Management's Discussion and Analysis of Financial Condition and Results of Operations
For the three and nine months ended April 30, 2026 and 2025

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is prepared as of June 11, 2026, and should be read in conjunction with the condensed interim financial statements of Helix BioPharma Corp. (the "Company" or "Helix") for the three and nine months ended April 30, 2026 and 2025 and the accompanying notes thereto and the annual financial statements of Helix BioPharma Corp. (the "Company" or "Helix") for the years ended July 31, 2025 and 2024 and the accompanying notes thereto. This MD&A is based on financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All amounts are depicted in thousands, except shares and per share figures and are in Canadian dollars, unless noted otherwise.

Additional information relating to the Company can be found in the Company's Annual Information Form, which is available on SEDAR+ at www.sedarplus.com.

FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities laws (collectively, "forward-looking information"). Forward-looking information means disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action and includes 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 focus of the Company's primary drug product candidate L-DOS47 and other information relating to future periods. Forward-looking information includes, without limitation, statements concerning: (i) the Company's ability to continue to operate on a going concern basis being dependent mainly on obtaining additional financing; (ii) the Company's growth and future prospects being dependent mainly on the success of L-DOS47; (iii) the Company's priority continuing to be L-DOS47; (iv) the Company's development programs, including but not limited to, extension of the current drug candidate(s) to other indications and the identification and development of further tumor-targeting antibodies for DOS47; (v) the nature, design and anticipated timeline for completion of enrollment and other matters relating to the Company's ongoing clinical study programs such as the recently approved Investigational New Drug ("IND") Phase Ib/II combination study combination with doxorubicin for previously treated advanced pancreatic cancer patients by U.S Food and Drug Administration ("FDA"); (vi) the Company seeking strategic partner support and therapeutic market opportunities; (vii) future expenditures, insufficiency of the Company's current cash resources and the need for financing and the Company's possible response for such matters; (viii) future financing requirements, the seeking of additional funding and anticipated future operating losses; (ix) further evaluation and changes to the Company's disclosure controls and procedures related to internal controls over financial reporting and informing the public of such changes, including the timeline for achieving such changes; (x) changes in the application of accounting standards and interpretations; (xi) industry performance, competition (including potential developments relating to immunotherapies and the Company's possible response to such developments), prospects, and general prevailing business and economic conditions; (xii) the Company's technology and research and development objectives, including development milestones, estimated costs, schedules for completion and probability of success; (xiii) the Company's expectation that it can in a timely manner, or at all, produce the appropriate preclinical, and if necessary, clinical data required; (xiv) the Company's plans to develop L-DOS47 and the estimated incremental costs (including the status, cost and timing of achieving the development milestones disclosed herein); (xv) the Company's intentions with respect to initiating marketing activities following receipt of the applicable regulatory approvals; (xvi) the Company's seeking of licensing opportunities to expand its intellectual property portfolio; (xvii) the Company's ability to identify and appoint a permanent Chief Executive Officer; (xviii) the Company's expectation that it will be able to finance its continuing operations by accessing public markets for its securities; (xix) the Company's intended use of proceeds of any offering of its securities; and (xv) the Company's intention with respect to not paying any cash dividends on its common shares in the capital of the Company ("Common Shares") in the foreseeable future. Forward-looking information can further be identified by the use of forward-looking terminology such as "expects", "plans", "designed to", "potential", "believe", "intended", "continues", "opportunities", "anticipated", "2026", "2027", "2028", "next", "ongoing", "seek", "objective", "estimate", "future", 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 information includes 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 information are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Forward-looking information, 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. The Company's actual results could differ materially from those anticipated in the forward-looking information contained in this MD&A as a result of numerous known and unknown risks and uncertainties, including, but not limited to:

- the Company's lack of operating income and need for additional capital which may not be available in a timely manner or at all;
- the Company's history of losses and expectations regarding incurring additional losses for the foreseeable future;
- rapid technological change and competition from pharmaceutical companies, biotechnology companies and universities, which may make the Company's technology or products obsolete or uncompetitive;
- the Company's development risks of its pipeline products; uncertainty as to the size and existence of a market opportunity for, and market acceptance of, the Company's drug product candidate including possible changes in the market for the Company's drug candidates resulting from other future cancer treatments;
- uncertainty as to product development milestones and, in particular, whether the Company's drug product candidate(s), especially L-DOS47, will be successfully developed and marketed;
- intellectual property risks, including the possibility that patent applications may not result in issued patents, that issued patents may be circumvented or challenged and ultimately struck down, that any expiry of an issued patent, may negatively impact the further development or commercialization of the underlying technology, and that the Company may not be able to protect its confidential proprietary information;
- risks relating to patent litigation;
- risks relating to security breaches and other disruptions which may compromise the Company's information and expose the Company to liability and cause the Company's business and reputation to suffer;
- risks related to the potential infringement by the Company of the intellectual property rights of third parties, and the possibility that such parties may commence legal proceedings to protect or enforce such rights, the outcome of which would be uncertain and could harm the Company's business;
- risks relating to lawsuits or other proceedings commenced by the Company to protect or enforce the Company's patents or other intellectual property, and their potential effect on the Company;
- risks relating to potential claims of third parties that the Company's employees, collaborators, consultants, or independent contractors have wrongfully used or disclosed the confidential information of third parties, or that the Company's employees have wrongfully used or disclosed alleged trade secrets of their former employers;
- research and development risks, including without limitation, the fact that the Company's drug product candidate(s) are complex compounds and the Company faces difficult challenges in connection with the manufacture of clinical batches, and the risk of obtaining negative findings or factors that may become apparent during the course of research or development, any of which may result in the delay or discontinuation of the research or development projects;
- regulatory risks, including the lengthy, unpredictable, and costly regulatory approval processes and the potential impact on the Company if such approvals are not ultimately obtained;
- the risk of unknown side effects arising from the development, manufacture, or use of the Company's products;
- risk relating to the difficulty in enrolling patients in clinical trials which may result in delays or cancellation of clinical trials;
- the Company's dependence on third parties, including without limitation, contract research organizations, contract manufacturing organizations, clinical trial consultants, collaborative research consultants, regulatory affairs advisors, and others, whose performance and interdependence can critically affect the Company's performance and the achievement of its milestones;
- the Company's significant dependence on licensed intellectual property and the risk of losing or breaching such licenses;
- the Company's dependence on assurances from third parties regarding licensing of proprietary technology owned by others;
- uncertainty as to the availability of raw materials that the Company utilizes to manufacture its products, and in particular, Good Manufacturing Practice ("GMP") grade materials, on acceptable terms or at all, and that the Company may not be able to timely obtain alternative suppliers upon commercially viable terms or at all, which could have a material adverse effect on the further development and commercialization of any or all of the Company's drug product candidate(s);
- manufacturing risks, the need to manufacture to regulatory standards, uncertainty whether the manufacturing process for the Company's drug candidates can be further scaled-up successfully or at all and the risk that clinical batches of the Company's drug candidate may not be able to be produced in a timely manner or at all, which would have a negative effect on the timing and/or occurrence of planned clinical trials and the potential commercialization of the drug candidates;
- risks relating to the Company's potential failure to find third party collaborators to assist or share in the costs of product development and the potential impact on the Company's business, financial condition, and results of operations;
- the need for future preclinical and clinical trials, and the reliance by the Company on third parties to conduct such trials, the occurrence and success of which cannot be assured, and the fact that results seen in earlier clinical trials may not be repeated in later trials;

- product liability and insurance risks;
- the risk of lawsuits and other legal proceedings against the Company;
- uncertainty as to the Company's ability to maintain product liability insurance required by third parties and the risk of the corresponding agreement being terminated;
- the need to attract and retain key personnel and reliance on key personnel;
- the risk of misconduct on the part of employees and consultants, including non-compliance with regulatory standards and requirements;
- the risk that indemnification obligations to directors and officers may adversely affect the Company's finances;
- the impact on the Company's finances resulting from shifts in foreign exchange rates, credit risk and interest rate risk;
- risks related to adverse decisions by tax authorities and changes in law;
- risks relating to the potential financial strain on the Company's resources due to the requirements of being a public company;
- the impact of the ongoing volatility in the economic environment;
- risks relating to compliance with environmental laws;
- risk relating to a failure to maintain an effective system of internal controls;
- risks related to epidemics, pandemics, or other health crises, including the coronavirus ("COVID-19") pandemic, and their potential effect on the Company's business, operations and financial condition;
- risks associated with default of the Company's debts, primarily relating to the Funding Agreement (as defined herein) governing the Convertible Security (as defined herein);
- volatility in the trading price and volume of the Common Shares and potential challenges in maintaining listing requirements;
- the possibility of dilution to current shareholders from future equity or convertible debt financings or through the exercise of stock options ("Options"), warrants ("Warrants") or other securities convertible or exchangeable into Common Shares;
- liquidity of the Common Shares;
- the risk that inaccurate or unfavorable research about the Company's business, or the lack of research about its business, may affect the share price and trading volume of the Common Shares;

and other risk factors that are discussed above and elsewhere in this MD&A or identified in the Company's other public filings under the Company's profile on SEDAR+ at www.sedarplus.com (collectively, the "Helix Risk Factors"), any of which could cause actual results to vary materially from current results or the Company's anticipated future results. Forward-looking information in this MD&A is based on certain material factors, estimates or assumptions, which may prove to be incorrect, including, but not limited to assumptions about: general business and current global economic conditions; future success of current research and development activities; achievement of development milestones; inability to achieve product cost targets; competition; changes to tax rates and benefits; the availability of financing on a timely basis; the Company's and competitors' costs of production and operations; the Company's ability to attract and retain skilled employees; receipt of all applicable regulatory approvals/clearances; protection of the Company's intellectual property rights; market acceptance of the Company's product candidates; the Company's ability to meet the continued listing requirements of the Toronto Stock Exchange (the "TSX"); and that the Helix Risk Factors will not cause the Company's actual results or events to differ materially from the forward-looking information. The Company cautions that the foregoing list of important factors and assumptions is not exhaustive.

For the reasons set forth above, investors should not place undue reliance on forward looking information. The forward-looking information is based on the beliefs, assumptions, opinions, and expectations of the Company's management at the time they are made, and the Company does not assume any obligation to update any forward-looking information should those beliefs, assumptions, opinions or expectations, or other circumstances change, except as required by law.

Data relevant to estimated market sizes in connection with Company's lead products under development are presented in this MD&A. These data have been obtained from a variety of published resources, including published scientific literature, websites, and information generally available through publicized means. The Company attempts to source reference data from multiple sources whenever possible for confirmatory purposes. Although the Company believes the data is reliable, the Company has not independently verified the accuracy and completeness of this data.

OVERVIEW

Helix is a clinical-stage biopharmaceutical company developing unique therapies for the prevention and treatment of cancer based on its proprietary CEACAM6 targeting technological platform, its lead compound L-DOS47, and its acquired GEMCEDA and LEUMUNA programs.

The GEMCEDA and LEUMUNA programs were acquired by the company under the terms of an asset purchase agreement on November 28, 2024 and amended on December 5, 2024, with Laevoroc Immunology AG and Laevoroc Chemotherapy AG, both privately held, Swiss oncology companies (together, the "Laevoroc asset acquisitions"). The transactions closed on May 20, 2025 and as a result, Helix acquired the intellectual property, assigned agreements and rights to LEUMUNA (LR 09, ulodesine hemiglutarate) and GEMCEDA.

LEUMUNA is an oral immune checkpoint inhibitor in preclinical development for patients relapsing with leukemia after the intensive journey of allogeneic stem cell transplantation (SCT). LEUMUNA is a novel, patented chemical entity discovered to be a metabolic immune checkpoint inhibitor and granted orphan drug designation by the United States Food and Drug Administration (FDA) in 2022.

GEMCEDA is an oral gemcitabine chemotherapy combined with cedazuridine that near matches the bioavailability of its intravenous counterpart, while providing a more tolerable treatment regimen for patients with prevalent, hard-to-treat cancers. Gemcitabine is a World Health Organization essential medicine, and GEMCEDA is a patented prodrug in preclinical development to offer a spectrum of disease-limiting and life-enhancing treatment outcomes for these patients.

L-DOS47, the most advanced development product targeting the tumor microenvironment, is designed to reduce tumor acidity, an escape mechanism that cancer cells utilize to evade the anti-tumor immune response. Tumor acidity has been shown to correlate with resistance to anti-cancer treatment and poor prognosis for cancer patients. Over recent months, the Company's proprietary technology CEACAM6 platform, has yielded three new drug product candidates and concepts which are in early discovery stage. The constructs are two classical antibody-drug-conjugates, bifunctional, targeting CEACAM6 and a CEACAM6 nanobody carrying a radioisotope targeting pancreatic cancer (CEACAM6-RL-ST).

L-DOS47, under US IND and clinical trial approval elsewhere, passed through a clinical development program comprising of a Phase I/II non-small cell lung cancer (NSCLC) monotherapy clinical study in Poland, a Phase I NSCLC combination study with pemetrexed and carboplatin in the United States, and a Phase II NSCLC combination study with vinorelbine and cisplatin in Ukraine and Poland. In August 2019, the Company started a Phase Ib combination study utilizing L-DOS47 with doxorubicin in patients with previously treated advanced pancreatic cancer in the United States, which is in final stage of completion.

Preclinical research with the Moffitt Cancer Center ("Moffitt") in Tampa started in 2017, investigating the potential benefits of combining L-DOS47 with the immune checkpoint inhibitor pembrolizumab. The Moffitt collaboration has been completed and the final report has been received. Another preclinical collaboration initiated with the University Hospital of Tübingen investigated the ability of L-DOS47 to affect tumor acidity with imaging technology. The Collaboration was terminated in August 2024, due to a refocus of the L-DOS47 programme on clinical development in NSCLC.

Among the discovery programs, the CEACAM6-RL-ST has started and is currently in an AI-assisted optimization process with regards to target affinity and manufacturability. The company is currently assessing potential vendors for the two bifunctional ADCs for discovery and characterization.

