

## **Incannex Undertakes A\$13 Million Institutional Placement; Increasing Cash to Fund Clinical Programs into 2025**

### **Highlights:**

- Firm commitments received for a A\$13M institutional Placement
- Incannex will have a pro-forma cash position of ~A\$45M on completion of the Placement
- The Placement was undertaken by a small consortium of international funds that undertook extensive due diligence
- Increased funding ensures that the Company's expansive clinical development pipeline will be fully funded into 2025, with only 4.2% equity dilution
- Each participant to the Placement will be offered one New Option for no additional consideration for every New Share issued under the Placement.

Melbourne, Australia, December 05, 2022 – Incannex Healthcare Limited (Nasdaq: IXHL) (ASX: IHL), ('Incannex' or the 'Company') a clinical-stage pharmaceutical company developing medicinal cannabinoid and psychedelic therapies for unmet medical needs, is pleased to announce that it has undertaken an institutional placement totalling approximately A\$13M at \$0.205 per share (Placement).

The Placement was undertaken by a small consortium of U.S. and international investors with significant healthcare experience, following an extensive campaign of due diligence. Collectively, the consortium has extensive experience in providing long term support to emerging healthcare companies in the U.S., Europe, and Asia.

The funds raised under the Placement will be applied to continued research and development of Incannex drug candidates, including the candidates acquired as part of the acquisition of APIRx Pharmaceuticals. Funds will also be applied to general working capital, offer costs and corporate development.

Placement funds, in addition to existing cash reserves and an expected R&D rebate total a pro-forma cash position of ~A\$45M, ensuring that the Company's expansive pipeline of clinical development programs will be fully funded into 2025.

**Incannex Managing Director and CEO Mr Joel Latham said:** "We are delighted to welcome new institutional shareholders onto our share register after an approach to me directly from the consortium's cornerstone investor in September".

“The consortium has a long history of providing expertise and support to emerging healthcare companies focused on changing gears from research and development to drug registration and commercialisation”.

“The quantum of the capital raising was structured precisely to ensure that our team has a certain long-term budget runway, unhindered by uncertainty in global markets. This will become increasingly important over the next two years as we commence multiple pivotal clinical trials and manufacture of cGMP pharmaceutical products”.

### Placement Details

Under the terms of the Placement, the Company proposes to issue approximately 63.4 million new fully paid ordinary shares (New Shares) to Placement subscribers at a price of A\$0.205 per share, which represents a 10.9% discount to the last closing price of \$0.23 and representing approximately 4.2% of IHL's existing issued capital. New shares issued under the Placement will rank equally with existing IHL shares.

For every one (1) New Shares subscribed for under the Placement, Incannex intends to issue one (1) free attaching option (New Option) – a total of 63.4 million New Options offered to Placement Subscribers. The New Options will have an exercise price of A\$0.285 and will expire on 31 December 2025 and will be exercisable at any time up to and including the expiry date.

The New Options offer will be set out in a prospectus (Prospectus). Only participants to the Placement will be offered New Options. The New Options issued under the Placement will provide a further A\$18.1 million in funding, if fully exercised. The Placement is being conducted under Incannex's existing Placement capacity pursuant to ASX Listing Rule 7.1. Bell Potter Securities Limited acted as manager to the Placement.

### Key dates

<b>Announcement of Placement</b>	Monday, 5 December 2022
<b>Lodgement of Prospectus for the Offer of Placement Options with ASX and ASIC</b>	Monday, 5 December 2022
<b>Opening Date for the Offer of Placement Options</b>	Monday, 5 December 2022
<b>Closing Date for the Offer of Placement Options</b>	9:00am (Melbourne time) on Thursday, 8 December 2022
<b>Issue of Placement Shares and Placement Options, dispatch of new holding statements and Quotation of Placement Shares on ASX</b>	Friday, 9 December 2022

The Company reserves the right to amend the above timetable, at its discretion, including for the purposes of any Australian Securities and Investments Commission (ASIC) and ASX requirements.

Further details of the Placement are set out in the Investor Presentation also provided to the ASX today. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Placement.

**This announcement has been approved for release to ASX by the Incannex Board of Directors.**

**END**

#### **About Incannex Healthcare Limited**

Incannex is a clinical stage pharmaceutical development company that is developing unique medicinal cannabis pharmaceutical products and psychedelic medicine therapies for the treatment of obstructive sleep apnoea (OSA), traumatic brain injury (TBI) and concussion, lung inflammation (ARDS, COPD, asthma, bronchitis), rheumatoid arthritis, inflammatory bowel disease, anxiety disorders, addiction disorders, and pain, among other indications.

U.S. FDA approval and registration, subject to ongoing clinical success, is being pursued for each drug and therapy under development. Each indication under investigation currently has no, or limited, existing registered pharmacotherapy (drug) treatments available to the public and represent major global economic opportunities to Incannex and its shareholders.

Incannex has a strong patent filing strategy in place as it develops its products and therapies in conjunction with its medical and scientific advisory board and partners. The Company holds 19 granted patents and 30 pending patents. Incannex is listed on the Australian Stock Exchange (ASX) with stock code "IHL" and has American Depository Shares listed on NASDAQ under code "IXHL".

**Website:** [www.incannex.com.au](http://www.incannex.com.au)

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Date: December 05, 2022  
Public Announcement (NASDAQ: IXHL) (ASX: IHL)

**Forward-looking statements**

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date they were first issued and were based on current expectations and estimates, as well as the beliefs and assumptions of management. The forward-looking statements included in this press release represent Incannex's views as of the date of this press release. Incannex anticipates that subsequent events and developments may cause its views to change. Incannex undertakes no intention or obligation to update or revise any forward-looking statements, whether as of a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing Incannex's views as of any date after the date of this press release.

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