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InMed Pharmaceuticals Reports First Quarter Fiscal 2019 Financial Results and Provides R&D and Business Update

Vancouver, BC – November 12, 2018 – **InMed Pharmaceuticals Inc.** ("InMed" or the "Company") (TSX:IN; OTCQX:IMLFF), a fully integrated, cannabinoid-based biopharmaceutical company that leverages its proprietary platform technologies to develop novel therapeutics for the treatment of diseases with high unmet medical needs, today reported financial results for the three months ended September 30, 2018, which is the Company's first quarter of fiscal year 2019 ("1Q19").

Conference Call & Webcast:
Monday, November 12, 2018 at 10:00 AM Pacific Time, 1:00 PM Eastern Time

Toronto:	+1-416-764-8688
Vancouver:	+1-778-383-7413
North America (Toll Free):	+1-888-390-0546
Conference ID:	01602924
Webcast:	https://event.on24.com/wcc/r/1869369/F1C676960976FEF685DFF9F12469BA4E

Replays, Available through November 19, 2018:

Toronto:	+1-416-764-8677
North America (Toll Free):	+1-888-390-0541
Playback Passcode:	602924#

The Company's full financial statements and related MD&A for the three months ended September 30, 2018 will be available at www.sedar.com on November 12, 2018.

"We continued to make solid progress on our operating strategy during 1Q19, which is, first and foremost, diligent execution with our leading R&D programs" stated President and Chief Executive Officer, Eric A. Adams. Mr. Adams continued, "During the quarter, we made considerable advancements with our INM-750 program for the treatment of Epidermolysis Bullosa, and we currently believe that we remain on track to begin discussions of our clinical development plans with regulatory authorities in the first half of 2019 and for a CTA/IND filing for INM-750 in the second half of 2019."

"Specifically, within our INM-750 program," Mr. Adams continued, "among many other pre-clinical studies, we conducted drug permeation studies on several formulation variations. In these studies, with our selected formulation, we demonstrated good drug penetration and adequate drug concentrations in the epidermis, which is the target tissue for INM-750. In

addition, and very importantly, we have demonstrated that the cannabinoid components in the INM-750 formulation each play important, and independent, functions for various target effects, including anti-inflammation and keratin upregulation."

"Concerning our ongoing work in toxicology and pharmacology, we completed two types of genotoxicity studies, which demonstrated no mutagenicity with the cannabinoid components of INM-750. In addition, we completed two 7-day dose range finding and pharmacokinetic studies for assessment of systemic toxicity. The lack of any negative results from these studies support continued development of INM-750," added Mr. Adams.

"During 1Q19," Mr. Adams continued, "we also made meaningful strides to advance our proprietary biosynthesis manufacturing technology. In particular, we announced entering into a service agreement with the National Research Council Canada (NRC) in Montreal, Canada in October, for bio-fermentation development and scale-up processes for cannabinoid biosynthesis in E. coli. Since then, we have initiated our technology transfer from our partners at The University of British Columbia (UBC) to the NRC. This collaboration moves us one step closer to achieving our ambition of being able to produce multiple pharmaceutical-grade cannabinoids on a commercial scale."

Mr. Adams continued, "In addition, I'd like to reiterate a material development in strengthening our IP portfolio. Specifically, we successfully converted our provisional patent to a PCT patent filing for 'Metabolic Engineering of bacterium E. coli for cannabinoid products'. We also announced that our research partner at UBC received a grant from the prestigious Natural Sciences and Engineering Research Council of Canada (NSERC) for our collaborative efforts in the biosynthesis of cannabinoids," concluded Mr. Adams.

Results of Operations (expressed in Canadian Dollars):

- For 1Q19, the Company recorded a comprehensive net loss of $2.8 million, or $0.02 per share, compared with a comprehensive net loss of $1.8 million, or $0.01 per share, for the three months ended September 30, 2017 ("1Q18"). The primary reason for the increase in the comprehensive net loss in 1Q19 compared to 1Q18 in fiscal year 2018 was an increase in non-cash, share-based payments, in connection with the grant of stock options, which was $1.4 million for 1Q19, compared with $0.6 million for 1Q18, with the increase attributable to stock options granted during the second half of fiscal 2018.