The GEMCEDA and LEUMUNA programs are both in preclinical stage approximately one year away from clinical studies. Pharmacology, active pharmaceutical ingredient (API) and formulation development have been almost completed while toxicology programs for both programs will need to be discussed with the FDA. The programs are expected to commence for full IND development once the company has secured sufficient funds.

The Company has an extensive patent portfolio that includes company-owned and licensed patents and pending applications, including, but not limited to, the use of L-DOS47 as immunoconjugate for cancer treatment. Issued patents have coverage in all major pharmaceutical markets including North America, Europe, and Asia and the company has secured composition-of-matter patents on L-DOS47 through at least 2036.

In November 2024, the Company was issued U.S. Patent No. 11931422, entitled 'Antibody-Urease Conjugates for Therapeutic Purposes', relating to Helix's first-in-class antibody-drug conjugate (ADC) platform, L-DOS47, and the optimization of conjugation ratios for a proprietary antibody that precisely binds to tumor cells expressing high levels of CEACAM6, conjugated to urease, an enzyme capable of alkalizing the acidic tumor microenvironment (TME).

The acquired patent portfolios of GEMCEDA and LEUMUNA are at national stage of approval and, if granted, would provide coverage until 2043 and 2041, respectively.

In September 2024, the Company commenced trading on the Frankfurt Boerse under the following:

Trading symbol: HBP0
WKN: A40GN1
ISIN: CA4229102088

RESEARCH AND DEVELOPMENT ACTIVITIES

Background

CEACAM6 Platform Technology

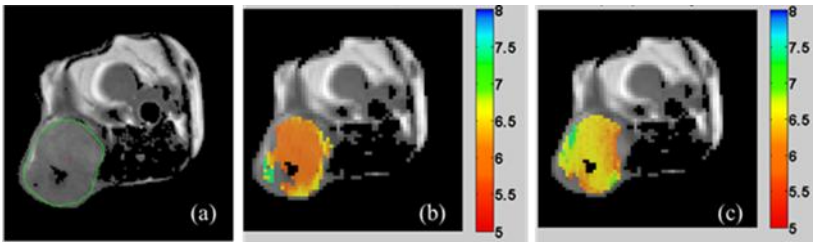
CEACAM6 is a cell surface protein that is upregulated in several types of cancer, including NSCLC and pancreatic cancer. In lung adenocarcinoma, CEACAM6 expression has been significantly associated with adverse clinical outcomes. Similarly, the median survival of pancreatic adenocarcinoma patients with CEACAM6-positive tumors has been shown to be significantly shorter than that of patients with CEACAM6-negative disease.

L-DOS47 Background

L-DOS47 is a first-in-class antibody–enzyme conjugate (AEC) designed to neutralize the acidic tumor microenvironment (TME) and thus "take the brakes off" anti-cancer immunity. It consists of a jack-bean urease enzyme chemically linked to antibody fragments (nanobodies) that target CEACAM6, a cell-surface protein overexpressed in many NSCLC tumors but sparse in healthy tissue. Upon intravenous administration, the L-DOS47 nanobodies guide the conjugate to CEACAM6-positive tumor cells, anchoring the urease in the tumor milieu. The urease then converts endogenous urea into ammonia and carbon dioxide, raising local pH and neutralizing tumor acidity.

Solid tumors often acidify their surroundings via aerobic and anaerobic metabolism, creating an immunosuppressive "acidic stronghold" that blunts T-cell activity and reduces chemotherapy and immunotherapy efficacy. Low pH in the TME impairs immune cell function and helps tumors evade immune checkpoints and resist drugs. By buffering tumor acidity, L-DOS47 aims to recondition the TME: higher pH can improve T-cell infiltration, activation, and cytokine release, making tumors more susceptible to immune attack. In essence, L-DOS47 is pitched as a "force multiplier" for other therapies – it does not directly kill tumor cells in the traditional cytotoxic sense but primes the tumor to respond better to today's "front-running" treatments (chemotherapy, checkpoint inhibitors, etc.).

Key preclinical experiments demonstrated the ability of L-DOS47 to raise the pH of the TME *in vivo* in both, lung and pancreatic cancer preclinical models, using multiple imaging methods including Phosphorus-31 Magnetic Resonance Spectroscopy (PMRS) and Chemical Exchange Saturation Transfer Magnetic Resonance Imaging (CEST MRI, see images below). *In vitro* experiments have shown that L-DOS47 successfully restored CD8+ T cell activity, as observed by increased production of the proinflammatory cytokine, interleukin-2 (IL-2). Treatment with L-DOS47 significantly enhanced the ability of an anti-PD1 antibody to control growth of human CEACAM6-expressing pancreatic tumors in mice. A manuscript on this work was recently published in the journal *Biomedicines* (Jardim-Perassi, BV *et al* 2024).



CEST MRI of iopamidol for pH imaging [1] of a Panc02 clone 38 subcutaneous (SC) tumor. (a) T2 weighted image, (b) CEST MRI before L-DOS47 injection, (c) ~30 minutes after 90 µg/ kg L-DOS47 injection. The difference in mean pH is 0.38 units. L-DOS47 was administered iv. Iopamidol was administered SC, next to the tumor.

L-DOS47 Clinical Program

The Company has completed three clinical studies under the L-DOS47 program. Three clinical studies involved the treatment of NSCLC: A Phase I combination study (LDOS001) conducted in the U.S., a Phase I/II monotherapy study concluded in Poland (LDOS002), and a Phase II combination study running in Eastern Europe (LDOS003). A fourth clinical study, a Phase Ib/II study (LDOS006) investigating the treatment of metastatic pancreatic adenocarcinoma, is completed and in the final stage of generating the CSR (Clinical Study Report).

***LDOS001** – A Phase I combination therapy trial in lung cancer*

LDOS001 was a Phase I, open label, dose escalation study of L-DOS47 in combination with standard doublet therapy of pemetrexed/carboplatin in patients with stage IV (TNM M1a and M1b) recurrent or metastatic non-squamous NSCLC. Patients received standard of care doses of pemetrexed [500 mg/m2] and carboplatin [AUC6], respectively, on Day 1 of a 3-week cycle, in combination with L-DOS47 (starting dose 0.59 µg/kg), administered weekly. The objective of the study design was to evaluate safety and tolerability, as well as determine the maximum tolerated dose ("MTD") of L-DOS47, in combination treatment.

Fourteen (14) patients were enrolled across six dosing cohorts, starting at 0.59 and increasing up to 9.0 µg/kg. The MTD was not achieved as none of the patients experienced any dose-limiting toxicity ("DLT"). Fifty percent (50.0%) of patients experienced at least one treatment emergent adverse event assessed as study drug-related, with 14.3% of patients experiencing at least one grade 3/4 drug-related toxicity. Although the study was not designed specifically to assess efficacy, preliminary results showed that of 12 patients evaluable for efficacy, five patients (41.7%) had a partial response ("PR"), four patients (33.3%) experienced stable disease (SD) and three patients (25.0%) had progressive disease ("PD"). The objective response rate was 41.7%, with a median duration of 187 days, and a clinical benefit rate of 75.0% with a median duration of 141 days. L-DOS47, in combination with pemetrexed/carboplatin, was well tolerated with promising anti-tumor activity against non-squamous NSCLC.

***LDOS002** – A phase I/II monotherapy trial in lung cancer*

LDOS002 was a Phase I/II open-label, non-randomized, dose escalation study of L-DOS47 as a monotherapy in adult subjects with inoperable, chemo-naïve, or refractory Stage IIIb or IV non-squamous NSCLC. The primary objectives of the Phase I portion of the study were to evaluate safety and tolerability of ascending doses of L-DOS47 and define the MTD. Patients received weekly doses of L-DOS47, administered as an intravenous infusion over 14 days, followed by seven days rest (with one treatment cycle occurring over three weeks).

Despite a total of 55 patients being dosed across 16 dose levels ranging from 0.12 up to 13.55 µg/kg, the MTD was not reached. There was only one single DLT of spinal/bone pain reported at the 5.76 µg/kg dose level. The weekly dosing schedule of L-DOS47 for all doses up to 13.55 µg/kg was otherwise well tolerated. A dose response trend was observed when comparing the percentage of patients who were progression-free at 16 weeks across dose ranges, according to Response Evaluation Criteria in Solid Tumors ("RECIST") version 1.1. A similar trend was observed when comparing the percentage of patients who had stable disease and had a reduction in target lesions.

Evaluation of initial results from Phase II, Stage 1 did not yield ≥1 partial or complete response at any time point as defined by protocol. Consequently, the study did not proceed to Phase II, Stage 2, and the development of L-DOS47 as monotherapy treatment of non-squamous NSCLC was discontinued. The results were recently published in *Frontiers in Oncology*, https://doi.org/10.3389/fonc.2025.1544967.

LDOS003 – *A Phase II combination therapy trial in lung cancer*

LDOS003 was a Phase II, open-label, randomized study of L-DOS47 in combination with vinorelbine/cisplatin vs vinorelbine/cisplatin alone in patients with lung adenocarcinoma. The approved protocol called for patients receiving L-DOS47 to be dosed on days 1 and 8 of each 21-day treatment cycle, along with standard vinorelbine/cisplatin chemotherapy for a total of four treatment cycles.

Patient recruitment began in February 2019 but halted in April 2020. At the time, the first two cohorts (6 and 9 µg/kg) in Part I of the study had been completed. Two (2) patients had also been dosed in the third cohort, 12 µg/kg, but the cohort could not be completed due to pandemic lockdown and a supply chain issue for the required vinorelbine dosages from the manufacturer, which was expected to continue into 2021. Consequently, the Company made the decision to terminate further recruitment, proceed to data analysis and not move forward with Part II of the study.

***LDOS006** – A Phase Ib/II combination trial in pancreatic cancer*

LDOS006 is a phase Ib/II, open label, non-randomized study designed to evaluate the safety, tolerability, and preliminary efficacy of L-DOS47 in combination with doxorubicin in patients aged ≥ 18 years old with metastatic pancreatic cancer who have progressed on at

least two prior treatment regimens. The study applies a standard 3 + 3 algorithm for the initial dose escalation (starting at 3 µg/kg) to determine the L-DOS47 maximum tolerated dose to be later used in combination with doxorubicin for the Phase II part of the study to assess preliminary anti-tumour activity. Patients are dosed weekly with four weeks making up one treatment cycle up to a maximum of eight cycles. The trial was initiated in November 2019 and study enrolment has now concluded with final patient follow-up completed in October 2024. Data and sample analyses are ongoing with the clinical study report expected to be issued around September 2026.

***LDOS007** – A Phase Ib/II randomized combination trial in lung cancer*

LDOS007 is a new Phase Ib/II, open label, randomized study currently in development after receiving EOP1 FDA feedback to move forward with investigating L-DOS47 in combination with pembrolizumab for first-line treatment of NSCLC. The study design will include an initial dose escalation safety lead-in investigating low, medium and high L-DOS47 dose levels in combination with standard pembrolizumab, followed by a randomized Phase II to test two selected L-DOS47 dose levels in combination versus standard pembrolizumab alone. The objective of the study is to determine the optimal biological dose for the pivotal Phase III program.

Manufacturing

L-DOS47 is an immunoconjugate drug composed of single chain antibody molecules with binding specificity for CEACAM6 that are cross-linked with a purified urease enzyme derived from the jack bean plant (*Canavalia ensiformis*).

The urease component is extracted from jack beans through a multistage process that yields an enzyme with high activity and purity. The llama-derived recombinant antibody is manufactured in *E. coli* and the purified antibodies are covalently linked to the urease enzyme by a chemical cross-linker to create the L-DOS47 drug substance. The drug substance is filled and lyophilized into the final L-DOS47 drug product for use in the clinic. The Company has extensively characterized L-DOS47 and maintains a comprehensive analytical program for the drug substance, drug product, and the urease and antibody intermediates.

A Polysorbate 80, 1% w/w in water for injection diluent is co-mixed with L-DOS47 in normal saline prior to administration to prevent protein adsorption to the saline bags and IV tubing that are used to administer the drug to patients in the clinic.

Manufacturing, release, and stability testing of L-DOS47 and the Polysorbate 80, 1% diluent is currently conducted by contract manufacturing organizations ("CMOs") and contract testing laboratories ("CTLs") in the U.S and Canada. The Company requires all CMOs and CTLs to maintain compliance with current GMP and to be licensed by the national regulatory authority in their jurisdiction. Company employees and consultants provide technical, quality, and regulatory oversight for all operations related to L-DOS47 production. Currently, the Company has service and quality agreements with several CMOs/CTLs for clinical-stage manufacturing, testing, and release of the L-DOS47 drug substance and drug product and the Polysorbate 80, 1% diluent.

The Company's supply of L-DOS47 drug product remained within specification for all clinical trials completed to date. Additional material continues to be subjected to stability assays according to ICH Q1A (R2) guidelines, with the current lot placed on a stability study protocol which can be extended as long as the product continues to meet specifications. The batch has been found to be stable at least through the last testing point (January 2025). If the product becomes Out-of-Specification (OOS) at the real-time storage condition (2-8ºC) for two consecutive pulls before the final time point, further stability testing and clinical use may be discontinued. The current lot of Polysorbate 80, 1% diluent also remains within specification as of August 2025.

The Company has also been in discussion with various CMOs to plan out a technology transfer program to manufacture batches of L-DOS47 drug substance. As of the date of this MD&A, no commitment has been made.

If any of the stability assays for the current batch or new production batch do not meet acceptance criteria, the Company's clinical studies and any planned research and development programs would likely face delays and possibly be cancelled, which could impair the current and future value of the business. See "Risk Factors".

Product focus and strategy

The Company has decided to continue with the L-DOS47 program in a combination therapy with pembrolizumab (Keytruda) in Non-Small Cell Lung Cancer (NSCLC). A combination therapy for NSCLC will facilitate faster enrollment, particularly in first line treatment. The planned Phase Ib/randomized Phase II study is designed to aim to demonstrate the efficacy and safety of L-DOS47 in this indication.

