein by reference** to Exhibit 10.1 to Form 6-K filed on July 8, 2022.
4.9	Form of Lock-Up Agreement dated July 1, 2022 - **Incorporated herein by reference** to Exhibit 10.2 to Form 6-K filed on July 8, 2022.
4.10	Purchase Agreement dated as of July 6, 2022, by and between Portage Biotech Inc. and Lincoln Park Capital Fund, LLC - **Incorporated herein by reference** to Exhibit 10.3 to Form 6-K filed on July 8, 2022.
4.11	Registration Rights Agreement dated as of July 6, 2022, by and between Portage Biotech Inc. and Lincoln Park Capital Fund, LLC - **Incorporated herein by reference** to Exhibit 10.4 to Form 6-K filed on July 8, 2022.

(b) EXHIBITS (Cont'd)

Exhibit No.	Description of Exhibit
4.12	Services Agreement effective as of December 15, 2021, by and between Portage Development Services Inc. and Ian B. Walters, MD - **Incorporated herein by reference** to Exhibit 10.5 to Form 20-F filed on August 1, 2022.
4.13	Services Agreement effective as of December 1, 2021, by and between Portage Development Services Inc. and Allan Shaw - **Incorporated herein by reference** to Exhibit 10.6 to Form 20-F filed on August 1, 2022.
4.14	Services Agreement effective as of December 1, 2021, by and between Portage Development Services Inc. and Robert Kramer, PhD - **Incorporated herein by reference** to Exhibit 10.7 to Form 20-F filed on August 1, 2022.
4.15	Services Agreement effective as of December 15, 2021, by and between Portage Development Services Inc. and Steven Innaimo - **Incorporated herein by reference** to Exhibit 10.8 to Form 20-F filed on August 1, 2022.
4.16	Services Agreement effective as of December 1, 2021, by and between Portage Development Services Inc. and Brian Wiley - **Incorporated herein by reference** to Exhibit 10.9 to Form 20-F filed on August 1, 2022.
4.17	Form of Share Option Agreement dated as of January 13, 2021 - **Incorporated herein by reference** to Exhibit 10.10 to Form 20-F filed on August 1, 2022.
4.18	Form of Share Option Agreement dated as of January 13, 2021 - **Incorporated herein by reference** to Exhibit 10.11 to Form 20-F filed on August 1, 2022.
4.19	Form of Restricted Share Unit Award and Dividend Equivalent Rights Agreement dated as of January 13, 2021 - **Incorporated herein by reference** to Exhibit 10.12 to Form 20-F filed on August 1, 2022.
4.20	Form of Share Option Agreement dated as of January 19, 2022 - **Incorporated herein by reference** to Exhibit 10.13 to Form 20-F filed on August 1, 2022.
4.21	Form of Share Option Agreement dated as of January 19, 2022 - **Incorporated herein by reference** to Exhibit 10.14 to Form 20-F filed on August 1, 2022.
4.22	Form of Restricted Share Unit Award and Dividend Equivalent Rights Agreement dated as of January 19, 2022 - **Incorporated herein by reference** to Exhibit 10.15 to Form 20-F filed on August 1, 2022.
4.23	Form of Share Option Agreement dated as of February 15, 2022 - **Incorporated herein by reference** to Exhibit 10.16 to Form 20-F filed on August 1, 2022.
4.24*	Services Agreement effective as of June 1, 2022, by and between Portage Development Services Inc. and Justin Fairchild.
4.25*	Clinical Services Agreement effective as of March 1, 2023, by and between Fortrea Inc. (formerly Labcorp Drug Development Inc.) and Tarus Therapeutics LLC.

(b) EXHIBITS (Cont'd)

Exhibit No.	Description of Exhibit
4.26*	Form of Share Option Agreement dated as of March 30, 2023.
4.27*	Form of Share Option Agreement dated as of March 30, 2023.
4.28*	Form of Share Option Agreement dated as of March 30, 2023.
4.29*	Office Lease made as of March 31, 2023, by and between WALP 57-61, LLC and Portage Development Services, Inc.
4.30*◊+	License Agreement dated as of July 1, 2015, by and between iOx Therapeutics Ltd. and the Ludwig Institute for Cancer Research Ltd.
4.31*◊+	License Agreement dated as of October 29, 2019, by and between Tarus Therapeutics, Inc. and Impetis Biosciences Limited.
4.32◊+	Agreement and Plan of Merger and Reorganization among Portage Biotech Inc., Portage Merger Sub 1, Inc., Portage Merger Sub 2, LLC, Tarus Therapeutics, Inc. and Shareholder Representative Services LLC dated as of July 1, 2022 - **Incorporated herein by reference** to Exhibit 2.1 to Form 6-K filed on July 8, 2022
4.33◊+	Share Exchange Agreement dated as of July 18, 2022, by and among Portage Biotech Inc., SalvaRx Ltd., and each of the shareholders of iOx Therapeutics Ltd. - **Incorporated herein by reference** to Exhibit 2.1 to Form 6-K filed on July 19, 2022
8.1*	List of Subsidiaries.
11.1*	Audit Committee Charter
11.2*	Compensation Committee Charter
11.3	Code of Conduct - **Incorporated herein by reference** to Exhibit 11.3 to Form F-20 filed on July 31, 2014.
11.4	Nominating Committee Charter. **Incorporated herein by reference** to Exhibit 11.4 to Form 20-F filed on August 1, 2022.
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.
15.1*	Consent of Marcum LLP.

(b) EXHIBITS (Cont'd)

Exhibit No.	Description of Exhibit
101	The following financial information from our Annual Report on Form 20-F for the year ended March 31, 2022 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.
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB *	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.

*** Filed herewith**

◊ Schedules have been omitted pursuant to the Instructions to Exhibits of Form 20-F. The registrant undertakes to furnish supplemental copies of any of the omitted schedules upon request by the SEC.

+ Portions of this exhibit have been omitted pursuant to Instruction 4(a)(ii) to Exhibits of Form 20-F.

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 31st day of July, 2023

PORTAGE BIOTECH INC.

By: /s/ Ian Walters
Title: Chairman of the Board and Chief Executive Officer

By: /s/ Allan Shaw
Title: Chief Financial Officer

SERVICES AGREEMENT

THIS SERVICES AGREEMENT (the "**Agreement**") is effective as of June 1, 2022, by and between **Portage Development Services Inc.**, a Delaware corporation (the "Company"), and **Justin Fairchild** a resident of the State of Connecticut (the "**Executive**").

WHEREAS, the Company and Executive desire to enter into this Agreement pursuant to which the Company will continue to employ Executive in the capacity, for the period and on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements herein contained, the parties hereby agree as follows:

1. EMPLOYMENT BY THE COMPANY.

(a) EMPLOYMENT AND DUTIES. The Company hereby intends to employ Executive of the Company as its **VP of Development** to act in accordance with the terms and conditions hereinafter set forth. During the Term (as defined below), Executive will report to the Chief Executive Officer (the "**CEO**") and agrees that it will devote sufficient time, attention and skills to the operation of the Business (as defined below) of the Company and that it will perform such duties, functions, responsibilities and authority in connection with the foregoing as are from time to time delegated to Executive by the Board. These duties shall include, but shall not be limited to, responsibility for the Company's development functions and other tasks delegated by the CEO. For purposes of this Agreement, the "**Business**" of the Company shall be defined as the development and commercialization of immuno-oncology and related products and related technology based products with mechanisms including iNKT agonists, intratumoral chemotherapy, STING agonists, RAGE antibodies, adenosine receptor antagonist and nanoliopgels. Executive is not bound by the terms of any agreement with any previous employer or other party which would limit its abilities to perform its duties and obligations hereunder.

(b) TERM. The term of this Agreement shall commence on the date hereof and shall continue for a period of one (1) year (the "Initial Term"). Thereafter, this Agreement shall be automatically renewed for one year periods. The Initial Term and any renewals thereof shall be referred to herein as the "**Term**." In each case, the Term will continue until terminated in accordance with Section 6(d).

2. COMPENSATION. In consideration of all the services to be rendered by Executive to the Company hereunder, the Company hereby agrees to pay or otherwise provide Executive the following compensation and benefits. It is furthermore understood that the Company shall have the right to deduct or withhold as required under any provision of applicable law from:

(a) SALARY. Executive shall receive an initial annual salary of Three Hundred Thousand Dollars ($300,000) to begin on June 1, 2022, plus annual cost of living salary increases ("**Base Salary**") (based on full time effort). The applicable Base Salary shall be reviewed by the Board each year prior to the anniversary of this Agreement to determine the annual increase to the applicable year's Base Salary; provided, however, that in no event shall such annual increase be less than cost of living increase. The applicable Base Salary will be paid in equal installments not less frequently than bi-monthly in accordance with the Company's salary payment practices in effect from time to time for senior executives of the Company

(b) BONUS PAYMENT. In addition to the Base Salary then in effect, Executive shall be eligible to receive a bonus payment (the "**Bonus Payment**") with a target of thirty percent (30%) of the

applicable year's Base Salary (the "**Bonus Percentage**") based upon Executive achieving performance objectives as determined each year by the CEO and communicated to Executive during the first quarter of the year. The Bonus Payment will be paid in accordance with the Company's bonus payment practices in effect from time to time for senior executives of the Company, but no later than March 15 of the calendar year immediately following the calendar year for which the bonus is being measured. The Board shall review the Executive's Bonus Percentage annually and may, in the Board's sole discretion, increase the Bonus Percentage based upon the Company's and Executive's performance.

(c) LONG TERM INCENTIVES. Executive shall be eligible to participate in equity awards from time to time under the Portage Biotech Inc. 2021 Equity Incentive Plan on terms and conditions established for such grant by the Board of Directors of Portage Biotech Inc.

(d) EXPENSES. Executive shall be entitled to be reimbursed for all reasonable expenses incurred by him in connection with the fulfillment of his duties hereunder, including all necessary continuing education and certification costs and related expenses; provided, however, that Executive has obtained the Company's prior written approval of such expenses and has complied with all policies and procedures related to the reimbursement of such expenses as shall, from time to time, be established by the Company. For the avoidance of doubt, to the extent that any reimbursements payable to Executive under this subsection 2(e) are subject to the provisions of Section 409A of the Code: any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(e) VACATIONS AND SICK LEAVE. Executive shall be entitled to four (4) weeks paid vacation annually to be taken in accordance with the Company's vacation policy in effect from time to time and at such time or times as may be mutually agreed upon by the Company and Executive; provided, however, that if for any reason Executive does not take the full four (4) weeks' vacation in any given year, Executive shall be entitled to accrue and carry over such vacation time according to the policy established by the Company. Executive shall also be entitled to sick leave according to the sick leave policy which the Company many adopt from time to time.

3. INDEMNIFICATION.

COMPANY'S OBLIGATION TO INDEMNIFY. To the maximum extent allowable under the law of Delaware and the Bylaws and Certificates of Incorporation of the Company, the Company shall at all times during the Term and thereafter, indemnify and defend and hold Executive harmless from and against all liability, loss, costs, claims, damages, expenses, judgments, awards, and settlements as well as attorneys' fees and expenses, personal or otherwise, whether in tort or in contract, law or equity, that the Company or the Executive may incur by reason of or arising out of any claim made by any third party (together, the "**Losses**")by reason of, relating to or arising out of Executive's employment with Company; provided, however, that the Company's foregoing indemnification obligations shall not apply to Losses incurred by the Company as a result of the Executive's willful misconduct, gross negligence, or conviction of a felony (including entry of a plea of nolo contendere) for illegal or criminal behavior. Indemnification shall include all costs, including actual attorneys' fees and expenses reasonably incurred in pursuing indemnity claims under or enforcement of this Agreement. The Company will promptly advance to Executive expenses incurred or to be incurred by Executive to defend any claim, action, suit, proceeding or investigation with respect to the matters subject to indemnification pursuant to this Section 3 (including any expenses incurred in enforcing Executive's rights under this Section 3), after receipt by the Company of a written request from Executive for such advance together with documentation reasonably acceptable to the Company and subject to an undertaking by Executive to pay back any

advanced amounts for which it is determined by agreement between Executive and the Company or by a final judgment of a court of competent jurisdiction that Executive was not entitled to indemnification. This indemnity is in addition to, and does not replace, Portage Biotech Inc. obligations to indemnify.

(a) D&O INSURANCE. During the employment Term and for a commercially reasonable period thereafter, the Company shall cover or cause Portage Biotech, Inc to cover the Executive under its directors' and officers' liability insurance policy to the extent commercially available.

4. INSURANCE. The Company may secure, in its own name, or otherwise, and at its own expense, life, health, accident and other insurance covering Executive. Executive agrees to assist the Company in procuring such insurance by submitting to the usual and customary medical and other examinations and by signing, as the insured, such applications and other instruments in writing as may be reasonably requires by the insurance companies to which application is made pursuant to such insurance. Executive agrees that it shall have no right, title, or interest in or to any insurance policies or to the proceeds thereof which the Company many so elect to take out or to continue on Executive's life.

5. TERMINATION OF EMPLOYMENT.

(a) TERMINATION BY THE COMPANY WITHOUT JUST CAUSE, OR BY VIRTUE OF DEATH OR DISABILITY OF EXECUTIVE.

(i) The Company shall have the right to terminate Executive's employment with the Company pursuant to this Section 6(a) at any time, in accordance with Section 6(d), without "**Just Cause**" (as defined in Section 6(c)(ii) below) or by virtue of Executive's death or Disability (as defined herein) by giving notice as described in Section 9(a) of this Agreement.

(ii) If the Company terminates Executive's employment at any time without Just Cause or by virtue of the death or Disability of Executive, then Executive shall be entitled to receive the Accrued Obligations (defined in 6(a)(iv) below).

(1) all stock options (and any other unvested equity incentive award) held by the Executive relating to shares of the Company or its parent will be deemed fully vested and exercisable on the Termination Date and the exercise period for such stock options will be increased by a period of two years from the Termination Date

(iii) Executive will be paid all of the Accrued Obligations on the Company's first payroll date after Executive's date of termination from employment or earlier if required by law. Executive shall receive the Severance Benefits pursuant to Section 6(a)(ii) or Change in Control Severance Benefits pursuant to Section 6(b)(i) of this Agreement if by the 60th day following the date of Executive's termination of employment, he has signed, delivered to the Company and not revoked in whole or in part a mutually agreeable separation agreement that includes a general release in favor of the Company (the "**Release**").

(iv) For purposes of this Agreement, "**Accrued Obligations**" are any accrued but unpaid portion of the applicable Base Salary, plus any accrued but unused vacation time and unpaid expenses (in accordance with Section 2(d)) that have been earned by the Executive as the date of such termination.

(v) For purposes of this Agreement, and subject to applicable state and federal law, termination by the Company on account of the Executive's "**Disability**" shall mean termination because Executive is unable due to a physical or mental condition to perform the essential functions of his position

with or without reasonable accommodation for six (6) months in the aggregate during any twelve (12) month period or based on the written certification by two licensed physicians of the likely continuation of such condition for such period. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, and other applicable law. Whenever Severance Benefits or Change in Control Severance Benefits are payable to Executive hereunder during a time when Executive is partially or totally disabled, and such Disability would entitle it to disability income payments according to the terms of any plan or policy now or hereafter provided by the Company, the Severance Benefits or Change in Control Severance Benefits payable to Executive hereunder shall be inclusive of any such disability income and shall not be in addition thereto, even if such disability income is payable directly to Executive by an insurance company under a policy paid for by the Company.

(b) TERMINATION BY THE COMPANY WITHOUT JUST CAUSE COINCIDENT WITH A CHANGE IN CONTROL.

(i) If Executive's employment by the Company is terminated by the Company or any successor entity without "**Just Cause**" (as defined in Section 6(c)(ii)) (not including termination by virtue of Executive's death or Disability)

(1) The Company will pay the Base Salary for six (6) months;

(2) The Company will pay an additional amount equivalent to 50% of the Executive's target annual bonus calculated using the Bonus Percentage for the performance year in which Executive's termination occurs. This bonus will be payable subject to standard federal and state payroll withholding requirements and paid in twelve equal installments commencing on the first payroll date that is more than sixty (60) days following the date of termination of Executive's employment, with the remaining installments occurring on the first day of the month for the eleven (11) months thereafter.

(3) all stock options (and any other unvested equity incentive award) held by the Executive relating to shares of the Company or its parent will be deemed fully vested and exercisable on the Termination Date and the exercise period for such stock options will be increased by a period of two years from the Termination Date.

(ii) For purposes of this Agreement, a "**Change in Control**" means the occurrence of any of the following events: (i) an acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation but excluding any merger effected exclusively for the purpose of changing the domicile of the Founder), (ii) a transaction or series of related transactions in which a Person, or a group of related Persons, becomes the beneficial owner of, or acquires from shareholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company, or (iii) a sale, transfer, exclusive license or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Company.

(c) TERMINATION FOR JUST CAUSE OR VOLUNTARY TERMINATION.

(i) If Executive's employment is terminated prior to the expiration of the Term for Just Cause or if Executive's employment is terminated as set forth in Section 6(d)(ii) or (iii) hereof (not including a resignation for Good Reason), Executive will be paid the Accrued Obligations on the Company's first payroll date after Executive's date of termination from employment or earlier if required by law. Executive shall NOT be entitled to receive any Change in Control Severance Benefits (defined in Section 6(b)(i)).

(ii) For the purposes hereof, the Company shall have "**Just Cause**" to terminate Executive's employment hereunder as a result of Executive's gross negligence that causes demonstrable harm to the Company, willful misconduct that causes demonstrable harm to the Company, conviction of a felony (including the entry of a plea of nolo contendere) for illegal or criminal behavior in carrying out his duties as required pursuant to the terms of the Agreement. Notwithstanding any other provision contained herein, the Company shall have the right to terminate the agreement and Executive's employment without Just Cause, and Executive's remedies hereunder in the event of such termination shall be limited to the Severance Benefits or Change in Control Severance Benefits, as applicable, set forth in Section 6(a)(ii) and 6(b)(i) hereof.

(d) EVENTS OF TERMINATION. This Agreement shall terminate on the earliest to occur of the following events:

(i) the expiration of the Term;

(ii) the mutual written agreement of the Company and the Executive;

(iii) the voluntary termination of the Executive other than as a result of a resignation for Good Reason (as defined in Section 6(a)(iv));

(iv) the death of Executive or Executive's retirement;

(v) termination on account of Executive's Disability (as defined above);

(vi) the termination of the Executive by the Company with or without Just Cause (as defined in Section 6(c)(ii)) upon giving written notice to Executive;

6. RESTRICTIVE COVENANTS.

(a) CONFIDENTIAL INFORMATION AND INVENTION ASSIGNMENT. As a condition of continued employment, Executive agrees to abide by the Confidential Information and Invention Assignment Agreement, attached as Exhibit A, that he previously executed (the "**CIIA**"). The CIIA may be amended from time to time without regard to this Agreement. The CIIA contains provisions that are intended by the parties to survive and do survive termination of this Agreement.

(b) NON-SOLICITATION AND NON-COMPETITION. Executive and the Company agree that the Company would suffer irreparable harm and incur substantial damage if Executive were to enter into Competition (as defined herein) with the Company. Therefore, in order for the Company to protect its legitimate business interests, Executive agrees as follows:

(i) Without the prior written consent of the Company, Executive shall not, during the period of employment with the Company, directly or indirectly, invest or engage in any business that is Competitive (as defined herein) with the Business of the Company or accept employment or render services to a Competitor (as defined herein) of the Company as a director, officer, agent, employee or consultant or solicit or attempt to solicit or accept business that is Competitive with the Business of the Company, except that Executive may own up to five percent (5%) of any outstanding class of securities of any company registered under Section 12 of the Securities Exchange Act of 1934, as amended; provided, however, the Company acknowledges that Executive currently engages in a number of activities set forth on Exhibit B as long as such permitted activities do not have a material adverse effect on the Executive's performance or this Agreement.

(ii) Without the prior written consent of the Company and upon any termination of Executive's employment with the Company and for a period of twelve (12) months thereafter, Executive shall not, either directly or indirectly, (x) invest or engage in any business that is Competitive (as defined herein) with the Business of the Company, except that Executive may own up to five percent (5%) of any outstanding class of securities of any company registered under Section 12 of the Securities Exchange Act of 1934, as amended, (y) accept employment with or render services to a Competitor of the Company as a director, officer, agent, employee or consultant unless he is serving in a capacity that has no relationship to that portion of the Competitor's business that is Competitive with the Business of the Company, or (z) solicit, attempt to solicit or accept business Competitive with the Business of the Company from any of the customers of the Company at the time of his termination or within twelve (12) months prior thereto or from any person or entity whose business the Company was soliciting at such time.

(iii) Upon termination of his employment with the Company, and for a period of twelve (12) months thereafter, Executive shall not, either directly or indirectly, engage, hire, employ or solicit in any manner whatsoever the employment of an employee of the Company.

(iv) For purposes of this Agreement, a business or activity is in "**Competition**" or "**Competitive**" with the Business of the Company if it involves, and a person or entity is a "**Competitor**", if that person or entity is engaged in, or about to become engaged in, the research, development, design, manufacturing, marketing or selling of a specific product or technology that closely resembles, competes, or is designed to compete, with, or has applications similar to any product or technology for which the Company has obtained or applied for a patent or made disclosures, or any product or technology involving any other proprietary research or development engaged in or conducted by the Company during the Term of Executive's employment with the Company.

7. GENERAL PROVISIONS.

(a) NOTICES. Any notices required hereunder to be in writing shall be deemed effectively given: upon personal delivery to the party to be notified, when sent by electronic mail, telex or confirmed facsimile if sent during normal business hours of the recipient, and if not, then on the next business day, five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll or Executive's company-provided email address, or at such other address as the Company or the Executive may designate by ten (10) days advance written notice to the other.

(b) ENTIRE AGREEMENT. This Agreement, together with Exhibits A and B, constitutes the entire agreement between the parties hereto relating to the subject matter hereof, and supersedes all prior agreements and understandings, whether oral or written, with respect to the same. No modification, alteration, amendment or revision of or supplement to this Agreement shall be valid or effective unless the same is in writing and signed by both parties hereto.

(c) GOVERNING LAW. This Agreement and the rights and duties of the parties hereunder shall be governed by, construed under and enforced in accordance with the laws of the State of New York.

(d) ASSIGNMENT. The rights and obligations of the parties under this Agreement shall not be assignable without written permission of the other party.

(e) SEVERABILITY. The invalidity of any provision of this Agreement under the applicable laws of the State of Connecticut or any other jurisdiction, shall not affect the other provisions hereby declared to be severable from all other provisions. The intention of the parties, as expressed in any provision held to be void or ineffective shall be given such full force and effect as may be permitted by law.

(f) SURVIVAL. The obligations under Sections 3, 4, 6, 7 and 8 shall survive the termination of this Agreement.

(g) REMEDIES. Executive and the Company recognize that the services to be rendered under this Agreement by Executive are special, unique, and of extraordinary character, and that in the event of the breach by Executive of the terms and conditions of Sections 3, 4, and 7 hereof the Company shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, to obtain damages for any breach thereof.

(h) DISPUTE RESOLUTION. Except for the right of either party to apply to a court of competent jurisdiction for a temporary restraining order, a preliminary injunction, or other equitable relief to preserve the status quo or prevent irreparable harm, any and all claims, disputes or controversies arising under, out of, or in connection with the Agreement, including any dispute relating to production, use or commercialization, which the parties shall be unable to resolve within sixty (60) days shall be mediated in good faith. The party raising such dispute shall promptly advise the other party of such claim, dispute or controversy in a writing, which describes in reasonable detail the nature of such dispute. By not later than five (5) business days after the recipient has received such notice of dispute, each party shall have selected for itself a representative who shall have the authority to bind such party, and shall additionally have advised the other party in writing of the name and title of such representative. By not later than ten (10) business days after the date of such notice of dispute, the party against whom the dispute shall be raised shall select a mediation firm in Connecticut and such representatives shall schedule a date with such firm for a mediation hearing. The parties shall enter into good faith mediation and each party shall pay the costs that party incurs in connection with the mediation, but all other costs of the mediation, including the fees of the mediator and administrative fees, shall be paid by the Company. If the representatives of the parties have not been able to resolve the dispute within fifteen (15) business days after such mediation hearing, the parties shall have the right to pursue any other remedies legally available to resolve such dispute in either the Courts of the State of Connecticut or in the United States District Court for the District of Connecticut, to whose jurisdiction for such purposes Company and Executive each hereby irrevocably consents and submits.

[signatures to follow on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Portage Development Services, INC.

By:_____
Name: Ian B. Walters, MD
CEO

EXECUTIVE

_____
Name: Justin Fairchild

Exhibit A - Confidential Information and Invention Assignment Agreement

Exhibit B – Permitted Activities

1. Executive may provide consulting services for the Parker Institute for Cancer Immunotherapy, a non-profit research institute located at 1 Letterman Drive, Suite 3500, San Francisco, CA.

2022 Time Allocation

The below time allocation may be revised per Portage business needs and availability of Executive, upon mutual agreement of CEO and Executive.

- June 1- Aug 30, 2022:
  - 40% time allocation to Portage
  - No benefits from Portage during this period
- Sep 1-Dec 31, 2022:
  - 80% time allocation to Portage
  - Portage benefits to be provided beginning Sep 1

CLINICAL SERVICES AGREEMENT

This CLINICAL SERVICES AGREEMENT (this "**Agreement**") is made effective as of the date of last signature below (the "**Effective Date**") by and between **Labcorp Drug Development Inc.** with a place of business at 10 Moore Drive, Durham, NC 27709 which, together with its Affiliates, is referred to in this Agreement as "**Labcorp**"; and **TARUS THERAPEUTICS LLC,** which has a place of business at c/o Portage Development Services, 61 Wilton Rd, 3rd Floor, Westport, CT 06880 and is referred to in this Agreement as "**Sponsor**". Each of Labcorp and Sponsor are referred to individually as a "**Party**" and collectively they are referred to as the "**Parties**".

RECITALS

WHEREAS, Labcorp is a contract research organization providing a wide range of product development and testing services on a worldwide basis to the biotechnology, pharmaceutical and medical device industries, including preclinical efficacy and safety laboratory services, Phase I, II, III and IV clinical trial services, periapproval services, central laboratory services, health economics services, market access and commercialization services, and biotechnology services;

WHEREAS, Sponsor is engaged in the research and development of therapeutic products or devices; and

WHEREAS, the Parties wish to agree to specific terms for the purpose of Labcorp providing clinical services in connection with Sponsor's protocol TT-10-101;

WHEREAS, the Parties entered into a Start Up Agreement ("SUA"), made effective as of the 25th day of March 2021, for Labcorp to provide certain preliminary services related to the Study, such SUA to be superseded in its entirety upon execution by both Parties of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises set out in the Agreement and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. DEFINITIONS. In the Agreement, unless the context otherwise requires:

1.1 "**Affiliate**" in relation to a Party, means any corporation or non-corporate business entity (for example, a subsidiary) that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, that Party. For purposes of this definition, "control" shall mean ownership or control, directly or indirectly, of capital stock or other equity with more than fifty percent (50%) of the voting power in the entity or the right to appoint fifty percent (50%) or more of the directors of that entity.

1.2 "**Applicable Law(s)**" means international, national, state, or local laws, statutes, directives, rules and regulations, including all applicable privacy, data protection or similar laws and regulations anywhere in the world, any anti-bribery and anti-corruption laws, rules, regulations applicable to either Party with any applicable implementing legislation or regulation, ICH-GCP and ISO 14155, Clinical

Laboratory Improvement Act (CLIA) or other legally binding requirements or instructions of any Regulatory Authority applicable to the performance of a Study.

1.3 "**Audit**" in respect of any Services, means a review by or on behalf of Sponsor of Labcorp's performance of the Services and related activities, including Third Party Provider, Investigator and Site, and Pass-Through Costs financial records.

1.4 "**Background IP**" means all Intellectual Property (a) owned or controlled by a Party prior to the Effective Date or (b) developed or acquired by or for a Party after the Effective Date independently of the Services.

1.5 "**CFR**" means the United States Code of Federal Regulations.

1.6 "**Claims**" means third party claims, demands, suits, actions, causes of action, proceedings, investigations, losses, damages, fines and liabilities, including reasonable attorneys' fees, alleged to arise out of or in connection with or attributable to a condition giving rise to a Party's indemnification obligations pursuant to Section 17.

1.7 "**Confidential Information**" means any and all information, including financial, scientific, strategic or commercial information, the business, affairs, customers, clients, suppliers, plans or market opportunities of a Party or its Affiliates and the operations, processes, methods, product information, know-how, designs, Trade Secrets or software of a Party, its Affiliates, or third parties to whom a Party or its Affiliates has obligations of confidentiality (including pricing by Third Party Providers (howsoever recorded or preserved) disclosed by the Disclosing Party to the Receiving Party and is either: (i) identified by a suitable legend or other marking as being confidential (or similar designation) in a suitable prominent position; (ii) described as confidential at the time of disclosure or which would reasonably be considered to be confidential given the nature of the information or the circumstances of disclosure; (iii) obtained by examination, testing or analysis in any way from such confidential information; (iv) any information that is observed or which a Party has access to at the other Party's premises; or (v) any derivative of such confidential information. Notwithstanding the foregoing, failure by a Party to mark documents or reduce oral disclosures to writing shall not alleviate the Receiving Party of its obligations under this Agreement if the disclosed information would reasonably be considered confidential based upon the nature of the information or the circumstances surrounding its disclosure. For avoidance of doubt, all Deliverables, Raw Data, Sponsor Background IP, Sponsor Test Materials, Sponsor Information, and the Final Report, shall be deemed the Confidential Information of Sponsor.

1.8 "**Deliverables**" means, as applicable to the Services, Results, Study Records or any other deliverable specified in this Agreement and any amendments made thereto (including physical products but excluding Software).

1.9 "**Disclosing Party**" in relation to Confidential Information, means the Party or its Representatives disclosing Confidential Information in connection with this Agreement.

1.10 **"Documentation"** means, with respect to any Software product, all applicable documentation, including, for example, the technical specifications, documentation, and user guides and all descriptions of or about the Software product, or otherwise made available by or on behalf of Labcorp.

1.11 "**Essential Documents**" means those essential documents defined in ICH Guideline E6 (R2), Section 8 (including case report forms, Investigator files, regulatory files and any other core Study material agreed to in writing by the Parties).

1.12 "**Force Majeure Event**" means any event, occurrence or condition which is beyond the reasonable control of a Party, such as the following: fire, flood, earthquake, epidemics, disasters, explosion, strike, accident, destruction or other casualty, supply chain issues, acts of terrorism, war, insurrection, embargo, changes in Applicable Laws, government requirement, civil or military authority, or acts of God.

1.13 **"Good Clinical Practice"** or "**GCP**" means a standard for design, conduct, performance, monitoring, auditing, recording, analyses, and reporting of clinical trials that provides assurance that the data and reported results are credible and accurate, and that the rights, integrity, and confidentiality of Study participants are protected as implemented within the Applicable Laws where Services are performed.

1.14 "**HBS**" or "**Human Biological Samples**" means any human biological material, including human bodily parts and organs in whole or sub-samples, any tissue, skin, bone, muscle, connective tissue, blood, cerebrospinal fluid, cells, gametes or sub-cellular structures, such as DNA, or any derivative or product of such human biological materials including stem cells, cell lines, bodily fluids, blood derivatives and feces.

1.15 "**HBS Donor**" means an individual, living or deceased, from whom the HBS was obtained.

1.16 "**ICH GCP**" means the International Council on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use Harmonised Tripartite Guideline for Good Clinical Practice (CPMP/ICH/135/95) together with such other good clinical practice requirements as are specified in local national law where the Study is being performed including, by way of example, for studies in the European Union, Clinical Trial Regulation EU No 536/2014 and as applicable, Directive 2001/20/EC of the European Parliament and the Council as amended relating to medicinal products for human use and in guidance published by the European Commission pursuant to such Directive, and ICH E6 (R2) guidelines.

1.17 "**Informed Consent**" means an informed consent form that is approved by an independent ethics committee or institutional review board and signed by the HBS Donor, their next of kin or legal representative authorizing the use of their HBS.

1.18 **"Intellectual Property**" or **"IP"** means any and all right, title and interest in, arising from, or relating to inventions, ideas, discoveries, improvements, know-how, procedures, processes, formulations, software (including codes), data, designs, information, technology, works of authorship, including copyrights, patents and patent applications, Trade Secrets, and any other rights of a similar nature or character whether now existing or hereafter created, developed, arising or otherwise coming into being, and foreign equivalents of any of the foregoing.

1.19 **"Invention"** means any registerable Intellectual Property developed, discovered, conceived or made by Labcorp specifically as a result of performing the Services for the Sponsor pursuant to this Agreement and specifically relating to the Test Materials, Sponsor Background IP, and/or the Sponsor Information. For the avoidance of doubt, Inventions do not include Labcorp Property. For purposes of this Agreement, "Invention" shall not include any Software or any portion thereof (including all related Intellectual Property) or any activities or Intellectual Property associated with the development or delivery of Software.

1.20 **"Investigator"** means the person responsible for the performance of a clinical trial at a Site, except that if a trial is performed by a team of individuals at a Site, the Investigator is the responsible leader of the team and may be called the principal investigator. For purposes of this Agreement, an Investigator shall also be considered a Third Party Provider.

1.21 **"Investigator Agreement**" means an agreement or group of agreements between an Investigator, hospital, or other parties and Labcorp and/or Sponsor for the performance of a clinical trial at a Site setting out the arrangements, tasks, and obligations, including financial arrangements, of the parties to such agreement or group of agreements.

1.22 **"ISO 14155"** means, with regard to device and diagnostic studies, the international standard 14155 of the International Organization for Standardization together with such other good clinical practice requirements as are specified in local national law where the Study is being performed.

1.23 **"Pass-Through Costs"** means costs and expenses incurred by Labcorp in providing the Services that are not direct fees for performance of Services, as set forth in this Agreement. For purposes of this Agreement, (a) Investigator grants shall be deemed Pass-Through-Costs and (b) payments made by Labcorp to Third Party Providers who are common carriers or couriers as part of performance of central laboratory services pursuant to this Agreement shall not be considered Pass-Through Costs.

1.24 **"Protected Personal Data"** has the meaning set forth in any applicable data protection laws.

1.25 **"Protocol"** means a document (and any amendments thereto) that describes the objectives, design, methodology, statistical considerations, and organization of the Study and, if applicable to the Services, includes a scientific plan, laboratory testing procedure or sample analysis outline. The Protocol shall, to the extent applicable to the Services, specify any Regulatory Authority and the country or countries to which Sponsor intends to submit the Results and other matters pertinent to the completion of the Study or Services.

1.26 **"Quality Agreement"** means any separate agreement entered into between the Parties specifically addressing quality assurance matters.

1.27 **"Receiving Party"** means, in relation to Confidential Information, the Party or its Representatives receiving or otherwise acquiring Confidential Information in connection with this Agreement.

1.28 **"Regulatory Authority"** means any national or state, or local agency or authority of any government of any country having jurisdiction over the respective activities contemplated by this Agreement or over the respective Parties.

1.29 **"Representatives"** in relation to a Party, means the Affiliates of that Party, and the directors, officers, employees, agents, contractors (such as freelance clinical research associates), and advisors (including attorneys, accountants, consultants, bankers, financial advisors and members of advisory boards) of that Party and its Affiliates who have a need to know the Confidential Information in connection with this Agreement and who have entered into agreements for the protection of the Confidential Information on terms substantially similar to the terms of this Agreement or are bound by professional obligations of confidentiality.

1.30 **"Results"** means (i) all materials, data, documents and information produced or developed by Labcorp specifically as a result of the Services and related to the Test Materials and/or the Sponsor Information; and (ii) the Study Records (if applicable).

1.31 **"Serious Breach"** means a breach which is likely to affect to a significant degree the safety, physical or mental integrity of the participants in the Study, or the scientific value of the Study.

1.32 **"Services"** means the tasks or services (excluding the provision of Software) described in this Agreement to be provided by Labcorp for Sponsor.

1.33 **"Site"** means the location where activities related to the Study or trial are performed by the Investigator or others associated with the Investigator or where records relating to the Study are stored.

1.34 **"Software"** means software products provided by Labcorp or otherwise made available under this Agreement, as detailed in this Agreement or other applicable agreement, together with all Documentation. The term "Software" shall be deemed to include any source code, object code, binaries, executables, configurations, enhancements, additions, derivative works, or other modifications of or to the Software (including descriptions thereof), whether made by Labcorp, by Sponsor, or by the Parties jointly, whether or not prepared in response to the Protocol or design of Sponsor Studies or other information provided by Sponsor.

1.35 **"Specimen Kit"** means specimen collection supplies and instructions that are necessary to collect and ship specimens to Labcorp for analysis in connection with the Services being provided.

1.36 **"Sponsor Information"** means Test Materials, data, specifications or other materials or information supplied by the Sponsor to Labcorp in connection with the Services.

1.37 **"Study"** means Sponsor's protocol TT-10-101.

1.38 **"Study Records"** in relation to Services, means all records, notes, reports (including case report forms; monitoring logs; data correction forms; case histories; medical images; drug safety records; records of receipt, use, processing and disposition of Test Materials and trial master file) and other observations, notations or data of activities or procedures (in each case whether in a written or electronic format) which Labcorp obtains from each Investigator or which Labcorp specifically generates or produces for the Study under Applicable Law, excluding the Study participant's personal medical records.

1.39 "**System Data**" means control data from laboratory tests or transactional, volume and performance data related to the Services, which does not contain any: (i) data following treatment with any Test Materials; or (ii) Protected Personal Data.

1.40 **"Subcontractor"** means third parties engaged by Labcorp for the performance of services customarily provided by Labcorp (e.g. freelance clinical research associates) in the ordinary course of its business. For purposes of this Agreement a Subcontractor is not considered a Third Party Provider and Labcorp is not considered a Subcontractor of Sponsor.

1.41 **"Taxes"** means value added tax ("VAT") or goods and services tax ("GST"), local, national, state, federal sales or use taxes, excise taxes, duties, import/export fees, country specific business or professional services tax or similar tax on international services or foreign entities providing services or consumption taxes but shall not include income taxes of Labcorp as a result of fees paid by the Sponsor.

1.42 **"Test Materials"** in respect of the Study, means all compounds, devices, products, placebo, comparators, materials or other substances meeting relevant specifications that are necessary to perform the Study.

1.43 **"Third Party Provider"** means third parties other than Subcontractors and Labcorp Affiliates who are engaged by Labcorp in connection with the Services as an accommodation to Sponsor for the provision of goods or services ancillary to or outside of Labcorp's core area of business, including investigator meeting planners, software and technology providers including electronic data capture (EDC) and electronic patient-reported outcome (ePRO) providers, imaging vendors, translation companies, clinical trial material packagers, clinical trial material storage depots, common carriers, couriers, specimen kit material providers, laboratory supply and reagent providers, laboratory and laboratory management vendors, mobile nursing, mobile phlebotomy, and other scientific service providers and will also include clinical trial Investigators, Sites and Site related parties for the implementation of the Study at the Site where Labcorp contracts with the Investigator or Site. Specific Third Party Provides must be pre-approved by Sponsor. For purposes of this Agreement, a Third Party Provider is not considered a Subcontractor.

1.44 **"Third Party Provider Agreement"** means an agreement entered into between Labcorp and a Third Party Provider for the provision of goods or services relating to the Study.

1.45 **"Trade Secret"** means proprietary information, including a formula, pattern, compilation, program, device, method, technique, or process, which is marked in writing as a 'trade secret' at the time of disclosure, that: (i) gives its owner an opportunity to obtain an advantage over competitors who do not know or use it; (ii) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means or by reverse engineering by other persons who can obtain economic value from its disclosure or use; and (iii) is the subject of reasonable efforts, under the circumstances, by its owner to maintain its secrecy.

2. PROVISION OF SERVICES

2.1 **Agreement Structure.** This Agreement contains the terms and conditions under which Sponsor would engage Labcorp and under which Labcorp would provide Services as described in Appendix A, Description of Services and Estimated Budget. Labcorp shall not commence performing Services until this Agreement mutually acceptable to the Parties for the commencement of Services is executed. The relevant Protocol forms part of (and is incorporated into) this Agreement. In the event of a conflict between the Protocol and this Agreement, the terms of the Protocol shall prevail with respect to the scientific, medical, quality, technical and regulatory guidelines used in the conduct of the Study. This Agreement shall govern in all other instances. To the extent any Quality Agreement conflicts with the terms of this Agreement, this Agreement shall supersede the Quality Agreement. Further, this Agreement may not be amended by any such Quality Agreement.

2.2 **Provision of Services.** Labcorp agrees to perform the Services described in Appendix A, Description of Services and Estimated Budget attached to this Agreement, including any Protocol incorporated therein, in accordance with generally accepted industry standards and in compliance with Good Clinical Practices (where applicable), the Protocol, and any standard operating procedures specified in this Agreement. Labcorp shall use commercially reasonable efforts to perform the Services within the timeframe estimated in the Protocol or this Agreement. Labcorp reserves the right to refuse to perform any Services, including in relation to the Test Materials, that are deemed by Labcorp, in its sole discretion, as hazardous in nature.

2.3 **Modification of this Agreement.** Upon the request of either Party, a Work Order may be amended from time to time with the written agreement of both Parties. Modifications that may require an amendment to a Work Order include changes in recognized scientific and medical practice, Applicable Law, or to the contractual assumptions, responsibilities or timelines. Both Parties agree to act in good faith and promptly when considering a request for an amendment During the performance of central laboratory Services, Labcorp may be required to provide certain unbudgeted items or budgeted items in different amounts including but not limited to ancillary supplies, logistics, and minor modifications to database design (the "Adjustment Items"). In the event Adjustment Items are incurred, Labcorp may invoice Adjustment Items as incurred; provided however such uncontracted Adjustment Items may not exceed 2% of the applicable Work Order's central laboratory Services budget and will be reconciled in an amendment or at Work Order end. Labcorp reserves the right to postpone effecting changes to the Services, and Sponsor will not be obligated to pay for such changes to Services, until such time as the Parties agree to and execute an amendment. Labcorp will not deviate in any material way from a Work Order without Sponsor's prior written approval; provided that deviations from a Work Order may be made at Labcorp's reasonable discretion in an emergency and/or in order to comply with Applicable Law, so long as Labcorp has first used commercially reasonable efforts to inform Sponsor of the issue.

2.4 **Delays; Extension of Timelines.** Labcorp is not accountable for delays in its performance due to the actions, errors or omissions of persons or entities not under its direct control, including delays (i) in any governmental or regulatory agency; (ii) resulting from regulatory or ethics committee actions or omissions; (iii) in Study enrolment for clinical Studies at the Sites of third parties; (iv) associated with the Test Material's properties or its availability (v) resulting from competing studies not performed by Labcorp; (vi) as a consequence of a Force Majeure Event; or (vii) as a result of Sponsor, its Affiliates, agents or contractors, including delays in Protocol or case report form availability, changes in the Protocol or failure of Sponsor to provide the necessary clinical supplies, materials, licenses and documents required for the performance of the Services in accordance with the timelines described in this Agreement. The Parties agree that any such delay may result in discounted change in costs or fees which will be agreed in writing in the form of an amendment to this Agreement pursuant to Section 2.3. If the Parties

agree to extend the timelines beyond those established in this Agreement, the extended Services may be re-priced by Labcorp in accordance with then current market rates which will be agreed in writing in the form of an amendment to this Agreement pursuant to Section 2.3. Without limiting the generality of the foregoing, in the event that Labcorp cannot perform the Services in this Agreement as directed by Sponsor under Applicable Law or without placing the Parties at risk of a potential Serious Breach, the Parties shall work together to agree what actions should be taken to resolve the conflict; provided that if the Parties cannot resolve the conflict, Labcorp reserves the right to delay or terminate any Services potentially at risk.

2.5 **Force Majeure.** Except with respect to the payment of monies due under this Agreement, neither Party will be considered in default of the performance of any obligation under this Agreement to the extent that the performance of the obligation is prevented or delayed by any Force Majeure Event. Any timeline or deadline set out in this Agreement or any other agreements related to the Services shall be automatically extended by a period of time equal to that reasonably necessary to allow a Party to recover from a Force Majeure Event; however, if such Force Majeure Event persists for more than thirty (30) calendar days, then the Parties will enter into discussions with a view to alleviating its effects and, if possible, agreeing on such alternative arrangements as may be reasonable in all of the circumstances.

3. PERSONNEL; SUBCONTRACTORS; THIRD PARTY PROVIDERS

3.1 **Personnel.** Labcorp shall provide suitably qualified personnel to perform Labcorp's obligations under this Agreement. Labcorp will be solely responsible for the wages and employer related liabilities associated with the employment of its employees.

3.2 **Subcontractors.** Labcorp may delegate the performance of specific Services of Labcorp under this Agreement to an Affiliate of Labcorp or to a qualified non-Affiliate third party Subcontractor; provided, that:

(a) such Affiliate or third party Subcontractor performs those Services in a manner consistent with the terms and conditions of this Agreement; and

(b) Labcorp remains liable for the performance of such Affiliate or third party Subcontractor.

