



HelixBioPharmaCorp.

**NOTICE OF ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

OF

HELIX BIOPHARMA CORP.

TO BE HELD ON DECEMBER 18, 2014

- AND -

MANAGEMENT PROXY CIRCULAR

November 18, 2014

*The Management Proxy Circular and accompanying materials require your immediate attention.
If you are in doubt as to how to deal with these documents or the matters to which they refer,
please consult your professional advisors.*



HelixBioPharmaCorp.

November 18, 2014

Dear Shareholder:

On behalf of the board of directors and management of Helix BioPharma Corp. (“**Helix**”), you are cordially invited to attend an annual general meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of the common shares (“**Common Shares**”) of Helix to be held on December 18, 2014 at 10:00 a.m. (Toronto time) at the offices of Osler, Hoskin & Harcourt LLP, Suite 6300, 1 First Canadian Place, Toronto, Ontario, M5X 1B8.

Fiscal 2014 was an important year for Helix. Helix has refocused its energy into the continued development of the DOS47 platform to build a valuable and sustainable pipeline, an important part of which is the clinical development of our lead drug candidate, L-DOS47.

In particular, we completed and reported upon two interim data reviews of the first 24 patients in our ongoing European Phase I/II clinical trial of L-DOS47 in Poland (“**LDOS002**”) on patients with non-small cell lung cancer (“**NSCLC**”). We observed a good safety profile and that half the patients in the study had at least one stable response, including that one patient from the low dose cohorts had remained stable for six cycles of treatment. While we continue to increase dosage in this Phase I/II trial to maximize the chance of success, the observations from our two interim data reviews make us confident in moving forward with our development plan for L-DOS47 through fiscal 2015, including our intention to initiate a Phase II monotherapy study for LDOS002 after completion of dose escalation in Phase I of this study.

We also began planning for additional clinical studies that would build the greatest support for L-DOS47 from a scientific, clinical, regulatory and market perspective. These initiatives included the submission of an investigational new drug (“**IND**”) to the US Food and Drug Administration (“**FDA**”) and the continuation of our efforts to work towards additional studies in jurisdictions such as Canada in order to create a comprehensive package of information regarding the utility of L-DOS47.

We look forward to the coming year. Building on the successes of fiscal 2014, our goals for fiscal 2015 are to:

- (a) build a strong body of clinical evidence for L-DOS47 that we expect will increase the value of L-DOS47, our lead drug candidate, including building evidence of its utility in combination with leading cancer therapeutics in NSCLC and potentially in other indications such as breast or colon cancers, and which we also expect to increase the value of and utility the DOS47 platform as a whole as a potential generator of additional clinical drug candidates;
- (b) build a strong body of scientific evidence for the DOS47 platform by entering into strategic collaborations through fiscal 2015 with both academic institutions and industrial partners to build our pipeline and add key information to increase the value of this platform; and
- (c) evaluate growth opportunities for Helix through licensing, mergers, or acquisitions that will expand the asset base of the Company and allow us to increase our public profile, access new capital markets, and potentially increase our liquidity to ensure long term growth.

Your vote is important and at the Meeting Shareholders will be asked to elect directors and appoint BDO Canada LLP, Chartered Accountants, as Helix’s auditors. If you are a registered Shareholder and are unable to be present at the Meeting in person, we encourage you to vote by completing the enclosed form of proxy and returning it in accordance with the instructions provided in the Circular and on the form of proxy. Non-registered Shareholders who beneficially own Common Shares through a broker or other intermediary may receive a voting instruction form or, less frequently, a form of proxy, from their broker or other intermediary and are encouraged to complete and return their voting instruction form or form of proxy, as the case may be, in accordance with the instructions provided in the Circular and received from their broker or other intermediary. In either case, Helix urges you to give the Circular your careful consideration and, if you require assistance, to consult your financial, tax or other professional advisors.

On behalf of Helix, we would like to thank all Shareholders for their ongoing support.

Yours truly,

A handwritten signature in black ink, appearing to be 'R. Verhagen', written in a cursive style.

Robert A. Verhagen
President and Chief Executive Officer

** This letter contains certain forward-looking statements. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. Please refer to the caution regarding Forward-Looking Information and Statements on page 1 of the Circular for a discussion of such risks and uncertainties and the material factors and assumptions related to these statements.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Helix BioPharma Corp. (“**Helix**”) will be held at on December 18, 2014 at 10:00 a.m. (Toronto time) at the offices of Osler, Hoskin & Harcourt LLP, Suite 6300, 1 First Canadian Place, Toronto, Ontario, M5X 1B8, for the following purposes:

1. to receive the audited consolidated financial statements of Helix for the fiscal year ended July 31, 2014 together with the auditor’s report thereon;
2. to elect directors of Helix to hold office for the ensuing year;
3. to appoint BDO Canada LLP, Chartered Accountants, as auditors of Helix for the ensuing year and to authorize the directors to fix their remuneration; and
4. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

This Notice of Meeting is accompanied by a Management Proxy Circular which provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice of Meeting.

Shareholders who are unable to attend the Meeting are requested to complete, date, sign and return the enclosed form of proxy or voting instruction form, or to vote online or by telephone in accordance with the instructions on the enclosed form of proxy or voting instruction form, so that as large a representation as possible may be had at the Meeting.

Shareholders as at the record date of November 17, 2014 are entitled to vote at the Meeting and any adjournment of the Meeting. Proxies to be used or acted upon at the Meeting must be deposited with Helix’s transfer agent by 10:00 a.m. (Toronto time) on December 16, 2014 (or a day other than a Saturday, Sunday or holiday which is at least 48 hours before the Meeting or any adjournment of the Meeting).

DATED at Aurora, Ontario this 18th day of November 2014.

By Order of the Board of Directors,



Robert A. Verhagen
President and Chief Executive Officer

TABLE OF CONTENTS

Page

MANAGEMENT PROXY CIRCULAR.....	1
DEFINED TERMS AND CURRENCY	1
FORWARD-LOOKING INFORMATION AND STATEMENTS	1
NOTICE REGARDING INFORMATION.....	1
QUESTIONS AND ANSWERS ABOUT VOTING RIGHTS AND THE SOLICITATION OF PROXIES	2
BUSINESS OF THE MEETING	5
Financial Statements and Auditor’s Report	5
Election of Directors	5
Appointment and Remuneration of Auditors	5
NOMINEES FOR ELECTION AS DIRECTORS	5
EXECUTIVE COMPENSATION	9
Compensation Discussion and Analysis	9
Summary Compensation Table – Named Executive Officers.....	17
Outstanding Share-Based and Option-Based Awards – Named Executive Officers.....	18
Incentive Plan Awards – Value Vested or Earned During the Year – Named Executive Officers	18
Employment Agreements, Termination and Change of Control Benefits.....	18
Compensation of Directors	21
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS	23
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....	23
CORPORATE GOVERNANCE.....	23
Board of Directors.....	24
Board Mandate.....	25
Position Descriptions	26
Orientation and Continuing Education.....	27
Ethical Business Conduct.....	27
Governance and Compensation Committee; Nomination of Directors.....	27
Audit Committee.....	28
Science and Business Development Committee	28
Assessments	29
OTHER MATTERS.....	29
Other Business	29
Interests of Persons in Matters to be Acted Upon.....	29
Interest of Persons in Material Transactions	29
Shareholder Proposals for the Next Annual General Meeting	29
Additional Information	29
APPROVAL OF THE BOARD OF DIRECTORS	29
APPENDIX A GLOSSARY OF TERMS	
APPENDIX B BOARD OF DIRECTORS MANDATE AND CORPORATE GOVERNANCE GUIDELINES	
APPENDIX C AUDIT COMMITTEE CHARTER	

MANAGEMENT PROXY CIRCULAR

This Management Proxy Circular (this “**Circular**”) is delivered in connection with the solicitation by management of Helix BioPharma Corp. (“**Helix**”) of proxies to be used at the annual general meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares of Helix (the “**Common Shares**”) to be held on December 18, 2014, commencing at 10:00 a.m. (Toronto time) at the offices of Osler, Hoskin & Harcourt LLP, Suite 6300, 1 First Canadian Place, Toronto, Ontario, M5X 1B8, and at all adjournments or postponements of the Meeting, for the purposes set forth in the accompanying Notice of Annual General Meeting of Shareholders (the “**Notice of Meeting**”).

DEFINED TERMS AND CURRENCY

This Circular contains defined terms. For a list of all defined terms used in this Circular, see the Glossary set out in Appendix A to this Circular. Except as otherwise indicated in this Circular, references to “**dollars**” and “**\$**” are to the lawful currency of Canada.

FORWARD-LOOKING INFORMATION AND STATEMENTS

This Circular contains forward-looking statements and information (collectively, “**forward-looking statements**”) within the meaning of applicable Canadian securities laws, including but not limited to those relating to Helix’s business, operations and policies, including Helix’s ability to operate as a going concern being dependent mainly on obtaining additional financing and those relating to Helix’s development programs for Topical Interferon Alpha-2b, DOS47 and L-DOS47 and other information relating to future periods. In some cases forward-looking statements can be identified by the use of forward-looking terminology such as “**expects**”, “**potential**”, “**opportunities**”, “**objective**”, “**believe**”, “**intended**”, “**2015**”, “**ongoing**”, “**estimate**”, “**future**”, “**wish**” or the negative thereof or any other variations thereon or comparable terminology referring to future events or results, or that events or conditions “**will**”, “**may**”, “**could**”, “**would**” or “**should**” occur or be achieved, or comparable terminology referring to future events or results.

