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InMed Pharmaceuticals Reports First Quarter Fiscal 2020 Financial Results and Provides R&D and Business Update

Vancouver, BC – November 8, 2019 – **InMed Pharmaceuticals Inc.** ("InMed" or the "Company") (TSX:IN; OTCQX:IMLFF), a biopharmaceutical company developing a proprietary biosynthesis manufacturing technology for the production of pharmaceutical-grade cannabinoids as well as a pipeline of medications targeting diseases with high unmet medical needs, today reported financial results for the three months ended September 30, 2019, which is the Company's first quarter of fiscal year 2020 ("1Q20").

Conference Call & Webcast:
Friday, November 8, 2019 at 9:00 AM Pacific Time, 12:00 PM Eastern Time

Local - Toronto	+1-647-427-7450
Local - Vancouver	+1-778-371-9827
Toll Free - North America	+1-888-231-8191
Conference ID:	**4858497**

Webcast: https://event.on24.com/wcc/r/2130453/2F3067289A74B03F88649F9143706484

Replays, Available through November 15, 2019:

Toronto:	+1-416-849-0833
North America (Toll Free):	+1-855-859-2056
Playback Passcode:	4858497 #

The Company's full financial statements and related MD&A for the three months ended September 30, 2019 will be available at www.sedar.com on November 8, 2019.

"During the first quarter of fiscal 2020, InMed made a significant step with the submission of its Clinical Trial Application to regulatory authorities to seek permission to begin human clinical trials with INM-755," stated President and Chief Executive Officer, Eric A. Adams. "We continue to make meaningful progress with our lead programs, including INM-755 for EB, INM-088 in glaucoma, and the biosynthesis manufacturing platform. The Company looks forward to communicating our progress on a regular basis to the broader North American and international investment communities," concluded Mr. Adams.

Research & Development Update:

- ***Biosynthesis manufacturing technology.*** During 1Q20, we continued to optimize fermentation parameters to maximize production yield and to develop a Down Stream Purification process ("DSP") with contract development manufacturing organizations ("CDMOs"). We remain on-track to conclude these activities by the end of calendar 2019. In addition, the Company continues to work on an "alternative" biosynthetic manufacturing

process with one of our CDMOs. These efforts have resulted in the filing of a provisional patent application for an enzyme which could be applied to both our traditional as well as our "alternative" biosynthesis pathways.

- ***INM-755 for the treatment of the epidermolysis bullosa (EB).*** During 1Q20, InMed completed preparations for its first-in-human clinical trial, scheduled to begin by the end of this calendar year. We completed the supporting preclinical safety pharmacology and toxicology studies, set up the European manufacturer of the drug product, and designed the clinical study protocols. These efforts resulted in the November 4th submission of InMed's first ever Clinical Trial Application, or CTA, seeking permission to initiate human clinical studies with INM-755. The submission was made in parallel to the independent Ethics Committee and Dutch Regulatory Authority. We plan to initiate the trial immediately after receiving approval.

- ***INM-088 for Glaucoma*.** The Company continues the development of INM-088 for glaucoma including the strengthening of our intellectual property position with the filing of an additional provisional patent application. During 1Q20, the Company completed *in vitro* testing of INM-088 and initiated several formulations and pharmacology studies. The Company anticipates completing these activities in early 2020.

Results of Operations (expressed in Canadian Dollars):

- For the three months ended September 30, 2019, the Company recorded a net loss of $3.89 million, or $0.02 per share, compared with a net loss of $2.84 million, or $0.02 per share, for the three months ended September 30, 2018.

- Research and development expenses were $2.33 million for 1Q20, compared with $0.63 million for the three months ended September 30, 2018. The increase in research and development expenses in 1Q20 as compared to the same quarter in 2018 was primarily due to increased spending on INM-755 for clinical trial enabling preclinical safety pharmacology and toxicology studies. These studies are required for the regulatory filing to begin human clinical trials which we plan to initiate later this calendar year. In addition, we incurred higher costs for the purchase of the active pharmaceutical ingredients in INM-755 in advance of the planned clinical trials.

- The Company incurred general and administrative expenses of $0.96 million for 1Q20, compared with $0.81 million for the three months ended September 30, 2018. This increase in general and administrative expenses was primarily due to increased accounting and legal expenses pertaining to certain corporate initiatives.

- The Company also incurred non-cash, share-based payments, in connection with the grant of stock options, of $0.65 million for 1Q20, compared with $1.42 million for the three months ended September 30, 2018.

- At September 30, 2019, the Company's cash, cash equivalents and short-term investments were $14.77 million, which compares to $18.04 million at June 30, 2019. The $3.27 million decrease in cash, cash equivalents and short-term investments during the three months to September 30, 2019, was primarily due to cash outflows from operating activities.

- At September 30, 2019, the Company's total issued and outstanding shares were 172,283,633. Including outstanding stock options and warrants, as at September 30, 2019, the Company had 209,673,774 shares on a fully diluted basis. During the three months ending September 30, 2019, the weighted average number of common shares was 172,283,633, which is used for the calculation of loss per share for the quarter.

