



**Condensed unaudited interim consolidated financial statements of Helix BioPharma Corp.  
For the three and nine month periods ended April 30, 2016 and 2015**

The Company's auditors have not reviewed the condensed unaudited interim consolidated financial statements for the three and nine-month periods ended April 30, 2016 and 2015.

**HELIX BIOPHARMA CORP.****Condensed Interim Consolidated Statement of Financial Position**

In thousands of Canadian dollars

Unaudited

As at:	April 30, 2016	July 31, 2015
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment ( <i>note 4</i> )	\$ 252	\$ 329
	252	329
<b>Current assets</b>		
Prepaid expenses	160	184
Accounts receivable	242	491
Cash	4,929	6,792
	5,331	7,467
<b>Total assets</b>	<b>\$ 5,583</b>	<b>\$ 7,796</b>
 <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Shareholders' equity ( <i>note 5</i> )	\$ 4,137	\$ 6,827
<b>Current liabilities</b>		
Accrued liabilities	630	707
Accounts payable	816	262
	1,446	969
<b>Total liabilities and shareholders' equity</b>	<b>\$ 5,583</b>	<b>\$ 7,796</b>

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

**HELIX BIOPHARMA CORP.****Condensed Interim Consolidated Statement of Net Loss and Comprehensive Loss**

In thousands of Canadian dollars, except per share amounts

(Unaudited)

	<u>For the three-month periods ended April 30</u>		<u>For the nine-month periods ended April 30</u>	
	2016	2015	2016	2015
<b>Expenses</b>				
Research and development ( <i>note 8</i> )	\$ 1,507	\$ 1,216	\$ 4,092	\$ 3,902
Operating, general and administration	748	687	2,964	2,754
<b>Results from operating activities before finance items</b>	<b>(2,255)</b>	<b>(1,903)</b>	<b>(7,056)</b>	<b>(6,656)</b>
<b>Finance items</b>				
Finance income	4	11	21	38
Finance expense	(4)	(2)	(12)	(10)
Foreign exchange gain (loss)	12	23	(14)	(33)
	12	32	(5)	(5)
<b>Net loss and total comprehensive loss From continuing operations</b>	<b>\$ (2,243)</b>	<b>\$ (1,871)</b>	<b>\$ (7,061)</b>	<b>\$ (6,661)</b>
<b>Gain from sale of discontinued operations (<i>note 10</i>)</b>	<b>–</b>	<b>50</b>	<b>–</b>	<b>50</b>
<b>Net loss and total comprehensive loss</b>	<b>\$ (2,243)</b>	<b>\$ (1,821)</b>	<b>\$ (7,061)</b>	<b>\$ (6,611)</b>
<b>Loss per common share (<i>note 9</i>)</b>				
Basic and diluted	\$ (0.02)	\$ (0.03)	\$ (0.08)	\$ (0.09)
Weighted average number of common shares used in the calculation of basic and diluted loss per share	84,861,587	77,812,392	84,731,990	76,549,960

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## HELIX BIOPHARMA CORP.

### Condensed Interim Consolidated Statement of Changes in Shareholders' Equity

In thousands of Canadian dollars

Unaudited

	Common shares		Share purchase warrants		Contributed surplus		Accumulated other comprehensive income		Total shareholders equity
	Amount	Number	Amount	Number	Options	surplus	Deficit	(loss)	
July 31, 2014	\$ 107,079	75,900,337	\$12,634	22,400,084	\$4,059	\$ 9,965	\$(126,926)	\$ –	\$ 6,811
Net loss for the period	–	–	–	–	–	–	(6,611)	–	(6,611)
Common stock, issued	5,102	8,703,500	–	–	–	–	–	–	5,102
Warrants, issued	–	–	3,141	8,703,500	–	–	–	–	3,141
Warrants, expired unexercised	–	–	(6,950)	(11,155,000)	–	6,950	–	–	–
Warrants, amended terms	–	–	–	–	–	–	–	–	–
Stock-based compensation	–	–	–	–	362	–	–	–	362
Options, exercised	107	50,000	–	–	(40)	–	–	–	67
Options, expired	–	–	–	–	(1,540)	1,540	–	–	–
April 30, 2015	\$ 112,288	84,653,837	\$ 8,825	19,948,584	\$ 2,841	\$18,455	\$(133,537)	\$ –	\$ 8,872