3.3 **Third Party Providers**. Neither Labcorp nor the Third Party Provider shall be liable for consequential or indirect damages (including lost profits, goodwill, or market value) arising from the Third Party Provider Agreement (other than in connection with indemnification of Labcorp by the Third Party Provider for consequential damages suffered by a third party under a Claim). In addition, for common carriers, record storage facilities, and other Third Party Providers who operate according to a schedule of tariffs or otherwise have statutory limitations of liability, the liability of the Third Party Provider will be limited by the tariffs,

statutory limitations or other generally accepted industry norms within the industry of the Third Party Provider. It is acknowledged that Investigator Agreements may require more favorable terms for the Investigator than other Third Party Providers.

3.4 **Investigator Agreements.** Without limiting the generality of the foregoing, if Sponsor requests that Labcorp contract directly with an Investigator, Site or Site related parties for conduct of the Study, Sponsor shall provide the authority for Labcorp to contract with the Investigator or Site as an independent contractor of Sponsor. Any indemnification rights granted to the Investigator or Site shall be provided exclusively by Sponsor and in the event that the Investigator or Site invokes such rights, Investigator or Site shall deal directly with Sponsor. Labcorp's responsibility in connection with the Investigator Agreement shall be for Labcorp to make payments that are payable to Investigator or Site in connection with the Services, as specified in this Agreement. The Parties acknowledge and agree that although Labcorp may recommend that Sites be closed (for example, due to Site non-performance), Sponsor shall retain responsibility for formally approving the closing of such Sites.

4. TEST MATERIALS

4.1 **Provision of Test Materials and Sponsor Information.** Unless otherwise specified in this Agreement, Sponsor will provide Labcorp with sufficient amounts of Test Materials for the purposes of the Study and will also provide such complete and accurate Sponsor Information as may be required by Labcorp to perform the Services, including data as is necessary to inform Labcorp of the stability, batch number, proper storage and safe handling requirements of the Test Materials, such as a Material Safety Data Sheet (MSDS) or equivalent documentation. Sponsor must provide Labcorp with all information available regarding known or potential hazards associated with the use of any substances supplied by Sponsor prior to execution of this Agreement. As an ongoing obligation, Sponsor will promptly notify Labcorp of the emergence of information impacting the safety of Study participants or which otherwise impacts the toxicity assessment or risk profile of the Test Materials. Sponsor represents and warrants that all necessary approvals to ship the Test Materials required under Applicable Law will be obtained prior to the shipment of Test Materials. Unless otherwise specified in this Agreement, Sponsor will cause Test Materials to be shipped properly packaged and labelled directly to the Investigator or Site. Labcorp will not distribute or otherwise allow the release of Test Material to any third party, without Sponsor's prior written consent or except as necessary to perform the Services. Labcorp will not, nor allow or encourage any third party to, modify, make improvements to, analyze or otherwise "reverse engineer" any Test Material, or replicate or manufacture any Test Material except as necessary to perform the Services. Labcorp will not use the Test Material except as set forth in this Agreement or the Work Order.

4.2 **Disclaimer.** Labcorp expressly disclaims (a) any responsibility and liability for the accuracy of the Sponsor Information; and (b) any error or defect in the Services as a consequence of any inaccuracies in the Sponsor Information, and in each case

Labcorp disclaims any responsibility and liability for any consequences of such errors or defects. Labcorp makes no representation, warranty or guarantee regarding the value, performance, or clinical or commercial success of any Test Material which is the subject of any Services performed by Labcorp, including the likelihood of such Test Material reaching any particular phase of development, obtaining any regulatory approval, or obtaining any level of sales or market acceptance.

4.3 **Return or Destruction of Test Materials.** Upon completion of the Services, and unless otherwise agreed in this Agreement, any remaining Test Materials shall, at Sponsor's expense, be destroyed or, upon Sponsor's request and expense, returned to Sponsor for retention in compliance with Applicable Law.

5. SPECIMEN KITS

If specified in this Agreement, Labcorp shall provide each Site with Specimen Kits. In the event that a Specimen Kit (a) is lost, expires or is otherwise rendered unusable for reasons outside Labcorp's reasonable control or (b) expires at a Site, Labcorp shall replace such Specimen Kit and charge Sponsor a cost equal to the amount reflected with respect to such item in the budget.

6. REGULATORY MATTERS; COMPLIANCE

6.1 **Transfer of Obligations**. Where applicable in respect of clinical studies, Sponsor may transfer a portion of its obligations under 21 CFR §312.52, EU Clinical Trial Regulation EU No 536/2014, EU Clinical Trial Directive (2001/20/EC), ICH GCP Guideline E6 (R2) or any other Applicable Law to Labcorp as set out in this Agreement, but Sponsor retains all obligations not explicitly transferred to Labcorp in writing. The obligations transferred should be included in a form appropriate for the country in which the Services are being performed ("**Transfer of Obligations Form**"). For any modification of Services that affects the scope of the regulatory obligations that have been transferred, the Sponsor and Labcorp shall execute a corresponding amendment to any Transfer of Obligations Form, and Sponsor shall file such amendment where appropriate or as required by Applicable Law.

6.2 **Identity of Sponsor of Study and Other Representative Capacities**. Except as may otherwise be agreed by the Parties in writing, Sponsor is, and at all times remains, in all geographical regions where the Study is being performed, the "Sponsor" or "principal" of the Study pursuant to Applicable Law. Unless otherwise agreed in this Agreement, where a local entity is required to serve as the sponsor of a clinical Study or other local representatives are necessary, as for example as an EU Legal Representative for clinical studies or a data representative under the EU General Data Protection Regulation, Sponsor is responsible for ensuring that a local entity is available to act as sponsor or in other representational capacities as required under Applicable Law in all jurisdictions in which the Study is conducted.

6.3 **Potential Fraud, Misconduct and Serious Breach**. Potential fraud, misconduct or Serious Breaches shall be initially assessed through Labcorp's issue escalation process. When a significant and potential regulatory reporting requirement applicable to the issue is confirmed by Labcorp, Labcorp shall promptly notify Sponsor in writing. Upon notification from Labcorp of a potential Serious Breach or other material noncompliance with Applicable Law, Sponsor shall review the issue and the Parties shall consult in an effort to agree which Party shall have the responsibility for informing the relevant Regulatory Authority. Notwithstanding the foregoing in any instance in which a Sponsor fails to abide by Applicable Law or Regulatory Authority instructions, Labcorp reserves the right to unilaterally act in accordance with its ethical responsibilities and legal obligations to report events to Regulatory Authorities or otherwise address patient safety or data integrity issues. Labcorp shall provide a copy of any such correspondence to Sponsor.

6.4 **Debarment**. Labcorp represents and warrants that to its knowledge it does not use and shall not use in any capacity the services of any person debarred under subsections §306(A) or §306(B) of the U.S. Generic Drug Enforcement Act 1992, disqualified as a testing facility under 21 CFR Part 58 Subpart K. or disqualified, restricted or having made assurances as a clinical investigator under 21 CFR §312.70 in connection with any of the Services performed under this Agreement. Labcorp shall promptly disclose in writing to the Sponsor if it becomes aware that any: (a) person who is performing the Services is debarred, disqualified or restricted; or (b) action, suit, claim, investigation or legal or administrative proceeding is pending relating to the debarment, disqualification, restriction of Labcorp or any person performing Services under this Agreement.

6.5 **Anti-Bribery.** Each Party represents that it has not and agrees that it will not violate the laws and regulations of the United States of America (including the Foreign Corrupt Practices Act), any Applicable Laws of the country of operation, the country in which business is being conducted, or any other relevant country as applicable (including the United Kingdom Bribery Act of 2010) pertaining to bribery, improper payments, and kickbacks. Each Party agrees that it has not and will not, either directly or indirectly, engage in bribery, or offer, or promise, or solicit, or make, or receive any "improper payment," including cash, loan, gift, travel, entertainment, hospitality, facilitation payment, kickback, political or philanthropic contribution, anything of value for the benefit of the Parties or their personnel or any entity or individual associated with the Parties or their personnel, or for any other perceived benefit as an inducement to act or refrain from acting, or in order to improperly obtain or retain a business advantage in relation to this Agreement.

6.6 **Trade Control**. Sponsor understands that Deliverables may be subject to U.S. and foreign export, import, and customs laws and regulations, including, but not limited to, the Export Administration Regulations ("**EAR**"), the sanctions laws, regulations, and executive orders administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, and the U.S. anti-boycott laws (collectively, the "**Trade Control Laws").** In the event of a conflict between any

U.S. and foreign Trade Control Laws, the U.S. Trade Control Laws shall prevail. Each Party certifies that it is not listed on, or owned or controlled by anyone on, any restricted persons list published by the U.S. Departments of Commerce, Treasury, or State, the European Union, or the United Kingdom, including, but not limited to, the Specially Designated Nationals and Blocked Persons List and the Entity List (each, a "**Sanctioned Party**"). Each Party further certifies that it is not located in Cuba, the Crimea region, Iran, North Korea, or Syria, or any other embargoed destination, and that it is not owned or controlled by anyone located in an embargoed destination. Neither Party may not provide any Deliverables or Test Materials received from the other Party in contravention of any Trade Control Law, including to an embargoed destination or a Sanctioned Party. In addition to any other remedy it may have, Labcorp may suspend and/or cancel the provision of any Deliverables if (a) Labcorp has not received all documentation requested by Labcorp, (b) Labcorp has not received the governmental approvals that Labcorp deems to be required, or (c) Labcorp believes that providing Deliverables may violate any Trade Control Laws or Labcorp's own compliance policies. Each Party must notify the other Party before providing any technical data that is controlled under Trade Control Laws, if any, and clearly mark such data as export-controlled.

7. SPONSOR AUDITS; INSPECTIONS

7.1 **General Audits**. During the term of this Agreement on giving reasonable advance notice in writing (which shall not be less than fifteen business days), Sponsor and/or its suitably qualified representative (which shall not be a competitor of Labcorp or former employee of Labcorp without Labcorp's prior written consent and which shall be required to be bound by obligations of confidentiality and non-use consistent with those contained herein), may, during normal business hours and at mutually agreeable times, but not more than twice in a contract year without cause, visit any Labcorp facility where Services for the Study are being performed in order to audit the progress of the Services. In the event of any regulatory inspection or if Sponsor seeks to conduct more than two Audits or inspections, without cause, in a contract year, Sponsor agrees to pay Labcorp a commercially reasonable fee and reasonable costs for hosting and responding to such additional Audits. If Sponsor designates a third party (which shall not be a competitor of Labcorp or former employee of Labcorp without Labcorp's prior written consent) to conduct an Audit, the Parties must agree on the scope of the Audit in advance in writing, including the documentation and areas to be inspected. Labcorp reserves the right to limit disclosure of its proprietary information to any third party contract research organization or pharmaceutical development services provider. Sponsor agrees that any of its Representatives or appointed third party auditors will be subject to confidentiality and non-use obligations in relation to its exposure to Labcorp's proprietary information consistent with those contained in this Agreement. Without limiting the generality of the foregoing, where an Audit of conduct by Sponsor pursuant to this Section 7.1 concerns or relates to referral laboratory testing or shipping methods of Labcorp, (a) Sponsor or its Representatives or third party auditors who conduct any Audit pursuant to this Section 7.1 may only confirm whether or not Labcorp is properly billing such costs, and (b) Sponsor expressly

agrees that Sponsor's Representatives or third party auditors may not directly or indirectly provide any details of such charges to Sponsor (including the actual amount of the referral laboratory testing or shipping costs incurred by Labcorp).

7.2 **Information Technology Audits**. Upon Sponsor's request, Labcorp shall provide to Sponsor at Labcorp's premises for review: (i) a high level summary of Labcorp's approach to information security including security testing; and (ii) any other information related to Labcorp's security when reasonably requested by Sponsor and mutually agreed to by Labcorp. In addition to Sponsor's audit rights under Section 7.1 of this Agreement, upon reasonable advance written notice given by Sponsor, Labcorp shall allow Sponsor or a third party (which shall not be a competitor of Labcorp or former employee of Labcorp without Labcorp's prior written consent and which shall be required to be bound by obligations of confidentiality and non-use consistent with those contained herein) to audit (i) Labcorp systems and processes that impact Sponsor's data, (ii) Labcorp's approach to information security and (iii) Labcorp's internal information security policies, to confirm that Labcorp systems and processes meet the requirements of this Agreement in all material respects. Routine Audits under this Section 7.2 are limited to no more than once per calendar year unless Sponsor in good faith believes that there is an actual information security risk or breach. In the event of a routine visit or Audit not for cause pursuant to this Section 7.2, Sponsor shall compensate Labcorp for the reasonable cost of such routine visit or Audit in accordance with the agreed fees and expenses, unless such Audit finds that Labcorp breached this Agreement or any Applicable Law.

7.3 **Inspections**. Where possible and permitted by the Regulatory Authority, each Party will notify the other Party promptly in the event of any actual or notified inspection, inquiry or findings by a Regulatory Authority concerning Services being performed for Sponsor. In that event and to the extent permitted by Applicable Law, Labcorp will consult with and allow Sponsor to review and comment on any responses made by Labcorp to the Regulatory Authority relating to the inspection or inquiry to the extent it concerns a Sponsor Study or Test Materials. However, Sponsor acknowledges that it is Labcorp's obligation to respond to an inspection notice or inquiry directed to Labcorp and Labcorp shall retain determinative authority over the form and content of any such response provided that Labcorp considers Sponsor's comment in good faith. Both Parties will cooperate with all reasonable requests necessary to comply with an inspection notice. In the event that a regulatory inspection occurs at any Labcorp facility during the conduct of the Study, and the Sponsor holds the Trial Master File ("**TMF**") for the Study; or, if a regulatory inspection occurs at a Labcorp facility after closure of the Study and after return of the TMF to Sponsor by Labcorp, the Sponsor will promptly provide (i) the relevant sections of the TMF or copies of the relevant sections of the TMF to Labcorp solely for such purpose (if the applicable Study has been selected for inspection by the Regulatory Authority), and (ii) the documents which are needed to support the inspection activities solely for such purpose (without additional cost to Labcorp).

8. RECORDS; REPORTS; ESSENTIAL DOCUMENTS; RECORD RETENTION

8.1 **Records.** Labcorp will keep appropriate records of the status and progress of the Study as required by this Agreement or Protocol.

8.2 **Reports.** Labcorp will provide reports or other Deliverables to Sponsor as specified in this Agreement. Such reports or other Deliverables will be in Labcorp's standard format unless otherwise specified in this Agreement or otherwise agreed in writing by the Parties. Any such reports and supporting documentation to the extent originating with Sponsor, and the resulting data prepared by Labcorp for the purpose of this Agreement, are the property of Sponsor. Notwithstanding the foregoing, if Sponsor is in breach of any material obligation under this Agreement or any additional agreement with Labcorp related to the Study, Labcorp is not obliged to provide any report or other Deliverable until all breaches have been remedied in full.

8.3 **Essential Documents**. Essential Documents will be provided to Sponsor at any time during the term of Service if Sponsor so requests in writing and is not in breach of Sponsor's obligations. In any event, Essential Documents will be provided promptly to Sponsor following the conclusion of the Services and agreement upon a final Service fees reconciliation. Depending upon the specific document retention obligations assumed by Labcorp under this Agreement, Essential Documents provided to Sponsor may include the contents of the relevant TMF together with any supporting documentation agreed with Sponsor. Upon request, Labcorp will provide Sponsor with copies (which may be redacted by Labcorp as appropriate) of any Investigator Agreements or Third Party Provider Agreements entered into by Labcorp with a Third Party Provider and retain the originals.

8.4 **Record Retention.** Upon conclusion of the Services or earlier termination of the Study or the Services, Labcorp shall deliver the Deliverables and Results for the applicable Study or the Services to Sponsor and expressly transfers any obligation to retain the Essential Documents or other related documents under Applicable Law back to Sponsor. Sponsor agrees to accept the transfer of all documents together with any associated retention obligations arising pursuant to Applicable Law. By tendering documents for delivery, FCA (Incoterms 2020), to Sponsor, Labcorp shall have fully discharged its obligation to maintain and transfer such documents. Notwithstanding the foregoing, Labcorp reserves the right to retain documents relevant to the conduct of the Study to the extent and for the periods required under Applicable Law. At Sponsor's request Labcorp may agree to maintain Sponsor's property for Sponsor's benefit beyond the conclusion of the Services as set forth in this Agreement in accordance with Labcorp's policies and at Sponsor's reasonable cost and expense. Unless Sponsor is in breach of any material obligation under this Agreement, Sponsor is entitled pursuant to Section 7.1 to have reasonable access to such material and to copy any part of it at it its own expense.

9. HUMAN BIOLOGICAL SAMPLES

9.1 **Labcorp's Responsibilities.** Where Labcorp is performing Services that include clinical site monitoring activities of the Study on behalf of Sponsor at Sites, Labcorp shall:

(a) verify that the HBS Donor has given informed consent as specified in the Study Informed Consent;

(b) confirm that any HBS and associated data are managed in compliance with any Applicable Law relating to the use of HBS providing protection for human participants in the country of origin;

(c) use its reasonable efforts to confirm that any HBS shall be de-identified or coded according to Applicable Law to protect the identity and confidentiality of the HBS Donor; and

(d) in the event of a withdrawal of, or a material variation to the Informed Consent, promptly notify all relevant parties of such withdrawal or variation following Labcorp's notification of such withdrawal or variation.

9.2 **Sponsor's Responsibilities.** In all other circumstances where the Sponsor or third parties for which the Sponsor is responsible supply HBS to Labcorp in connection with the Services, the Sponsor represents and warrants that:

(a) all HBS and associated data supplied in connection with the Services under this Agreement are or have been procured and supplied to Labcorp ethically in full compliance with any and all Applicable Laws (including any submissions, approvals and registrations to any applicable Regulatory Authority) relating to the use of HBS providing protection for human participants in the country of origin;

(b) the HBS Donor has given Informed Consent;

(c) all HBS shall be de-identified or 'coded' using commercially reasonable methods according to applicable regulatory requirements and Data Protection Laws to protect the identity and confidentiality of the HBS Donor.

(d) all HBS supplied to Labcorp: (i) may be used for the Services as set forth in this Agreement; (ii) may be used to provide data in support of Sponsor's commercial product development; and (iii) were procured without inappropriate financial benefit to the HBS Donor; and

(e) in the event of a withdrawal of, or a material variation to the Informed Consent (including any material changes that may affect the Services), it shall promptly notify Labcorp and any other relevant parties of such changes or withdrawal.

Sponsor shall (a) upon request, provide a copy of the relevant Informed Consent template; (b) upon request, provide a copy of the relevant documents certifying that the HBS provided to Labcorp has been provided with all necessary submissions, approvals and registrations required to be made to any applicable Regulatory Authority; and (c) ensure that any HBS shall be de-identified or 'coded' according to Applicable Law to protect the identity and confidentiality of the HBS Donor. Sponsor agrees that full date of birth shall only be collected if medically relevant to the Services (unless legally restricted in the country of operation).

9.3 **Return or Destruction of HBS.** Sponsor acknowledges that Labcorp must comply with Applicable Laws concerning sample retention following analysis, and warrants that the Informed Consent accounts for the retention period required by Applicable Law. Subject to the foregoing and Section 10.1, upon Sponsor's request and expense, Labcorp shall retain, return, or dispose of all HBS in accordance with the Informed Consent, Sponsor's reasonable instructions (provided that such instructions are in accordance with the Informed Consent) and Applicable Law.

9.4 **Material Transfer Agreements.** Sponsor acknowledges that where Labcorp enters into a material transfer agreement ("**MTA**") with the provider of any HBS, Labcorp shall act in accordance with the terms of such MTA with respect to the disposition of any relevant HBS. In the event of a conflict between the terms of an MTA, this Agreement and any instructions provided by Sponsor, the terms of the MTA shall prevail.

9.5 **Force Majeure.** Without limiting the generality of Section 2.5, in the event of a Force Majeure Event, Labcorp shall take all commercially reasonable steps to re-route HBS to another Labcorp facility or to another qualified laboratory for testing; provided, that if such HBS are routed to a non-Labcorp laboratory for testing, Sponsor agrees to pay all reasonable fees and charges related to those samples and testing.

10. PAYMENT

10.1 **Payment of Fees and Pass-Through Costs (including Expenses, Third Party Provider Costs and Investigator Grants)**. Sponsor will pay Labcorp the undisputed fees and Pass-Through Costs incurred by Labcorp in connection with the performance of the Services as agreed in Appendix A. Payments will be made in accordance with the budget, payment schedule, and other payment terms provided in this Agreement.

(a) All undisputed amounts on invoices are due and payable and will be paid by Sponsor within thirty (30) days of the date of invoice.

(b) Notwithstanding anything to the contrary in this Agreement, for the avoidance of doubt, Sponsor acknowledges and agrees that shipping costs charged to Sponsor in connection with Services shall be inclusive of a

logistical support fee with respect to the management and tracking of specimens.

(c) Documentation for out of pocket or pass-through expenses shall be provided in a summary report or summarized on the applicable invoice. Detailed expense reports or back-up documentation including actual expense receipts will not be provided.

10.2 **Advance Payment.** Upon execution of this Agreement, Labcorp shall invoice Sponsor for an amount equal to approximately seven percent (7%) of the Pass-Through Costs, including Investigator Grants, (the **"Deposit"**). Sponsor shall pay the Deposit within thirty (30) days of the date of invoice. Labcorp shall use the Deposit in accordance with Attachment C until the Study, for which Services are being provided under this Agreement, reaches approximately 80% complete and shall apply the Deposit to the remaining invoices that are due. Labcorp shall refund to Sponsor any amounts of the Deposit remaining after applying the Deposit to the final invoices following completion of the Services. If the Study is terminated before the Deposit has been fully applied to invoicing and all invoices issued prior to termination of such Study have been paid, Labcorp shall apply the Deposit to the final invoice and refund to Sponsor any amounts of the Deposit remaining within sixty (60) days after the date of the final invoice.

10.3 **Funds for Investigator Grants and Third Party Provider Payments.** If Labcorp is responsible for administering Investigator grants or other Third Party Provider payments in connection with Services, payment terms will be established in this Agreement to avoid a negative cash flow for Labcorp. Sponsor acknowledges that Labcorp will not make payments to Investigators or Third Party Providers without sufficient funds available and that Labcorp is only making such payments to the Investigators and Third Party Providers as pass-through amounts from Sponsor. Labcorp may invoice estimated Investigator Grants or Third Party Provider Payments in advance. Any advance payments made by Sponsor will be applied against the final estimated Investigator grant and Third Party Provider expenses so that Sponsor pays for only those expenses actually and properly incurred. Any excess advance payment will be credited to Sponsor promptly following the reconciliation of Services. If Sponsor fails to provide to Labcorp the funding required by this Agreement, Labcorp is not liable in any way to make any payments required to be made to Investigators or Third Party Providers. If an Investigator fails to earn fees paid to that Investigator in accordance with an Investigator Agreement, Labcorp is not liable in any way to pursue the collection or reimbursement of those fees.

10.4 **Invoice Disputes**. If a dispute arises between the Parties in respect of any part of an invoice, and unless otherwise agreed in this Agreement, Sponsor (i) must pay all undisputed parts of the invoice within the stipulated thirty (30) day period; (ii) must notify Labcorp in writing of the particulars of the dispute within thirty (30) business days of receipt of the invoice; and (iii) may withhold payment of the disputed part of the invoice, provided that Sponsor endeavors promptly and in good faith to

resolve the dispute pursuant to Section 22.4. If Sponsor fails to pay the amount of any undisputed invoice or part of an invoice within the time prescribed in Section 10.1, (a) interest at the rate of one percent (1.0%) per month, or the maximum rate allowed by Applicable Law if lower, will accrue from the date the payment was originally due until the date of payment, and (b) Labcorp may elect to cease or suspend work on the Study or to withhold Deliverables, reports or other material in respect of the Study for so long as Sponsor fails to pay undisputed amounts or during a dispute.

10.5 **Taxes**. The price for the Services under this Agreement shall not, and shall not be construed to include Taxes. Payments made by the Sponsor under this Agreement shall be inclusive of any VAT/GST, where applicable. Where VAT is properly chargeable on the Services provided under this Agreement, the Sponsor will pay such amount of VAT/GST to Labcorp on receipt of a valid tax invoice issued in accordance with the laws and regulations of the country in which the VAT/GST is chargeable. Where any Taxes are paid directly to a tax authority by Sponsor, Sponsor shall not deduct this amount from any amount due to Labcorp. Where any Test Materials, kits, collection supplies or Site equipment relevant to the Services are imported for the purposes of the Services under the terms of this Agreement, import VAT or other excise duties may be incurred. Notwithstanding anything to the contrary in this Agreement, where such import VAT or duty is incurred, Labcorp shall charge the import VAT or duty onto the Sponsor as a Pass-Through Cost.

10.6 **Inflationary Adjustment**. To the extent that the provision of Services under this Agreement is expressed to continue for more than twelve (12) months, the budget for Services is subject to an inflationary adjustment in the price of Services. Labcorp includes in its pricing country level inflation that begins on January 1. The inflation amount per country is based on the Mercer Global Compensation Planning Report.

10.7 **Foreign Currency Exchange**. The currency to be used for invoicing and payment will be the currency stated in the budget attached to this Agreement (the "**Contracted Currency**").

(a) If Labcorp incurs pass-through costs in a currency other than the Contracted Currency, then Sponsor will reimburse Labcorp for Labcorp's actual costs in the Contracted Currency based on the amount incurred converted at the applicable foreign currency exchange rate for the currencies involved at the time of the preparation of the invoice for the pass-through costs. If this Agreement involves the performance of Services by Labcorp or its Affiliates in any country that uses a currency other than the Contracted Currency, then the budget for those Services will be based on the local rates in the currency used by Labcorp for pricing that country, but converted to and reflected in the Contracted Currency. Sponsor acknowledges that, due to fluctuations in currency exchange rates, Labcorp's actual fees may be

greater or lower than the budgeted or estimated amounts contained in this Agreement.

(b) To the extent that the provision of Services under this Agreement exceeds 12 months, which the Service fees exceed $500,000, and the conversion rate between the local currencies and the Contracted Currency has fluctuated more than 5%, plus or minus, since the budget was prepared, Labcorp may or the Sponsor may request that Labcorp calculate a foreign currency exchange adjustment every 12 months after the contract execution date (or in the final invoice if this Agreement is for less than 12 months). The foreign currency adjustment will be calculated by comparing the foreign currency exchange rate used in this Agreement's budget to the Reuters (Reuters.com/markets/currencies) average rate over the preceding 12 months. If the difference observed exceeds 5%, any resulting decrease in costs beyond 5% will be credited to Sponsor for application to future invoices and any resulting increase in costs beyond 5% will be invoiced by Labcorp to Sponsor. Under no circumstances will foreign currency adjustments be applied to periods greater than 12 months and neither party has an obligation to accept currency adjustments arising from periods greater than 12 months prior to the request for adjustment.

(c) For central laboratory services provided by Labcorp Affiliates, Labcorp creates the budget using local unit pricing and converts the local unit pricing into the Contracted Currency using the Reuters exchange rate for the month the budget is first created. Unless specified otherwise, this exchange rate remains unchanged during the course of the Study to simplify budget comparisons and enable Sponsor to track changes to the Study unrelated to changes in currency exchange rates. For invoicing purposes, Services are billed on the contracted unit prices. Each month, at the time of invoice creation, the local unit prices are converted to the Contracted Currency using the Reuters exchange rate for the month in which the Services are invoiced.

11. CONFIDENTIALITY

11.1 **Obligations of Confidentiality**. The Parties anticipate exchanging Confidential Information during the term of this Agreement related to (i) the provision of Services in relation to the Study, (ii) matters of mutual interest in respect of proposed Services to be performed under this Agreement, and (iii) matters of relationship governance between the Parties, which is not available to the public and each Receiving Party undertakes that it:

(a) will use the Confidential Information only as described or authorized by this Agreement as reasonably required in connection with: (i) the performance of its obligations under this Agreement or (ii) governance of the relationship between the Parties, and shall not, for any other purpose, use, modify or

adapt the Confidential Information in any way without the prior written consent of the Disclosing Party;

(b) except as otherwise provided in this Agreement, will not disclose or distribute any Confidential Information (in whole or in part) to any third party without the prior written consent of the Disclosing Party;

(c) will disclose Confidential Information only to the Receiving Party's Representatives and Third Party Providers who are bound by Confidentiality obligations in connection with the performance of this Agreement; and

(d) take and establish commercially reasonable steps to protect the Confidential Information received from the Disclosing Party from unauthorized use, reproduction and disclosure by using the same degree of care as it takes to preserve and safeguard its own confidential or proprietary information of a similar nature, being at least a reasonable degree of care.

11.2 **Exceptions**. The confidentiality provisions of this Section 11 do not apply to any part of the Confidential Information that the Receiving Party can show through documentary evidence:

(a) is or was already in its lawful possession prior to disclosure by the Disclosing Party;

(b) is or becomes publicly known through no fault, act or omission of the Receiving Party;

(c) is or was lawfully received by the Receiving Party from a third party unless the Receiving Party knew or should have known of a restriction as to its use or disclosure; or

(d) was independently developed by the Receiving Party without use of or reference to the Confidential Information of the Disclosing Party.

11.3 **Disclosure to Third Parties.** The Receiving Party shall be entitled to disclose Confidential Information of the Disclosing Party to the extent required by any Applicable Law or pursuant to any decision, order, subpoena, government or regulatory requirement or other process of law, provided that the Receiving Party shall, unless restricted by Applicable Law or where not practicable, promptly notify the Disclosing Party of such requirement prior to any disclosure and shall cooperate with the Disclosing Party to seek to oppose, minimize or obtain the confidential treatment of the requested disclosure to the extent of such order or as reasonably practicable. In any event, the Receiving Party shall limit the disclosure of any Confidential Information pursuant to the foregoing sentence to the minimum extent required. In addition to the foregoing, if it is reasonably necessary for a Receiving Party to disclose the Disclosing Party's Confidential Information to non-Representative third party, or any Third Party Provider in connection with the

Services, the Receiving Party will use commercially reasonable efforts to first endeavour to obtain a written agreement limiting the disclosure by and use of the Confidential Information by such third party consistent with the terms contained herein.

11.4 **Return or Destruction of Confidential Information**. If the Disclosing Party so requests in writing, the Receiving Party will, at the option and expense of the Disclosing Party, return or destroy the Confidential Information, except that in any event the Receiving Party may retain a single copy of the Confidential Information and related materials in its archives for the purposes of demonstrating or ensuring its compliance with this Agreement or Applicable Law. Notwithstanding anything to the contrary, neither Party nor its Representatives or Labcorp's and Third Party Providers shall be required to delete, purge, or otherwise erase any Confidential Information contained in any electronic or backup database created and maintained in the ordinary course of business.

11.5 **Survival.** The confidentiality and non-use provisions contained in Sections 11.1 through 11.3 shall remain in full force and effect for seven (7) years from the initial disclosure of the applicable Confidential Information except for information that is considered a Trade Secret, for which the foregoing confidentiality obligations shall remain in effect for so long as such information retains its status as a Trade Secret pursuant to Applicable Law.

12. INTELLECTUAL PROPERTY RIGHTS

12.1 **Labcorp Property**. Sponsor acknowledges and agrees that all data, discoveries, inventions and techniques developed or generated pursuant to this Agreement that are necessary or reasonably useful for carrying out Services under this Agreement and directly relate to the performance of Labcorp's business are and will remain Labcorp's exclusive property **("Labcorp Property").** For the avoidance of doubt, Labcorp Property includes new documentation, scientific and technical data, test procedures, and improvements to any Background IP controlled by Labcorp that are necessary or reasonably useful for carrying out Services under this Agreement and relate to the performance of Labcorp's business, but excludes all Inventions, Sponsor Background IP, and Sponsor Confidential Information.

12.2 **Background IP**. All Background IP is and shall remain the exclusive property of the Party that owns or controls it, whether existing as of the Effective Date or identified or developed during the term of this Agreement or thereafter.

12.3 **Sponsor Property**. All data, discoveries or inventions developed or generated pursuant to this Agreement which directly relate to any Sponsor Background IP or Sponsor Information, and Inventions, including new data, uses, processes or compositions directly relating to the Sponsor Information provided in connection with or related to the Services in the relevant Work Order, in each case other than Labcorp Property, are the exclusive property of Sponsor.

12.4 **Deliverables**. Without prejudice to Sections 12.1 and 12.2, and upon satisfaction of Sponsor's obligations under this Agreement, Sponsor shall have title to all Deliverables and all Intellectual Property therein (excluding Intellectual Property that is Labcorp Property). Labcorp agrees to assign and hereby assigns such rights to Sponsor except that copies of any final reports may be retained by Labcorp for archival, regulatory or legal compliance purposes.

12.5 **Inventions.** Labcorp shall disclose to the Sponsor (or its nominee) all Inventions, and other Sponsor property, and at the Sponsor's request (provided such request is made within one (1) year of disclosure) and expense, Labcorp shall do all reasonably necessary acts to vest the Invention and other Sponsor property in the name of the Sponsor or its nominee. Notwithstanding the foregoing, where an Invention relates to laboratory testing methods, or processes relevant to Labcorp's business, the Sponsor hereby agrees to grant to Labcorp and its Affiliates a non-exclusive, worldwide, non-transferable (except as set forth in Section 22.8), irrevocable, perpetual, fully paid-up royalty-free, sublicensable license to use such Invention for the sole purposes of Labcorp's drug development and laboratory testing services.

12.6 **Procurement of Rights**. Each Party agrees to reasonably assist the other Party to secure any patents, copyrights or other proprietary rights in such data, discoveries or inventions as are referred to in Sections 12.1, 12.3, 12.4 and 12.5, respectively, and to perform all acts that may be reasonably required to vest in the other Party all right, title, and interest in such data, discoveries or inventions. All costs and expenses associated with establishing Sponsor's rights under this Section 12.6 are Sponsor's responsibility and Labcorp is entitled to be compensated at its standard rates for assistance given for that purpose.

12.7 **System Data**. Sponsor hereby grants Labcorp a non-exclusive, worldwide, perpetual, irrevocable, fully paid-up, royalty-free, transferable, sublicensable license to use in aggregated form any System Data produced by or for Labcorp as part of the Services with other System Data owned or licensed by Labcorp, provided that Labcorp shall not identify such data as belonging to or related to the Sponsor.

13. DATA PROTECTION

13.1 **Processing of Protected Personal Data**. Where Labcorp processes any Protected Personal Data on behalf of Sponsor, Labcorp shall process such Protected Personal Data at the direction of Sponsor and in accordance with all Applicable Laws in the territories in which the Services are performed, and only to the minimum extent necessary to perform the Services.

13.2 **Labcorp as Data Processor.** If Labcorp processes any Protected Personal Data on behalf of Sponsor that is subject to data protection rules, Labcorp and Sponsor each agree and acknowledge that Sponsor shall be the data controller and Labcorp shall be the data processor with respect to the processing of such Protected Personal

Data. Labcorp shall only process such Protected Personal Data on behalf and upon the reasonable instructions of Sponsor for purposes notified to it by Sponsor for which consent, or other appropriate legal bases, from the relevant data subjects has been established by or for the benefit of Sponsor in accordance with all Applicable Law. Labcorp shall follow such procedures, policies and reasonable instructions as may be agreed by the Parties from time to time. Furthermore, Labcorp shall reasonably cooperate in entering into any additional agreements for the processing of Protected Personal Data, including any Data Processing Agreements.

13.3 **Data Security**. Labcorp shall take reasonable technical and organizational measures to protect against the unauthorized or unlawful processing of or the unauthorized or unlawful disclosure of such Protected Personal Data. Labcorp shall promptly notify Sponsor in the event of a security breach involving any Protected Personal Data which Labcorp is processing on behalf of Sponsor.

13.4 **Sponsor Compliance with Data Protection Laws**. Sponsor warrants that it has complied, and will comply, with any and all consent, notification and information requirements under Applicable Laws.

14. SOFTWARE RIGHTS

If specified in this Agreement, Labcorp may make Software and/or Documentation available to Sponsor. If Labcorp makes available any Software and any Documentation to Sponsor, any access to or use of such Software and/or Documentation will be governed by Labcorp's standard end user access terms and conditions contained in Appendix B of this Agreement.

15. DATA MANAGEMENT SERVICES

Sponsor acknowledges and agrees that Labcorp is prohibited from sharing licensed data services, copyrighted or licensed scales and instruments, or medical dictionary terminology or data with any non-subscribing client. Sponsor represents and warrants that it has or shall obtain, prior to the commencement of the Study, a current subscription for using such copyrighted or licensed data services, scales, instruments or coding with the applicable licensing entity (for example, Northrup Grumman/MSSO for MedDRA and Uppsala Monitoring Center for WHODRUG). Labcorp shall have the right to verify Sponsor's subscription to such scales, instruments, dictionary or data services before the commencement of the Study. If Labcorp determines that Sponsor does not have an appropriate subscription, Labcorp shall have the right to (a) inform the applicable licensing entity and (b) cease provision of any of licensed scales, instruments, dictionary terminology or data to Sponsor. Sponsor shall be responsible for all costs, expenses and damages incurred by Labcorp associated with Sponsor's failure to properly obtain licenses to such licensed or copyrighted scales, instruments, dictionary or data services.

16. REPRESENTATIONS AND WARRANTIES; DISCLAIMER

16.1 **Sponsor Representations and Warranties.** Sponsor represents and warrants that:

(a) it owns all rights, title and interest in the Test Materials and Sponsor Information provided by it under this Agreement and related Intellectual Property;

(b) the use of any and all of such Test Materials or Sponsor Information in connection with the Services does not infringe any third party rights;

(c) all Sponsor Information delivered to Labcorp under this Agreement, including as related to the performance of data management, quality assurance or biostatistics Services, will be delivered to Labcorp in a form and condition reasonably calculated to allow Labcorp to perform the tasks described in this Agreement in a timely fashion;

(d) before and after entering into this Agreement, it will disclose to Labcorp all material facts discovered relating to the Study and the Study data that may affect Labcorp's performance under this Agreement as well as any potential hazards related to the Test Materials including the emergence of information impacting the safety of Study participants or which otherwise impacts the toxicity assessment or risk profile of the Test Materials;

(e) it will comply with all Applicable Law and obligations of Sponsor in this Agreement;

(f) it will obtain and maintain during the term of the Study all approvals and licenses necessary for the performance of the Study and related Services, including national regulatory approvals, software licenses, Protocol required documentation licenses (e.g., questionnaire licenses) and medical coding dictionary licenses;

(g) [All HBS provided to Labcorp is duly consented for the Services to be performed, including any retention period required by Applicable Law;] and

(h) [For Studies conducted in the People's Republic of China: (i) the collection, handling and Services for HBS provided to Labcorp has been authorized by the Human Genetics Resources Administration of China ("**HGRAC**"); (ii) no HBS, data resulting from performance of the Services or Sponsor Information is subject to heightened data security or exportation restrictions under Applicable Law, including but not limited to data subject to the Law of the People's Republic of China on Guarding State Secrets, "important data" as classified by the Guidelines for Data Cross-Border Transfer Security Assessment, and other non-exportable data under Administrative Measures on Population Health Information or the Administrative Measures on Standards, Security and Services of National Healthcare Big Data. Any special requirements by the HGRAC or National Medical Products Administration ("**NMPA**") for the Study shall be set forth in this Agreement.]

16.2 **Labcorp Representations and Warranties.** Labcorp warrants that the Services performed by it will conform to the nature and scope of Services as agreed in this Agreement and all Applicable Law.

16.3 **Labcorp Warranty Disclaimers**. Except as set forth in Section 16.2, all other representations or warranties, express or implied, including any implied warranties of merchantability or fitness for a particular purpose or for non-infringement of any Intellectual Property in respect of any Services to be provided by Labcorp are excluded to the fullest extent permitted by law. Labcorp does not warrant or represent that the results of the Study will be acceptable to any Regulatory Authority to which they are presented or that the results of the Study will enable Sponsor to further develop, market or otherwise exploit the Test Materials or any other product or service.

17. INDEMNIFICATION

17.1 **Sponsor Indemnity**. Sponsor will defend, indemnify, save and hold harmless Labcorp and its parent, subsidiaries and Affiliates and their respective directors, officers, employees, Subcontractors and agents ("**Labcorp Indemnitees**") from and against any Claims to the extent that they arise out of or in connection with or attributable to:

(a) personal injury to a participant in connection with the Study to which this Agreement relates or in connection with the Services,

(b) the performance of the Services,

(c) the harmful or otherwise unsafe effect of any Test Materials provided to Labcorp, including Claims based on the research, development, manufacture, distribution, use, sales or other disposition by Sponsor or any other person of the Test Materials and/or any other substances upon which Labcorp performed the Services,

(d) the use by Sponsor of the Results or Deliverables,

(e) any infringement, unauthorized use or misappropriation of any third party's Intellectual Property in connection with the Study or the Services,

(f) Sponsor's failure to comply with this Agreement, any other agreements with Labcorp in relation to the Study or Applicable Law (including Trade Control Laws), or

(g) Sponsor's negligence or intentional misconduct in connection with the Test Materials, the Study or this Agreement;

provided, however, that Sponsor's obligation of indemnity hereunder is limited by the extent to which such Claims arose, from any indemnity even for which Labcorp is obligated to indemnify Sponsor pursuant to Section 17.2 below on the part of any

Labcorp Indemnitee. Notwithstanding the foregoing, Sponsor is not under any duty to defend, indemnify or hold Labcorp harmless with respect to any Claim which Labcorp settles without Sponsor's prior written consent.

17.2 **Labcorp Indemnity**. Labcorp will defend, indemnify, save and hold harmless Sponsor and its parent, subsidiaries and Affiliates and their respective directors, officers, agents and employees (the "**Sponsor Indemnitees**") from and against any Claims to the extent that they arise out of or in connection with or attributable to (i) Labcorp Indemnitee's negligence or intentional misconduct in the performance of the Services or in connection with this Agreement or any Work Order, (ii) any material, and uncured, breach by Labcorp Indemnitees of its obligations under this Agreement or any Work Order; or (iii) Sponsor's use of any Labcorp processes owned or controlled by Labcorp (and not combined with any other Sponsor or third party information) which are used to perform the Services constituting an infringement or misappropriation of the intellectual property rights of a third party; provided, however, that Labcorp shall have no obligation of indemnity hereunder with respect to any Claims to the extent that such Claims arise in whole, or in part, from the negligence, intentional misconduct, or breach of this Agreement (or any Work Order) on the part of any Sponsor Indemnitee. Notwithstanding the foregoing, Labcorp is not under any duty to defend, indemnify or hold Sponsor harmless with respect to any Claim which Sponsor settles without Labcorp's prior written consent.

17.3 **Indemnification of Third Party Service Providers or Investigators.** In the event a Third Party Provider or Investigator requests a promise of indemnity with respect to the Test Materials, Sponsor's products or actions, or services to be provided in connection with this Agreement, Labcorp shall notify Sponsor and Sponsor shall cooperate with Labcorp for the establishment of an indemnity agreement directly between Sponsor and the Third Party Provider. Labcorp shall have no other obligation with respect to the indemnity of a Third Party Provider Site, or Investigator.

17.4 **Indemnification Procedure**. The indemnifying Party's obligations under Section 17.1 or Section 17.2, as applicable, are subject to and conditional on (a) the Party seeking indemnification (the "**Indemnitee**") providing prompt written notice of any Claims to the indemnifying Party (the "**Indemnitor**"), provided, however, failure to give such notification shall not affect the indemnification provided hereunder except to the extent the Indemnitor is actually prejudiced as a result of untimely notice, (b) the Indemnitee providing all information and reasonable assistance to the Indemnitor in respect of the Claims, and (c) the Indemnitor having sole authority to defend and/or settle the Claims, except that in the Indemnitor may not admit fault or liability on the part of Indemnitee without the Indemnitee's prior written consent. Notwithstanding the foregoing, if the Indemnitor has not assumed the defence of any Claim within thirty (30) days of receiving notice of such Claim, the Indemnitee may assume the defence on behalf of, at the risk and expense of, the Indemnitor with all reasonable costs and expenses of such defence to be paid by the Indemnitor.

18. LIMITATIONS OF LIABILITY

18.1 **Consequential Damages**. Neither Party will be liable to the other Party for penalties or liquidated damages or for special, indirect, consequential, punitive, exemplary or incidental damages of any kind (including lost profits, loss of goodwill, or diminution of market value) regardless of whether any such losses or damages are characterized as arising from breach of contract, breach of warranty, tort, strict liability or otherwise, even if the other Party is advised of the possibility of such losses or damages, or if such losses or damages are foreseeable. Without limiting the generality of the foregoing, for the avoidance of doubt, Labcorp is not liable for any damages arising from or in connection with any decision by Sponsor or any third party to further research, develop, market or use the Test Materials or any derivative or product or service related to the Test Materials.

18.2 **Damages Cap.** Notwithstanding anything to the contrary herein, Labcorp's liability in connection with this Agreement or any Work Order, regardless of whether any such liability is characterized as arising from breach of contract, breach of warranty, tort, strict liability or otherwise, shall not exceed twice the total amount paid for the affected Services that are the subject of the claim under that Work Order Labcorp(excluding Pass-Through Costs, Investigator grants or other Third Party Provider payments. Without limiting the generality of the foregoing, Labcorp's liability in connection with this Agreement or any Work Order for any breach or default related to the storage of HBS shall not exceed the fees it has been paid for storage of such HBS in the previous twelve (12) months preceding the claim under the Work Order from which the liability arises.

