



InMed Pharmaceuticals Inc.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

Three and Nine Months Ended

March 31, 2020

Suite 310 – 815 West Hastings Street
Vancouver, BC, Canada, V6C 1B4
Tel: 1-604-669-7207

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

The following Management's Discussion and Analysis ("MD&A") is intended to assist the reader to assess material changes in the financial condition and results of operations of InMed Pharmaceuticals Inc. ("InMed" or the "Company") as at March 31, 2020 and for the three and nine months then ended in comparison to the three and nine months ended March 31, 2019. This MD&A should be read in conjunction with the unaudited condensed consolidated financial statements for the three and nine months ended March 31, 2010 and March 31, 2019 and related notes.

All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated. The effective date of this MD&A is May 12, 2020.

Throughout the report we refer to InMed as the "Company", "we", "us", "our" or "its". All these terms are used in respect of InMed Pharmaceuticals Inc. Additional information on the Company can be found on the Company's website www.inmedpharma.com and SEDAR at <http://www.sedar.com>.

Cautionary Statement on Forward-Looking Information

This discussion may contain forward-looking statements within the meaning of the Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, and forward looking information within the meaning of Canadian securities laws (collectively, "forward-looking statements"). When used in this MD&A, the words "*plan*," "*expect*," "*believe*," "*intend*," and similar expressions generally identify forward-looking statements. These statements reflect the Company's current expectations and estimates about the markets in which the Company operates and management's beliefs and assumptions regarding these markets. Investors are cautioned that all forward-looking statements involve risks and uncertainties. Forward-looking statements in this report include, without limitation, delivering new therapeutic alternatives to patients that may benefit from cannabinoid-based medicines; developing new cannabinoid-based treatments for multiple diseases; the potential impact of INM-755 on the symptoms and underlying disease of epidermolysis bullosa including by increasing certain keratin production in the skin; conducting key preclinical pharmacology and toxicology (safety) studies; reporting final 755-102-HV study results in the second half of calendar 2020; the expectation that regulatory filings seeking permission to commence a Phase 1-2 global, multi-center trial in EB patients will follow after planned Phase 1 safety studies; the Company's ability to successfully optimize, scale-up and combine the components of its biosynthesis manufacturing process for cannabinoids to produce cannabinoids in a cost-effective manner for use in pharmaceutical products; developing, in conjunction with contract development and manufacturing organizations, an alternative approach to biosynthesis-based methods for cannabinoid production; the Company's biosynthesis platform technology benefiting its drug candidate pipeline, along with other pharmaceutical companies and having further commercial potential from non-pharmaceutical companies and its potential to open up significant revenue opportunities ahead of our clinical development candidates; selecting an appropriate delivery formulation for INM-088 in the near term; filing additional patent applications and publishing our scientific data in 2020; expecting that INM-088 will be advanced up to and including the initiation of required studies for filing potential regulatory applications; the potential for INM-088 to provide neuroprotection and to reduce intraocular pressure of the eye; the impact of the COVID-19 pandemic on the Company's operations; the availability of key personnel; the belief that the Company has cash resources to fund its base operations until at least into the third quarter of calendar 2021; and securing the ongoing necessary funding required to develop drug therapies, scale-up of the biosynthesis process, and prosecute patent applications.

The material factors and assumptions used to develop the forward-looking statements contained in this MD&A are based on numerous assumptions regarding, among other things: the ability to successfully optimize necessary cannabinoid manufacturing production processes; the continued results of the Company's research and development; favourable regulatory reviews; establishing demand for the Company's products; the ability to find suitable financing and strategic partners; the continued availability of key personnel; and management's ability to maintain the Company as a going concern to further develop prescription drug therapies through research and development into the pharmacology of cannabinoids. While we consider these assumptions to be reasonable, these assumptions are inherently

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

subject to significant business, economic, competitive, market and social uncertainties and contingencies.

Our actual results could differ materially from those discussed in the forward-looking statements as a result of a number of important factors. In light of the many risks and uncertainties as described in this report, readers should understand that InMed cannot offer assurances that the forward-looking statements contained in this analysis will be realized. Additional information on these and other potential risk factors that could affect the Company's financial results are included in this MD&A, including under the heading "Risks and Uncertainties", and in documents filed from time to time with the provincial securities commissions in Canada, including in our Annual Information Form under the heading "Risk Factors", copies of which are available on SEDAR at <http://www.sedar.com>.

All forward-looking statements herein are qualified in their entirety by this cautionary statement, and we explicitly disclaim any obligation to revise or update any such forward-looking statements or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments, except as required by law.

Overall Performance and Operations

The Company was incorporated in the Province of British Columbia on May 19, 1981, under the *Business Corporations Act* of British Columbia. The Company has undergone a number of corporate name changes since its incorporation. In May 2014, the Company began to specialize in cannabinoid pharmaceutical product development, and on October 6, 2014 changed its name to InMed.

The Company's shares are listed on the Toronto Stock Exchange ("TSX" or "Exchange") under the trading symbol "IN", and under the trading symbol "IMLFF" on the OTCQX® Best Market.

InMed's corporate office and principal place of business is located at suite 310 – 815 West Hastings Street, Vancouver, B.C. V6C 1B4.

Research and Development

InMed is a clinical stage pharmaceutical company developing a pipeline of cannabinoid-based medications, initially focused on the therapeutic benefits of cannabidiol ("CBD"), in diseases with high unmet medical need. The Company is dedicated to delivering new therapeutic alternatives to patients that may benefit from cannabinoid-based medicines. InMed's cannabinoid biosynthesis technology and drug development pipeline are the fundamental value drivers of the Company. InMed continues to work on the development of new cannabinoid-based treatments for multiple diseases, with a primary focus on dermatology and ocular diseases.

