



3-305 Industrial Parkway South
Aurora, Ontario, Canada, L4G 6X7
Phone: (905) 841-2300
Fax: (905) 841-2244
Web: www.helixbiopharma.com

March 14, 2013
NEWS RELEASE

HELIX BIOPHARMA CORP. ANNOUNCES FISCAL Q2 2014 RESULTS

(Aurora, Ontario) – Helix BioPharma Corp. (TSX, FSE: “HBP”), a biopharmaceutical company developing drug candidates for the prevention and treatment of cancer, today announced financial results for the three and six-month periods ended January 31, 2014 and 2013.

HIGHLIGHTS FOR THE PERIOD

- On October 15, 2013, the Company completed an interim review of data collected to date for its European Phase I/II clinical study of L-DOS47. Subsequent to the completion of the interim review, on February 18, 2014, the Company announced the start of screening of patients in cohort 7. See “L-DOS47” below under the heading “Research and Development Update”.
- At the Company’s annual general and special meeting of shareholders (“AGM”) held on December 18, 2013, Messrs. Yvon Bastien, Slawomir Majewski, Marek Orłowski, Sven Rohmann, Robert A. Verhagen, Stacy L. Wills and Slawomir Ludwikowski were elected as directors of the Company. In the case of Mr. Ludwikowski, a majority of the votes represented by proxy were withheld from voting for and, in accordance with the Company’s majority voting policy, Mr. Ludwikowski was required to submit his resignation to the Board of Directors (“Board”) for the Board’s consideration. Subsequent to the end of the fiscal quarter, Mr. Ludwikowski tendered his resignation to the Board, which the Board accepted on March 7, 2014. Mr. Mario Gobbo resigned from the Board prior to the AGM.
- On January 10, 2014, the Company announced Marek Orłowski, a member of the Board had purchased 1,000,000 previously issued and outstanding shares of the Company.
- On December 6, 2013, the Company announced the termination of John Docherty, the Company’s President and Chief Operating Officer.
- On November 4, 2013, the Company announced the closing of a private placement for net proceeds of \$4,672,000. The terms of the private placement are for the purchase of common shares at \$1.15 per share and include one warrant per share at an exercise price of \$1.61 with an expiry of five years from the date of issue.

RESEARCH AND DEVELOPMENT UPDATE

L-DOS47

On May 14, 2012, the Company commenced clinical site initiations and patient recruitment activities for its European Phase I/II clinical study of L-DOS47 in Poland. Since the dosing of the first patient in Cohort 1 on October 23, 2012, the Company remains on target to achieve its milestone of completing Cohort 8 of the Phase I component of the European Phase I/II clinical study by the summer of 2014. As previously disclosed, the total number of patients to be enrolled in the study will depend on how many escalating dose levels are required to reach maximum tolerated dose (“MTD”). The Company originally estimated that MTD would be reached after enrolling eight cohorts of three patients. Management also originally assumed that there would be two dose limiting toxicity events requiring a further six patients to be enrolled, for a total of up to 30 patients by the time the study dosed patients in Cohort 8.

On October 15, 2013, the Company announced the completion of an interim data review of the first four cohorts for this study. The release stated that L-DOS47 was well tolerated for all patients treated within all cohorts. None of the treatment related adverse events reported to date has met the definition of a dose-limiting toxicity. Adverse events reported as of that date are those normally expected for the population under study.

As of March 7, 2014, a total of 21 patients had been dosed in the Phase I component of the study. Based on the latest patient enrollment rates, the Company still expects to complete the enrollment of Cohort 8 of the Phase I component of this study by the summer of 2014. The Company has initiated a protocol amendment that would allow the Company to continue dose escalation for the Phase I component of the study beyond Cohort 8 in the event MTD is not reached by the end of Cohort 8, as originally estimated. Without regulatory approval for the protocol amendment, the Company will not be able to enroll patients beyond Cohort 8.

The Company continues to re-evaluate the U.S. Phase I protocol previously approved by the U.S. Food and Drug Administration ("FDA") and is now developing an investigational new drug ("IND") application for approval by the FDA and commencement of a study for an L-DOS47 Phase I, open label, dose escalation study in combination with standard doublet therapy of pemetrexed/carboplatin in patients with Stage IV, recurrent or metastatic non-squamous non-small cell lung cancer ("NSCLC"). In addition, the Company is also developing a new clinical trial application ("CTA") in Canada for approval by Health Canada and commencement of a Phase I study for L-DOS47 in combination with the chemotherapy drug vinorelbine in patients with metastatic NSCLC and metastatic breast cancer.