18.3 **Applicable Law.** Nothing in this Agreement excludes or limits the liability of either Party where liability cannot be excluded or restricted as a matter of law.

19. INSURANCE OBLIGATIONS

19.1 **Labcorp Insurance**. Labcorp must secure and maintain in full force and effect throughout the term of each Work Order, (i) general liability insurance in the amount of one million U.S. dollars ($1,000,000) per occurrence and two million U.S. dollars ($2,000,000) in the aggregate and (ii) professional liability insurance in the amount of three million U.S. dollars ($3,000,000) per occurrence and in the aggregate. If Sponsor so requests in writing, Labcorp will produce a certificate of insurance for inspection. "Claims made" policies shall be maintained by Labcorp for no less than three (3) years following the completion of Services and, if not maintained, a minimum three (3) year extended reporting period shall be purchased. Failure of Sponsor to receive or request such certificates does not represent a waiver of the requirements noted herein.

19.2 **Sponsor Insurance**. Sponsor must, at its sole cost and expense, secure and maintain in full force and effect throughout the term of the Study the following policies of insurance written by a reputable insurer having a minimum financial strength rating of "A" or better by Best's rating service:

(a) Clinical Trial and Product Liability insurance, covering all participants screened or treated as part of the Study and all Claims relating to personal injury suffered as a result of participation in the Study and/or the Study screening process and not containing any exclusions that would preclude Claims by participating Study participants. Such policy shall provide coverage in an amount sufficient to cover Claims of Study participants, but not less than five million US dollars ($5,000,000) per occurrence, and shall identify Labcorp and its Affiliates as an additional insured; and

(b) Commercial General Liability insurance, with limits not less than one million U.S. dollars ($1,000,000) per occurrence and three million U.S. dollars ($3,000,000) in the aggregate.

If Labcorp so requests in writing, Sponsor will produce a certificate of insurance for inspection. "Claims made" policies shall be maintained by Sponsor for no less than six (6) years following Study completion and, if not maintained, a minimum six (6) year extended reporting period shall be purchased. Failure of Labcorp to receive or request such certificates does not represent a waiver of the requirements noted herein.

20. CARRIER LIABILITY

20.1 **Transport of Packages**. In the event that: (i) Sponsor delivers, ships or mails **("Transports")** substances, samples, material (including Test Materials) or documents ("**Packages**") to Labcorp; (ii) Sponsor requests that Labcorp Transports Packages; or (iii) Labcorp Transports Packages as part of the Services to Sponsor, a Sponsor Affiliate, another Labcorp entity or a third party, then the expense and risk of damage (insurance) and loss of the Packages in connection with such Transport together with any expenses required under Applicable Law shall be borne by Sponsor. Labcorp shall have no liability whatsoever for any loss or damage to the Packages or delay, non-delivery or non-collection of the Packages caused by the acts or omissions of any third party delivery services or carrier ("**Carrier**"). Notwithstanding the foregoing, to the extent permitted by Applicable Law, Labcorp shall have the benefit of any right or remedy permitted under international or domestic law and any sums recovered by Labcorp from a Carrier as a consequence of a loss incurred by Sponsor due to the Carrier's involvement with the Services less any out-of-pocket expenses incurred by Labcorp pursuing such recovery shall be paid to Sponsor. For the avoidance of doubt, a Carrier is not considered a Subcontractor for the purposes of this Agreement.

20.2 **Delivery.** Unless otherwise agreed in writing between the Parties, any Packages to be shipped to Sponsor shall be to the delivery address specified in this Agreement. Upon delivery of any Packages, Sponsor shall be responsible for carefully examining such Packages. Sponsor shall be deemed to have accepted such Packages if Labcorp has not been notified by the Sponsor within ten (10) business days of delivery of any defect in such Packages.

21. TERM; TERMINATION

21.1 **Term**. This Agreement comes into force and has effect on and from the Effective Date and will continue in force until the earlier of: (a) 14th day of August, 2025 or (b) completion of Labcorp's provision of Services and Sponsor's payment of the relevant fees, Pass-through Costs and other applicable costs and expenses incurred by Labcorp in the performance of the Services or (c) unless earlier terminated in accordance with this Section 21.

21.2 **Termination for Convenience.** Either Party may terminate this Agreement at any time for any reason and without cause on giving ninety (90) days' prior written notice of termination to the other Party. Notwithstanding the foregoing, if Labcorp determines, in its reasonable discretion, that its continued performance of the Services would constitute a potential or actual violation of Applicable Law or scientific standards of integrity, then Labcorp may terminate this Agreement immediately upon written notice. Sponsor may terminate this Agreement effective immediately upon written notice to Labcorp if there is reasonably compelling scientific evidence that patient safety is at risk should the Study continue, Study data integrity is compromised, and/or there is a reasonable belief that Applicable Law would be violated should the Services under this Agreement continue in effect.

21.3 **Termination for Breach**. Either Party may terminate this Agreement at any time on account of a material breach of this Agreement by the other Party after giving thirty (30) days' prior written notice of termination if such breach is not cured within the thirty (30) days' notice period to the reasonable satisfaction of the terminating Party. A notice of breach must provide sufficient details to fully describe the breach. If Labcorp terminates this Agreement on account of a material breach by Sponsor that has not been cured, Labcorp is entitled to receive termination payments as described in Section 21.5.

21.4 **Termination on Insolvency**. Either Party may terminate this Agreement immediately on giving written notice to the other Party if that other Party becomes insolvent, is dissolved or liquidated, makes a general assignment for the benefit of its creditors, files or has filed against it a petition in bankruptcy, has a receiver appointed for a substantial part of its assets, or any event occurs, or proceeding is taken, in any jurisdiction to which it is subject that has an equivalent effect.

21.5 **Payment**. If this Agreement is terminated, Labcorp is entitled to be paid (i) for all Services performed up to and including the date of termination, including any work in progress toward partially completed Services or incomplete units and milestones, (ii) all Pass-Through-Costs incurred up to the effective date of termination; (iii) all irrevocably incurred expenses and financial obligations that Labcorp has incurred or undertaken on Sponsor's behalf up to the effective date of termination; (iv) any additional expenses incurred or Services performed in connection with the termination of the Services, including any irrevocably committed costs or tasks necessary to end Labcorp's involvement in the Study; (v) any additional Services requested by Sponsor in connection with the termination; and (vi) any additional

termination fees listed in this Agreement. For the avoidance of doubt, if payments are unit or milestone based, and this Agreement is terminated after costs have been incurred toward achieving portions of one or more incomplete units or toward achieving one or more incomplete milestones, Sponsor will pay for actual work performed toward those incomplete units or milestones up to the effective date of termination, in addition to paying for completed units or milestones.

21.6 Effects of Termination.

(a) After receiving or providing notice of termination of this Agreement, Labcorp shall promptly act to mitigate and cancel, to the extent possible, all obligations that would incur expenses related to this Agreement, as applicable, and shall not, without Sponsor's prior written approval, perform any additional Services, incur expenses, or enter into any further obligations related to this Agreement, as applicable. Labcorp shall use its commercially reasonable efforts to conclude or transfer the Services as expeditiously as practicable and in accordance with all Applicable Law. Further, Labcorp and Sponsor shall reasonably cooperate with each other during such Study termination to safeguard patient safety, continuity of patient treatment and to comply with Applicable Law.

(b) In connection with the termination of this Agreement, the Parties agree to use commercially reasonable efforts to promptly agree on a wind-down plan and Labcorp shall cease performing all work not necessary for the orderly wind-down and/or transfer of the Services or required by Applicable Law. The wind-down plan will provide for the transfer of regulatory obligations, the assignment or termination of certain third party agreements, and the completion of Services, including any additional wind-down activities, by a mutually agreed termination date. The Parties further agree that Test Materials will be released by Labcorp once regulatory obligations have been transferred from Labcorp to Sponsor or Sponsor's designee and the financial reconciliation under this Agreement has been agreed between the Parties.

(c) On termination of this Agreement, Labcorp may terminate, or if possible under the Third Party Provider Agreements, may transfer to Sponsor, upon Sponsor's request, any Third Party Provider Agreements or Investigator Agreements to which it is a party in respect of this Agreement.

(d) On termination of this Agreement, unless previously destroyed or returned in accordance with Section 4.3, and unless otherwise agreed in the Protocol, any remaining Test Materials shall, at Sponsor's expense, be destroyed or, upon Sponsor's request and expense, returned to Sponsor for retention in compliance with Applicable Law.

(e) On termination of this Agreement, Labcorp shall retain, return or dispose of all HBS in accordance with Sponsor's reasonable instructions, provided that

such instruction complies with the Informed Consent, applicable retention period requirements and Applicable Law.

(f) The rights and obligations of Sponsor and Labcorp which by their terms survive termination, shall survive the termination of this Agreement. Without limiting the generality of the foregoing, the terms and conditions of Sections 1, 3.2(b), 3.3 (solely the second sentence), 3.4 (last sentence only), 4.2, 4.3, 6.3, 6.4, 6.5, 6.6, 10 (solely as to liabilities that have accrued up to and including the date of termination), 11, 12, 13, 16.3, 17, 18, 19, 20, 21.5, 21.6 and 23 shall survive termination of this Agreement.

22. MISCELLANEOUS

22.1 **Use of Names**. Neither Party will (a) use the other Party's name, trademarks, or the name of any employee of the other Party in any advertising, online marketing, packaging, promotional material, or any other media or publicity relating to this Agreement without the prior written consent of the other Party or (b) state or imply that the other Party endorses or approves any service, material, product or compound of the other Party without the prior written consent of the other Party. Such restrictions shall not apply to internal communications and publications to a Party's Affiliates. Notwithstanding the foregoing, neither Party's prior written consent is required when listing either Party's name on any clinicaltrials.gov Study registration where Labcorp may list itself as a collaborator or, if Sponsor retains the obligation to register the Study on clinicaltrials.gov, Sponsor agrees to list Labcorp as a collaborator.

22.2 **Legal Testimony**. If Labcorp or any of its Affiliates or Representatives is obliged to provide testimony or records regarding the Services for Sponsor in any legal or administrative proceedings other than testimony or records related to any alleged improper performance by Labcorp of its obligations under this Agreement, then Sponsor shall reimburse Labcorp for its reasonable costs and expenses, including reasonable third party fees and reasonable attorneys' fees.

22.3 **Non-Solicitation**. Sponsor agrees that, during the term of the Study and for one hundred and eighty (180) days after the completion of Services, it will not, without the prior written consent of Labcorp, solicit to be an independent contractor any person who has been directly involved in performing Services for Sponsor's Study. These restrictions do not apply to the hiring of any individual who initiates contact with Sponsor solely on their own or responds to general solicitations of employment not specifically targeted to personnel of Labcorp.

22.4 **Dispute Resolution**. If any dispute, controversy or claim arises out of this Agreement, the Parties agree that they will attempt in good faith to resolve the matter through negotiations. A Party seeking to initiate dispute resolution negotiations shall provide a reasonably detailed description of the matter to be negotiated in writing. If the Parties have not resolved such dispute, controversy or

claim within sixty (60) days of receipt of the initiation notice for such negotiations, then either Party may pursue further legal action consistent with Section 22.12.

22.5 **Interpretation**. Where a word or expression is defined in Section 1, other parts of speech and grammatical forms of the word or expression used in this Agreement in a capitalized form have corresponding meanings. The headings contained in this Agreement are intended only to facilitate use of this Agreement and must not be used to interpret any of its provisions. References to "includes" or "including" are to be construed without limitation. References to "written" or "in writing" include any means of visible representation.

22.6 **Notices**. All notices given by one Party to the other must be in writing and must be delivered by addressing the notice to the applicable address set out below or to such other address as either Party may specify by written notice to the other. Notices must be sent by courier service, certified mail with return receipt requested, or by other means of delivery requiring a written acknowledgment of receipt upon delivery. All notices will be effective upon delivery to the following:

Labcorp:

Labcorp Drug Development Inc.
ATTN: General Counsel
10 Moore Drive, Durham, NC 27709 USA

Sponsor:

Tarus Therapeutics LLC
ATTN: Ian B. Walters, MD
c/o Portage Biotech
61 Wilton Rd., 3rd Floor
Westport, CT 06880

22.7 **Independent Contractors**. The business relationship of Labcorp to Sponsor is that of an independent contractor and not that of a partner, joint venturer, employer, employee or any other kind of relationship.

22.8 **Assignment**. Subject to Section 3.2, this Agreement and the rights and obligations under it may not be assigned or transferred by either Party without the prior written consent of the other Party which shall not be unreasonably withheld, except that consent is not required in the case of an assignment of all of a Party's rights and obligations under this Agreement to an Affiliate of the Party or in connection with an internal reorganization of a Party's corporate structure or in connection with the merger, consolidation or sale of substantially all the Party's assets related to the Study.

22.9 **Entire Agreement; Waiver**. This Agreement sets out the entire agreement and understanding between the Parties and supersedes any and all previous statements, negotiations, documents, agreements and understandings, whether oral or written, as to the subject matter of this. No modification or waiver of any provision of this Agreement is valid or binding on either Party unless it is in writing and signed by both Parties. No waiver of any term, right or condition under this Agreement on any one occasion shall be construed or deemed to be a waiver or continuing waiver of any such term, right or condition on any subsequent occasion or a waiver of any other term, right or condition of this Agreement.

22.10 **Severability; Reformation**. Each provision in this Agreement is independent and severable from the others. If any one or more provisions of this Agreement are found by a competent authority be invalid, illegal or unenforceable in any respect, that finding will not affect any other provision of this Agreement and all other provisions will remain in full force and effect. If any provision of this Agreement is found by such an authority to be invalid, illegal or unenforceable in whole or in part, such provision will be changed and interpreted so as to best accomplish the objectives of such invalid, illegal or unenforceable provision and the intent of the parties, within the limits of Applicable Law.

22.11 **No Third Party Beneficiaries**. Except as set forth in Section 17.1 and Section 17.2, nothing expressed or implied herein is intended, or shall be construed, to confer upon or give any person other than the Parties and their successors and permitted assigns, any right, remedy, obligations or liability under or by reason of this Agreement, or results in any such person being deemed a third-party beneficiary hereof.

22.12 **Governing Law; Venue**. This Agreement will in all events and for all purposes be governed by and construed in accordance with the law of the State of Delaware including the statutes of limitation thereof, but excluding any conflicts of laws provisions that would result in the application of the law of another jurisdiction. The Parties expressly reject any application to this Agreement of (a) the United Nations Convention on Contracts for the International Sale of Goods; and (b) the 1974 Convention on the Limitation Period in the International Sale of Goods, as amended by that certain Protocol, done at Vienna on April 11, 1980. The Parties irrevocably agree that any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims) shall be governed by the exclusive jurisdiction of the courts of the State of North Carolina.

22.13 **Counterparts**. This Agreement may be executed in two (2) or more counterparts, which taken together will constitute a single legal document. This Agreement may be executed by facsimile, PDF or other electronic signatures and such signatures will be deemed to bind each Party as if they were originals.

22.14 **Language of Agreement**. The Parties acknowledge that it is their express wish that this Agreement and all notices and other documents to be given or executed under this Agreement be in English.

[signature page follows]

IN WITNESS WHEREOF, duly authorized representatives of the Parties have executed and delivered this Agreement as of the Effective Date.

Labcorp Drug Development Inc.		**Tarus Therapeutics LLC**	
By:	DocuSigned by: Christopher DePiano B54C8CF4A11J4DC... duly authorized	By:	duly authorized
Name:	Christopher DePiano	Name:	Ian Walters, MD
Title:	Manager, Contracts Management	Title:	CEO
Date:	March 1, 2023	Date:	27 Feb 2023

APPENDIX A: DESCRIPTION OF SERVICES AND ESTIMATED BUDGET

Attachment "A"	- Scope of Work, Transfer of Obligations, Specifications, Assumptions and Estimated Timelines
Attachment "B"	- Estimated Budget
Attachment "C"	- Schedule of Payments and Terms

Attachment "A" Scope of Work, Transfer of Obligations, Specifications, Assumptions and Estimated Timelines

PROJECT ASSUMPTIONS SUMMARY			Assumptions
Key Cost Drivers			
Number of Countries	1		
Number of Active Sites	10		
Number of Back-Up Sites	0		
Number of Patients Screened	105		
Number of Patients Enrolled	84		
Number of Patients Completed	76		
Estimated Screen Failure Rate	20.00%		
Estimated Drop-Out Rate	9.52%		
Total Number of eCRFs per Patient	188		
Total Study Duration (Months)	36		

Proposed Country and Site Distribution				
Country	Number of Active Sites	Number of Back-Up Sites		
United States	10	0		
Total Sites	***10***	***0***		

Timelines					
Milestone	Months	Start	End		
Startup	7	8/25/2022	3/30/2023		
Enrollment - Primary	18	3/30/2023	9/14/2024		
Treatment - Primary	7	9/14/2024	4/14/2025		
Follow Up	0	4/14/2025	4/14/2025		
Database Lock	1	4/14/2025	5/14/2025		
Final Deliverable	3	5/14/2025	8/14/2025		
Complete Study	***36***	***8/25/2022***	***8/14/2025***		

Service Level Assumptions Project Management	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Project Management - Startup		X	7	Month	Project Management FTE for all study phases assumes the development of the Project Management Plan, which includes but is not limited to, the Communication plan, Training Matrix, Unblinding plan per Labcorp SOPs and review of other study plans per SOPs. Further planning and implementation of project delivery strategy, oversight of the study from Startup through recruitment to closure, client and internal communication, status reports of study/site metrics, financial and contractual oversight are assumed in these hours.
Project Management - Enrollment		X	18	Month	
Project Management - Treatment		X	7	Month	
Project Management - Close Out		X	4	Month	
RIM - Risk and Issue Management		X	1	Protocol	Conduct of study risk analysis utilizing the Xcellerate RIM/RACT technology (set-up and usage free of charge). The study team will maintain the risk review process through the study with the RIM/RACT technology.
Vendor Management	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**	**Assumptions**
Vendor Contracting	X	X	4	# of Vendors Contracted	1 standard complexity, 2 low complexity, 1 start up vendor(s) contracted. Assumes contract negotiation and finalization of contracts with preferred vendors.
Vendor Invoicing	X	X	143	Vendor Invoicing Months	1 standard complexity, 2 low complexity, 1 start up vendor(s) invoiced. Assumes invoicing of vendor payments throughout the study duration.
Vendor Management (Startup to Close Out)		X	178	Vendor Management Months	1 high complexity, 1 standard complexity, 2 low complexity, 1 start up vendor(s) managed. Assumes management of preferred vendors from Startup to Close Out of study include close of vendors.
Regulatory Submissions (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**	**Assumptions**
US IND - Initial	X		0	US IND Submission	
US IND - Maintenance	X		0	Project	

Site Startup	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Central Ethics Submissions/IRB(s)		X	1	IRB - Central	Initial submission for Central IRB/EC.
Local Ethics Submissions/IRB(s)		X	4	IRB - Local	Initial submission for Local IRB/EC.
Site Identification		X	30	# of Sites Identified	Process to identify a larger number of sites and determine which sites are appropriate to participate in Pre-Study visits.
Site Contracts		X	10	Sites Total	Development of site contracts based upon Labcorp templates with final approval of language by client; assumes two contracts per site average across all sites.
Protocol Amendments		X	1	per Amendment	Assumes all tasks to update the study for the most current version of the protocol to include, revision of the ICFs, site contracts/budgets and required documents, submission to ethics committees/IRBs, country HA and oversight of activities by team leadership.
ICF - Develop Core		X	1	ICF Core	Assumes Labcorp will develop the core informed consent in English based on the final protocol provided by the client.
ICF - Develop Additional/Supplemental		X	1	ICF Additional/Supplemental	Assumes Labcorp will develop special additional informed consents as required by country regulatory requirements.
ICF - Localizations		X	10	Sites Total Requiring Adaptation	Assumes Labcorp will develop country specific informed consents that are then customized per site per investigator/institutional language.
Regulatory Document Collection		X	10	Sites Total	The collection, review and submission of all documents require from each site for the initial submission to the IRB/ethics committee per client specifications and country regulations. Also includes cost for annual updates per country regulations and protocol amendments as required per request for proposal.
Startup Management and Coordination		X	9	Month	Management and oversight of the Startup process to include development of plans, oversight of essential document collection and investigator contract development and routine status reporting.
Clinical Ancillary Supplies Services (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**	

Clinical Monitoring	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Site Management		X	250	Site Months for Site Management	- CRA track eCRF completion for per investigator providing grant trackers for investigator payment teams - CRA routine contact with sites to ensure enrollment/recruitment goals are met, CRFs are completed for visits, protocol procedures are followed, and study updates are delivered to sites. - Update of study trackers, preparation of study documents, preparation/delivery of site correspondence, preparation for study meetings. - CRA review of CRFs to prepare for and follow-up monitoring visits resolving monitor queries. - Development of CTMS reports, maintenance of CTMS status reports /metrics.
Pre-Study Visit - Remote		X	12	Pre-Study Visit - Remote	Remote visit to verify investigators qualifications for study participation.
Site Initiation Visit - Onsite		X	10	Site Initiation Visit - Onsite	On-site visit to train site staff for study participation and reconfirm study qualifications.
Monitoring Visit - Onsite		X	253	Monitoring Visit - Onsite	Frequency (ROW) - 4.3 weeks during Enrollment, 4 weeks during Treatment. On-site visit to source document verify (CRF Review) study data, review regulatory documents, conduct drug accountability, and ensure protocol/study procedures are followed to GCP standards.
Close Out Visit - Onsite		X	10	Close Out Visit - Onsite	Onsite visit to ensure all patient data CRF Reviewed, all queries resolved, all regulatory documents collected for internal files, as required, drug accountability completed and drug returned or destroyed, as required. All close out documents should be signed and exit discussion with investigator completed by end of visit.
Additional Days - Onsite		X	100	Additional Day - Onsite	Additional units of hours for CRF Review time onsite, also includes additional follow-up time for report writing.

Clinical Monitoring	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Trip Report Review		X	285	Visits with Trip Report Review	Labcorp uses standard trip report templates which are part of our Clinical Trial Management System (CTMS). Our CTMS allows our monitors to start writing their trip reports on a laptop during the visit or while traveling. Labcorp strives for a 10-day turnaround time from date of visit to date of final approval and availability to Sponsor. CTMS has electronic signature functionality so there is no need for paper copies to be generated for wet ink signature.
Clinical Quality Control Visits		X	1	CQC Visits	The Labcorp Clinical Quality Control Visit (CQC)is conducted to ensure that the Site and Monitor are following ICH GCP/ISO 14155 Guidelines, applicable SOPs, project-specific procedures, monitoring plan, to ensure subject safety and data integrity are well protected, all applicable regulations are being followed, and that the Site and Monitor are adequately performing their responsibilities. A CQC Visit is not the same as an audit. CQCs are conducted during on-site RMVs or COVs. A Site is selected for a CQC Visit based on the evaluation of potential risk associated with the Site and/or Monitor.
Clinical Team Management		X	36	Month	Clinical Team Lead FTE assumes the management of all CRA activities for the duration of the study, the oversight of escalated site issues through the CRAs, training of CRAs, organization of CRA teleconferences/meetings, maintenance/distribution of status reports, development of study documents, newsletters/correspondence to sites and audit support.

Detailed Monitoring Assumptions Hours Per Visit Assumed	Time On-site / On Phone (Hours)	Average Travel Time (Hours)	Prep and Follow-Up (Hours)	Trip Report Review (CTL - Hours)	Assumptions
Pre-Study Visits - Remote	4	0	1	1	
Site Initiation Visits - Onsite	10	6	4	2	
Routine Monitoring Visits - Onsite	8	4.8	4	2	
Additional Days - Onsite	8	0	0	0	
Site Close-Out Visits - Onsite	4	6	4	2	

Meetings	Sponsor	Labcorp	Metric	Frequency	Assumptions
Kick-Off Meeting w/ Client		X	1	1 Meeting(s)	
Internal Kick-Off Meeting		X	1	1 Meeting(s)	
Client Teleconference		X	73	Startup: Bi-Weekly, Clinical: Bi-Weekly, Closeout: Bi-Monthly	
Cross Functional Team Meetings		X	79	Bi-Weekly	
Internal Department Meetings		X	79	Startup: Bi-Weekly, Clinical: Bi-Weekly, Closeout: Bi-Weekly	
Project Level Oversight Meetings		X	11	Startup: Not Recurring, Clinical: Quarterly, Closeout: Not Recurring	
Safety Review Meetings		X	10	Clinical: Custom	

Physicians	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Medical Plans and Documentation Review		X	1	Protocol	Review of two drafts and one final version of the Labcorp produced CSR. Support the development of a Labcorp developed protocol or review a client developed protocol.
Medical Monitoring		X	25	Month	Project Physician communication with sites and CRAs regarding inclusion/exclusion, protocol, and patient related questions throughout the enrollment and treatment period.
Medical Data Review		X	288	# Medical Review Listings	Periodic review of data listings of patient medical data to include AE, SAE, medical coding, and labs.
Medical Evaluation of Protocol Deviations		X	25	Month	

Xcellerate Services	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Xcellerate - Risk Review (XRR)		X	24	# XRR Review Cycles	Assessment & mitigation of emerging operational study, country & site risks and resultant actions.
Xcellerate - Central Medical Review (XMR)		X	24	# XMR Review Cycles	Assessment of patient safety & other clinical issues, sub-setting of data, collaborative sharing of observations.
Xcellerate - Set up of Modules, RBM Critical Data Definition Meeting		X	1	Protocol	Initial study meeting once final protocol has been provided to define the critical data that will be collected in the data tool for the study. Attendees from Labcorp for this study are the Medical Director, Strategy and Planning Director, Risk Based Monitoring Director, Clinical Director/Manager, Clinical Trial Lead, Data Manager and Statistician.
Xcellerate - Study Management		X	155	Week	Study-level views of data, showing protocol milestones, total geographic footprint and distribution overlaid with site metrics, protocol deviations and more.
CTMS/eTMF	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**	**Assumptions**
CTMS/eTMF Set-Up/Build		X	1	Protocol	Development of the CTMS and Veeva Vault Databases include standard reports.
eTMF Upload		X	2,371	# of Documents	Documents loaded into the Veeva Vault systems by Labcorp staff then periodically reviewed by functional managers for document quality and correctness.
eTMF Resolution and QC		X	2,371	# of Documents	Oversight by managers for the department eTMF; QC of the resolution of queries regarding errors in posting of documents (related to document content or manner of posting).
eTMF Project Management		X	36	Month	Project management and oversight provided by the Business, Process and Solutions team to ensure the eTMF is established in time for the first site activated, audit ready at all times and is archived as per the contract.

Drug Safety	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Set-Up/Maintenance of Systems		X	1	Protocol	Initial set up and ongoing maintenance of Argus safety database if Labcorp is contracted to host the safety database. Includes set-up, maintenance, and licensing costs for SPEED portal if applicable.
Safety Management Plan (SMP) - Initial and Maintenance		X	2	Year	Initial development and ongoing updates of the safety management plan.
Safety Oversight and Management		X	36	Month	Regular oversight of the project deliverables, contractual obligations, sponsor communications, KPI generation and reporting.
SAE Processing/QC/Follow Ups/Archiving		X	420	# of SAE's	Initial SAE(s): 84, Follow-Up SAE(s): 336 - Processing of SAE includes Argus database entry (if contracted), review of the SAE information for completeness, generation of queries, preparation of submission emails, query emails, etc. - Comprehensive review of the SAE data entry, narrative, client submission email, site query emails, etc. - Archival of SAE information from Argus in XML format, after CRF DBL. Each case in Argus is exported in XML format and written on CD or provided via secured email. - Resolution of follow-up queries on SAEs filed by the SAE team, Safety Physician or Client SAE team.
Medical Review of SAEs		X	420	# of SAE's	Initial SAE(s): 84, Follow-Up SAE(s): 336 Review of SAE information by Drug Safety Physician, generation of medical queries, assessment of the events, etc.
SUSAR Notifications and Periodic Reports to Investigators		X	19	# of Total ESRs Expected in the Study	Preparation, distribution and submission of SUSAR/Expedited safety letters and distribution to investigator, in accordance with country specific/ study specific requirements.
SUSAR Notifications and Periodic Reports to ECs		X	19	# of Total ESRs Expected in the Study	Preparation, distribution and submission of SUSAR / expedited safety report submission documents and distribution to central EC/ IRB, in accordance with country specific/ study specific requirements, and per EC/ IRB preference of submission method (email, fax, mail).
Safety Narratives		X	420	# of SAE's	Initial SAE(s): 84, Follow-Up SAE(s): 336 Writing of SAE narrative according to standard conventions and template specific to the study.
Drug Safety Update Report(s) (DSUR)		X	2	# of DSURs	Preparation or support preparation of DSURs and/or distribution of DSURs.

Drug Safety	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Analysis of Similar Events		X	17	# of Native ESRs - From This Protocol (Initials, Follow-Ups)	Generation Analysis of similar events with search results from the safety database, includes safety physician's review and assessment.

Medical Writing	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Review of Client Developed Protocol		X	1	Protocol	Review of a client study protocol and provision of comments
Protocol Amendment Production		X	1	# Protocol Amendments	A substantial amendment requires changes to the study scope of work and may require revisions to the data collection tools such as the eCRF, diaries, lab samples, patient reported outcomes (PRO) tools or the addition of new sites and countries. It will also require all the changes of the administrative amendment as well.
Clinical Study Report - Final		X	1	CSR	ICH E3 compliant Clinical Study Report, including client review of each draft. Assumes fewer than 10 tables and fewer than 10 paragraphs.

Data Management	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Data Management Plan Development and Maintenance		X	1	Protocol	Preparation of DMP and ongoing updates over duration of the project timeline.
CRF Design - Unique Forms		X	41	# of Unique Forms	Design of the eCRFs and submit for Sponsor approval (assumes 2 review cycles) - Unique Forms
CRF Design - Non-Unique Forms		X	147	# of Non-Unique Forms	Design of the eCRFs and submit for Sponsor approval (assumes 2 review cycles) - Non-Unique Forms
Database Set-Up and Build - Unique Forms		X	41	# of Unique Forms	Design and set up the database to match the design of the eCRFs - Unique Forms
Database Set-Up and Build - Non-Unique Forms		X	147	# of Non-Unique Forms	Design and set up the database to match the design of the eCRFs -Non-Unique Forms
tSDV Module Set-Up and Build		X	1	Protocol	Includes time to configure the TSDV module of Medidata RAVE to enable SDV to be targeted to the appropriate sites, data fields, forms and patients.
User Access Administration		X	65	# of Users Entering Into DB	Set-up of external EDC users and passwords.
EDC User Support and Administration		X	20	# of Sites Enrolling - Yearly	Set-up and maintenance of users for EDC.
Edit Check Specifications, Programming and Testing		X	824	# of Edit Checks	Production, Testing and Deployment of Edit Checks within the DB.
Custom Functions		X	66	Custom Functions	Programming, Testing and Deployment of Custom Functions within the DB.

Data Management	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Vendor Data Streams - Set-Up		X	5	# External Data Streams	Integration of 3rd party vendor data with the DB.
Vendor Data Streams - Import and Reconciliation		X	78	# External Data Imports	Program to receive external data (e.g., labs, IRT) to include the transfer of the clinical database. Including review of transfer specifications and timing and will verify the cleanliness of each vendor dataset.
Custom Status Reports		X	3	Custom Status Reports	Programming and Production of Custom Reports within the EDC System.
Custom EDC Listings		X	2	# Custom Listings	Programming and Production of Custom Listings within the EDC system.
SAS Data Review Listings Programming and Production		X	15	# SAS Data Review Listings	Production of listings in SAS to support Data Review.
Data Review		X	15,449	# Pages for Data Management Review	Data cleaning of EDC data entered by Sites.
Data Review - Database Maintenance		X	26	Month	#N/A
Custom Listing Production Runs		X	2	# Custom Listing Production Runs	Includes the time taken to run and produce custom listings from the EDC system.
SAS Data Review Listing Production Runs		X	50	# SAS Data Review Listing Production Runs	Includes the time for running and producing listings in SAS to assist in Data Review.
Local Lab Management		X	60	# Local Lab Normal Ranges Entered	Range normals and ongoing Management of local lab data.
SAE Reconciliation		X	420	# of SAE's	Support SAE reconciliation between EDC and Safety database. Generate queries for discrepancies in Safety database. Address discrepancies in safety database.
Coding including CTCAE Grading (If Applicable)		X	3,780	# Terms Coded	Coding of terms for Medical Hx, ConMeds ad AEs. We assume Sponsor has MedDRA and WHO Drug Dictionary licenses if these are required for Coding purposes.
Management of Database Locks		X	1	# Database Locks	Management of both the Interim and final data base lock for the study.
End of Project Archiving		X	1	Protocol	Archiving of all Data Management documentation within the TMF.
Patient Profile Programming		X	25	Patient Profile Domains Programmed	Programming set up the delivery of patient profiles from the database. The number of Patient Profile Domains reflects the number of datasets, from the EDC system or other sources, that need to be combined to create the patient profiles.
Patient Profile Delivery		X	8	Patient Profile Production Run	Includes costs for all production runs, including Interim, Draft, Dry Run and Final transfers. Transfer format will be agreed during development of the SAP.

Data Management	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Protocol Deviation Management Setup		X	1	Protocol	Includes development of programs for detection of Protocol Deviations.
Protocol Deviation Management Ongoing Production		X	25	# Programmable Deviation Production Runs	Includes reporting of Protocol Deviations to the monitoring team throughout the life of the study.
Data Management Project Management		X	36	Month	Management and oversight of all data management activities for the study from planning, development of the timeline, status and metrics reporting and meeting attendance.

Biostatistics	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
Statistical Analysis Plan Development		X	1	SAP	Authoring of the text of the Statistical Analysis Plan incorporating any client specifications.
Data Display Template Development		X	86	TFL Data Display Templates	Authoring of the Mock-Up shells for data displays.
SDTM Programming		X	32	SDTM Domains Programmed	The version of the SDTM Implementation Guide to be followed will be agreed at the start of the study. SUPP-- Domains are not counted as separate domains. The number of Domains will be re-assessed when the SDTM specifications are written. If applicable, costs for Define.xml and Reviewers Guide are included here.
Analysis Dataset Programming		X	17	# Analysis Datasets Programmed	The number of Analysis Datasets will be reassessed when the SAP is finalized. The version of the ADaM Implementation Guide to be followed will be agreed to at the start of the study.
Unique Table Programming		X	47	Unique Table Programmed	Assumes the number of unique tables to be programmed/QC'd/produced. The number will be reassessed when the TFL shells are final.
Non-Unique Table Programming		X	35	Non-Unique Table Programmed	Assumes the number of non-unique tables to be programmed/QC'd/produced. The number will be reassessed when the TFL shells are final.
Unique Figure Programming		X	10	Unique Figure Programmed	Assumes the number of unique figures to be programmed/QC'd/produced. The number will be reassessed when the TFL shells are final.
Non-Unique Figure Programming		X	3	Non-Unique Figure Programmed	Assumes the number of non-unique figures to be programmed/QC'd/produced. The number will be reassessed when the TFL shells are final.
Unique Listing Programming		X	29	Unique Listing Programmed	Assumes the number of unique listings to be programmed/QC'd/produced. The number will be reassessed when the TFL shells are final.

Biostatistics	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
SDTM Delivery		X	96	# SDTM Domains Transferred	SDTM will be transferred in .xpt format unless otherwise specified. Formal deliveries include validation using OpenCDiSC or Pinnacle21.
Analysis Dataset Delivery		X	51	# Analysis Datasets Transferred	Includes costs for all production runs, including Interim, Draft, Dry Run and Final transfers. Transfer format will be agreed during development of the SAP.
Table/Listing/Figure Delivery		X	342	# TFLs Transferred	Includes costs for all production runs, including Interim, Draft, Dry Run and Final transfers. Transfer format will be agreed during development of the SAP.
Biostatistics Project Management		X	36	Month	All general project management activities carried out by the Biostatistics department.

Biometrics Deliverables	Total # Deliveries	Total # Delivered	Total # USAG Deliveries	USAG: Total # Delivered	Assumptions
Transfer of SAS Programs					
SAS Programs	1	1	0	0	
Top Line Results					
Unique Table	1	15	0	0	
Final Analysis					
Database Lock	1	1	0	0	
SDTM Domain	3	90	0	0	
Analysis Dataset	3	45	0	0	
Unique Table	3	105	0	0	
Non-Unique Table	3	105	0	0	
Unique Listing	3	60	0	0	
Non-Unique Listing	3	0	0	0	
Unique Figure	3	18	0	0	
Non-Unique Figure	3	9	0	0	
PK Analysis					
SDTM Domain	3	6	0	0	
Analysis Dataset	3	6	0	0	
Unique Table	3	6	0	0	
Non-Unique Table	3	0	0	0	
Unique Listing	3	12	0	0	
Non-Unique Listing	3	0	0	0	
Unique Figure	3	12	0	0	
Non-Unique Figure	3	0	0	0	
Safety Monitoring (Single Arm)					
SDTM Domain	0	0	0	0	Assumes programmed outputs for Safety Monitoring Committee; Overriding formulas to match the original budget. DM
Unique Table	0	0	0	0	1 Dry run plus one per meeting programmed off raw data; Overriding formulas to match the original budget. DM

Biometrics Deliverables	Total # Deliveries	Total # Delivered	Total # USAG Deliveries	USAG: Total # Delivered	Assumptions
Unique Listing	0	0	0	0	Overriding formulas to match the original budget. DM
Unique Figure	0	0	0	0	Overriding formulas to match the original budget. DM
Patient Profiles					
Patient Profile	9	225	0	0	

External Data Streams	# Data Streams	Import Frequency	Total # Imports	Assumptions
IVRS - Header Variables	0	0 Total	0	
IVRS - Randomization Codes	3	3 Total	3	
Labcorp Central Lab	1	Monthly, 26 Deliveries	26	
Imaging Vendor	1	Monthly, 26 Deliveries	26	
PK	1	Monthly, 26 Deliveries	26	Needed for dose escalations, etc.

Data Monitoring Committee (DMC) Services	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
DMC - Identify Members		NA	0	# DMC Members to Identify	Identify Qualified Members for DMC participation, submit them to the client for approval (up to 2 CV's per identified member).
DMC - Establish CDA's and Contracts		NA	0	# DMC Members to Arrange Contracts With	Provide NDAs and CDAs to potential members, and obtain contracts for members.
DMC - Manage Member Stipends		NA	0	# DMC Stipends to Pay	Manage member stipends for contracted members
DMC - Interim Analysis Communication Plan Development		NA	0	# Interim Analysis Communication Plans	Prepare an Interim Analysis Communication Plan for unblinded analyses.
DMC - Charter Development		X	1	# DMC Charters Authored	Author DMC Charter
DMC - Review Sponsor or Vendor Charter		NA	0	# DMC Charters Reviewed	Review a Client-authored DMC Charter.
DMC - Statistical Analysis Plan Development		NA	0	# DMC Statistical Analysis Plans Authored	Author a DMC Statistical Analysis Plan separate from the main study SAP
DMC - Review Sponsor or Vendor Statistical Analysis Plan		NA	0	# DMC Statistical Analysis Plans Reviewed	Review a Client-authored DMC Statistical Analysis Plan
DMC - Statistical Analysis Plan Amendments		NA	0	# DMC Statistical Analysis Plans Amended	Prepare amendments of the DMC Statistical Analysis Plan

Data Monitoring Committee (DMC) Services	Sponsor	Labcorp	Metric	Unit of Measure	Assumptions
DMC - Mock Shell Development		NA	0	# Mock Shells in DMC Analysis Plans Authored	Develop, or amend, DMC Mock-Up shells
DMC - Review Sponsor or Vendor Mock Shell		NA	0	# Mock Shells in DMC Analysis Plans Reviewed	Perform statistical review of client authored Mock-Up Shells.
DMC - Establish DMC Data Sharing System Portal		NA	0	Protocol	Establish a secure portal for transfer of analyses and documentation to the DMC
DMC - Organizational Meeting Logistics, Attendance and Minutes		NA	0	Total # DMC Organizational Meetings	Organize, attend, and prepare minutes for the DMC organizational meeting(s).
DMC - Author Open Presentation		NA	0	DMC: Total # Open Presentations	Prepare a blinded overview of the study status for the DMC Data Review Meetings
DMC - Author Open Executive Summary for DMC Data Review Package		NA	0	DMC: Total # Open Executive Summaries	Prepare a blinded report for the DMC Data Review Meeting open session(s).
DMC - Author Closed Executive Summary for DMC Data Review Package		NA	0	DMC: Total # Closed Executive Summaries	Prepare an unblinded statistical summary and report for the DMC Data Review Meeting Closed Session(s)
DMC - Data Review Meeting Logistics, Attendance, Minutes		NA	0	Total # DMC Data Review Meetings	
DMC - Close-Out activities		NA	0	Protocol	Archive and file all DMC specific material.
USAG: Establish Unblinded Team and Analysis Area		NA	0	USAG: # of Data Areas to Set Up	Establish an unblinded Statistical Analysis Team (USAG) and secure analysis area.
USAG: Obtain Randomization codes		NA	0	USAG: # Times Randomization Code Obtained	Obtain randomization codes for unblinded DMC Data Review Meetings
USAG: Unblinded Analysis Dataset Production		NA	0	USAG: # Unblinded Datasets Produced	USAG team: Apply randomization codes to either SDTM and/or ADAM datasets (as applicable) for Data Review Meetings
USAG: Unblinded Data Display production		NA	0	USAG: # Unblinded TFLs Produced	USAG: Create unblinded Tables, Listings and Figures.
DMC - SAE Listing Provision		NA	0	# DMC SAE Reports	Provide SAE reports to the DMC for safety reviews

Quality Assurance (Not in Scope)	Sponsor	Labcorp	Metric	Unit of Measure
Pharmacokinetics	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**
Pharmacokinetic Analysis Plan (PKAP)		X	1	Protocol
PK Analysis		X	168	# of NCA Profiles - PK
PK Protocol, CSR, and TFL Review		X	1	Protocol
PK Project Oversight		X	1	Protocol
Events Adjudication Committee (EAC) (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**
Patient Recruitment (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**
Regulatory Strategy (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**
eCOA Services (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**
IRT User Acceptance Testing (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**
Post-Marketing Services (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**
Mobile Clinical Services (Not in Scope)	**Sponsor**	**Labcorp**	**Metric**	**Unit of Measure**

Assumptions
PK methodology sections incorporated into main SAP.
PK Non-compartmental analysis (NCA) using validated Phoenix WinNonlin. One PK analysis will be performed on final data. Any additional PK analyses may incur additional costs.
Pharmacokineticist input and review of clinical protocol
PLEASE SPECIFY

Attachment "B" Estimated Budget

Tarus Therapeutics - 8463879 - Phase I/II FIH Study of TT-10 as a Single Agent in Participants with Advanced Solid Tumors 27-Jan-23

PROJECT ESTIMATE SUMMARY				USD
Department	**Unit of Measure**	**Units**	**Unit Price**	**Total Price in Contract Currency**
Project Management				**745,969.64**
Project Management - Startup	Month	7	26,633.72	190,731.79
Project Management - Enrollment	Month	18	19,524.52	341,679.03
Project Management - Treatment	Month	7	19,625.19	137,376.36
Project Management - Close Out	Month	4	18,196.21	72,784.82
RIM - Risk and Issue Management	Protocol	1	3,397.64	3,397.64
Vendor Management				**86,944.22**
Vendor Contracting	# of Vendors Contracted	4	878.59	3,514.36
Vendor Invoicing	Vendor Invoicing Months	143	49.34	7,034.85
Vendor Management (Startup to Close Out)	Vendor Management Months	178	428.64	76,395.01
Site Startup				**299,320.28**
Central Ethics Submissions/IRB(s)	IRB - Central	1	5,953.25	5,953.25
Local Ethics Submissions/IRB(s)	IRB - Local	4	810.63	3,242.51
Site Identification	# of Sites Identified	30	2,131.97	63,959.05
Site Contracts	Sites Total	10	4,648.16	46,481.59
Protocol Amendments	per Amendment	1	52,393.40	52,393.40
ICF - Develop Core	ICF Core	1	4,440.38	4,440.38
ICF - Develop Additional/Supplemental	ICF Additional/Supplemental	1	1,758.29	1,758.29
ICF - Localizations	Sites Total Requiring Adaptation	10	786.79	7,867.92
Regulatory Document Collection	Sites Total	10	2,847.93	28,479.32
Startup Management and Coordination	Month	9	9,416.06	84,744.57
Clinical Monitoring				**1,996,591.68**