Highlights during the quarter ended March 31, 2020, and as the date hereof include:

INM-755

Our lead product, INM-755, is being developed as a treatment for the rare disease epidermolysis bullosa ("EB"), a serious and severe genetic skin disorder. EB results in very fragile skin which can blister easily. One form of EB, EB Simplex, is a result of a defect in anchoring between the epidermis and the dermis, resulting in severe skin fragility that can range from mild to fatal. There is no cure or approved treatments for the disease although several new therapies are under investigation. Wound care, inflammation, pain and itch management, antimicrobial interventions and preventative bandaging are currently the only treatment options available.

INM-755 is a proprietary, topical CBD cream product candidate targeted as a therapy in EB and other potential dermatological applications. It has been specifically designed with the intent to: (i) possibly improve skin integrity in a subset of EB Simplex patients through keratin upregulation, and (ii) to treat major symptoms of the disease in all patients with EB. Preclinical data demonstrates that INM-755 may

have an impact on certain EB symptoms. These disease hallmarks are key therapeutic targets for an effective treatment in EB patients as well as other dermatological conditions. Additionally, our data indicates that INM-755 may potentially have an impact on the underlying disease severity by increasing certain keratin production in the skin.

On December 9, 2019 we announced that we had received regulatory and ethics board approval of our Clinical Trial Application ("CTA") to conduct a Phase 1 trial in the Netherlands for INM-755 (Study "755-101-HV"). We announced completion of enrollment for 755-101-HV on March 10, 2020. This initial clinical trial, Study 755-101-HV, is a randomized, double-blind, vehicle-controlled, Phase 1 study designed to evaluate the local and systemic safety, tolerability, and pharmacokinetics of INM-755 applied daily on intact skin in healthy volunteers. On March 24, 2020, we announced the filing of a CTA in the Netherlands to initiate a second Phase 1 clinical trial, Study 755-102-HV, involving 8 healthy volunteers which will test INM-755 topical cream on open wounds. On April 1, 2020, we announced that all subjects participating in its 755-101-HV Phase 1 clinical trial have completed treatment and clinical evaluation. With treatment completed, the Company continues to anticipate reporting final study results in the second half of calendar 2020. While the Company continues to prepare for study 755-102-HV initiation, the timing for patient enrollment is uncertain due to current COVID-19 related restriction in the Netherlands.

Biosynthesis

Manufacturing of pharmaceutical grade cannabinoids remains a challenge, especially for those cannabinoids that are found in only trace amounts in the cannabis plant but, nevertheless, may hold very important physiological benefits in humans. We recognized that having a reliable source of pure, pharmaceutical-grade starting materials for our potential products would be a critical success factor for our drug development strategy. Biosynthesis and chemical synthesis are two different approaches to synthetic manufacturing of cannabinoids. Both approaches have the same goal, which is to produce high-purity cannabinoids in a cost-effective manner. Either synthetic process may provide a reliable, consistent, scalable and compliant process versus the variability and complexity associated with the extraction and purification of the rare cannabinoids from the plant.

InMed is developing a proprietary, robust, microbial-based biosynthesis process for producing selected rare cannabinoids in a cost-effective manner for use in pharmaceutical products. The cannabinoids produced from our process are bio-identical to the naturally occurring cannabinoids in the cannabis plant. Our process is designed to offer superior yield, control, consistency and quality of rare cannabinoids when compared to alternative methods.

Through InMed's R&D activities, we have identified two manufacturing approaches demonstrating the potential to produce cannabinoids to meet the long-term commercial requirements of our drug products and potentially to supply other pharmaceutical companies. There are several key advantages of manufacturing cannabinoids through a biosynthetic process:

- Access to minor cannabinoids that are currently not economically feasible to extract from plant sources and develop into drug candidates;
- Cost savings relative to the existing agricultural methods (plant-grow-harvest-extract-purify);
- Increased yield of the rare cannabinoid(s) with optimized fermentation, purification, consistency and quality control;
- Scalable process to allow efficient and cost-effective supply as market demand increases; and,
- Process produces bio-identical cannabinoids to those found in nature.

For the past several years, we have been developing a biosynthesis process for the manufacturing of cannabinoids through a research collaboration with the University of British Columbia ("UBC"). InMed continues to advance the production platform for the bio-fermentation of cannabinoids including the identification of optimal fermentation conditions and down-stream purification processes with third party contract manufacturing organizations. The project to optimize the fermentation conditions with the National Research Council Canada, or NRC, was completed in December 2019. Additionally, as announced on May 5, 2020, we have been conducting various process development activities with the

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

Almac Group, a seasoned contract development and manufacturing organization (CDMO), to develop an alternative approach to biosynthesis-based methods for cannabinoid production.

Development activities with the Company's biosynthesis manufacturing platform have not seen any significant negative impacts due to the COVID-19 outbreak although, given the uncertainty around the pandemic, we could experience delays in the future.

Next steps in the biosynthesis program include:

- Scale-up the upstream cannabinoid assembly process to larger vessels, where protocols will be developed to optimize manufacturing parameters to increase production yield;
- Continue to explore an alternative system to traditional biosynthesis to help reduce costs;
- Develop a down-stream purification process with CDMOs to isolate selected cannabinoid with high purity; and
- Continue efforts to further diversify the number of cannabinoids produced using InMed's system.

Our biosynthesis program has the potential to open up significant revenue opportunities ahead of our clinical development candidates.