The discovery ADCs and the nanobody carrying a radioisotope are in early-stage development but are designed to target colorectal, ovarian and pancreatic cancer, respectively.

GEMCEDA, the oral gemcitabine product, is developed to be used across several solid tumors and LEUMUNA's target indication is patients relapsing with acute leukemia after allogeneic stem cell transplantation.

Commercialization

The Company's CEACAM6 platform commercialization objective is to enter into a partnering alliance with a pharmaceutical company, on an individual or multiple drug candidate basis, potentially including all drug product candidates, or to sell the company.

SUMMARY OF QUARTERLY RESULTS

The following table depicts selected quarterly data previously reported for the last eight quarters (thousands of $, except per share data):

	Apr 30, 2026 (Q3)	Jan 31, 2026 (Q2)	Oct 31, 2025 (Q1)	Jul 31, 2025 (Q4)	Apr 30, 2025 (Q3)	Jan 31, 2025 (Q2)	Oct 31, 2024 (Q1)	Jul 31, 2024 (Q4)
Research	295	416	391	483	906	848	1,321	2,860
Operating, general and administration	395	266	537	475	647	444	273	2,402
Net loss and total comprehensive loss	(671)	(694)	(1,008)	(950)	(1,544)	(1,375)	(1,336)	(5,278)
Loss per share, basic and diluted	(0.01)	(0.01)	(0.01)	(0.01)	(0.03)	(0.02)	(0.03)	(0.11)
Cash	2,842	31	498	65	715	1,996	228	1,081
Working capital (deficiency)	(3,701)	(3,029)	(2,325)	(2,807)	(1,387)	(29)	(1,374)	(123)

Changes in research expenses of the Company are primarily driven by the clinical research and collaborative research activities carried out by third parties on behalf of the Company as well as stock-based compensation expense based on the timing of the vesting of stock options issued to employees and consultants associated with research activities in the quarters ended April 30, 2026 and 2025. The reduction in the quarter ended April 30, 2026, represents significantly lower research activity as the company concluded its study related to the LDOS006 clinical trials, as well as its collaborative research projects.

The reduction in operating, general and administrative expenses of the company reflects minimal operational activity. In Q3 2026 and Q3 2025, the Company saw the full impact of the changes in service providers relating to accounting and tax, legal, consultants and business development. However, in the quarter ended July 31, 2025 (Q4 2025), these expenses were lower primarily due lower accounting and tax expenses, as the company was transitioning to the new CFO, and lower legal fees. In Q4 2024, the stock-based compensation expense was significantly higher based on the timing of the vesting of stock options issued to employees, directors and consultants granted in that quarter.

Changes in cash as well as working capital (deficiency) results from the timing of the finances raised through private placements, as the Company incurs research and other operational costs.

RESULTS FROM OPERATIONS

	Three months ended April 30, 2026	Three months ended April 30, 2025	Nine months ended April 30, 2026	Nine months ended April 30, 2025
Expenses				
Research	$ 295	$ 906	$ 1,101	$ 3,075
Operating, general and administration	395	647	1,200	1,364
	(690)	(1,553)	(2,301)	(4,439)
Other items				
Gain on sale of property, plant and equipment	-	(1)	-	18
Finance income	1	(14)	4	(5)
Finance expense	(7)	20	(26)	16
Other income	-	-	-	268
Foreign exchange loss	25	4	(51)	(113)
Net loss	**$ (671)**	**$ (1,544)**	**$ (2,374)**	**$ (4,255)**

Net loss from operations

The Company reported a net loss and total comprehensive loss of $671 and $2,374 for the three and nine months ended April 30, 2026 respectively (three and nine months ended April 30, 2025 – $1,544 and $ 4,255 respectively) and a corresponding loss of $0.01 per common share and $0.03 for the three and nine months ended April 30, 2026(three and nine months ended April 30, 2025: a loss of $0.03 per common share, and $0.08). The decrease is primarily due to lower research and mainly attributable to closing out of Phase Ib research activities, partially offset by an increase in operating, general and administration expenses due to higher accounting and tax, legal and consultants.

Other income relates mainly to the Company's write-off of $268 during the nine months ended April 30, 2025 relating to certain old balances under accounts payable and accrued liabilities that were no longer considered payable.

Research & development

Research & development expenses for the three and nine months ended April 30, 2026, totalled $295 and $906 respectively (three and nine months ended April 30, 2025: $1,101 and $3,075 respectively). The following table outlines research and development expenses for the current and comparative periods:

	Three months ended April 30, 2026	Three months ended April 30, 2025	Nine months ended April 30, 2026	Nine months ended April 30, 2025
Research and development programs, excluding the below items	$ 148	$ 708	$ 651	$ 2,517
Salaries and benefits	146	169	431	448
Stock-based compensation	-	26	-	101
Depreciation of property, plant and equipment	1	3	4	9
Research and development investment tax credits	-	-	15	-
	$ 295	**$ 906**	**$ 1,101**	**$ 3,075**

Research and development expenditures for the three and nine months ended April 30, 2026, when compared to the three and nine months ended April 30, 2025, reduced by $560 and $1,866 or 79% and 74% respectively. The change in spending during the quarter was the net effect of the following:

a) The Company's wrapping-up of clinical trials and the Phase Ib pancreatic cancer study while starting next development activities for LDOS47 and the other programs has been postponed until successful fundraising;
b) decrease in salaries and benefits by $23 or 14% due to decreases in the salaries of personnel involved with the research activities primarily caused by the closing of the Edmonton laboratory; and
c) decrease of $26 or 100% in stock-based compensation expenses on stock options, primarily due to the timing of the stock options granted by the Company.

Operating, general and administration

Operating, general and administration expenses for the three and nine months ended April 30, 2026, totalled $377 and $647 respectively (three and nine months ended April 30, 2025: $647 and $1,364 respectively). The following table outlines operating, general and administration expenses for the current and comparative periods:

	Three months ended April 30, 2026	Three months ended April 30, 2025	Nine months ended April 30, 2026	Nine months ended April 30, 2025
Operating, general and administration, excluding the below items	$ 282	$ 542	$ 831	$ 1,209
Salaries and benefits	113	59	369	84
Director fees and Investor relations	-	12	-	15
Stock-based compensation	-	34	-	56
	$ 395	**$ 647**	**$ 1,200**	**$ 1,364**

Operating, general and administration expenditures for the three and nine months ended April 30, 2026, when compared to the three and nine months ended April 30, 2025, was lower by $260 and $378 or 48% and 31% respectively, primarily due to the following reasons:

a) increase in salaries and benefits by $36 or 61% in the current quarter. During the corresponding quarter in the previous year, the Company's expenses related to a portion of CEO, as compared to the full quarter impact of the Company's newly appointed officers earlier in 2025.

b) The operating, general and administration expenses decreased in the current quarter due to changes in service providers for accounting, minimal operations on Q2 and write-off of certain financing-related costs, both of which were absent in the corresponding quarter of the previous year.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this MD&A is based on critical accounting estimates and judgments consistent with those used in the preparation of the audited annual financial statements for the years ended July 31, 2025 and 2024. For further information, see Note 1 of the Company's audited financial statements for the years ended July 31, 2025 and 2024.

MATERIAL ACCOUNTING POLICIES

The preparation of this MD&A is based on accounting principles and practices consistent with those used in the preparation of the Company's audited annual financial statements for the years ended July 31, 2025 and 2024. For further information, see Note 2 of the Company's audited annual financial statements for the years ended July 31, 2025 and 2024.

NEW ACCOUNTING STANDARDS AND PRONOUNCEMENTS NOT YET ADOPTED

There are no new accounting standards and pronouncements issued but not yet effective up to the date of issuance of this MD&A that are expected to have a material impact on the Company.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

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 investment and financing activities.

The Company reported a net loss and total comprehensive loss of $671 and $2,374 for the three and nine months ended April 30, 2026 respectively (three and nine months ended April 30, 2025 – $1,544 and $ 4,255 respectively). As at April 30, 2026, the Company had working capital deficiency of $3,701, shareholders' equity of $14,689, cash of $2,842 and an accumulated deficit of $218,232. As at July 31, 2025, the Company had working capital deficiency of $2,807, shareholders' equity of $15,586, cash of $65 and an accumulated deficit of $215,876

On August 16, 2024, the Company completed a one-for-five (1:5) consolidation of all of its issued and outstanding common shares, resulting in a reduction in the issued and outstanding shares from 245,107,749 to 49,021,536 common shares. Shares reserved under the Company's equity and incentive plans were adjusted to reflect the Consolidation. The Consolidation was approved by the Company's shareholders at the annual general meeting held on January 18, 2024 and becomes effective on August 16, 2024. No fractional common

shares are issued in connection with the Consolidation, which are, if any, deemed to have been tendered by its registered owner to the Company for cancellation for no consideration.

On August 22, 2025, the Company closed its non-brokered private placement of 2,222,333 common shares of the Company at a price of $0.75 per Common Share for gross proceeds of $1,667.

On November 1, 2025, 20,000 stock options expired unexercised.

On December 3, 2025, the Company entered into a Subscription Agreement with Quantum Global Ventures AG for the purchase of 18,538,889 common shares at CAD 1.80 per share, for expected gross proceeds of CAD 33,370,000. The agreement was fully executed by both parties. However, subsequent to the reporting period, Quantum Global Ventures AG declared bankruptcy and the Company did not receive any of the subscription proceeds. As a result, the financing did not close.

Following the end of the reporting period, the Company signed a term sheet with Alumni Capital Limited in respect of a potential financing transaction. Consistent with the Company's confidentiality obligations, the specific commercial terms are not disclosed.

During the quarter, the Company received $3,673 in cash proceeds related to a private placement of unsecured convertible debentures. As at April 30, 2026, the debentures had not yet been issued, and the Company had not become a party to the contractual terms of the instruments. Accordingly, the proceeds have been recorded as subscription advances, presented as a current liability on the statement of financial position.

The subscription advances do not accrue interest prior to the closing of the financing and do not represent outstanding debt of the Company as at April 30, 2026. The funds were received in March 2026 and remained available to support the Company's working capital and liquidity position during the quarter.

Subsequent to quarter-end, on May 27, 2026, the Company issued unsecured convertible debentures totaling $3,673 to the subscribers. The debentures bear interest at 25% per annum (simple interest) and mature 14 months from the Closing Date, being July 27, 2027. The principal is convertible at $1.42 per common share, and accrued interest is convertible at the greater of (i) $1.42 and (ii) the 5-day VWAP less the TSX-permitted discount. The subscription advances recorded at April 30, 2026 were applied in full to the issuance of these debentures.

As at April 30, 2026, the Company's cash reserves of $2,842 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 continues to evaluate financing and capital markets alternatives to support its ongoing operations and future growth initiatives. As part of these efforts, the Company is working with legal advisors in connection with the filing of a base shelf prospectus and is engaged in discussions with prospective investment banking partners regarding future financing and capital markets opportunities. The Company is also assessing opportunities to broaden its investor base and increase access to U.S. capital markets, including the potential for a future listing on a U.S. exchange. These initiatives remain subject to market conditions, regulatory requirements, corporate approvals and other factors. There can be no assurance that any such initiatives will be completed on the terms currently anticipated.

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. While the Company has been able to raise equity financing in recent years, there can be no assurance that additional funding by way of equity financing will continue to be available. Any additional equity financing, if secured, would result in dilution to the existing shareholders and such dilution may be significant. The Company may also seek additional funding from or through other sources, including technology licensing, co-development collaborations, mergers and acquisitions, joint ventures, and other strategic alliances, which, if obtained, may reduce the Company's interest in its projects or products or result in significant dilution to existing shareholders. The Company may also seek additional funding from government grants.

There can be no assurance, however, that any alternative sources of funding will be available. The failure of the Company to obtain additional financing on a timely basis may result in the Company reducing, delaying, or cancelling one or more of its planned research, development and/or marketing programs, including clinical trials, further reducing overhead, or monetizing non-core assets, any of which could impair the current and future value of the business or cause the Company to consider ceasing operations and undergoing liquidation

Use of proceeds from the sale of securities in the past have been used for working capital, including funding the Company's ongoing research and development activities.

CONTRACTUAL OBLIGATIONS

	2026	2027	2028	2029	2030	2031+	Total
Clinical research organizations[1]	$ 289	$ -	$ -	$ -	$ -	$ -	$ 289
Operating leases	1	-	-	-	-	-	1
	$ 290	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 290**

Notes:

(1) The Company has clinical research organization supplier agreements in place for clinical research services and passthrough costs related to the Company's clinical stage programs.

Clinical Research Organization ("CRO") commitments

The Company has Clinical Research Organization supplier agreements in place for clinical research services related to the management of the Company's clinical stage programs. As of April 30, 2026 and July 31, 2025, the associated amount included in accounts payable and accrued liabilities was $878 and $911, respectively.

Collaborative Research Organizations

In fiscal 2022, the Company signed two collaboration agreements to research new and additional insights into the therapeutic response of L-DOS47; the first with the University of Tübingen for €900 and the second with Moffitt Cancer Center and Research Inc. for US$480. As at April 30, 2026, €350 and US$360 (July 31, 2025: €350 and US$360) have so far been paid to the University of Tübingen and Moffitt Cancer Center and Research Inc. respectively.

The Company has already terminated both the agreements in the previous year.

Operating lease commitments

The Company is committed to paying $1 under a month-to-month facility lease agreement (April 30, 2026: $1 under two month-to-month facility lease agreements) with notice periods of no longer than two months. During the nine months ended April 30, 2026, the Company terminated one of the facility lease agreements.