	Common shares		Share purchase warrants		Contributed surplus		Accumulated other comprehensive income		Total shareholders equity
	Amount	Number	Amount	Number	Options	surplus	Deficit	(loss)	
July 31, 2015	\$ 112,288	84,653,837	\$ 8,825	19,948,584	\$2,915	\$18,455	\$(135,656)	\$ –	\$ 6,827
Net loss for the period	–	–	–	–	–	–	(7,061)	–	(7,061)
Common stock, issued	2,453	3,105,000	–	–	–	–	–	–	2,453
Warrants, issued	–	–	1,504	3,105,000	–	–	–	–	1,504
Warrants, expired unexercised	–	–	(2,048)	(2,571,084)	–	2,048	–	–	–
Warrants exercised	66	34,250	(13)	(34,250)	–	–	–	–	53
Stock-based compensation	–	–	–	–	195	–	–	–	195
Options, exercised	267	125,000	–	–	(101)	–	–	–	166
Options, expired unexercised	–	–	–	–	(529)	529	–	–	–
April 30, 2016	\$ 115,074	87,918,087	\$ 8,268	20,448,250	\$2,480	\$21,032	\$(142,717)	\$ –	\$ 4,137

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

**HELIX BIOPHARMA CORP.****Condensed Interim Consolidated Statement of Cash Flows**

In thousands of Canadian dollars

Unaudited

For the nine month period ended:	April 30, 2016	April 30, 2015
<b>Cash flows from operating activities</b>		
Net loss and total comprehensive loss	\$ (7,061)	\$ (6,661)
Items not involving cash:		
Depreciation of property, plant and equipment	105	105
Stock-based compensation	195	362
Foreign exchange loss (gain)	14	33
Change in non-cash working capital:		
Accounts receivable	249	77
Prepaid expenses	24	(143)
Accounts payable	554	(64)
Accrued liabilities	(77)	147
<b>Net cash used in operating activities</b>	<b>(5,997)</b>	<b>(6,144)</b>
<b>Cash flows from financing activities</b>		
Proceeds from the issuance of common shares and share purchase warrants, net of issue costs	3,957	8,243
Proceeds from the exercise of stock options and share purchase warrants	219	67
<b>Net cash provided from financing activities</b>	<b>4,176</b>	<b>8,310</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(28)	(12)
<b>Net cash used in investing activities</b>	<b>(28)</b>	<b>(12)</b>
<b>Foreign exchange loss on cash</b>	<b>(14)</b>	<b>(33)</b>
<b>Net increase (decrease) in cash from continuing operations</b>	<b>\$ (1,863)</b>	<b>2,121</b>
<b>Net increase in cash from discontinued operations (note 10)</b>	<b>–</b>	<b>50</b>
<b>Cash, beginning of period</b>	<b>6,792</b>	<b>6,980</b>
<b>Cash, end of period</b>	<b>\$ 4,929</b>	<b>\$ 9,151</b>

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

## HELIX BIOPHARMA CORP.

### Notes to condensed unaudited interim consolidated financial statements

For the three and nine month periods ended April 30, 2016 and 2015

Tabular dollar amounts in thousands of Canadian dollars, except per share amounts

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Helix BioPharma Corp (the "Company"), incorporated under the *Canada Business Corporations Act*, is a biopharmaceutical company primarily focused in the areas of cancer prevention and treatment. The Company has funded its research and development activities, mainly through the issuance of common shares and warrants. The Company expects to incur additional losses and therefore will require additional financial resources, on an ongoing basis. It is not possible to predict the outcome of future research and development activities or the financing thereof.