Department	Unit of Measure	Units	Unit Price	Total Price in Contract Currency
Site Management	Site Months for Site Management	250	978.85	244,712.59
Pre-Study Visit - Remote	Pre-Study Visit - Remote	12	1,136.62	13,639.48
Site Initiation Visit - Onsite	Site Initiation Visit - Onsite	10	4,534.70	45,347.03
Monitoring Visit - Onsite	Monitoring Visit - Onsite	253	3,868.22	978,660.43
Close Out Visit - Onsite	Close Out Visit - Onsite	10	3,290.51	32,905.11
Additional Days - Onsite	Additional Day - Onsite	100	1,880.11	188,010.91
Trip Report Review	Visits with Trip Report Review	285	175.57	50,038.42
Clinical Quality Control Visits	CQC Visits	1	7,520.44	7,520.44
Clinical Team Management	Month	36	12,224.86	435,757.27
Meetings				**380,598.22**
Kick Off Meeting(s)	Kick Off Meeting	3	9,256.00	27,768.00
Teleconference Meetings	Teleconference	73	1,730.64	126,336.66
Internal Team Meetings	Internal Meeting	169	1,235.32	208,768.46
Safety Review Meetings	Safety Review Meeting	10	1,772.51	17,725.10
Physicians				**190,038.04**
Medical Plans and Documentation Review	Protocol	1	31,337.82	31,337.82
Medical Monitoring	Month	25	2,983.08	73,085.34
Medical Data Review	# Medical Review Listings	288	230.27	66,317.03
Medical Evaluation of Protocol Deviations	Month	25	787.67	19,297.85
Xcellerate Services				**201,865.22**
Xcellerate - Risk Review (XRR)	# XRR Review Cycles	24	1,716.84	41,204.06
Xcellerate - Central Medical Review (XMR)	# XMR Review Cycles	24	5,492.89	131,829.43
Xcellerate - Set up of Modules, RBM Critical Data Definition Meeting	Protocol	1	17,735.84	17,735.84
Xcellerate - Study Management	Week	155	71.59	11,095.89
CTMS/eTMF				**66,386.76**
CTMS/eTMF Set-Up/Build	Protocol	1	10,387.34	10,387.34
eTMF Upload	# of Documents	2371	20.54	48,695.35
eTMF Resolution and QC	# of Documents	2371	2.35	5,562.81

Department	Unit of Measure	Units	Unit Price	Total Price in Contract Currency
eTMF Project Management	Month	36	48.85	1,741.26
Drug Safety				**403,145.04**
Set-Up/Maintenance of Systems	Protocol	1	44,901.36	44,901.36
Safety Management Plan (SMP) - Initial and Maintenance	Year	2	7,223.93	14,447.86
Safety Oversight and Management	Month	36	1,486.12	52,973.16
SAE Processing/QC/Follow Ups/Archiving	# of SAE's	420	319.73	134,285.27
Medical Review of SAEs	# of SAE's	420	180.94	75,993.70
SUSAR Notifications and Periodic Reports to Investigators	# of Total ESRs Expected in the Study	19	188.48	3,581.13
SUSAR Notifications and Periodic Reports to ECs	# of Total ESRs Expected in the Study	19	202.84	3,853.96
Safety Narratives	# of SAE's	420	34.07	14,310.98
Drug Safety Update Report(s) (DSUR)	# of DSURs	2	25,752.26	51,504.51
Analysis of Similar Events	# of Native ESRs - From This Protocol (Initials, Follow-Ups)	17	429.01	7,293.11
Medical Writing				**142,332.73**
Review of Client Developed Protocol	Protocol	1	6,427.72	6,427.72
Protocol Amendment Production	# Protocol Amendments	1	7,608.24	7,608.24
Clinical Study Report - Final	CSR	1	128,296.77	128,296.77
Data Management				**736,422.83**
Data Management Plan Development and Maintenance	Protocol	1	12,344.12	12,344.12
CRF Design - Unique Forms	# of Unique Forms	41	500.92	20,537.79
CRF Design - Non-Unique Forms	# of Non-Unique Forms	147	58.20	8,556.02
Database Set-Up and Build - Unique Forms	# of Unique Forms	41	1,831.91	75,108.37
Database Set-Up and Build - Non-Unique Forms	# of Non-Unique Forms	147	153.01	22,492.42
tSDV Module Set-Up and Build	Protocol	1	36,104.53	36,104.53
User Access Administration	# of Users Entering Into DB	65	71.66	4,657.72
EDC User Support and Administration	# of Sites Enrolling - Yearly	20	33.96	679.21
Edit Check Specifications, Programming and Testing	# of Edit Checks	824	190.11	156,650.81
Custom Functions	Custom Functions	66	935.77	61,760.98
Vendor Data Streams - Set-Up	# External Data Streams	5	2,175.65	10,878.25

Department	Unit of Measure	Units	Unit Price	Total Price in Contract Currency
Vendor Data Streams - Import and Reconciliation	# External Data Imports	78	165.90	12,940.22
Custom Status Reports	Custom Status Reports	3	1,738.49	5,215.46
Custom EDC Listings	# Custom Listings	2	1,789.73	3,579.45
SAS Data Review Listings Programming and Production	# SAS Data Review Listings	15	842.88	12,643.19
Data Review	# Pages for Data Management Review	15449	6.21	95,953.50
Data Review - Database Maintenance	Month	26	3,915.11	99,835.38
Custom Listing Production Runs	# Custom Listing Production Runs	2	654.41	1,308.81
SAS Data Review Listing Production Runs	# SAS Data Review Listing Production Runs	50	130.88	6,544.05
Local Lab Management	# Local Lab Normal Ranges Entered	60	186.17	11,170.01
SAE Reconciliation	# of SAE's	420	12.45	5,229.93
Coding including CTCAE Grading (If Applicable)	# Terms Coded	3780	7.50	28,357.45
Management of Database Locks	# Database Locks	1	4,480.18	4,480.18
End of Project Archiving	Protocol	1	2,870.11	2,870.11
Patient Profile Programming	Patient Profile Domains Programmed	25	89.49	2,237.16
Patient Profile Delivery	Patient Profile Production Run	8	65.66	525.26
Protocol Deviation Management Setup	Protocol	1	12,462.33	12,462.33
Protocol Deviation Management Ongoing Production	# Programmable Deviation Production Runs	25	248.16	6,204.07
Data Management Project Management	Month	36	423.51	15,096.05
Biostatistics				**577,514.70**
Statistical Analysis Plan Development	SAP	1	40,505.85	40,505.85
Data Display Template Development	TFL Data Display Templates	86	319.89	27,510.15
SDTM Programming	SDTM Domains Programmed	32	2,986.65	95,572.64
Analysis Dataset Programming	# Analysis Datasets Programmed	17	6,309.14	107,255.35
Unique Table Programming	Unique Table Programmed	47	1,725.45	81,096.34
Non-Unique Table Programming	Non-Unique Table Programmed	35	625.29	21,885.08
Unique Figure Programming	Unique Figure Programmed	10	1,279.15	12,791.46
Non-Unique Figure Programming	Non-Unique Figure Programmed	3	625.29	1,875.86
Unique Listing Programming	Unique Listing Programmed	29	716.75	20,785.67

Department	Unit of Measure	Units	Unit Price	Total Price in Contract Currency
SDTM Delivery	# SDTM Domains Transferred	96	118.98	11,422.20
Analysis Dataset Delivery	# Analysis Datasets Transferred	51	348.69	17,782.98
Table/Listing/Figure Delivery	# TFLs Transferred	342	165.20	56,496.93
Biostatistics Project Management	Month	36	2,315.44	82,534.19
Data Monitoring Committee (DMC) Services				**7,651.14**
DMC - Charter Development	# DMC Charters Authored	1	7,651.14	7,651.14
Pharmacokinetics				**116,492.51**
Pharmacokinetic Analysis Plan (PKAP)	Protocol	1	4,259.65	4,259.65
PK Analysis	# of NCA Profiles - PK	168	529.83	89,010.77
PK Protocol, CSR, and TFL Review	Protocol	1	7,414.00	7,414.00
PK Project Oversight	Protocol	1	15,808.09	15,808.09
TOTAL SERVICE FEES				**5,951,273.01**
5% - Bottom Line Discount				(297,563.65)
3% - Non-Compete Discount				(178,538.19)
4% - Integrated/Bundled Discount (If Awarded Partnership Volume Discount Services)				(238,050.92)
SERVICE FEES INCLUSIVE OF DISCOUNT				**5,237,120.25**
TOTAL INDIRECT FEES				**918,385.08**
PASS-THROUGH EXPENSES				**5,812,827.25**
VENDOR BID EXPENSES				**146,112.15**
TOTAL FEES INCLUDING PASS-THROUGHS / VENDOR BIDS				**12,114,444.73**
COST PER PATIENT (CPP) (SERVICE FEES ONLY)				**62,346.67**

Please Note: The total prices of individual tasks in the budget grid are derived based on efforts required to deliver several sub-tasks, the duration of the sub-tasks to be delivered, and charge out rates for resources used, inclusive of inflation and applicable discounts. Labcorp price is not derived from the average unit price displayed in the budget grids, rather one listed task may consist of sub-tasks using multiple different units of measure. Therefore, unit prices in the grid are a calculation of total price divided by units, utilizing the unit of measure displayed in the grid. Average unit prices are provided to assist in the proposal evaluation process and may be subject to change based on the factors listed above.

Estimated Indirect Fees – Labcorp Integrated Services	Expense Description			918,385.08
Central Labs (Labcorp)				918,385.08

Department	Unit of Measure	Units	Unit Price	Total Price in Contract Currency
Estimated Pass-Through Expenses	**Expense Description**			**5,812,827.25**
Clinical Fees	IRB/EC expenses			20,606.25
Clinical - Travel & Subsistence	Onsite visit expenses			251,635.00
Communication and Miscellaneous Costs	Internal Printing, Communication, Courier, etc.			4,400.00
Clinical - Investigator Grants	Site expenses			5,535,186.00
Miscellaneous Expenses	Other			1,000.00
Vendor Name	**Vendor Service**			**146,112.15**
Medidata	EDC			94,407.04
Advarra	Institutional Review Board (IRB)			32,971.00
Greens	Printing			3,774.11
Welocalize	Translations			14,960.00

Attachment "C" Schedule of Payments and Terms

Payment is subject to all payment terms as set forth in Section 10 of this Agreement. All invoices are due and payable by Sponsor within thirty (30) days of the date of invoice.

I. Direct Fees Payment Schedule:

Upon execution of this Agreement, Labcorp will invoice Sponsor for $523,712.02 representing ten percent (10%) ("Fees Advance") of the total study budget labor fees exclusive of any upfront fees received during the startup agreement period. The Fees Advance will be reduced based on actual labor fees billed on a monthly basis. Every six (6) months a replenishment invoice will be issued to replenish the Fees Advance to 10% of the total study budget labor remaining fees.

This Work Order is subject to all payment terms set forth in Section 10 of this Agreement. All undisputed invoiced amounts are due and payable by Sponsor within thirty (30) days of the date of invoice.

II. Pass-Through Costs Payment Schedule:

A payment in the amount of $100,000.00 representing approximately seven percent (7%) of the pass-through expenses in the Work Order will be invoiced by Labcorp upon execution of this Agreement and will be paid by the Sponsor. Sponsor agrees to replenish the deposit held by Labcorp in increments of $50,000.00 once the total deposits of $100,000.00 drops below the agreed upon threshold of $50,000.00. Labcorp will invoice and Sponsor will pay for Pass-Through-Costs actually incurred by Labcorp, as estimated in the Study budget. Sponsor is additionally responsible for any Third Party Provider non-refundable costs, cancellation fees as well as any additional fees associated with any Study holds, scope changes or premature terminations.

III. Investigator Grants Payment Schedule:

In order to facilitate timely processing of Investigator grant payments, Labcorp requires Sponsor to provide $400,000.00 broken up into two payments of $200,000.00 each respectively. An upfront initial payment of $200,000.00, is due upon execution of this Agreement. The second payment of $200,000.00 is due upon screening of first patient. The $400,000.00 represents approximately **8%** of the total Study grant estimate. Sponsor agrees to replenish the deposit held by Labcorp in increments of $200,000.00 once the total deposit of $400,000.00 drops below the agreed upon threshold of $200,000.00. Site start up payments and fees are based on an estimate of the Study specific contractual obligations to be negotiated with the Sites and may include: advances, funds for advertising, pharmacy set up charges, local IRB fees and any other Site related administrative start up fees. Any remaining funds will be returned to Sponsor after the termination of the Study, following a financial reconciliation and all contracted obligations to the Investigators have been satisfied.

In the event payments from Sponsor are insufficient to cover the payments to Investigators, Sponsor will promptly advance funds to Labcorp for the amount of grant payments required.

All invoices shall be sent to Sponsor at the following address:

TARUS THERAPEUTICS LLC
c/o Portage Development Services
61 Wilton Rd, 3rd Floor
Westport, CT 06880
Email: desi@portagebiotech.com with steve@portagebiotech.com in copy

Attention: Desi Stanton-Pastore, MS

Payments should be sent via wire to:

Labcorp Drug Development Inc.
ABA #121000248
Account #4244842175
Swift Code (international) WFBIUS6S

Or alternately, mailed to:
Labcorp Drug Development Inc.
P.O. Box 2445
Burlington, NC 27216

Taxpayer ID Number 22-3265977

PORTAGE BIOTECH INC.
2021 EQUITY INCENTIVE PLAN

Share Option Agreement

This Share Option Agreement (this "***Agreement***"), dated as of the Grant Date, is between Portage Biotech Inc., a corporation formed under the laws of the Territory of the British Virgin Islands (the "***Company***"), and _____ (the "***Optionee***").

The Company hereby grants to the Optionee the following option (the "***Option***") to purchase Common Shares of the Company in accordance with the terms and conditions of this Agreement and the Portage Biotech Inc. 2021 Equity Incentive Plan (the "***Plan***"):

Total Number of Shares Subject to this Option:	_____
Type of Option (ISO or an NQO):	NQO
Exercise Price per Share:	$2.92
Grant Date:	March 30, 2023
Vesting Schedule:	1/4 each year
Vesting Commencement Date:	March 30, 2023
Number of Vested Shares on Grant Date:	0
Vesting Period:	4 years
Number of Shares Vesting at end of each Vesting Period:	_____
Expiration Date:	March 30, 2033

1. **Plan**. This Agreement, which constitutes an Award Agreement under the Plan, is granted pursuant to and is governed by the Plan, the terms and conditions of which are incorporated into this Agreement by reference. To the extent there is any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan shall control. Unless the context otherwise requires, capitalized terms used herein without definitions shall have the respective meanings assigned to them in the Plan. By signing this Agreement, the Optionee acknowledges receipt of a copy of the Plan.

2. **Grant of Option**. On the terms and conditions set forth in this Agreement, the Company grants to the Optionee on the Grant Date this Option to purchase, at the Exercise Price Per Share set forth above, the Total Number of Shares Subject to this Option, as set forth above.

3. **Exercisability Schedule**. The Optionee may exercise this Option for such number of Shares as have become exercisable pursuant to the Vesting Schedule set forth above; provided that upon each vesting date the Optionee is employed with the Company or is otherwise providing services to the Company.

4. **Exercise of Option**. Prior to the Expiration Date (or such earlier date as set forth in Section 5 below), the Optionee may exercise this Option by delivering a Notice of Share Option Exercise in the form attached hereto as **Exhibit A** (the "***Notice***"), signed by the Optionee, and received by the Company at its principal office, accompanied by this Agreement and payment in full in the manner provided in the Plan. The Optionee may purchase less than the number of Shares covered hereby, provided that no partial exercise of this Option may be for any fractional Share or for fewer than ten (10) whole Shares. The Optionee (or any other person entitled to exercise this Option) shall not be entitled to any rights as a Shareholder of the Company with respect to any Shares issuable upon exercise of this Option until such Shares shall have been registered on the register of members of the Company in the name of the Optionee (or such other person).

5. **Exercise of Option After Termination of Employment**.

a. Termination of service. Except as otherwise determined by the Board, or as may otherwise be expressly provided in any employment agreement between the Company and the Optionee, upon the termination of the service of the Optionee to the Company (or to an Affiliate of the Company), this Option shall expire on the earliest of the following occasions:

i. the date that is **three (3) months** after the voluntary termination of the Optionee's service;

ii. the date that is **two (2)** years after the termination of the Optionee's service by the Company (or by an Affiliate of the Company) other than for cause;

iii. the date of the termination of the Optionee's service by the Company (or by an Affiliate of the Company) for Cause;

iv. the date one (1) year after the termination of the Optionee's service by reason of Disability;

v. the date one (1) year after the termination of the Optionee's service by reason of the Optionee's death; or

vi. the specified Expiration Date of the Option, as set forth above.

vii. Any portion of this Option that is not exercisable on the date of termination of the Optionee's service with the Company, for any reason, shall terminate immediately and automatically be null and void and of no further force and effect.

6. **Restrictions on Transfer**. The Optionee shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise except by will or the laws of descent and distribution, and during the lifetime of the Optionee, this Option shall be exercisable only by the Optionee.

7. **Withholding**. No Shares shall be issued pursuant to the exercise of this Option unless and until the Optionee pays to the Company or makes provision satisfactory to the Company for payment of any federal, state or local withholding taxes required by law to be withheld in respect of this Option.

8. **Section 409A of the Code**. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the RSU Award and Dividend Equivalent Rights granted hereunder are in compliance with or are exempt from the requirements of Section 409A of the Code.

9. **Amendment**. The Board may at any time or times amend the Plan or this Agreement for the purpose of satisfying the requirements of any changes in applicable laws or regulations or for any other purpose which at the time may be permitted by law. No termination, amendment of the Plan or amendment of this Agreement shall, without the Optionee's consent, materially adversely affect the Optionee's rights under this Agreement.

10. **Notices**. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

11. **Data Privacy Consent.** In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Participant (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Participant may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Participant shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

12. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Brisih Virgin Islands without regard to conflict of law principles.

13. **WAIVER OF JURY TRIAL**. EACH PARTY HERETO IRREVOCABLY AND KNOWINGLY WAIVES (TO THE FULLEST EXTENT PERMITTED BY LAW) ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING (INCLUDING, WITHOUT LIMITATION, ANY COUNTERCLAIM) ARISING OUT OF THIS AGREEMENT OR ANY OTHER AGREEMENTS OR TRANSACTIONS RELATED HERETO OR THERETO, INCLUDING, WITHOUT LIMITATION, ANY ACTION OR PROCEEDING (A) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH, OR (B) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS AGREEMENT. EACH PARTY HERETO AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT A JURY.

14. **Entire Agreement**. This Agreement and the Plan constitutes the full and entire understanding and agreement between the parties with regard the subject hereof and supersedes in their entirety all other or prior agreements between or among the Company and the Optionee regarding the subjects hereof.

15. **CONSENT TO JURISDICTION.**

a. EACH OF THE PARTIES HERETO HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE TERRITORY OF THE BRITISH VIRGIN ISLANDS, AS WELL AS TO THE JURISDICTION OF ALL COURTS TO WHICH AN APPEAL MAY BE TAKEN FROM SUCH COURTS, FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OF THE RELATED AGREEMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING, WITHOUT LIMITATION, ANY PROCEEDING RELATING TO ANCILLARY MEASURES IN AID OF ARBITRATION, PROVISIONAL REMEDIES AND INTERIM RELIEF, OR ANY PROCEEDING TO ENFORCE ANY ARBITRAL DECISION OR AWARD.

b. EACH PARTY HEREBY EXPRESSLY WAIVES ANY AND ALL RIGHTS TO BRING ANY SUIT, ACTION OR OTHER PROCEEDING IN OR BEFORE ANY COURT OR TRIBUNAL OTHER THAN THE COURTS OF THE TERRITORY OF THE BRITISH VIRGIN ISLANDS AND COVENANTS THAT IT SHALL NOT SEEK IN ANY MANNER TO RESOLVE ANY DISPUTE OTHER THAN AS SET FORTH IN THIS SECTION OR TO CHALLENGE OR SET ASIDE ANY DECISION, AWARD OR JUDGMENT OBTAINED IN ACCORDANCE WITH THE PROVISIONS HEREOF.

c. EACH OF THE PARTIES HERETO HEREBY EXPRESSLY WAIVES ANY AND ALL OBJECTIONS IT MAY HAVE TO VENUE, INCLUDING, WITHOUT LIMITATION, THE INCONVENIENCE OF SUCH FORUM, IN ANY OF SUCH COURTS. IN ADDITION, EACH OF THE PARTIES CONSENTS TO THE SERVICE OF PROCESS BY PERSONAL SERVICE OR ANY MANNER IN WHICH NOTICES MAY BE DELIVERED HEREUNDER.

16. **Counterparts**. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

[Signature Page Follows]

The undersigned executed this Agreement as of the date set forth above.

OPTIONEE

_____

Print Name: _____

Address: _____

_____

E-Mail: _____

PORTAGE BIOTECH INC.

By: _____

Print Name: _____

Title: _____

[Signature Page to Stock Option Agreement]

Exhibit A

NOTICE OF SHARE OPTION EXERCISE

[DATE]

[ ]
[INSERT ADDRESS]
Attention: Treasurer Dear Sir or Madam

Pursuant to the terms of the share option agreement between myself and Portage Biotech Inc. (the "***Company***") dated (the "***Agreement***"), under the Company's 2021 Equity Incentive Plan, I, [Insert Name], hereby [Circle One] partially/fully exercise such Option by including herein payment in the amount of $ representing the purchase price for [Fill in number of Underlying Shares] Shares. I have chosen the following form(s) of payment:

[ ] 1. Cash

[ ] 2. Certified or bank check payable to [ ]

[ ] 3. Other (as described in the Plan (please describe))

_____.

In connection with my exercise of the Option as set forth above, I hereby represent and warrant to the Company as follows:

(i) I am purchasing the Shares for my own account for investment only, and not with a view to, or for sale in connection with, any distribution of the Shares in violation of the Securities Act, or any rule or regulation under the Securities Act.

(ii) I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.

(iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(iv) I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Option Shares for an indefinite period of time.

(v) I understand that the Shares have not be registered under the Securities Act (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirements thereof). I further acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing.

(vi) I understand and agree that the Shares when issued will continue to be subject to the Plan.

Sincerely yours,

_____

Name Address:

_____

PORTAGE BIOTECH INC.
2021 EQUITY INCENTIVE PLAN

Share Option Agreement

This Share Option Agreement (this "***Agreement***"), dated as of the Grant Date, is between Portage Biotech Inc., a corporation formed under the laws of the Territory of the British Virgin Islands (the "***Company***"), and _____ (the "***Optionee***").

The Company hereby grants to the Optionee the following option (the "***Option***") to purchase Common Shares of the Company in accordance with the terms and conditions of this Agreement and the Portage Biotech Inc. 2021 Equity Incentive Plan (the "***Plan***"):

Total Number of Shares Subject to this Option:	_____
Type of Option (ISO or an NQO):	NQO
Exercise Price per Share:	$2.92
Grant Date:	March 30, 2023
	Vests in full, after 1 year of service
Vesting Schedule:	
Vesting Commencement Date:	March 30, 2023
Number of Vested Shares on Grant Date:	0
Vesting Period:	1 year
Number of Shares Vesting at end of each Vesting Period:	_____
Expiration Date:	March 30, 2033

1. **Plan**. This Agreement, which constitutes an Award Agreement under the Plan, is granted pursuant to and is governed by the Plan, the terms and conditions of which are incorporated into this Agreement by reference. To the extent there is any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan shall control. Unless the context otherwise requires, capitalized terms used herein without definitions shall have the respective meanings assigned to them in the Plan. By signing this Agreement, the Optionee acknowledges receipt of a copy of the Plan.

2. **Grant of Option**. On the terms and conditions set forth in this Agreement, the Company grants to the Optionee on the Grant Date this Option to purchase, at the Exercise Price Per Share set forth above, the Total Number of Shares Subject to this Option, as set forth above.

3. **Exercisability Schedule**. The Optionee may exercise this Option for such number of Shares as have become exercisable pursuant to the Vesting Schedule set forth above; provided that upon each vesting date the Optionee is employed with the Company or is otherwise providing services to the Company.

4. **Exercise of Option**. Prior to the Expiration Date (or such earlier date as set forth in Section 5 below), the Optionee may exercise this Option by delivering a Notice of Share Option Exercise in the form attached hereto as **Exhibit A** (the "***Notice***"), signed by the Optionee, and received by the Company at its principal office, accompanied by this Agreement and payment in full in the manner provided in the Plan. The Optionee may purchase less than the number of Shares covered hereby, provided that no partial exercise of this Option may be for any fractional Share or for fewer than ten (10) whole Shares. The Optionee (or any other person entitled to exercise this Option) shall not be entitled to any rights as a Shareholder of the Company with respect to any Shares issuable upon exercise of this Option until such Shares shall have been registered on the register of members of the Company in the name of the Optionee (or such other person).

5. **Exercise of Option After Termination of Employment**.

a. Termination of service. Except as otherwise determined by the Board, or as may otherwise be expressly provided in any employment agreement between the Company and the Optionee, upon the termination of the service of the Optionee to the Company (or to an Affiliate of the Company), this Option shall expire on the earliest of the following occasions:

i. the date that is **three (3) months** after the voluntary termination of the Optionee's service;

ii. the date that is **two (2)** years after the termination of the Optionee's service by the Company (or by an Affiliate of the Company) other than for cause;

iii. the date of the termination of the Optionee's service by the Company (or by an Affiliate of the Company) for Cause;

iv. the date one (1) year after the termination of the Optionee's service by reason of Disability;

v. the date one (1) year after the termination of the Optionee's service by reason of the Optionee's death; or

vi. the specified Expiration Date of the Option, as set forth above.

vii. Any portion of this Option that is not exercisable on the date of termination of the Optionee's service with the Company, for any reason, shall terminate immediately and automatically be null and void and of no further force and effect.

6. **Restrictions on Transfer**. The Optionee shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise except by will or the laws of descent and distribution, and during the lifetime of the Optionee, this Option shall be exercisable only by the Optionee.

7. **Withholding**. No Shares shall be issued pursuant to the exercise of this Option unless and until the Optionee pays to the Company or makes provision satisfactory to the Company for payment of any federal, state or local withholding taxes required by law to be withheld in respect of this Option.

8. **Section 409A of the Code**. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the RSU Award and Dividend Equivalent Rights granted hereunder are in compliance with or are exempt from the requirements of Section 409A of the Code.

9. **Amendment**. The Board may at any time or times amend the Plan or this Agreement for the purpose of satisfying the requirements of any changes in applicable laws or regulations or for any other purpose which at the time may be permitted by law. No termination, amendment of the Plan or amendment of this Agreement shall, without the Optionee's consent, materially adversely affect the Optionee's rights under this Agreement.

10. **Notices**. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

11. **Data Privacy Consent.** In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Participant (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Participant may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Participant shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

12. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Brisih Virgin Islands without regard to conflict of law principles.

13. **WAIVER OF JURY TRIAL**. EACH PARTY HERETO IRREVOCABLY AND KNOWINGLY WAIVES (TO THE FULLEST EXTENT PERMITTED BY LAW) ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING (INCLUDING, WITHOUT LIMITATION, ANY COUNTERCLAIM) ARISING OUT OF THIS AGREEMENT OR ANY OTHER AGREEMENTS OR TRANSACTIONS RELATED HERETO OR THERETO, INCLUDING, WITHOUT LIMITATION, ANY ACTION OR PROCEEDING (A) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH, OR (B) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS AGREEMENT. EACH PARTY HERETO AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT A JURY.

14. **Entire Agreement**. This Agreement and the Plan constitutes the full and entire understanding and agreement between the parties with regard the subject hereof and supersedes in their entirety all other or prior agreements between or among the Company and the Optionee regarding the subjects hereof.

15. **CONSENT TO JURISDICTION.**

a. EACH OF THE PARTIES HERETO HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE TERRITORY OF THE BRITISH VIRGIN ISLANDS, AS WELL AS TO THE JURISDICTION OF ALL COURTS TO WHICH AN APPEAL MAY BE TAKEN FROM SUCH COURTS, FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OF THE RELATED AGREEMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING, WITHOUT LIMITATION, ANY PROCEEDING RELATING TO ANCILLARY MEASURES IN AID OF ARBITRATION, PROVISIONAL REMEDIES AND INTERIM RELIEF, OR ANY PROCEEDING TO ENFORCE ANY ARBITRAL DECISION OR AWARD.

b. EACH PARTY HEREBY EXPRESSLY WAIVES ANY AND ALL RIGHTS TO BRING ANY SUIT, ACTION OR OTHER PROCEEDING IN OR BEFORE ANY COURT OR TRIBUNAL OTHER THAN THE COURTS OF THE TERRITORY OF THE BRITISH VIRGIN ISLANDS AND COVENANTS THAT IT SHALL NOT SEEK IN ANY MANNER TO RESOLVE ANY DISPUTE OTHER THAN AS SET FORTH IN THIS SECTION OR TO CHALLENGE OR SET ASIDE ANY DECISION, AWARD OR JUDGMENT OBTAINED IN ACCORDANCE WITH THE PROVISIONS HEREOF.

c. EACH OF THE PARTIES HERETO HEREBY EXPRESSLY WAIVES ANY AND ALL OBJECTIONS IT MAY HAVE TO VENUE, INCLUDING, WITHOUT LIMITATION, THE INCONVENIENCE OF SUCH FORUM, IN ANY OF SUCH COURTS. IN ADDITION, EACH OF THE PARTIES CONSENTS TO THE SERVICE OF PROCESS BY PERSONAL SERVICE OR ANY MANNER IN WHICH NOTICES MAY BE DELIVERED HEREUNDER.

16. **Counterparts**. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

[Signature Page Follows]

The undersigned executed this Agreement as of the date set forth above.

OPTIONEE

_____

Print Name: _____

Address: _____

_____

E-Mail: _____

PORTAGE BIOTECH INC.

By: _____

Print Name: _____

Title: _____

[Signature Page to Stock Option Agreement]

Exhibit A

NOTICE OF SHARE OPTION EXERCISE

[DATE]

[ ]
[INSERT ADDRESS]
Attention: Treasurer Dear Sir or Madam

Pursuant to the terms of the share option agreement between myself and Portage Biotech Inc. (the "***Company***") dated (the "***Agreement***"), under the Company's 2021 Equity Incentive Plan, I, [Insert Name] , hereby [Circle One] partially/fully exercise such Option by including herein payment in the amount of $ representing the purchase price for [Fill in number of Underlying Shares] Shares. I have chosen the following form(s) of payment:

[ ] 1. Cash

[ ] 2. Certified or bank check payable to [ ]

[ ] 3. Other (as described in the Plan (please describe))

_____.

In connection with my exercise of the Option as set forth above, I hereby represent and warrant to the Company as follows:

(i) I am purchasing the Shares for my own account for investment only, and not with a view to, or for sale in connection with, any distribution of the Shares in violation of the Securities Act, or any rule or regulation under the Securities Act.

(ii) I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.

(iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(iv) I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Option Shares for an indefinite period of time.

(v) I understand that the Shares have not be registered under the Securities Act (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirements thereof). I further acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing.

(vi) I understand and agree that the Shares when issued will continue to be subject to the Plan.

Sincerely yours,

_____

Name Address:

_____

PORTAGE BIOTECH INC.
2021 EQUITY INCENTIVE PLAN

Share Option Agreement

This Share Option Agreement (this "***Agreement***"), dated as of the Grant Date, is between Portage Biotech Inc., a corporation formed under the laws of the Territory of the British Virgin Islands (the "***Company***"), and _____ (the "***Optionee***").

The Company hereby grants to the Optionee the following option (the "***Option***") to purchase Common Shares of the Company in accordance with the terms and conditions of this Agreement and the Portage Biotech Inc. 2021 Equity Incentive Plan (the "***Plan***"):

Total Number of Shares Subject to this Option:	_____
Type of Option (ISO or an NQO):	NQO
Exercise Price per Share:	$2.92
Grant Date:	March 30, 2023
Vesting Schedule:	Fully vested
Vesting Commencement Date:	March 30, 2023
Number of Vested Shares on Grant Date:	_____
Vesting Period:	0
Expiration Date:	March 30, 2033

1. **Plan**. This Agreement, which constitutes an Award Agreement under the Plan, is granted pursuant to and is governed by the Plan, the terms and conditions of which are incorporated into this Agreement by reference. To the extent there is any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan shall control. Unless the context otherwise requires, capitalized terms used herein without definitions shall have the respective meanings assigned to them in the Plan. By signing this Agreement, the Optionee acknowledges receipt of a copy of the Plan.

2. **Grant of Option**. On the terms and conditions set forth in this Agreement, the Company grants to the Optionee on the Grant Date this Option to purchase, at the Exercise Price Per Share set forth above, the Total Number of Shares Subject to this Option, as set forth above.

3. **Exercisability Schedule**. The Optionee may exercise this Option for such number of Shares as have become exercisable pursuant to the Vesting Schedule set forth above; provided that upon each vesting date the Optionee is employed with the Company or is otherwise providing services to the Company.

4. **Exercise of Option**. Prior to the Expiration Date (or such earlier date as set forth in Section 5 below), the Optionee may exercise this Option by delivering a Notice of Share Option Exercise in the form attached hereto as **Exhibit A** (the "***Notice***"), signed by the Optionee, and received by the Company at its principal office, accompanied by this Agreement and payment in full in the manner provided in the Plan. The Optionee may purchase less than the number of Shares covered hereby, provided that no partial exercise of this Option may be for any fractional Share or for fewer than ten (10) whole Shares. The Optionee (or any other person entitled to exercise this Option) shall not be entitled to any rights as a Shareholder of the Company with respect to any Shares issuable upon exercise of this Option until such Shares shall have been registered on the register of members of the Company in the name of the Optionee (or such other person).

5. **Exercise of Option After Termination of Employment**.

a. Termination of service. Except as otherwise determined by the Board, or as may otherwise be expressly provided in any employment agreement between the Company and the Optionee, upon the termination of the service of the Optionee to the Company (or to an Affiliate of the Company), this Option shall expire on the earliest of the following occasions:

i. the date that is **three (3) months** after the voluntary termination of the Optionee's service;

ii. the date that is **two (2)** years after the termination of the Optionee's service by the Company (or by an Affiliate of the Company) other than for cause;

iii. the date of the termination of the Optionee's service by the Company (or by an Affiliate of the Company) for Cause;

iv. the date one (1) year after the termination of the Optionee's service by reason of Disability;

v. the date one (1) year after the termination of the Optionee's service by reason of the Optionee's death; or

vi. the specified Expiration Date of the Option, as set forth above.

vii. Any portion of this Option that is not exercisable on the date of termination of the Optionee's service with the Company, for any reason, shall terminate immediately and automatically be null and void and of no further force and effect.

6. **Restrictions on Transfer**. The Optionee shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise except by will or the laws of descent and distribution, and during the lifetime of the Optionee, this Option shall be exercisable only by the Optionee.

7. **Withholding**. No Shares shall be issued pursuant to the exercise of this Option unless and until the Optionee pays to the Company or makes provision satisfactory to the Company for payment of any federal, state or local withholding taxes required by law to be withheld in respect of this Option.

8. **Section 409A of the Code**. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the RSU Award and Dividend Equivalent Rights granted hereunder are in compliance with or are exempt from the requirements of Section 409A of the Code.

9. **Amendment**. The Board may at any time or times amend the Plan or this Agreement for the purpose of satisfying the requirements of any changes in applicable laws or regulations or for any other purpose which at the time may be permitted by law. No termination, amendment of the Plan or amendment of this Agreement shall, without the Optionee's consent, materially adversely affect the Optionee's rights under this Agreement.

10. **Notices**. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

11. **Data Privacy Consent.** In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Participant (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Participant may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Participant shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

12. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Brisih Virgin Islands without regard to conflict of law principles.

13. **WAIVER OF JURY TRIAL**. EACH PARTY HERETO IRREVOCABLY AND KNOWINGLY WAIVES (TO THE FULLEST EXTENT PERMITTED BY LAW) ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING (INCLUDING, WITHOUT LIMITATION, ANY COUNTERCLAIM) ARISING OUT OF THIS AGREEMENT OR ANY OTHER AGREEMENTS OR TRANSACTIONS RELATED HERETO OR THERETO, INCLUDING, WITHOUT LIMITATION, ANY ACTION OR PROCEEDING (A) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH, OR (B) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS AGREEMENT. EACH PARTY HERETO AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT A JURY.

14. **Entire Agreement**. This Agreement and the Plan constitutes the full and entire understanding and agreement between the parties with regard the subject hereof and supersedes in their entirety all other or prior agreements between or among the Company and the Optionee regarding the subjects hereof.

15. **CONSENT TO JURISDICTION.**

a. EACH OF THE PARTIES HERETO HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE TERRITORY OF THE BRITISH VIRGIN ISLANDS, AS WELL AS TO THE JURISDICTION OF ALL COURTS TO WHICH AN APPEAL MAY BE TAKEN FROM SUCH COURTS, FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OF THE RELATED AGREEMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING, WITHOUT LIMITATION, ANY PROCEEDING RELATING TO ANCILLARY MEASURES IN AID OF ARBITRATION, PROVISIONAL REMEDIES AND INTERIM RELIEF, OR ANY PROCEEDING TO ENFORCE ANY ARBITRAL DECISION OR AWARD.

b. EACH PARTY HEREBY EXPRESSLY WAIVES ANY AND ALL RIGHTS TO BRING ANY SUIT, ACTION OR OTHER PROCEEDING IN OR BEFORE ANY COURT OR TRIBUNAL OTHER THAN THE COURTS OF THE TERRITORY OF THE BRITISH VIRGIN ISLANDS AND COVENANTS THAT IT SHALL NOT SEEK IN ANY MANNER TO RESOLVE ANY DISPUTE OTHER THAN AS SET FORTH IN THIS SECTION OR TO CHALLENGE OR SET ASIDE ANY DECISION, AWARD OR JUDGMENT OBTAINED IN ACCORDANCE WITH THE PROVISIONS HEREOF.

c. EACH OF THE PARTIES HERETO HEREBY EXPRESSLY WAIVES ANY AND ALL OBJECTIONS IT MAY HAVE TO VENUE, INCLUDING, WITHOUT LIMITATION, THE INCONVENIENCE OF SUCH FORUM, IN ANY OF SUCH COURTS. IN ADDITION, EACH OF THE PARTIES CONSENTS TO THE SERVICE OF PROCESS BY PERSONAL SERVICE OR ANY MANNER IN WHICH NOTICES MAY BE DELIVERED HEREUNDER.

16. **Counterparts**. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

[Signature Page Follows]

The undersigned executed this Agreement as of the date set forth above.

OPTIONEE

_____

Print Name: _____

Address: _____

_____

E-Mail: _____

PORTAGE BIOTECH INC.

By: _____

Print Name: _____

Title: _____

[Signature Page to Stock Option Agreement]

Exhibit A

NOTICE OF SHARE OPTION EXERCISE

[DATE]

[ ]
[INSERT ADDRESS]
Attention: Treasurer Dear Sir or Madam

Pursuant to the terms of the share option agreement between myself and Portage Biotech Inc. (the "***Company***") dated (the "***Agreement***"), under the Company's 2021 Equity Incentive Plan, I, [Insert Name], hereby [Circle One] partially/fully exercise such Option by including herein payment in the amount of $ representing the purchase price for [Fill in number of Underlying Shares] Shares. I have chosen the following form(s) of payment:

[ ] 1. Cash

[ ] 2. Certified or bank check payable to [ ]

[ ] 3. Other (as described in the Plan (please describe))

_____.

In connection with my exercise of the Option as set forth above, I hereby represent and warrant to the Company as follows:

(i) I am purchasing the Shares for my own account for investment only, and not with a view to, or for sale in connection with, any distribution of the Shares in violation of the Securities Act, or any rule or regulation under the Securities Act.

(ii) I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.

(iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(iv) I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Option Shares for an indefinite period of time.

(v) I understand that the Shares have not be registered under the Securities Act (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirements thereof). I further acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing.

(vi) I understand and agree that the Shares when issued will continue to be subject to the Plan.

Sincerely yours,

_____

Name Address:

_____

OFFICE LEASE

by and between

WALP 57-61, LLC (Landlord)

and

Portage Development Services, Inc. (Tenant)

Dated: March 31, 2023

TABLE OF CONTENTS

Exhibits:

OFFICE LEASE

Dated: March 31, 2023

Reference Data

LANDLORD:	**WALP 57-61, LLC**
LANDLORD'S ADDRESS:	c/o David Adam Realty, Inc. 57 Wilton Road Westport, Connecticut 06880
TENANT:	Portage Development Services, Inc.
TENANT'S ADDRESS:	61 Wilton Road Westport, Connecticut 06880
BUILDING:	61Wilton Road Westport, Connecticut 06880
PREMISES:	Approximately 1,644 rentable square feet of area, comprised portion of 3rd floor penthouse of the building, as depicted in Exhibit A.
PARKING SPACES:	Four (4) parking spaces on a non-exclusive, at-will basis in common with other tenants, and exclusive use of an additional one (1) covered reserved parking space
COMMENCEMENT DATE:	The date that this Lease has been fully executed and delivered.
RENT COMMENCEMENT DATE:	May 1st, 2023
ORIGINAL TERM:	Two (2) years from the last day of the calendar month in which the Rent Commencement Date occurs.
OPTION TO RENEW:	One (3) year term ("Option Term"), upon nine (9) month's prior written notice.
ANNUAL BASE RENT:	Commencing on the Rent Commencement Date, Annual Base Rent shall be as follows:

Base Rent	Per Annum	Per Month	$/SF/Yr
Lease Year 1	$78,912.00	$6,576.00	$48.00
Lease Year 2	$80,556.00	$6,713.00	$49.00
Option Term			
Lease Year 3	$82,220.00	$6,851.67	$50.00
Lease Year 4	$83,844.00	$6,987.00	$51.00
Lease Year 5	$85,488.00	$7,124.00	$52.00

SECURITY DEPOSIT: $13,152.00 Security Deposit, to be funded upon execution of the Lease, together with first month's Base Rent of $6,576.00, for a total of $19,728.00 at Lease execution.

BROKERS: David Adam Realty, Inc.

The foregoing data is to be used for reference purposes only and not as a summary or interpretation of any of the terms and conditions of the Lease.

OFFICE LEASE

THIS LEASE (this "Lease") made as of the 31st day of March 2023, by and between **WALP 57-61, LLC** with a principal place of business c/o David Adam Realty, Inc., 57 Wilton Road, Westport, Connecticut 06880 ("Landlord"), and **Portage Development Services, Inc.**, with a place of business located at 61 Wilton Road, Westport, CT 06880 ("Tenant").

WITNESSETH:

1. **PREMISES.** As of the date hereof, Landlord hereby leases to Tenant approximately 1,644 rentable square feet of space as depicted in Exhibit A (the "Premises" or "Demised Premises") located on the third floor penthouse of the Building (the "Building") located on the land known as 57-61 Wilton Road, Westport, Connecticut 06880 (the "Land").

2. **ORIGINAL TERM.** The term of this Lease shall commence on the date hereof (the "Commencement Date"). The original term of this Lease (the "Original Term") shall end unless sooner terminated, at 11:59 PM 24 months after the commencement date (the "Termination Date"), yielding and paying the Base Rent and Additional Rent hereinafter set forth, all on the covenants, conditions and agreements hereinbefore and hereinafter stated. The "Rent Commencement Date" shall be May 1, 2023.

The term "Lease Year" shall mean, in the case of the first lease Year, the twelve (12) full calendar months plus the partial month, if any, following the Rent Commencement Date. Thereafter, "Lease Year" shall mean each consecutive twelve (12) calendar month period following the expiration of the first Lease Year throughout the Original Term and any renewal or extension thereof.

3. **RENEWAL TERM.**

(a) Provided that this Lease shall be in full force and effect and Tenant shall not be in default at the time beyond applicable notice and cure periods and shall be in occupancy of the entire Premises, then, subject to the provisions of this Lease, Tenant shall have and hereby is given the option to extend this Lease beyond the Original Term (i) for an additional term ("Option Term") of three (3) years to commence on the day next following the initial Termination Date and terminate (the "Option Termination Date") on the three year anniversary of the Initial Termination Date. Election of the Option Term shall be at the sole discretion of Tenant. Each Option Term shall be upon the same terms, covenants, and conditions as those herein contained insofar as then in force and applicable to such Option Term; except that (i) the Base Rent during such Option Term shall be as provided in Section 4 and (ii) Tenant shall have no further right to extend the term of this Lease beyond the Option Term. Option Term shall be exercised by Tenant (if at all) in the manner following: Not later than nine (9) months prior to the expiration of the Original Term, as to which time shall be of the essence, Tenant shall give written notice to Landlord of Tenant's exercise of its said option to so extend the Original Term hereof.

(c) Any termination, cancellation or surrender of this Lease shall terminate any right of Tenant to extend the term of this Lease as provided in Section 3(a) above. Neither the option granted to Tenant in this Lease to extend the term of this Lease nor the exercise of either such option by Tenant shall prevent Landlord from exercising any right granted or reserved to Landlord in this Lease or that Landlord may otherwise have to terminate this Lease. The option granted to Tenant herein may not be assigned by Tenant to any assignee of Tenant's rights under this Lease, or to any subtenant, as either may be permitted hereunder, other than a Permitted Transferee.

