

News Release

Porto Energy Corp. Announces Drilling Results for First Torres Vedras Well

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THE WOODLANDS, TX August 10, 2011 – Porto Energy Corp., (“**Porto**” or the “**Company**”), today announced results from the drilling of the SPC-1 well in the Torres Vedras concession onshore Portugal, the first well of a proposed two to four well exploration program in the Company’s Jurassic Reef Trend. The SPC-1 spud on July 7, 2011 and reached total measured depth at 2,064 meters on August 5, 2011. Subsequent evaluation of drilling and open-hole log data indicates the SPC-1 had oil shows. However, the well did not encounter commercial accumulations of hydrocarbons and the well has been plugged and abandoned as a dry hole. The Company is currently preparing to move the rig to the SPC-2 location to test a second Jurassic Reef prospect. The target depth of this well is expected to be approximately 1,950 meters and is targeting a well defined four way closure trap in the Jurassic Reef as delineated by the Company’s recently completed 120 km² 3D seismic survey of this area. The Company expects to reach total depth on this well in mid-September with logging results expected soon after.

“Although obviously disappointed with the results of this initial exploration well, we have greatly advanced our understanding of the play and do not consider the failure of the SPC-1 to condemn the Jurassic reef trend. This was the first well in Portugal drilled within the reef trend using 3D seismic. The SPC-1 well indicates the presence of reservoir, a working petroleum system, but appears to have failed due to ineffective seal capacity. We consider our next well to be in a much better position to address this type of exploration risk.” said Joseph Ash, President and CEO of Porto Energy.

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 km². Through its exploration efforts to date, the Company has identified seven major exploration trends over its concessions including unconventional oil and gas resource plays as well as conventional oil and gas targets. 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.

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Cautionary Statements

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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