Forward-looking statements are statements about the future and are inherently uncertain, and are necessarily based upon a number of estimates and assumptions that are also uncertain. Although Helix believes that the expectations, estimates, forecasts and projections 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 are intended to provide information about management’s current plans and expectations regarding future operations and events and may not be appropriate for other purposes. There are a number of risks, uncertainties and other factors that could cause actual results or events to differ materially from the forward-looking statements and these include, without limitation: (a) Helix’s ability to operate on a going concern being dependent mainly on obtaining additional financing; (b) Helix’s growth and future prospects being dependent on the success of one or both of L-DOS47 and Topical Interferon Alpha-2b; (c) Helix’s priority continuing to be L-DOS47; (d) the anticipated timeline for completion of Helix’s European Phase I/II clinical trials for L-DOS47 in Poland; (e) the nature, design and timing of future clinical trials and commercialization plans; (f) changes in market, economic, industry or regulatory conditions; and (g) those risks and uncertainties discussed under the headings “*Forward-Looking Statements*” and “*Risk Factors*” in Helix’s most recently filed Annual Information Form filed under Helix’s profile on SEDAR at www.sedar.com (together, the “**Risk Factors**”). Certain material factors or assumptions are applied in making the forward-looking statements in this Circular, including, without limitation, that the Risk Factors will not cause Helix’s actual results or events to differ materially from the forward-looking statements.

Forward-looking statements and information are based on the beliefs, assumptions, opinions and expectations of Helix’s management on the date of this Circular, and Helix 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.

NOTICE REGARDING INFORMATION

Information in this Circular is given as at November 18, 2014, unless otherwise indicated and except for information contained in the documents incorporated herein by reference, which is given as at the respective dates stated therein.

QUESTIONS AND ANSWERS ABOUT VOTING RIGHTS AND THE SOLICITATION OF PROXIES

What is this document?

This Circular is a management proxy circular sent to Shareholders in advance of the Meeting to provide information relating to the business of the Meeting, Helix and Helix's directors and senior executive officers. A form of proxy or voting information form accompanies this Circular.

What is the business to be considered at the Meeting?

The Meeting is Helix's annual general meeting and is being held to elect directors and appoint BDO Canada LLP, Chartered Accountants, as auditors of Helix.

How does the Board recommend that I vote?

The Board recommends that Shareholders vote:

- (a) **FOR** the election as directors of Helix of the proposed nominees set forth in this Circular; and
- (b) **FOR** the appointment of BDO Canada LLP, Chartered Accountants, as auditors and authorizing the Board to fix their remuneration.

Who is soliciting my vote?

Proxies are being solicited in connection with this Circular by the management of Helix. Costs associated with the solicitation will be borne by Helix. The solicitation will be made primarily by mail, but proxies may also be solicited personally by regular employees of Helix to whom no additional compensation will be paid.

Who is eligible to vote?

Shareholders who hold Common Shares at the close of business on November 17, 2014 (the "**Record Date**") will be eligible to vote at the Meeting in person or by proxy.

How do I vote?

The voting process is different depending on whether you are a registered or non-registered Shareholder:

- (a) You are a registered Shareholder (a "**Registered Shareholder**") if your name appears on your Share certificate or, if registered electronically, the Shares are registered with Helix's Transfer Agent in your name and not an intermediary such as a bank, trust company, securities broker, trustee or other nominee (an "**intermediary**"); or
- (b) You are a non-registered Shareholder (a "**Non-Registered Shareholder**") if your shares are held on your behalf by an intermediary. This means the Shares are registered with Helix's Transfer Agent in an intermediary's name, and you are the beneficial owner. Most Shareholders are Non-Registered Shareholders.

Non-Registered Shareholders

If you are a Non-Registered Shareholder, your intermediary will send you a voting instruction form or proxy form with this Circular. This form will instruct the intermediary how to vote your Common Shares at the Meeting on your behalf. You must follow the instructions from your intermediary in order to vote.

If you do not intend to attend the Meeting and vote in person, mark your voting instructions on the voting instruction form or proxy form, sign it, and return it as instructed by your intermediary. Your intermediary may have also provided you with the option of voting by telephone or fax or through the internet.

If you wish to vote in person at the Meeting, insert your name in the space provided for the proxyholder appointment in the voting instruction form or proxy form, and return it as instructed by your intermediary. Do not complete the voting

section of the proxy form or voting information form, since you will vote in person at the Meeting. Your intermediary may have also provided you with the option of appointing yourself or someone else to attend and vote on your behalf at the Meeting through the internet. When you arrive at the Meeting, please register with the Transfer Agent.

Your intermediary must receive your voting instructions in sufficient time for your intermediary to act on them. The Transfer Agent must receive proxy vote instructions from your intermediary by no later than 10:00 a.m. (Toronto time) on December 16, 2014, or at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment of the meeting, but please be aware that your intermediary may have set an earlier cut off time for receipt of your voting instructions.

Registered Shareholders

If you are a Registered Shareholder, a form of proxy is enclosed with this Circular to enable you to appoint a proxyholder to vote on your behalf at the Meeting.

If you do not intend to attend the Meeting and vote in person, you can provide your voting instructions by completing and returning the enclosed form of proxy or you can provide them by telephone or the internet in accordance with the instructions appearing on the enclosed form of proxy. You may choose another person – called a proxyholder – to attend the Meeting and vote your Common Shares for you. In either case, you will need to complete and return the enclosed form of proxy to the Transfer Agent at 100 University Avenue, North Tower, 9th floor, Toronto, Ontario, M5J 2Y1.

If you wish to vote in person at the Meeting, you may still provide voting instructions using the enclosed form of proxy or by telephone or by internet. When you arrive at the Meeting, please register with our Transfer Agent. If you vote in person at the Meeting any proxy you have previously given will be revoked.

To be valid, the form of proxy must be filled out, correctly signed (exactly as your name appears on the proxy form), and returned to the Transfer Agent in the enclosed envelope by 10:00 a.m. (Toronto time) on December 16, 2014, or at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment of the Meeting. Your proxyholder may then vote on your behalf at the Meeting.

Who will act as my proxyholder to vote my shares?

Your proxyholder is the person that you appoint to cast your votes and act on your behalf at the Meeting including any continuation of the Meeting that may occur in the event that the Meeting is adjourned. Signing and returning the enclosed proxy form authorizes Robert A. Verhagen or Photios (Frank) Michalargias (the “**Named Proxyholders**”) to vote your Common Shares at the Meeting in accordance with your instructions. **A Shareholder may appoint another person (who need not be a Shareholder) to represent the Shareholder at the Meeting.** If you wish to appoint another person to be your proxyholder, fill in that person’s name in the blank space provided in the proxy or voting instruction form.

How will my Shares be voted if I give my proxy?

If you appoint the Named Proxyholders as your proxyholders, the Common Shares represented by the form of proxy will be voted, or withheld from voting, in accordance with your instructions as indicated on the form on any ballot that may be called for. **In the absence of instructions from you, such Common Shares will be voted:**

- (a) **FOR the election as directors of Helix of the proposed nominees set forth in this Circular; and**
- (b) **FOR the appointment of BDO Canada LLP, Chartered Accountants, as auditors of Helix and authorizing the Board to fix their remuneration.**

What if amendments are made to these matters or other business is brought before the Meeting?

The accompanying form of proxy confers discretionary authority on the persons named in it as proxies with respect to any amendments or variations to the matters identified in the Notice of Meeting or other matters that may properly come before the Meeting and the named proxies in your properly executed proxy will vote on such matters in accordance with their judgment. At the date of this Circular, management of Helix is not aware of any such amendments, variations or other matters which are to be presented for action at the Meeting.

What if I change my mind?

If you are a Non-Registered Shareholder, you can revoke your prior voting instructions by providing new instructions on a voting instruction form or proxy form with a later date, or at a later time in the case of voting by telephone or through the internet, provided that your new instructions are received by your intermediary in sufficient time for your intermediary to act on them before 10:00 a.m. (Toronto time) on December 16, 2014, or at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment of the Meeting. Otherwise, contact your intermediary if you want to revoke your proxy or change your voting instructions or if you change your mind and want to vote in person.

If you are a Registered Shareholder, you may revoke any prior proxy by providing a new proxy with a later date, provided that your new proxy is received by the Transfer Agent before 10:00 a.m. (Toronto time) on December 16, 2014, or at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment of the Meeting. You may also revoke any prior proxy without providing new voting instructions by delivering written notice clearly indicating you wish to revoke your proxy to the registered office of Helix at 305 Industrial Parkway South, Unit 3, Aurora, Ontario, L4G 6X7, Fax (905) 841-2244, Attention: President and Chief Executive Officer, or at the offices of the Transfer Agent, Computershare Investor Services Inc., at 100 University Avenue, North Tower, 9th floor, Toronto, Ontario, M5J 2Y1 at any time up to 5:00 p.m. (Toronto time) on the last business day before the Meeting or any adjournment of the Meeting. A proxy may also be revoked on the day of the Meeting or any adjournment of the Meeting by a registered Shareholder by delivering written notice to the Chair of the Meeting. In addition, the proxy may be revoked prior to its use by any other method permitted by applicable law. The written notice of revocation may be executed by the registered Shareholder or by an attorney who has the Shareholder's written authorization. If the Shareholder is a corporation, the written notice must be executed by its duly authorized officer or attorney. If you are an individual and register with the Transfer Agent at the Meeting and vote in person at the Meeting any proxy you have previously given will be revoked.