4. **RENT.**

(a) Base Rent. Annual Base Rent during the Original Term shall be payable at the annual rate as follows:

Base Rent	**Per Annum**	**Per Month**	**$/SF/Yr**
Lease Year 1	$78,912.00	$6,576.00	$48.00
Lease Year 2	$80,556.00	$6,713.00	$49.00

(b) If Tenant exercises its renewal option pursuant to Section 3(a) above, Annual Base Rent during the renewal term shall be payable as follows:

Option Term			
Lease Year 3	$82,220.00	$6,851.67	$50.00
Lease Year 4	$83,844.00	$6,987.00	$51.00
Lease Year 5	$85,488.00	$7,124.00	$52.00

(c) Tenant covenants and agrees to pay to Landlord all Monthly Base Rent and Additional Rent c/o David Adam Realty, Inc., 57 Wilton Road, Westport, Connecticut 06880, or at such other place as Landlord may designate in writing. Base Rent and Additional Rent are sometimes hereinafter collectively referred to as "Rent". Regularly recurring Rent shall be payable without notice or demand, and, except as otherwise expressly provided herein, without abatement, deduction or setoff. Rent for any portion of a month shall be pro-rated to the extent applicable. All Monthly Base Rent and Additional Rent that is billed to Tenant shall be payable in monthly installments on the first day of each month in advance.

(d) Additional Rent. All amounts (other than Base Rent) payable to Landlord by Tenant under this Lease shall be deemed Additional Rent, and Landlord shall have the same rights and remedies by reason of non-payment of such Additional Rent as if Tenant had failed to pay an installment of annual rent. "Additional Rent" shall be defined as Tenant's pro-rata share of any increase over a 2017 Base Year for all operating expenses ("CAM") and Real Estate Taxes ("Real Estate Taxes") for the Building and Land. No increase in Tenant's pro-rata share of CAM or Real Estate Tax increases will be due from Tenant in 2017, and Tenant will only be charged for Tenant's

pro-rata share of the increase, if any, in CAM and Real Estate Taxes over the 2017 Base Year, starting in 2018 and thereafter through the remainder of the Original Term or Option Term, if applicable. For controllable expenses, defined as all operating expenses that are not Non-Controllable Expenses as defined below, Tenant's pro-rata share of the increase in CAM shall be capped at 5.0% annually on a cumulative basis for the increase in Tenant's pro-rata share of controllable expenses after 2018. No cap for pro-rata share increases for real estate taxes, insurance, common area utilities, and snow removal ('Non-Controllable Expenses"). Landlord shall provide Tenant with a statement detailing Tenant's pro-rata share of the annual increase of CAM over the 2017 Base Year and Real Estate Tax increases together with the invoice therefor. For purposes of this Lease, (i) Tenant's pro-rata share of the Building shall mean 14.73% (based on the Building's square footage of 11,161 rentable square feet), and (ii) CAM shall not include any operating expenses for the Building other than: Cleaning, trash removal, plumbing repair and maintenance; elevator repair and maintenance, snow removal, exterminator, HVAC repair and maintenance, general building repair and maintenance, electrical repair and maintenance; landscaping, security and fire protection and property insurance.

5. **CONSTRUCTION WORK.**

a) Landlord will paint front wall (once signage is removed by prior tenant)
b) Install kitchen on back wall of current kitchen (sink, counter top, microwave, under counter fridge, under counter cabinets
c) re-key doors into Tenant's premises
d) install a new door separating Tenant's space from remaining third floor space (upon leasing of additional premises)
d) install directory signage in lobby. And outside the building. Signage provided by Tenant and installed by Landlord
e) restore all roller shades to full working condition

6. **USE.**

(a) The Premises shall be used for general office use only and for no other purpose whatsoever (the "Permitted Use").

(b) Tenant shall not at any time use or occupy, or suffer or permit anyone to use or occupy, the Premises, or do or permit anything to be done in the Premises, in any manner (i) which violates the Certificate of Occupancy for the Premises or for the Building; (ii) which violates the Regulations defined in Section 48 below; (iii) which causes or is liable to cause injury to the Building or any Building equipment, facilities or systems therein; (iv) which constitutes a violation of the laws and requirements of any public authorities or the requirements of insurance bodies; (v) which in the reasonable judgment of Landlord impairs or tends to impair the character, reputation or appearance of the Building as a first-class office building; or (vi) which in the reasonable judgment of Landlord impairs or tends to impair the proper and economic maintenance, operation and repair of the Building and/or its equipment, facilities or systems.

(c) Commencing on the Delivery Date and during the term of this Lease, Landlord shall include Tenant name in Building lobby directory or other lobby signage installed by Landlord.

7. **SERVICES.** Landlord at its expense shall cause the common areas of the Building to be kept clean. The Premises shall be kept in good order by Tenant. Tenant shall utilize and pay for a cleaning service for the Premises designated by Landlord or Tenant may hire its own cleaning service for the Premises. Landlord shall at all times maintain the common areas of the Building and Land in a manner consistent with similar office buildings in Westport, Connecticut.

8. **UTILITIES.** (a) Landlord shall supply tempered water, electricity and gas to the Premises. Tenant will pay for all electrical, water and gas usage at the Premises directly to the applicable utility company, or if Tenant's usage is not separately metered, Tenant will pay an allocated portion of utility costs for the building based on Tenant's rentable square footage of the building. No cap on utilities if Premises is separately metered. Tenant hereby agrees that its use of water, electricity and gas shall not exceed or place a load in excess of the capability of existing leaders, pipes or wiring in or to the Building or Premises and Tenant may not use any equipment which, in Landlord's reasonable discretion, will overload said services. Landlord represents that the use of the Premises for the Permitted Use in the ordinary course will not overload said services.

9. **INTERRUPTION OF SERVICES AND UTILITIES.** Landlord shall not be liable for the interruption, curtailment, stoppage or suspension of services and utilities to the Building pursuant to Sections 7 and 8 above when necessary by reason of accident or emergency or suspension of utility services to the Building or when necessary for repairs, alterations, replacements or improvements necessary in the reasonable judgment of Landlord or for any cause beyond the control of Landlord. In the event of any such interruption, curtailment, stoppage or suspension, there shall be no diminution or abatement of rent, additional rent or other charges due from Tenant to Landlord hereunder, Tenant's obligations hereunder shall not be affected or reduced, and Landlord shall have no responsibility or liability for any such interruption, curtailment, stoppage or suspension; provided, however, Landlord shall exercise reasonable diligence to restore any services or utilities so interrupted, curtailed, stopped or suspended and notwithstanding any of the foregoing, in the event any services or utilities are interrupted, curtailed, stopped or suspended for longer that seven (7) consecutive business days, the Base Rent payable hereunder shall be abated commencing on the eighth (8^{th}) business day until such time that the service or utility is restored, except if the utility interruption is affecting other Buildings in the market and is outside control of Landlord.

10. **HVAC SERVICES**. Landlord shall install and maintain the HVAC to the Premises which shall include separate thermostat control for heat and air conditioning, and keep in good working order for comfortable occupancy of the Premises at all times of year, consistent with the standards of a first class building in Westport, Connecticut. All utility costs to operate the HVAC system in the Premises shall be subject to the utilities cost provisions in Section 8 of the Lease, and common area utilities shall be included in CAM.

11. **REPAIRS.**

(a) Tenant shall take good care of the Premises and the fixtures and appurtenances therein including, without limitation the doors and entrances, floor coverings, interior walls, columns and partitions; together with all systems and equipment exclusively serving the Premises

including without limitation, the lighting, plumbing and sewage facilities, sprinkler system and sprinkler heads and any utility facilities from the point of entry into the Premises and at its sole cost and expense make all repairs thereto as and when needed to preserve them in good working order and condition. All damage or injury to the Premises and to its fixtures, glass, appurtenances and equipment or to any other portion of the Land or Building, caused by Tenant moving property in or out of the Building or by installation or removal of furniture, fixtures or other property, or resulting from fire, explosion, short circuits, flow or leakage of water, sewerage or odors or by frost or by bursting or leaking of pipes or plumbing works or gas, or from any other cause or any other kind of nature, whatsoever, which is due to the negligence or willful misconduct of Tenant, its servants, employees, agents, visitors or licensees shall be repaired, restored or replaced promptly by Tenant at its sole cost and expense to the reasonable satisfaction of Landlord. All aforesaid repairs, restorations and replacements shall be in quality and class equal to the original installations and shall be done in a good and workmanlike manner.

(b) Landlord shall, subject to Section 4(a), make all repairs and replacements, the need for which Landlord shall have knowledge, structural and otherwise, necessary in order to keep in good order and repair the roof, the foundation, structural portions of the Building, exterior and the public portions of the Building, including the public halls and stairways, plumbing, wiring and other Building equipment for the general supply of water, heat, air conditioning, gas and electricity and HVAC equipment servicing the Premises, and all other base building systems and related equipment, including elevators. Tenant agrees to notify Landlord of the necessity for any repairs of which Tenant may have knowledge and for which Landlord may be responsible under the provisions of the preceding sentence.

(c) Tenant shall not place a load upon any floor of the Premises which exceeds the load per square foot which such floor was designed to carry and which is allowed by law.

12. **YIELD UP AND FIXTURES.** Tenant shall at the termination of this Lease peaceably yield up the Premises and Tenant's improvements and permitted Alterations (as defined below) in good order, repair and condition, fire or casualty and reasonable use and wear excepted, provided that if required by Landlord, any Alterations made by Tenant other than the Tenant's Initial Work, shall be removed by Tenant prior to the termination of this Lease so long as Landlord notifies Tenant of its obligation to remove same at the time Landlord consents to the construction or installation of same. Upon such removal by Tenant, Tenant shall cause the Premises to be restored to their condition prior to the Alteration. Tenant shall before the termination of this Lease remove all furniture, fixtures, and personal property of Tenant from the Premises and Tenant shall repair any damage to the Premises or the common areas caused by such removal including the filling in of all holes, and the patching or replacement of all floor areas or ceilings damaged by such removal. Any property, furniture or fixtures not so removed shall be deemed abandoned and may be recovered and disposed of by Landlord in such manner as Landlord shall determine and Tenant shall pay Landlord the entire cost and expense incurred in effecting such removal and disposition and in making incidental repairs and replacements to the Premises. Tenant shall further indemnify Landlord against all loss, cost and damage resulting from Tenant's failure and delay in surrendering the Premises as provided above.

13. **CHANGES AND ALTERATIONS.**

(a) Except as specifically set forth in subparagraph 13(b) below, Tenant shall not make any changes or alterations ("Alterations") in or to the Premises other than cosmetic (e.g. paint and carpeting), without Landlord's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Landlord agrees that Tenant may make certain renovations to the Premises as more fully described in Section 5, and Landlord will complete such work for Tenant. Neither Landlord nor Landlord's agents have made any representations or promises with respect to the condition of the Building or the Premises on the Commencement Date, except as expressly set forth herein.

14. **INDEMNITY AND INSURANCE.** (a) Tenant shall indemnify, defend and hold harmless Landlord, its agents and employees from and against any and all liability (statutory or otherwise), claims, suits, demands, judgments, costs, interest and expense (including, but not limited to, reasonable attorneys' fees and disbursements) arising from any injury to, or death of, any person or persons or damage to property (including loss of use thereof) unless fault is due to Landlord's or Landlord's agents, employees or contractors negligence or willful misconduct, arising out of (i) Tenant's use of the Premises or conduct of business therein, (ii) any work or thing whatsoever done, or any condition created (other than by Landlord, its employees, agents or contractors) by or on behalf of Tenant in or about the Premises, including during the period of time, if any, prior to the Rent Commencement Date, that Tenant may have been given access to the Premises for the purpose of doing any work or making any installations, (iii) any condition of the Premises due to or resulting from any default by Tenant in the performance of Tenant's obligations under this Lease, or (d) any negligence or willful misconduct of Tenant or its agents, contractors, employees, subtenants, licensees or invitees. In case any action or proceeding is brought against Landlord by reason of any one or more thereof, Tenant shall pay all costs, reasonable attorneys' fees, expenses and liabilities resulting therefrom and shall resist such action or proceeding if Landlord shall so request, at Tenant's expense, by counsel reasonably satisfactory to Landlord. Landlord agrees to and shall indemnify, defend and hold Tenant harmless from and against any and all claims, demands, losses, damages, costs and expenses (including attorneys' fees and expenses) or death of or injury to any person or damage to any property whatsoever arising out of Landlord's negligence or willful misconduct, or relating to Landlord's breach or default under this Lease.

(b) Tenant shall not do or permit to be done any act or thing in or upon the Demised Premises which will invalidate or be in conflict with any zoning permit or Certificate of Occupancy issued with respect to the Building, or the terms of any fire, extended coverage, boiler and machinery, sprinkler leakage, water damage, including all risk and broad form flood insurance policies covering the Building and the fixtures and property therein; and Tenant shall, at its own expense, comply with all rules, orders, regulations or requirements of any Board of Fire Underwriters or any other similar body having jurisdiction of the Building with respect to Tenant's particular manner of use of the Premises, and shall not knowingly do or permit anything to be done in or upon the Demised Premises in a manner which increases any insurance rates upon the Building or on any property or equipment located therein over the rate in effect at the Commencement Date. Landlord acknowledges that the Permitted Use does not violate any of the foregoing and shall have no impact on said insurance rates.

(c) Tenant, at its own expense, shall provide and keep in force with companies which are rated B+12 or better by A.M. Best Company and licensed in the State of Connecticut: (i) commercial general liability insurance insuring against liability for bodily injury and property damage, including contractual liability, in the amount of $1,000,000.00 maximum combined single limit per occurrence and fire legal liability limit of $1,000,000.00; (ii) excess or umbrella liability insurance with a minimum of $3,000,0000; and (iii) "Special Form" property insurance, including standard fire and extended coverage insurance in amounts necessary to provide replacement cost coverage for Tenant's property, leasehold improvements, trade fixtures, machinery, equipment, furniture, furnishings and any alterations in which Tenant has an insurable property interest, including, without limitation, vandalism and malicious mischief and sprinkler leakage coverage. Tenant may satisfy the requirements herein through use of an umbrella or blanket insurance policy, provided that the coverage required herein is not diminished as a result thereof.

(d) Notwithstanding any other provision of this Lease, in the event of loss or damage to the Building or the Demised Premises, and/or any contents, Landlord and Tenant agree to look first to any insurance in its favor before making any claim against the other party. Landlord and Tenant shall obtain, for each policy of such insurance, provisions permitting waiver of any claim against the other party for loss or damage within the scope of the insurance, and each party for itself and its insurers waives all such insured claims against the other parry. This clause shall be invalid should Tenant not provide such waiver in its insurance, or if such insurance shall not be in force for Tenant, at time of the loss. Tenant shall carry insurance to meet co-insurance requirements for Tenant's personal property, including improvements and betterments.

(e) All insurance policies carried by Landlord and Tenant hereunder shall contain a waiver of subrogation clause.

(f) Landlord (or its principals naming Landlord as an additional insured) shall maintain fire and extended coverage insurance on the Building and such endorsements as is reasonably consistent with other similarly situated buildings in an amount not less than the full replacement value thereof (which may be exclusive of foundations), or in such amounts as any mortgagee of Landlord shall require, with such deductibles as shall be reasonably determined by Landlord from time to time.

15. SUBLEASING AND ASSIGNMENT.

(a) Tenant covenants and agrees that neither this Lease nor the term and estate hereby granted, nor any interest herein or therein, will be assigned, mortgaged, pledged, encumbered or otherwise transferred, and that neither the Premises, nor any part thereof, will be encumbered in any manner by reason of any act or omission on the part of Tenant, or used or occupied, or permitted to be used or occupied, or used for desk or mailing privileges, by anyone other than Tenant, or for any use or purpose other than as stated in Section 6, without the prior written consent of Landlord, which consent shall not be unreasonably withheld conditioned or delayed, provided Tenant remains responsible for all financial and other terms under the Lease. Notwithstanding any of the foregoing to the contrary, Tenant shall have the right to sublease all or any portion of

the Premises without the prior consent of Landlord during the Original Term, and Option Term if Tenant executes Option and Tenant is in Occupancy for a portion of Option Term, provided Tenant remains responsible for all financial and other terms under this Lease and inform Landlord of any executed subleases.

(b) Notwithstanding anything contained herein to the contrary, provided that the conditions set forth herein are complied with to the sole satisfaction of Landlord, Tenant may assign this Lease upon at least thirty (30) days prior written notice to Landlord, to: (i) an affiliate of Tenant or any entity owned controlled or affiliated with and including Lewis Bender and/or Ian Walters; (ii) any corporation, limited liability company or other entity (A) resulting from a merger or consolidation of or sale of all the stock of, Tenant, or (B) to which Tenant sells substantially all of its assets if, and upon the express condition that, prior to the effectuation of any assignment Tenant shall provide certified financial statements of the proposed assignee to the Landlord showing that the total assets and net worth of such assignee specified in (i) or (ii) after such merger, consolidation or sale shall not be less than that of Tenant on the date hereof and further provided that such assignee (a "Permitted Transferee") and Tenant shall promptly execute, acknowledge and deliver to Landlord an agreement in form and substance satisfactory to Landlord whereby such assignee shall agree to be bound by and upon all the covenants, agreements, terms, provisions and conditions set forth in this Lease on the part of Tenant to be performed, and whereby Assignee shall expressly agree that the provisions of this Section 15 shall, notwithstanding such assignment of transfer, continue to be binding upon it with respect to all future assignments and transfers.

16. **LANDLORD'S RIGHTS IN A TENANT BANKRUPTCY.** In the event any or all of Tenant's interest in the Premises and/or this Lease is transferred by operation of law to any trustee, receiver or other representative or agent of Tenant, or to Tenant as a debtor in possession, and subsequently any or all of Tenant's interest in the Premises and/or this Lease is offered or to be offered by Tenant or any trustee, receiver, or other representative or agent of Tenant as to its estate or property, (such person, firm or entity being hereinafter referred to as the "Grantor"), for assignment, conveyance, lease, or other disposition to a person, firm or entity other than Landlord, (each such transaction being hereinafter referred to as a "Disposition"), it is agreed that Landlord has and shall have a right of first refusal to purchase, take, or otherwise acquire the same upon the same terms and conditions as the Grantor thereof shall accept upon such Disposition to such other person, firm, or entity; and as to each such Disposition the Grantor shall give written notice to Landlord in reasonable detail of all of the terms and conditions of such Disposition within twenty (20) days next following its determination to accept the same but prior to accepting the same, and it shall not make the Disposition until and unless Landlord has failed or refused to accept such right of first refusal as to the Disposition, as set forth herein.

Landlord shall have sixty (60) days next following its receipt of the written notice as to such Disposition in which to exercise the option to acquire Tenant's interest by such Disposition, and the exercise of the option by Landlord shall be effected by written notice to that effect sent to the Grantor by certified or registered mail; but nothing herein shall require Landlord to accept a particular Disposition or any Disposition, nor does the rejection of any one such offer of first refusal constitute a waiver or release of the obligation of the Grantor to submit other offers hereunder to Landlord. In the event Landlord accepts such offer of first refusal, the transaction shall be consummated pursuant to the terms and conditions of the Disposition described in the

notice to Landlord. In the event Landlord rejects such offer of first refusal, the Grantor may consummate the Disposition with such other person, firm, or entity; but any decrease in price of more than two percent (2%) of the price sought from Landlord or any change in the terms of payment for such Disposition shall constitute a new transaction requiring a further option of first refusal to be given to Landlord hereunder.

17. **COMPLIANCE WITH LAWS.** Tenant shall, at its own cost and expense: (a) comply with all governmental laws, ordinances, orders and regulations affecting the Tenant's particular manner of use of the Premises now in force or which hereafter may be in force, including, without limitation, the building code and zoning regulations of the Town of Westport governing the use of the Building; (b) comply with and execute all rules, requirements and regulations of the Board of Fire Underwriters, Landlord's insurance companies and other organizations establishing insurance rates; (c) not suffer, permit, or commit any waste or nuisance; and (d) install fire extinguishers in accordance with insurance requirements.

18. **APPURTENANCES.** The Premises include the right of ingress and egress thereto and there from; however, Landlord reserves the right to make changes and alterations to the Building, fixtures and equipment thereof, in the street entrances, doors, halls, corridors, lobbies, passages, elevators, escalators, stairways, toilets and other parts thereof which Landlord may deem necessary or desirable. Neither this Lease nor any use by Tenant of the Building or any passage, door, tunnel, concourse, plaza or any other area connecting any garages or other buildings with the building in which the Premises are located, shall give Tenant any right or easement of such use and the use thereof may, without notice to the Tenant, be regulated or discontinued at any time and from time to time by Landlord without liability of any kind to Tenant and without affecting the obligations of Tenant under this Lease. Notwithstanding the foregoing or anything to the contrary herein, Landlord shall not exercise the foregoing rights so as to (i) change the size, shape, configuration or location of the Premises; or (ii) eliminate any of the reserved parking spaces specifically assigned to Tenant under this Lease, other than the right to relocate the reserved spaces to alternate spaces under the Building. Landlord shall exercise its rights above in a commercially reasonable manner under the circumstances so as not to unreasonably interfere with Tenant's business operations or Tenant's rights of ingress or egress to the Premises.

19. **FIRE OR OTHER CASUALTY.**

(a) If the Demised Premises or any part thereof shall be damaged by fire or other cause, Tenant shall give immediate notice thereof to Landlord and this Lease shall continue in full force and effect except as hereinafter set forth.

(b) If the Demised Premises shall be partially damaged by fire or other cause ("Casualty") subject to the availability of insurance proceeds, the damage shall be repaired by Landlord within one hundred twenty (120) days after the date of the Casualty and the Base Rent and all Additional Rent hereunder until such repairs shall be made shall be apportioned according to the part of the Demised Premises which is usable by Tenant for its normal business operations. For purposes of this Article 19, "partial damage" shall refer to damage to the Demised Premises to the extent of not more than ten (10%) percent of the cost of replacement thereof. If Landlord fails to restore the Premises in accordance with this paragraph within one hundred twenty (120)

days after the date of the Casualty, then Tenant shall have the right to terminate this Lease upon thirty (30) days' notice to Landlord.

(c) If the Demised Premises sustain more than partial damage, as hereinabove defined, by Casualty, without the fault or neglect of Tenant, Tenant's servants, employees, agents, visitors or licensees, and provided Landlord shall have elected to repair or restore same in accordance with Section 19(e), then the Rent shall be apportioned according to the part of the Demised Premises which is usable by Tenant for its normal business operations, as reasonably determined by Tenant, from the date of such Casualty until the date when the Demised Premises shall have been repaired and restored by Landlord, provided that in the event the Demised Premises are rendered wholly un-tenantable as a result of such Casualty, then the Rent shall be paid up to the date of such Casualty and thereafter shall cease until the date when the Demised Premises shall have been repaired and restored by Landlord. If Landlord fails to restore the Premises in accordance with this paragraph within two hundred ten (210) days after the date of the Casualty, then Tenant shall have the right to terminate this Lease upon thirty (30) days' notice to Landlord.

(d) If (i) the Demised Premises are totally or substantially damaged or are rendered wholly or substantially un-tenantable by fire or other cause, and if Landlord shall decide not to restore or not to rebuild the same, or (ii) the Building shall be so damaged that Landlord shall decide to demolish it or not to rebuild it (whether or not the Demised Premises have been damaged), or (iii) the Building shall be so damaged that the Landlord's independent architect or engineer shall determine that it cannot repair such damage within two hundred seventy (270) days following the date of the casualty; then or in any of such events Landlord may, within ninety (90) days after the occurrence of such condition, give Tenant a notice in writing of such decision, and thereupon the term of this Lease shall expire, by lapse of time, upon the third day after such notice is given, as fully and completely as if such date were the date set forth above for the termination of this Lease or the date set forth for the termination of this Lease and Tenant shall, forthwith quit, surrender and vacate the Demised Premises without prejudice, however, to the Landlord's rights and remedies against Tenant under the Lease provisions in effect prior to such termination. Notwithstanding anything to the contrary contained herein, if the Premises shall be damaged in whole or in part during the last year of the Original Term or Option Term, then Landlord or Tenant may, within thirty (30) days after the date of the Casualty, terminate this Lease upon thirty (30) days written notice to the other party.

(e) Unless Landlord or Tenant shall serve a termination notice as provided for in Section 19(d) hereof, Landlord shall make the repairs and restorations under the conditions of this Section 19 with all reasonable expedition, subject to delays due to adjustment of insurance claims, labor troubles, or any other cause beyond Landlord's control. No damages, compensation or claims shall be payable by Landlord for delay, inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Demised Premises or of the Building. Rent shall abate from the date of such Casualty until the date when the Demised Premises shall have been repaired. Notwithstanding the foregoing, if Landlord elects to restore the Building and thereafter fails to complete such restoration within two hundred and seventy (270) days from the date of commencement of such restoration, then Tenant shall be entitled to terminate this Lease upon written notice to the Landlord.

(f) Tenant acknowledges that Landlord will not carry insurance on Tenant's furniture or furnishings or any fixtures or equipment, improvements, or appurtenances removable by Tenant and agrees that Landlord will not be obligated to repair any damage thereto or replace the same.

(g) The provisions of this Article shall be considered an express agreement governing any case of damage or destruction of the Demised Premises by fire or other casualty, and any law to the contrary, now or hereafter in effect, shall have no application in such case.

20. **CONDEMNATION.**

(a) If the whole of the Building shall be lawfully taken by condemnation or in any other manner for any public or quasi-public use or purpose, this Lease and the term and estate hereby granted shall forthwith terminate as of the date of vesting of title in such condemning authority (which date is hereinafter also referred to as the "date of taking"), and the rents shall be prorated and adjusted as of such date.

(b) If any part of the Building shall be so taken, this Lease shall be unaffected by such taking, except that (i) Landlord may, at its option, terminate this Lease by giving Tenant notice to that effect within ninety (90) days after the Date of the Taking, and (ii) if twenty percent (20%) or more of the Premises shall be so taken and the remaining area of the Premises shall not be reasonably sufficient for Tenant to continue feasible operation of its business in Tenant's reasonable discretion, Tenant may terminate this Lease by giving Landlord notice to that effect within ninety (90) days after the Date of the Taking. This Lease shall terminate on the date that such notice from Landlord or Tenant to the other shall be given, and the rent and additional rent shall be prorated and adjusted as of such termination date. Upon such partial taking and this Lease continuing in force as to any part of the Premises, the Base Rent and Additional Rent shall be adjusted according to the rentable area remaining.

(c) In the event of any taking, partial or whole, provided for in this Section, all of the proceeds of any award, judgment or settlement payable by the condemning authority shall be and remain the sole and exclusive property of Landlord, and Tenant shall not be entitled to any portion of such award, judgment or settlement received by Landlord from such condemning authority. Tenant, however, may pursue its own claim against the condemning authority for any damage or award permitted under the laws of the State of Connecticut.

21. **INTENTIONALLY OMITTED.**

22. **ACCESS.** Landlord's agents, employees, contractors, prospective purchasers, mortgages and prospective tenants shall have the right to enter the Premises at reasonable hours upon prior notice to Tenant for the purpose of inspecting the same and, Landlord, its employees, agents and contractors shall have the right to enter the Premises at any time for the purpose of making repairs thereto and to the Building and its mechanical systems and for the purpose of performing the services to be performed by Landlord pursuant to the terms hereof and for the purpose of curing any violations of rules and regulations or defaults under this Lease created by or suffered by Tenant. Tenant shall have access to the Building and Premises on a twenty-four (24) hour per day, seven (7) day per week, basis.

Except in the event of an emergency, Landlord agrees that prior to entry to the Premises, Landlord shall provide reasonable prior notice to Tenant, and shall exercise its access rights hereunder in a commercially reasonable manner under the circumstances so as not to unreasonably interfere with Tenant's business operations. Landlord shall, at its own cost, repair any damage to the Premises or Tenant's personal property in connection with such entry.

23. **LIABILITY.** Neither Landlord, nor any agent or employee of Landlord, shall be liable for (a) loss of or damage to any property of Tenant, or of any other person, entrusted to any of Landlord's agents or employees, (b) loss of or damage to any property of Tenant or of any other person by theft or otherwise, (c) any injury or damage to any person or property resulting from fire, explosion, falling plaster, steam, gas, electricity, dust, water or snow, or leaks from any part of the Building or from the pipes, appliances or plumbing system, or from the roof, street or subsurface or any other place or by dampness, or from any other cause whatsoever, (d) any such damage caused by other occupants or persons in the Building or by construction of any private, public or quasi-public work, or (e) any latent defect in the Premises or the Building, unless in each case, caused by the gross negligence or intentional act of Landlord, or any agent, contractor or employee of Landlord.

24. **DEFAULT.** In the event of any failure of Tenant to pay the Base Rent or Additional Rent due hereunder within ten (10) days after the same is due and payable, or any failure to commence and diligently pursue the performance of any of the other terms, covenants, and conditions of this Lease to be observed and performed by Tenant for more than thirty (30) days after written notice of such default, or if Tenant makes any transfer, assignment, conveyance, sale, pledge or disposition of all or a substantial portion of its property or if the Tenant's interest herein shall be sold under execution, then Landlord, at its option, may terminate this Lease without further notice to Tenant and upon such termination Tenant shall quit and surrender the Premises to Landlord, but such termination shall not affect the Landlord's right to recover damages or exercise any other right hereinafter provided; however, in lieu of terminating this Lease, Landlord may elect to recover possession of the Premises without terminating this Lease and Landlord shall have the right subject to compliance with applicable law, to re-enter the Premises and to remove all persons or property therefrom and store any property in a public warehouse or elsewhere at the cost and for the account of Tenant, and Landlord shall not be liable for any loss or damage resulting from such re-entry nor shall Landlord be deemed guilty of trespass therefor. In the event of termination of this Lease or a re-entry of the Premises pursuant to this Section 24, Landlord may re-let the whole or any part of the Premises on behalf of Tenant for a period equal to, greater or less than the remainder of the then term of this Lease, at such rental and upon such terms and conditions as Landlord shall deem reasonable. Landlord shall not be liable in any respect for the failure to relet the Premises or in the event of such reletting, for failure to collect the rent thereunder and any sums received by Landlord on a reletting shall belong to Landlord. In the event of a termination of this Lease, Landlord shall forthwith be entitled to recover from Tenant, as liquidated damages, the amount by which the sum of (a) rent and additional rent payable for the remainder of the term of this Lease; and (b) all expenses of Landlord incurred in recovering possession of the Premises and reletting the same including costs of repair and renovating the Premises, management agents' commissions and fees, court costs and reasonable attorneys' fees, exceed the fair rental value of the Premises.

25. **BANKRUPTCY.** To the full extent permissible under the Bankruptcy Reform Act of 1978, specifically Section 365 thereof (11 U.S.C. 365) or any successor thereto, if Tenant shall file a voluntary petition in bankruptcy or take the benefit of any insolvency act or be dissolved or adjudicated a bankrupt, or if a receiver shall be appointed for its business or its assets and the appointment of such receiver is not vacated within sixty (60) days after such appointment, or if it shall make an assignment for the benefit of its creditors, then and forthwith thereafter the Landlord shall have all the rights provided in Section 24 above in the event of nonpayment of rent.

26. **SUBORDINATION.** This Lease shall, at Landlord's option, be subordinate to the lien of any mortgage which may now or hereafter affect the real property upon which the Building is situated, and to all renewals, modifications, consolidations, replacements and extensions thereof Tenant's subordination provided herein shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall execute promptly after receipt of written request therefor any subordination agreement that provides for the non-disturbance of this Lease that Landlord may reasonably request .

Tenant shall attorn to any foreclosing mortgagee, purchaser at a foreclosure sale or purchaser by deed in lieu of foreclosure, but no such mortgagee or purchaser shall be (a) liable for any act or omission of Landlord, (b) bound by any payment of rent, additional rent or other charge made more than ten (10) days in advance of the due date thereof, or (c) bound by any assignment, surrender, termination, cancellation, amendment or modification of this Lease made without the express written consent of such mortgagee or purchaser.

27. **DEFINITION OF LANDLORD.** The term, Landlord, as used in this Lease means only the owner or the mortgagee in possession of the Building, or the tenant under a ground lease of the Building, and in the event of any sale or sales of the Building, or the creation of a leasehold estate by virtue of a ground lease, then Landlord shall be and hereby is entirely freed and relieved of all its covenants, obligations and liability hereunder except liabilities which accrued prior to such sale or lease.

28. **BROKERAGE.** Tenant and Landlord each represents that other than the broker(s), if any, identified in the Reference Data of this Lease to be paid for by the Landlord under a separate agreement, it has not dealt with any real estate agent or broker in connection with this Lease and each agrees to indemnify and hold the other party harmless against the claims of any other broker(s) arising out of its actions. The terms of this Section 28 shall survive the expiration or earlier termination of this Lease.

29. **RULES AND REGULATIONS.** Tenant covenants that Tenant, Tenant's employees, agents and licensees shall faithfully observe and strictly comply with the rules and regulations of the Building and such reasonable changes (whether by modification, elimination or addition) as Landlord may hereafter adopt, (at any time and from time to time) as being, in the judgment of Landlord necessary or desirable for (a) the reputation, safety, care or appearance of the Building or the preservation of good order therein, (b) the operation or maintenance of the

Building or the equipment thereof, (c) the comfort of other lessees and occupants in the Building, or (d) the use or enjoyment of the Building, or any part thereof, by any of its occupants, provided such rules and regulations are enforced in a non-discriminatory manner and further provided that in the case of any conflict between the provisions of this Lease and any such changes, the provisions of this Lease shall control.

30. **LIMITATION OF LIABILITY.** Anything in this Lease to the contrary notwithstanding, Tenant agrees that it shall look solely to the estate and property of Landlord in the Building (including the rental income and insurance proceeds), subject to the prior rights of any mortgagee of the Building and subject to Landlord's rights under a leasehold interest of said Building or part thereof, for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed and/or performed by Landlord, and no other assets of Landlord nor any partner, member, shareholder, manager, agent, officer, director or employee of Landlord shall be subject to levy, execution or other procedures for the satisfaction of Tenant's remedies.

31. **FORCE MAJEURE.** Landlord shall be excused for the period of any delay in the performance of any obligations hereunder, when prevented from so doing by cause or causes beyond Landlord's control which shall include, without limitation, all labor disputes, civil commotion, war, war-like operations, invasion, rebellion, hostilities, military or usurped power, sabotage, terrorist attacks, governmental regulations or controls, fire or other casualty, inability to obtain any material, services or financing or through acts of God. Tenant shall similarly be excused for delay in the performance of obligations hereunder provided:

(a) nothing contained in this Section or elsewhere in this Lease shall be deemed to excuse or permit any delay in the payment of any sums of money required hereunder, or any delay in the cure of any default which may be cured by the payment of money;

(b) no reliance by Tenant upon this Section shall limit or restrict in any way Landlord's right of self-help as provided in this Lease; and

(c) The occurrence of a force majeure event shall not relieve Landlord of its obligation to use commercially reasonable efforts to perform its obligations hereunder.

32. **SECURITY DEPOSIT.** A Security Deposit of $13,152.00 to be held by Landlord through the Base Term, and Option Term if applicable. Landlord shall return to Tenant the Security Deposit within 30 days after the expiration of the term of this Lease. Security Deposit to be funded upon execution of the Lease.

33. **NOTICES.** Any notice, request or demand permitted or required to be given by the terms and provisions of this Lease, or by any law or governmental regulation, either by Landlord to Tenant or by Tenant to Landlord, shall be in writing and unless otherwise required by such law or regulation such notice, request or demand shall be given by any of the following means: (a) personal delivery (including, without limitation, overnight delivery, courier or messenger services), or (b) registered or certified, first-class United States mail, postage prepaid, return

receipt requested. Notice by party's counsel shall be deemed notice by such party. All notices to shall be sent to the addresses set forth in herein. Such addresses may be changed by notice to the other parties given in the same manner as provided above, any notice, demand or request sent (x) pursuant to subsection (a) shall be deemed received upon such personal delivery, and (y) pursuant to subsection (b) shall be deemed received three (3) days following deposit in the mail.

If to Landlord:	WALP 57-61, LLC c/o David Adam Realty, Inc. 57 Wilton Road Westport, Connecticut 06880 Attention: David A. Waldman
With a copy to:	Berkowitz, Trager & Trager, LLC 8 Wright Street, 2nd Floor Westport, Connecticut 06880 Attention: Steven M. Siegelaub
If to Tenant:	Portage Development Services, Inc. 61 Wilton Road Westport, CT 06880 Attention: Dr. Ian Walters

34. **SELF HELP.** In the event of any breach of this Lease by Tenant, Landlord may, at Landlord's sole option, at any time following ten (10) business days' notice to Tenant and failure to cure, except in the case of an emergency when no notice shall be required, cure such breach for the account and at the expense of Tenant. If Landlord at any time so elects, or is compelled, to cure any such breach and/or is compelled to incur any other expense because of any such breach of Tenant (including, without limitation, attorneys' fees and disbursements in reasonable amounts in instituting, prosecuting or defending any suits, actions or proceedings to enforce Landlord's rights under this Lease or otherwise), the sum or sums so paid by Landlord, with all interest at the rate of nine (9) percent per annum, or the highest rate permitted by law, whichever is less, costs and damages shall be paid by Tenant to Landlord, as Additional Rent, upon demand.

35. **ESTOPPEL CERTIFICATES.** Tenant shall, upon request by Landlord from to time, execute and deliver to Landlord a written declaration in recordable form: (a) ratifying this Lease; (b) expressing the commencement and termination dates thereof; (c) certifying whether Lease is in full force and effect and if not, specifying the reasons therefor and that it has not been assigned, modified, supplemented or amended (except by such writings as shall be stated); (d) whether (to the best of its knowledge) that all conditions under this Lease to be performed by Landlord have been satisfied and if not, specifying the reasons therefor; (e) that there are no defenses or offsets against the enforcement of this Lease by Landlord, or stating those claimed by Tenant; (f) the amount of advance rental, if any, (or none if such is the case) paid by Tenant; (g) the date to which rental has been paid; and (h) the amount of security deposited with Landlord. Such declaration shall be executed and delivered by Tenant within ten (10) business days of any such request by Landlord. Landlord's mortgage lenders and/or purchasers shall be entitled to rely

upon same.

36. **MECHANICS LIENS.** Tenant shall not permit any mechanic's or other lien or charge to be filed against the Premises or the Building by reason of any act of Tenant or anyone holding the Premises through or under Tenant. If any such mechanic's or other lien or charge shall at any time be filed against the Premises or the Building, Tenant shall within twenty (20) days after receipt of notice that same has been filed, cause the same to be discharged of record, in default of which Landlord may, on thirty (30) days' notice to Tenant, discharge the same, and all costs and expenses, including reasonable attorneys' fees, incurred by Landlord in procuring such discharge shall be payable by Tenant to Landlord as Additional Rent upon demand.

37. **CONDITION OF PREMISES.** Tenant represents that Tenant has inspected the Premises and the Building and is thoroughly acquainted with their condition and, subject to the completion of Landlord Work in accordance with the terms herein, takes the Premises "as is," and the taking of possession of the Premises by Tenant shall be conclusive evidence that the Premises and the Building were in good and satisfactory condition at the time possession was taken by Tenant. Neither Landlord nor Landlord's agents have made any representations or promises with respect to the condition of the Building, the Premises, the land upon which the Building is constructed, or any other matter or thing affecting or related to the Building or the Premises, except as herein expressly set forth, and no rights, easements or licenses are acquired by Tenant by implication or otherwise except as expressly set forth in this Lease.

38. **PREJUDGMENT REMEDY, REDEMPTION, COUNTERCLAIM AND JURY TRIAL.** Tenant, for itself and for all persons claiming through or under it, hereby acknowledges that this Lease constitutes a commercial transaction as such term is used and defined in Chapter 903a of the Connecticut General Statutes, , and hereby expressly waives any and all rights which are or may be conferred upon Tenant by said Act to any notice or hearing prior to a prejudgment remedy, and by any present or future law to redeem the Premises, or to any new trial in any action or ejection under any provisions of law, after reentry thereupon, or upon any part thereof, by Landlord, or after any warrant to dispossess or judgment in ejection. If Landlord shall acquire possession of the Premises by summary proceedings, or in any other lawful manner without judicial proceedings, it shall be deemed a reentry within the meaning of that word as used in this Lease. In the event that Landlord commences any summary proceedings or action for nonpayment of rent or other charges provided for in this Lease, Tenant shall not interpose any counterclaim of any nature or description in any such proceeding or action. Tenant and Landlord both waive a trial by jury of any or all issues arising in any action or proceeding between the parties hereto or their successors, under or connected with this Lease, or any of its provisions.

39. **RECORDING.** Tenant shall not record this Lease but will, at the request of Landlord, execute a memorandum or notice thereof in recordable form satisfactory to both the Landlord and Tenant specifying the date of commencement and expiration of the term of this Lease and other information required by statute.

40. **PARTIAL INVALIDITY.** If any provision of this Lease or application thereof to any person or circumstance shall to any event be invalid, the remainder of this Lease or the application of such provision to persons or circumstances other than those as to which it is held

invalid shall not be affected thereby and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

41. **ENTIRE AGREEMENT.** This Lease and the Exhibits, Riders and/or Addenda if any attached, set forth the entire agreement between the parties thereto. Any prior conversations or writings are merged herein and extinguished. No subsequent amendment to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by both parties hereto.

42. **HEIRS, ASSIGNS, NUMBER AND GENDER.** This Lease shall be binding upon the parties hereto and their heirs, administrators, executors, successors and assigns. The use of the neuter singular pronoun to refer to Tenant shall be deemed a proper reference even though Tenant may be an individual, partnership, limited liability company a corporation or a group of two (2) or more individuals or entities. The necessary grammatical changes required to make the provisions of this Lease apply in the plural number where there is more than one Tenant and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

43. **MORTGAGEE PROTECTION.** Tenant agrees to give any mortgagees, by certified mail, return receipt requested, a copy of any Notice of Default served upon the Landlord, provided that prior to such notice Tenant has been notified, in writing (by way of Notice of Assignment of Rents and Leases, or otherwise), of the address of such mortgagees. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the Mortgagees shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then except in the case of a failure by Landlord to provide essential services to the Building and the Premises, such additional time as may be necessary if within such thirty (30) days, any mortgagee has commenced and is diligently pursuing the remedies necessary to cure such default, (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure) in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

44. **INTENTIONALLY OMITTED**

45. **HOLDING OVER.** Any holding over by Tenant after the expiration of the term of this Lease shall be treated as a daily tenancy at sufferance at a rate equal to one hundred fifty (150%) percent of the Base Rent plus all Additional Rent and other charges herein provided (prorated on a daily basis) and shall otherwise be on the terms and conditions set forth in this Lease as far as applicable. In addition, Tenant shall pay Landlord for all damages sustained by Landlord as a result of Tenant's holding over.

46. **FINANCING.** N/A.

47. **SHORING.** If any excavation or construction is made adjacent to, upon or within the Building, or any part thereof, Tenant shall afford to any and all persons causing or authorized to cause such excavation or construction license to enter upon the Premises for the purpose of doing such work as such persons shall deem necessary to preserve the Building or any portion thereof from injury or damage and to support the same by proper foundations, braces and supports,

without any claim for damages or indemnity or abatement of rent, or of a constructive or actual eviction of Tenant.

48. **CONDITIONS TO LEASE.** Tenant hereby agrees and acknowledges that this Lease shall at all times be subject to the zoning and building regulations, codes, ordinances, variances and special permits issued and promulgated by the Town of Westport (the "Regulations"). Upon Landlord's request, Tenant also specifically agrees: (i) to allow Town of Westport zoning officials access during the term of this Lease for the purpose of confirming compliance and (ii) to execute any documentation required by the Town of Westport to confirm compliance. Tenant further acknowledges that any noncompliance with the Regulations shall be a default under this Lease. Landlord represents that the Permitted Use does not violate any Regulations.

49. **ENVIRONMENTAL CONDITION OF THE PROPERTY.**

(a) Covenants. Landlord and Tenant each agree that each will not (a) violate any present or future federal, state or local environmental or public health laws, rules, regulations and ordinances (hereinafter collectively referred to as the "Environmental Laws"); (b) use, store, dispose, or generate any "hazardous materials", "waste materials", "solid waste", "hazardous waste", hazardous substances", "medical waste", "biomedical waste", and including but not limited to oil and polychlorinated biphenyls, as those terms are defined in the Environmental Laws (hereinafter collectively referred to as the "Hazardous Materials") at the Building with the exception of common office cleaning products; (c) cause or permit any condition which would create Hazardous Materials contamination at the Building or on any other property; (d) that each will give the other notice immediately upon acquiring knowledge of the presence of any Hazardous Materials at the Building or of any Hazardous Materials contamination with a full description thereof; (e) that each will give notice to the other immediately of any notice of violation of any laws, rules or regulations regulating Hazardous Materials or any requests for information from any federal, state, county, regional or local governmental authority concerning Hazardous Materials and Hazardous Materials contamination at the Building; (f) that Landlord and Tenant will promptly comply with any governmental requirements requiring the removal or disposal of such Hazardous Materials or Hazardous Materials contamination and provide the other with satisfactory evidence of such compliance.

(b) Indemnification.

(i) Tenant covenants and agrees at all times to indemnify, hold harmless and defend Landlord, its successors and assigns, as owner of the Building from and against any and all liability, loss, damage, cost, expense (including, without limitation, reasonable attorneys' fees and expenses), cause of action, suit, claim, demand or judgment against the Tenant and/or the Building of any nature pertaining to hazardous substances or solid or hazardous waste materials or other waste-like or toxic substances located or emanating from or relating to the Building, directly caused by Tenant, including, but not limited to, liens or claims of any federal, state or municipal government or quasi-governmental agency or any third person, whether arising under any federal, state or municipal law or regulation or tort, contract or common law,

(ii) Landlord covenants and agrees at all times to indemnify, hold harmless and defend Tenant, its successors and assigns, as a tenant of the Building from and against any and all liability, loss, damage, cost, expense (including, without limitation, reasonable attorneys' fees and expenses), cause of action, suit, claim, demand or judgment against the Landlord and/or the Building of any nature pertaining to hazardous substances or solid or hazardous waste materials or other waste-like or toxic substances located or emanating from or relating to the Building (i) prior to the Delivery Date and/or (ii) directly caused by Landlord or another tenant , including, but not limited to, liens or claims of any federal, state or municipal government or quasi-governmental agency or any third person, whether arising under any federal, state or municipal law or regulation or tort, contract or common law.