RELATED PARTY TRANSACTIONS

During the three and nine months ended April 30, 2026, the Company entered into various transactions with related parties. The related parties consist of officers, directors and shareholders or companies controlled directly or indirectly by them. The Company defines key management personnel as being the Chief Executive Officer, Chief Operating Officer, Chief Technology Officer and Chief Financial Officer. No post-employment benefits or other long-term benefits were made during this period.

The following table summarizes key management personnel compensation for the three and nine months ended:

	Three months ended April 30, 2026	Three months ended April 30, 2025	Nine months ended April 30, 2026	Nine months ended April 30, 2025
Salary and management consulting	$ 353	$ 195	$ 1,072	$ 253
Stock-based compensation	-	6	-	16
	$ 353	**$ 201**	**$ 1,072**	**$ 269**

At April 30, 2026, included in accounts payable and accrued liabilities is an amount of $398 (July 31, 2025: $340) due to related parties.

On May 20, 2025, the Company closed the Laevoroc asset acquisitions, resulting in acquisition of certain IPs amounting to $18,389 and assumed loan payable to metaShape amounting to $335 (CHF 200). On the date of closing and as at April 30, 2026, the CEO of both entities associated with the Laevoroc asset acquisitions and that of metaShape is the Company's current CEO. As at April 30, 2026 the Company's current CEO is no longer the CEO of metaShape.

During the nine months ended April 30, 2026, the Company accrued interest of $11 on loan payable to metaShape (nine months ended April 30, 2025: $Nil).

The following table summarizes non-management directors' compensation for the three and nine months ended:

	Three months ended April 30, 2026	Three months ended April 30, 2025	Nine months ended April 30, 2026	Nine months ended April 30, 2025
Stock-based compensation	$ -	$ 1	$ -	$ 3
Stock-based compensation	**$ -**	**$ 1**	**$ -**	**$ 3**

FINANCIAL 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 Board 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.

Fair value hierarchy

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair values are determined based on prevailing market rates for instruments with similar characteristics and risk profiles.

The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest-level input significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are defined as follows:

Level 1 – unadjusted quoted prices as at the measurement date for identical assets or liabilities in active markets.
Level 2 – observable inputs other than quoted prices included in level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
Level 3 – significant unobservable inputs that are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value

Fair value

The fair value of financial instruments as of April 30, 2026, approximates their carrying value because of the near-term maturity of these instruments.

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.

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. The Company is also exposed to interest rate risk on its loan payable and the impact of 1% change in interest rate for the nine months ended April 30, 2026 is $1 (nine months ended April 30, 2025: not applicable).

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.

Currency risk

The Company has international transactions and is exposed to foreign exchange risks from various currencies, primarily the U.S. dollar and Swiss Francs. In addition, foreign exchange risks arise from purchase transactions, as well as recognized financial assets and liabilities denominated in foreign currencies.

Balances in foreign currencies are as follows, as at:

	April 30, 2026				July 31, 2025			
	USD '000	CHF '000	GBP '000	EUR '000	USD '000	CHF '000	GBP '000	EUR '000
Accounts payable	(1,191)	(176)	(3)	(58)	(1,147)	(98)	(3)	(37)
Accruals	-	-	-	-	(161)	(12)	-	-
Loan payable	-	(206)	-	-	-	(200)	-	-
Net foreign currencies	**(1,191)**	**(382)**	**(3)**	**(58)**	**(1,308)**	**(310)**	**(3)**	**(37)**
Closing exchange rate	1.3624	1.7407	1.8480	1.5966	1.3844	1.7036	1.8298	1.5820
Impact of 1% change in exchange rate	+/- $16.0	+/- $6.6	+/- $0.1	+/- $0.9	+/- $18.1	+/- $5.3	+/- $0.1	+/- $0.6

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.

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, 2026	July 31, 2025
Government related – GST/HST	$ 13	$ 60
Research and development investment tax credits	-	46
Patent costs recoverable from a former subsidiary	15	15
	$ 28	**$ 121**

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

As of April 30, 2026, the Company's cash reserves of $2,842 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.

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

	April 30, 2026			July 31, 2025		
	Carrying amount	Less than one year	Greater than one year	Carrying amount	Less than one year	Greater than one year
Accounts payable	$ 2,503	$ 2,503	$ -	$ 2,303	$ 2,303	$ -
Accrued liabilities	158	158	-	578	578	-
Loan payable	359	359		335	335	
Subscription received	3,673	3,673	-	-	-	-
	$ 6,693	**$ 6,693**	**$ -**	**$ 3,216**	**$ 3,216**	**$ -**

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

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no material off-balance sheet arrangements.

PROPOSED TRANSACTIONS

As of the date of this MD&A, the Company did not have any proposed transactions.

INTELLECTUAL PROPERTY

The Company protects its intellectual property rights through a robust combination of patent, copyright, trademark, and trade secrets as well as with confidentiality and invention assignment agreements.

The Company seeks intellectual property protection in various jurisdictions around the world and owns patents and patent applications relating to products and technologies in the United States, Canada, Europe, and other jurisdictions.

As of April 30, 2026, the Company had rights to 20 issued patents, 7 pending national applications and one pending international application. Of the issued patents, four are U.S. patents, which will expire between April 3, 2034, and September 22, 2037, assuming all required fees are paid. The Company's patents and patent applications cover aspects of its current and future product concepts. The pending international patent application preserves an opportunity to pursue patent rights in multiple countries. As of April 30, 2026, the Company had two registered trademarks in Canada. Patents acquired from Laevoroc Chemotherapy and Laevoroc Immunology are at national stage of registration. Patents are expected to be granted in 2025 in Europe, USA, Canada, Mexico, India. China, Hong Kong, Japan and South Korea.

The Company also relies, in part, upon unpatented trade secrets, know-how and continuing technological innovation, and may in the future rely upon licensing opportunities, to develop and maintain our competitive position. The Company protects its proprietary rights through a variety of methods, including confidentiality and assignment agreements with suppliers, employees, consultants, and others who may have access to the Company's proprietary information.

While there is no active litigation involving any of the Company's patents or other intellectual property rights and the Company has not received any notices of patent infringement, the Company may be required to enforce or defend its intellectual property rights against third parties in the future.

Patents and other proprietary rights are very valuable to the Company and involve complex legal and factual issues. The Company has no assurance that any of its patent applications will result in the issuance of patents. Even issued patents may not provide the Company with a competitive advantage against competitors with similar technologies, or who have designed around the Company's patents. Furthermore, the Company's patents may be invalidated or found enforceable if challenged. Intellectual property laws vary from country to country which may result in varying levels of intellectual property protection.

Because of the substantial length of time and expense associated with developing new products, the pharmaceutical, medical device, and biotechnology industries place considerable importance on obtaining patent protection for new technologies, products, and processes. The Company's policy is to file patent applications to protect inventions, technology, and improvements that are important to the development of its business and with respect to the application of our products and technologies to the treatment of several diseases. The Company's policy also includes regular reviews related to the development of each technology and product considering its intellectual property protection, with the goal of protecting all key research and developments by patent.

The Company will continue to seek intellectual property protection as appropriate and require our employees, consultants, outside scientific collaborators, and sponsored researchers to enter into confidentiality agreements with the Company that contain assignment of invention clauses outlining ownership of any intellectual property developed during the course of the individual's relationship with the Company.

Patents

The Company currently owns several patents in respect of the DOS47 technology and while the licensed patent rights from the NRC for the antibody component of L-DOS47 has expired. The NRC patent expired on Aug 17, 2024, therefore the licensing agreement ceased. In addition to issued patents, the Company has filed several new patent applications around the world.

In November 2024, the Company was issued U.S. Patent No. 11931422, entitled 'Antibody-Urease Conjugates for Therapeutic Purposes', relates to Helix' first-in-class antibody-enzyme conjugate (AEC) platform, L-DOS47, and the optimization of conjugation ratios for a proprietary antibody that precisely binds to tumour cells expressing high levels of CEACAM6, conjugated to urease, an enzyme capable of alkalizing the acidic tumour microenvironment (TME).

OUTSTANDING SHARE DATA

The Company is authorized to issue 10,000,000 preferred shares. As of the date of this MD&A, the Company has nil preferred shares issued and outstanding.

The Company is authorized to issue an unlimited number of common shares without par value. As at the date of this MD&A, the Company has 76,378,098 common shares issued and outstanding.

As at the date of this MD&A, the Company had the following securities convertible into common shares outstanding:

1. Warrants to purchase up to 391,411 Common Shares.
2. Options to purchase up to 3,186,667 Common Shares.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Management has designed the Company's disclosure controls and procedures ("DC&P") to provide reasonable assurance that all relevant information is gathered, recorded, processed, summarized and reported to the Chief Executive Officer and the Chief Financial Officer of the Company so that appropriate decisions can be made within the time periods specified in securities legislation regarding public disclosure by the Company in its annual filings, interim filings or other documents or reports required to be filed or submitted by it under securities legislation.

Management has also designed internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of its condensed interim financial statements for external purposes, as applicable, in accordance with IFRS. Because of its inherent limitations, ICFR can provide only reasonable assurance and may not prevent or detect misstatements. Further, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Management Report on ICFR and DC&P

Management is responsible for establishing and maintaining adequate ICFR and has designed such ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation and fair presentation of annual consolidated financial statements for external purposes in accordance with IFRS.

Management, including the Chief Executive Officer and Chief Financial Officer, do not expect that the Company's ICFR will prevent all error and all fraud. A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control

issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control.

The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving our stated goals under all potential future conditions. Because of the inherent limitations in /a cost-effective control system, misstatements due to error or fraud may occur and not be detected. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As of April 30, 2026, the Company's Chief Financial Officer and Chief Executive Officer evaluated the effectiveness of the Company's internal controls over financial reporting and identified no material weakness resulting from the Company's limited accounting resources and technical expertise to ensure complex and non-routine transactions are addressed during the condensed interim financial statement close process.

Management believes, based on its knowledge, that (i) this MD&A does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements not misleading, in light of the circumstances under which they were made, with respect to the period covered by this MD&A and, (ii) the condensed interim financial statements and other financial information included in this MD&A, fairly present in all material respects the financial condition, results of operations and cash flows at, and for, the fiscal periods presented in this MD&A.

RISKS AND UNCERTAINTIES

The Company is subject to risks, events and uncertainties, or "risk factors", associated with being a publicly traded company operating in the biotechnology industry, with research and development stage projects in pre-clinical discovery and clinical development and with no expectation of revenue or profits in the foreseeable future and, as such, is heavily dependent on raising sufficient capital on a timely basis in order to advance the Company's drug development programs. As a result of these risk factors, reported information and forward-looking information may not necessarily be indicative of future operating results or of future financial position, and actual results may vary from the forward-looking information or reported information. The Company cannot predict all of the risk factors, nor can it assess the impact, if any, of such risk factors on the Company's business or the extent to which any factor, or combination of factors, may cause future results or financial position to differ materially from either those reported or those projected in any forward-looking information. Accordingly, reported financial information and forward-looking information should not be relied upon as a prediction of future actual results. Some of the risks and uncertainties affecting the Company, its business, operations, and results which could cause actual results to differ materially from those reported or from forward-looking information include, either wholly or in part, those described elsewhere in this MD&A, as well as the following:

Risks Related to the Company's Business

The Company does not have any source of operating income and is dependent solely on outside sources of financing

The Company's operations consist of research and development activities, which do not generate any revenue. Accordingly, the Company has no source of revenue, positive operating cash flow or operating earnings to subsidize its ongoing research and development and other operating activities and the ability of the Company to continue as a going concern is dependent upon the Company's ability to rely on cash on hand, and on outside sources of financing to fund its ongoing research and development and other operating activities.

Such sources of financing involve risks, including that the Company will not be able to raise such financing on terms satisfactory to the Company or at all, and that any additional equity and/or any convertible debt financing, if secured, would result in dilution to existing shareholders, and that such dilution may be significant. The Company may also seek additional funding from or through other sources, including technology licensing, co-development collaborations, mergers and acquisitions, joint ventures, and other strategic alliances, which, if obtained, may reduce the Company's interest in its projects or products or result in significant dilution to existing shareholders. The Company may also seek additional funding from government grants. There can be no assurance, however, that any alternative sources of funding will be available. The failure of the Company to obtain additional financing on a timely basis may result in the Company reducing, delaying, or cancelling one or more of its planned research and development programs, including clinical trials, further reducing overhead, or monetizing non-core assets, any of which could impair the current and future value of the business or cause the Company to consider ceasing operations and undergoing liquidation.

The Company has a history of losses and expects to continue to incur additional losses for the foreseeable future

The Company's primary focus continues to be on its research and development of drug product candidates. The research and development of drug product candidates require the expenditure of significant amounts of cash over a relatively long-time period. The Company expects to continue to incur losses from continuing operations for the foreseeable future. The Company's accumulated deficit as of April 30, 2026, is $218,232. There can be no assurance that the Company will record earnings in the future or that the drug product candidates under development by us will be approved for sale in Canada, the United States, or elsewhere. Furthermore, there can be no assurance that if such products are approved, they will be successfully commercialized, and the extent of our future losses and the timing of our profitability are highly uncertain. If we are unable to achieve profitability, we may be unable to continue our operations.

The Company faces risks in connection with competition and technological change

The biotechnology industry is subject to rapid and substantial technological change. Technological competition from pharmaceutical companies, biotechnology companies and university researchers are intense and is expected to continue to be intense. The rapid advancement of immunotherapies has and likely will continue to significantly change the treatment of cancer and may result in a reduction, which may be significant, in the potential patient population and/or treatment protocols available to chemotherapies and other treatments currently in development, such as the Company's primary drug product candidate, L-DOS47.

Developments in immunotherapies have resulted in the Company repositioning its L-DOS47 lead drug product candidate away from a front-line monotherapy protocol towards second and third-line combination therapies with existing chemotherapy drugs and possibly in combination with immunotherapies, resulting in additional expenditures and delays in previously anticipated development timelines for L-DOS47. Advancements in technology can impact the Company at any time and as such, any further repositioning, would likely result in additional expenses being incurred by the Company and in further delays in the anticipated development timeline for L-DOS47, or in the Company determining that its L-DOS47 drug product candidate is no longer viable. The Company is currently heavily dependent on the success of its lead drug product candidate L-DOS47, which is the only drug candidate currently in clinical development.