How many Common Shares are entitled to vote?

As of November 18, 2014, there were 75,900,337 Common Shares outstanding, each carrying the right to one vote per Common Share.

What constitutes a quorum at the Meeting?

A quorum for the Meeting shall be at least 10% of the Common Shares entitled to vote at the Meeting, present in person or by proxy, provided that a quorum shall not be less than two persons. No business shall be transacted at the Meeting unless the requisite quorum is present at the commencement of the Meeting. If a quorum is present at the commencement of the Meeting, a quorum shall be deemed to be present during the remainder of the Meeting.

What approvals are required?

The resolutions set forth in this Circular must be approved by the affirmative vote of at least a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

Who are the principal Shareholders of Helix?

To the knowledge of the Directors and executive officers of Helix, as of the date of this Circular, there is no person or company that beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of Helix carrying 10% or more of the voting rights attached to any class of voting securities of Helix. However, Sylwester and Dorota Cacek, whose filings on the System for the Electronic Disclosure of Insiders show a combined beneficial ownership of 6,997,200 Common Shares, hold approximately 9.22% of the issued and outstanding Common Shares.

What if I have other questions?

If you have any questions about the information contained in this Circular or require assistance in completing the form of proxy or letter of transmittal, please contact the President and Chief Executive Officer of Helix at 305 Industrial Parkway South, Unit 3, Aurora, Ontario, L4G 6X7, or by telephone at (905) 841-2300.

BUSINESS OF THE MEETING

Financial Statements and Auditor's Report

The audited consolidated financial statements of Helix for the fiscal year ended July 31, 2014 and the auditor's report thereon will be placed before the Meeting.

Election of Directors

The Board is currently comprised of seven directors. At the Meeting, Shareholders will be asked to elect seven directors. All directors so elected will hold office until the next annual meeting of Shareholders, or until their successors are elected or appointed. **The Named Proxyholders, if named as proxy, intend to vote the Common Shares represented by any such proxy for the election of each of the nominees whose names are set forth below under the heading "Nominees for Election as Directors" unless the Shareholder who has given such proxy has directed that such Common Shares be withheld from the voting in the election of one or more of such nominees.** Management of Helix does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason at or prior to the Meeting, the Named Proxyholders, if named as proxy, reserve the right to vote for another nominee(s) in their discretion.

The Board has adopted a majority voting policy which requires that any nominee for election as a director of Helix in an uncontested election with respect to whom a majority of the total votes cast by ballot at, or, if a ballot vote was not conducted, a majority of the votes represented by proxies validly deposited prior to, a meeting of Shareholders at which directors of Helix are to be elected (an "Election Meeting") are "withheld" from his or her election (a "Majority Withheld Vote") shall, immediately following the Election Meeting, submit his or her resignation to the Board for consideration. The policy requires that directors other than those who received a Majority Withheld Vote at the same Election Meeting (or, if there are less than three such directors, the entire Board) consider and within 90 days following the Election Meeting determine, whether or not to accept the resignation(s). The resignation of a director who received a Majority Withheld Vote shall be accepted absent of exceptional circumstances and is effective when accepted by the Board. A press release disclosing the determination of such directors (and the reasons for rejecting the resignation(s), if applicable) shall be issued promptly following such determination, and a copy of such press release shall be provided to the TSX.

Appointment and Remuneration of Auditors

Shareholders will be asked to consider and, if thought fit, to pass, an ordinary resolution approving the appointment of BDO Canada LLP, Chartered Accountants, as auditors of Helix to hold office until the close of the next annual meeting of Helix. It is also proposed that the remuneration to be paid to the auditors of Helix be fixed by the Board. BDO Canada LLP was first appointed as the Auditor by the Board on June 12, 2013.

For the fiscal year ended July 31, 2014 BDO Canada LLP and its affiliates were paid the following fees by Helix:

Item	2014	
	Amount	Percentage of Total Fees ⁽¹⁾
Audit Fees	\$41,250	89%
Audit-Related Fees	\$0	0%
Tax Fees	\$0	0%
All Other Fees	\$5,188	11%
Total	\$46,438	100%

(1) All percentages are rounded to the nearest whole percent.

All audit and non-audit services performed by Helix's auditors must be pre-approved by Helix's Audit Committee.

The Named Proxyholders, if named as proxy, intend to vote the Common Shares represented by any such proxy for the approval of the appointment of BDO Canada LLP, Chartered Accountants, as auditors of Helix and for authorizing the Board to fix their remuneration unless the Shareholder who has given such proxy has directed otherwise.

NOMINEES FOR ELECTION AS DIRECTORS

The following seven persons are nominated by management of Helix for election at the Meeting as directors of Helix, each for a term expiring at the next annual meeting following the Meeting. Unless authority is withheld, the Named

Proxyholders, if named as proxy, intend to vote for these nominees. All of the nominees have established their eligibility and willingness to serve as directors. Detailed biographical information, including with respect to principal occupation and employment history, is set out under “*Biographical Information*”, below.

Name of Nominee; Age; Residence; and Current Position with Helix	Director Since	Independence	Committee Membership	Voting Securities beneficially owned, or controlled or directed, directly or indirectly	
				Common Shares ⁽¹⁾	Options
Yvon Bastien, 67 Sutton, Quebec Canada Director, Chair of the Board	December 18, 2013	Independent	Audit, Governance & Compensation (Chair)	Nil	50,000
Sylwester Cacek, 54 Zurich, Switzerland Director	March 7, 2014	Independent	-	6,997,200	50,000
Sławomir Majewski, 58 Warsaw, Poland Director	October 19, 2012	Independent	Governance & Compensation	1,705,700	100,000
Marek Orłowski, 46 Warsaw, Poland Director	March 16, 2012	Independent	Governance & Compensation, Science & Business Development	1,710,000	50,000
Sven Rohmann, 52 Zurich, Switzerland Director	December 18, 2013	Independent	Audit (Chair), Science & Business Development (Chair)	Nil	50,000
Robert A. Verhagen, 48 Toronto, Ontario, Canada Director, President and Chief Executive Officer	March 16, 2012	Non-Independent (President and Chief Executive Officer of Helix)	Science & Business Development	67,400	375,000
Stacy L. Wills, 45 Calgary, Alberta Canada Director	June 12, 2013	Independent	Audit	Nil	50,000

Biographical Information

Biographical information with respect to each of the nominees for election as directors is set out below:

- (a) *Yvon Bastien*: Mr. Bastien has served in health care leadership positions throughout his career. He has served as the Chairman for Trillium Health Care Products Inc. since 2007 and of the St. Bernard Soap Company since 2008. He was also the Chairman of Enobia Pharma Corp. from 2006 to 2009 and Chairman of PainCeptor Pharma Corporation from 2008 to 2009. In November 2013 Mr. Bastien was elected as a director of Bioniche Life Sciences Inc. From 1995 to 2006, Mr. Bastien served as President and General Manager of Sanofi Synthelabo Canada Inc. based in Markham, Ontario, Canada. Prior to joining Sanofi, Mr. Bastien was Founder and President of Delta Healthcare, an early stage Canadian biotechnology company. Prior to Delta, Mr. Bastien served as President of Montreal based Jouveinal, European Marketing Manager of CibaGeigy in Basel, Switzerland, Vice-President, International Marketing and Sales of Laboratoire Debat in Paris, France, General Manager of IMS Canada (Montreal), and as a Hospital Sales Representative with Ely Lilly (Montreal). He serves, or has served, as Chair of the board of directors for four companies and has also served on the boards of directors for various companies in the fields of biotechnology, pharmaceuticals and health care. Mr. Bastien trained in medicine at Louvain University in Belgium, conducted MBA coursework at Sir George William University in Montreal and completed an Executive Management Program at CibaGeigy/INSEAD in France.
- (b) *Sylwester Cacek*: Mr. Cacek is currently President of Sfinans Polska SA, and was the founder of Dominet Capital Group, which included a nationwide retail bank Dominet Bank SA. As Chief Executive Officer of the group, Mr. Cacek created a nationwide financial institution with a wide range of products and services dedicated to individual clients and small and medium enterprises. In 2007, Dominet SA was successfully

sold to Fortis Group. In his career, Mr. Cacek has served as a member of supervisory boards of companies including Dominet Bank SA, Impel SA, OrsNet Sp. z.o.o., SportLive24 SA and KS Widzew Łódź SA. He is a shareholder of the Polish professional football club RTS Widzew Łódź.

(c) *Slawomir Majewski*: Prof. Majewski has been the Head of the Department of Dermatology and Venereology, Center of Diagnostics and Treatment of STD, Warsaw Medical University, Poland, since 1998, Deputy Rector for Science and International Relations at the Medical University of Warsaw since 2008, Coordinator of the Polish Center of Preclinical Studies and Technology since 2008 and a member of the scientific advisory board at the Polish Ministry of Health. Prof. Majewski is also a member of several national and international societies and scientific institutions including the Polish Academy of Sciences, European Society of Dermatological Research, European Academy of Dermatology and Venereology, European Association for Cancer Research, American Association for Cancer Research, International Advisory Committee of the Archives of Dermatology and the International Editorial Committee of the Journal of American Academy of Dermatology. He was also member of the board of the European Society for Dermatological Research from 2000 to 2004 and from 2003 to 2008, Prof. Majewski was a member of the International Steering Committee of the FUTURE II Study on the quadrivalent HPV vaccine. He is also a former member of the Board, having served from 2008 to 2009.