(c) Landlord's Right to Remove Hazardous Materials. Landlord shall have the right but not the obligation, and without in any way limiting the Landlord's rights and remedies, to enter into the Premises or to take such other actions as it deems necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any Hazardous Materials contamination at the Building following receipt of any notice from any person or entity asserting the existence of any Hazardous Materials or Hazardous Materials contamination pertaining to the Building or any part thereof which, if true, could result in an order, suit, imposition of a lien on the Building. All actual and reasonable costs and expenses paid or incurred by the Landlord in the exercise of any such rights shall be payable by the Tenant upon demand. Landlord's exercise of said right will not excuse or change Tenant's initial obligations to undertake necessary actions to remove Hazardous Materials from the Building.

(d) Landlord's Hazardous Materials Representations. Landlord represents to Tenant, without any independent investigation, that to the Landlord's knowledge, information and belief, and before the Tenant entering into possession of the Premises (a) the Premises and the Building have not been used by Landlord for the handling, generation, manufacture, production, storage, discharge, treatment, removal, transport or disposal of Hazardous Substances as defined by applicable environmental laws, except in strict compliance with all environmental laws, (b) no release of "reportable quantity" (as defined for purposes of environmental laws) has occurred at, on, under or from the Premises or the Building, (c) no underground storage tanks have existed or been installed at or under the Premises or the Building, except in compliance with all environmental laws, and (d) there have been no actual or threatened orders, investigations, or inquires against the Landlord by any governmental or quasi-governmental, administrative or judicial body, agency, board, commission or other authority relating to the existence of Hazardous Substances at or migrating, flowing or leaking to or from the Premises and the Building.

50. **GOVERNING LAW.** This Agreement is to be governed by and construed under the laws of the State of Connecticut.

51. **PARKING.** Tenant shall have use of four (4) parking spaces on a non-exclusive at-will basis in common with other tenants and visitors of the Property. Tenant shall also have exclusive use of one (1) covered reserved parking spaces under the 61 Wilton Building. Landlord, at all times, shall have the right to install and require Tenant's use of parking control measures such as stickers, magnetic cards and the like in order to monitor and insure the proper use of the parking areas by all building tenants including Tenant. Landlord may designate specific

areas in which the vehicles owned or operated by Tenant and Tenant's employees must park and may prohibit parking of such vehicles in any other part of the parking areas located on the Land. Upon request, Tenant shall furnish Landlord automobile license numbers assigned to Tenant's vehicle(s) and the vehicles of Tenant's employees and shall furnish Landlord with any changes thereof within five (5) days after such changes occur. With exception of the two (2) reserved spaces, Tenant is prohibited from parking in the covered spaces fronting the Building.

52. **AUTHORITY.** Landlord and Tenant each represent to the other that they have the full right, power and authority to execute this Lease and perform their respective obligations thereunder.

53. **QUIET ENJOYMENT**. Landlord covenants that Tenant shall, and may peacefully have, hold, and enjoy the Premises, subject to the terms hereof, provided this Lease remains in full force and effect.

54. **CONSEQUENTIAL DAMAGES**. Notwithstanding anything to the contrary herein, neither Tenant nor any of Tenant's agents shall be liable to Landlord for consequential or indirect damages of any kind or nature even if arising from any act or omission or negligence of Tenant or any of Tenant's agents or from any default by Tenant hereunder, and neither Landlord nor any of Landlord's agents shall be liable to Tenant for consequential or indirect damages of any kind or nature even if arising from any act or omission or negligence of Landlord or any of Landlord's agents or from any default by Landlord hereunder.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

Signed, Sealed, and Delivered

LANDLORD:

Waldman Associates Limited Partnership

By: _____
David A. Waldman
President, MHW Inc. General Partner

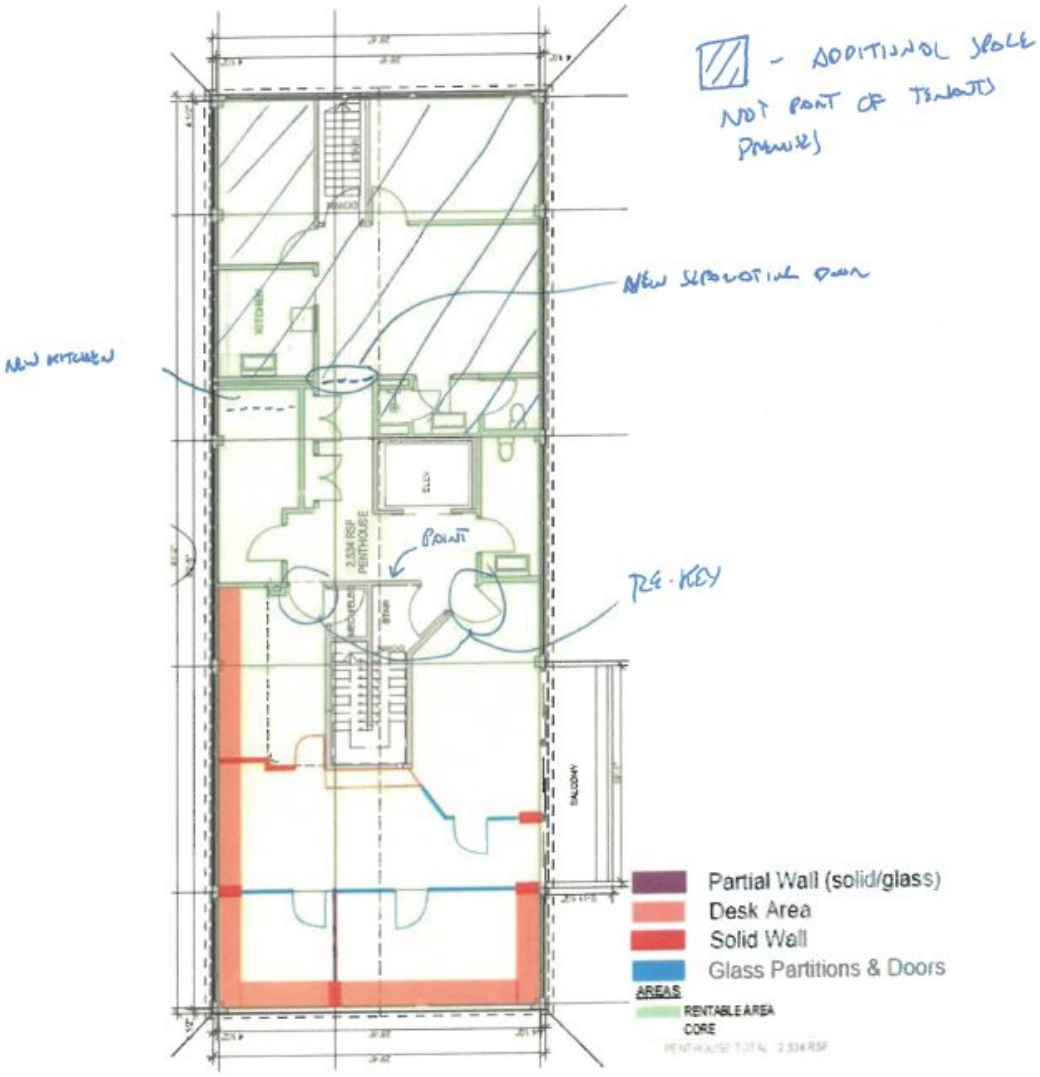
TENANT:

Portage Development Services, Inc.

By: _____

Ian Walters, CEO

EXHIBIT A


- ADDITIONAL SPACE NOT PART OF TENANT'S PREMISES
NEW SPIRAL STAIR DOWN
NEW KITCHEN
POINT
T.E.R. KEY
KITCHEN
2,534 RSF PENTHOUSE
BALCONY
Partial Wall (solid/glass)
Desk Area
Solid Wall
Glass Partitions & Doors
AREAS
RENTABLE AREA
CORE

CERTAIN IDENTIFIED INFORMATION, MARKED WITH "[****]", HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

LICENSE AGREEMENT

This License Agreement (this **"Agreement"),** dated as of July 1, 2015 (the **"Effective Date"),** is made by and between iOx Therapeutics Ltd., a company registered in England under number 09430782 and whose registered office is at 5th Floor, Alder Castle, 10 Noble Street, London EC2V 7QJ, United Kingdom **("iOx"),** and the Ludwig Institute for Cancer Research Ltd., a non-profit corporation organized under the laws of Switzerland with its registered office at Stadelhoferstrasse 22, 8001 Zurich, Switzerland and an office at 666 Third Avenue, New York, New York 10017, USA **("LICR").** Each of iOx and LICR may be referred to in this Agreement individually as a **"Party"** and, collectively, as the **"Parties".**

RECITALS

WHEREAS, LICR through a research collaboration with Professor Vincenzo Cerundolo at the University of Oxford has established technology, intellectual property and know-how related to the development of non-glycosidic analogues of alpha galactoceramide functioning as the NKT cell agonists, to treat human cancers;

WHEREAS, iOx wishes to develop and commercialize, for the public benefit, products arising out of the NKT cell agonist technologies developed in the course of the research collaboration; and

WHEREAS, iOx wishes to obtain a license to research, develop and commercialize NKT cell agonists for the treatment of various forms of cancer under LICR's intellectual property and know-how;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants set forth herein, iOx and LICR, intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS

1.1 **"Accounting Standards"** means (a) U.S. generally accepted accounting principles, consistently applied, or (b) to the extent applicable, International Financial Reporting Standards as issued by the International Accounting Standards Board.

1.2 **"Affiliate"** means as to a Party, any entity which, directly or indirectly, controls, is controlled by, or is under common control with such Party. For the purposes of this definition, "control" refers to any of the following: (a) direct or indirect ownership of fifty percent (50%) or more of the voting securities entitled to vote for the election of directors in the case of a corporation, or of fifty percent (50%) or more of the equity interest with the power to direct management in the case of any other type of legal entity; (b) status as a general partner in any partnership; or (c) any other arrangement where an entity possesses, directly or indirectly, the power to direct the management or policies of another entity, whether through ownership of voting securities, by contract or otherwise.

1.3 **"Business Day"** means a day other than Saturday, Sunday or any other day on which commercial banks located in New York, New York USA are authorized or obligated by applicable laws to close.

1.4 **"Confidential Information"** has the meaning set forth in Section 6.1 of this Agreement.

1.5 **"Field"** means the diagnosis, prevention and treatment of human diseases.

1.6 **"First Commercial Sale"** means, with respect to any Licensed Product, the first sale by iOx or one of its Affiliates to a Third Party of such Licensed Product in a country in the Territory after the applicable Marketing Approval of such Licensed Product has been obtained in such country. For avoidance of doubt, the following would not constitute a First Commercial Sale: (a) the sale of a Licensed Product by iOx or one of its Affiliates to another Affiliate; (b) the disposal or use of a Licensed Product in clinical trials, as free samples, or under a compassionate use or patient assistance program; (c) the disposal or use a Licensed Product in a named patient or test marketing program or in non-registrational studies or other similar programs or studies; (d) the donation of Licensed Product by iOx or one of its Affiliates to non-profit institutions or government agencies for a non-commercial purpose; (e) any free Licensed Product that is supplied to a Third Party in conjunction with the offer for sale, or sale of any other product (in an amount customary in the industry); (f) the use of a Licensed Product for research and development purposes; or (g) sales made to a distributor until such time as iOx or one of its Affiliates recognizes the revenue for such transfers pursuant to Accounting Standards.

1.7 **"GDP"** means British Pounds

1.8 **"Licensed Patent Rights"** means the patent applications and corresponding patents existing as of the Effective Date of this Agreement as listed in Appendix A and any extensions thereof.

1.9 **"Licensed Product"** means the non-glycosidic analogues of alpha galactoceramide IMM47, IMM60 or any other analogue of alpha galactoceramide where (i) the manufacture, use, sale, offer for sale or importation of which would, but for the licenses granted hereunder, infringe a Valid Claim or (ii) that is developed using Licensed Technology.

1.10 **"Licensed Technology"** means all Technology owned or controlled by LICR existing as of the Effective Date.

1.11 **"LICR"** means the Ludwig Institute for Cancer Research Ltd.

1.12 **"LICR Academic Collaborators"** means the Chancellor, Masters and Scholars of the University of Oxford, the University of Birmingham and Memorial Sloan Kettering.

1.13 **"Major Market"** means the US or EU.

1.14 **"Marketing Approval"** means, with respect to a Licensed Product, all approvals (including supplements, amendments; pre- and post-approvals), permits, licenses, registrations and authorizations necessary for the manufacture, distribution, use, promotion, marketing, transport, offer for sale, sale or other commercialization of such Licensed Product in a regulatory jurisdiction, including, where required, any approval, agreement, detem1ination or decision establishing the price or level of reimbursement for such Licensed Product, as required in a given jurisdiction prior to sale of such Licensed Product in such jurisdiction.

1.15 **"Net Sales"** means, with respect to, a given period, the gross amount invoiced for sales of Licensed Products during such period, in arm's length sales by iOx or Affiliates or its Sublicensee to Third Parties less, in each case solely to the extent relating to such Licensed Products and solely to the extent actually incurred, allowed, paid, accrued or specifically allocated to the gross amount invoiced, and determined in accordance with applicable financial reporting standards:

(a) normal and customary trade, cash and quantity discounts actually given, coupons actually taken, credits, price adjustments or allowances for damaged Licensed Product, returns or rejections of such Licensed Product;

(b) adjustments, allowances, credits, fees, reimbursements, chargeback payments and rebates (or the equivalent thereof) actually given for Licensed Products granted to group . purchasing organizations or other buying groups, managed health care organizations, pharmacy benefit management companies, health maintenance organizations or any other providers of health insurance coverage, health care institutions (including hospitals) or other health care organizations, Third Party health care administrators or patient assistance or other similar programs, or to federal, state/provincial, local and other governments, including their agencies, or to wholesalers, distributors or other trade customers;

(c) reasonable and customary freight, shipping insurance and other transportation expenses, each directly related to the sale of Licensed Products (if actually borne without reimbursement from any Third Party);

(d) distribution commissions/fees paid or payable to any Third Party providing distribution services to iOx or its Affiliates;

(e) sales, value-added or excise taxes, tariffs and duties, and all other taxes and government charges related to the sale of Licensed Products, in each case to the extent that each such item is actually borne by iOx or its Affiliates without reimbursement from any Third Party (but excluding taxes properly assessed or assessable against the income derived by iOx or its Affiliates from such sale);

(f) actual bad debt expense (but not exceeding 5% of Net Sales);

(g) adjustments for overbilling, errors, rejection, recalls or return of Licensed Product; .

(h) rebates payable in connection with state or federal Medicare (Title XVIII of the Social Security Amendments of 1965, as amended); Medicaid.(Title XIX of the Social Security Amendments of 1965, as amended) or similar programs in the United States and comparable programs elsewhere in the Territory; and

(i) any item substantially similar in character or substance to any of the foregoing, which is permitted by applicable financial reporting standards to be accounted for in the. calculation of Net Sales prevailing at the time and customary in the medical diagnostics industry at the time.

The transfer of any Licensed Product by iOx or one of its Affiliates to another Affiliate or to a Sublicensee shall not be considered a Net Sale, but the resale of such Licensed Product by any of the foregoing to Third Parties for commercial use shall be included in Net Sales. For the avoidance of doubt, disposal of any Licensed Product for, or use of any Licensed Product in, clinical trials, as free samples, or under compassionate use, patient assistance, named patient or test marketing programs or non-registrational studies or other similar programs or studies where Licensed Product is supplied or delivered without charge, shall not result in any Net Sales. No Licensed Product donated to non-profit institutions or government agencies for a non-commercial purpose shall result in any Net Sales. Similarly, no free Licensed Product that is supplied to a Third Party in conjunction-with the offer for sale, or sale of any Licensed Product (such free Licensed Product being in an amount customary in the industry) will result in any Net Sales of such free Licensed Product. The use of any Licensed Product by iOx or one of its Affiliates for research and development purposes shall similarly not result in any Net Sales.

1.16 **"New Patent Costs"** means the reasonable fees and expenses invoiced by Third Parties to LICR for preparing, filing, prosecuting, managing and defending the Licensed Patent Rights after the Effective Date [****] in respect of LICR's management of the Licensed Patent Rights.

1.17 **"Patents Costs"** means the cumulative fees and expenses paid by LICR to Third Parties for preparing, filing, prosecuting and maintaining the Licensed Patent Rights as of the Effective Date. The total Patent Costs equals [****].

1.18 **"Patent-Rights"** means all the rights and interests in and to al1 patents and patent applications in any jurisdiction in the Territory, including, without limitation, certificates of invention, applications for certificates of invention and priority rights, provisional patent applications, divisionals, continuations, substitutions, continuations-in-part, and all patents granted thereon; and all re-examinations, re-issues, additions, renewals, extensions, confirmations or registrations based on any such patent or patent application; and any extensions or restorations by existing or future extension or restoration mechanisms, including, without limitation, patent term extensions and supplementary protection certificates.

1.19 **"Phase 1 Clinical Trial"** means a clinical trial in any cow1try that generally meets the requirements of 21 CFR § 312.2l(a), as amended (or its successor regulation or comparable laws in countries outside the United States).

1.20 **"Phase 2 Clinical Trial"** means a clinical trial in any country that genera11y meets the requirements of 21 CFR § 312.21(b), as amended (or its successor regulation or comparable laws in countries outside of the United States), that is intended to support a preliminary determination as to whether such Select Licensed Product is safe for its intended use, and to provide preliminary information about such product's efficacy, in order to permit the design of further clinical trial(s).

1.21 **"Phase 3 Clinical Trial"** means a clinical trial in any country that generally meets the requirements of 21 CFR § 312.2J (c), as amended (or its successor regulation or comparable laws in countries outside of the United States), that, together with any other such clinical trials that are planned or have been conducted, is intended to (a) serve as a primary basis for establishing that the Select Licensed Product is safe and efficacious for its intended use, (b) provide an adequate basis to establish physician labeling, including, contraindications, warnings, precautions and adverse reactions and (c) support Marketing Approval for such Select Licensed Product.

1.22 **"Royalty Term"** means, Licensed Product-by-Licensed Product and country-by-country basis, the time from the First Commercial Sale of such Licensed Product in such country until the later to occur of (a) the expiration of the last Valid Claim covering the Licensed Product in the country in which such Licensed Product is used, or (b) ten (10) years after the First Commercial Sale of such Licensed Product in such country.

1.23 **"Sublicense Income"** means any non-royalty payments or other consideration that iOx receives as consideration for a sublicense under the Licensed Patent Rights or Licensed Technology, other than reimbursement for expenses related to the prosecution, maintenance and defense of the Licensed Patent Rights, reimbursement for, or payments specifically committed to the research and development of Licensed Products that are the subject matter of the sublicense.

1.24 **"Sublicensee"** means any Third Party expressly licensed by iOx or its Affi1iates under the Licensed Patent Rights or Licensed Technology to develop, manufacture or commercialize Licensed Products.

1.25 **"Technology"** means all protocols for and results of preclinical studies and toxicology studies with any Licensed Product, manufacturing and formulation information relating to IMM47 and IMM60 active pharmaceutical ingredient and any derivatives and bulk GMP product manufactured by or on behalf of LICR. Technology shall include all technical reports documenting the results of preclinical and toxicology studies and manufacture and formulation of any Licensed Product API previously provided to LICR by third party CRO/CMO's. .

1.26 **"Term"** has the meaning set forth in Section 7.1 of this Agreement.

1.27 **"Territory"** means all the countries and territories of the world:

1.28 "**Third Party(ies)**" means any party(ies) other than LICR, iOx and their respective Affiliates.

1.29 **"Valid Claim"** means a claim in an unexpired and issued patent or patent application included in the Licensed· Patent Rights that has not been disclaimed, revoked or held invalid or unenforceable by a final, unappealable decision of a government agency or court of competent jurisdiction, or unappealed within the time limit allowed for appeal, or which has not been admitted to be invalid or unenforceable through reissue, reexamination or disclaimer or otherwise.

ARTICLE II
LICENSE GRANTS

2.1 **License Grant.** LICR hereby grants to iOx: (i) an exclusive license, with the right to grant sublicenses, under the Licensed Patents and Licensed Technology in each case, to develop, make, have made, use, sell, offer for sale and import Licensed Products in the Territory and in the Field, subject to the retained rights of LICR set forth in Section 2.2. Upon the expiration of the Royalty Term applicable to any Licensed Product in any country; the licenses under this Section 2.1 with respect to such Licensed Product in such country shall convert to a non-exclusive, fully paid-up license.

2.2 **Retained Rights.** LICR on behalf of itself and the LICR Academic Collaborators, shall retain a non-exclusive, irrevocable, paid-up license under the Licensed Patent Rights and the Licensed Technology to allow LICR and LICR Academic Collaborators, including those persons who at any time work or have worked on the Licensed Patent Rights and the Licensed Technology, to use the Licensed Patent Rights and the Licensed Technology for Academic and Research Purposes, including for the purpose of Clinical Patient Care. The right granted this Section 2.2 includes the right for LICR and LICR Academic Collaborators to license the Licensed Patent Rights and the Licensed Technology to any of their collaborators in connection with and solely for the purposes of their Academic and Research Purposes. For the avoidance of doubt, the right granted in this Section 2.2 do not include the right to grant any license to commercially exploit the Licensed Patent Rights and the Licensed Technology. For the purposes of this Section, "Academic and Research Purposes" means research, teaching or other scholarly use which is undertaken for the purposes of education and research and "Clinical Patient Care" means diagnosing, treating and/or managing the health of persons under the care of an individual having the right to use the Licensed Patent Rights and the Licensed Technology in the event that such Licensed Patent Rights and the Licensed Technology is capable of application in a healthcare setting without further development.

2.3 **Sublicense Rights**. iOx shall have the right to extend or sublicense the rights granted to it under Section 2.1 to its Sublicensees. All terms of any sublicense shall be consistent in all respects with the restrictions, exceptions and conditions of this Agreement, and shall include, without limitation, included a provision binding Sublicensees to (i) reporting and record-keeping obligations with respect to sales of Licensed Products; (ii) indemnification; (iii) obligations of non-use of name; and (iv) insurance, each time substantially as stringent as the corresponding provisions herein. iOx shall use diligent efforts to ensure compliance by its Affiliates and Sublicensees with all applicable terms of this Agreement. Performance or satisfaction of any of the obligations of iOx under this Agreement by any of its Affiliates or Sublicensees shall be deemed performance or satisfaction of such obligations by iOx. iOx shall notify LICR within ten (10) Business Days of executing any such sublicense, identifying each Sublicensee to LICR in writing by name and address, and shall provide LICR with a copy of the sub1icense agreement together with a notification of the portion of any Sublicense Income due to LICR under the sublicense agreement. LICR shall retain this confidential copy for its use solely for the purpose of monitoring iOx or its Sublicensee's compliance with their obligations hereunder and enforcing LICR rights under this Agreement. iOx shall not grant a sublicense to a Third Party whose primary business is, to the best of iOx's knowledge, the manufacture or sale of tobacco containing products.

2.4 **No Implied Licenses**. No rights or licenses (either express or implied) to any intellectual property rights of a Party are granted to the other Party by this Agreement, except as provided in this Agreement.

2.5 **Due Diligence**. From and after the Effective Date, as between the Parties, iOx and its Affiliates shall be solely responsible, at its own expense, for the research, development, manufacture and commercialization of Licensed Products. iOx will use commercially reasonable efforts to obtain regulatory approval to initiate a Phase I Clinical Trial for at least one Licensed Product by [****]. iOx and its Affiliates will use, and will cause its Sublicensees to use, commercially reasonable efforts, consistent with their prudent business and scientific judgment, to research, develop, manufacture and commercialize one or more Licensed Products to achieve Marketing Approval in at least one Major Market.

2.6 **Reporting**. Within sixty (60) days after each anniversary of the Effective Date during the Term, iOx or its Affiliate shall furnish LICR with a written report summarizing its, its Affiliates' and its Sublicensees' efforts during the prior year to develop and commercialize Licensed Products, including: (a) research and development activities completed during the prior year; (b) work in progress, (c) material milestones anticipated during the present calendar year, (d) commercialization efforts; and (e) resources allocated and used towards the development and commercialization of Licensed Products during the prior year. If LICR reasonably determines that information contained in any written report is insufficient or incomplete, it may request that iOx or its Affiliate provide reasonable additional information, by written request specifying the additional information which is requested. iOx or its Affiliate shall use reasonable efforts to provide additional information in such form and substance as required. The foregoing reports shall be the Confidential Information of iOx subject to Article VI.

ARTICLE III
PAYMENTS

3.1 **Annual License Fee**. iOx or its Affiliates shall pay to LICR a non-refundable, non-creditable license fee of fifteen thousand pounds (GBP 15,000) within ten (10) Business Days of the Effective Date and on each subsequent anniversary of Effective Date, until royalties become duly paid to LICR by iOx, its Affiliate or its sublicensee.

3.2 **Annual Patent Reimbursement Fee**. iOx or its Affiliates shall pay to LICR a non- refundable, non-creditable annual patent reimbursement fee of fifteen thousand pounds (GBP 15,000) within ten (10) Business Days of the Effective Date and on each subsequent anniversary of Effective Date, until LICR has been fully reimbursed for all Patent Costs it has incurred prior to the Effective Date;

3.3 **Milestone Payments**. iOx or its Affiliates shall make the ,following milestone payments to LICR upon the first achievement of each of the following milestones by iOx oi its Affiliates:

(a) Development & Commercial Milestones for the First Licensed Product

Milestone Event	Payment (GBP)
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]

(b) Development & Commercial Milestones for the Second Licensed Product

Milestone Event	Payment (GBP)
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]

(c) **No Multiple Payments; Notice of Achievement.** Non-refundable Milestone Fees are payable in the event that the milestone is achieved by iOx or an Affiliate of iOx for the first and second Licensed Product achieving said milestone. For the avoidance of doubt, a second Licensed Product is a Licensed Product with a distinct chemical structure from first Licensed Product. No milestones would be payable for any subsequent Licensed Product. iOx shall notify LICR of the achievement of each of the foregoing milestones within forty-five (45) days after each such achievement. Any milestone payments shall be reflected on an invoice provided to iOx by LICR, and any such invoices shall be due and payable by iOx within forty-five (45) days after the date the invoice is received.

3.4 **Royalties.** iOx, its Affiliates or Sublicensee shall pay LICR royalties on annual Net Sales in the Territory at the rates set forth in the following tables, subject to adjustment as set forth in Section 3.4 below:

Annual Net Sales of Licensed Products	Royalty Rate
[****]	[****]
[****]	[****]
[****]	[****]

For the avoidance of doubt, each royalty rate set forth in the table above shall apply only to that portion of Net Sales in a given calendar year that falls within the indicated range. Royalties on Net Sales hereunder shall be payable on a Licensed Product-by-Licensed Product and country-by-country basis until the expiration of the last to expire Valid Claim of the Licensed Patent Rights in the country of actual use of the Licensed Product.

3.5 **Royalty Adjustments.**

(a) **Absence of Valid Claim.** If the manufacture, use or sale of a Licensed Product is not covered by a Valid Claim in the country of sale at any time during the Royalty Term for such Licensed Product, the royalty rate applicable under Section 3.4 on Net Sales in such country shall be reduced by [****] for the applicable time no Valid Claim exists.

(b) **Royalty Stacking.** If iOx or any of its Affiliates or Sublicensees obtains a license from a Third Party under Patent Rights owned or controlled by such Third Party that are necessary to make, use or sell a Licensed Product in any country, it may offset any royalty payments payable under such Third Party license with respect to sales of Licensed Products against the royalty payments that are due to LICR with respect to Net Sales in such country, *provided* that in no event may the royalty payments otherwise due to LJCR be reduced by more than [****] by operation of this Section 3.5(b).

3.6 **Sublicense Income.** iOx shall pay to LICR a percentage of Sublicensing Income at the rates set forth in the following table, based on the stage of development of the most advanced Licensed Product that is the subject of the applicable sublicense agreement:

Stage Development of Most Advanced Licensed Product at Effective Date of Sublicense	Non-Royalty Sublicense Income
[****]	[****]
[****]	[****]
[****]	[****]

3.7 **Manner of Payments:** Following the First Commercial Sale, royalty payments due to LICR hereunder shall be made quarterly by iOx or its Affiliate no later than the thirty (30) days following completion of each calendar quarter with respect to Licensed Products sold during the prior calendar quarter. Each payment shall be accompanied by a report setting forth for the relevant calendar quarter the information and basis on which such royalties have been calculated. Alt reports delivered pursuant to this Agreement shall be deemed Confidential Information of iOx subject to Article VI. All payments to be made pursuant to this Agreement shall be payable in GBP by bank wire transfer in immediately available funds to such bank account as LICR shall designate. If any payment is not made on or before the due date specified herein, iOx will pay interest on the outstanding amount until paid in full ff requested to do so by LICR. Interest will be charged at a rate equal to the ‘‘Intended Federal Funds Rate” or equivalent plus [****] as specified by the Federal Open Market Committee and published by the US Federal Reserve Board.

3.8 **Tax. Withholding.** Any tax, duty or other levy paid or required to be withheld by iOx on account of royalties payable to LICR under this Agreement shall be deducted from the amount of royalties otherwise due. iOx shall secure and send to LICR proof of payment of any such truces, duties or other levies withheld and paid by iOx for the benefit of LICR, and cooperate at LICR’s reasonable request. to ensure that amounts withheld are reduced, creditable (or otherwise recoverable) to the fullest extent permitted by the relevant jurisdiction.

3.9 **Audit Right.** Following the First Commercial Sale and during the Term of this Agreement and a period of five (5) years thereafter, iOx shall keep, and shall cause its Affiliates and Sublicensees to keep, full, true and accurate books and records containing all particulars relevant to its sales of Licensed Products in sufficient detail to enable LICR to verify the amounts payable to it under this Agreement. LICR shall have the right, not more than once during any calendar year, to have the books and records of iOx and its Affiliates audited by an independent certified public accounting firm international standing. iOx shall include in each sublicense granted by it pursuant to this Agreement provision requiring the Sublicensee to make reports to iOx. or its Affiliates, to keep and maintain records of sales made pursuant to such sublicense and to grant access to such records to LICR’s auditors to the same extent required of iOx and its Affiliates under this Section. Audits under this Section shall be conducted during normal business hours, upon at least forty-five (45) days’ prior written notice, and for the sole purpose of verifying royalties payable to LICR under this Agreement. All information and data reviewed in any audit conducted under this Section shall be used only for the purpose. of verifying royalties payable to LICR under this Agreement and shall be treated as Confidential Information of iOx subject to the terms of this Agreement. LICR shall cause its accounting·:firm to enter into an acceptable confidentiality agreement with iOx and its Affiliates and Sublicensees, as app1icable. The accounting firm shall disclose to LICR only whether the royalty reports are correct or incorrect and the specific details concerning any discrepancies. No other information shall be provided to LICR. LICR shall bear the full cost of such audits, unless such inspection leads to the discovery of a discrepancy of greater than the greater of ten percent (10%) in reporting to LICR1s detriment, or of $50,000, for any calendar year. In such instance, iOx agrees to pay the reasonable cost of such audit plus interest as stipulated in Section 3.6 from and after the date the audit report is delivered to iOx.

ARTICLE IV
INTELLECTUAL PROPERTY

4.1 **Licensed Patent Rights.** LICR shall be responsible for managing the preparation, filing, prosecution and maintenance of all Licensed Patent Rights (including, for clarity, controlling any interference, derivation, post-grant review, *inter-partes* review, re-examination, reissue, opposition or cance1lation proceeding with respect thereto). iOx shall reimburse LICR for all New Patent Costs it incurs acting reasonably (with prior notification to, and consultation with, to the extent practicable iOx). LICR shall consult with and keep iOx informed of material issues relating to the preparation and filing, prosecution and maintenance of the Licensed Patent, and shall furnish to iOx with copies of all material documents relevant to such preparation, filing, prosecution or maintenance. In the event that LICR desires to abandon any patent or patent application within the Licensed Patent Rights, it shall provide iOx with reasonable prior written notice of such intended abandonment and iOx shall have the right, at its expense, to prepare, file, prosecute, and maintain the relevant Licensed Patent Rights.

4.2 **Enforcement of Licensed Patent Rights; Defense of Infringement Actions.** Each P.arty shall promptly notify the other in writing of any known or suspected Third Party infringement of any Licensed Patent Rights or if any action for a declaration of non-infringement or invalidity of Licensed Patent Rights is made by a Third Party, or if any allegation of infringement of Third Party patents is made against either Party or any Affiliates or Sublicensees as a result of the manufacture, use or sale of a Licensed Product.

(a) **First Right to Respond.** iOx shall have the first right to respond to any challenge or infringement of the Licensed Patent Rights at its own expense. In the event iOx elects to so respond, LICR will, at iOx's sole expense, cooperate with iOx's legal counsel, join in such suits as may be brought by iOx to enforce the Licensed Patent Rights, and be available at iOx's reasonable request to be an expert witness or otherwise to assist in such proceedings, at iOx's sole expense. During the pendency of any such suit, iOx may withhold from its royalty payments otherwise due to LICR in relation only to the disputed Licensed Patent Rights, [****] of the costs incurred by iOx in connection with such suit, *provided* that in no vent may the royalty payments otherwise due to LICR in respect of disputed Licensed Patent Rights, be reduced by [****] by operation of this Section 4.2(a). Any royalty payments due to LICR in relation to Licensed Patent Rights not in dispute, shall be paid in full. If iOx recovers monetary damages from a Third Party in connection with any action described in this Section 4.2 (a), such damages sha11 be applied in the fo11owing manner: (i) first, iOx shall be reimbursed for all costs and expenses incurred by it in connection with such action; (ii) second, LICR shall be reimbursed for any royalties withheld during the pendency of such suit; and (iii) any remaining damages shall be divided between the Parties, with LICR receiving the portion equal to the amount of royalties it would have received if such remaining compensatory damages had been an equivalent amount of Net Sales.

(b) **Second Right to Respond.** If, within three (3) months of providing to or receiving from iOx notice of Third Party infringement pursuant to this Section 4.2, iOx does not exercise its first right to initiate legal action under this Section or initiate discussions to avert such suit (by license or otherwise), then LICR shall have the option to do so at its sole expense and may, at its option, join iOx as a party in such suit; *provided* that, in determining whether or not to take action, LICR shall give good faith consideration to the position of iOx in declining to bring such action. In such event, all amount recovered from such Third Party shall be retained by UCR, after reimbursement to iOx for any :expenses it may have incurred in connection with such suit.

4.3 **Cooperation.** Each Party hereby agrees: (a) to make its employees, agents and consultants reasonably available to the other Party (or to the other Party's authorized attorneys, agents or representatives), to the extent reasonably necessary to enable such Party to undertake patent prosecution and maintenance as contemplated by this Agreement; (b) to cooperate, if necessary and appropriate, with the other Party in gaining patent term extensions wherever applicable to Patent Rights that are subject to this Agreement; and (c) to endeavor in good faith to coordinate its efforts with the other Party to minimize or avoid interference with the prosecution and maintenance of the other Party's patent applications that are subject to this Agreement. For the avoidance of doubt, each Party agrees that its employees, agents and consultants shall provide any and all information required for the other Party to comply with its relevant duties of disclosure as required by applicable law in the United States or any other jurisdiction.

4.4 **Patent Term Restoration.** iOx shall retain the sole and exclusive right to make any patent term restoration election or its equivalent, anywhere in the world, including under 35 U.S.C. §156 and its foreign counterparts with respect to any Licensed Patent Rights, and LICR shall abide by such elections and cooperate, as reasonably requested by iOx, in connection with the foregoing (including by providing appropriate information and executing appropriate documents).

ARTICLE V
REPRESENTATIONS, WARRANTIES AND COVENANTS

5.1 **By LICR.** LICR hereby represents and warrants and covenants to iOx that:

(a) this Agreement is a legal and valid obligation binding upon LICR and enforceable in accordance. with its terms and, except as otherwise set forth herein, the execution, delivery and performance of this Agreement by LICR does not conflict with any agreement, instrument or understanding to which LICR is a party or by which it is bound;

(b) LICR owns or controls the Licensed Patent Rights and Licensed Technology existing as of the Effective Date and is entitled to grant the license specified herein. LICR has not previously assigned, transferred, conveyed or otherwise encumbered its right, title and interest in the Licensed Patent Rights and Licensed Technology with respect to the Licensed Products,-that may be inconsistent with the rights granted to iOx under this Agreement, and shall not do so during the Term;

(c) to the best of LICR's knowledge, there is no actual or threatened infringement of the Licensed Patent Rights in the Field by any Third Party;

5.2 **By iOx.** iOx hereby represents and warrants to LICR that:

(a) The execution and delivery of this Agreement by iOx and· the performance by iOx of the transactions contemplated hereby have been duly authorized by all appropriate iOx corporate action; and

(b) This Agreement is a legal and valid obligation binding upon ;ox and enforceable in accordance with its terms and the execution, delivery and performance of this Agreement by iOx does not conflict with any agreement, instrument or understanding to which iOx is a party of or by which it is bound.

5.3 **Warranty Disclaimer.** Except as expressly set forth in this Agreement, NEITHER PARTY MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, AND EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALL SUCH WARRANTIES ARE HEREBY DISCLAIMED, INCLUDING WARRANTIES ARISING BY COURSE OF DEALING, PERFORMANCE, CUSTOM OR USAGE IN TH. ETRADE, AND IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

5.4 **Indemnification.**

(a) **iOx Indemnity.** iOx shall indemnify, defend and hold harmless LICR, the UCR Academic Collaborators and their respective directors, officers, employees and agents, and their respective successors, heirs and assigns (the **"LICR Indemnitees")** from and against any liability, damage, loss or expense (including reasonable outside attorneys' fees and expenses of litigation) (collectively, **"Losses")** incurred by or imposed upon such LICR Indemnitees, or any of them, resulting from any claim, action or proceeding brought or initiated by a Third Party (each a " **Claim")** to the extent that such Claim arises out of: (i) the breach or alleged breach of any obligation, representation or warranty of iOx under this Agreement; or (ii) the negligence or willful misconduct of any iOx Indemnitee; *provided* that (x) the LICR Indemnitees comply with the procedure set forth in subsection (c) below; and (y) such indemnity shall not apply to the extent such Claim arises from (i) the breach or alleged breach of any obligation, representation or warranty of LICR under this Agreement; or (ii) the negligence or willful misconduct of any LICR Indemnitee.

(b) **LICR Indemnity.** LICR shall indemnify, defend and hold harmless iOx, its Affiliates and Sublicensees arid their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (the **"iOx Indemnitees")** from and against any Loss incurred by or imposed upon such iOx Indemnitees, or any of them, in connection with any Claim arising arises out of: (i) the breach or alleged breach of any obligation, representation or warranty of LICR under this Agreement; or (ii) the negligence or willful misconduct of any LICR Indemnitee; *provided* that (x) the iOx Indemnitees comply with the procedure set forth in subsection (c) below; and (y) such indemnity shall not apply to the extent such Claim arises from (i) the breach or alleged breach of any obligation, representation or warranty of iOx under this Agreement; or (ii) the negligence or willful misconduct of any iOx Indemnitee.

(c) **Indemnification Procedures.** In the event that a Party intends to claim indemnification under this Article V, such Party shall promptly notify the indemnifying Party thereof, and the indemnifying Party shall assume the defense thereof with counsel mutually satisfactory to the Parties; *provided, however,* that an indemnified Party shall have the right to retain its own counsel, with the fees and expenses to be paid by indemnifying Party, if representation of such indemnified Party by the counsel retained by the indemnifying Party would be inappropriate due to actual or potential differing interests between such indemnified Party and any other party represented by such counsel in such proceedings. The indemnity obligation set forth in this Section 5.4 shall not apply to amounts paid in settlement of any claims, suits, actions, demands or judgments if such settlement is effected without the consent of the . indemnifying Party, which consent shall not be unreasonably withheld. The failure to deliver notice to the indemnifying Party within a reasonable time after the commencement of such action, if prejudicial to its ability to defend such action, shall relieve the indemnifying Party of any liability to the indemnified Party under this Article V, but the omission to so deliver notice to the indemnifying Party will not relieve it of any liability that it may have to any indemnified Party otherwise than under this Article V. The indemnified Party under this Article V shall cooperate fully with the indemnifying Party and its legal representatives in the investigation of any claim for which indemnification is sought here under.

5.5 **Limitation of Liability.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER, OR TO ANY THIRD PARTY CLAIMING THROUGH OR UNDER THE OTHER PARTY, FOR ANY LOST PROFITS OR FOR ANY INDIRECT, EXEMPLARY, PUNITIVE, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES OF ANY KIND ARISING OUT OF THIS AGREEMENT, EVEN IF IT HAS BEEN ADVISED OFTHE POSSIBILITY OF SUCH DAMAGES.

5.6 **Insurance.** iOx or its Affiliate and Sublicensee, shall maintain insurance, as may reasonably be expected, taking into account all circumstances arising from iOx's activities in connection with this Agreement, in accordance with reasonable industry standards measured against the size and other particulars of a company such as iOx or its Sublicensee, as the case may be.·

ARTICLE VI
CONFIDENTIAL INFORMATION

6.1 **"Confidential Information"** shall mean any technical scientific or business information furnished by or on behalf of one Party or its Affiliates (the **"Disclosing Party")** to the other Party or its Affiliates (the **"Receiving Party")** in connection with this Agreement or the activities contemplated hereunder regardless of whether such information is specifically designated as confidential and regardless of whether such information is in oral, written, electronic or other form. The terms of this Agreement shall be considered Confidential Information of both Parties, subject to the provisions of this Article VI. Confidential Information shall not include information that:

(a) is generally available in the public domain or thereafter becomes available to the public through no act of the Receiving Party; or

(b) was independently known to the Receiving Party prior to receipt thereof or was discovered independently by an employee of the Receiving Party who had no .access to the information supplied by or on behalf of the Disclosing Party; or

(c) was made available to the Receiving Party as a matter of lawful right by a Third Party who had no obligations of confidentiality to the Disclosing Party.

6.2 **Obligations.** The Receiving Party agrees that it shall not, without the prior written consent of the Disclosing Party, directly or indirectly:

(a) make any use of any portion of the Confidential Information of the Disclosing Party for purposes other than those set forth in this Agreement; or

(b) disclose or transfer any portion of the Confidential Information to any person; except that the Receiving Party may disclose or permit the disclosure of Confidential Information to its Affiliates and their respective directors, officers, employees, consultants, and advisors·, and, with respect to iOx and its Affiliates, their Sublicensees and subcontractors and partners and investors and potential investors in connection with a general financing transaction, who have an ethical or fiduciary duty to the Receiving Party or are otherwise obligated to maintain the confidential nature of such Confidential Information and who need to know such Confidential Information for the purposes set forth in this Agreement or for other legitimate business purposes.

Notwithstanding the above, the Receiving Party may disclose Confidential Information of the Disclosing Party when required by applicable laws or government rules or regulations (including without limitation, applicable securities regulations), *provided* that to the extent reasonably possible, the Receiving Party provides reasonable prior written notice of such disclosure to the Disclosing Party and takes reasonable efforts to avoid and/or minimize the extent of disclosure.

6.3 Upon expiration or termination of this Agreement and upon request of the Disclosing Party, all copies of any Disclosing Party's Confidential Information shall be returned to the Disclosing Party, except that each Receiving Party may retain one (l) copy of the Confidential Information received hereunder in the possession of its legal counsel, solely for monitoring its obligations under this Agreement.

6.4 No option, license, or conveyance of such rights, express or implied, is granted to the Receiving Party in connection with any Confidential Information disclosed by the Disclosing Party, except for the express licenses granted in Article 2. If any such rights are to be granted to the Receiving Party, such grant shall be expressly set forth in a separate written instrument.

6.5 **Public Announcements.** Other than as required by a Party or its Affiliates to comply with applicable laws or regulations, each Party agrees that the terms of this Agreement are Confidential Information and neither Party shall make any public announcement disclosing the terms of this Agreement without the prior written consent of the other Party (not to he unreasonably withheld) and shall, if required by law to make such public announcement: (a) to the extent possible, notify the other Party if it anticipates that it may be required to make such public announcement; (b) provide such other Party with a copy of such public announcement, or the relevant portions thereof, a reasonable time prior to its release (and any revisions to such public announcement a reasonable time prior to the release thereof); (c) consult with and follow any reasonable directions from the other Party with respect to disclosures in such public announcement; and (d) if disclosure cannot be avoided, only disclose Confidential Information to the extent necessary to comply with law. LICR and iOx shall be entitled to issue press releases related *to* this Agreement; *provided* that they will not use the other Parties name· without such Parties prior written consent in any press release, advertising or promotional materials. Any public announcements and statements by iOx and its Affiliates reporting significant advances in the development and commercialization of Licensed Products will acknowledge the rights to the Licensed Products granted to iOx by LICR, under this Agreement.

