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InMed Pharmaceuticals announces increase in Bought Deal offering to \$13 million

VANCOUVER, BC, June 12, 2018 – InMed Pharmaceuticals Inc. (TSX: IN) (“InMed” or the “Company”) is pleased to announce that it has entered into an amended letter of engagement with Eight Capital, under which Eight Capital has now agreed to purchase, as underwriter, 14,444,560 units of the Company (the “Units”), on a “bought deal” basis pursuant to the filing of a shelf prospectus supplement, subject to all required regulatory approvals, at a price per Unit of \$0.90 (the “Offering Price”), for total gross proceeds of \$13,000,104 (the “Offering”).

Each Unit shall consist of one common share of the Company (a “Share”) and one common share purchase warrant (a “Warrant”). Each Warrant shall entitle the holder thereof to acquire one Share at a price of \$1.25 for a period of 24 months following the Closing Date.

The Company has agreed to grant Eight Capital an over-allotment option to purchase up to an additional 2,166,680 Units at the Offering Price, exercisable in whole or in part, at any time on or prior to the date that is 30 days following the closing of the Offering. If this option is exercised in full, an additional \$1,950,012 will be raised pursuant to the Offering and the aggregate proceeds of the Offering will be \$14,950,116.

The Company intends to use the net proceeds of the Offering to support the continued research and development of INM-750 for the treatment of Epidermolysis Bullosa, to further develop the Company’s other research and development programs including its biosynthesis assets, for general and administrative expenses of the Company, and to fund working capital.

The Units will be offered by way of a shelf prospectus supplement to be filed in the provinces of British Columbia, Alberta and Ontario, and such other provinces of Canada, except Quebec, to be agreed upon by InMed and Eight Capital pursuant to National Instrument 44-101 - *Short Form Prospectus Distributions*.

The closing date of the Offering is scheduled to be on or about June 21, 2018 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the Toronto Stock Exchange and the applicable securities regulatory authorities.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been 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 in the “United States”, as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

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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Cautionary Statements 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: the expected size and terms of the Offering and the use of the proceeds therefrom; the anticipated closing times of the Offering; the payment of finder's fees by the Company in relation to the Offering; receiving all necessary regulatory approvals for the Offering; 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: receipt of all necessary regulatory approvals for the Offering; successful completion of the Offering; 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: InMed may not complete the Offering at the times or in the amounts expected, or at all; InMed may not receive all necessary regulatory approvals for the Offering; InMed may not use net proceeds received from the Offering as currently contemplated; and InMed's bioinformatics platform, biosynthesis manufacturing process and drug development programs may not return their expected level of value.

A more complete discussion of the risks and uncertainties facing InMed is disclosed in InMed's 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.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been registered

under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities law and may not be offered or sold in the "United States", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

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