(d) *Marek Orłowski*: Mr. Orłowski is currently a CEO of Adiuvo S.A., an investment holding company domiciled in Poland. Adiuvo invests in biomedicine and medical technologies. Mr. Orłowski has previously acted as a consultant for Sanofi Anventis for portfolio development and globalization of brands, a position he had held since 2010. Mr. Orłowski is the co-founder of the Polish pharmaceutical company, Nepentes S.A., which was acquired by Sanofi-Aventis in 2010. Mr. Orłowski's experience at Nepentes S.A., from the time he co-founded it in 1991 until its acquisition in 2010, included extensive experience in all aspects of marketing, supervision of sales, creation of the company's portfolio and development strategy. His responsibilities included the supervision of strategy of product placement on the market and research and development, the sale of a number of significant brands, creation of new products, and involvement in clinical trials of products. He negotiated distribution contracts and coordinated product launches in Eastern Europe, from Russia through to Poland and Romania. He was also a member of the Management Board of Nepentes S.A. until 2010, where he was responsible for marketing, sales, portfolio creation, strategic development and research and development.

Mr. Orłowski also oversaw the listing of Nepentes S.A. on the Warsaw Stock Exchange and negotiated its subsequent acquisition by Sanofi-Aventis. Mr. Orłowski established and co-owned a direct marketing company, Pelargos Sp. z.o.o., as well as a pharmacy network company, Mexigem Polska Sp. z.o.o., both of which were later acquired. He is a board member and Chief Executive Officer of Airway Medix Sp. z.o.o., a Polish-Israeli company that produces ventilation assistance devices for intensive care units. He also is a board member and major shareholder in a Swedish nutraceutical company, Green Leaf Medical. Mr. Orłowski holds a MD (Medical Director) degree from the Medical Academy of Warsaw.

(e) *Sven Rohmann*: Dr. Rohmann is an experienced life science venture capitalist with more than 25 years hands-on experience in pre-clinical & clinical research as well as marketing, business & corporate development, especially in the field of oncology, since April 2014 he has acted as an independent advisor to various companies. From July 2010 until April 2014, Dr. Rohmann served as General Manager, Europe with Burrill & Company, a leading global venture capital firm with \$1.5 billion under management, and during that same period he has served as Chief Medical Officer and Advisor to the President of Immudyne Inc. During the period from April 2007 to October 2008, Dr. Rohmann served as a Venture Fund Capital Fund Manager for Novartis Pharma AG, and for part of that time also served as Head of Partnering, General Medicine and Mature Products with Novartis. Prior to his service with Novartis, Dr. Rohmann served as General Partner of Nextech Venture AG from 2002 to April 2007. Before his career as venture capitalist, Dr. Rohmann spent 10 years with Merck Serono, where he served as the Global Head, Strategic Marketing, Oncology, and was involved in the licensing of Erbitux, an oncology blockbuster drug, from Imclone and he led the establishment of Merck Oncology. In addition, Dr. Rohmann was the founding CEO of Ganymed Pharmaceuticals, a German oncology start-up company. Mr Rohmann obtained his medical degree, PhD and MBA from the Universities of Mainz, Germany, and Rotterdam, Netherlands, respectively.

(f) *Robert A. Verhagen*: Mr. Verhagen is Helix's President and Chief Executive Officer. Mr. Verhagen was appointed as Chief Executive Officer in July 2012 and as President in December 2013. He has more than

20 years of business development experience in the pharmaceutical and diagnostics industries, including experience working with small-cap biotechnology companies as well as multinational corporations. He has extensive knowledge of corporate development and business planning including licensing arrangements, strategic alliances, partnerships, mergers and acquisitions and subsidiary structuring as well as strategic planning experience in areas including pharmaceutical and medical devices product development, capital equipment and reagent markets and life sciences service lines.

Prior to his appointment as Chief Executive Officer in July 2012, Mr. Verhagen was employed at Spectral Diagnostics Inc., a company focused on the development and commercialization of key diagnostics in several disease areas, with particular emphasis on the combination of diagnostics and therapeutics in disease management. Mr. Verhagen served as Spectral Diagnostics' Vice President, Business Development from 2006 to July 2012, with responsibility for licensing and corporate strategic alliances, as well as Co-Chair of the Clinical Operations Committee, tasked with running a multi-national pivotal trial in Sepsis.

Between 2000 and 2006 he was Senior Director, Corporate Development of MDS Inc., where he created and launched a consortium of biotechnology and technology companies in genomics, proteomics, imaging and clinical development while leading the integration of acquired operations into the company. He has also held a senior position at SYNSORB Biotech, and founded and developed INH Technologies Inc., a life sciences company focused on drug discovery technologies, overseeing all aspects of growth, including financing, operations, management and business development, and ultimately negotiated the acquisition of the company by a large multi-divisional life sciences company, providing premium shareholder value for investors. Mr. Verhagen holds an MBA and B.Sc. (Spec), both from the University of Alberta.

- (g) *Stacy L. Wills*: Mr. Wills has over 20 years of experience in working with early to mid-stage Canadian technology companies. Since 2011, Mr. Wills has worked with Innovate Calgary, the commercialization arm of the University of Calgary and one of Alberta's largest and longest-standing technology incubators. Mr. Wills' is Innovate Calgary's Vice President, Company Creation, and he oversees a portfolio of 14 public and private investee companies, primarily in the life sciences and biotechnology sectors. From 2005 to 2010, prior to joining Innovate Calgary, Mr. Wills served as the Senior Director of Corporate Development at Elluminate Inc., where he was involved in growing the company from a start-up to having over 200 employees, sales in over 60 countries, and annual revenues in excess of \$20 million. Mr. Wills was also actively involved in Elluminate's sale process, which resulted in its acquisition by Blackboard Inc., a leading educational technology firm. Mr. Wills had previously co-founded and served as a board member of the Accolade Private Companies Fund which made seed-level investments in start-up technology companies. Since 2001, Mr. Wills has also been involved in a number of equity financing transactions in the technology sector, including SYNSORB Biotech. Earlier in his career, Mr. Wills lived and worked in Poland, serving in marketing roles with local companies in the mining technology and food distribution sectors. Mr. Wills holds a Chartered Investment Manager designation and obtained a B.Comm (with distinction) from the University of Calgary.

Corporate Cease Trade Orders, Bankruptcies, Penalties and Sanctions

To the knowledge of the directors and officers of Helix, no nominee for election as a director:

- (a) is, or has been within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including Helix) that:
- (i) while he was acting in such capacity, was the subject of a cease trade or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "order"); or
 - (ii) was subject to an order that was issued after he ceased to act in such capacity and which resulted from an event that occurred while he was acting in such capacity; or
 - (iii) while he was acting in such capacity or with a year of his ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (b) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

To the knowledge of the directors and officers of Helix, no nominee proposed for election as a director: (a) has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Overview and Objectives

Helix's executive compensation program covers its senior executive officers. Helix's compensation program includes base salary, short-term cash incentives and long-term equity incentives. The program seeks to provide "pay for performance", where performance is measured against achieving Helix's business objectives as determined by the Board, and to achieve the following specific objectives:

- (a) to promote the recruitment and retention of highly qualified executive officers by offering an overall compensation mix which is competitive with that of similarly situated executives in comparable biotechnology companies;
- (b) to motivate Helix's executive officers to achieve important corporate and personal performance objectives and setting compensation awards for meeting or exceeding those objectives; and
- (c) to align the interests of Helix's executive officers with the long-term interests of Shareholders and the creation of shareholder value through participation in Helix's Equity Compensation Plan.

Meeting these objectives requires Helix to manage several key factors effectively, including: (x) establishing proper market comparators; (y) establishing appropriate compensation elements and the appropriate mix of those elements; and (z) providing effective oversight of the process. These factors are discussed in more detail below.

Market Comparators

In order to ensure that Helix's executive compensation program is competitive relative to the industry in which it operates, Helix identifies a comparator group which is comprised of TSX-listed companies in the biotechnology sector that are similar to Helix in terms of market capitalization and stage of growth. Helix first identified such a group based on advice received from an external compensation advisor during the fiscal year ended July 31, 2009. This comparator group is reviewed periodically by the Governance and Compensation Committee, with a formal review conducted in fiscal 2012 and a subsequent update conducted in fiscal 2014. The updated list of comparators is comprised of the following eight companies: Prometic Life Sciences Inc., Oncolytics Biotech Inc., Resverlogix Corporation, DiagnoCure Inc., Spectral Diagnostics Inc., Aeterna Zentaris Inc., Transition Therapeutics Inc. and Intellipharma International, Inc. Since fiscal 2012, five companies that had previously formed part of the comparator group have ceased to be listed on the TSX and therefore are no longer considered by the Governance and Compensation Committee. To be included in the comparator group a company must be in a related industry, subject to similar challenges, have similar market capitalization and be headquartered in Canada, the US or Europe.

The Governance and Compensation Committee gathers data for each member of the comparator group for reference when determining salaries for new senior executive officers, and when setting the annual compensation awards for Helix's existing senior executive team, including base salary and short- and long-term incentive amounts. These comparisons are used by the Governance and Compensation Committee in assessing the competitiveness of Helix's compensation program. Helix seeks to provide an overall compensation package that, including base salary and full achievement of performance-based incentive objectives, is at or slightly above the average of Helix's comparator group.