The Company cell-based therapies initiative may face significant hurdles. The Company's effort is mainly at research proof-of-concept stage. It is possible that the selected targets or choice of antibodies are not optimal. This can delay the initiation of formal preclinical and clinical development significantly. The Company has chosen to develop cell-based therapy for solid tumour. While there are many successful examples of cell-based therapy treatment in hematological malignancies, similar success in solid tumour is less certain.

Many of the Company's competitors have substantially greater financial, technical, and human resources and significantly greater experience in conducting preclinical testing and human clinical trials of product candidates, scaling up manufacturing operations and obtaining regulatory approvals of products. Accordingly, the Company's varying competitors may succeed in obtaining regulatory approval for products more rapidly.

The Company's ability to compete successfully will largely depend on:

- the efficacy and safety profile of our product candidates relative to marketed products and other product candidates in development;
- our ability to develop and maintain a competitive position in the product categories and technologies on which we focus;
- the time it takes for our product candidates to complete clinical development and receive marketing approval;
- our ability to obtain required regulatory approvals;
- our ability to commercialize any of our product candidates that receive regulatory approval;
- our ability to establish, maintain and protect intellectual property rights related to our product candidates; and
- acceptance of any of our product candidates that receive regulatory approval by physicians and other healthcare providers and payers.

Competitors have developed and may develop technologies that could be the basis for products that challenge the differentiated nature and potential for best-in-class product development programs and discovery research capabilities of the DOS47 platform technology. Some of those products may have an entirely different approach or means of accomplishing the desired therapeutic effect than our product candidates and may be more effective or less costly than our product candidates.

The success of our competitors and their products and technologies relative to our technological capabilities and competitiveness could have a material adverse effect on the future preclinical studies and clinical trials of our product candidates, including our ability to obtain the necessary regulatory approvals for the conduct of such clinical trials. This may further negatively impact our ability to generate future product development programs with improved pharmacological properties. If we are not able to compete effectively against our current and future competitors, our business will not grow, and our financial condition and operations will substantially suffer.

The Company is heavily dependent on the success of a single drug product candidate

The Company's future success is dependent primarily on the regulatory approval and commercialization of a single drug product candidate, L-DOS47, which is the Company's only drug candidate currently in clinical development. The Company does not have any products that have obtained regulatory approval. The Company is conducting early-stage research and development initiatives on other product candidates which will require further time-consuming and costly research and development. There can be no assurance that L-DOS47 or any other drug product candidate will ever be successfully developed or commercialized. As a result, the Company's near-term prospects, including its ability to finance its operations and generate revenue, are substantially dependent on its ability to advance clinical development, obtain regulatory approval for, and, if approved, to successfully commercialize L-DOS47 in a timely manner.

The Company's single lead drug product candidate, L-DOS47, may not be accepted by the market and may never generate revenue and the Company has limited sales, marketing, and distribution experience

Even with regulatory approval, the Company may not achieve market acceptance of its lead drug product candidate, L-DOS47, which depends on a number of factors, including the establishment and demonstration in the medical community of the clinical utility of the Company's products, and their potential advantage over alternative treatment methods. There is also the risk that the actual market size or opportunity for any drug candidate developed by the Company is uncertain. Failure to gain market acceptance of the Company's products or an incorrect estimate in the nature and size of the markets for the Company's products could have a material adverse effect on the Company.

The Company has limited sales, marketing and distribution experience, and there is no assurance that the Company will be able to establish adequate sales, marketing, and distribution capabilities or make arrangements with any collaborators, strategic partners, licensees, or others to perform such activities, or that such efforts will be successful. The Company's objective for

L-DOS47 is to enter into strategic alliances with appropriate pharmaceutical partners. There can be no assurance that any such strategic alliance will be maintained or achieved, or if achieved, that it will result in revenue to the Company.

The timing of the Company's internal goals and projected timelines may not be met

The Company sets internal goals for and makes public statements regarding its expected timing of meeting the objectives material to its success, including the commencement, duration, and completion of clinical trials, and anticipated regulatory approvals. The actual timing of these forward-looking events can vary dramatically due to a number of factors, including, without limitation, delays in scaling-up of drug product candidates, delays or failures in clinical trials, additional data requirements from the regulators, the Company failing to obtain required financing, and other risks referred to herein. Without limiting the generality of the foregoing, it is possible that required regulatory approvals may be delayed or denied, including those related to undertaking or continuing clinical trials, manufacturing of drug products, and marketing such products.

A failure to obtain necessary financing or a change in the schedule of a clinical trial (which may occur for many reasons, including due to factors beyond the Company's reasonable control, such as scheduling conflicts, the occurrence of serious adverse events, interruption of supplies of study drugs, withdrawals of regulatory approvals, or slow patient recruitment) could delay the commencement or completion of the clinical trial, or result in its suspension or early termination, which could have a material adverse effect on the Company.

We will have significant additional future capital needs in 2025 and beyond and there may be uncertainties as to our ability to raise additional funding in the future to meet these needs

We will require significant additional capital resources to expand our business, in particular the further development of our product candidate, L-DOS47. Advancing our product candidate, marketing for our product, or acquisition and development of any new products or product candidates will require considerable resources and additional access to capital markets. In addition, our future cash requirements may vary materially from those now expected. For example, our future capital requirements may increase if:

- we experience unexpected or increased costs relating to preparing, filing, prosecuting, maintaining, defending, and enforcing patent claims, or other lawsuits, brought by either us or our competition;
- we experience scientific progress sooner than expected in our discovery, research, and development projects, if we expand the magnitude and scope of these activities, or if we modify our focus as a result of our discoveries;
- we are required to perform additional pre-clinical studies and clinical trials; or
- we elect to develop, acquire, or license new technologies, products, or businesses.

The Company could potentially seek additional funding through corporate collaborations and licensing arrangements or through public or private equity or debt financing. However, if capital market conditions in general, or with respect to life sciences companies such as ours, are unfavorable, our ability to obtain significant additional funding on acceptable terms, if at all, will be negatively affected. Additional financing that we may pursue may involve the sale of Common Shares which could result in significant dilution to our shareholders. If sufficient capital is not available, we may be required to delay our research and development projects, which could harm our business, financial condition, prospects, or results of operations.

The Company may not obtain adequate protection for its products through its intellectual property

The Company's success depends, in large part, on the Company's ability to protect its competitive position through patents, trade secrets, trademarks, and other intellectual property rights. The Company's success, competitive position, and future revenues with respect to its product candidates will depend, in part, on the Company's ability to protect its intellectual property. The Company will be able to protect its proprietary rights from unauthorized use by third parties only to the extent that its proprietary rights are covered by valid and enforceable patents or are effectively maintained as trade secrets.

The Company seeks intellectual property protection in various jurisdictions around the world and owns patents and patent applications relating to biological products and technologies in the United States, Canada, Europe, and other jurisdictions. The scope and duration of the Company's intellectual property rights vary from country to country depending on the nature and extent of the Company's intellectual property filings, the applicable statutory provisions governing the intellectual property, and the nature and extent of the Company's legal rights. The Company's failure to do so may adversely affect the Company's business and competitive position.

The patent positions of pharmaceutical and biopharmaceutical firms, including the Company's, are uncertain and involve complex questions of law and fact for which certain important legal issues remain unresolved. The patents issued or to be

issued to the Company may not provide the Company with any competitive advantage. The Company may not be able to protect its intellectual property rights throughout the world. The Company's patents may be challenged by third parties in patent litigation. In addition, it is possible that third parties with biological products that are very similar to the Company's may circumvent the Company's patents by means of alternate designs or processes. The Company may have to rely on method of use patent protection for its biological products in development and any resulting biological products, which may not confer the same level of protection as protection of the Company's biological products per se.

The Company may be required to disclaim part of the term of certain patents in the United States. There may be prior art of which the Company is not aware that may affect the validity or enforceability of a patent claim. There also may be prior art of which the Company is aware, but which the Company does not believe affects the validity or enforceability of a claim, which may, nonetheless ultimately be found to affect the validity or enforceability of a claim. No assurance can be given that the Company's patents would, if challenged, be held by a court to be valid or enforceable or that a competitor's technology or drug would be found by a court to infringe the Company's patents.

Patent terms may be inadequate to protect the Company's competitive position on its product candidates for an adequate amount of time. Patents have a limited lifespan, in most jurisdictions inclusive of the United States, if all maintenance fees are timely paid, the term of protection is a period of 20 years from the filing date of the application. Patent term extensions of up to 5 years may be available in certain countries for patents pertaining to new medicinal ingredients or new combinations of medicinal ingredients for human or veterinary use based upon the delay in regulatory review.

Even if patents covering the Company's product candidates are obtained, once the patent life and any patent term extension have expired, the Company may be open to competition from competitive products, including generics or biosimilars. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized.

As a result, the Company's owned and licensed patent portfolio may not provide the Company with sufficient rights to exclude others from commercializing products similar or identical to the Company's.

Patent applications relating to or affecting the Company's business may have been filed by a number of pharmaceutical and biopharmaceutical companies and academic institutions. The technologies in these applications or patents may cover the Company's technologies, and such conflict could create freedom to operate issues. The Company's granted patents could be challenged, invalidated, or found unenforceable in interference and derivation proceedings, and post grant proceedings including re-examination, *Inter Parte* Review and Post-Grant Review, in the United States. The Company's granted patents could also be challenged and revoked in opposition proceedings in certain countries outside of the United States such as in Europe. In addition to patents, the Company relies on trade secrets and proprietary know-how to protect its intellectual property. The Company generally requires employees, consultants, outside scientific collaborators, and sponsored researchers and other advisors to enter into confidentiality agreements.

These agreements provide that all confidential information developed or made known to the individual during the course of the individual's relationship with the Company is to be kept confidential and not disclosed to third parties except in specific circumstances. In the case of employees, the agreements provide that all of the technology that is conceived by the individual during the course of employment is the Company's exclusive property. These agreements may not provide meaningful protection or adequate remedies in the event of unauthorized use or disclosure of proprietary information. In addition, it is possible that third parties could independently develop proprietary information and techniques substantially similar to the Company's or otherwise gain access to the Company's trade secrets.

The Company may obtain the right to use certain technology under license agreements with third parties. The Company's failure to comply with the requirements of material license agreements could result in the termination of such agreements, which could cause the Company to terminate the related development program and cause a complete loss of investment in that program. As a result of the foregoing factors, the Company may not be able to rely on its intellectual property to protect the Company's products in the marketplace.

Patent litigation is costly and time consuming and may subject the Company to liabilities

The Company's involvement in any patent litigation, opposition, or other administrative proceedings will likely cause the Company to incur substantial expenses, and the efforts of technical and management personnel will be significantly diverted.

In addition, the Company may not have the financial means defend its patents and in the event it does, an adverse determination in litigation could subject the Company to significant liabilities, including, but not limited to, monetary damages.

Security breaches and other disruptions could compromise the Company's information and expose the Company to liability, which would cause the Company's business and reputation to suffer

In the ordinary course of our business, the Company collects and stores sensitive data, including intellectual property, proprietary business information and that of our suppliers and business partners, and personally identifiable information of our collaborators and employees, on our networks and on shared cloud services. The secure processing, maintenance and transmission of this information is critical to our operations. Despite our security measures, our information technology and infrastructure may be exposed to malware, cyberattacks, attacks by hackers or breached due to employee error, malfeasance, or other disruptions. Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, disrupt our operations, and damage our reputation, which could adversely affect our business and competitive position.

Further, some of our partners may store personal or confidential information that we share with them. If these third parties fail to implement adequate data-security practices or fail to comply with our terms and policies, sensitive data may be improperly accessed, acquired, or disclosed. And even if these third parties take all these steps, their networks and information technology systems may still suffer a security breach, which could compromise our data.

The Company may infringe the intellectual property rights of others

The Company's commercial success depends significantly on the Company's ability to operate without infringing on the patents and other intellectual property rights of third parties. There could be issued patents of which the Company is not initially aware that the Company's products infringe or patents that the Company believes it does not infringe, but that the Company may ultimately be found to infringe. Patent applications are maintained in secrecy from the time of filing until publication. The publication of discoveries in the scientific or patent literature frequently occurs later than the date on which the underlying discoveries were made, and patent applications were filed. There may be currently pending patent applications of which the Company is unaware that may later result in issued patents that the Company's products infringe.

The biopharmaceutical industry has produced a proliferation of patents in jurisdictions around the world. The coverage of patents is subject to interpretation by the courts of a particular jurisdiction, and the interpretation is not always uniform. The Company believes that the sale or use of its primary biological product candidate, L-DOS47 would not infringe any valid claim of patents, although there can be no assurances of this. In the event of an infringement or violation of another party's patent, the Company may not be able to enter into licensing arrangements or make other arrangements at a reasonable cost. Any inability to secure licenses or alternative technology could result in delays in the introduction of drugs or lead to prohibition of the manufacture or sale of drugs by the Company.

The Company may become involved in lawsuits or other proceedings to protect or enforce the Company's patents or other intellectual property, which could be expensive, time consuming and unsuccessful

Competitors may infringe the Company's patents or other intellectual property. The Company may not have the financial means and wherewithal to defend its patents or other intellectual properties and in the event the Company was to initiate legal proceedings against a third party to enforce a patent covering the Company's product candidates, the defendant could counterclaim that the patent covering the Company's product candidate is invalid and/or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, written description, enablement, or clarity.

Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the United States Patent and Trademark Office, or "USPTO", or made a misleading statement, during prosecution. The outcome following legal assertions of invalidity and unenforceability is unpredictable. The validity of the Company's current or future patents or patent applications or those of the Company's licensors may also be challenged in interference or derivation proceedings, opposition, post grant review, inter partes review, or other similar enforcement and revocation proceedings, provoked by third parties or brought by the Company. The Company's patents could be found invalid, unenforceable, or their scope significantly reduced.