Other R&D Highlights

During the quarter ending March 31, 2020, we continued further preclinical work on INM-088, our drug candidate for the ocular program. INM-088 is a topical eye drop formulation under development for the treatment of glaucoma. The active pharmaceutical ingredient (API) in INM-088 is CBN a rare cannabinoid showing promise in its potential to provide neuroprotection and to reduce intraocular pressure of the eye. Our next steps in this program include:

- Complete formulation development and determine final product formulation technology;
- Complete proof of concept *in vivo* studies;
- If necessary, conduct a pre-IND/CTA meeting with regulatory authorities; and
- Initiate required IND/CTA enabling toxicology studies.

The Company anticipates being in a position to select an appropriate delivery formulation for INM-088 in the near term and continues to make plans for advanced preclinical testing. The timelines to execute on this study will be determined by both the choice of the delivery formulation (i.e. an internal candidate vs. an external candidate) as well as the availability of the European CRO, in line with their current policies and working status during the COVID-19 pandemic.

For INM-088 and other new potential drug/disease targets continue to advance in accordance with our plans, we are exploring ways to expedite the advancement of these key assets. As patents are filed for these product candidates, we expect to begin to publish our data and further validate the importance of our technologies.

Corporate

On March 20, 2020 the Company announced that it had begun to implement guidelines of its internal Pandemic Preparedness Plan in early March 2020, including cancelling all corporate travel, exercising social distancing in the workplace and enabling all staff to work from home. The Company also began to interact on a more frequent basis with the numerous research vendors for all research and development programs to monitor their local situation with regards to the COVID-19 outbreak and plans to return to normal working status.

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

Outlook

The Company continues to focus on its research and development efforts, with its primary attention to further advance INM-755 through the clinic, progress INM-088 through from the current preclinical stage into clinical studies, scale-up of the biosynthesis process, as well as the successful execution of its patent applications. The ability for the Company to materially develop its research and development programs beyond the end of our current fiscal year is subject to the raising of additional capital.

Results of Operations

Financial Results for the three and nine months ended March 31, 2020 and March 31, 2019:

Three Months

During the three months ended March 31, 2020, the Company reported a comprehensive loss of \$2,807,002 and loss per share of \$0.02 compared to a comprehensive loss of \$3,490,571 and loss per share of \$0.02 reported in the comparative period ended March 31, 2019. The largest components of the loss for the current period were attributed to research and development expenses of \$1,585,447 (March 31, 2019 - \$1,615,729), general and administration expenses of \$1,040,045 (March 31, 2019 - \$988,632), and non-cash, share-based payments in connection with the grant of stock options of \$365,141 (March 31, 2019 - \$890,581).

Nine Months

During the nine months ended March 31, 2020, the Company reported a comprehensive loss of \$9,544,260 and loss per share of \$0.06 compared to a comprehensive loss of \$8,985,366 and loss per share of \$0.05 reported in the comparative period ended March 31, 2019. The primary components of the loss for the nine months ending March 31, 2020 were attributed to research and development expenses of \$5,849,315 (March 31, 2019 - \$3,189,671), general and administration expenses of \$2,934,756 (March 31, 2019 - \$2,723,265), and non-cash, share-based payments in connection with the grant of stock options of \$956,666 (March 31, 2019 - \$3,337,640).

The increase in comprehensive loss for the nine months ended March 31, 2020 from the comparative period was primarily the result of an increase in research and development costs associated with our INM-755 program.

The summary of changes in research and development expenditures for the nine months ending March 31 were as follows:

	2020	2019	Change	
Research & Development Expenses	\$	\$	\$	%
R&D personnel compensation	1,358,758	968,445	390,313	40%
External contractors	3,551,646	1,403,458	2,148,188	153%
Patents	174,319	218,902	(44,583)	-20%
Research supplies	930,208	646,078	284,130	44%
Other	19,192	21,537	(2,345)	-11%
Subtotal	6,034,123	3,258,420	2,775,703	85%
Less research grant revenue	(184,808)	(68,749)	(116,059)	169%
Net Research & Development	5,849,315	3,189,671	2,659,644	83%

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

Significant increases/decreases in expenditures of note for research and development expenditures include:

R&D personnel compensation – The increase in expenditures was primarily the result of increase in the number of R&D personnel combined with overall higher compensation levels.

External contractors – The Company carries out R&D activities through the use of external contractors, acting under the direction of internal R&D personnel. The costs associated with external R&D contractors increased in the nine months ending March 31, 2020 primarily as a result of work associated with the INM-755 including the commencement of clinicals trials and the preceding preclinical studies combined with increased spending on the Company's biosynthesis program.

Research supplies – The increase in research supplies is primarily a result of the purchase of active pharmaceutical ingredients for use in INM-755 clinical trials.

Research grant revenue – The increase in research grant revenue that offsets R&D expenditures is a result of a grant received from National Research Council Canada Industrial Research Assistance Program ("NRC IRAP") to support our ongoing cannabinoid biosynthesis R&D program.

The summary of changes in general and administrative expenditures for the nine months ending March 31 were as follows:

	2020	2019	Change	
	\$	\$	\$	%
General & Administration Expenses				
Accounting and legal	682,985	406,608	276,377	68%
Consulting	1,250	49,976	(48,726)	-97%
Investor relations, website development and marketing	363,405	521,971	(158,566)	-30%
Office and administration fees	251,311	199,811	51,500	26%
Regulatory fees	43,672	68,722	(25,050)	-36%
Rent	57,984	148,170	(90,186)	-61%
Salaries and employee benefits	1,292,201	1,119,720	172,481	15%
Shareholder communications	132,042	115,172	16,870	15%
Transfer agent fees	28,462	24,000	4,462	19%
Travel and conferences	78,887	69,115	9,772	14%
Unrealized holding loss	2,557	-	2,557	n/a
Total General & Administration	2,934,756	2,723,265	211,491	8%

Significant increases/decreases in expenditures of note for general and administration include:

Accounting and Legal – There was an increase in both legal and accounting costs as compared to the prior year was largely the result of expenses from external service providers related to various corporate initiatives.