Compensation Elements and Mix

Helix's executive compensation program is comprised of a variety of compensation elements, including base salary and at-risk compensation consisting of short- and long-term incentives, together with participation in Helix's health plan for which premiums, other than long-term disability and critical illness premiums, are paid by Helix on behalf of all employees, including each Named Executive Officer.

This compensation mix is reviewed regularly by the Governance and Compensation Committee and adjustments to the compensation elements and mix are made as required.

Base Salary

Helix seeks to pay its senior executive officers a base salary that is in line with the average of the base salaries paid to senior executive officers by Helix's comparator group, making allowance for Helix's current financial condition. Base salaries, and any annual increases, are based on the executive's experience and position at Helix, including the scope, complexity and level of responsibility of that position, the salary levels at Helix's comparator group and the senior executive's overall performance in the preceding year, as determined by the Governance and Compensation Committee. The Governance and Compensation Committee also has particular regard to Helix's financial condition in setting base salaries for its senior executive officers.

In fiscal 2014, base salaries for Helix's senior executive officers were the same as for fiscal 2013 and fiscal 2012. This followed a considerable increase in base salaries in fiscal 2011 to bring these salaries into line with Helix's objective of paying at the average of its comparator group. Base salaries for Helix's senior executive officers have been increased by 1% for fiscal 2015 to partially offset cost-of-living increases but taking into consideration the cash constraints that continue to be faced by Helix. The 2014 and 2015 compensation decisions are discussed in greater detail below under the headings "*Fiscal 2014 Compensation Decisions*" and "*Fiscal 2015 Compensation Levels*", respectively.

Short-Term Incentives

Helix provides short-term incentives to its senior executive officers to reward performance in the most recent fiscal year. These incentives are provided through the payment of cash bonuses based on the satisfaction of certain corporate and individual performance criteria established by the Governance and Compensation Committee following consultation with Helix's President and Chief Executive Officer. The corporate and individual performance criteria are generally determined on an annual basis by the Governance and Compensation Committee. The payment of cash bonuses is based on the extent to which these criteria are satisfied over the course of the fiscal year.

Historically, approximately 35% of the cash bonus for which each senior executive officer was eligible in a given fiscal year was based on the satisfaction by Helix of certain corporate objectives, with the remaining 65% being dependent on the achievement of individual objectives. However, commencing in fiscal 2015, in light of the fluid business situation, Helix's financial condition and the nature of the challenges facing Helix, the Governance and Compensation Committee felt that there was a sufficiently high level of correlation between the achievement of "individual" and "corporate" objectives that it has decided not to impose a rigid separation between the two categories and to assess the achievement of each senior executive officer's performance criteria holistically. The objectives for each of the senior executive officers will generally be based upon Helix obtaining appropriate financing and enhancing its liquidity profile, continuing to develop and successfully implement its research and development initiatives and achieve its clinical trial milestones and otherwise to achieve objectives specific to each executive's position and experience. These objectives are typically reviewed by the Governance and Compensation Committee every six months.

The maximum cash bonus payable to each senior executive officer is calculated as a percentage of such officer's base salary. In fiscal 2014, the maximum percentage for each senior executive officer was 35% of base salary though, given the fluidity of the business circumstances facing Helix, and Helix's financial condition, the Governance and Compensation Committee elected to retain full discretion with respect to the payment of cash bonuses. See "*Fiscal 2014 Compensation Decisions*" and "*Fiscal 2015 Compensation Levels*", respectively.

Long-Term Incentives

Helix's long-term incentive program is designed to align the interests of Helix's senior executive officers with those of its Shareholders and to provide incentives for strong performance and retention over the longer term. This is achieved through the use of equity compensation, and the financial incentive created by equity ownership, granted under Helix's current

equity compensation plan, adopted by Helix's Board in October 2010, originally approved by Shareholders on December 9, 2010 and amended on June 29, 2011 and November 18, 2013 (the "**Equity Compensation Plan**").

The Equity Compensation Plan provides for the granting of options to purchase Common Shares ("**Options**"), share appreciation rights related to Options ("**Related SARs**"), share appreciation rights unrelated to Options ("**Free-Standing SARs**"), restricted share units ("**RSUs**"), restricted shares, deferred share units ("**DSUs**") and share awards, and permits a combination of any of the foregoing. All Options issued under prior equity compensation plans of Helix became subject to the Equity Compensation Plan upon its implementation.

The Governance and Compensation Committee has responsibility for administering the Equity Compensation Plan, though authority for making grants ultimately rests with the Board. Grants under the Equity Compensation Plan are based on a number of factors including the applicable person's position and level of responsibility in Helix, the duration of that person's association with Helix, the number and terms of Options or other equity compensation then held by the person, the person's current performance and expected future performance and value to Helix, and the number of securities remaining for grant under the Equity Compensation Plan.

Certain of the key terms of the Equity Compensation Plan, which apply to all grants of equity compensation by Helix, are set out below. This summary is not, and is not intended to be, comprehensive and is qualified in its entirety by reference to the Equity Compensation Plan, a copy of which is available under Helix's profile on SEDAR at www.sedar.com. Capitalized terms used in this summary and not otherwise defined in this Circular have the meaning given to them in the Equity Compensation Plan.

Eligibility: Awards may be granted to directors, officers, employees and consultants of Helix or an affiliate of Helix.

Exercise Price: The Governance and Compensation Committee establishes the exercise price of all Options granted, which may not be less than the Fair Market Value of the Common Shares on the date of grant of the Options.

Term Each Award shall expire at such time as is determined by the Governance and Compensation Committee, which in no event may exceed ten years from the date of the original grant of the Award.

Vesting: All Awards may be subject to vesting provisions in the discretion of the Governance and Compensation Committee. Vesting has historically been structured such that 25% of the grant vests immediately, with a further 25% vesting on the first, second and third anniversaries of the date of the grant, though the precise terms of vesting vary from grant to grant. However, in any case, the use of delayed vesting is consistent with Helix's desire to promote a longer-term incentive for its senior executive officers.

Upon a change of control of Helix, as defined in the Equity Compensation Plan, all Awards with restrictions vest immediately, except for any Awards granted to consultants on or after October 20, 2010, which will continue to vest according to the terms and conditions of the applicable award agreement.

Plan Maximum: The number of Common Shares which may be reserved for issuance pursuant to Awards granted under the Equity Compensation Plan may not be more than 10% of Helix's outstanding Common Shares from time to time, or currently 75,900,337 Common Shares. Additional Common Shares will automatically become available for grant under the Equity Compensation Plan upon any increase in Helix's issued and outstanding Common Shares, to the extent of 10% of such increase.

There have been 391,811 Common Shares issued under the Equity Compensation Plan, representing less than 1% of the outstanding Common Shares, and there are currently Options to purchase up to 3,488,084 Common Shares, representing approximately 4.4% of the outstanding Common Shares.

Reloading: Under the Equity Compensation Plan, the number of Common Shares issued pursuant to any type of Award, as well as the number under those Awards that have expired or been cancelled and under which no Common Shares were issued, can be the subject of another grant.

Limitations on Insiders: The Equity Compensation Plan contains the following restrictions on the number of Common Shares that may be issued to insiders of Helix at any time under the Equity Compensation Plan:

- (a) the number of Common Shares issuable to insiders of Helix, at any time, under the Equity Compensation Plan and any other security based compensation arrangements, cannot exceed 10% of the issued and outstanding Common Shares; and
- (b) the number of Common Shares issued to insiders, within any one year period, under the Equity Compensation Plan and any other security based compensation arrangements, cannot exceed 10% of the issued and outstanding Common Shares.

Limitation on any Single Grantee: The number of Common Shares that may be issued to any one individual at any time under the Equity Compensation Plan and any other security based compensation arrangements of Helix cannot exceed 5% of Helix's issued and outstanding Common Shares.

Termination and Adjustments: All Awards will terminate on the earliest of the following dates:

- (a) the expiry date specified for such Award in the award agreement with Helix evidencing such Award;
- (b) where the grantee's position as an Eligible Person is removed or terminated for just cause, the date of such termination for just cause;
- (c) except for a consultant in respect of Awards granted on or after October 20, 2010, where the grantee's position as an Eligible Person terminates due to the death or Disability of the grantee, one year following such termination;
- (d) where the grantee's position as an Eligible Person terminates for a reason other than the grantee's disability, death, or termination for just cause (termination for such other reason being hereinafter referred to as a "**Voluntary Termination**"), and the grantee has no continuing business relationship with Helix or an affiliate of Helix as an Eligible Person in any other capacity:
 - (i) where the grantee held the position of a director or officer of Helix or an affiliate, one year after the date of Voluntary Termination; and
 - (ii) where the grantee held any other position with Helix or an affiliate, except for a consultant in respect of Awards granted on or after October 20, 2010, the grantee has no continuing business relationship with Helix or its affiliates, then at the Governance and Compensation Committee's discretion anywhere from 30 days to one year after the date of the Voluntary termination, and if the Governance and Compensation Committee does not make a determination at the time of the Award grant, then automatically 30-days after the termination date;
- (e) for Awards granted to a consultant on or after October 20, 2010, all such Awards terminate the date the consultant's engagement with Helix or its affiliates terminates.

If an Award expiry date falls during the period of any trading blackout period self-imposed by Helix or within four business days thereafter, such Awards may be exercised until the end of the fifth business day following the expiry of the blackout period.

The retirement of a director at a meeting of shareholders pursuant to the constating documents of Helix and the re-election of such director at such meeting is deemed not to be a retirement, or termination of the position of such director.

