HELIXBIOPHARMA

9120 Leslie Street, Suite 205
Richmond Hill, Ontario, L4B 3J9
Tel: 905-841-2300
www.helixbiopharma.com

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Press Release

HELIX BIOPHARMA CORP. ANNOUNCES FISCAL 2019 YEAR-END RESULTS

(Richmond Hill, Ontario) – Helix BioPharma Corp. (TSX: "HBP"), an immuno-oncology company developing drug candidates for the prevention and treatment of cancer, today announced its financial results for the year ended July 31, 2019.

FINANCIAL REVIEW

The Company recorded a net loss and total comprehensive loss of $7,526,000 and $8,625,000 (a loss per common share of $0.07 and $0.09) for the fiscal years ended July 31, 2019 and 2018 respectively.

Research and development

Research and development expenses totalled $6,084,000 and $6,524,000, respectively for the twelve-month periods ended July 31, 2018 and 2017.

The following table outlines research and development costs expensed and investment tax credits for the Company's significant research and development projects for the fiscal years ended July 31:

	2019	2018
L-DOS47	$ 3,530,000	$ 4,893,000
V-DOS47	478,000	457,000
CAR-T	333,000	318,000
Corporate research and development expenses	528,000	432,000
Trademark and patent related expenses	435,000	440,000
Stock-based compensation expense	198,000	10,000
Depreciation expense	109,000	141,000
Research and development investment tax credit	(126,000)	(132,000)
Polish government grant subsidy (V-DOS47)	(479,000)	(475,000)
	$ 5,006,000	$ 6,524,000

L-DOS47 research and development expenses for fiscal 2019 totalled $3,530,000 (2018 - $4,893,000). L-DOS47 research and development expenditures relate primarily to the Company's LDOS001 Phase I clinical study in the U.S., the LDOS002 European Phase I/II clinical study in Poland, the LDOS003 Phase II clinical study in Poland and the Ukraine and the Company's newly approved Phase Ib/II clinical study in the U.S.

The Company's overall reduction in research and development spend when compared to the previous fiscal year is the result of the Company's non-small cell lung cancer studies (LDOS001, and LDOS002) all being in the late stage of development within their respective clinical phases while at the same time, the Company started ramping up activity of its newly approved investigational new drug clinical study for advanced pancreatic cancer (LDOS006).

Patient recruitment for LDOS001 was closed on July 1, 2019. The Company expects to have a final clinical study report for LDOS001 no later than the first calendar quarter of 2020. As for LDOS002, all analyses have been completed and a draft clinical study report is currently under review and expected to be finalized by the end of calendar 2019. LDOS003 is currently in the last cohort awaiting one more patient to be enrolled to complete the dose escalating portion of the study. The Company has indicated that it would not be moving forward into the randomized portion of the study unless certain clinical objectives are met in the dose escalating phase and sufficient capital is obtained, or the Company enters into a co-development partnership with a third party. The Company expects to start enrolling patients in LDOS006 starting December 2019.

The Company's Polish subsidiary entered into a grant funding agreement with the National Centre for Research and Development for research and development expenditures associated with V-DOS47. V-DOS47 research and development expenses for fiscal 2019 totalled $478,000 (2018 - $457,000). Research and development expenditures in the program remained flat when compared to fiscal 2018. In fiscal 2019, the Company's Polish subsidiary received grant funding of $479,000 (2018 - $475,000). The Company previously disclosed that it was looking to dispose of its ownership position in its Polish subsidiary while retaining licensing agreement for future milestones and royalty payments. More recently, as part of a financing on August 21, 2019 for gross proceeds of $7,000,005, the Company disposed 25% of its investment in its Polish subsidiary. The Company's plans to divest its entire interest in its Polish subsidiary while retaining agreements for future milestone and royalties.

CAR-T research and development expenses for fiscal 2019 totalled $333,000 (2018 - $318,000). The Company commenced development of novel CAR-T therapeutics and new antibody-based technologies for cell-based therapies. The Company's CAR-T expenditures relate primarily to collaborative research activities with ProMab Biotechnologies Inc.