Investor relations, website development & marketing – The decrease in expenditures was the result of reduced use of external parties to support the Company's investor relations activities. The Company activities for the nine months ending March 31 include approximately \$57,000 of conference and road show attendance, \$18,000 of press release related expenses, \$192,000 of external investor relations consulting costs and \$97,000 of marketing material development expenditures.

Office and administration fees – The increase in office and administration was primarily the result of higher costs for both a new employer health tax and one-time costs associated with the Company's relocation to new offices.

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

Salaries and employee benefits – The increase is due to increased time commitment of certain part time employees and higher salary levels for certain personnel.

Summary of Quarterly Results

The following table summarizes certain selected financial information reported by the Company for the each of the last eight quarters reported. The following quarterly results are prepared in accordance with IFRS.

Three months ended:	Q3-20 Mar. 31 2020 \$	Q2-20 Dec. 31 2019 \$	Q1-20 Sept. 30 2019 \$	Q4-19 June 30 2019 \$	Q3-19 Mar. 31 2019 \$	Q2-19 Dec. 31 2018 \$	Q1-19 Sept. 30 2018 \$	Q4-18 June 30 2018 \$
Revenue	—	—	—	—	—	—	—	—
Net and Comprehensive Loss	(2,807,002)	(3,350,443)	(3,386,815)	(4,269,676)	(3,490,571)	(2,653,571)	(2,841,224)	(3,029,200)
Loss per share – basic and diluted	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)

Liquidity and Capital Resources

As at March 31, 2020, the Company had working capital of \$8,301,042 (June 30, 2019 – \$16,985,451), which consisted of: cash and short-term investments \$9,944,120 (June 30, 2019 - \$18,039,054), accounts receivable of \$45,525 (June 30, 2019 - \$84,987) and prepaids and advances of \$263,139 (June 30, 2019 – \$424,275) offset by accounts payable and accrued liabilities of \$1,859,611 (June 30, 2019 - \$1,562,865) and current portion of lease obligations \$92,131 (June 30, 2019 - \$Nil).

As at March 31, 2020, shareholders' equity was \$9,638,406 which was a decrease of \$8,587,594 as compared to June 30, 2019. The decrease in shareholders' equity primarily arose from the loss for the nine months ended March 31, 2020 of \$9,544,260 net of the non-cash, share-based payment expense for the same period of \$956,666.

Financial position:	March 31, 2020	June 30 2019
Cash and cash equivalents and short-term investments	\$9,944,120	\$18,039,054
Working capital	\$8,301,042	\$16,985,451
Property, plant and equipment	\$587,369	\$55,829
Intangible assets	\$1,114,302	\$1,184,720
Total Assets	\$11,954,455	\$19,788,865
Shareholders' equity	\$9,638,406	\$18,226,000

As at March 31, 2020, the Company had no material ongoing contractual or other commitments other than in the normal course of business. The following table summarizes the Company's contractual obligations as at March 31, 2020 related to its Vancouver office premises and agreements with various contract research organizations:

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

	Payments Due by Period			
	Total	Less than 1 year	1-3 years	After 3 years
Operating Leases ¹	\$857,166	\$190,996	\$336,469	\$329,701
Purchase Obligations	\$1,503,156	\$1,434,587	\$68,570	\$Nil
Total Contractual Obligations	\$2,360,322	\$1,625,583	\$405,039	\$329,701

¹ Includes estimated operating costs of \$78,500 on an annual basis through to August 31, 2024.

The development of pharmaceutical products is a process that requires significant investment. As such, InMed expects to continue to incur losses for the foreseeable future. The Company anticipates, subject to obtaining additional financing, a continued increase in research and development costs including for clinical trials of its drug candidates, general and administrative costs related to additions of personnel, and/or infrastructure that may be required.

Based on the Company's cash reserves as at March 31, 2020, the Company estimates that it has cash resources to fund its base operations until at least into the third quarter of calendar 2021. Included in the Company's base operations are overheads, the completion of both the currently ongoing INM-755 Phase 1 clinical trial, Study 755-101-HV, and the second Phase 1 clinical trial, Study 755-102-HV, certain formulation and early preclinical development work for INM-088, and further scale-up and optimization of the biosynthesis process. The ability for the Company to develop its research and development programs beyond these activities, which are expected, subject to any COVID-19 related delays, to be substantially completed during the fiscal quarter ending September 30, 2020, is subject to accessing additional capital, including through the sale of equity, partnership revenues, and out-licensing activities.

The Company's continuing operations will be dependent upon obtaining necessary financing in order to further develop its current business plan. The Company expects that it will continue to fund its operations primarily through the issuance of equity securities. The Company's ability to continue its operations on a going concern basis is dependent upon its ability to raise these additional funds. The certainty and outcome of these matters cannot be predicted at this time. See "Risks and Uncertainties" below.

Off-Balance Sheet Arrangements

As at March 31, 2020, the Company had no off-balance sheet arrangements.