Anti-dilution: The Equity Compensation Plan has an anti-dilution provision for Helix to make appropriate adjustments to outstanding Awards in certain events, including a share consolidation, stock split, stock dividend, reorganizations or other similar alteration.

Assignability: Options, SARs, RSUs, Restricted Shares, DSUs and share awards providing for the further issuance of Common Shares are non-transferable and non-assignable.

Amendment: The Governance and Compensation Committee can, at any time, suspend, amend or terminate the Equity Compensation Plan and amend any Award Agreement, subject to approval of any stock exchange on which the Common Shares are listed if required under the rules and policies of such stock exchange.

The Governance and Compensation Committee cannot, without the approval of the Shareholders amend the Equity Compensation Plan or an Award Agreement in order to:

- (a) increase the percentage of Common Shares issuable under the Equity Compensation Plan;
- (b) increase the limits on insiders in the Equity Compensation Plan;
- (c) permit Awards to be transferable or assignable other than for normal estate settlement purposes;
- (d) increase the number of Common Shares which may be issued pursuant to any Award granted under this Equity Compensation Plan;
- (e) reduce the exercise price of any Option or Related SAR granted under the Equity Compensation Plan then held by an insider;
- (f) extend the term of any Award held by an insider beyond the original term, except a blackout extension; or
- (g) amend any of the foregoing matters which the Equity Compensation Plan provides may not be amended without the approval of the Shareholders.

Share Appreciation Rights At the election of the Grantee, Options in respect of which Related SARs have been granted may be surrendered to Helix in exchange for Related SARs in an amount equal to the excess of the Fair Market Value of a Share on the date of the exercise of the Related SAR over the Exercise Price per Share of the related Option multiplied by the number of Shares that would have been acquired if the Option or portion thereof has been exercised.

Free-Standing SARs can be redeemed, upon vesting, for an amount equal to the excess of the Fair Market Value of a Share on the date of vesting of the Free-Standing SAR over the Fair Market Value of a Share on the Date of Grant of the Free-Standing SAR.

Benefits and Perquisites

The Named Executive Officers are eligible to participate in Helix's health plan for which premiums, other than long-term disability and critical illness premiums, are made by Helix on behalf of all employees, including each Named Executive Officer. Any perquisite or similar personal benefit must be considered by the Governance and Compensation Committee, and ultimately approved by the Board, prior to becoming effective.

Governance and Compensation Committee and Oversight

The Board has a Governance and Compensation Committee. This committee resulted from the amalgamation of the Governance Committee and the Compensation Committee in November 2013. The Governance and Compensation Committee is currently comprised of three members. The current members are Yvon Bastien (Chair), Slawomir Majewski and Marek Orłowski, each of whom is independent of Helix (see "*Corporate Governance – Board of Directors*", below). For additional information with respect to the business experience and background of each member of the Governance and Compensation Committee, see "*Nominees for Election as Directors – Biographical Information*", above.

The amalgamation of the Governance Committee and the Compensation Committee followed a recommendation of the former Governance Committee. The Board considered a number of factors in making this determination, including the

size of the Board, the size and financial resources of Helix and the anticipated nature and level of complexity of the issues expected to come before the amalgamated committee, and the Board ultimately determined that it was in the best interest of Helix and its shareholders to amalgamate the committees. The amalgamated committee has all of the responsibilities of the previous Governance and Compensation Committees, and a mandate for the new committee reflecting these responsibilities was adopted by the Board on October 20, 2014. A copy of the mandate of the Governance and Compensation Committee is available on Helix's website.

Pursuant to its mandate, the Governance and Compensation Committee is responsible for, among other things, reviewing the past performance of Helix's senior executive officers relative to established objectives, setting corporate and individual objectives for the succeeding fiscal year, and recommending to the Board the overall compensation for the senior executive officers of Helix based on the objectives of Helix's executive compensation program, including with respect to base salaries, bonuses, equity compensation and other benefits. The Governance and Compensation Committee also makes recommendations regarding the compensation of Helix's independent directors.

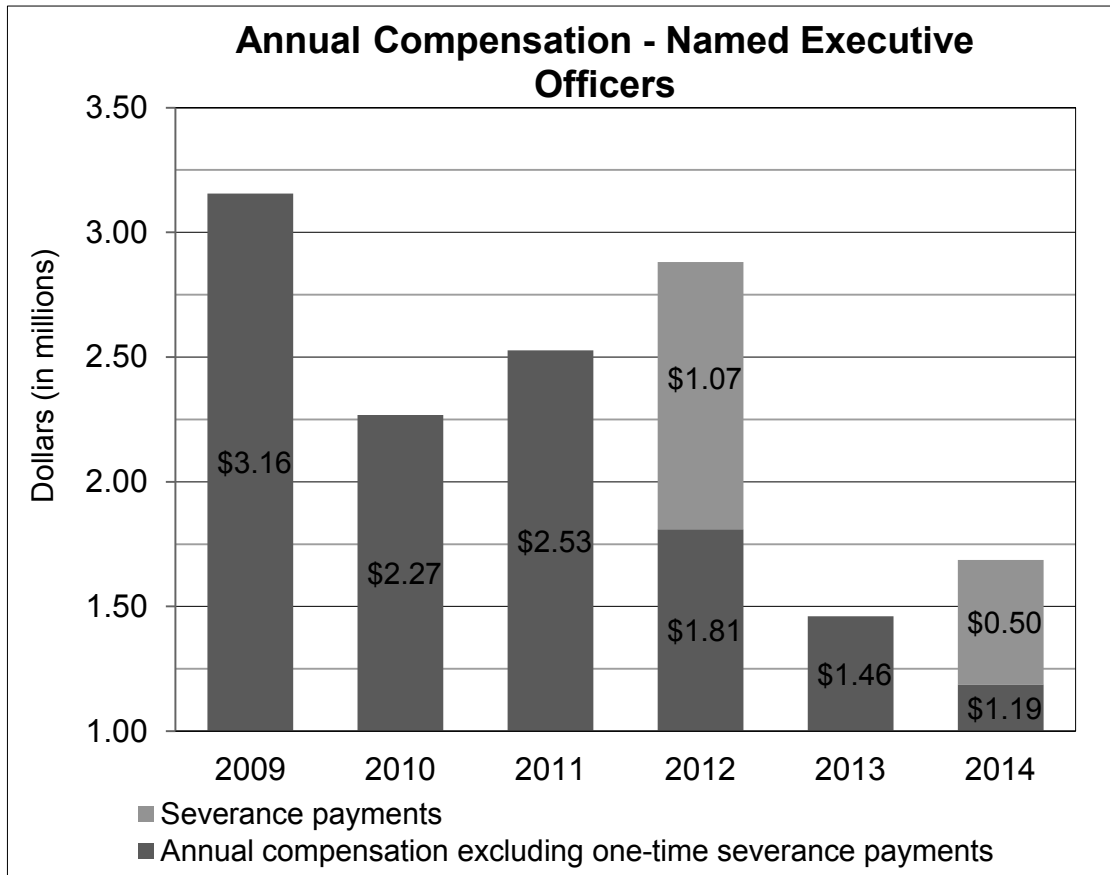
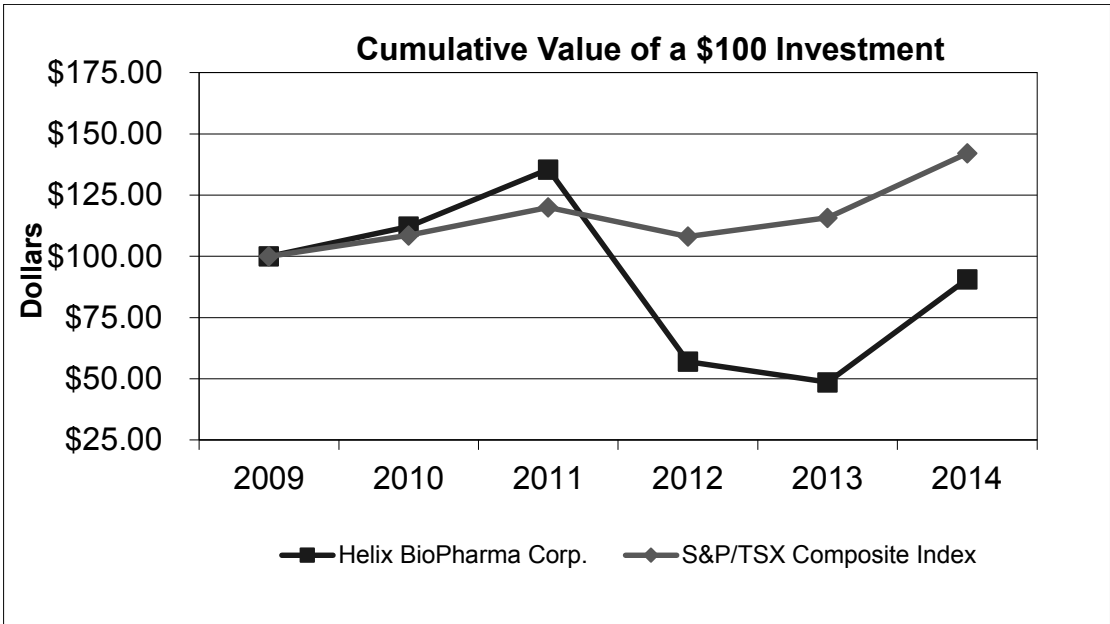
In making its recommendations each year, the Governance and Compensation Committee has regard to, among other things, the performance of each senior executive officer relative to the performance criteria set for that particular fiscal year and Helix's overall performance relative to its competitors in the market. The Committee also considers the compensation levels among Helix's comparator group, including the need to update the companies included in that group, and other market trends and competitive factors. The Committee also considers the extent to which the proposed compensation promotes Helix's business goals and objectives and reflects Helix's stage of development, financial condition and prospects. Following recommendation by the Governance and Compensation Committee, final decisions on executive compensation are made by the Board.