#### 1. Basis of presentation and going concern

These consolidated financial statements have been prepared on a going-concern basis, which assumes that the Company will continue in operation for the foreseeable future and, accordingly, will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company's ability to continue as a going concern is dependent mainly on obtaining additional financing, which is always challenging for research and development companies. As at April 30, 2016, the Company does not have sufficient cash to meet anticipated cash needs for working capital and capital expenditures through the next twelve months. The Company will require additional financing in the near term and in the future to see the current research and development initiatives through to completion. There can be no assurance however, that additional financing can be obtained in a timely manner, or at all. Not raising sufficient additional financing on a timely basis may result in delays and possible termination of all or some of the Company's research and development initiatives, and as a result, may cast significant doubt as to the ability of the Company to operate as a going concern and accordingly, the appropriateness of the use of the accounting principles applicable to a going concern. These consolidated financial statements do not include any adjustments to the carrying amount and classification of reported assets, liabilities and expenses that might be necessary should the Company not be successful in its aforementioned initiatives. Such adjustments could be material. The Company cannot predict whether it will be able to raise the necessary funds it needs to continue as a going concern.

##### *Statement of compliance*

The Company's condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") under IAS 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB").

##### *Use of estimates and assumptions*

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Significant areas requiring the use of estimates include research and development tax credits associated with research and development expenditures, the determination of fair value of stock options granted for estimating stock-based compensation, the allocation of proceeds to share purchase warrants, estimates related to the determination of useful lives and assessment of impairment of long-lived assets such as property, plant and equipment. In determining these estimates, the Company relies on assumptions regarding applicable industry performance and prospects, as well as general business and economic conditions that prevail and are expected to prevail. These assumptions are limited by the availability of reliable comparable data and the uncertainty of predictions concerning future events. Actual results could differ from these estimates.

##### *Functional and presentation currency*

The functional and presentation currency of the Company is the Canadian dollar.

#### 2. Significant accounting policies

The Company has applied the same accounting policies and methods of computation in these interim condensed unaudited consolidated financial statements as those in the Company's audited consolidated financial statement for the fiscal year ended July 31, 2015, except for those related accounting policies and methods of computation related to any new accounting standards and pronouncements.

#### 3. New accounting standards and pronouncements not yet adopted

New accounting standards and pronouncements issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are listed below. This listing includes standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

Certain pronouncements have been issued by the IASB or International Financial Reporting Interpretations Committee. Many of these updates are not applicable or are inconsequential to the Company and have been excluded from the discussion below:

##### *IAS 1, Presentation of Financial Statements*

In December 2014, the IASB issued amendments to IAS 1, Presentation of Financial Statements as part of the IASB's disclosure initiative. These amendments encourage entities to apply professional judgment regarding disclosures and presentation in their

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financial statements. The amendments are effective for annual periods beginning on or after January 1, 2016 with early adoption permitted. The Company is evaluating the impact of the new standard on its results of operations, financial position and disclosures.

*IFRS 9, Financial Instruments*

The IASB has issued a new standard, IFRS 9, Financial Instruments ("IFRS 9"), which will ultimately replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). The project had three main phases: classification and measurement, impairment and general hedging. The standard becomes effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively. Early adoption is permitted. The Company is evaluating the impact of the new standard on its results of operations, financial position and disclosures.

*IFRS 15, Revenue from Contracts with Customers*

The IASB has issued a new standard, IFRS 15, Revenue from Contracts with Customers ("IFRS 15"). IFRS 15 contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The standard becomes effective for annual periods beginning on or after January 1, 2018. The Company is evaluating the impact of the new standard on its results of operations, financial position and disclosures.

**4. Property, plant and equipment**

	April 30, 2016			July 31, 2015		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Research equipment	\$ 1,306	\$ 1,094	\$ 212	\$ 1,303	\$ 1,042	\$ 261
Manufacturing equipment	1,555	1,539	16	1,555	1,499	56
Leasehold improvements	370	370	-	370	370	-
Computer equipment	232	208	24	207	196	11
Computer software	89	89	-	89	89	-
Furniture and fixtures	19	19	-	19	18	1
	\$ 3,571	\$ 3,319	\$ 252	\$ 3,543	\$ 3,214	\$ 329

**5. Shareholders' equity***Preferred shares*

Authorized 10,000,000 preferred shares.

As at April 30, 2016 and July 31, 2015 the Company had nil preferred shares issued and outstanding.

*Common shares and share purchase warrants*

Authorized unlimited common shares without par value

As at April 30, 2016 the Company had 87,918,087 (July 31, 2015 – 84,653,837) common shares issued and outstanding.