Third parties may initiate legal proceedings alleging that the Company is infringing their intellectual property rights, the outcome of which would be uncertain and could harm the Company's business

Third parties may assert patent or other intellectual property infringement claims against the Company or its other licensors

arising from the manufacture, use, or sale of the Company's current or future product candidates. An unfavorable outcome could result in loss of patent rights and require the Company to cease using the related technology or to attempt to license rights to it from the prevailing party. The Company's business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms.

The Company may not have the financial means and wherewithal to defend against third party claims and in the event it does, defense of litigation proceedings may fail and, even if successful, may result in substantial costs and distract the Company's management and other employees. In the event of a successful claim of infringement against the Company, the Company may have to pay substantial damages, including treble damages and legal fees for willful infringement, pay royalties, redesign its infringing products, or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure.

The Company may be subject to claims challenging the inventorship of the Company's patents and other intellectual property

The Company or its licensors may be subject to claims that former employees, collaborators or other third parties have an interest in the Company's owned or in-licensed patents, trade secrets, or other intellectual property as an inventor or co-inventor. For example, the Company or its licensors may have inventorship disputes arise from conflicting obligations of employees, collaborators, consultants, or others who are involved in developing the Company's product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship of the Company's or its licensors' ownership of the Company's owned or in-licensed patents, trade secrets or other intellectual property. The Company may not have the financial means to defend such claims and in the event the Company or its licensors fail in defending any such claims, in addition to paying monetary damages, the Company may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, intellectual property that is important to the Company's product candidates. Even if the Company is successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. Any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company may be subject to claims that its employees, collaborators, consultants, or independent contractors have wrongfully used or disclosed confidential information of third parties or that the Company's employees have wrongfully used or disclosed alleged trade secrets of their former employers

As is common in the biotechnology and pharmaceutical industry, the Company employs individuals who were previously employed at universities or other biotechnology or pharmaceutical companies, including the Company's competitors or potential competitors. Although the Company tries to ensure that its employees, collaborators, consultants and independent contractors do not use the proprietary information or know-how of others in their work for the Company, the Company may be subject to claims that the Company or its employees, consultants or independent contractors have inadvertently or otherwise used or disclosed intellectual property, including trade secrets or other proprietary information, of any of the Company's employees' former employers or other third parties. Litigation may be necessary to defend against these claims. The Company may not have the financial means to defend such claims and in the event the Company fails in defending any such claims, in addition to paying monetary damages, the Company may lose valuable intellectual property rights or personnel, which could adversely impact the Company's business. Even if the Company is successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

The Company faces research and development risks, including the need to prove the Company's drug candidates are safe and effective in clinical trials

The Company's drug candidates are complex compounds, and the Company faces difficult challenges in connection with the manufacture of clinical batches of each of them, which could further delay or otherwise negatively affect the Company's planned clinical trials or required regulatory approvals. There is also the risk that the Company could obtain negative findings or factors that may become apparent during the course of research or development. The results from preclinical and clinical trials may not be predictive of results obtained in any ongoing or future clinical trials. A number of companies in the biotechnology and pharmaceutical industry have suffered significant setbacks in advanced clinical trials, even after achieving promising results in earlier trials and pre-clinical trials.

The timing and success of the Company's clinical trials also depend on a number of other factors, including, but not limited to: (a) obtaining additional financing, which is not assured; (b) sufficient patient enrolment, which may be affected by the incidence of the disease studied, the size of the patient population, the nature of the protocol, the proximity of patients to

clinical sites, the eligibility criteria for a patient to participate in the study and the rate of patient drop-out; (c) regulatory agency policies regarding requirements for approval of a drug, including granting permission to undertake proposed human testing; (d) the Company's capacity to produce sufficient quantities and qualities of clinical trial materials to meet the trial schedule; (e) performance by third parties, on whom the Company relies to carry out its clinical trials; and (f) the approval of protocols and/or protocol amendments.

Clinical trials are complex, expensive, and uncertain, and have a high risk of failure, which can occur at any stage. Data obtained from pre-clinical and clinical trials may be interpreted in different ways, or be incorrectly reported, which could delay or prevent further development of the drug candidate studied. Failure to complete clinical trials successfully and to obtain successful results on a timely basis could have a material adverse effect on the Company.

Even if the Company's drug candidates successfully complete the clinical trials and receive the regulatory approval necessary to market the drug candidates to the public, there is also the risk of unknown side effects, which may not appear until the drug candidates are on the market and may result in delay or denial of regulatory approval or withdrawal of previous approvals, product recalls or other adverse events, which could materially adversely affect the Company.

While the Company continues to explore opportunities to expand its drug product pipeline with new DOS47-based therapeutics pending the identification of further tumour targeting agents, there can be no assurance that any such tumour targeting agents will be identified or that any new DOS47-based therapeutics will be developed.

Obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and the Company's patent protection could be reduced or eliminated for non-compliance with these requirements

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and/or applications. The Company has systems in place to remind the Company to pay these fees, and the Company employs an outside firm and relies on its outside counsel to pay these fees due to non-U.S. patent agencies. The USPTO and various non-U.S. governmental patent agencies require compliance with a number of procedurals, documentary, fee payment and other similar provisions during the patent application process.

The Company employs reputable law firms and other professionals to help the Company comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. However, there are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, the Company's competitors might be able to enter the market and this circumstance would have a material adverse effect on the Company's business.

The regulatory approval processes of the FDA and comparable foreign authorities are lengthy, time consuming, expensive, and inherently unpredictable, and if we are ultimately unable to obtain regulatory approval for our product candidates, our business will be substantially harmed

The time required to obtain approval by the FDA and comparable foreign authorities is unpredictable but typically takes many years following the commencement of clinical trials and depends upon numerous factors, including the substantial discretion of the regulatory authorities.

The results of preclinical studies and early clinical trials of our product candidates may not be predictive of the results of later-stage clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. It is not uncommon for companies in the biopharmaceutical industry to suffer significant setbacks in advanced clinical trials due to nonclinical findings made while clinical studies were underway and safety or efficacy observations made in clinical studies, including previously unreported adverse events. Our future clinical trial results may not be successful, and notwithstanding any potential promising results in earlier studies, we cannot be certain that we will not face similar setbacks. The historical failure rate for product candidates in our industry is high. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. We have not obtained regulatory approval for any product candidate, and it is possible that none of our existing product candidates or any product candidates we may seek to develop in the future will ever obtain regulatory approval.

Our product candidates could fail to receive regulatory approval for many reasons, including the following:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is safe and effective for its proposed indication;
- the results of clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of our product candidates may not be sufficient to support the submission of a New Drug Application, or NDA, or other submission or to obtain regulatory approval in the United States or elsewhere;
- the FDA or comparable foreign regulatory authorities may fail to approve the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

We may not have the necessary capabilities, including adequate staffing, to successfully manage the execution and completion of any future clinical trials we initiate in a way that leads to our obtaining marketing approval for our product candidates in a timely manner, or at all. This lengthy approval process as well as the unpredictability of future clinical trial results may result in our failing to obtain regulatory approval to market our product candidates, which would significantly harm our business, results of operations and prospects.

In addition, even if we were to obtain approval, regulatory authorities may approve any of our product candidates for fewer or more limited indications than we request, may not approve the price we intend to charge for our products, may grant approval contingent on the performance of costly post-marketing clinical trials, may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate or may restrict its distribution. Any of the foregoing scenarios could materially harm the commercial prospects for our product candidates.

We have not previously submitted an NDA to the FDA or similar drug approval filings to comparable foreign authorities, for any product candidate, and we cannot be certain that any of our product candidates will be successful in clinical trials or receive regulatory approval. Further, our product candidates may not receive regulatory approval even if they are successful in clinical trials. If we do not receive regulatory approvals for our product candidates, we may not be able to continue our operations.

Even if we successfully obtain regulatory approvals to market one or more of our product candidates, our revenues will be dependent, in part, upon the size of the markets in the territories for which we gain regulatory approval and have commercial rights. If the markets for patients that we are targeting for our product candidates are not as significant as we estimate, we may not generate significant revenues from sales of such products, if approved.

We plan to seek regulatory approval to commercialize our product candidates both in the United States and the European Union and in additional foreign countries. While the scope of regulatory approval is similar in other countries, to obtain separate regulatory approval in many other countries we must comply with numerous and varying regulatory requirements of such countries regarding safety and efficacy and governing, among other things, clinical trials, and commercial sales, pricing, and distribution of our product candidates, and we cannot predict success in these jurisdictions.

Our product candidates may cause undesirable side effects or have other properties that could delay or prevent their regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following marketing approval, if any

Undesirable side effects caused by our product candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign authorities. The clinical evaluation of our product candidates in patients is still in the early stages and it is possible that there may be side effects associated with their use. Results of our trials could reveal a high and unacceptable severity and prevalence of these or other side effects. In such an event, we, the FDA, the IRBs at the institutions in which our studies are conducted, or the DSMB could suspend or terminate our clinical trials, or the FDA or comparable foreign regulatory authorities could order us to cease clinical trials or deny approval of our product candidates for any or all targeted indications. Treatment-related side effects could also affect patient recruitment or the ability of enrolled patients to complete

the clinical trial or result in potential product liability claims. In addition, these side effects may not be appropriately recognized or managed by the treating medical staff.

We expect to have to train medical personnel using our product candidates to understand the side effect profiles for our clinical trials and upon any commercialization of any of our product candidates. Inadequate training in recognizing or managing the potential side effects of our product candidates could result in patient injury or death. Any of these occurrences may harm our business, financial condition, and prospects significantly.

Additionally, if one or more of our product candidates receives marketing approval, and we or others later identify undesirable side effects caused by such products, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw approvals of such products;
- we may be required to recall a product or change the way such a product is administered to patients;
- additional restrictions may be imposed on the marketing or distribution of the particular product or the manufacturing processes for the product or any component thereof;
- regulatory authorities may require additional warnings on the label, such as a "black box" warning or contraindication;
- we may be required to implement Risk Evaluation and Mitigation Strategies, or REMS, or create a medication guide outlining the risks of such side effects for distribution to patients;
- we could be sued and held liable for harm caused to patients;
- our product may become less competitive; and
- our reputation may Any of these events could prevent us from achieving or maintaining market acceptance of the particular product candidate or for particular indications of a product candidate, if approved, and could significantly harm our business, results of operations and prospects.

Difficulty in enrolling patients in the Company's clinical trials, could result in delays or cancellation of clinical trials

As the Company's product candidates advance from preclinical testing to clinical testing, and then through progressively larger and more complex clinical trials, the Company will need to enroll an increasing number of patients that meet various eligibility criteria. There is significant competition for recruiting cancer patients in clinical trials, and the Company may be unable to enroll the patients it needs to complete clinical trials on a timely basis or at all. The factors that affect the Company's ability to enroll patients is largely uncontrollable and include, but are not limited to, the following:

- size and nature of the patient population;
- eligibility and exclusion criteria for the trial;
- design of the study protocol;
- competition with other companies for clinical sites or patients;
- the perceived risks and benefits of the product candidate under study;
- the patient referral practices of physicians; and
- the number, availability, location, and accessibility of clinical trial sites.

The Company is dependent on a number of third parties and the failure or delay in the performance of one of these third parties' obligations may adversely affect the Company

The Company is dependent on third parties to varying degrees in virtually all aspects of its business, including without limitation, on contract research organizations, contract manufacturing organizations, clinical trial consultants, raw material suppliers, collaborative research consultants, regulatory affairs advisers, medical and scientific advisors, clinical trial investigators, business service providers and other third parties. Critical supplies may not be available from third parties on acceptable terms, or at all, including GMP grade materials. Service providers may not perform, or continue to perform, as needed, or be available to provide the required services on acceptable terms or at all. Any lack of or interruption in supplies of raw materials or services, or any change in supply or service providers or any inability to secure new supply or service providers, would have an adverse impact on the development and commercialization of the Company's products.

For example, the Company has previously experienced delays in the manufacturing of both engineering and clinical batches of L-DOS47, which have in turn caused delays in the progression of its development program, and there may be further delays. The Company relies on a third party for its supply of urease and if the contract with the third-party urease supplier is terminated early, the Company will have to find a new supplier of urease, as well as a new manufacturer of bulk drug product for future clinical testing programs. There can be no assurance that a new supplier or manufacturer can be contracted in a timely manner or at all, and this could negatively impact the Company's development plans for L-DOS47.

With respect to L-DOS47, the Company is currently dependent on, in addition to third party suppliers, manufacturers and

consultants, the NRC and its license to the Company of a lung cancer antibody in order to develop and commercialize L-DOS47. Early termination of the license with NRC would have a material adverse effect on the further development of L-DOS47 and may require the cessation of such development, which would have a material adverse effect on the Company. Given the Company`s lack of financing, expertise, infrastructure, and other resources to support a new drug product from clinical development to marketing, the Company also requires strategic partner support to develop and commercialize its drug candidates. There can be no assurance that such strategic partner support will be obtained upon acceptable terms or at all.

The Company relies heavily on contract manufacturers to produce product required for its clinical trials, product formulation work, scaling-up experiments, and commercial production. The Company may not be able to obtain new, or keep its current, contract manufacturers to provide these services.

Even if the Company does, contract manufacturers may not be reliable in meeting its requirements for cost, quality, quantity or schedule, or the requirements of any regulatory agencies. The Company may not be able to manufacture products in quantities or qualities that would enable the Company to meet its business objectives, and failure to do so would materially adversely affect the Company's business.