The Governance and Compensation Committee is required by its mandate to meet at least twice a year. The Governance and Compensation Committee has the authority to contract with an independent compensation consultant when it deems it necessary, however, the Committee has not engaged an independent compensation consultant since the beginning of the most recently completed financial year.

Performance, Targets and Results – Fiscal 2014

Helix Performance Graphs

The first graph below is a performance graph comparing the cumulative total shareholder return on the Common Shares (assuming the reinvestment of dividends, of which none have been paid) for the five year period ended July 31, 2014 with the total cumulative return from the S&P/TSX Composite Index over the same period. The graph shows what a \$100 investment in Helix and in the S&P/TSX Composite Index made on August 1, 2009 would have been worth every year, and at the end of the five-year period following the initial investment. The second graph below shows the aggregate annual compensation for the Named Executive Officers of Helix over that same period, calculated for each year using the compensation disclosed in the summary compensation table for the Named Executive Officers in the Management Proxy Circular for the applicable fiscal year.



Positive trends in Helix’s shareholder returns from fiscal 2009 to fiscal 2011 were reflected in an increase in the compensation paid to Helix’s senior executive officers. However, Helix’s shareholder value declined significantly in fiscal 2012, and this was reflected in the Compensation Committee’s decisions in fiscal 2012 not to: (a) increase base salaries for fiscal 2012; (b) grant any performance bonuses to senior executive officers for 2012; or (c) grant Options or other equity compensation during fiscal 2012 (other than the 250,000 Options granted to Helix’s new Chief Executive Officer).

Compensation levels for fiscal 2012 included a one-time severance payment to Dr. Donald Segal, Helix's former Chief Executive Officer but, net of such payment, Helix was able to reduce compensation levels considerably from those in fiscal 2011. Given the ongoing challenges facing Helix, the Compensation Committee decided not to increase base salaries, award bonuses or grant Options in fiscal 2013 resulting in a further compensation decline for the year.

Helix's compensation levels in fiscal 2014 continue to be well below the levels of 2009-2012 despite a one-time severance payment of \$500,000 to Mr. John Docherty, Helix's former President and Chief Operating Officer, who was terminated on December 5, 2014. Base salaries for Helix's senior executive officers were not increased in fiscal 2014, though there was a grant of Options to Messrs. Robert A. Verhagen, Photios (Frank) Michalargias and Heman Chao and a cash bonus was awarded to Mr. Verhagen in recognition of improvements in operations and the successful implementation of research and development initiatives which together resulted in significantly stronger performance by Helix in fiscal 2014. See "*Fiscal 2014 Compensation Levels*".

Fiscal 2014 Compensation Decisions

President and Chief Executive Officer

Robert A. Verhagen was appointed by the Board and commenced his duties as Chief Executive Officer on July 16, 2012. Having been appointed at the end of fiscal 2012, his base salary was set at a level approximately \$90,000 per annum lower than his predecessor, reflecting in part Helix's financial constraints at that time. Mr. Verhagen's base salary was not increased for fiscal 2013, nor did Mr. Verhagen receive a cash bonus in that year.

Mr. Verhagen's base salary was similarly not increased in fiscal 2014, in part in order to preserve cash for Helix's research and development activities. Mr. Verhagen's bonus eligibility remained fixed at 35% of his base salary. Although specific bonus targets were not fixed in fiscal 2014, the Board decided, following a recommendation by the Governance and Compensation Committee based on its careful assessment of the performance of Helix and each senior executive officer for fiscal 2014, and, in particular its consideration of Helix's current financial condition and prospects, that a cash performance bonus should be granted to Mr. Verhagen in recognition his successful efforts in advancing a number of strategic initiatives in fiscal 2014, including improvements made in Helix's operations and the successful implementation of research and development initiatives. Mr. Verhagen therefore received a cash bonus of \$32,500, representing 10% of his base salary for fiscal 2014.

In addition, the Compensation Committee (as it then was) recommend, and the Board approved, a grant of 75,000 Options to Mr. Verhagen in November 2013. These Options were granted in recognition of Mr. Verhagen's contribution to improving Helix's operational performance, including in initiating Helix's European Phase I/II clinical study of its L-DOS47 drug candidate in Poland, the completion of the Rivex Transaction during fiscal 2013, and the completion of the private placement on November 4, 2013 that yielded net proceeds to Helix of more than \$4.6 million. These Options have a term of five years, vested on November 1, 2014 (being one year following the date on which they were granted) and have an exercise price of \$1.34, being the closing market price of the Common Shares on the TSX on the trading day prior to the effective date of the grant. On the same date, Mr. Verhagen was granted a further 50,000 Options (for a total grant of 125,000 Options) as a result of his service on the Board.

Mr. Verhagen is also a director of Helix, and was the interim Chairman of the board from December 18, 2013 to July 17, 2014, but has not received cash compensation for his duties as director since his appointment as Chief Executive Officer in July 2012.

Senior Executive Officers

Base salaries for Helix's senior executive officers were not increased at the start of fiscal 2014 compared to fiscal 2013. There were also no increases in fiscal 2013 or fiscal 2012. At the start of fiscal 2014, Helix's Board decided not to further increase base salaries after taking account of Helix's recent performance and financial position. The Board did, however, retain discretion to grant cash bonuses of up to 35% of base salary but, because of the fluid nature of the situation facing Helix and the unpredictable nature of the challenges facing Helix, the Board elected not to set specific criteria for the payment of cash bonuses and instead retained discretion over the payment of such amounts. Other than the bonus paid to Mr. Verhagen, no cash bonuses were paid to senior executive officers of Helix.

However, in November 2013, the Compensation Committee (as it then was) recommended, and the Board approved, a grant of Options to Photios (Frank) Michalargias (25,000) and Heman Chao (25,000). These Options were granted in recognition of the contribution of these senior executive officers in improving Helix's operational performance, including in

initiating Helix’s European Phase I/II clinical study of its L-DOS47 drug candidate in Poland, the completion of the Rivex Transaction during fiscal 2013, and the completion of the private placement on November 4, 2013 that yielded net proceeds to Helix of more than \$4.6 million. These Options have a term of five years, vested on November 1, 2014 (being one year following the date on which they were granted) and will have an exercise price of \$1.34, being the closing market price of the Common Shares on the TSX on the trading day prior to the effective date of the grant.

Fiscal 2015 Compensation Levels

Based on a recommendation by the Governance and Compensation Committee, the Board increased the base salaries for Helix’s senior executive officers by 1% of their respective base salaries for fiscal 2015. This increase acknowledges Helix’s ongoing financial difficulties but is intended to partially defray increases in cost of living since base salaries for Helix’s senior executive officers were last increased in fiscal 2011. The increase in base salaries was also in partial recognition for the improvements in operations and the successful implementation of research and development initiatives which together resulted in significantly stronger performance by Helix in fiscal 2014.

As in previous years, in fiscal 2015, the maximum cash bonus payable to each senior executive officer is 35% of such officer’s base salary. The objectives for each of the senior executive officers that will determine the extent to which such bonus (if any) will be paid to each senior executive officer will generally be based upon Helix obtaining appropriate financing and enhancing its liquidity profile, continuing to develop and successfully implement its research and development initiatives and achieve its clinical trial milestones and otherwise to achieve objectives specific to each executive’s position and experience. The Governance and Compensation Committee has, however, retained full discretion with respect to the payment of cash bonuses in light of Helix’s financial condition and will review the appropriateness of the objectives with Helix’s senior executive officers at mid-year.

Summary Compensation Table – Named Executive Officers

The following table provides information regarding the compensation for the fiscal years ended July 31, 2014, 2013 and 2012 of Helix’s: (a) President and Chief Executive Officer; (b) Chief Financial Officer; and (c) three next most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the President and Chief Executive Officer and Chief Financial Officer, for the fiscal year ended July 31, 2014, whose total salary and short-term compensation was, individually, more than \$150,000 for fiscal 2014 (calculated in accordance with the prescribed form), or who would have been such an executive officer but for the fact that the individual was neither an executive officer of Helix, nor acting in a similar capacity, at the end of fiscal 2014 (collectively, the “**Named Executive Officers**”). In Helix’s case, other than Messrs. Verhagen, Michalargias, Chao and Docherty, there was no other executive officer, or individual acting in a similar capacity for the fiscal year ended July 31, 2014, whose total salary and short-term compensation was more than \$150,000 for fiscal 2014.