- Research and development expenses were $0.63 million for 1Q19, compared with $0.38 million for the three months ended September 30, 2017. The increase in research and development expenses in 1Q19 as compared to 1Q18 was primarily due to increased spending with external contractors for work associated with preclinical studies and formulation work for INM-750 together with increased spending on the Company's biosynthesis program, as well as higher R&D personnel compensation as a result of increased R&D staffing.

- The Company incurred general and administrative expenses of $0.81 million for 1Q19, compared with $0.84 million for the three months ended September 30, 2017. The decrease in general and administrative expenses in 1Q19 as compared to 1Q18 was

primarily due to decreased spending on investor relations activities that more than offset increased personnel compensation that reflects increased staffing, reflective of the growth in the Company's operations.

- At September 30, 2018, the Company's cash, cash equivalents and short-term investments were $24.8 million, which compares to $26.5 million at June 30, 2018. During 1Q19, the Company's cash, cash equivalents and short-term investments decreased by $1.7 million, which resulted primarily from cash outflows from operating activities.

- At September 30, 2018, the Company's total issued and outstanding shares were 170,883,633. Including outstanding stock options and warrants, as at September 30, 2018, the Company had 221,291,290 shares on a fully diluted basis. During 1Q19, the weighted average number of common shares was 170,856,278, which is used for the calculation of loss per share.

Table 1: Condensed consolidated interim statements of financial position (un-audited):

InMed Pharmaceuticals Inc.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (un-audited)
As at September 30, 2018 and June 30, 2018
Expressed in Canadian Dollars

	September 30 2018	June 30 2018
ASSETS		
Current		
Cash and cash equivalents	$ 17,392,246	$ 24,134,277
Short-term investments	7,384,854	2,342,615
Taxes recoverable	20,321	53,373
Prepaids and advances	210,994	203,477
Total current assets	25,008,415	26,733,742
Non-Current		
Property and equipment	50,450	55,732
Intangible assets	1,250,760	1,273,670
Total Assets	$ 26,309,625	$ 28,063,144
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Trade payables	590,424	937,759
SHAREHOLDERS' EQUITY		
Share capital	68,079,139	68,058,698
Contributed surplus	11,796,358	10,381,759
Accumulated deficit	(54,156,296)	(51,315,072)
	25,719,201	27,125,385
	$ 26,309,625	$ 28,063,144

Table 2: Condensed consolidated interim statements of comprehensive loss (un-audited):

InMed Pharmaceuticals Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS (un-audited)

For the three months ended September 30, 2018 and September 30, 2017

Expressed in Canadian Dollars

	2018	2017
Expenses		
General and administrative	$ 813,036	$ 841,340
Research and development	627,094	377,116
Amortization and depreciation	31,041	26,626
Foreign exchange loss	56,836	4,524
Share-based payments	1,423,790	570,548
Total expenses	2,951,797	1,820,154
Interest income	110,573	-
Loss before other items	(2,951,797)	(1,820,154)
Total comprehensive loss for the period	$ (2,841,224)	$ (1,820,154)
Basic and diluted loss per share for the period	$ (0.02)	$ (0.01)

Table 3: Condensed consolidated interim statements of cash flows (un-audited):

InMed Pharmaceuticals Inc.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (un-audited)
For the three months ended September 30, 2018 and September 30, 2017
Expressed in Canadian Dollars

	2018	2017
OPERATING ACTIVITIES		
Cash flows from operating activities		
Loss for the year	$ (2,841,224)	$ (1,820,154)
Adjustments to reconcile loss to net cash used in operating activities		
Amortization and depreciation	31,041	26,626
Share-based payments	1,423,790	570,548
Shares issued for services	-	-
Accrued interest income on short-term investments	(13,487)	-
Changes in non-cash working capital balances:		
Prepaids and advances	(7,517)	40,943
Taxes recoverable	33,052	35,180
Trade payables	(347,335)	(202,750)
Total cash outflows from operating activities	(1,721,680)	(1,349,607)
Cash Flows From Investing Activities		
Purchase of short-term investments	(5,028,752)	-
Purchase of property and equipment	(2,849)	(4,427)
Total cash outflows from investing activities	(5,031,601)	(4,427)
Cash Flows From Financing Activities		
Subscriptions received	-	-
Shares issued for cash	11,250	679,000
Share issue costs	-	-
Cash provided by financing activities	11,250	679,000
Decrease in cash during the period	(6,742,031)	(675,034)
Cash and cash equivalents beginning of the period	24,134,277	6,707,796
Cash and cash equivalents end of the period	$ 17,392,246	$ 6,032,762