The following table provides information on share purchase warrants outstanding as at:

Exercise Price	April 30, 2016		July 31, 2015	
	Weighted average remaining contractual life (in years)	Number of share purchase warrants outstanding	Weighted average remaining contractual life (in years)	Number of share purchase warrants outstanding
\$1.54	3.92	5,430,000	4.67	5,430,000
\$1.54	4.00	3,264,250	4.75	3,273,500
\$1.61	2.50	4,653,000	3.25	4,678,000
\$1.98	4.95	3,105,000		
\$2.24	3.19	3,996,000	3.94	3,996,000
\$3.35	-	-	.66	1,652,719
\$3.35	-	-	.66	918,365
Outstanding, end of period		20,448,250		19,948,584

**HELIX BIOPHARMA CORP.****Notes to condensed unaudited interim consolidated financial statements**

For the three and nine month periods ended January 31, 2016 and 2015

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*Stock options*

The Company's equity compensation plan reserves up to 10% of the Company's outstanding common stock from time to time for granting to directors, officers and employees of the Company or any person or company engaged to provide ongoing management or consulting services. Based on the Company's current issued and outstanding common shares as at April 30, 2016, options to purchase up to 8,791,808 common shares may be granted under the plan. As at April 30, 2016, options to purchase a total of 2,247,084 common shares have been issued and are outstanding under the equity compensation plan.

The following table provides information on options outstanding and exercisable as at:

Exercise Price	April 30, 2016			July 31, 2015		
	Weighted average remaining contractual life (in years)	Number of contractual options outstanding	Number of vested and exercisable options	Weighted average remaining contractual life (in years)	Number of contractual options outstanding	Number of vested and exercisable options
\$1.30	1.12	250,000	250,000	1.92	250,000	250,000
\$1.34	2.45	250,000	250,000	2.90	425,000	425,000
\$1.50	3.66	300,000	199,998	4.46	300,000	100,002
\$1.65	3.51	150,000	99,999	4.26	150,000	50,001
\$1.68	0.58	692,084	692,084	1.38	692,084	692,084
\$2.00	3.97	110,000	20,000	4.77	60,000	
\$2.43	—	—	—	0.05	358,000	358,000
\$3.00	.25	495,000	495,000	.99	495,000	495,000
Outstanding, end of period	1.30	2,247,084	2,007,081	1.99	2,730,084	2,370,087

The following table summarized activity under the Company's stock option plan for the periods ended:

	August 1, 2015 to April 30, 2016		August 1, 2014 to July 31, 2015	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Outstanding, beginning of period	2,730,084	\$ 1.92	3,338,084	\$ 2.12
Granted	50,000	2.00	510,000	1.60
Exercised	(125,000)	1.34	(50,000)	1.34
Expired	(408,000)	2.30	(1,068,000)	2.43
Outstanding, end of period	2,247,084	\$ 1.88	2,730,084	\$ 1.92
Vested and exercisable, end of period	2,007,081	\$ 1.90	2,370,087	\$ 1.96

The fair value of each option granted was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Grant Date	Number of options granted	Volatility factor	Risk free interest rate	Dividend rate	Expected life	Vesting period	Fair value of options granted
November 2, 2015	50,000	80.47 %	0.73 %	0.00 %	5 years	3 years	\$ 61
May 8, 2015	60,000	80.27 %	0.91 %	0.00 %	5 years	3 years	\$ 72
January 16, 2015	300,000	79.56 %	1.02 %	0.00 %	5 years	3 years	\$ 333
November 3, 2014	150,000	78.61 %	1.37 %	0.00 %	5 years	3 years	\$ 160
November 1, 2013	475,000	76.69 %	1.62 %	0.00 %	5 years	1 year	\$ 379
July 3, 2012	250,000	62.16 %	1.25 %	0.00 %	5 years	3 years	\$ 170
July 29, 2011	1,164,000	61.88 %	2.04 %	0.00 %	5 years	3 years	\$ 1,781
December 17, 2008	2,070,000	64.30 %	2.44 %	0.00 %	8 years	3 years	\$ 2,525

For the quarter ended April 30, 2016 and 2015, nil stock options vested respectively.