Transactions with Related Parties

Expense for the nine months ending:

	March 31, 2020	March 31, 2019
Key management personnel compensation comprised :		
Share based payments	\$ 572,498	\$ 2,883,510
Salaries and consulting fees	2,006,664	1,667,981
	\$ 2,579,162	\$ 4,551,491

New Standards Applicable in the Reporting Period

On January 13, 2016, the IASB published a new standard, IFRS 16 Leases. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance. Lessor accounting remains largely unchanged and the distinction between operating and finance leases is retained. The mandatory effective date of the new standard is applicable for annual

periods beginning on or after January 1, 2019. The Company has adopted IFRS 16 Leases as of July 1, 2019 using the modified retrospective approach. Under this approach, there is no restatement of prior period financial information and any accumulated deficit at the date of initial application. On initial application of the standard on July 1, 2019, the Company had no transition adjustment to the consolidated financial statements based on the election to apply the practical expedient not to recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. On September 1, 2019, at the commencement date of the new office lease, the Company recognized right-of-use assets of \$568,840, a reduction of prepaids and advances of \$64,916 and a lease liability of \$503,924. There was no impact to opening accumulated deficit. Furthermore, the impact of the adoption of the new standard is non-cash in nature; as such, there is no material impact on cash flows. Please refer to "Changes in significant accounting policies" below and Note 12 in the Company's financial statements for more information.

Changes in significant accounting policies

Except as described below, the accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Company's consolidated financial statements as at and for the year ended June 30, 2019.

The changes in accounting policies are also expected to be reflected in the Company's condensed consolidated interim financial statements and consolidated financial statements in the subsequent periods for the remainder of the year ended June 30, 2020.

Effective July 1, 2019, the Company adopted IFRS 16 Leases, which specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all major leases.

The Company's accounting policy under IFRS 16 Leases is as follows:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits.

The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured as the present value of future lease payments excluding payments made at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognized as an expense on a straight-line basis over the lease term.

On initial application of the standard on July 1, 2019, the Company had no transition adjustment to the consolidated financial statements based on the election to apply the practical expedient not to recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. On September 1, 2019, at the commencement date of the new office lease, the Company recognized right-of-use assets of \$568,840, a reduction of prepaids and advances of \$64,916 and a lease liability of \$503,924.

The impact of the adoption of this new standard is non-cash in nature and, as such, the Company does not anticipate a material impact on cash flows. Please refer to Note 12 in the Company's financial statements for more information.

The following table lists the Company's operating lease obligations recognized on initial application of IFRS 16 Leases at September 1, 2019.

Operating lease commitment disclosed as of June 30, 2019	\$1,064,120
Estimated variable lease payments not included in lease obligations	(\$392,570)
Prepaid portion of lease obligation	(\$64,916)
Discounted using the incremental borrowing rate at September 1, 2019	<u>(\$102,710)</u>
Lease obligations recognized as at September 1, 2019	<u>\$503,924</u>

When measuring lease liabilities for leases classified as operating leases, the Company discounted lease payments using its incremental borrowing rate at September 1, 2019 of 8%.

IFRIC 23 - Uncertainty over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC Interpretation 23 Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation requires:

- an entity to contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution;
- an entity to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and
- if it is not probable the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount of expected value, depending on whichever method better predicts the resolution of the uncertainty.

The Company adopted IFRIC Interpretation 23 in its financial statements for the fiscal year beginning on July 1, 2019. Based on an analysis of the Company's historic tax filing positions as of July 1, 2019, the Interpretation did not have an impact on the consolidated financial statements.

Financial Instruments and Risk Management

The company is exposed through its operations to the following financial risks:

- Market Risk
- Foreign currency risk
- Interest Rate Risk
- Credit Risk
- Liquidity Risk.

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This section of the MD&A describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this section of the MD&A.

General Objectives, Policies and Processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's management. The effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets are reviewed periodically by the Board of Directors if and when there are any changes or updates required.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: foreign currency risk, commodity price risk and equity price risk. The Company does not currently have significant commodity risk or equity price risk.

Foreign Currency Risk:

Foreign currency risk is the risk that the future cash flows or fair value of the Company's financial instruments that are denominated in a currency that is not the Company's functional currency will fluctuate due to changes in foreign exchange rates. Portions of the Company's cash and cash equivalents and accounts payable and accrued liabilities are denominated in US dollars. Accordingly, the Company is exposed to fluctuations in the US and Canadian dollar exchange rates.

As at March 31, 2020, the Company has a net excess of US dollar denominated cash and cash equivalents in excess of US dollar denominated accounts payable and accrued liabilities of US\$1,480,380 which is equivalent to \$2,100,215 at the March 31, 2020 exchange rate. The US dollar financial assets generally result from holding US dollar cash to settle anticipated near-term accounts payable and accrued liabilities denominated in US dollars. The US dollar financial liabilities generally result from purchases of supplies and services from suppliers from outside of Canada.

Each change of 1% in the US dollar in relation to the Canadian dollar results in a gain or loss, with a corresponding effect on cash flows, of \$21,002 based on the March 31, 2020 net US dollar assets (liabilities) position. During the nine months ended March 31, 2020, the Company recorded foreign exchange gain of \$189,913 (March 31, 2019 – gain of \$18,024).

As at March 31, 2020, the Company has a net excess of Euro denominated accounts payable and accrued liabilities in excess of Euro denominated cash and cash equivalents of €192,672 which is equivalent to \$300,260 at the March 31, 2020 exchange rate. The Euro denominated financial assets generally result from holding Euros to settle anticipated near-term accounts payable and accrued liabilities denominated in Euros dollars. The Euro denominated financial liabilities generally result from purchases of supplies and services from suppliers from outside of Canada.