Corporate research and development expenses for fiscal 2019 totalled $528,000 (2018 - $432,000). The increase in corporate research and development expenditures mainly represents a bonus payout to the Chief Executive Officer.

Trademark and patent related expenses for fiscal 2019 totalled $435,000 (2018 - $440,000). The Company continues to ensure it adequately protects its intellectual property.

Operating, general and administration

Operating, general and administration expenses for fiscal 2019 totalled $2,486,000 (2018 - $2,462,000). Operating, general and administration expenses remained relatively flat. The Increase in wages and benefits and stock-based compensation were offset by a reduction in lower director fees and other general and administrative expenditures. The increase in wages & benefits and stock-based compensation is the result of a bonus payout to the CFO and stock options granted to administrative employees and non-management directors. The reduction in director fees reflects a reduction in committee and board meetings held as well as a reduction in the number of directors on the board of the company. Limited working capital throughout the year resulted in reductions in other general and administrative spending activity.

LIQUIDITY AND CAPITAL RESOURCES

As at July 31, 2019 the Company had a working capital deficiency of $3,534,000 (2018 - $1,901,000), shareholders' deficiency of $3,281,000 (2018 - $1,527,000) and a deficit of $171,531,000 (2018 - $164,005,000).

The Company raised gross proceeds of approximately $6,523,000 in fiscal 2019. The Company's cash reserves of $206,000 as at July 31, 2019 in addition to the subsequent private placements the Company closed on August 21, 2019 for gross proceeds of approximately $7,000,005 are insufficient to meet anticipated cash needs for working capital and capital expenditures through the next twelve months, and nor are they sufficient to see planned research and development initiatives through to completion. Though the funds raised have assisted the Company in dealing with its working capital deficiency, additional funds are required to advance the Company's clinical and preclinical programs and deal with working capital requirements To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, management considers securing additional funds, primarily through the issuance of equity securities of the Company, to be critical for its development needs.

The Company's Consolidated Statement of Financial Position as at July 31, 2019 and July 31, 2018 is summarized below.

Consolidated Statement of Financial Position (thousand $)	31-Jul-19	31-Jul-18
Non current assets	253	374
Current assets:		
Prepaids	191	92
Accounts receivable	290	315
Cash	206	366
	687	773
Total assets	940	1,147
Shareholders' deficiency	(3,281)	(1,527)
Current liabilities:		
Deferred government grant	124	38
Accrued liabilities	1,057	644
Accounts payable	3,040	1,992
	4,221	2,674
Total liabilities & shareholders deficiency	940	1,147

The Company's Consolidated Statement of Net Loss and Comprehensive Loss and Consolidated Statement of Cash Flow for fiscal 2019 and 2018 are summarized below:

Consolidated Statements of Net Loss and Comprehensive Loss (thousand $, except for per share data)	For the year ended Jul-31 2019	Jul-31 2018
Expenses:		
Research and development	5,006	6,084
Operating, general, administration	2,486	2,462
Results from operating activities before finance items	(7,492)	(8,546)
Finance items	(34)	(79)
Loss and total comprehensive loss	(7,526)	(8,625)
Loss per share	-$ 0.07	-$ 0.09
* Figures are for both basic and fully diluted		

Consolidated Statements of Cash Flows (thousand $)	For the year ended Jul-31 2019	Jul-31 2018
Cash provided by (used in):		
Net loss and total comprehensive loss	(7,526)	(8,625)
Items not involving cash:		
Depreciation	125	165
Stock-based compensation	361	10
Foreign exchange loss (gain)	36	60
	522	235
Changes in non-cash working capital	1,473	866
Operating activities	(5,531)	(7,524)
Financing activities	5,411	7,105
Investing activities	(4)	(53)
Exchange rate changes on cash	(36)	(59)
Net increase (decrease) in cash	(160)	(531)
Cash beginning of the period	366	897
Cash end of the period	206	366

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

About Helix BioPharma Corp.