The Company's full financial statements and related MD&A for the quarter ended September 30, 2018 are available at www.sedar.com.

About InMed:
InMed is a pre-clinical stage biopharmaceutical company that specializes in developing novel therapies through the research and development into the extensive pharmacology of cannabinoids coupled with innovative drug delivery systems. InMed's proprietary bioinformatics database drug/disease targeting tool, cannabinoid biosynthesis technology and drug development pipeline are the fundamental value drivers of the Company. For more information, visit www.inmedpharma.com

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About Epidermolysis Bullosa (EB). EB is a group of rare diseases that cause fragile, blistering skin. The blisters may appear in response to minor injury, even from heat, rubbing, scratching or adhesive tape. In severe cases, the blisters may occur inside the body, such as the lining of the mouth or the stomach. Most types of epidermolysis bullosa are inherited. The condition usually presents in infancy or early childhood. Epidermolysis bullosa has no cure.

About INM-750. INM-750 is a proprietary, topical cannabinoid product candidate targeted as a therapy in epidermolysis bullosa (EB) and other potential dermatological and wound-healing applications. It has been specifically designed with the intent to: (i) modify the underlying cause of the disease in certain patients with EB Simplex (EBS, the most common form of EB), and (ii) to treat the major symptoms of the disease in all patients with EB. Preclinical data generated previously demonstrates that INM-750 may have a significant impact on certain symptoms of EB (which may include improvement of wound area to promote healing, reduction in pain, itch and inflammation, and providing antimicrobial activity). These disease hallmarks are key therapeutic targets for the effective treatment of EB as well as several other dermatological conditions. Additionally, our data indicate that INM-750 may have an impact on the underlying disease by increasing the production of certain proteins, called keratins, in the skin.

Cautionary Note Regarding Forward-Looking Information:
This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking information") within the meaning of applicable securities laws. Forward-looking information is based on management's current expectations and beliefs and is subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking information in this news release includes statements about: developing novel therapies for the treatment of important diseases with high unmet medical needs; beginning discussions of our clinical development plans with regulatory authorities in the first half of 2019, with a CTA/IND filing for INM-750 in the second half of 2019; being able to produce multiple pharmaceutical-grade cannabinoids on a commercial scale; the potential of INM-750 as a therapy in EB and for other potential dermatological and wound-healing applications; and the expected fundamental value drivers of the Company.

With respect to the forward-looking information contained in this news release, InMed has made numerous assumptions regarding, among other things: continued and timely positive preclinical and clinical efficacy data; the speed of regulatory approvals; the ability to contract with suitable partners; demand for InMed's products; and continued economic and market stability. While

InMed considers these assumptions to be reasonable, these assumptions are inherently subject to significant business, economic, competitive, market and social uncertainties and contingencies.

Additionally, there are known and unknown risk factors which could cause InMed's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others: preclinical and clinical testing may not produce the desired results on a timely basis, or at all; regulatory applications may not be approved on a timely basis, or at all; suitable partners may not be located; economic or market conditions may worsen; and InMed's proprietary bioinformatics platform, biosynthesis manufacturing process and drug development programs may not deliver the expected level of results nor become the fundamental value drivers of the Company. A more complete discussion of the risks and uncertainties facing InMed is disclosed in InMed's most recent Annual Information Form and other continuous disclosure filed with Canadian securities regulatory authorities on SEDAR at www.sedar.com.

All forward-looking information herein is qualified in its entirety by this cautionary statement, and InMed disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.

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