HELIXBIOPHARMA

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Press Release

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HELIX BIOPHARMA CORP. ANNOUNCES FISCAL SECOND QUARTER 2018 RESULTS

(Richmond Hill, Ontario) - Helix BioPharma Corp. (TSX: HBP) (FRANKFURT: HBP) ("Helix" or the "Company"), a clinical stage immuno-oncology company developing innovative drug candidates for the prevention and treatment of cancer, announces its financial results for its fiscal quarter ended January 31, 2018.

FINANCIAL REVIEW

The Company recorded a net loss and total comprehensive loss of $2,564,000 ($0.03 loss per common share) and $2,618,000 ($0.03 loss per common share) for the three-month periods ended January 31, 2018 and 2017, respectively. For the six-month periods ended January 31, 2018 and 2017, respectively, the Company recorded a net loss and total comprehensive loss of $4,868,000 ($0.05 loss per common share) and $5,905,000 ($0.06 loss per common share).

Research and development

Research and development costs for the three and six-month periods ended January 31, 2018 totalled $1,895,000 and $3,660,000, respectively ($1,911,000 and $4,179,000 respectively for the three and six-month periods ended January 31, 2017).

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

	For the three-month periods ended January 31		For the six-month periods ended January 31	
	2018	2017	2018	2017
L-DOS47	$ 1,472	$ 1,585	$ 3,010	$ 3,272
V-DOS47	94	209	177	349
CAR-T	125	–	125	–
Corporate research and development expenses	125	136	224	502
Trademark and patent related expenses	139	51	238	123
Stock-based compensation expense	2	–	6	–
Depreciation expense	25	39	80	69
Research and development investment tax credits	–	–	–	–
Polish grant government funding (V-DOS47)	(87)	(109)	(200)	(136)
	$ 1,895	$ 1,911	$ 3,660	$ 4,179

L-DOS47 research and development expenses for the three and six-month periods ended January 31, 2018 totalled $1,472,000 and $3,010,000, respectively ($1,585,000 and $3,272,000 respectively for the three and six-month periods ended January 31, 2017). L-DOS47 research and development expenditures relate primarily to the Company's LDOS002 European Phase I/II clinical study in Poland, its LDOS001 Phase I clinical study in the U.S., preliminary expenditures related to the Company's LDOS003 Phase II clinical study in Poland and the Ukraine, for which the Company plans to commence enrolment in early 2018 and various other expenditures in support of the Company's overall L-DOS47 program.

The Company's LDOS001 clinical study has been facing patient enrolment challenges and as a result the Company most recently increased start-up activities to add 6 additional clinical study sites, with planned recruitment to begin spring 2018. In addition, an accelerated dosing protocol has been approved to help accelerate the LDOS001 clinical study. Enrolment in the Company's LDOS002 clinical study was terminated due to lack of efficacy and the Company is currently awaiting the finalized reports. In the meantime, the Company's LDOS003 clinical study is in the early stage of set-up with expectation for patient enrolment sometime in the second calendar quarter of 2018.

V-DOS47 research and development expenses for the three and six-month periods ended January 31, 2018 totalled $94,000 and $177,000, respectively ($209,000 and $349,000 respectively for the three and six-month periods ended January 31, 2017). For the three and six-month periods ended January 31, 2018 the Company's Polish subsidiary received grant funding of $87,000 and $200,000, respectively ($109,000 and $136,000 respectively for the three and six-month periods ended January 31, 2017). The Company's wholly owned subsidiary in Poland has entered into a grant funding agreement with the Polish National Centre for Research and Development for research and development expenditures associated with V-DOS47.

CAR-T research and development expenses for the three and six-month periods ended January 31, 2018 totalled $125,000 and $125,000 respectively ($nil and $nil respectively for the three and six-month periods ended January 31, 2017). During the current fiscal year, the Company commenced development of novel CAR-T therapeutics and new antibody-based technologies for cell-based therapies. The Company's CAR-T expenditures relate to collaborative research activities with ProMab Biotechnologies Inc.

Corporate research and development expenses for the three and six-month periods ended January 31, 2018 totalled $125,000 and $224,000 respectively ($136,000 and $502,000 respectively for the three and six-month periods ended January 31, 2017). Corporate research and development expenditures mainly reflect wages and benefits and related expenses associated with corporate head office staff. The reduction mainly reflects lower wages because of cost cutting initiatives to reduced headcount.

Trademark and patent related expenses for the three and six-month periods ended January 31, 2018 totalled $139,000 and $238,000, respectively ($51,000 and $123,000 respectively for the three and six-month periods ended January 31, 2017). The Company continues to ensure it adequately protects its intellectual property.

Operating, general and administration

Operating, general and administration expenses for the three and six-month periods ended January 31, 2018 totalled $644,000 and $1,170,000, respectively ($873,000 and $1,881,000 respectively for the three and six-month periods ended January 31, 2017). The decrease in operating, general and administration expenses reflects the Company's cost cutting initiatives. The Company eliminated the employment arrangement with its then CEO, who was also a director of the Company, and let go of its controller as part of a headcount reduction plan. Aggressive steps were also taken to reduce unnecessary expenditures such as travel and conferences. Various third-party contracts were also eliminated. The reductions taken at the head office were partially offset by operating, general and administrative expenditures being incurred at the Company's newly formed subsidiary in Poland which mainly reflect salaries and benefits, legal and accounting services and overhead costs associated with the administrative office.