If the Company can successfully develop markets for its products, the Company would have to arrange for their scaled-up manufacture. There can be no assurance that the Company will, on a timely basis, be able to make the transition from manufacturing clinical trial quantities to commercial production quantities successfully or be able to arrange for scaled-up commercial contract manufacturing. Any potential difficulties experienced by the Company in manufacturing scale-up, including recalls or safety alerts, could have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company relies significantly on licensed intellectual property. If the Company were to lose its rights to licensed intellectual property, the Company would not be able to continue developing or commercializing L-DOS47. If the Company breaches the agreement with NRC under which it licenses the use, development, and commercialization rights to a lung cancer antibody to develop and commercialize L-DOS47 or any other future product candidate or technology from third parties or if certain insolvency events were to occur, the Company could lose license rights that are critical to its business

The Company has an exclusive worldwide license to a lung cancer antibody necessary to develop and commercialize L-DOS47 pursuant to a license agreement with NRC that is critical to the Company's business, which is subject to termination for breach of certain terms and, therefore, the Company's rights may only be available for as long as the Company's development and commercialization activities are sufficient to meet the terms of the license. In addition, the Company may need to enter into additional license agreements in the future. The Company's existing license agreements impose, and any future license agreements may impose on the Company, various developments, regulatory and/or commercial diligence obligations, payment of milestones and/or royalties and other obligations. If the Company fails to comply with its obligations under these agreements, or the Company is subject to a bankruptcy, the licensor may have the right to terminate the license, in which event the Company would not be able to market products covered by the license, which would have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Moreover, the Company's current or future licenses may provide for a reversion to the licensor of the Company's rights in regulatory filings or other intellectual property or data that the Company regards as its own in the event the license terminates under certain circumstances, such as due to breach.

Licensing of intellectual property is of critical importance to the Company's business and involves complex legal, business, and scientific issues. Disputes may arise between us and the Company's licensors regarding intellectual property subject to a license agreement, including with respect to:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the rights of the Company's licensors under the license agreements; and
- the Company's diligence obligations with respect to the use of the licensed technology in relation to the Company's development and commercialization of L-DOS47 and any future product candidates, and what activities satisfy those diligence obligations.

Any disputes with the Company's licensors over intellectual property that the Company has licensed from them may prevent or impair the Company's ability to maintain its current licensing arrangements on acceptable terms. Termination or expiry of the Company's license agreements could result in the loss of significant rights and could materially harm the Company's ability to further develop and commercialize L-DOS47 or other future product candidates.

In addition, the agreements under which the Company currently licenses intellectual property or technology from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what the Company believes to be the scope of its rights to the relevant intellectual property or technology or increase what the Company believes to be its financial or other obligations under the relevant agreement, either of which could have a material adverse effect on the Company's business, financial condition, results of operations, and prospects. Moreover, if disputes over intellectual property that the Company has licensed prevent or impair the Company's ability to maintain its current licensing arrangements on commercially acceptable terms, the Company may be unable to successfully develop and commercialize the affected product candidates, which could have a material adverse effect on the Company's business, financial conditions, results from operations and prospects.

The marketability of the Company's products may be affected by delays and the inability to obtain necessary approvals, and following any market approval, the Company's products will be subject to ongoing regulatory review and requirements which may continue to affect their marketability, including but not limited to regulatory review of drug pricing, healthcare reforms or the payment and reimbursement policies for drugs by the various insurers and other payors in the industry

The research, development, manufacture, and marketing of pharmaceutical products are subject to regulation by the FDA, and comparable regulatory authorities in other countries. These agencies and others regulate the testing, manufacture, safety, and promotion of the Company's products. The Company must receive applicable regulatory approval of a product candidate before it can be commercialized in any particular jurisdiction. Approval by a regulatory authority of one country does not ensure the approval by regulatory authorities of other countries. Changes in regulatory approval policies or regulations during the development period may cause delays in the approval or rejection of an application. Regulatory authorities have substantial discretion in the approval process and may refuse to accept any application or may decide that our data are insufficient for approval, or require additional preclinical, clinical, or other trials and place the Company's IND submissions on hold for an indeterminate amount of time.

The development and regulatory approval process in each jurisdiction takes many years, requires the expenditure of substantial resources, is uncertain and subject to delays, and can adversely affect the successful development and commercialization of our drug candidates. Even if the Company obtains marketing approval in a particular jurisdiction, there may be limits on the approval and the Company's products likely will be subject to ongoing regulatory review and regulatory requirements in that jurisdiction. Pharmaceutical companies are subject to various government regulations, including without limitation, requirements regarding occupational safety, laboratory practices, environmental protection, and hazardous substance control, and may be subject to other present and future regulations.

The availability of reimbursement by governmental and other third-party payors, such as private insurance plans, will affect the market for any pharmaceutical product, and such payors tend to continually attempt to contain or reduce the costs of healthcare. Significant uncertainty exists with respect to the reimbursement status of newly approved healthcare products.

We are substantially dependent on third parties for the manufacture of our clinical supplies of our product candidates, and we intend to rely on third parties to produce commercial supplies of any approved product candidate. Therefore, our development of our products could be stopped or delayed, and our commercialization of any future product could be stopped or delayed or made less profitable if third party manufacturers fail to obtain approval of the FDA or comparable regulatory authorities or fail to provide us with drug product in sufficient quantities or at acceptable prices

The manufacture of biotechnology and pharmaceutical products is complex and requires significant expertise, capital investment, process controls and know-how. Common difficulties in biotechnology and pharmaceutical manufacturing may include: sourcing and producing raw materials, transferring technology from chemistry and development activities to production activities, validating initial production designs, scaling manufacturing techniques, improving costs and yields, establishing and maintaining quality controls and stability requirements, batch lot expiries, eliminating contaminations and operator errors, and maintaining compliance with regulatory requirements.

We do not currently have, nor do we plan to acquire the infrastructure or capability internally in accordance with cGMP prescribed by the FDA or to produce an adequate supply of compounds to meet future requirements for clinical trials and commercialization of our products. Drug manufacturing facilities are subject to inspection before the FDA will issue an approval to market a new drug product, and all of the manufacturers that we intend to use must adhere to the cGMP regulations prescribed by the FDA.

We expect therefore to rely on third-party manufacturers for clinical supplies of our product candidates that we may develop. These third-party manufacturers will be required to comply with current good manufacturing practices, or GMPs, and other

applicable laws and regulations. We will have no control over the ability of these third parties to comply with these requirements, or to maintain adequate quality control, quality assurance and qualified personnel.

If the FDA or any other applicable regulatory authorities do not approve the facilities of these third parties for the manufacture of our other product candidates or any products that we may successfully develop, or if it withdraws any such approval, or if our suppliers or contract manufacturers decide they no longer want to supply or manufacture for us, we may need to find alternative manufacturing facilities, in which case we might not be able to identify manufacturers for clinical or commercial supply on acceptable terms, or at all. Any of these factors would significantly impact our ability to develop, obtain regulatory approval for or market our product candidates and adversely affect our business. We and/or our third-party manufacturers may be adversely affected by developments outside of our control, and these developments may delay or prevent further manufacturing of our products. Adverse developments may include labor disputes, resource constraints, shipment delays, inventory shortages, lot failures, unexpected sources of contamination, lawsuits related to our manufacturing techniques, equipment used during manufacturing, or composition of matter, unstable political environments, acts of terrorism, war, natural disasters, and other natural and man-made disasters.

If we or our third-party manufacturers were to encounter any of the above difficulties, or otherwise fail to comply with contractual obligations, our ability to provide any product for clinical trial or commercial purposes would be jeopardized. This may increase the costs associated with completing our clinical trials and commercial production. Further, production disruptions may cause us to terminate ongoing clinical trials and/or commence new clinical trials at additional expense. We may also have to take inventory write-offs and incur other charges and expenses for products that fail to meet specifications or pass safety inspections. If production difficulties cannot be solved with acceptable costs, expenses, and timeframes, we may be forced to abandon our clinical development and commercialization plans, which could have a material adverse effect on our business, prospects, financial condition, and the value of our securities.

We, or third-party manufacturers on whom we rely, may be unable to successfully scale-up manufacturing of our product candidates in sufficient quality and quantity, which would delay or prevent us from developing our product candidates and commercializing approved products, if any

In order to conduct clinical trials of our product candidates and commercialize any approved product candidates, we, or our manufacturers, will need to manufacture them in large quantities. We, or our manufacturers, may be unable to successfully increase the manufacturing capacity for any of our product candidates in a timely or cost-effective manner, or at all. In addition, quality issues may arise during scale-up activities. If we, or any of our manufacturers, are unable to successfully scale up the manufacture of our product candidates in sufficient quality and quantity, the development, testing, and clinical trials of that product candidate may be delayed or infeasible, and regulatory approval or commercial launch of any resulting product may be delayed or not obtained, which could significantly harm our business. If we are unable to obtain or maintain third-party manufacturing for commercial supply of our product candidates, or to do so on commercially reasonable terms, we may not be able to develop and commercialize our product candidates successfully.

Our failure to find third party collaborators to assist or share in the costs of product development could materially harm our business, financial condition, and results of operations

Our strategy for the development and commercialization of our proprietary product candidates may include the formation of collaborative arrangements with third parties. Existing and future collaborators have significant discretion in determining the efforts and resources they apply and may not perform their obligations as expected. Potential third-party collaborators include biopharmaceutical, pharmaceutical and biotechnology companies, academic institutions, and other entities. Third-party collaborators may assist us in:

- funding research, preclinical development, clinical trials and manufacturing;
- seeking and obtaining regulatory approvals; and
- successfully commercializing any future product candidates.

If we are not able to establish further collaboration agreements, we may be required to undertake product development and commercialization at our own expense. Such an undertaking may limit the number of product candidates that we will be able to develop, significantly increase our capital requirements and place additional strain on our internal resources. Our failure to enter into additional collaborations could materially harm our business, financial condition, and results of operations.

In addition, our dependence on licensing, collaboration, and other agreements with third parties may subject us to a number of risks. These agreements may not be on terms that prove favorable to us and may require us to relinquish certain rights in our product candidates. To the extent we agree to work exclusively with one collaborator in a given area, our opportunities to collaborate with other entities could be curtailed. Lengthy negotiations with potential new collaborators may lead to delays in the research, development, or commercialization of product candidates. The decision by our collaborators to pursue alternative technologies or the failure of our collaborators to develop or successfully commercialize any product candidate to which they have obtained rights from us could materially harm our business, financial condition, and results of operations.

We rely on third parties to conduct our preclinical and clinical trials. If these third parties do not successfully perform their contractual legal and regulatory duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed

We have relied upon and plan to continue to rely upon third-party medical institutions, clinical investigators, contract laboratories and other third party CROs to monitor and manage data for our ongoing preclinical and clinical programs. We rely on these parties for execution of our preclinical and clinical trials, and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol, legal, regulatory, and scientific standards, and our reliance on the CROs does not relieve us of our regulatory responsibilities. We and our CROs are required to comply with cGCPs, which are regulations and guidelines enforced by the FDA, the Competent Authorities of the Member States of the European Economic Area, or EEA, and comparable foreign regulatory authorities for all of our products in clinical development.

Regulatory authorities enforce these cGCPs through periodic inspections of trial sponsors, principal investigators, and trial sites. If we or any of our CROs fail to comply with applicable cGCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA, the EMA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with cGCP regulations. In addition, our clinical trials must be conducted with product produced under current good manufacturing practices, or cGMP, regulations. Our

failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process.

If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs or to do so on commercially reasonable terms. In addition, our CROs are not our employees, and except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our on-going clinical, nonclinical, and preclinical programs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols, regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our product candidates. As a result, our results of operations and the commercial prospects for our product candidates would be harmed, our costs could increase and our ability to generate revenues could be delayed.

Many of the third parties with whom we contract may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials or other drug development activities that could harm our competitive position. If the third parties conducting our GLP preclinical studies or our clinical trials do not perform their contractual duties or obligations, experience work stoppages, do not meet expected deadlines, terminate their agreements with us or need to be replaced, or if the quality or accuracy of the clinical data they obtain is compromised due to their failure to adhere to our clinical trial protocols or to GCPs, or for any other reason, we may need to enter into new arrangements with alternative third parties. Switching or adding additional CROs involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines. Though we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition, and prospects.

The Company operates in an industry that is more susceptible than others to legal proceedings and, in particular, liability claims

The Company operates in an industry that is more susceptible to legal proceedings than firms in other industries, due to the uncertainty involved in the development of pharmaceuticals. Defense and prosecution of legal claims can be expensive and time consuming and may adversely affect the Company regardless of the outcome due to the diversion of financial, management and other resources away from the Company's primary operations. Negative judgments against the Company, even if the Company is planning to appeal such a decision, or even a settlement in a case, could negatively affect the cash reserves of the Company, and could have a material negative effect on the development of its drug products.

The Company may be exposed, in particular, to liability claims which are uninsured or not sufficiently insured, and any claims may adversely affect the Company's ability to obtain insurance in the future or result in negative publicity regarding the efficacy of its drug products. Such liability insurance is expensive, its ability is limited, and it may not be available on terms that are acceptable to the Company, if at all.

The use of any of the Company's unapproved products under development, the use of its products in clinical trials, and, if regulatory approval is received, the sale of such products, may expose the Company to liability claims which could materially adversely affect the Company's business. The Company may not be able to maintain or obtain commercially reasonable liability insurance for future products, and any claims under any insurance policies may adversely affect its ability to maintain existing policies or to obtain new insurance on existing or future products. Even with adequate insurance coverage, publicity associated with any such claim could adversely affect public opinion regarding the safety or efficacy of the Company's products. As a result, any product liability claims or recall, including in connection with products previously sold by the Company through its former distribution business, could materially adversely affect the Company's business.

If the Company were unable to maintain product liability insurance required by third parties, the corresponding agreements would be subject to termination, which could have a material adverse impact on our operations.

Some of our licensing and other agreements with third parties require or might require us to maintain product liability insurance. If the Company cannot maintain acceptable amounts of coverage on commercially reasonable terms in accordance with the terms set forth in these agreements, the corresponding agreements would be subject to termination, which could have a material adverse impact on the Company's operations.