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

Each change of 1% in the Euro in relation to the Canadian dollar results in a gain or loss, with a corresponding effect on cash flows, of \$3,003 based on the March 31, 2020 net Euros assets (liabilities) position. During the nine months ended March 31, 2020, the Company recorded foreign exchange gain of \$2,260 (March 31, 2019 – \$Nil).

Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at March 31, 2020, holdings of cash and cash equivalents of \$7,166,178 (June 30, 2019 - \$3,063,398) are subject to floating interest rates. In addition, the Company held fixed rate guaranteed investment certificates, cashable within ninety days of purchase, with a book value of \$Nil (June 30, 2019 – \$9,512,120). The balance of the Company's cash holdings of \$2,720,217 (June 30, 2019 - \$298,443) are non-interest bearing.

As at March 31, 2020, the Company held short-term investments in the form of variable rate guaranteed investment certificates, with one year terms, with face value of \$57,500 (June 30, 2019 - \$57,500) and fixed rate guaranteed investment certificates, with terms of 6 to 12 months, with a face value of \$Nil (June 30, 2019 - \$5,000,000).

The Company's current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of major Canadian chartered banks or credit unions with comparable credit ratings. The Company regularly monitors compliance to its cash management policy.

The Company, as at March 31, 2020, does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents and short-term investments held with chartered Canadian financial institutions. The Company considers this risk to be immaterial.

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or a counter party to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and cash equivalents and short-term investments. Cash and cash equivalents and short-term investments are maintained with financial institutions of reputable credit and may be redeemed upon demand.

The carrying amount of financial assets represents the maximum credit exposure. Credit risk exposure is limited through maintaining cash and cash equivalents and short-term investments with high-credit quality financial institutions and management considers this risk to be minimal for all cash and cash equivalents and short-term investments assets based on changes that are reasonably possible at each reporting date.

Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases. As at March 31, 2020, the Company has cash and cash equivalents and short-term investments of \$9,944,120 (June 30, 2019 - \$18,039,054), current liabilities of \$1,951,742 (June 30, 2019 - \$1,562,865), and a working capital surplus of \$8,301,042 (June 30, 2019 - \$16,985,451).

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

Financial Instruments

The Company's cash and cash equivalents of \$9,886,395 (June 30, 2019 - \$12,873,961) are measured at amortized cost. The Company's short-term investments of \$57,725 (June 30, 2019 - \$5,165,093) are measured at amortized cost.

Capital Management

The Company considers all components of shareholders' equity as capital. The Company's objective is to maintain sufficient capital base in order to meet its short-term obligations while preserving flexibility to pursue future development and production of the business.

The Company is not exposed to any externally imposed capital requirements.

Outstanding Share Data

InMed's authorized capital is unlimited common shares without par value. As at the date of this report, the Company had the following securities issued and outstanding:

Securities ⁽¹⁾	
Common shares	172,283,633
Stock options	19,462,500
Share purchase warrants	16,611,244
Agents' warrants	1,106,397

⁽¹⁾ See the Company's unaudited condensed consolidated interim financial statements for the Three and nine months ended March 31, 2020 for a detailed description of these securities.

Commitments

Pursuant to the terms of agreements with various contract research organizations, as at March 31, 2020, the Company is committed for contract research services and materials at a cost of approximately \$1,503,156. A total of \$1,434,587 of these expenditures are expected to occur in the twelve months following March 31, 2020 and the balance of \$68,570 in the following twelve-month period.

Pursuant to the terms of a May 31, 2017 Technology Assignment Agreement between the Company and UBC, the Company is committed to pay royalties to UBC on certain licensing and royalty revenues received by the Company for biosynthesis of certain drug products that are covered by the agreement.

Pursuant to the terms of a December 13, 2018 Collaborative Research Agreement with UBC in which the Company owns all right, title and interest in and to any intellectual property, in addition to funding research at UBC, the Company is committed to make a one-time payment upon filing of any patent application arising from the research.

On January 14, 2019, the Company executed a lease for new office premises from September 1, 2019 to August 31, 2024 at an annual cost of approximately \$129,800, increasing up to \$143,300 in the last year of the lease, plus annual operating costs estimated at \$78,500. In January 2019, the Company paid the landlord a security deposit, of which approximately \$32,721 is included in "Prepays and advances" on the Company's December 31, 2019 balance sheet, that is to be applied to the operating costs for certain months during the five year lease term.

Short-term investments include guaranteed investment certificates with a face value of \$57,500 (June 30, 2019 - \$57,500) that are pledged as security for a corporate credit card.

The Company has entered into certain agreements in the ordinary course of operations that may include indemnification provisions, which are common in such agreements. In some cases, the maximum amount

of potential future indemnification is unlimited; however, the Company currently holds commercial general liability insurance. This insurance limits the Company's liability and may enable the Company to recover a portion of any future amounts paid. Historically, the Company has not made any indemnification payments under such agreements and it believes that the fair value of these indemnification obligations is minimal. Accordingly, the Company has not recognized any liabilities relating to these obligations for any period presented.

