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# US-based RespireRx Pharmaceuticals establishes Australian subsidiary

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**To develop its pharmaceutical cannabinoid platform**



RespireRx (Formerly Known As Cortex Pharmaceuticals) has established ResolutionRx Ltd, a new, currently wholly-owned, unlisted public company in Australia, as the first in a series of steps that include, but are not limited to financings, research and clinical development, manufacturing, regulatory and compliance, all for the purpose of developing compounds that target the body's endocannabinoid system, and in particular, the re-purposing of dronabinol, an endocannabinoid CB1 and CB2 receptor agonist, for the treatment of obstructive sleep apnea (OSA). The company will contribute certain dronabinol assets and certain liabilities to ResolutionRx.

One of the main purposes for the creation of ResolutionRx was to allow it to participate in the Australian research and development tax credit which in the case of ResolutionRx, is a refund of 43.5% of qualified research and development expenditures as reported on ResolutionRx's Australian tax return.

ResolutionRx is in late stage discussions with an Australia based fund to establish a finance facility secured by the tax credits in order to finance a substantial percentage of the credit associated with the qualified expenditiures over the course of the research and development timeline in advance of the final receipt of the tax credit funds.

In addition, ResolutionRx is in late stage negotiations for an equity or equity-linked financing of up to 25% of the research and development budget to be used exclusively to support the research and development budget. Inherent in this financing is a commitment to list ResolutionRx on the Australian Stock Exchange (ASX). ResolutionRx's intent is to list on the ASX and one or more public exchanges outside of Australia, including the United States.

The company has entered into a letter of intent and is preparing a final, definitive agreement with an Australian headquartered, bespoke specialty contract research organisation (CRO) exclusively focused on cannabinoid and psychedelic clinical research.