The following table outlines operating, general and administration costs expensed for the following periods:

	For the three-month periods ended January 31		For the six-month periods ended January 31	
	2018	2017	2018	2017
Wages and benefits	$ 151	$ 326	$ 278	$ 630
Director fees	55	62	135	143
Third-party advisors	309	278	459	646
Other general and administrative	124	187	287	437
Stock-based compensation expense	–	15	–	15
Depreciation expense	5	5	11	10
	$ 644	$ 873	$ 1,170	$ 1,881

LIQUIDITY AND CAPITAL RESOURCES

The Company recorded a net loss and total comprehensive loss of $2,564,000 ($0.03 loss per common share) and $2,618,000 ($0.03 loss per common share) for the three-month periods ended January 31, 2018 and 2017, respectively. For the six-month periods ended January 31, 2018 and 2017, respectively, the Company recorded a net loss and total comprehensive loss of $4,868,000 ($0.05 loss per common share) and $5,905,000 ($0.06 loss per common share).

As at January 31, 2018 the Company had a working capital deficiency of $263,000, shareholders' equity of $161,000 and a deficit of $160,248,000. As at July 31, 2017 the Company had a working capital deficiency of $504,000, shareholders' deficiency of $17,000 and a deficit of $155,380,000.

The three private placements the Company closed during the six-month period ended January 31, 2018 for gross proceeds totalling $5,972,000 has helped fund the Company's ongoing clinical and pre-clinical programs. Nevertheless, the Company's cash reserves of $1,641,000 as at January 31, 2018 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 or any planned research and development initiatives through to completion. Though the funds raised have assisted the Company in dealing with the working capital deficiency, additional funds are required to advance the various clinical and preclinical programs and pay for the Company's overhead costs. 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 critical for its development needs.

Additional information can be found about the Company's liquidity and capital resources in the Company's Management Discussion and Analysis

The Company's condensed unaudited interim consolidated statement of net loss and comprehensive loss for the three and six-month periods ending January 31, 2018 and 2017 and the condensed unaudited interim consolidated statement of cash flows for the six-month periods ending January 31, 2018 and 2017 are summarized below:

Consolidated Statements of Net Loss and Comprehensive Loss
(thousand $, except for per share data)

	For the three-month periods ended		For the six-month periods ended	
	Jan 31 2018	Jan 31 2017	Jan 31 2018	Jan 31 2017
Expenses:				
Research and development	1,895	1,911	3,660	4,179
Operating, general, administration	644	873	1,170	1,881
Gain on Sale of Capital Assets	-	(137)	-	(137)
Results from operating activities before finance items	(2,539)	(2,647)	(4,830)	(5,923)
Finance items	(25)	29	(38)	18
Loss and total comprehensive loss	(2,564)	(2,618)	(4,868)	(5,905)
Loss per share	$ (0.03)	$ (0.03)	$ (0.05)	$ (0.06)

* Figures are for both basic and fully diluted

Consolidated Statements of Cash Flows
(thousand $)

	For the six-month periods ended	
	Jan 31 2018	Jan 31 2017
Cash provided by (used in):		
Net loss and total comprehensive loss	(4,868)	(5,905)
Items not involving cash:		
Depreciation	91	80
Stock-based compensation	6	15
Gain from sale of capital assets	-	(137)
Foreign exchange loss	35	(10)
	(4,736)	(5,957)
Changes in non-cash working capital	503	1,278
Operating activities	(4,233)	(4,679)
Financing activities	5,040	2,542
Investing activities	(28)	(104)
Exchange rate changes on cash	(35)	10
Net decrease in cash	744	(2,231)
Cash beginning of the period	897	3,654
Cash end of the period	1,641	1,423

The Company's Consolidated Statement of Financial Position as at January 31, 2018 and July 31, 2017 are summarized below.

Consolidated Statement of Financial Position (thousand $)		
	31-Jan-18	31-Jul-17
Non current assets	424	487
Current assets:		
Prepaids	171	173
Accounts receivable	417	630
Cash	1,641	897
	2,229	1,700
Total assets	2,653	2,187
Shareholders' equity / (deficiency)	161	(17)
Current liabilities:		
Deferred government grant	44	44
Accrued liabilities	696	722
Accounts payable	1,752	1,438
	2,492	2,204
Total liabilities & shareholders equity	2,653	2,187

The Company's condensed unaudited interim consolidated financial statements and management's discussion and analysis will be filed under the Company's profile on SEDAR at www.sedar.com, as well as on the Company's website.

About Helix BioPharma Corp.

Helix BioPharma Corp. is an immuno-oncology 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. Helix is currently listed on the TSX and FSE under the symbol "HBP".

INVESTOR RELATIONS

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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 other information in future periods.

Forward-looking statements include, without limitation, statements concerning (i) the Company's ability to operate as 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 DOS47, L-DOS47, V-DOS47 and CAR-T; (iv) future expenditures, the insufficiency of the Company's current cash resources and the need for financing; and (v) 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 "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", 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; that sufficient financing will be obtained in a timely manner to allow the Company to continue operations and implement its clinical trials in the manner and on the timelines anticipated; the timely provision of services and supplies 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 the Company's annual management's discussion and analysis for the year ended July 31, 2017 under the heading "Risks and Uncertainty" and Helix's Annual Information Form, 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.