From time to time, the Company may be subject to various legal proceedings and claims related to matters arising in the ordinary course of business. The Company does not believe it is currently subject to any material matters where there is at least a reasonable possibility that a material loss may be incurred.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

For the three months ended September 30, 2019, a reversal of share-based payment expense due to the forfeiture of granted stock options that had not fully vested was not initially made, resulting in the issuance of amended and restated unaudited condensed consolidated interim financial statements for that period. Management identified a significant weakness in the Company's disclosure controls and procedures and internal controls over financial reporting. In the course of preparing the original unaudited condensed consolidated interim financial statements for the three months ended September 30, 2019, management failed to fully complete its quarterly financial closing checklist which includes a step to review the forfeiture of granted stock options. As a consequence, the Company implemented an additional disclosure and internal control procedure requiring evidence of both Chief Executive Officer and Chief Financial Officer sign off on a completed reporting checklist prior to finalizing any financial reporting. For the three and nine months ended March 31, 2020, there were no additional changes to our disclosure controls or to our internal controls over financial reporting that materially affected, or are reasonably likely to materially affect, such controls.

Risks and Uncertainties

An investment in the Company involves significant risks and must be considered speculative due to the nature of the Company's business. Investors should carefully consider the risks and uncertainties described below. This list of risks and uncertainties below is not exhaustive. Furthermore, additional risks and uncertainties not presently known to InMed or that InMed believes to be immaterial may also adversely affect InMed's business. In addition to the risks identified elsewhere in this MD&A, investors should carefully consider all of the risk factors associated with the Company and its business, identified in the disclosure under the heading "Risk Factors" in the Company's Annual Information Form dated September 26, 2019 for the year ended June 30, 2019, a copy of which is available on SEDAR at <http://www.sedar.com>.

Risks Related to the Company's Business

The Company has a history of operating losses and may never achieve profitability in the future.

The Company is involved in research and development to identify and validate new therapies and drug targets that could become marketable. This process takes several years and requires significant financial resources without income. The Company expects these expenses to result in continuing operating losses in the foreseeable future.

The Company's ability to generate future revenue or achieve profitable operations is largely dependent on its ability to develop its drug targets, to attract the experienced management and know-how to develop new drug candidates and to partner with larger, more established companies in the industry to successfully commercialize its drug candidates. Successfully developing preclinical or clinical drug candidates into marketable drugs takes several years and significant financial resources and the Company cannot assure that it can achieve these objectives.

Financial Liquidity

The Company is not currently generating any revenue and expects to operate at a loss as it conducts research and development on its drug candidates. Based on the Company's cash reserves as at March 31, 2020, the Company estimates that it has cash resources to fund its base operations until at least into the third quarter of calendar 2021. Included in the Company's base operations are overheads, the completion of both the currently ongoing INM-755 Phase 1 clinical trial, Study 755-101-HV, and the second Phase 1 clinical trial, Study 755-102-HV, certain formulation and early preclinical development work for INM-088, and further scale-up and optimization of the biosynthesis process. The ability for the Company to develop its research and development programs beyond these activities, which are expected to be substantially completed by the end of our current fiscal year, is subject to accessing additional capital, including through the sale of equity, partnership revenues, and out-licensing activities.

We will require additional financing within this time frame in order to execute our business plan. Our ability to secure required financing will depend, in part, on investor perception of our ability to create a successful business. Capital market conditions and other factors beyond our control may also play important roles in our ability to raise capital. The Company can offer no assurance that it will be able to successfully obtain additional financing, or that future financing occurs on terms satisfactory to our management and/or shareholders. If funds are unavailable in the future, or unavailable in the amounts that we feel the business requires, or unavailable on acceptable terms, we may be required to cease operating or modify our business plans in a manner that undermines our ability to achieve our business objectives.

The Company will primarily be in a developing industry and will be subject to all associated regulatory risks.

The Company's business must be evaluated in light of the problems, delays, uncertainties and complications encountered in connection with establishing a cannabinoid-based pharmaceutical business. There is a possibility that none of the Company's drug candidates under development will be found to be safe and effective, that it will be unable to receive necessary regulatory approvals in order to commercialize such products, or that it will obtain regulatory approvals that are too narrow to be commercially viable. Any failure to successfully develop and obtain regulatory approval for products would have a material adverse effect on the Company's business, financial condition and results of operations.

Clinical trials for potential drug candidates will be expensive and time consuming, and their outcomes uncertain.

Before the Company can obtain regulatory approval for the commercial sale of any drug candidate, it will be required to complete extensive clinical trials to demonstrate safety and efficacy. Clinical trials are expensive and are difficult to design and execute.

The timing and completion of clinical trials may be subject to significant delays relating to various causes, including but not limited to: inability to manufacture or obtain sufficient quantities of materials for use in clinical trials; licensing or import/export restrictions for cannabinoid-based pharmaceuticals; delays arising from collaborative partnerships; delays in obtaining regulatory approvals to commence a study, or government intervention to suspend or terminate a study; delays, suspensions or termination of clinical trials by the applicable institutional review board or independent ethics board responsible for overseeing the study to protect research subjects; delays in identifying and reaching agreement on acceptable terms with prospective clinical trial sites; slow rates of patient recruitment and enrollment; unexpected dosing issues; inability or unwillingness of medical investigators to follow clinical protocols; variability in the number and types of subjects available for each study and resulting difficulties in identifying and enrolling subjects who meet trial eligibility criteria; scheduling conflicts; difficulty in maintaining contact with subjects after treatment, resulting in incomplete data; unforeseen safety issues or side effects; lack of efficacy; reliance on clinical research organizations to conduct clinical trials, which may not conduct such trials with good laboratory practices; or other regulatory delays, among others.

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

The results of preclinical studies or initial clinical trials are not necessarily predictive of future favorable results.

Preclinical tests and initial clinical trials are primarily designed to test safety and to understand the side effects of drug candidates and to explore efficacy at various doses and schedules. Success in preclinical and early clinical trials does not ensure that later large-scale efficacy trials will be successful nor does it predict final results.