**HELIX BIOPHARMA CORP.****Notes to condensed unaudited interim consolidated financial statements**

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**6. Financial instruments and risk management**

The Company has classified its financial instruments as follows:

	April 30, 2016		July 31, 2015	
	Fair Value	Fair value hierarchy	Fair Value	Fair value hierarchy
Cash	\$ 4,929	Level 1	\$ 6,792	Level 1

*Fair value hierarchy*

Financial instruments recorded at fair value on the balance sheet are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 reflects valuation based on quoted prices observed in active markets for identical assets or liabilities;

Level 2 reflects valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and

Level 3 reflects valuation techniques with significant unobservable market inputs.

A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The financial instrument in the Company's financial statements, measured at fair value, is cash.

*Fair value*

The fair value of financial instruments as at April 30, 2016 and July 31, 2015 approximates their carrying value because of the near-term maturity of these instruments.

*Financial risk management*

The Company is exposed to a variety of financial risks by virtue of its activities: market risk (including currency and interest rate risk), credit risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance.

Risk management (the identification and evaluation of financial risk) is carried out by the finance department, in close cooperation with management. The finance department is charged with the responsibility of establishing controls and procedures to ensure that financial risks are mitigated in accordance with the approved policies. The Company's Board of Directors has the overall responsibility for the oversight of these risks and reviews the Company's policies on an ongoing basis to ensure that these risks are appropriately managed.

*Market risk*

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income or the value of its financial instruments.

*Currency risk*

The Company has international transactions and is exposed to foreign exchange risks from various currencies, primarily the Euro and U.S. dollar. Foreign exchange risks arise from the foreign currency translation of the Company's integrated foreign operation in Ireland. In addition, foreign exchange risks arise from purchase transactions, as well as recognized financial assets and liabilities denominated in foreign currencies.

The Company has maintained minimal cash balances denominated in both Euro and U.S. dollars due to Canadian dollar stability and strength against foreign currencies.

**HELIX BIOPHARMA CORP.****Notes to condensed unaudited interim consolidated financial statements**

For the three and nine month periods ended January 31, 2016 and 2015

Tabular dollar amounts in thousands of Canadian dollars, except per share amounts

The following table summarized balances in foreign currencies as at:

	April 30, 2016		July 31, 2015	
	Euros	US Dollars	Euros	US Dollars
Cash	247	23	8	7
Accounts payable	(302)	(110)	(9)	(30)
Accruals	(151)	(107)	(162)	(2)
Net foreign currencies	(206)	(194)	(163)	(25)
Closing exchange rate	1.4368	1.2548	1.4388	1.3047
Impact of 1% change in exchange rate	+/- 1	+/- 1	+/- 1	+/- 1

Any fluctuation in the exchange rates of the foreign currencies listed above could have an impact on the Company's results from operations; however, they would not impair or enhance the ability of the Company to pay its foreign-denominated expenses.

*Interest rate risk*

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in interest rates, which are affected by market conditions. The Company is exposed to interest rate risk arising from fluctuations in interest rates received on its cash and cash equivalents. The Company does not have any credit facilities and is therefore not subject to any debt related interest rate risk.

The Company manages its interest rate risk by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct its operations on a day-to-day basis. Any investment of excess funds is limited to risk-free financial instruments. Fluctuations in the market rates of interest do not have a significant impact on the Company's results of operations due to the relatively short term maturity of any investments held by the Company at any given point in time and the low global interest rate environment. The Company does not use derivative instruments to reduce its exposure to interest rate risk.

*Credit risk*

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation.

The table below breaks down the various categories that make up the Company's accounts receivable balances as at:

	April 30, 2016	July 31, 2015
Accounts receivable		
Government related – HST/VAT	39	96
Research and development investment tax credits	197	388
Other	6	7
	\$ 242	\$ 491

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due.

Since inception, the Company has mainly relied on financing its operations from public and private sales of equity. The Company does not have any credit facilities and is therefore not subject to any externally imposed capital requirements or covenants.

The Company manages its liquidity risk by continuously monitoring forecasts and actual cash flow from operations and anticipated investing and financing activities.

The Company's cash reserves of \$4,929,000 as at April 30, 2016 are insufficient to meet anticipated cash needs for working capital and capital expenditures through the next twelve months, nor are they sufficient to see the current research and development initiatives through to completion. To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, management considers securing additional funds primarily through equity arrangements to be of utmost importance.