Helix BioPharma Corp. is an immuno-oncology company specializing in the field of cancer therapy. The company is actively developing innovative products for the prevention and treatment of cancer based on its proprietary technologies. Helix's product development initiatives include its novel L-DOS47 new drug candidate and Chimeric Antigen Receptor ("CAR") based cell therapies. Helix is currently listed on the TSX under the symbol "HBP".

INVESTOR RELATIONS

Helix BioPharma Corp.
9120 Leslie Street, Suite 205
Richmond Hill, Ontario, L4B 3J9
Tel: (905) 841-2300
Email: ir@helixbiopharma.com

Forward-Looking Statements and Risks and Uncertainties

This news release contains forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. Forward-looking statements are statements and information that are not historical facts but instead include financial projections and estimates, statements regarding plans, goals, objectives, intentions and expectations with respect to the Company's future business, operations, research and development, including the Company's activities relating to DOS47, and other information in future periods.

Forward-looking statements include, without limitation, statements concerning (i) the Company's ability to operate on a going concern being dependent mainly on obtaining additional financing; (ii) the Company's priority continuing to be L-DOS47; (iii) the Company's development programs for DOS47, L-DOS47, V-DOS47 and CAR-T; (iv) future expenditures, the insufficiency of the Company's current cash resources and the need for financing; and (v) future financing requirements and the seeking of additional funding. Forward-looking statements can further be identified by the use of forward-looking terminology such as "ongoing", "estimates", "expects", or the negative thereof or any other variations thereon or comparable terminology referring to future events or results, or that events or conditions "will", "may", "could", or "should" occur or be achieved, or comparable terminology referring to future events or results.

Forward-looking statements are statements about the future and are inherently uncertain, and are necessarily based upon a number of estimates and assumptions that are also uncertain. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Forward-looking statements, including financial outlooks, are intended to provide information about management's current plans and expectations regarding future operations, including without limitation, future financing requirements, and may not be appropriate for other purposes. Certain material factors, estimates or assumptions have been applied in making forward-looking statements in this news release, including, but not limited to, the safety and efficacy of L-DOS47; that sufficient financing will be obtained in a timely manner to allow the Company to continue operations and implement its clinical trials in the manner and on the timelines anticipated; the timely provision of services and supplies or other performance of contracts by third parties; future costs; the absence of any material changes in business strategy or plans; and the timely receipt of required regulatory approvals and strategic partner support.

The Company's actual results could differ materially from those anticipated in the forward-looking statements contained in this news release as a result of numerous known and unknown risks and uncertainties, including without limitation, the risk that the Company's assumptions may prove to be incorrect; the risk that additional financing may not be obtainable in a timely manner, or at all, and that clinical trials may not commence or complete within anticipated timelines or the anticipated budget or may fail; third party suppliers of necessary services or of drug product and other materials may fail to perform or be unwilling or unable to supply the Company, which could cause delay or cancellation of the Company's research and development activities; necessary regulatory approvals may not be granted or may be withdrawn; the Company may not be able to secure necessary strategic partner support; general economic conditions, intellectual property and insurance risks; changes in business strategy or plans; and other risks and uncertainties referred to elsewhere in this news release, any of which could cause actual results to vary materially

from current results or the Company's anticipated future results. Certain of these risks and uncertainties, and others affecting the Company, are more fully described in the Company's annual management's discussion and analysis for the year ended July 31, 2019 under the heading "Risks and Uncertainty" and Helix's Annual Information Form, in particular under the headings "Forward-looking Statements" and "Risk Factors", and other reports filed under the Company's profile on SEDAR at www.sedar.com from time to time. Forward-looking statements and information are based on the beliefs, assumptions, opinions and expectations of Helix's management on the date of this new release, and the Company does not assume any obligation to update any forward-looking statement or information should those beliefs, assumptions, opinions or expectations, or other circumstances change, except as required by law.

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