Protection of proprietary technology can be unpredictable and costly.

The Company's success will depend, in part, on its ability to obtain patents, defend patents, maintain trade secret protection and operate without infringing on the proprietary rights of others. Interpretation and evaluation of pharmaceutical patent claims present complex and often novel legal and factual questions. Accordingly, there is some question as to the extent to which biopharmaceutical discoveries and related products and processes can be effectively protected by patents. As a result, there can be no assurance that:

- patent applications will result in the issuance of patents;
- additional proprietary products developed will be patentable;
- patents issued will provide adequate protection or any competitive advantages;
- patents issued will not be successfully challenged by third parties;
- the patents issued do not infringe the patents or intellectual property of others; or
- that the Company will be able to obtain any extensions of the patent term.

A number of pharmaceutical, biotechnology, medical device companies and research and academic institutions have developed technologies, filed patent applications or received patents on various technologies that may be related to the business of the Company. Some of these technologies, applications or patents may conflict with or adversely affect the technologies or intellectual property rights of the Company. Any conflicts with the intellectual property of others could limit the scope of the patents, if any, that the Company may be able to obtain or result in the denial of patent applications altogether. Further, there may be uncertainty as to whether the Company may be able to successfully defend any challenge to its patent portfolio.

In addition, any breach of confidentiality by a third party by premature disclosure may preclude the obtainment of appropriate patent protection, thereby affecting the development and commercial value of the Company's technology and products. The Company may also decide to acquire or in-license certain pending or issued patents but cannot guarantee their approval and/or commercial viability.

Competition

The planned business to be carried out by the Company will be highly competitive and involve a high degree of risk. There can be no assurance that the licensing or other arrangements respecting cannabinoid-based drugs in different disease areas, or applications thereof, sought to be obtained can be secured on favorable terms or otherwise, nor are there any assurances that sales or license revenues, if obtained, will be in sufficient quantities to make the business profitable. In its efforts to achieve its objectives, the Company will compete with other companies that may have greater resources, many of which will not only develop technology but also manufacture and sell similar products on a worldwide basis.

Uninsured or Uninsurable Risk

The Company may become subject to risks against which it cannot insure or against which it may elect not to insure. Settling related liabilities would reduce funds available for core business activities. Settlement of uninsured liabilities could have a material adverse effect on our financial position.

Conflicts of Interest

The Company's directors and officers may currently be involved, or become involved, in other business ventures that compete with our platform and services. Business opportunities for the Company may create circumstances in which outside interests of our directors and officers conflict with the interests of the Company. Directors and officers are required to act in good faith and in a manner that benefits the Company. It is possible, however, that our directors and officers may owe similar consideration to another organization(s). It is possible that these and other conflicts of interest are resolved in a way that has a material adverse impact on the Company.

Dependence on Key Personnel

The Company depends on support from existing directors and officers and its ability to attract, and retain, new directors, officers and other personnel with appropriate skill sets. Inability to retain key team members or find new professionals to serve in important roles could have a material adverse effect on the Company's business. There can be no assurance that we will be able to attract or retain the quality of personnel required in the future.

Financial Statements Prepared on Going Concern Basis

The Company's financial statements have been prepared on a 'going concern' basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the successful completion of financing and the continued advancement of its drug candidates. The Company cannot guarantee that it will be successful in obtaining financing in the future or in achieving business objective set forth internally or externally. Our consolidated financial statements may not contain the adjustments relating to carrying values and classification of assets and/or liabilities that would be necessary should the Company be unable to continue as a going concern.

Costs of Maintaining a Public Listing

As a result of being a publicly listed company, the Company will incur greater legal, accounting and other expenses related to regulatory compliance than it would have as a private entity. The Company may also elect to devote greater resources than it otherwise would have on communication and other investor relations activities typically considered important by publicly traded companies.

Share Price Volatility and Speculative Nature of Share Ownership

The Company's common shares are listed for trading on the TSX, resulting in shareholders being able to freely trade their shares. Factors both internal and external to the Company may significantly influence the price at which our shares trade, and the volatility of our share price. Quarterly operating results and material developments reported by the Company can, and likely will, influence the price of our shares.

Sentiment toward biotechnology and/or cannabis-related stocks, as well as toward the stock market in general, is among the many external factors that may have a significant impact on the price of our shares. The Company's business is at an early stage of development and is not generating any revenue and the Company does not possess large cash reserves. As such, it should be considered a speculative investment. There is no guarantee that a liquid market will be developed for the Company's shares.

The COVID-19 coronavirus could adversely impact our business, including several key activities that are critical to our success.

The global outbreak of COVID-19 continues to rapidly evolve. As a result, some businesses have closed and limits have been placed on travel. The extent to which COVID-19 may impact our business will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate impact of the disease on specific geographies, the duration of the outbreak, travel

InMed Pharmaceuticals Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2020

restrictions and social distancing in the United States, Canada and other countries, business closures or business disruptions and the effectiveness of actions taken in the United States, Canada and other countries to contain and treat the disease.

The spread of COVID-19 throughout the world has also created global economic uncertainty, which may cause collaborators, suppliers and potential customers to closely monitor their costs and reduce their spending budget. Either of the foregoing could materially adversely affect our research and development activities, clinical trials, supply chain, financial condition and cash flows.

If the COVID-19 outbreak continues to spread, we may need to limit operations or implement other limitations on our activities. There is a risk that other countries or regions may be less effective at containing COVID-19, in which case the risks described herein could be elevated significantly.

Additional Information

Additional disclosure of the Company's material change reports, news release and other information can be obtained on SEDAR at <http://www.sedar.com>.