

# News Release

## Porto Energy Corp. Announces Spudding of Torres Vedras Well in Portugal

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**THE WOODLANDS, TEXAS July 7, 2011** – Porto Energy Corp., (“**Porto**” or the “**Company**”), announces that it has commenced its drilling operations in the Torres Vedras onshore concession in Portugal. The SPC-1 well is the first well of a proposed two to four well exploration drilling program in the Company’s Jurassic Reef Trend. The target depth of this well is anticipated to be approximately 1,970 meters and is expected to test multiple Jurassic Reef oil prospect levels as delineated by the Company’s recently completed 120 km<sup>2</sup> 3D seismic survey of this area. The Company expects to reach total depth on this well in approximately thirty days.

The Torres Vedras rig is under contract from KCA Deutag and recently completed the re-entry of the ALJ-4 well to a depth of 2,600 meters, prior to being moved to the new SPC-1 location. The ALJ-4 well is a direct offset to the Company’s ALJ-2 fractured carbonate gas discovery well. The Company recovered 65.25 meters of conventional core and 430 meters of open hole logs in the Jurassic Brenha gas reservoir. The Company is currently testing and analyzing the core, logs and associated data. The Company anticipates results from this testing and analysis within the next three months and has temporarily abandoned the ALJ-4 well until then.

“With the successful re-entry of the ALJ-4 well and the collection of critical engineering and geological data, we continue to advance our asset appraisal and exploration drilling programs on our onshore concessions”, said Joseph Ash, President and CEO of Porto.

### **About Porto Energy Corp.**

Porto Energy Corp. is an international oil and gas company engaged in the exploration of crude oil and natural gas in Portugal, including the appraisal of a gas discovery. Through its wholly owned subsidiary, Mohave Oil And Gas Corporation (a Texas corporation with branch offices in Portugal), the Company holds working interests in five concessions in Portugal’s Lusitanian Basin totaling 1,444,152 net acres or 5,844 km<sup>2</sup>. Through its exploration efforts to date, the Company has identified seven major exploration trends over its concessions and has generated numerous prospects and leads. Porto Energy’s shares trade on the TSX Venture Exchange under the ticker symbol “PEC”. For more information on Porto Energy visit [www.portoenergy.com](http://www.portoenergy.com).

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### **Cautionary Statements**

Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable because of one or more contingencies. The contingent resources shown are contingent upon demonstration of the economic viability of the projects. Commercial flow rate testing and documentation of development plans will provide further evidence of economic viability of these projects. If these contingencies are resolved, some portion of the contingent resources estimated may be reclassified as reserves. There is no certainty that it will be commercially viable to produce any portion of the contingent resources.

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This press release contains certain forward-looking statements. These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "predict" and "potential" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These forward-looking statements are made as of the date of this press release and the Company does not undertake to update any forward-looking statements that are contained in this press release, except in accordance with applicable securities laws.

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