The Company's long-term liquidity depends on its ability to access the capital markets, which depends substantially on the success of the Company's ongoing research and development programs, as well as economic conditions relating to the state of the capital markets generally. Accessing the capital markets is particularly challenging for companies that operate in the biotechnology industry.

**HELIX BIOPHARMA CORP.****Notes to condensed unaudited interim consolidated financial statements**

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The following are the contractual maturities of the undiscounted cash flows of financial liabilities as at:

	April 30, 2016			July 31, 2015		
	Carrying amount	Less than one year	Greater than one year	Carrying amount	Less than one year	Greater than one year
Accounts payable and accruals	\$ 1,446	\$ 1,446	\$ –	\$ 969	\$ 969	\$ –

This table only covers liabilities and obligations relative to financial instruments and does not anticipate any income associated with assets.

**7. Related party transactions**

The key management personnel of the Company include the Chief Executive Officer, Chief Financial Officer, Chief Scientific Officer, Chief Medical Officer and Chief Operating Officer. In addition to the aforementioned key management personnel, the table below also includes compensation for the former Interim Chief Executive Officer and former Chief Executive Officer.

The following table summarizes for key management personnel compensation:

	For the three-month periods ended April 30		For the nine-month periods ended April 30	
	2016	2015	2016	2015
Compensation	\$ 256	\$ 275	\$ 793	\$874
Stock-based compensation	28	5	50	62
	\$ 284	\$ 280	\$ 843	\$ 936

The following table summarizes non-management directors' compensation:

	For the three-month periods ended April 30		For the nine-month periods ended April 30	
	2016	2015	2016	2015
Director fees	\$ 96	\$ 79	\$ 291	\$ 273
Consultancy fees	–	–	–	3
Stock-based compensation	29	58	138	279
	\$ 125	\$ 137	\$ 429	\$ 555

The following table summarizes the Board Observer's compensation for the three and nine month periods ended:

	For the three-month periods ended April 30		For the nine-month periods ended April 30	
	2016	2015	2016	2015
Financial and investor relations agreement	\$ 715	\$ 1,319	\$ 990	\$ 1,602
Expense reimbursement	7	4	38	91
	\$ 722	\$ 1,323	\$ 1,028	\$ 1,693

The Company entered into a non-exclusive financial and investor relations agreement with ACM Alpha Consulting Management EST ("ACMest"), effective May 1, 2012. On March 7, 2014, Mr. Andreas Kandziora was asked to act as an Observer on the Board of Directors of the Company. Mr. Kandziora is President and CEO of ACMest.

Related party transactions are at arm's length and recorded at the amount agreed to by the related parties.

**8. Research and development**

The Company has incurred research and development expenditures primarily on L-DOS47.

Included in research and development expenditures are costs directly attributable to the various research and development functions and initiatives the Company has underway and include: salaries; bonuses; benefits; stock based compensation; depreciation of property, plant and equipment; patent costs; consulting services; third party contract manufacturing, third party clinical research organization services; and all overhead costs associated with the Company's research facilities.

**HELIX BIOPHARMA CORP.****Notes to condensed unaudited interim consolidated financial statements**

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The following table outlines research and development costs expensed and investment tax credits for the Company's significant research and development projects for the three month periods ended:

	For the three-month periods ended April 30		For the nine-month periods ended April 30	
	2016	2015	2016	2015
L-DOS47	\$ 1,275	\$ 1,011	\$ 3,386	\$ 3,106
Corporate research and development expenses	167	124	442	431
Trademark and patent related expenses	35	48	157	270
Stock-based compensation expense	-	-	9	15
Depreciation expense	30	33	91	100
Research and development investment tax credits	-	-	7	(20)
	\$ 1,507	\$ 1,216	\$ 4,092	\$ 3,902

**9. Loss per common share**

The share purchase warrants and stock options outstanding for each of the periods reported were not included in the computation of diluted loss per share because the effect would be anti-dilutive.

**10. Other Items**

A holdback amount of \$200,000 was applied to the proceeds upon closing of the sale of the Company's distribution business back on December 10, 2012. This holdback amount was scheduled to be paid to the Company beginning at the end of 2014, subject to the achievement of certain sales objectives by the purchaser. The Company received a payment of \$50,000 during the third quarter of fiscal 2015. No holdback amounts have been received in the current fiscal year.