The Company's cash position as at January 31, 2014 of \$4,386,000 is not sufficient to see the entire European Phase I/II clinical study in Poland, nor any part of the U.S. Phase I and Canadian Phase I study, if either or both is approved by regulators, through to completion. The Company has previously disclosed that it expected to have sufficient cash to complete the Phase I portion of the European clinical study, provided the Company did not experience any unforeseen challenges and expenditures. The Company is currently dosing patients in Cohort 7. The Company originally estimated that the Phase I component of this study would enroll eight cohorts, as this was the number of cohorts estimated to be required to reach MTD. However, in the event the Company does receive regulatory approval for the protocol amendment but does not reach MTD at Cohort 8 as originally estimated, the Company will not have sufficient funds to complete the European Phase I trial for L-DOS47 in Poland.

Topical Interferon Alpha-2b

After agreeing to terminate the contractual arrangement with Merck Sharp & Dohme Corp ("Merck"), the Company's primary and ongoing focus, as it relates to the Topical Interferon Alpha-2b program, has been on sourcing and qualifying alternative interferon alpha-2b raw material samples, and finding suitable strategic partner(s) who would be willing to license or acquire the product and supports the remaining development costs through to commercial launch. As a result, the Company has hired an outside consultant to assist it in finding a suitable strategic partner(s).

To date, the Company has completed preliminary quality testing, comparing alternate raw material samples to its approved drug substance specification and a potential new supplier of the interferon alpha-2b raw material necessary to formulate the product candidate has been identified. However, further quality testing and evaluation of this material and its supplier, as well as negotiation of supply terms acceptable to the Company and receipt of necessary regulatory approvals will be necessary before the Company will be in a position to definitively verify raw material comparability with the interferon alpha-2b originally supplied by Merck.

The continuation of the Topical Interferon Alpha-2b program more generally is dependent on a strategic partner(s) providing additional funding.

FINANCIAL REVIEW

The Company recorded a net loss and total comprehensive loss of \$2,632,000 and \$4,769,000, respectively for the three and six-month periods ended January 31, 2014 for a loss per common share of \$0.04 and \$0.07, respectively. For the comparative three and six-month periods ended January 31, 2013, the Company recorded net income and total comprehensive income of \$4,669,000 and \$2,592,000, respectively for earnings per common share of \$0.07 and \$0.04.

Included in net income and total comprehensive income for the three and six-month periods ended January 31, 2013 is a gain on sale from discontinued operations of \$6,083,000. On January 25, 2013, the Company announced the sale of its distribution business in Canada.

Excluding both the gain on sale and net income and total comprehensive income from discontinued operations, the Company recorded a net loss and total comprehensive loss from continuing operations of \$1,726,000 and \$4,126,000, respectively for the three and six-month periods ended January 31, 2013 for a loss per common share of \$0.03 and \$0.06, respectively.

Research and development

Research and development costs totalled \$1,649,000 and \$2,981,000, respectively for the three and six-month periods ended January 31, 2014. For the three and six month periods ended January 31, 2013, research and development costs totalled \$1,049,000 and \$2,657,000, respectively.

L-DOS47 research and development expenses for the three and six-month periods ended January 31, 2014 totalled \$556,000 and \$1,205,000, respectively (\$586,000 and \$1,408,000 respectively for the three and six-month periods ended January 31, 2013). L-DOS47 research and development expenditures relate primarily to expenditures associated with the ongoing European Phase I/II clinical study in Poland, costs incurred in the current fiscal quarter associated with the preparation of an IND application with the FDA and ongoing overhead costs in support of the L-DOS47 drug program.

Topical Interferon Alpha-2b research and development expenses for the three and six-month periods ended January 31, 2014 totalled \$123,000 and \$238,000, respectively (\$99,000 and \$512,000 respectively for the three and six-month periods ended January 31, 2013). Beginning in June 2012, the Company initiated a downsizing of the staff in the Saskatoon laboratory. The Company further downsized staffing levels at its Saskatoon laboratory in October 2012, including a decision that resulted in the closure of the Saskatoon laboratory at the end of November 2012. Costs associated with the downsizing were charged in fiscal 2013. The Company has now limited its ongoing activities with respect to its Topical Interferon Alpha-2b program to sourcing and qualifying alternative interferon alpha-2b raw material samples, strengthening the BiPhasix™ patent portfolio and finding suitable strategic partner(s) who would be willing to license or acquire the product and support the remaining development costs.

Corporate research and development expenses for the three and six-month periods ended January 31, 2014 totalled \$745,000 and \$1,026,000 respectively (\$223,000 and \$450,000 respectively for the three and six-month periods ended January 31, 2013). Included in corporate research and development expenses for the three and six-month period ended January 31, 2014 is a one-time payout of \$500,000 related to a severance payment.

