

News Release

Porto Energy Corp. Announces Initial Drilling Results for Second Torres Vedras Well and Near-Term Focus on the Aljubarrota Gas Discovery

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THE WOODLANDS, TX September 19, 2011 – Porto Energy Corp., (“Porto” or the “Company”) (TSXV-PEC), today announced results from the drilling of the SPC-2 well in the Torres Vedras concession onshore Portugal, the second well of a proposed two to four well exploration program in the Company’s Jurassic Reef Trend. The SPC-2 was spud on August 19, 2011 and reached total measured depth at 1,957 meters on September 9, 2011. The well had live and dead oil shows while drilling and good reservoir properties in several limestone and dolomite intervals. A porous interval of dolomite from 1,625 meters to 1,679 meters indicates pay on a petrophysical evaluation of the open hole logs. Analysis of sidewall cores taken over the interval and additional log evaluation is required to determine if the logged pay over this interval is commercial. Since a standing drilling rig is expensive, the well has been temporarily abandoned until such time as additional evaluation of the interval is completed. The Company is currently preparing to move the rig back to the ALJ-4 well to perform flow testing based on the ongoing analysis of 65 meters of conventional core and 430 meters of open hole logs in the Lower Jurassic Brenha gas reservoir.

“Initial analysis of the SPC-2 well indicates the presence of a reservoir, working petroleum system, and potential pay,” said Joseph Ash, President and CEO of Porto Energy. “At present, the test data from the SPC-2 well is inconclusive and requires additional analysis. To keep operations moving forward while we complete additional analysis of the SPC-2 well data, we are mobilizing operations back to the ALJ-4 location to complete our economic assessment of the Lower Jurassic Brenha Formation.”

Based on the NI 51-101 report compiled by Netherland Sewall and Associates International (“NSAI”), the Aljubarrota gas discovery has contingent resources of approximately 363 BCF on a best estimate basis. The formation consists of 450 meters of carbonate the Company believes serves as a top seal with 260 meters of fractured carbonate reservoir underneath. Of the 260 meters of fractured carbonate, the Company is targeting the highly fractured, 85-meter basal member, believed to be self sourcing. Prior to the deepening of the ALJ-4 well, this basal member was only encountered in the ALJ-2 well and therefore contributed only 20% of the total 363 BCF resource outlined in the NSAI report. From its 2-D and 3-D seismic interpretation, the Company has mapped the Basal Brenha with an aerial extent covering more than 100,000 acres. The Company was unable to perform a drill stem test on the ALJ-4 well as tools were not readily available to perform the tests safely.

“The implications of what we are seeing in the geology of the Brenha indicate a greater gas charged resource in place than we originally expected,” said Joseph Ash. “This along with the highly fractured nature of the basal member suggests lower thresholds for economic production since there may be no need for fracture stimulation and it is prudent at this time to flow test the well.”

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

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.

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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