The Company is dependent upon key personnel; Director residency requirements.

The Company's ability to continue its development of potential products depends on its ability to attract and maintain qualified key individuals to serve in management and on the Board. However, the Company does not currently have a formal succession plan for members of its senior management team or for its Board and, because competition for qualified key individuals with experience relevant to the industry in which the Company operates is intense, the Company may not be able to attract and/or retain such personnel. Additionally, applicable corporate law requires that at least 25% of the Company's directors be resident Canadians, and the Company's articles provide that the Company cannot have fewer than four directors at any time.

Consequently, if the Company is unable to attract and/or loses and is unable to replace key personnel, its business could be negatively affected and, in particular, if the Company loses its current resident Canadian director in the future and is unable to find a resident Canadian director to fill the resulting vacancy, the Board will be prevented from taking any action other than appointing an additional resident Canadian director until such time as a new resident Canadian director has been appointed such that at least 25% of the Company's directors are resident Canadians.

The Company employs a small number of employees who have many years of technical knowledge of the Company's technology and two senior officers, the CEO and CFO. COVID-19 imposes a high risk to all of the Company's activities.

The Company has established a policy to diligently monitor developments. Because the situation is fluid, the Company will be updating its staff whenever necessary. The Company has implemented and communicated a policy to all staff in order mitigate any potential risk.

In addition, the Company does not carry key-person insurance on any individuals.

The Company's employees and consultants may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements, which could have a material adverse effect on the Company's business.

The Company is exposed to the risk of employee and consultant fraud or other misconduct. Misconduct by employees and consultants could include but are not limited to the following: failure to comply with regulators, failure to provide accurate information, failure to comply with manufacturing standards the Company has established, jurisdictional healthcare fraud and abuse of laws and regulations, failure to report financial information or data accurately or disclose unauthorized activities. For example, sales, marketing, and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee and consultant misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to the Company's reputation. If any such actions are instituted against the Company, and the Company is not successful in defending itself or asserting its rights, those actions could have a substantial impact on the Company's business and operating results, including the imposition of substantial fines, halt in trading of the Common Shares, possible delisting and/or other sanctions.

Indemnification obligations to directors and officers of the Company may adversely affect the Company's finances.

The Company has entered into agreements pursuant to which the Company has agreed to indemnify its directors and senior management in respect of certain claims made against them while acting in their capacity as such. If the Company is called upon to perform its indemnity obligations, its finances may be adversely affected.

The Company's finances may fluctuate based on foreign currency exchange rates.

The Company operates internationally and is exposed to foreign exchange risks from various currencies, primarily the U.S. dollar, the Euro, and the Polish Zloty. Fluctuations in the value of foreign currencies relative to the Canadian dollar could cause us to incur currency exchange losses.

The Company may incur losses due to adverse decisions by tax authorities or changes in law.

The Company's income tax reporting is subject to audit by tax authorities. The effective tax rate may change from year to year based on the mix of income; non-deductible expenses; changes in tax law; and changes in the estimated values of future income tax assets and liabilities.

The Company may enter into transactions and arrangements in the ordinary course of business in which the tax treatment is not entirely certain. The Company must therefore make estimates and judgments in determining its consolidated tax provision. The final outcome of any audits by taxation authorities may differ from estimates and assumptions used in determining the consolidated tax provisions and accruals.

This could result in a material effect on the Company's scientific research and experimental development tax credits, income tax provision, financial position, and the net income/loss for the period in which such determinations are made.

The Company is subject to taxation in Canada. The Company's effective tax rate and tax liability are determined by a number of factors, including the amount of taxable income, the tax rates, The application of these tax laws and related regulations is subject to legal and factual interpretation, judgment, and uncertainty. An adverse interpretation or ruling by a taxing authority in a jurisdiction in which the Company operates or a change in law could increase the Company's tax liability or result in the imposition of penalty payments, which could adversely impact the Company's operating results.

The requirements of being a public company may strain the Company's resources, divert management's attention, and affect its ability to attract and retain qualified board members.

The Company's Common Shares are publicly traded on the TSX. As a public company, the Company is subject to the reporting requirements of Canadian securities regulators, the listing requirements of any stock exchange on which its Common Shares are listed for trading and other applicable securities rules and regulations. Compliance with these rules and regulations may increase the Company's legal and financial compliance costs, may make some activities more difficult, time-consuming, or costly and may increase the demand on the Company's systems and resources. Being a public company requires that the Company file continuous disclosure documents, including, among other things, annual and quarterly financial statements. Management's attention may be diverted from other business concerns, which could have a material adverse effect on the Company's business, financial condition, and results of operations. The Company may need to hire more employees in the future, which will increase its costs and expenses.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure create uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. The Company may invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If the Company's efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory authorities, legal proceedings may be initiated against the Company and its business may be harmed.

General economic conditions may have an adverse effect on the Company and its business.

Continuing global economic volatility and uncertainty may have an adverse effect on the Company and its business, including without limitation the ability to raise additional financing, to obtain strategic partner support or commercialization opportunities and alliances for the Company's new drug candidates, and to obtain continued services and supplies.

The Russia Ukraine war

The recent escalation of war in Ukraine, where the Company enrolled virtually all its patients in a clinical study, has led to the early cessation of the trial. As at the date of this MD&A, it is uncertain as to when the clinical study reports will be completed, if at all.

The Company's business involves environmental risks that could result in accidental contamination, injury, and significant capital expenditures in order to comply with environmental laws and regulations.

The Company and its commercial collaborators are subject to laws and regulations governing the use, manufacture, storage, handling and disposal of materials and certain waste products. Although the Company believes that its safety procedures comply with the regulations, the risk of accidental contamination or injury from these materials cannot be eliminated. In the event of such an accident, the Company could be held liable for any damages that result and any such liability could exceed the resources of the Company. The Company is not specifically insured with respect to this liability.

The Company (or its collaborators) may be required to incur significant costs to comply with environmental laws and regulations in the future; and the operations, business or assets of the Company may be materially adversely affected by current or future environmental laws or regulations.

Any failure to maintain an effective system of internal controls may result in material misstatements of the Company's financial statements or cause us to fail to meet the Company's reporting obligations or fail to prevent fraud; and in that case, the Company's shareholders could lose confidence in the Company's financial reporting, which would harm the Company's business, could negatively impact the price of the Common Shares and prevent the Company from raising additional capital

Effective internal controls are necessary for the Company to provide reliable financial reports and prevent fraud. If the Company fails to maintain an effective system of internal controls, the Company may not be able to report its financial results accurately or prevent fraud; and in that case, the Company's shareholders could lose confidence in the Company's financial reporting, which would harm the Company's business, negatively impact the price of the Common Shares and also prevent the Company from raising additional capital. Even if the Company were to conclude that its internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as issued by the IASB, because of its inherent limitations, internal control over financial reporting may not prevent or detect fraud or misstatements. Failure to achieve and maintain effective internal control over financial reporting could prevent the Company from complying with its reporting obligations on a timely basis, which could result in the loss of investor confidence in the reliability of the Company's consolidated financial statements, harm the Company's business, negatively impact the trading price of the Common Shares, and prevent the Company from raising additional capital.

Risks Related to the Common Shares

The Company's share price and trading volumes are volatile, and the Company may have difficulty maintaining listing requirements

The market price of the Company's Common Shares, as well as market prices for securities of biopharmaceutical and drug delivery companies generally, have historically been highly volatile, and have from time-to-time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies.

The trading price of the Common Shares is subject to change and could in the future fluctuate significantly. The fluctuations could be in response to numerous factors beyond the Company's control, including but not limited to, the following:

- actual or anticipated fluctuations in the Company's quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Company operates;
- addition or departure of the Company's executive officers and other key personnel;
- release or expiration of transfer restrictions on outstanding Common Shares;
- sales or perceived sales of additional Common Shares;
- operating and financial performance that vary from the expectations of management, securities analysts and investors;
- regulatory changes affecting the Company's industry generally and its business and operations;
- announcements of developments and other material events by the Company or its competitors;
- fluctuations to the costs of vital production materials and services;
- changes in global financial markets and global economies and general market conditions, such as interest rates and pharmaceutical product price volatility;
- significant acquisitions or business combinations, strategic partnerships, joint ventures, or capital commitments by or involving the Company or its competitors;
- operating and share price performance of other companies that investors deem comparable to the Company or from a lack of market comparable companies;
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets; and the outbreak of epidemics, pandemics or other health crises including COVID-19.

The Internet offers various avenues for the dissemination of information. The Company has no control over the information that is distributed and discussed on electronic bulletin boards and investment chat rooms. The intention of the people or organizations that distribute such information may not be in the Company's best interest and the best interests of its shareholders. This, in addition to other forms of investment information including newsletters and research publications, could result in a sharp decline in the market price of the Common Shares.

In addition, stock markets have occasionally experienced extreme price and volume fluctuations. The market prices for high-technology companies have been particularly affected by these market fluctuations and such effects have often been unrelated

to the operating performance of such companies. These broad market fluctuations may cause a decline in the market price of the Common Shares.

Sales of substantial numbers of the Company's Common Shares could cause a decline in the market price of such Common Shares. There are minimum listing requirements for an issuer to maintain its listing on the TSX, and if the Company fails to maintain these listing requirements, it may be involuntarily delisted from the TSX. De-listing the Company or the Company shares from any securities exchange could have a negative effect on the liquidity of the Company shares and/or the ability of a shareholder to trade in shares of the Company, and could have an adverse effect on the Company's ability to raise future equity financings. The Company's Common Shares trade in a very low volume compared to the number of Common Shares outstanding. This means a shareholder could have difficulty disposing of Common Shares, especially if there are other shareholders of the Company trying to sell their shares in the Company at the same time. Volatility in share price and trading volumes could have an adverse effect on the Company's ability to raise future equity financings.

Shareholders of the Company may face dilution from future equity or convertible debt financings or through the exercise of stock options, warrants or other securities convertible or exchangeable into Common Shares

To attract and retain key personnel, the Company has granted options to its key employees, directors, and consultants to purchase Common Shares as non-cash incentives. In addition, the Company has a significant number of warrants to purchase Common Shares outstanding. The issuance of shares pursuant to the exercise of a significant number of such options and/or warrants may result in significant dilution to other shareholders of the Company.

As noted above, the Company needs additional funding and has historically turned to the equity markets to raise this funding. The future sale of equity securities and warrants may also result in significant dilution to the shareholders of the Company.

The Company cannot predict the size or nature of future sales or issuances of securities or the effect, if any, that such future sales and issuances will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares or other securities that are convertible or exchangeable into Common Shares, or the perception that such sales or issuances could occur, may adversely affect prevailing market prices of the Common Shares.

With any additional sale or issuance of Common Shares or other securities that are convertible or exchangeable into Common Shares, investors will suffer dilution to their voting power and economic interest in the Company. Furthermore, to the extent holders of the Company's stock options or other convertible securities convert or exercise their securities and sell the Common Shares they receive, the trading price of the Common Shares may decrease due to the additional amount of Common Shares available in the market.

Trading in the Company's Common Shares outside of Canada may be subject to restrictions on trading under foreign securities laws, and purchasers of securities under private placements by the Company will be subject to certain restrictions on trading

The Company's Common Shares trade on the TSX and are freely tradeable only in Canada. As such, shareholders trading the Common Shares outside of Canada may be subject to restrictions imposed by foreign securities laws that may restrict their ability to transfer shares freely or at all. Certain securities offered by the Company pursuant to its private placements, including the unlisted warrants issued by the Company, are subject to certain initial hold periods and other restrictions on trading imposed by applicable securities laws and, in the case of the warrants, pursuant to the terms of the applicable warrant certificates. These restrictions may affect the liquidity of the investment of certain shareholders in the securities of the Company.

The Company does not expect to pay any cash dividends for the foreseeable future

Investors should not rely on an investment in the Common Shares to provide dividend income. The Company does not anticipate that it will pay any cash dividends to holders of the Common Shares in the foreseeable future. Instead, the Company plans to retain any earnings to maintain and expand its operations. In addition, any future debt financing arrangement may contain terms prohibiting or limiting the amount of dividends that may be declared or paid on the Common Shares.
Accordingly, investors must rely on sales of their Common Shares after price appreciation, which may never occur, as the only way to realize any return on their investment. As a result, investors seeking cash dividends should not purchase Common Shares.

If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research about the Company's business, the share price and trading volume of the Common Shares could decline

The trading market for the Common Shares will depend, in part, on the research and reports that securities or industry analysts publish about the Company or its business. If one or more of the analysts who cover the Company downgrade the Common Shares or publish inaccurate or unfavorable research about the Company's business, the Company's share price would likely decline. In addition, if the Company's operating results fail to meet the forecast of analysts, the Company's share price would likely decline. If one or more of these analysts cease coverage of the Company or fail to publish reports on the Company regularly, demand for the Common Shares could decrease, which might cause the share price and trading volume of the Common Shares to decline.

RISK FACTORS IN OTHER PUBLIC FILINGS

For all of the reasons set forth above, together with those additional risk factors identified under the headings *"Forward-Looking Statements"* and "*Risk Factors*" in the Company's most recent Annual Information Form filed under the Company's profile on SEDAR+ at www.sedarplus.com, investors should not place undue reliance on forward-looking information. Other than any obligation to disclose material information under applicable securities laws, the Company undertakes no obligation to revise or update any forward-looking information after the date hereof.

Data relevant to estimated market sizes and penetration for the Company's lead products under development are presented in this MD&A. This data has been obtained from a variety of published resources including published scientific literature, websites, and information generally available through publicized means. The Company attempts to source reference data from multiple sources whenever possible for confirmatory purposes. Although the Company believes the foregoing data is reliable, the Company has not independently verified the accuracy and completeness of this data.

ADDITIONAL INFORMATION

Additional information relating to the Company's three and nine months ended January 31, 2026 and 2025, is available under the Company's profile on SEDAR+ at www.sedarplus.com.