Trademark and patent related expenses for the three and six-month periods ended January 31, 2014 totalled \$153,000 and \$378,000, respectively (\$15,000 and \$25,000 respectively for the three and six-month periods ended January 31, 2013). The increased costs relate to the Company's efforts to strengthen the DOS47 and BiPhasix™ patent portfolios.

Operating, general and administration

Operating, general and administration expenses for the three and six-month periods ended January 31, 2014 totalled \$1,011,000 and \$1,837,000, respectively (\$704,000 and \$1,468,000 respectively for the three and six-month periods ended January 31, 2013). Higher operating, general and administration expenses for both the three and six-month periods ended January 31, 2014 and 2013 reflect higher legal fees, consulting fees and investor relations activities.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash reserves of \$4,386,000 as at January 31, 2014 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 the issuance of equity securities of the Company, to be of the utmost importance.

The Company's condensed unaudited interim consolidated statement of financial position as at January 31, 2014 and July 31, 2013 are summarized below:

<i>Consolidated Statement of Financial Position (thousand \$)</i>		
	January 31	July 31
	2014	2013
<i>Non current assets</i>	576	677
<i>Current assets:</i>		
Prepaid expenses	208	139
Accounts receivable	348	559
Cash	4,386	4,493
	4,942	5,191
Total assets	5,518	5,868
<i>Shareholders' equity</i>	5,004	4,920
<i>Current liabilities:</i>		
Deferred lease credit	10	23
Accrued liabilities	286	621
Accounts payable	218	304
	514	948
Total liabilities & shareholders equity	5,518	5,868

The Company's condensed unaudited interim consolidated statement of net loss and comprehensive loss for the three and six-month periods ending January 31, 2014 and 2013 and the condensed unaudited interim consolidated statement of cash flows for the three and six-month periods ending January 31, 2014 and 2013 are summarized below:

<i>Consolidated Statements of Net Loss and Comprehensive Loss</i> <i>(thousand \$, except for per share data)</i>					<i>Consolidated Statements of Cash Flows (thousand \$)</i> <i>(thousand \$)</i>				
	For the three-month periods ended		For the six-month periods ended			For the three-month periods ended		For the six-month periods ended	
	Jan-31	Jan-31	Jan-31	Jan-31		Jan-31	Jan-31	Jan-31	Jan-31
	2014	2013	2014	2013		2014	2013	2014	2013
Expenses:					Cash provided by (used in):				
Research and development	1,649	1,049	2,981	2,657	Net loss and total comprehensive loss				
Operating, general & administration	1,011	704	1,837	1,468	from continuing operations	(2,632)	(1,726)	(4,769)	(4,126)
(Gain) on disposal of property, plant, equipment	-	(18)	-	(18)	Items not involving cash:				
Results from operating activities					Depreciation of property, plant and equipment	50	103	104	206
before finance items	(2,660)	(1,735)	(4,818)	(4,107)	Deferred lease credit	(7)	(7)	(13)	(13)
Finance items	28	9	49	(19)	Stock-based compensation	153	76	181	172
Loss and total comprehensive loss					Foreign exchange loss	(19)	(7)	(35)	27
from continuing operations	(2,632)	(1,726)	(4,769)	(4,126)	(Gain) on disposal of property, plant, equipment	-	(18)	-	(18)
Net income and total comprehensive income						(2,455)	(1,579)	(4,532)	(3,752)
from discontinued operations	-	312	-	635	Changes in non-cash working capital	(329)	(375)	(279)	(337)
Gain from sale of discontinued operation	-	6,083	-	6,083	Operating activities	(2,784)	(1,954)	(4,811)	(4,089)
Net income (loss) and					Financing activities	4,672	-	4,672	-
total comprehensive income (loss)	(2,632)	4,669	(4,769)	2,592	Investing activities	(3)	17	(3)	4
Loss per share from continuing operations *	\$ (0.04)	\$ (0.03)	\$ (0.07)	\$ (0.06)	Effect of exchange rate changes on cash	19	7	35	(27)
Income per share from					Net decrease in cash from continuing operations	1,904	(1,930)	(107)	(4,112)
discontinued operations *	\$ -	\$ 0.01	\$ -	\$ 0.01	Net increase in cash from discontinued operations	-	7,095	-	7,728
Total loss per common share *	\$ (0.04)	\$ 0.07	\$ (0.07)	\$ 0.04	Cash beginning of the year	2,482	3,313	4,493	4,862
* Figures are for both basic and fully diluted					Cash end of the year	4,386	8,478	4,386	8,478

The Company's condensed unaudited interim consolidated financial statements and management's discussion and analysis are being filed under the Company's profile on SEDAR at www.sedar.com, as well as on the Company's website at www.helixbiopharma.com. Shareholders have the ability to receive a hard copy of the Company's unaudited condensed interim consolidated financial statements free of charge upon request at the address below.

