



NEWS RELEASE

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May 12th 2011

PORTAGE MINERALS INC ANNOUNCES PRIVATE PLACEMENT OF UP TO \$18 MILLION

St. Andrews, New Brunswick, Canada, May 12th 2011; Portage Minerals Inc. (“**Portage**” or the “**Company**”) (CNSX: RXX) announced today that it has engaged Cornerstone Asset Management L.P. as lead manager, and including Clarus Securities Inc. and Haywood Securities Inc. as co-managers, in connection with a proposed private placement of subscription receipts and flow-through units of Portage for expected gross proceeds of up to \$18,000,000. Each subscription receipt consists of one common share and one-half common share purchase warrant. Each flow-through unit consists of one flow-through common share and one-half flow-through common share purchase warrant. Each full common share purchase warrant and each full flow-through common share purchase warrant will be exercisable for three years subsequent to the close of the financing. The issue price for each subscription receipt and flow-through unit will be determined prior to the closing of the private placement based on the then prevailing market conditions.

The net proceeds of the private placement will be used to complete the acquisition of a 70% interest in the Clarence Stream deposit from Freewest Resources Inc. (“Freewest”) as announced on April 18th 2011, to fund Portage's exploration program, general and administrative expenses and general working capital needs. The financing is planned to be completed concurrently with the acquisition of the 70% interest in the Clarence Stream deposit from Freewest which is expected to occur on June 14, 2011.

Portage will use part of the net proceeds from this financing to fund its current exploration program which include approximately 30,000 metres of diamond drilling. Portage has four advanced exploration properties, three gold and one antimony projects, all of which are in New Brunswick.

The agents will receive cash commissions of 7% of the gross proceeds of the private placement, and share purchase warrants entitling the agents to purchase that number of units (consisting of one common share and one-half common share purchase warrant) of Portage equal to 7% of the subscription receipts and flow-through units sold pursuant to this private placement.

Closing of the private placement is subject to certain conditions including, but not limited to the receipt of applicable regulatory approvals including approval of the applicable stock exchange. Securities issued under the private placement will be subject to a four month hold period from the closing date.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) unless

registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

About Portage

Portage Minerals Inc. is a mineral exploration corporation exploring for gold in Eastern Canada. Further information about Portage can be accessed on the Company's website at www.portagemineralsinc.com and on the SEDAR website at www.sedar.com. The common shares of Portage are listed on the Canadian National Stock Exchange ("CNSX") as a mining issuer under the trading symbol "RKX".

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To receive Company news releases via e-mail, please advise lauren@chfir.com and specify "Portage News" in the subject line.

CNSX does not accept responsibility for the adequacy or accuracy of this release.

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. This forward-looking information includes, among others, statements regarding the acquisition of the Property (the "Acquisition"), the receipt of regulatory approval and other expectations, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results of operations or performance. Various assumptions were used in drawing the conclusions or making the forecasts and projections contained in the forward-looking information contained in this press release. Forward-looking information is based on current expectations, estimates and projections that involve a number of risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by Portage and described in the forward-looking information contained in this press release. Undue reliance should not be placed on forward-looking information. The material risk factors include, but are not limited to: the parties will not proceed with the proposed Acquisition or that the proposed Acquisition will not be successfully completed for any reason (including a failure to obtain the required regulatory approvals). Readers are cautioned that the foregoing list of risk factors is not exhaustive. The completion of the Acquisition is subject to a number of conditions including, but not limited to, the parties' completion of satisfactory due diligence, the entering into of definitive agreements with regard to the Acquisition, CNSX acceptance and the receipt of applicable regulatory approval of the Acquisition. There can be no assurance that the Acquisition will be completed as proposed or at all. The forward-looking statements contained in this news release are made as of the date hereof and Portage undertakes no obligation to update publicly or revise any

forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.