6.6 **Publications.** In the event that LICR wishes to publish, present, or otherwise disclose any research results relating directly to the subject matter of the Licensed Patent Rights, LICR shall provide iOx with copies of any such publication or presentation at least thirty (30) days prior to submission for publication or presentation. iOx shall, within a period of thirty (30) days of receipt of such publication or presentation, advise LICR whether patent or commercial interests may be prejudiced by the proposed publication or presentation, in which case LICR shall delay submission of the publication or presentation for an additional period, not to exceed forty-five (45) days, in order to prepare and file appropriate Patent Rights. If iOx has not responded to LJCR within the initial thirty (30) day time period, the proposed publication or presentation shall be deemed not to prejudice any patent or commercial interests and the LICR sha11 be free to proceed with the proposed disclosure.

ARTICLE VII
TERM AND TERMINATION

7.1 **Term.** This Agreement shall be effective as of the Effective Date and, unless terminated early pursuant to this Article VII, shall continue until the date on which iOx has no further financial obligations to LICR hereunder (the **"Term").**

7.2 **Termination for Material Breach.** In the event that a Party has materially breached or defaulted in the performance of any of its obligations hereunder, and if such default is not corrected within sixty (60) days after receiving written notice from the other Party with respect thereto, such other Party shall have the right to terminate this Agreement by giving written notice to the breaching Party; *provided* that the time period for providing such notice of termination shall be extended for so long as the breaching Party is engaged in good faith efforts to cure such breach or default.

7.3 **Termination for Convenience,** iOx may terminate this Agreement at any time, for any reason or no reason, upon ninety (90) days' prior written notice to LICR.

7.4 **Termination for Insolvency.** In the event a Party files for protection under the bankruptcy laws, makes an assignment for the benefit of creditors, appoints or suffers appointment of a receiver or trustee over its property, files a petition under any bankruptcy or insolvency act or has any such petition filed against it which is not discharged within ninety (90) days of the filing thereof, then the other Party may terminate this Agreement effective immediately upon written notice to the Party.

7.5 **General Effect of Termination.**

(a) **Termination of Rights.** Upon any early termination of this Agreement by LICR by operation of Sections 7.2 or 7.4, or by iOx by operation of Section 7.3 the rights and licenses granted to iOx arid its Affiliates under Section 2.1 shall terminate. Notwithstanding the foregoing, any Sublicensee shall become a direct licensee of LICR if the Sublicensee is not then in breach of its sublicense agreement with iOx or its Affiliate and the Sublicensee agrees in writing .to abide by the terms and conditions of this Agreement including all financial consideration and other obligations to LICR, applicable to iOx and its Affiliates, *provided* that (i) the scope of the direct license granted by LICR to such Sublicensee shall be co-extensive with the scope of the sublicense granted by iOx or its Affiliate to such Sublicensee and (ii) any such direct license to a Sublicensee shall not impose any representations, warranties, obligations or liabilities on Licensors that are not included in this Agreement.

(b) **Accrued Obligations.** Termination of this Agreement for any reason shall not release any Party hereto from any liability which; at the time of such termination, has already accrued to the other Party or which is attributable to a period prior to such termination, nor preclude either Party from pursuing any rights and remedies it may have hereunder or at law or in equity which accrued or are based upon any event occurring prior to such termination.

(c) So long as there are no Sublicensees for which a direct license would be available under Section 7.5 (a), in the event LICR terminates this Agreement pursuant to Sections 7.2 or 7.4, or iOx terminates this Agreement pursuant to Section 7.3, iOx shall, upon the written request of LICR, promptly enter into good-faith discussions with LICR regarding providing a license to LICR under Patent Rights and know-how relating to any Licensed Product that was developed and/or commercialized by iOx or its Affiliates and which was conceived and reduced to practice during the Term, for the purpose of LICR's research, development and/or commercialization of Licensed Products. If, despite good faith discussions, the Parties are unable to agree on the terms of an agreement, then the Parties may submit the issue to Dispute Resolution under Article VIII.

(d) So long as there are no Sublicensees for which a direct license would be available under Section 7.5 (a), if iOx discontinues its diligent development and commercialization of a Select Licensed Product, iOx shall, upon the written request of LICR, .promptly enter into good-faith discussions with LICR regarding providing a license to LICR under Patent Rights and know-how relating to any Licensed Product th.at was developed and/or commercialized by iOx or its Affiliates and which was conceived and reduced to practice during the Term, for the purpose of LICR's research, development and/or commercialization of Licensed Products. If, despite good faith discussions, the Parties are unable to agree on the terms of an agreement, then the Parties may submit the issue to Dispute Resolution under Article VIII.

(e) **Transfer Provisions.** In connection with the grant of a license to LICR under either Sections 7.5 (c) or (d), the Parties agree that upon LICR's written request, iOx and its Affiliates shall assign and transfer to LICR all information, documents and materials supporting the further preclinical or clinical development and commercialization of Licensed Products held by iOx and its Affiliates, which are the subject of the license grant to LICR. iOx and its Affiliate shall take such actions and execute such assignments or documents as necessary to effect the transfer to LICR at LICR expense, in as prompt and reasonable manner as possible. This shall include information, documents and materials supporting the (i) preclinical development, formulation, toxicology and CMC manufacturing (ii) regulatory materials filed with the FDA, EMA or other regulatory authorities including IRB and ethics submissions and reports (iii) Preclinical and clinical data including investigator reports (preliminary and final), statistical analysis, expert opinion and audit reports, safety and other electronic databases and (iv) Third Party manufacturer, CRO or vendor contracts. iOx agrees to cooperate with LICR at its sole expense, to facilitate an orderly transition of the development activities relating to the transferred Licensed Products.

(f) **Survival.** Articles IV, VI and VIII and Sections 3.9, 5.3, 5.4, 5.5, 7.5, 9.1, 9.2, 9.4, 9.9, 9.10 and 9.12 hereof(and related definitions) shall survive the expiration or termination of this Agreement for any reason. In addition, any other provision required to interpret and enforce the Parties' rights and obligations under this Agreement shall also survive, but only to the extent required for the observation and performance of the aforementioned surviving portions of this Agreement.

ARTICLE VIII
DISPUTE RESOLUTION

8.1 **Dispute Resolution.** Except for the right of either Party to apply to a court of competent jurisdiction for a temporary restraining order, a preliminary injunction or other equitable relief to preserve the status quo or prevent irreparable harm, any dispute, other than disputes regarding the construction, validity or enforcement of Licensed Patent Rights, arising between the Parties relating to, arising out of or in any way connected with this Agreement or any term or condition hereof, or the performance by either Party of its obligations hereunder, whether before or after termination of this Agreement, shall be resolved in accordance with this Section 8.1.

(a) If any dispute arises between the Parties and the Parties cannot resolve such dispute within sixty (60) days of a written request by either Party to the other Party, the chief executive officers of each Party (or their respective designees) shall meet to attempt to resolve such dispute..

(b) If the chief executive officers of the Parties (or their respective designees) cannot resolve such dispute within sixty (60) days after either Party requests such a meeting in writing, then upon written notice by either Party to the other Party, such dispute, controversy or claim shall be finally resolved by binding arbitration which the Parties agree to accept in lieu of litigation or other legally available remedies. Binding arbitration shall be settled in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce by a panel of three arbitrators chosen in accordance with said Rules. Judgment upon the award rendered may be entered in any court having jurisdiction and the Parties hereby consent to the said jurisdiction and venue, and further irrevocably waive any objection which either Parties may have now or hereafter to the laying of venue of any proceedings in said courts and to any claim that such proceedings have been brought in an inconvenient forum, and further irrevocably agrees that a judgment or order in any such proceedings shall be conclusive and binding upon the Parties and may be enforced in the courts of any other jurisdiction.

(c) Parties will bear their own costs in preparing for the arbitration. The costs of the arbitrators will be equally divided between the Parties.

(d) Any and all activities conducted under this Section 8.1 including any and 11 proceedings and decisions of the arbitration panel; shall be deemed Confidential Information of each of the Parties, and shall be subject to Article VI. ·

ARTICLE IX
MISCELLANEOUS

9.1 **Governing Law.** This Agreement shall be constructed and governed in accordance with the laws of England and Wales, without regard to its conflicts of law provisions.

9.2 **Waiver.** Neither Party may waive or release any of its rights or interests in this Agreement except in writing. The failure of either Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement sha11 not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition. No waiver by either Party of any condition or term in any one or more instances shall be construed as a further or continuing waiver of such condition or term or of another condition or term.

9.3 **Assignment.** This Agreement shall not be assignable by either Party to any Third Party without the written consent of the other Party hereto; except either Party may assign this Agreement (in whole or in part), without such consent, to (a) an Affiliate or (b) an entity that acquires all or substantially all of the capital stock, business or assets of the Party to which this Agreement pertains (whether by merger, reorganization, acquisition, sale, or otherwise) and agrees in writing to be bound by the terms and conditions of this Agreement. The terms and conditions of this Agreement shall be binding on and inure to the benefit of the permitted successors and assigns of the Parties.

9.4 **Notices.** All notices hereunder will be in writing and will be delivered personally, by internationally recognized overnight courier service, registered or certified mail, postage prepaid, or mailed by express mail service to the following addresses of the respective Parties:

If to iOx:	iOx Therapeutics Ltd. 5th Floor Alder Castle 10 Noble Street London EC2V 7QJ Attention: Ian Walters, MD., Chief Executive Officer
If to LICR:	Ludwig Institute for Cancer Research Ltd. 666 Third Avenue, 28th Floor New York, New York 10017, USA Attention: Ed McDermott, Jr., President
With a copy to:	Attention: Jonathan Skipper, Ph.D., Executive Director, Technology Development

Notices will be effective upon receipt if personally delivered, on the third Business Day following the date of mailing if sent by certified or registered mail, and on the second Business Day following the date of delivery if sent by express mail or overnight courier. A Party may change its address listed above by written notice to the other Party provided in accordance with this Section.

9.5 **Independent Contractors.** Nothing contained in this Agreement is intended implicitly, or is to be construed, to constitute iOx or LICR as partners or joint venturers in the legal sense. No Party hereto shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of any other Party or to bind any other Party to any contract, agreement or undertaking with any Third Party.

9.6 **Other Obligations.** Except as expressly provided in this Agreement or as separately agreed upon in writing between LICR and iOx, each Party shall bear its own costs incurred in connection with the implementation of the obligations under this Agreement.

9.7 **Severability.** If any term or provision of this Agreement will for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other term or provision hereof, and in lieu of each such invalid, illegal or unenforceable provision there will be added automatically as a part of this Agreement a provision that is valid, legal and enforceable, and as similar in terms to such invalid, illegal or unenforceable provision as may be possible while giving effect to the benefits and burdens for which the Parties have bargained hereunder.

9.8 **Further Assurances.** At any time or from time to time on and after the date of this Agreement, either Party shall at the request of the other Party (a) deliver to the requesting Party such records, data or other documents consistent with the provisions- of this Agreement, (b) execute, and deliver or cause to be delivered, all such consents, documents or further instruments of assignment, transfer or license, and (c) take or cause to be taken all such actions, as the requesting Party may reasonably deem necessary or desirable in order for the requesting Party to obtain the full benefits of this Agreement and the transactions contemplated hereby.

9.9 **Entire Agreement, Waivers, Etc.** This Agreement constitutes the entire agreement, both written or oral, with respect to the subject matter hereof, and supersedes and terminates all prior or contemporaneous understandings or agreements, whether written or oral, between the Parties with respect to the subject matter hereof. No terms or provisions of this Agreement shal1 be varied or modified by any prior or subsequent statement, conduct or act of either of the Parties, except that the Parties may amend this Agreement by written instruments specifically referring to and executed in the same manner as this Agreement.

9.10 **Headings, Construction and Interpretations.** The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted joint1y by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”. The words “hereof’, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein. The definitions contained in this Agreement are applicable to the singular as well *as* the plural forms of such tem1s and to the masculine as well as to the feminine and neuter genders of such term.

9.11 **Counterparts.** This Agreement may be executed in any number of separate cow1terparts, including .pdf versions, each of Which will be deemed to be an original, but which together will constitute one and the same instrument.

9.12 **Costs.** Each Party shall bear its own costs and expenses in connection with the preparation, negotiation, execution and delivery of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this License Agreement to be duly executed by their authorized representatives as of the Effective Date.

IOX THERAPEUTICS LTD.

By:./s/Ian Walters, MD
Name: Ian Walters, MD
Title: CEO

Date: 1 July 2015

LUDWIG INSTITUTE FOR CANCER RESEARCH LTD.

By: /s/Edward A. McDermott Jr.
Name: Edward A. McDermott
Title: President

Date: 1 July 2015

By:/s/Jonathan Skipper
Name: Jonathan Skipper
Title: Executive Director of Technology Development
Date: 1 July 2015

Appendix A - Licensed Patent Rights

[****]

CERTAIN IDENTIFIED INFORMATION, MARKED WITH "[****]", HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

LICENSE AGREEMENT

This License Agreement (this "**Agreement**") is entered into as of October 29, 2019 (the "**Agreement Date**"), by and between Tarus Therapeutics, Inc., a company formed under the laws of the State of New York, USA, having a place of business at 6A Cove Lane, North Bergen, NJ 07407, USA ("**Tarus**") and Impetis Biosciences Limited, a company incorporated in India, having a place of business at 407, The Summit Business Bay, Near WEH Metro Station, Off. Andheri-Kurla Road, Andheri (E), Mumbai 400 093 ("**Impetis**"). Each of Tarus and Impetis may be referred to as a "**Party**" and together as the "**Parties**".

WHEREAS: Impetis is the sole and exclusive owner of all rights in and to the following Adenosine Receptor Antagonists and the related intellectual property rights, as defined more particularly in this Agreement hereafter; and

WHEREAS: Impetis wishes to grant to Tarus, and Tarus wishes to receive: (i) an exclusive worldwide license to Develop and Commercialize (both as defined below) the Closing Assets (as defined below); and (ii) an exclusive call option to obtain an exclusive worldwide license to Develop and Commercialize the Option Assets (as defined below).

NOW, THEREFORE, in consideration of the covenants and obligations expressed herein, intending to be legally bound, the Parties agree as follows:

1. Definitions

Terms capitalized herein shall have the meanings set forth below.

1.1 "**Affiliate**" shall mean with respect to any Party, any other Person that directly or indirectly, through one or more intermediary Persons, Controls (as such term is defined below) or is Controlled by or is under common Control with such Party.

1.2 "**Applicable Law**" means any present or future law, regulation, directive, instruction, direction or rule of any Government Authority or Regulatory Authority including any amendment, extension or replacement thereof which is from time to time in force.

1.3 "**Clinical Trial**" means any Phase I Clinical Trial, Phase II Clinical Trial, Phase III Clinical Trial, Pivotal Clinical Trial, or any other clinical trial or study in human subjects or patients.

1.4 "**Commercialization**" means all activities relating to the commercial Exploitation of the Licensed Products, including without limitation the export, import, promotion, marketing (including pre-launch, post-launch marketing and marketing research), conducting post approval clinical trials, detailing, distribution, pricing and reimbursement, storage, handling, preparation for sale, offering for sale and selling, customer service and support, adverse events reporting and interacting and communicating with Regulatory Authorities in relation to a Licensed Product. When used as a verb, "**to Commercialize**" and "**Commercializing**" means to engage in Commercialization, and "**Commercialized**" has a corresponding meaning.

1.5 "**Control**" shall mean the power to direct or manage the affairs of the relevant entity and/or beneficial ownership of more than fifty percent (50%) of such entity by voting share, equity interest, partnership interest, contract or otherwise.

1.6 "**Confidential Information**" means any and all information, data or materials related to, or associated with (a) Tarus Background IP and Tarus Arising IP; (b) Impetis Background IP; (c) any confidential information related to Tarus' business and Impetis' business; (d) any information relating to Licensed Products; and (e) any documents, reports and/or other records provided by one Party to the other pursuant to this Agreement; (f) Closing Assets, Impetis Compounds and Impetis Licensed IP; (g) the Option Assets.

1.7 "**Closing Assets**" means the following Adenosine Receptor Antagonists for all indications: A2AR antagonist (PNQ-370) and A2BR antagonists (PNQ-103 and PNQ-103-1) for all indications and all Related Assets.

1.8 "**Development**" means all activities conducted in connection with obtaining Marketing Authorizations for Licensed Products, including without limitation research, pre-clinical and other non-clinical testing, test method development and stability testing, toxicology, formulation, process development, manufacturing scale-up, qualification and validation, quality assurance, quality control, clinical studies, including manufacturing in support thereof, statistical analysis and report writing, the preparation and submission of applications for Marketing Authorizations, the regulatory affairs with respect to the foregoing and all other activities necessary or reasonably useful or otherwise requested or required by a Regulatory Authority as a condition or in support of obtaining or maintaining a Marketing Authorization. When used as a verb, "**Develop**" means to engage in Development.

1.9 "**Documents**" means reports, research notes, charts, graphs, comments, computations, analyses, recordings, photographs, paper notebooks, books, files, ledgers, records, tapes, discs, diskettes, CD-ROM, computer programs and documents thereof, computer information storage means, samples of material, other graphic or written data and any other media on which Know How can be permanently stored.

1.10 "**Effective Date**" means the date the Upfront Payment is made by Tarus to Impetis pursuant to Section 5.1 hereof.

1.11 "**EMA**" means the European Medicines Agency or any successor agency thereto.

1.12 "**Exploit**" means to make, have made, use, have used, Develop, Commercialize, manufacture, have manufactured, hold, or keep (whether for disposal or otherwise), transport, distribute or otherwise dispose of any Impetis Compound or Licensed Product.

1.13 "**EU5**" means France, Germany, Italy Spain, and the United Kingdom.

1.14 "**First Commercial Sale**" means, with respect to any Licensed Product and a country, the date of the first sale for monetary value for end use or consumption of such Licensed Product by Tarus, an Affiliate of Tarus, or sublicensee to a third party, following receipt of the necessary Marketing Authorization for such Licensed Product in such country, but specifically excluding any sale or other distribution for use in a clinical trial (for clarity, actual revenues received by Tarus from sales or distributions for use in clinical trials shall be considered Net Sales notwithstanding that such sale is not considered a First Commercial Sale).

1.15 "**Good Manufacturing Practice**" or "**GMP**" means manufacture in accordance with:

(a) Directive 91/412/EEC and Directive 2003/94/EC or any other applicable European Community legislation or regulation as amended and applicable from time to time;

(b) the current principles and guidelines of good manufacturing practice for medicinal products for human use and "substantial conformity with good manufacturing requirements" (as such phrase is used in Section 802(f)(1) of the Federal Food, Drug and Cosmetic Act, such Act may be amended from time to time);

(c) US Code of Federal Regulations, Title 21, Part 210 (Current Good Manufacturing Practice in Manufacturing, Processing, Packaging or Holding of Drugs), Part 211 (Current Good Manufacturing Practice for Finished Pharmaceuticals); and

(d) the equivalent law or regulation in any other market.

1.16 "**Government Authority**" means any national or supranational agency, authority, department of any government of any country having jurisdiction over any of the activities contemplated by this Agreement or over the Parties.

1.17 "**Healthcare Laws**" means any and all laws or regulations relating to the regulation of the health care industry or to payment for any items or services rendered, provided, or furnished by a party, including 42 U.S.C. § 1320a-7 et seq. and the regulations promulgated thereunder; 42 U.S.C. § 1395nn et seq. and the regulations promulgated thereunder; state anti-kickback and physician self-referral laws; the Health Insurance Portability and Accountability Act of 1996 and the regulations issued pursuant thereto; the Privacy provisions (Subtitle D) of the Health Information Technology for Economic and Clinical Health Act, Division A, Title XIII of Pub. L. 111-5, as codified at 42 U.S.C. Sections 1320d through d-9. and the regulations promulgated thereunder and state privacy laws; federal and state laws governing the use, handling, control, storage, transportation, and maintenance of controlled substances, pharmaceuticals or drugs; federal and state laws governing the provision or furnishing of therapy care and rehabilitative therapy services; any other regulation or law with respect to kickbacks, billing, utilization review, patient brokering;, coding, physician self-referrals, fee-splitting, patient or program charges, the hiring of employees or acquisition of services or products from those who have been excluded from Federal or State health care programs, claims submissions, dispensing equipment and medical devices, medical or clinical documentation, medical record retention, referrals, quality, safety, privacy, security, licensure, accreditation or any other aspect of providing health care and with respect to all of the foregoing, "Healthcare Laws" shall include any and all statutes, rules, regulations, position statements, declaratory statements, advisory opinions, bulletins, notifications, coverage determinations, and other guidance relating to any of the foregoing.

1.18 "**Impetis Background IP**" means Impetis Intellectual Property that is conceived, developed, made, acquired, possessed or licensed by Impetis prior to or outside the scope of this Agreement.

1.19 "**Impetis Compounds**" means each of A2AR antagonist (PNQ-370) and A2BR antagonists (PNQ-103 and PNQ-103-1) and in the event that Tarus duly exercises the Call Option, also the PNQ-201 and A2A/A2B Dual Inhibitor, and follow on compounds and related compounds and any metabolite, salt, ester, hydrate, solvate, isomer, enantiomer, free acid form, free base form, crystalline form, co-crystalline form, amorphous form, pro-drug (including ester pro-drug) form, racemate, polymorph, chelate, stereoisomer, tautomer, resonate or optically active form thereof; and all derivatives thereof and/or improvements thereon.

1.20 "**Impetis Know How**" means all Know How owned by or licensed to Impetis on the Effective Date that is necessary to Develop, Commercialize and/or Exploit any Impetis Compound or Licensed Product.

1.21 "**Impetis Licensed IP**" means Impetis Patent Rights, Impetis Know How, and Impetis Compound(s).

1.22 "**Impetis Patent Rights**" means the Patent Rights set forth in Schedule A.

1.23 "**IND**" means the approval of an investigational new drug application filed with the United States Food and Drug Administration (or any successor agency thereto) prior to beginning clinical trials in humans, or any comparable application filed with the Regulatory Authority of a country other than the United States prior to beginning trials in humans in that country.

1.24 "**Intellectual Property**" or "**IP**" shall mean any and all intellectual property rights, of any kind and nature, registrable or otherwise, currently existing or developed in the future, including, without limitation, Patent Rights, patents, patent applications, trademarks, trade names, patent and trademark applications, utility models, rights in licenses, designs, data and data rights, copyrights including rights in computer software, and all rights or forms of protection of similar nature or having equivalent effect to any of the foregoing which may subsist (anywhere in the world) whether or not registered and including applications for any of the foregoing, inventions (whether patentable or not), innovations, technology, discoveries, works of authorship, Know How, scientific results, data rights, trade secrets, industrial models, formulas, formulations, compounds, processes, methods, compositions, materials, designs, methodologies, techniques, computer programs (including all source code), all subject matter disclosed or claimed in the Patent Rights or as a basis for priority; and related documentation, technical and scientific information and manufacturing, engineering and technical drawings, and all applications for the foregoing.

1.25 "**Know How**" means technical and other information which is not in the public domain, including information comprising or relating to concepts, discoveries, data, designs, formulae, ideas, inventions, methods, models, assays, research plans, procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development), processes (including manufacturing processes, specifications and techniques), laboratory records, chemical, pharmacological, toxicological, clinical, analytical and quality control data, trial data, case report forms, data analyses, reports, manufacturing data or summaries and information contained in submissions to and information from ethical committees and Regulatory Authorities. Know How includes Documents containing Know How, including but not limited to any rights including trade secrets, copyright, database or design rights protecting such Know How. The fact that an item is known to the public shall not be taken to preclude the possibility that a compilation including the item, or a development relating to the item, is not known to the public.

1.26 "**Licensed Product**" means any product incorporating an Impetis Compound covered by a Valid Claim.

1.27 "**Marketing Authorization**" means the approval of an NDA or sNDA submitted to the Food and Drug Administration for the marketing of a Licensed Product in the United States, or with respect to any other country, any and all approvals required from any Regulatory Authority to market a Licensed Product in that country.

1.28 "**NDA**" means a new drug application filed with the Food and Drug Administration for a Licensed Product in the USA, or any comparable application filed with the Regulatory Authorities of any other country (or any Regulatory Authority covering that country in the case of a supranational Regulatory Authority) to obtain all approvals necessary to market a Licensed Product in that country.

1.29 "**Net Sales**" shall mean, amounts actually received for sales, leases, or other transfers of Licensed Products, less the following amounts:

(i) credits and allowances for price adjustment, rejection, or return of Licensed Products previously sold;

(ii) rebates, quantity and cash discounts to purchaser allowed and taken;

(iii) amounts for third party transportation, insurance, handling or shipping charges to purchasers;

(iv) taxes, duties and other governmental charges levied on or measured by the sale of Licensed Products, whether absorbed by Tarus or paid by the purchaser so long as Tarus' price is reduced thereby, but not franchise or income taxes of any kind whatsoever.

1.30 "**Option Assets**" shall mean the following compounds for all indications: PNQ-201 and A2A/A2B Dual Inhibitor, and all Related Assets.

1.31 "**Patent Rights**" means patent applications and patents, and all foreign counterparts thereof in all countries, including any renewals, re-examinations, continuations, continuations-in-part, divisional, patents of addition, extensions, (including patent term extensions,) reissues, substitutions, confirmations, and any equivalents of the foregoing in any and all countries of or to any of them, as well as any supplementary protection certificates, and equivalent protection rights in respect of any of them.

1.32 "**Person**" means any individual, corporation, partnership, joint venture, limited liability company, association, joint-stock company, trust, unincorporated organization or any other entity or organization.

1.33 "**Regulatory Authority**" means any national, supranational (including the European Commission, the Council of the European Union, and the EMA), regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity including the United States Food and Drug Administration, in each country involved in the granting of Marketing Authorizations or pricing approvals for Licensed Product.

1.34 "**Related Assets**" shall mean with respect to each Impetis Compound, any and all Intellectual Property, covering the Impetis Compounds, confidential data files on each Impetis Compound, and their structures, metabolites, precursors, formulations, compositions, materials, processes, methods, improvements, and derivatives, for oncology or non-oncology indications; all such data shall be treated as part of the Confidential Information, and any and all available GMP and non-GMP materials and compositions, for all Impetis Compounds, formulations, processes, in possession and/or under control of Impetis, technology transfer information, to make Impetis Compounds, and any compositions, formulations, wherever available, and regulatory information and licenses, filings, submissions, reports, and permits, as well as any other assets or materials in respect thereof as reasonably requested by Tarus.

1.35 "**sNDA**" means a supplemental new drug application filed with the Food and Drug Administration to obtain a supplemental Marketing Authorization for a Licensed Product in the USA, or any comparable application filed with the Regulatory Authorities of any other market (or any Regulatory Authority covering that market in the case of a supranational Regulatory Authority) to obtain a supplemental Marketing Authorization for a Licensed Product in or covering that market.

1.36 "**Tarus Arising IP**" means Tarus Arising Know How and Tarus Arising Patent Rights.

1.37 "**Tarus Arising Know How**" means all Know How owned by or licensed to Tarus after the Effective Date at any time during the Term that is necessary to Exploit an Impetis Compound or Licensed Product.

1.38 "**Tarus Arising Patents**" means Patent Rights owned by or licensed to Tarus after the Effective Date at any time during the Term which cover an Impetis Compound or a Licensed Product or claim the Tarus Arising Know How.

1.39 "**Tarus Background IP**" means Tarus Intellectual Property that is conceived, developed, made, acquired, possessed or licensed by Tarus prior to or outside the Scope of this Agreement.

1.40 "**Valid Claim**" means: a claim of (a) a patent application or (b) unexpired issued patent, each as included in the Related Assets within the Closing Assets and/or Option Assets (if Tarus exercises the Option) so long as such claim shall not have been held invalid and/or unenforceable by a final judgment of a court of competent jurisdiction from which no appeal can be or is taken.

In this Agreement, unless the context otherwise requires: (i) the singular shall include the plural and vice-versa; (ii) the masculine gender shall include the female gender; (iii) "including'' or "includes" shall mean including, without limiting the generality of any description preceding such terms; (iv) the use of the term "or" shall mean "and/or"; and (v) any reference to the term "sale" shall include the sale, lease, licensing, rental, or other transfer or disposal of any Product (including, any related service).

2. Licenses and Option

2.1 Closing Assets License. Subject to the terms and conditions set forth in this Agreement, Impetis hereby grants to Tarus an exclusive (including, without limitation with respect to Impetis), sublicensable through multiple tiers, worldwide license to Develop, Commercialize or otherwise Exploit the Closing Assets and related Impetis Licensed IP (the "**Closing Assets License**") during the Term of this Agreement. The Closing Assets License shall be effective as of the Effective Date. The Closing Assets License shall be fully transferable to any third party at Tarus' sole discretion provided the terms of this Agreement remain in effect, and the assignee shall abide by the terms of this Agreement. Tarus shall have exclusive and full authority to manage all Intellectual Property (whether licensed or not) underlying the Closing Assets and any other aspects related to Exploitation, Development and Commercialization thereof at its own cost, and Impetis shall provide Tarus reasonable assistance as requested at Tarus' cost and expense.

2.2 Call Option. At any time, during a period of twelve (12) months commencing on the Effective Date ("**Call Option Period**"), Tarus shall have the option, but not obligation, exercisable in its sole discretion, to obtain an exclusive (including, without limitation with respect to Impetis), sublicensable through multiple tiers, worldwide license to Develop, Commercialize or otherwise Exploit any or all of the Option Assets under the exact same terms as the Closing Assets License, during the Term of this Agreement, for a total exercise, price of US$[****] (the "**Call Option**"). (Exercise price for each option (i.e., PNQ-201 and A2A/A2B Dual Inhibitor) shall be US$[****] per option.) The Call Option shall be exercisable upon (1) written notice provided by Tarus to Impetis within the Call Option Period; and (2) payment in full of the exercise price.

2.3 Option Assets License. Upon exercise of the Call Option by Tarus in accordance with Section 2.2 above, Tarus shall have an exclusive (including, without limitation with respect to Impetis), sublicensable through multiple tiers, worldwide license to Develop, Commercialize or otherwise Exploit the Option Assets, and related Impetis Licensed IP (the "**Option Assets License**") and together with the Closing Asset License, the "**Licenses**". The Option Assets Licenses shall be fully transferable to any third party at Tarus sole discretion provided the terms of this Agreement remain in effect, and the assignee shall abide by tire terms of this. Agreement. Following the exercise of the Call Option in accordance with Section 2.2 above, Tarus shall have exclusive and full authority to manage all Intellectual Property (whether licensed or not) underlying the Option Assets and any other aspects related to Exploitation, Development and Commercialization thereof at its own cost, and Impetis shall provide Tarus reasonable assistance as requested, at Tarus' cost and expense.

3. Technology Transfer and Support

3.1 Technology Support. As soon as practicably possible following the Effective Date, and no later than one (1) month after the Effective Date, Impetis shall:

3.1.1 make available to Tarus copies of all relevant regulatory, CMC, preclinical and clinical documents and reports relating to any and all Impetis Compounds (in written, electronic or other form then-existing);

3.1.2 provide to Tarus purchased in-process and completed Assets GMP and non GMP material, and available samples of any backup Impetis Compounds and intermediates;

3.1.3 make available to Tarus copies of all relevant filings made to Regulatory Authorities (including, for example, INDs) by Impetis or its Affiliates or sublicensees for Impetis Compounds prior to the Effective Date.

3.2 Transfer of IND. Impetis shall and hereby does grant to Tarus a right of reference and access to all regulatory filings referred to in Section 3.1.3 above and shall transfer sponsorship and ownership of the INDs in Section 3.1.3 above to Tarus within thirty (30) days after the Effective Date.

3.3 Impetis Services. During the Term of this Agreement, Impetis shall take reasonable efforts to facilitate reasonable access by Tarus to Advinus' management and scientists.

4. Development and Commercialization

4.1 Decision Making and Costs. Tarus undertakes to use its commercially reasonable efforts to further Develop and Commercialize Impetis Compounds licensed to it under this Agreement, and will have full and sole discretion on development decisions with respect thereto;

4.2 As between the Parties, Tarus shall have sole and exclusive discretion and control over all decisions relating to the Exploitation of any Impetis Licensed IP and the Development and Commercialization of Licensed Products shall be in the sole and exclusive discretion of Tarus and shall be carried out by Tarus or its sublicensees and Tarus at their own cost and expense.

4.3 Marketing Authorizations

4.3.1 Tarus shall have the sole and exclusive right, discretion, responsibility for and control over conducting communications with Regulatory Authorities with respect to Impetis Compounds and Licensed Products in each country (as applicable), and for preparing, submitting, prosecuting and maintaining all filings and applications required to be made to any Regulatory Authority to obtain any necessary or commercially desirable Marketing Authorizations and other approvals, consents or licenses to Exploit the Licensed Products, including any filings and applications to any Regulatory Authority for any pricing or reimbursement approval required or commercially desirable, and for avoidance of doubt, Tarus or its sublicensees shall, respectively, own all right, title and interest in and to all the filings and applications made to, and all the approvals, consents or licenses issued by, any Regulatory Authority and they shall be responsible for all costs and expenses in connection with Clinical Trials and securing regulatory approvals.

4.3.2 Impetis shall provide Tarus with any necessary or requested regulatory support to obtain or maintain any approvals, consents or licenses referred to in Section 4.3.1 due to the Regulatory Authority requiring knowledge of work conducted by Impetis prior to the date of this Agreement.

5. Consideration

As consideration for the Licenses and other obligations of Impetis, Tarus shall pay Impetis the following consideration:

5.1 Upfront Payment. Impetis shall be entitled to receive from Tarus an upfront payment in the total amount of US$[****] (the "**Upfront Payment**"). Impetis acknowledges that it has already received from Tarus US$[****] on account of the Upfront Payment in connection with the Term Sheet entered into by the Parties in May 2019. Within ten (10) days of the Agreement Date, Tarus shall pay the remaining amount of the Upfront Payment, being an aggregate amount of US$[****] consisting of US$[****] for the Closing Asset License, and US$[****] for the Call Option grant.

5.2 Milestone Payments. Upon the first achievement by Tarus and/or its sublicensees of a milestone set forth in the left column of the table below with respect to an Impetis Compound, Tarus shall make the corresponding milestone payment in the right column of the table within ninety (90) days of such achievement (the "**Milestone Payments**"):

Milestone	***Milestone Payment***
• [****]	US$[****]
• [****]	US$[****]
• [****]	US$[****]
• [****]	US$[****]
• [****]	US$[****]
• [****]	US$[****]
• [****]	US$[****]

5.3 Royalty Payments. Commencing upon the First Commercial Sale of a Licensed Product, Tarus shall pay to Impetis royalties equal to the percentage of Net Sales (on a worldwide accumulated basis) as set forth in the table below (the "**Royalty Payments**"). The Royalty Payments shall be payable on an annual basis, within thirty (30) days following the end of each calendar year (commencing upon First Commercial Sale).

Worldwide Accumulated Net Sales	*Royalty Percentage*
[****]	[****]
[****]	[****]
[****]	[****]
[****]	[****]

6. Reports; Payments; Records

6.1 Reporting. Within sixty (60) days after the conclusion of each semiannual year (every 6 months), commencing on December 31, 2019, Tarus shall deliver to Impetis a written report setting forth: (a) the current status of development of any Impetis Compound; (b) any milestones that have been achieved; (c) a breakdown of Net Sales by Licensed Product; and (d) deductions applicable, as provided in the definition of Net Sales, Each such report shall be deemed Confidential Information of Tarus.

6.2 Payment. Each payment due to Impetis under this Agreement shall be paid by wire transfer of funds to Impetis' account in accordance with written instructions provided by Impetis. Each payment due to Impetis shall also be accompanied by a supplemental report detailing (a) the milestone achieved (if any); (b) a breakdown of Net Sales by Licensed Product (if any); and (c) deductions applicable, as provided in the definition of Net Sales. Each such report shall be deemed Confidential Information of Tarus. All payments due under this Agreement shall be payable in U.S. Dollars unless agreed otherwise in writing.

6.3 Records. Tarus shall keep complete and accurate books of account and records consistent with sound business and accounting principles and practices and in such form and in such details as to enable the determinations of the amounts due to Impetis in accordance with the terms hereof. Tarus shall retain the foregoing books of account for three (3) years after the end of each calendar year during the period of this Agreement, and, if this Agreement is terminated for any reason whatsoever, for three (3) years after the end of the calendar year in which such termination becomes effective.

6.4 Inspection. Impetis, at its own expense, shall be entitled, no more than once during any calendar year, to appoint representatives which shall be subject to confidentiality undertakings reasonably acceptable to Tarus to inspect during normal business hours and to inspect Tarus' books of account and, records to the extent relevant or necessary for the ascertainment or verification of the amounts due to it under Section 5, provided however that Impetis shall coordinate such inspection with Tarus in advance. In the event that any inspection as aforesaid reveals any underpayment by Tarus to Impetis in respect of any year of the Agreement in an amount exceeding five percent (5%) of the amount paid by Tarus to Impetis in respect of such year then Tarus shall (in addition to paying Impetis the shortfall), bear the cost of such inspection. The foregoing books of account and of Tarus shall be deemed Confidential Information of Tarus.

6.5 Taxes and Withholding. All amounts payable hereunder are exclusive of applicable value-added tax, which shall be added to amounts due hereunder as applicable. If Tarus is required to withhold any amounts payable hereunder to Impetis due to the applicable laws of any country or applicable double taxation treaty, such amount will be deducted from the payment to be made by Impetis and remitted to the appropriate taxing authority for the benefit of Impetis. Tarus will withhold only such amounts as are required to be withheld by applicable law in the country from which payment is being made or according to the applicable double taxation treaty and shall pay to Impetis an additional amount that shall, after the deduction or withholding has been made, leave Impetis with the same amount as Impetis would have been entitled to receive in the absence of any such requirement to make a deduction or withholding. Tarus shall submit to Impetis originals of the remittance voucher and official receipt evidencing the payment of the corresponding taxes with the applicable royalty report. Tarus will cooperate with Impetis to provide such information and records as Impetis may require in connection with any application by Impetis to the tax authorities in any country, including attempt to obtain an exemption or a credit for any withholding: tax paid in any country.

6.6 Late Payments. All payments which are due under this Agreement and not paid when due, shall earn interest from the date due until paid at a per annum rate of [****].

7. Reversion

7.1 Discontinued Impetis Compounds. In the event that Tarus, in its sole discretion, decides to discontinue the Exploitation, Development, or Commercialization of a particular Impetis Compound, such discontinuance will be evidenced in the reports provided by Tarus under Section 6.1 ("**Discontinued Compound**"). Immediately upon becoming a Discontinued Compound, the license rights granted by Impetis to Tarus in the applicable Impetis Compound shall revert to Impetis. Tarus shall also transfer to Impetis all data and information directed to the Discontinued Compound and generated by Tarus until the date of discontinuance. If Impetis thereafter commercializes the Discontinued Compound, either through sale or licensing, Impetis will pay Tarus a set percent of all net incomes which Impetis receives from such commercialization in accordance with the terms set forth below:

7.1.1 If the Discontinued Compound is licensed back to Impetis before receipt of approval of IND, such percentage shall be [****] with respect to such Discontinued Compound.

7.1.2 If the Discontinued Compound is licensed back to Impetis after receipt of approval of IND, such percentage shall be [****] with respect to such Discontinued Compound.

7.1.3 If the Discontinued Compound is licensed back to Impetis after completion of Phase 1 trials, such percentage shall be [****] with respect to such Discontinued Compound.

7.1.4 If the Discontinued Compound is licensed back to Impetis after completion of Phase II trials, such percentage shall be [****] with respect to such Discontinued Compound.

7.2 Unexercised Call Option. In the event that Tarus chooses not to exercise the Call Option within the Call Option Period, then Tarus shall return the Option Assets and the underlying Intellectual Property (excluding the Tarus Arising IP) back to Impetis, and Impetis shall have the exclusive right to Exploit such Option Assets.

7.3 In the event that this Agreement is terminated pursuant to the provisions of Section 8, any Licensed Products shall become a "**Discontinued Compound**" and all provisions set forth in this Agreement with respect to Discontinued Compounds, including the provisions of Section 7.1, shall apply *mutatis mutandis* to such Licensed Products.

8. Term and Termination

8.1 Term. The term of this Agreement shall commence upon the Effective Date and shall remain in effect thereafter until terminated in accordance with this Section 8 (the "**Term**").

8.2 Termination for Cause. This Agreement may be terminated by either Party upon written notice to the other Party: (a) in the event of a material breach of this Agreement by the other Party, which material breach cannot be cured or, if curable, which has not been cured by the Party in breach within thirty (30) days after receipt of such written notice from the other Party in respect of such breach or (b) the granting and winding-up order in respect of the other Party, or upon an order being granted against the other Party for the appointment of a receiver, or if such other Party passes a resolution for its voluntary winding-up, or if a temporary or permanent liquidator or receiver is appointed in respect of such other Party, or if a temporary or permanent attachment order is granted on such other Party's assets, or a substantial portion thereof, or if such other Party shall seek protection under an laws or regulations, the effect of which is to suspend or impair the rights of any or all of its creditors, or to impose a mortarium on such creditors; provided that in the case that any such order or act is initiated by any third party, the right of termination shall apply only if such order or act as aforesaid is not cancelled within ninety (90) days of grant of such order or the performance of such act; or (c) by mutual written agreement of the Parties.

8.3 Termination at Will. Tarus may terminate this Agreement without cause, at any time after the second (2nd) anniversary of the Agreement Date, upon ninety (90) days prior written notice to Impetis.

8.4 Effect of Termination. If this Agreement is terminated, all licenses granted to Tarus under this Agreement shall automatically terminate. If the Agreement is terminated by either Party, the Parties agree that such termination shall be without prejudice to rights accrued to either Party until the date of termination. Furthermore, in case of termination of this Agreement for cause pursuant to Section 8.2 above, Tarus shall promptly (a) return to Impetis all Impetis materials and all data and information directed to the Impetis Compounds, and (b) make all payments that are due to Impetis until the effective date of the termination. Any termination at will of this Agreement by Tarus pursuant to Section 8.3 above shall be subject to, and shall become effective, only after (i) Tarus returns to Impetis all Impetis materials and all data and information directed to the Impetis Compounds, and (ii) Tarus makes all payments that are due to Impetis until the effective date of the termination.

8.5 Survival. Save as may be expressly specified otherwise in this Agreement, the provisions of Sections 6.3, 6.4, 8.4, 9, 10, 12, and 14 shall survive termination of this Agreement. Termination of this Agreement shall be without prejudice to rights accrued to any Party till the date of the termination.

9. Confidentiality

Each Party hereby agrees that during the term of this Agreement, and for a period of five (5) years after the effective date of termination of this Agreement for any reason:

9.1 It shall not disclose, directly or indirectly, in any manner whatsoever to any third parties any Confidential Information of the other Party without first obtaining the written consent of the disclosing Party, and it shall keep confidential, all Confidential Information of the other Party. Each Party agrees to use at least the same level of care in safeguarding the disclosing Party's Confidential Information that it uses with its own confidential information of a similar nature, but in no event less than reasonable care. Each Party shall restrict disclosure of the other Party's Confidential Information solely to its Affiliates and their respective employees or representatives having a need to know such Confidential Information in order to accomplish the purposes of this Agreement. Each Party represents that its respective employees and representatives who receive and/or are in possession of the Confidential Information of the other Party are advised by such party of the confidentiality obligations of this Agreement and shall maintain such Confidential Information in accordance with the confidentiality and non-use obligations set forth in this Section 9. Each Party shall be responsible for any breach of this Agreement by it and/or any of its employees and/or representatives.

9.2 Neither Party shall use Confidential Information of the other Party in any manner whatsoever other than solely in connection with the exercise of its rights' and the performance of its obligations under this Agreement.

9.3 In the event either Party is requested pursuant to or required by law to disclose any of Confidential Information of the other Party, it shall to the extent permissible notify the other Party promptly so that the other Party may seek a protective order or other appropriate remedy or, waive compliance with the confidentiality provisions of this Agreement. At the disclosing Party's expense, the recipient Party shall co-operate in all reasonable respects, in connection with any reasonable actions to be taken for the foregoing purpose. In any event, a Party may furnish such Confidential Information of the other Party as requested or required pursuant to applicable law (subject to any such protective order or other appropriate remedy) without liability hereunder, provided that it furnishes only that portion of the Confidential Information, which is legally required, and it exercises reasonable efforts to obtain reliable assurances that confidential treatment shall be accorded to the Confidential Information.

9.4 Upon the date of termination of the Agreement for any reason, each Party may request in writing that the Other Party shall either: (a) promptly destroy all copies of Confidential Information of the other Party in its possession and confirm such destruction in writing to the disclosing Party; or (b) promptly deliver to the disclosing Party, all copies of such Confidential Information in the possession and/or under its control provided, however, it shall be permitted to retain one copy of Confidential Information of the other Party, in its legal files, for the sole purpose of determining any continuing obligations hereunder. Additionally, the receiving Party shall immediately cease all use of Confidential Information of the other Party including, without limitation, removing all references to such Confidential Information from any analyses, compilations, studies or other documents created for purposes permitted hereunder. All Confidential Information shall continue to be subject to the terms of this Agreement for the period set forth above.