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

InMed Pharmaceuticals Inc.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (un-audited)
As at Septemebr 30, 2019 and June 30, 2019
Expressed in Canadian Dollars

	September 30, 2019	June 30, 2019
		Audited
ASSETS		
Current		
Cash and cash equivalents	$ 14,708,963	$ 12,873,961
Short-term investments	57,925	5,165,093
Accounts receivable	40,088	84,987
Prepaids and advances	248,306	424,275
Total current assets	15,055,282	18,548,316
Non-Current		
Property and equipment, net	647,391	55,829
Intangible assets, net	1,159,871	1,184,720
Total Assets	$ 16,862,544	$ 19,788,865
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payables and accrued liabilities	1,367,868	1,562,865
Current portion of lease obligations	94,205	-
Total current liabilities	1,462,073	1,562,865
Non-current		
Lease obligations	409,719	-
	1,871,792	1,562,865
SHAREHOLDERS' EQUITY		
Share capital	68,579,890	68,579,890
Contributed surplus	14,867,791	14,216,224
Accumulated deficit	(68,456,929)	(64,570,114)
	14,990,752	18,226,000
	$ 16,862,544	$ 19,788,865

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

InMed Pharmaceuticals Inc.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (un-audited)

For the three months ended Septmber 30, 2019 and 2018

Expressed in Canadian Dollars

	Three Months Ended September 30,	
	2019	2018
Expenses		
Research and development	$ **2,331,788**	$ 627,094
General and administrative	**958,331**	813,036
Amortization and depreciation	**43,284**	31,041
Share-based payments	**651,567**	1,423,790
Total operating expenses	**3,984,970**	2,894,961
Other Income (Loss)		
Interest income	**77,119**	110,573
Foreign exchange gain (loss)	**21,036**	(56,836)
Total net and comprehensive loss for the period	$ **(3,886,815)**	$ (2,841,224)
Basic and diluted loss per share for the period	$ **(0.02)**	$ (0.02)
Basic and diluted weighted average number of common shares outstanding	**172,283,633**	170,856,278

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

InMed Pharmaceuticals Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (un-audited)
For the years ended June 30
Expressed in Canadian Dollars

	2019	2018
OPERATING ACTIVITIES		
Cash flows from operating activities		
Net loss for the year	$ (3,886,815)	$ (2,841,224)
Adjustments to reconcile loss to net cash used in operating activities		
Amortization and depreciation	43,284	31,041
Share-based payments	651,567	1,423,790
Loss on sales of assets	1,070	-
Accrued interest income on short-term investments	107,168	(13,487)
Changes in non-cash working capital balances:		
Prepaids and advances	111,053	(7,517)
Accounts receivable	44,899	33,052
Accounts payable and accrued liabilities	(194,997)	(347,335)
Total cash outflows from operating activities	(3,122,771)	(1,721,680)
Cash Flows From Investing Activities		
Purchase of short-term investments	5,000,000	(5,028,752)
Purchase of property and equipment	(42,953)	(2,849)
Proceeds on disposal of property and equipment	726	-
Total cash outflows from investing activities	4,957,773	(5,031,601)
Cash Flows From Financing Activities		
Shares issued for cash	-	11,250
Cash provided by financing activities	-	11,250
Increase in cash during the year	1,835,002	(6,742,031)
Cash and cash equivalents beginning of the year	12,873,961	24,134,277
Cash and cash equivalents end of the year	$ 14,708,963	$ 17,392,246

The Company's full financial statements and related MD&A for the three months ended September 30, 2019 are available at www.sedar.com.

About InMed:
InMed Pharmaceuticals is a biopharmaceutical company developing a proprietary biosynthesis manufacturing technology for the production of pharmaceutical-grade cannabinoids, as well as a pipeline of medications that target diseases with high unmet medical needs. For more information, visit www.inmedpharma.com.

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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: making further progress on our lead programs; optimizing biosynthesis fermentation parameters to maximize production yield and to develop a Down Stream Purification process with contract development manufacturing organizations and concluding these activities by the end of calendar 2019; developing an "alternative" biosynthetic manufacturing process, including an enzyme which could be applied to both the "traditional" or the "alternative" biosynthesis pathways; obtaining regulatory approval to commence INM-755 clinical trials and initiating the trials immediately following approval; completing planned formulations and pharmacology studies with INM-088 in early 2020; and developing a proprietary biosynthesis manufacturing technology for the production of pharmaceutical-grade cannabinoids as well as a pipeline of medications targeting diseases with high unmet medical needs;.

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; cannabis licensing/importing issues may delay our projected development timelines; suitable partners may not be located; economic or market conditions may worsen; our existing cash runway may not allow us to complete our forthcoming significant milestones; the development of a proprietary biosynthesis manufacturing technology for the production of

pharmaceutical-grade cannabinoids as well as a pipeline of medications targeting diseases with high unmet medical needs may not be as successful as desired, if at all. 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.

NEITHER THE TORONTO STOCK EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.