About Helix BioPharma Corp.

Helix BioPharma Corp. is a biopharmaceutical company specializing in the field of cancer therapy. The company is actively developing innovative products for the prevention and treatment of cancer based on its proprietary technologies. Helix's product development initiatives include its novel L-DOS47 new drug candidate and its Topical Interferon Alpha-2b. Helix is currently listed on the TSX and FSE under the symbol "HBP".

Investor Relations:

Helix BioPharma Corp.

Tel: 905 841-2300

Email: ir@helixbiopharma.com

Forward-Looking Statements and Risks and Uncertainties

This news release contains forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. Forward-looking statements are statements and information that are not historical facts but instead include financial projections and estimates; statements regarding plans, goals, objectives, intentions and expectations with respect to the Company's future business, operations, research and development, including the Company's activities relating to DOS47 and Topical Interferon Alpha-2b, including the sourcing and qualifying of alternative raw material samples, strengthening the BiPhasix™ patent portfolio and finding suitable strategic partners and other information in future periods.

Forward-looking statements include, without limitation, statements concerning (i) the Company's ability to operate on a going concern being dependent mainly on obtaining additional financing; (ii) the Company's priority continuing to be L-DOS47; (iii) the Company's development programs for Topical Interferon Alpha-2b, DOS47 and L-DOS47; (iv) the Company's European Phase I/II clinical trials for L-DOS47 in Poland including the number of cohorts required to reach MTD and the Company's potential protocol amendment in connection with this trial; (v) the Company's planned future U.S. Phase I clinical trial for L-DOS47 and the Company's proposed IND and CTA applications; and (vi) future expenditures, the insufficiency of the Company's current cash resources and the need for financing and cost-cutting and/or cost-deferral measures and future financing requirements and the seeking of additional funding. Forward-looking statements can further be identified by the use of forward-looking terminology such as "2014", "ongoing", "estimates", "expects", or the negative thereof or any other variations thereon or comparable terminology referring to future events or results, or that events or conditions "will", "may", "could", "would", or "should" occur or be achieved, or comparable terminology referring to future events or results.

Forward-looking statements are statements about the future and are inherently uncertain, and are necessarily based upon a number of estimates and assumptions that are also uncertain. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Forward-looking statements, including financial outlooks, are intended to provide information about management's current plans and expectations regarding future operations, including without limitation, future financing requirements, and may not be appropriate for other purposes. Certain material factors, estimates or assumptions have been applied in making forward-looking statements in this news release, including, but not limited to, the safety and efficacy of L-DOS47 and Topical Interferon Alpha-2b (low-grade cervical lesions); that sufficient financing will be obtained in a timely manner to allow the Company to continue operations; the success of the Company's proposed IND and CTA applications and the cost and timeline for reaching MTD in the Company's European Phase I/II clinical trial for L-DOS47 in Poland and/or that the Company's proposed protocol amendments for this study are accepted on a timeline and on terms satisfactory to the Company; the timely provision of services and supplies, including Interferon alpha-2b raw materials, or other performance of contracts by third parties; future costs; the absence of any material changes in business strategy or plans; and the timely receipt of required regulatory approvals and strategic partner support.

The Company's actual results could differ materially from those anticipated in the forward-looking statements contained in this news release as a result of numerous known and unknown risks and uncertainties, including without limitation, the risk that the Company's assumptions may prove to be incorrect; the risk that additional financing may not be obtainable in a timely manner, or at all, and that clinical trials may not commence or complete within anticipated timelines or the anticipated budget or may fail; third party suppliers of necessary services or of

drug product and other materials may fail to perform or be unwilling or unable to supply the Company, which could cause delay or cancellation of the Company's research and development activities; necessary regulatory approvals may not be granted or may be withdrawn; the Company may not be able to secure necessary strategic partner support; general economic conditions, intellectual property and insurance risks; changes in business strategy or plans; and other risks and uncertainties referred to elsewhere in this news release, any of which could cause actual results to vary materially from current results or the Company's anticipated future results. Certain of these risks and uncertainties, and others affecting the Company, are more fully described in Helix's Annual Report, in particular under the headings "Forward-looking Statements" and "Risk Factors", and other reports filed under the Company's profile on SEDAR at www.sedar.com from time to time. Forward-looking statements and information are based on the beliefs, assumptions, opinions and expectations of Helix's management on the date of this new release, and the Company does not assume any obligation to update any forward-looking statement or information should those beliefs, assumptions, opinions or expectations, or other circumstances change, except as required by law.