9.5 Notwithstanding the foregoing, Tarus may disclose to its affiliates and their respective personnel, sublicensees, potential investors or business partners and/or regulatory authorities Impetis Confidential Information to the extent necessary for the exercise of its rights hereunder and/or in the fulfilment of its obligations hereunder. Prior to any such disclosure, Tarus shall bind such parties to a written obligation to maintain the confidentiality of such information. Tarus shall, in all events, be responsible for all acts and omissions by such parties.

10. Intellectual Property

10.1 Impetis Background IP. As between the Parties, any and all Impetis Background IP is and shall remain owned solely and exclusively by Impetis.

10.2 Impetis Licensed IP. As between the Parties, any and all Impetis Licensed IP is and shall remain owned solely and exclusively by Impetis.

10.3 Tarus Background IP. As between the Parties, any and all Tarus Background IP is and shall remain owned solely and exclusively by Tarus.

10.4 Tarus Arising IP. Except as provided under Section 7, any and all Tarus Arising IP shall be owned solely and exclusively by Tarus.

11. Patent Filing, Prosecution and Maintenance

11.1 Tarus Patents. As between the Parties, Tarus shall have the sole and exclusive right to file, prosecute and maintain the Tarus Patent Rights in its own name.

11.2 Impetis Patents. Tarus shall be solely and exclusively responsible for and shall have full control over the filing, prosecution and maintenance of all Impetis Patent Rights, at Tarus' sole discretion.

11.3 Notifications. Each Party shall promptly notify the other Party in writing of any alleged or threatened (a) infringement and/or misappropriation by a third party (including generic competition) of the Impetis Patent Rights or Tarus Patent Rights related to a Licensed Product or an Impetis Compound ("**Product Infringement**") which such Party becomes aware, and (b) assertion of invalidity or unenforceability of any Impetis Patent Rights by a third party of which such Party becomes aware, whether as a counterclaim or otherwise ("**Patent Rights Challenge**").

11.4 Right to Prosecute and Defend Patent Rights. Tarus shall have the first right, but not the obligation, to at its sole cost, prosecute any Product Infringement related to a Licensed Product or an Impetis Compound and to defend any Patent Rights Challenge related to a Licensed Product and/or an Impetis Compound, and to control such actions (including any declaratory judgment action and any settlement), provided that Tarus shall keep Impetis reasonably informed as to the status of, and all material developments in such action, and shall consider in good faith the input of Impetis regarding the strategy and handling of such enforcement activities. Tarus shall have a period of thirty (30) days following the first notice provided pursuant to Section 11.3 to elect to enforce or defend the Impetis Patent Rights in the applicable jurisdiction. The enforcing or defending Party shall share drafts of all submissions or other documents exchanged in the relevant proceedings with the other Party and shall have due regard to any representations made by the other Party in relation thereto. In the event Tarus does not elect to prosecute or defend such infringement or challenge before the first to occur of (A) thirty (30) days following the first notice provided pursuant to Section 11.3 with respect to such matter, or (B) before the expiration of any time period under Applicable Law that would, if an enforcement proceeding was not filed within such time period, limit or compromise the remedies available from such enforcement proceeding, Tarus will so notify Impetis in writing and in the case where Impetis then desires to commence a suit or take action to enforce or defend the applicable Impetis Patent Rights with respect to such infringement or challenge in the applicable jurisdiction, Impetis will thereafter have the right to commence such a suit or take such action to enforce or defend the applicable Impetis Patent Rights.

11.5 Cooperation. Where a Party prosecutes a Licensed Product Infringement or defends an Impetis Patent Rights Challenge (the "**Litigating Party**"), the other Party shall provide all reasonable assistance as such Litigating Party deems necessary with the costs of such assistance split in accordance with the recovery percentages as set forth in Section 11.6. The non-Litigating Party in relation to any enforcement or defense action or proceeding set forth in Section 11.4 will have the right, at its own expense and by counsel of its choice, to be represented in any such action or proceeding.

11.6 Recovery. Except as otherwise agreed by the Parties, any recovery realized as a result of such litigation described in Section 11.4 (whether by way of settlement or otherwise) shall be initially distributed as reimbursement for all litigation costs of the Parties. Any remainder after such reimbursement is made shall be split between the Parties such that the Litigating party would retain 70% of such remainder and the non-Litigating Party would retain 30% of such remainder.

12. Indemnification; Insurance

12.1 Impetis Indemnification. Impetis shall defend, indemnify and hold harmless Tarus and its Affiliates and each of their officers, directors, shareholders, employees, successors and assigns (collectively, "**Tarus Indemnitees**") from and against any and all losses, costs, liabilities, judgments, debts and other fees (including attorneys' fees incurred by Tarus and its Affiliates) ("**Losses**"), relating to, in connection with, or to the extent arising out of a claim brought by a third party ("**Claims**") arising from (a) the breach by Impetis of any representations, warranties, covenants or obligations set forth in this Agreement, or (b) Impetis' fraud, negligence, recklessness, or willful misconduct, except to the extent that Tarus is responsible for such Losses under Section 12.2 below.

12.2 Taurus Indemnification. Tarus shall defend, indemnify and hold harmless Impetis, and its Affiliates and each of their officers, directors, shareholders, employees, successors and assigns (collectively, "**Impetis Indemnitees**") from and against any and all Losses, relating to, in connection with, Claims arising from (a) the Exploitation by Tarus of the Impetis Licensed IP; (b) the breach by Tarus of any representations, warranties, covenants or obligations set forth in this Agreement; or (c) Tarus' fraud, negligence, recklessness, or willful misconduct, except to the extent that Impetis is responsible for such Losses under Section 12.1 above.

12.3 Procedures for Third Party Claims. With respect to a Claim, the Party or other person intending to claim indemnification (the "**Indemnified Party**") under this Section 12 shall promptly notify the other Party (the "**Indemnifying Party**") of any claim with respect in which the Indemnified Party intends to claims such indemnification (provided, that no delay or deficiency on the part of the Indemnified Party in so notifying the Indemnifying Party shall relieved the Indemnifying Party of any liability or obligation under this Agreement except to the extent the Indemnifying Party has suffered actual prejudice directly caused by the delay or other deficiency), and the Indemnified Party shall have the right to assume full control over the defense and settlement thereof provided, however, that an Indemnified Party shall have the right to retain its own counsel and to participate in the defense thereof, with the fees and expenses to be paid by the Indemnified Party unless the Indemnifying Party does not assume the defense.

12.3.1 *Control of Defense*. If the Indemnifying Party shall fail to timely assume the defense of and reasonably defend such Claim, the Indemnified Party shall have the right to retain or assume control of such defense and the Indemnifying Party shall pay (as incurred and on demand) reasonable attorney fees and expenses of the Indemnified Party.

12.3.2 *Resolution*. The Indemnifying Party shall not be liable for the indemnification of any Claim settled (or resolved by consent to the entry of judgment) without the written consent of the Indemnifying Party. The Indemnifying Party shall obtain the prior written consent (which shall not be unreasonably withheld or delayed) of the Indemnified Party before entering into any settlement of (or resolving by consent to the entry of judgment upon) such Claim unless (a) there is no finding or admission of any violation of law or any violation of the rights of any person by an Indemnified Party, no requirement that the Indemnified Party admit negligence, fault or culpability, and no adverse effect on any of the claims that maybe made by or against the Indemnified Party and (b)the sole relief provided is monetary damages that are paid in full by the Indemnifying Party and such settlement does not require the Indemnified Party to take (or refrain from taking) any action.

12.3.3 *Cooperation*. The Indemnified Party, and its employees and agents, shall cooperate fully with the Indemnifying Party and its legal representatives in the investigation of any Claim. Regardless of who control the defense, each party hereto shall reasonably cooperate in the defense as may be requested.

12.4 Insurance. Tarus shall have and maintain such type and amounts of insurance covering its Exploitation of the Impetis Compound and Licensed Product as is: (a) normal and customary in the pharmaceutical industry generally for parties similarly situated and (b) otherwise required by Applicable Law.

12.5 LIMITATION OF LIABILITY. EXCEPT FOR. LIABILITY ARISING OUT OF THE BREACH OF SECTION 9 (CONFIDENTIALITY) ABOVE, NEITHER PARTY NOR ITS RESPECTIVE AFFILIATES SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, ARISING OUT OF OR RELATING TO THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY THE OTHER PARTY OR COULD HAVE BEEN REASONABLY FORESEEN BY SUCH PARTY, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

13. Representations and Warranties

13.1 Each of Impetis and Tarus hereby represents and warrants to the other Party as follows:

13.1.1 *Organization*. It is an entity duly organized, validly existing and is in good standing under the laws of its jurisdiction of formation and has all requisite power and authority corporate or otherwise, to execute, deliver and perform this Agreement.

13.1.2 *Authority*. The execution, delivery, and performance of the Agreement have been duly authorized by all necessary corporate action and do and shall not (a) require any consent or approval of its stockholders, (b) violate any provision of any applicable law or any provision of its certificate of incorporation, by-laws or other founding document, or (c) result in a breach of or constitute a default under any material agreement, license, permit or other instrument or obligation to which it is a party or by which it may be bound or affected.

13.1.3 *Government*. It is not currently debarred, suspended or otherwise excluded by any government agency from receiving government contracts that would adversely affect its ability to perform its obligations hereunder.

13.1.4 *No Conflict*. It is not under any obligation to any person or entity, contractual or otherwise, that is conflicting or inconsistent in any respect with the terms of this Agreement or that would impede the diligent and complete fulfilment of its obligations hereunder.

13.1.5 *Enforceability*. This Agreement is a legal, valid and binding obligation enforceable against it in accordance with the terms and conditions, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws, from time to time in effect, affecting creditor's rights generally.

13.2 Impetis hereby represents and warrants to Tarus that:

13.2.1 *Ownership*. Impetis has all right, title and interest in and to the Closing Assets, Option Assets and all Impetis Licensed IP free and clear of any liens, charges, encumbrances and it has not granted and shall not grant any third party any right granted to Tarus under this Agreement and/or to the Closing Assets, Option Assets and Impetis Licensed IP, and shall not grant any third party rights during the term of this Agreement to Develop, Commercialize and/or otherwise Exploit the Closing Assets, Option Assets and Impetis Licensed IP.

13.2.2 *Title*. As of the Effective Date, Impetis holds good title to the Closing Assets, Option Assets and Impetis Licensed IP.

13.2.3 *No Litigation*. As of the Effective Date, to the knowledge of Impetis, there are no pending claims, judgments, or settlements against or owed by it with respect to the Closing Assets, Option Assets and Impetis Licensed IP and. it has not received written notice of any threatened claims or litigation seeking to invalidate any of its rights with respect to the Closing Assets, Option Assets and Impetis Licensed IP.

13.2.4 *No Government Actions*. As of the Effective Date, to the knowledge of Impetis, there are no inquiries, investigations, actions or other proceedings pending before or, to the best of its knowledge, threatened by any regulatory authority or other government agency with respect to the Closing Assets, Option Assets and Impetis Licensed IP, and Impetis has not received written notice threatening any such inquiry, investigation, action or other proceeding.

13.2.5 *Non-infringement*. To its knowledge, as of the Effective Date, the Impetis Licensed IP or Impetis Compounds do not infringe the patent rights or other Intellectual Property of any third party, and as of the Effective Date, Impetis has not received written notice from a third party alleging that the Impetis Licensed IP infringes the patent rights or other Intellectual Property of such third party. Further, as of the Effective Date, Impetis has no knowledge that any third party is infringing any of the Impetis Licensed IP.

13.2.6 *Patent Filings*. As of the Effective Date, Impetis has no knowledge of any defects in form and filing of the Impetis Patent Rights that could reasonably be anticipated to result in invalidity or unenforceability of such Impetis Patent Rights.

14. Miscellaneous

14.1 Entire Agreement; Conflict. This Agreement is the sole agreement with respect to the subject matter hereof and except as expressly set forth herein, supersedes all other agreements and understandings between the Parties with respect thereto.

14.2 Notices. Unless otherwise specifically provided, all notices required or permitted by this Agreement shall be in writing and may be delivered personally, or may be sent by electronic mail, overnight delivery or certified mail, return receipt requested, to the following addresses, unless the Parties are subsequently notified of any change of address in accordance with this Section 14.2:

If to Tarus:	Tarus Therapeutics, Inc. 6A Cove Lane North Bergen, NJ 07407 USA Email: [****] Attention: [****]
With a copy to (which will not constitute notice):	Mark Cohen, Esq. Pearl Cohen Zedek Latzer Baratz 1500 Broadway New York, New York 10036 USA Email: [****]
If to Impetis:	Impetis Biosciences Limited 407, The Summit Business Bay Near WEH Metro Station Off Andheri-Kurla Road Andheri (E), Mumbai 400 093 Email: [****] Attn.: [****]
With a copy to (which will not constitute notice):	Deepak Nambiar, Esq. Kelley Drye & Warren LLP 101 Park Avenue New York, New York 10178 Email: [****]

Any notice shall be deemed to have been received as follows: (a) by personal delivery, upon receipt; (b) by electronic mail or overnight delivery, one (1) business day after transmission or dispatch; (c) by certified mail, as evidenced by the return receipt. If any notice terminating this Agreement is sent by electronic mail, a confirming copy thereof shall be sent by mail to the same address.

14.3 Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the application of principles of conflicts of law that direct that the laws of another jurisdiction apply, except for matters of patent law, which, other than for matters of inventorship on patents, shall be governed by the patent laws of the relevant country of the patent. The Parties hereby consent to exclusive personal jurisdiction to the state and federal courts in New York County, New York and agree that the competent court in New York County, New York shall have exclusive jurisdiction over any and all claims and/or disputes arising from and/or related to this Agreement, including, without limitation, the validity, invalidity, breach or termination thereof. The Parties waive their right to trial by jury.

14.4 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and permitted assigns.

14.5 Preamble and Exhibits. The Preamble and Exhibits to this Agreement constitute an integral part hereof.

14.6 Headings. Section and subsection headings are inserted for convenience of reference only and do not form a part of this Agreement.

14.7 Counterparts. The Parties may execute this Agreement in two or more counterparts, each of which shall be deemed an original.

14.8 Amendment; Waiver. This Agreement may be amended, modified, superseded or canceled, and any of the terms may be waived, only by a written instrument executed by each Party or, in the case of waiver, by the Party waiving compliance. The delay or failure of either Party at any time or times to require performance of any provisions hereof shall in no manner affect the rights at a later time to enforce such performance. No waiver by either Party of any condition or of the breach of any term contained in this Agreement, whether by conduct, or otherwise, in any one or more instances, shall be deemed to be, or considered as, a further or continuing waiver of any such condition or of the breach of such term or any other term of this Agreement.

14.9 Further Assurances. The Parties shall execute and deliver all such further documents and instruments, and take all such further acts, necessary to give full effect to this Agreement.

14.10 No Agency or Partnership. Nothing contained in this Agreement shall give either Party the right to bind the other or be deemed to constitute either Party as agent for or partner of the other or any third party.

14.11 Assignment and Successors. Except as permitted under Section 2, neither Party shall assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the other Party, such consent not to be unreasonably withheld, delayed or conditioned; provided however, that either Party may assign or otherwise transfer its rights and obligations to an Affiliate thereof or in connection with the sale of substantially all its assets or shares, provided the assignee agrees in writing to be bound by the terms of this Agreement. Subject to the foregoing, this Agreement shall inure to the benefit of the Party's respective successors and permitted assigns. For clarity, any assignment by Tarus of its rights or obligations under this Agreement and/or of the Licenses, shall not serve to assign ownership of any Closing assets, Option Assets, and/or Impetis Licensed IP, all of which shall continue to exclusively vest with Impetis, subject to the licenses and rights granted by Impetis under this Agreement, with respect to Closing assets, Option Assets, and/or Impetis Licensed IP.

14.12 Interpretation. Each Party hereto acknowledges and agrees that: (a) it and/or its counsel reviewed and negotiated the terms and provisions of this Agreement and has contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; (c) the terms and provisions of this Agreement shall be construed fairly as to both Parties and not in favor of or against either Party, regardless of which Party was generally responsible for the preparation of this Agreement; and (d) the governing language of all matters in respect of this Agreement and matters related thereto shall be English.

14.13 Severability. If any provision of this Agreement is ruled invalid or unenforceable by any court of competent jurisdiction, the remainder of this Agreement shall not be affected and the invalid or unenforceable provision shall be reformed or construed to reflect the commercial understandings between the Parties so that it would be valid, legal and enforceable to the maximum extent possible.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

Tarus Therapeutics, Inc.

By: /s/ Sushant Kumar, PhD
Name: Sushant Kumar, PhD
Title: President and CEO

Impetis Biosciences

By: /s/ K R S Jamwal
Name: K R S Jamwal
Title: Director

Schedules

Schedule A - Impetis Patent Rights

[*Signature Page to Impetis - Tarus License Agreement*]

SCHEDULE A

Impetis Patent Rights

[*Please see attached*]

[****]

EXHIBIT 8.1

LIST OF SUBSIDIARIES

Name	Jurisdiction	Percentage of ownership
Stimunity S.A.	France	44%
SalvaRx Limited	BVI	100%
iOx Therapeutics Ltd.	UK	100%
Saugatuck Therapeutics Ltd.	BVI	70%
Tarus Therapeutics Limited (formerly Intensity Holdings Limited)	BVI	100%
Saugatuck Rx LLC	USA	70% *
SalvaRx LLC	USA	100%
Tarus Therapeutics, LLC	USA	100%

* 100% owned by Saugatuck Therapeutics Ltd.

Exhibit 11.1

Portage Biotech, Inc.

Audit Committee Charter

I. PURPOSE

The Audit Committee shall provide assistance to the Board of Directors (the "Board") of Portage Biotech, Inc. (the "Corporation") in fulfilling the Board's responsibility to the Corporation's shareholders relating to the Corporation's accounting, financial reporting practices, the system of internal control, the audit process, the quality and integrity of its financial reports, and the Corporation's process for monitoring compliance with laws and regulations and the Corporation's code of conduct.

The Audit Committee's responsibility is oversight. Management of the Corporation has the responsibility for the Corporation's financial statements as well as the Corporation's financial reporting process, principles, and internal controls. The independent auditor is responsible for performing an audit of the Corporation's annual financial statements, expressing an opinion as to the conformity of such annual financial statements with generally accepted accounting principles, reviewing the Corporation's quarterly financial statements and other procedures. Each member of the Audit Committee shall be entitled to rely on (i) the integrity of those persons within the Corporation and of the professionals and experts (such as the independent auditor) from which it receives information, (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons, professionals or experts absent actual knowledge to the contrary and (iii) representations made by management of the independent auditor as to any non-audit services provided by the independent auditor to the Corporation.

II. AUTHORITY

The Audit Committee has the authority to conduct or authorize investigations into any matters within its scope of responsibility. Its primary duties and responsibilities are to:

- Appoint, compensate, and oversee the work of any registered public accounting firm employed by the Corporation;
- Resolve any disagreements between management and the auditor regarding financial reporting;
- Pre-approve all auditing and non-audit services;
- Retain independent counsel, accountants, or others to advise the Audit Committee or assist in the conduct of an investigation;
- Seek any information it requires from employees—all of whom are directed to cooperate with the Audit Committee's requests—or external parties;

- Meet with the Corporation's officers, external auditors, or outside counsel, as necessary; and

- Oversee that management has established and maintained processes to assure compliance by the Corporation with all applicable laws, regulations and corporate policy.

The Audit Committee intends to fulfill these responsibilities primarily by carrying out the activities enumerated in Section IV of this Charter.

III. MEMBERSHIP AND PROCEDURES

A. Membership and Appointment

The Audit Committee shall be comprised of not fewer than three members of the Board, as shall be determined from time to time by the Board. The members of the Audit Committee shall be elected by the Board at the annual organizational meeting of the Board, and shall hold office until their resignations or until their successors shall be duly elected and qualified.

All members of the Audit Committee shall be "independent," as such term is defined in Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in that each Audit Committee member may not, other than in his or her capacity as a director or member of any committee of the Board, (i) accept any consulting, advisory, or other compensatory fee from the Corporation; or (ii) be an affiliated person of the Corporation or any subsidiary thereof. In addition, all members of the Audit Committee shall qualify as "independent directors" for purposes of the listing standards of The NASDAQ Stock Market, as such standards may be changed from time to time; provided, that any non-independent director serving on the Audit Committee pursuant to the "exceptional and limited circumstances" exception available under NASDAQ Stock Market rules may not serve on the Audit Committee for more than two (2) years; and provided, further, that such non-independent director may not be permitted to serve as Chairperson of the Audit Committee.

All members of the Audit Committee shall be financially literate by being familiar with basic finance and accounting practices and able to read and understand fundamental financial statements at the time of their appointment to the Audit Committee. Furthermore, at least one member of the Audit Committee shall be designated as the "financial expert" with financial sophistication as defined by having experience in finance or accounting, professional certification in accounting, or any other comparable experience or background, such as being or having been a CEO or CFO or other senior officer with financial oversight responsibilities. The Corporation shall disclose, in its annual report, whether or not, and if not, the reasons therefor, the Audit Committee includes at least one "audit committee financial expert," as defined by Item 407(d)(5)(ii) of Regulation S-K under the Securities Act of 1933, as amended (the "Securities Act").

B. Removal

The entire Audit Committee or any individual Audit Committee member may be removed without cause by the affirmative vote of a majority of the Board. Any Audit Committee member may resign effective upon giving oral or written notice to the Chairman of the Board, the Secretary of the Corporation, or the Board (unless the notice specifies a later time for the effectiveness of such resignation). The Board may elect a successor to assume the available position on the Audit Committee when the resignation becomes effective.

C. Chairperson

A chairperson of the Audit Committee (the "Chairperson") may be designated by the Board. In the absence of such designation, the members of the Audit Committee may designate the Chairperson by majority vote of the full Audit Committee membership. The Chairperson shall determine the agenda for and the length of meetings and shall have unlimited access to management and to information relating to the Audit Committee's purposes. The Chairperson shall establish such other rules as may from time to time be necessary and proper for the conduct of the business of the Audit Committee.

D. Meetings, Minutes and Reporting

The Audit Committee shall meet at least four times per year, or more frequently as circumstances dictate. All Audit Committee members are expected to attend each meeting, in person or via tele- or video-conference. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

The Audit Committee shall keep minutes of the proceedings of the Audit Committee. In addition to the specific matters set forth herein requiring reports by the Audit Committee to the full Board, the Audit Committee shall report such other significant matters as it deems necessary concerning its activities to the full Board. The Audit Committee may appoint a Secretary whose duties and responsibilities shall be to keep records of the proceedings of the Audit Committee for the purposes of reporting Audit Committee activities to the Board and to perform all other duties as may from time to time be assigned to him or her by the Audit Committee, or otherwise at the direction of a Audit Committee member. The Secretary need not be a member of the Audit Committee or a director and shall have no membership or voting rights by virtue of the position.

As part of its job to foster open communication, the Audit Committee should meet separately, at least annually, with management, the director of the internal auditing department and the independent auditor to discuss any matters that the Audit Committee or each of these groups believe should be discussed privately. In addition, the Audit Committee or at least its Chairperson should meet separately with the independent auditor, and management quarterly to review the Corporation's financial statements in accordance with Section IV below.

E. Delegation

The Audit Committee may, by resolution passed by a majority of the Audit Committee members, designate one or more subcommittees, each subcommittee to consist of one or more members of the Audit Committee. Any such subcommittee, to the extent provided in the resolutions of the Audit Committee and to the extent not limited by applicable law, shall have and may exercise all the powers and authority of the Audit Committee. Each subcommittee shall have such name as may be determined from time to time by resolution adopted by the Audit Committee. Each subcommittee shall keep regular minutes of its meetings and report the same to the Audit Committee or the Board when required.

F. Authority to Retain Advisors

In the course of its duties, the Audit Committee shall have the authority, at the Corporation's expense and without needing to seek approval for the retention of such advisors or consultants from the Board, to retain and terminate consultants, legal counsel, or other advisors, as the Audit Committee deems advisable, including the sole authority to approve any such advisors' fees and other retention terms.

IV. DUTIES AND RESPONSIBILITIES

The Audit Committee, in its capacity as a committee of the Board, shall be directly responsible for the appointment, retention, compensation, evaluation, oversight and, if necessary, termination of the registered public accounting firm(s) employed by the Corporation (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work, and each registered public accounting firm shall report directly to the Audit Committee.

The following shall be recurring duties and responsibilities of the Audit Committee in carrying out its purposes. These duties and responsibilities are set forth below as a guide to the Audit Committee, with the understanding that the Audit Committee may alter or supplement them as appropriate under the circumstances, to the extent permitted by applicable law.

A. Document Review & Reporting Process

- Review and reassess, at least annually, the adequacy of this Charter, make recommendations to the Board and request approval for proposed changes, as conditions dictate, to update this Charter, and ensure appropriate disclosure as may be required by law or regulation.

- Review with management and the independent auditor the Corporation's annual financial statements and Annual Report on Form 20-F prior to the filing of the Form 20-F or prior to the release of earnings, including a discussion with the independent auditor of the matters required to be discussed under the applicable Statements of Auditing Standards ("SAS").

- Review with management and the independent auditor each quarterly report prior to its filing or prior to the release of earnings, including a discussion with the independent auditor of the matters required to be discussed under SAS. The Chairperson of the Audit Committee may represent the entire Audit Committee for purposes of this review.

- Review with management and the independent auditor the effect of regulatory and accounting initiatives that may affect the Corporation, as well as the effect of any off-balance sheet structures and transactions on the Corporation's financial statements.

- Regularly report to the Board about Audit Committee activities, issues, and related recommendations.

- Provide an open avenue of communication between the internal auditing department, the external auditors, and the Board.

- Report annually to the shareholders, describing the Audit Committee's composition, responsibilities and how they were discharged, and any other information required by applicable rules and regulations, including approval of non-audit services.

- Review any other reports the Corporation issues that relate to Audit Committee responsibilities.

- Perform other activities related to this Charter as requested by the Board.

- Institute and oversee special investigations as needed.

- Confirm annually that all responsibilities outlined in this Charter have been carried out.

- Evaluate the Audit Committee's and individual members' performance on a regular basis.

B. Financial Reporting Process

- In consultation with the independent auditor and the internal auditors, review the integrity of the Corporation's financial reporting processes, both internal and external. The Audit Committee shall report regularly to and review with the full Board any issues that arise with respect to the quality or integrity of the Corporation's financial statements, compliance with legal or regulatory requirements, the performance and independence of the independent auditor, or the performance of the internal audit function.

- Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the independent auditor, management, or the internal auditing department.

- Ensure that there exist regular systems of reporting to the Audit Committee by each of management, the independent auditor and the internal auditor regarding any significant judgments made in management's preparation of the financial statements and any significant difficulties encountered during the course of the review or audit, including any restrictions on the scope of work or access to required information.

- Regularly review any significant disagreements among management and the independent auditor or the internal auditing department in connection with the preparation of the financial statements.

- Ensure and oversee timely reports from the independent auditor to the Audit Committee of (i) all critical accounting policies and practices; (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management officials of the Corporation, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and (iii) other material written communications between the independent auditor and the management of the Corporation, such as any management letter or schedule of unadjusted differences.

C. Financial Statements

- Review significant accounting and reporting issues, including complex or unusual transactions (such as off-balance sheet structures, if any) and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Review with management and the external auditors the results of the audit, including any difficulties encountered and any significant changes in the audit plan.

- Review the annual financial statements, and consider whether they are complete, consistent with information known to the Audit Committee members, and reflect appropriate accounting principles.

- Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.

- Review with management and the external auditors all matters required to be communicated to the Audit Committee under generally accepted auditing standards.

- Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.

- Review interim financial reports with management and the external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to the Audit Committee members.

D. Internal Control

- Consider the effectiveness of the Corporation’s internal control system, including information technology security and control.

- Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

- Inquire of management and the independent auditors about significant risks or exposures facing the Corporation.

E. External Audit

- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.

- Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the external auditors.

- Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Corporation, including non-audit services, and discussing the relationships with the auditors.

- On a regular basis, meet separately with the external auditors to discuss any matters that the Audit Committee or external auditors believe should be discussed privately.

F. Independent Auditor

- Review the performance of the independent auditor and appoint or terminate the independent auditor. The Audit Committee has the sole authority and responsibility to select, evaluate, and where appropriate, replace the outside auditor. The independent auditor is ultimately accountable to the Audit Committee for such auditor's review of the financial statements and controls of the Corporation. The Audit Committee shall determine the appropriate compensation of the independent auditor.

- Approve in advance all audit services and all permitted non-audit services, except where such services are determined to be *de minimis* under the Exchange Act. The Audit Committee may delegate, to one or more designated members of the Audit Committee, the authority to grant such pre-approvals. The decisions of any member to whom such authority is delegated shall be presented to the full Audit Committee at each of its scheduled meetings.

- Oversee and ensure the independence of the auditor by:

  - receiving from, and reviewing and discussing with, the auditor, on a periodic basis, a formal written statement delineating all relationships between the auditor and the Corporation consistent with the applicable requirements of the Public Company Accounting Oversight Board;

  - reviewing, and actively discussing with the Board, if necessary, and the auditor, on a periodic basis, any disclosed relationships or services between the auditor and the Corporation or any other disclosed relationships or services that may impact the objectivity and independence of the auditor;

  - recommending, if necessary, that the Board take appropriate action to satisfy itself of the auditor's independence; and

  - ensuring that the lead or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit does not perform audit services for the Corporation for more than five consecutive fiscal years.

  - Set clear hiring policies for employees or former employees of the Corporation's independent auditor.

G. Approval of Related Person Transactions

- Review and approve, prior to the Corporation's entry into any such transactions, all transactions in which the Corporation is or will be a participant, which would be reportable by the Corporation under Item 404 of Regulation S-K promulgated under the Securities Act as a result of any of the following persons having or expected to have a direct or indirect material interest (a "Related Person Transaction"):

  - executive officers of the Corporation;

  - members of the Board;

  - beneficial holders of more than 5% of the Corporation's securities;

  - immediate family members[1] of any of the foregoing persons; and

- any other persons whom the Board determines may be considered to be related persons as defined by Item 404 of Regulation S-K promulgated under the Securities Act.

- In reviewing and approving such transactions, the Audit Committee shall obtain, or shall direct management to obtain on its behalf, all information that the Audit Committee believes to be relevant and important to a review of the transaction prior to its approval. Following receipt of the necessary information, a discussion shall be held of the relevant factors if deemed to be necessary by the Audit Committee prior to approval. If a discussion is not deemed to be necessary, approval may be given by written consent of the Audit Committee. This approval authority may also be delegated to the Chairperson of the Audit Committee in some circumstances. No Related Person Transaction shall be entered into prior to the completion of these procedures.

- The Audit Committee or the Chairperson, as the case may be, shall approve only those Related Person Transactions that are determined to be in, or not inconsistent with, the best interests of the Corporation and its stockholders, taking into account all available facts and circumstances as the Audit Committee or the Chairperson determines in good faith to be necessary in accordance with principles of Delaware law generally applicable to directors of a Delaware corporation. No member of the Audit Committee shall participate in any review, consideration or approval of any Related Person Transaction with respect to which the member or any of his or her immediate family members has an interest.

- The Audit Committee shall adopt any further policies and procedures relating to the approval of related person transactions that it deems necessary or advisable from time to time.

I. Legal Compliance/General

- o Review, with the Corporation's counsel, any legal or regulatory matter that could have a significant impact on the Corporation's financial statements.

- o Maintain minutes or other records of meetings and activities of the Audit Committee.

- o When deemed necessary by the members of the Audit Committee, retain independent legal, accounting or other advisors or consultants to advise and assist the Audit Committee in carrying out its duties, without needing to seek approval for the retention of such advisors or consultants from the Board. The Audit Committee shall determine the appropriate compensation for any advisors retained by the Audit Committee. The Audit Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

- Establish procedures for (i) the receipt, retention, and treatment of complaints received by the Corporation from external parties regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.

- Review the findings of any examinations by regulatory agencies, and any auditor observations.

- Review the process for communicating the code of conduct to the Corporation's personnel, and for monitoring compliance therewith.

- Obtain regular updates from management and the Corporation's legal counsel regarding compliance matters.

- Review with management the policies and procedures with respect to officers' expense accounts and perquisites.

- Perform any other activities consistent with this Charter, the Corporation's by- laws, and governing law, as the Audit Committee or the Board deems necessary or appropriate.

1 "Immediate family member" means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father- in-law, son-in- law, daughter-in-law, brother-in-law, or sister-in-law, and any person (other than a tenant or employee) sharing the household with the executive officer, director or 5% beneficial owner.

PORTAGE BIOTECH, INC.

COMPENSATION COMMITTEE CHARTER

I. Purpose

The purpose of the compensation committee (the "***Committee***") of the Board of Directors (the "***Board***") of Portage Biotech, Inc. (the "***Company***") is to (a) assist the Board in fulfilling its responsibilities regarding the compensation of the Company's Chief Executive Officer (the "***CEO***"), the Company's other executive officers, as defined by Rule 3b-7 of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), and the non-employee members of the Board, (b) administer and implement the Company's incentive compensation plans and equity-based plans, (c) oversee compliance with the compensation rules, regulations and guidelines promulgated by the Nasdaq Stock Market ("***Nasdaq***"), the Securities and Exchange Commission (the "***SEC***") and other applicable laws and (d) review and ensure the Company's talent management strategies are aligned to best practices and ensure the Company attracts, retains and develops top talent.

II. Membership

The Committee shall consist of two or more independent directors of the Board, with the exact number determined by the Board. Each member shall:

- meet the "independence" criteria set forth in the Company's Corporate Governance Guidelines, Rule 10C-1 of the Exchange Act and the Nasdaq Listing Rule 5605(d); and

- qualify as a "non-employee director," as defined in Rule 16b-3 under Section 16 of the Exchange Act.

Any subsequent determination that any member of the Committee does not qualify as a "non- employee director" or an "outside director" will not invalidate any previous actions by the Committee, except to the extent required by law or determined to be appropriate to satisfy regulatory standards.

The members of the Committee, including the chairperson (the "***Chair***") of the Committee, shall be appointed by the Board. If the Board does not appoint a Chair, the Committee members may designate a Chair by majority vote. Committee members shall serve for such term or terms as the Board may determine or until earlier resignation or death. Vacancies occurring on the Committee will be filled by the Board. Committee members may be removed from the Committee, with or without cause, by the Board. Resignation or removal of a Committee member from the Board for any reason will automatically constitute resignation or removal from the Committee.

III. Meetings and Procedures

1. The Committee shall meet as often as it deems necessary, but in no event less than annually.

2. Any member of the Committee or the Board may call a meeting of the Committee.

3. The Chair will set the agenda for Committee meetings and conduct the proceedings of those meetings.

4. The Committee may delegate authority to one or more members of the Committee where appropriate, but no such delegation shall be permitted if the authority is required by law, regulation or applicable listing standards to be exercised by the Committee as a whole.

5. The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting to provide such information as the Committee requests; provided, however, that the CEO may not be present during voting or deliberations on his or her compensation.

6. The Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws and this Charter.

7. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

IV. Duties and Responsibilities

The Committee's responsibilities are for oversight, as described under "Purpose" above. The members of the Committee are not employees of the Company, and they do not perform management's functions. The Committee relies on the expertise and knowledge of management in carrying out its oversight responsibilities. The Committee shall have the following responsibilities; *provided, however***, that this list of responsibilities is intended to be a guide and to remain flexible to account for changing circumstances and needs. Accordingly, the Committee may depart from or supplement such responsibilities, and establish policies and procedures, to the extent permitted by applicable law and stock exchange listing requirements. The Board will retain the right to act on all such matters without limiting the Committee's authority, subject to compliance with applicable law and stock exchange listing requirements.**

1. Review annually the compensation strategy of the Company, including base salary, incentive compensation and equity-based plans, including whether to adopt, amend and terminate compensation plans or arrangements. In reviewing the compensation strategy of the Company, including whether to adopt, amend or terminate any compensation plans and equity-based plans, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation if required by Section 14A of the Exchange Act and the rules and regulations promulgated thereunder ("***Say on Pay Vote***").

2. Reviewing compensation practices and trends to assess the adequacy and competitiveness of the Company's executive compensation programs as compared to companies in the Company's industry and exercise its judgment in determining the appropriate levels and types of compensation to be paid.

3. Evaluating the efficacy of the Company's compensation policy and strategy in achieving gender and minority pay parity, positive social impact and attracting a diverse workforce.

4. Review and approve, or recommend to the Board for review and approval, annually the corporate goals and objectives of the Company, including those applicable to the compensation of the CEO and to the extent applicable, other executive officers. The Committee's decisions regarding performance goals and objectives shall be reported to the Board.

5. Evaluate at least annually the CEO's and other executive officers' performance in light of corporate and individual goals and objectives.

6. Determine and approve, or recommend to the Board for determination and approval, the compensation level and other terms of employment of the CEO based on this evaluation, including base salary, cash and equity-based incentive compensation, bonus, special benefits, perquisites and incidental benefits and other incentive compensation, and other terms of employment, which shall be determined and approved by the Committee). In evaluating and determining CEO compensation, the Committee shall consider the results of the most recent Say on Pay Vote if required by Section 14A of the Exchange Act and the rules and regulations promulgated thereunder. The Committee's decisions regarding the compensation of the CEO shall be reported to the Board.

7. Determine and approve, or recommend to the Board for determination and approval, the corporate goals and objectives and the compensation and other terms of employment of the executive officers (other than the CEO) or senior management, as appropriate, taking into consideration the officer's success in achieving his or her individual performance goals and objectives, the corporate performance goals and objectives deemed relevant to the officer as established by the Committee. In evaluating and determining or making recommendations regarding executive compensation, the Committee may, at its sole discretion, give consideration to the recommendations of the CEO, and the Committee shall consider the results of the most recent Say on Pay Vote if required by Section 14A of the Exchange Act and the rules and regulations promulgated thereunder.

8. Review and approve the terms of any employment agreements, severance arrangements, change-of-control protections and any other compensatory arrangements (including perquisites and any other form of compensation) for the CEO, executive officers and other senior management, as appropriate, which includes the ability to adopt, amend and terminate such agreements or arrangements.

9. Periodically review the Company's human capital strategies, initiatives, and programs with respect to the Company's culture, talent, recruitment, retention, employee engagement, and employee diversity, equity, and inclusion efforts.

10. Monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to loans to directors and officers, and with all other applicable laws affecting employee compensation and benefits.

11. Review and discuss with management any "Compensation Discussion and Analysis" and report of the Committee required to be included in any filing with the SEC.

12. At the Committee's discretion, delegate to the CEO within the limits imposed by applicable law and the rules and regulations promulgated under the Exchange Act, the joint authority to approve cash awards or make equity grants to employees of the Company who are not members of the Board or executive officers pursuant to guidelines established by the Committee, provided that in the case of equity grants, the price per share of any grant by the CEO is no less than the fair market value of the Company's common stock on the date of grant.

13. Review the compensation and benefits paid to non-employee directors for their service on the Board and its committees at least annually, and recommend the compensation and benefits, including any changes considered appropriate, to the full Board for its approval.

14. Oversee and review with management the Company's major compensation-related risk exposures, review and discuss at least annually the relationship between risk management policies and practices, risk-taking incentives and compensation, and evaluate the steps management has taken to monitor or mitigate such exposures, including risks related to executive compensation and overall compensation and benefit strategies, plans, arrangements, practices and policies.

15. If required under the Exchange Act, review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on the frequency of Say on Pay Votes if required by Section 14A of the Exchange Act and the rules and regulations promulgated thereunder, and review and approve, if applicable, the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.

16. Consider and make recommendations to the Board regarding whether to include the seeking of stockholder approval of "golden parachute" arrangements in the annual proxy statement in lieu of (or in addition to) any special proxy statement in accordance with the rules and regulations promulgated by the SEC.

17. Oversee the Company's compliance with regulatory requirements associated with compensation of its directors, officers and employees, and review the Company's compliance program relating to restrictions on and reporting of securities transactions by the Company and its executive officers and directors.

18. Perform any other activities required by applicable law, rules or regulations, including the rules and regulations promulgated under the Exchange Act and rules and regulations of the SEC, and take such other actions and perform and carry out any other responsibilities and duties delegated to it by the Board or as the Committee deems necessary or appropriate consistent with its purpose.

V. Studies and Advisers

The Committee, in discharging its responsibilities, may conduct, direct, supervise or authorize studies of, or investigations into, matters within the Committee's scope of responsibility, with full access to all books, records, facilities and personnel of the Company. The Committee shall have the authority, in its sole discretion, to retain or obtain the advice and assistance of outside legal counsel, compensation and other consultants, accountants, experts and such other advisers as it deems necessary (each a "***Compensation Consultant***," and collectively, the "***Compensation Consultants***") to assist the Committee in connection with its functions, including any studies or investigations. The Committee shall be directly responsible for the appointment, compensation, and oversight of the work of any Compensation Consultant retained by the Committee. The Company will provide for appropriate funding, as determined by the Committee, for (i) payment of reasonable compensation to any Compensation Consultant retained by the Committee and (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and functions.

The Committee is not required to implement or act consistently with the advice or recommendations of its Compensation Consultants, and the Committee's ability or obligation to exercise its own judgment in fulfillment of its duties shall not be affected by the authority granted in this Charter.

The Compensation Consultants retained by, or providing advice to, the Committee (other than the Company's in-house counsel) shall be independent as determined in the discretion of the Committee after considering the factors specified in Nasdaq Listing Rule 5605(d)(3). The Committee is not required to assess the independence of any Compensation Consultant that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or adviser, and about which the consultant or adviser does not provide advice.

The Committee shall evaluate whether any Compensation Consultant retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K. Any Compensation Consultant retained by the Committee to assist with its responsibilities relating to executive compensation shall not be retained by the Company for any compensation or other human resource matters.

VI. Minutes and Reports

The Committee will maintain written minutes of its meetings and copies of its actions by written consent and will cause such minutes and copies of written consents to be filed with the minutes of the meetings of the Board. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate.

VII. Delegation of Duties

The Chairperson shall have the delegated authority to act on behalf of the Committee in connection with (1) approval of the retention of compensation consultants and outside service providers and advisors (including negotiation and execution of their engagement letters) and (2) as may otherwise be determined by the Committee. The Committee also may form and delegate authority to one or more subcommittees consisting of one or more members of the Board (whether or not he, she or they are on the Committee) to the extent allowed under applicable law and stock exchange listing requirements. By delegating an issue to the Chairperson or a subcommittee, the Committee does not surrender any authority over that issue. Although the Committee may act on any issue that has been delegated to the Chairperson or a subcommittee, doing so will not limit or restrict future action by the Chairperson or subcommittee on any matters delegated to it. Any action or decision of the Chairperson or a subcommittee will be presented to the full Committee at its next scheduled meeting. By approving this Charter, the Board delegates authority to the Committee with respect to these responsibilities.

VIII. Committee Self-Assessment; Review of Charter

The Committee will annually evaluate its performance. The Committee will review and reassess the adequacy of this Charter at least annually and recommend to the Board any changes the Committee determines are appropriate.

IX. Publication

The Company shall make this Charter freely available to stockholders on request and, provided that the Company is subject to the periodic reporting requirements of the Exchange Act, shall publish it on the Company's website.

Effective:
Amended:

EXHIBIT 12.1

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

I, Dr. Ian Walters, Chairman of the Board and Chief Executive Officer of Portage Biotech Inc., certify that:

1. I have reviewed this Annual Report on Form 20-F of Portage Biotech Inc. for the fiscal year ended March 31, 2023.

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 company as of, and for, the periods presented in this report;

4. The company'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 control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company 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 company, including its consolidated subsidiaries, 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 company'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 company'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 company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company'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 company'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 company's internal control over financial reporting

Date: July 31, 2023

/s/ Ian Walters
By: Dr. Ian Walters
Title: Chairman of the Board and Chief Executive Officer

EXHIBIT 12.2

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

I, Allan Shaw, Chief Financial Officer of Portage Biotech Inc., certify that:

1. I have reviewed this Annual Report on Form 20-F of Portage Biotech Inc. for the fiscal year ended March 31, 2023.

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 company as of, and for, the periods presented in this report;

4. The company'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 control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company 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 company, including its consolidated subsidiaries, 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 company'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 company'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 company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company'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 company'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 company's internal control over financial reporting.

Date: July 31, 2023

/s/ Allan Shaw
By: Allan Shaw
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. Ian Walters, Chairman of the Board and 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, 2023 (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 31, 2023

/s/ Ian Walters
By: Dr. Ian Walters
Title: Chairman of the Board and 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, Allan Shaw, 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, 2023 (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 31, 2023

/s/ Allan Shaw

By: Allan Shaw
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.

Exhibit 15.1

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in the Registration Statement of Portage Biotech Inc. on Form F-3 (File No. 333-253468) of our report dated July 31, 2023, which includes an explanatory paragraph as to the Company's ability to continue as a going concern, with respect to our audits of the consolidated financial statements of Portage Biotech Inc. as of March 31, 2023 and 2022 and for the years ended March 31, 2023, 2022 and 2021, which report is included in this Annual Report on Form 20-F of Portage Biotech Inc. for the year ended March 31, 2023.

/s/ Marcum LLP

Marcum LLP
Melville, NY
July 31, 2023