Name and principal position	Fiscal Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾⁽²⁾	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other Compensation (\$) ⁽⁵⁾	Total (\$)
					Annual incentive plans ⁽³⁾	Long-term incentive plans ⁽⁴⁾			
Robert A. Verhagen President and Chief Executive Officer	2014	\$325,000	\$0	\$99,701	\$32,500	\$0	\$0	\$17,336	\$474,537
	2013	\$325,000	\$0	\$0	\$0	\$0	\$0	\$15,373	\$340,373
	2012	\$13,542	\$0	\$170,075	\$0	\$0	\$0	\$20,760	\$204,377
Photios (Frank) Michalargias Chief Financial Officer	2014	\$260,000	\$0	\$19,940	\$0	\$0	\$0	\$10,951	\$290,891
	2013	\$260,000	\$0	\$0	\$0	\$0	\$0	\$9,178	\$269,178
	2012	\$260,000	\$0	\$0	\$0	\$0	\$0	\$13,854	\$273,854
John M. Docherty President & Chief Operating Officer ⁽⁶⁾	2014	\$104,615	\$0	\$0	\$0	\$0	\$0	\$511,007	\$615,622
	2013	\$300,000	\$0	\$0	\$0	\$0	\$0	\$9,178	\$309,178
	2012	\$300,000	\$0	\$0	\$0	\$0	\$0	\$13,854	\$313,854
Heman Chao Chief Scientific Officer	2014	\$275,000	\$0	\$19,940	\$0	\$0	\$0	\$10,951	\$305,891
	2013	\$275,000	\$0	\$0	\$0	\$0	\$0	\$9,180	\$284,180
	2012	\$275,000	\$0	\$0	\$0	\$0	\$0	\$8,975	\$283,975

(1) Includes option-based awards granted on November 1, 2013. Helix’s closing July 31, 2014 share price was \$1.94. See “*Fiscal 2014 Compensation Levels*”.

(2) In establishing the fair value of the option-based awards, the Black-Scholes model was used. The estimated fair value of option-based awards granted on November 1, 2013 - \$0.80. The option-based awards granted on November 1, 2013 voted on the first anniversary of the day of grant.

(3) Consists of performance bonus earned in the fiscal year. See “*Compensation Discussion and Analysis – Fiscal 2014 Compensation Decisions – Senior Executive Officers*”, above.

- (4) Helix does not have a non-equity based long-term incentive plan.
(5) “All Other Compensation” includes Company paid health benefit premiums and an auto allowance of \$500 per month in the case of Mr. Verhagen.
(6) Mr. Docherty’s termination on December 5, 2013 resulted in a one-time severance payout of \$500,000.

Outstanding Share-Based and Option-Based Awards – Named Executive Officers

The following table details the option-based awards outstanding for the Named Executive Officers as of July 31, 2014. Helix does not have any outstanding share-based awards.

Name	Option-based awards			
	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiry date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Robert A. Verhagen	250,000	\$1.30	July 3, 2017	\$160,000
	125,000	\$1.34	November 1, 2018	\$75,000
Photios (Frank) Michalargias	250,000	\$1.68	December 17, 2016	\$65,000
	150,000	\$3.00	July 29, 2016	\$0
	100,000	\$2.43	August 17, 2015	\$0
	100,000	\$2.74	December 14, 2014	\$0
	25,000	\$1.34	November 1, 2018	\$15,000
Heman Chao	250,000	\$1.68	December 17, 2016	\$65,000
	150,000	\$3.00	July 29, 2016	\$0
	100,000	\$2.43	August 17, 2015	\$0
	100,000	\$2.74	December 14, 2014	\$0
	25,000	\$1.34	November 1, 2018	\$15,000
John M. Docherty ⁽²⁾	250,000	\$1.68	December 5, 2014	\$65,000
	150,000	\$3.00	December 5, 2014	\$0
	100,000	\$2.43	December 5, 2014	\$0
	100,000	\$2.74	December 5, 2014	\$0

- (1) Calculated as the difference between the market value of the common shares subject to option at the end of the last fiscal year, July 31, 2014, and the option exercise price for common shares. Helix’s closing July 31, 2014 Common Share price was \$1.94.
(2) John Docherty was terminated on December 5, 2013 and, in accordance with the terms of the Equity Compensation Plan, his Options will expire one year following the date of his termination.

Incentive Plan Awards – Value Vested or Earned During the Year – Named Executive Officers

The following table sets out the value of the option-based awards and non-equity incentive plan compensation vested to or earned by each Named Executive Officer as of July 31, 2014. Helix does not have any outstanding share-based awards.

Name	Number of securities underlying options vested	Option-based awards – Value vested during the year ⁽¹⁾	Non-equity incentive plan compensation – Value earned during the year
Robert A. Verhagen	83,333	\$59,167	\$0
Photios (Frank) Michalargias	37,500	\$0	\$0
John M. Docherty	37,500	\$0	\$0
Heman Chao	37,500	\$0	\$0

- (1) Calculated as the difference between the market value of the common shares subject to option at close on the day of vesting, and the option exercise price for common shares. Helix’s closing July 31, 2014 share price was \$1.94.

No Named Executive Officer exercised Options in the course of fiscal 2014 and no gains were realized as a result of any such exercise. For additional information relating to Helix’s Equity Compensation Plan, see “*Executive Compensation – Compensation Discussion and Analysis – Compensation Elements and Mix*”, above.

Employment Agreements, Termination and Change of Control Benefits

Helix has entered into service contracts with each of its Named Executive Officers. Certain details with respect to these agreements are set out below.

Robert A. Verhagen

Mr. Verhagen’s employment agreement currently provides for his employment by Helix as Helix’s Chief Executive Officer. The employment agreement has no fixed term, and provides for a base salary of \$325,000, subject to increase at the

discretion of the Board, a \$6000 per year auto allowance, an annual performance-based bonus of up to 35% of Mr. Verhagen's base salary based on Helix's achievement of milestones for the current year which have been approved by the Board, together with a discretionary bonus based on Mr. Verhagen's personal performance. Mr. Verhagen is also eligible for group life and disability insurance, and other employee benefits as provided to other senior employees, including the grant of Options from time to time as approved by the Board.

In the event of termination of employment by Helix without cause (including the removal of Mr. Verhagen from his position, the failure to reappoint him to his position or making a fundamental change in his responsibilities not accepted by him), or by Mr. Verhagen within 180 days following a change of control of Helix (as defined in the employment agreement), or within 30 days of a material breach of the employment agreement by Helix, then Helix will pay Mr. Verhagen severance equal to his base salary for a period of up to twelve months, and will extend all insurance coverage for a period of up to twelve months. In the event Mr. Verhagen secures alternative employment during this twelve-month period following the date of termination, Mr. Verhagen would be provided with a lump sum payment equivalent to 50 percent of the base salary which would have been owed for the remainder of the twelve-month period. The amount that would have been paid to Mr. Verhagen if his employment was terminated on July 31, 2014 for any of the foregoing reasons is approximately \$325,000. In addition, had the termination occurred on July 31, 2014 as a result of a change of control (as defined in the Equity Compensation Plan), all of Mr. Verhagen's 83,333 unvested Options (exercise price: \$1.30 per Common Share) and options to purchase 125,000 shares (exercise price \$1.34 per Common Share), would have automatically vested at the time of the change of control. The closing price of Helix's common shares on July 31, 2014 was \$1.94. In the event that Mr. Verhagen dies or becomes disabled, Helix will pay the salary accrued to the date of Mr. Verhagen's deemed termination which, had Mr. Verhagen's employment so terminated on July 31, 2014, would have totalled approximately \$325,000.

Other Senior Executive Officers

Helix's employment agreements with Photios (Frank) Michalargias (Chief Financial Officer) and Heman Chao (Chief Scientific Officer), each as amended, contain substantially the same terms as Mr. Verhagen's employment agreement, except with respect to base salary and change of control.

The employment agreements of these individuals have no fixed term, and provide for a base salary of \$260,000 for Mr. Michalargias and \$275,000 for Mr. Chao, subject to increase at the discretion of the Board. They also provide for an annual performance-based bonus and other employee benefits as provided to other senior employees, including the grant of Options from time to time as approved by the Board.

In the event of termination of employment by Helix without cause (including the removal of the applicable senior executive officer from his position, the failure by Helix to reappoint him to his position or making a fundamental change in his responsibilities not accepted by him), or by the relevant senior executive officer within six months following a change of control of Helix (as defined in the applicable employment agreement), or by the senior executive officer within 30 days of a material breach of the applicable employment agreement by Helix, then Helix will pay the applicable senior executive officer severance equal to one year's annual salary, plus an additional one month annual salary for every full year of employment completed by the employee, up to an additional twelve months, plus an amount equal to the amount of any bonus paid during the previous twelve months, and will either extend all insurance and benefits coverage for the following twelve months or pay the employee an amount equal to the cost of coverage for such period. The amount that would have been paid to Messrs. Michalargias and Chao had their employment terminated on July 31, 2014 for any of the foregoing reasons is approximately \$455,000 and \$472,500, respectively. In addition, had the termination occurred on July 31, 2014 as a result of a change of control (as defined in the Equity Compensation Plan), all of the unvested Options held by each of these senior executive officers would have automatically vested at the time of the change of control. In the event that the applicable senior executive officer dies or becomes disabled, then Helix will pay the salary of such senior executive officer accrued to the date of deemed termination and for one year subsequent to termination, plus a pro-rated portion of the annual bonus most recently paid to him. Had the employment of Mr. Michalargias or Mr. Chao so terminated on July 31, 2014, the total of such payments would be \$260,000 and \$275,000, respectively.

John Docherty

Prior to Mr. Docherty's termination on December 5, 2013 his employment agreement provided for his employment by Helix as Helix's President and Chief Operating Officer. Mr. Docherty's employment agreement had no fixed term, and provided for a base salary of \$300,000. Mr. Docherty's employment agreement required Helix to pay \$500,000 to Mr. Docherty in connection with Helix's termination of Mr. Docherty in fiscal 2014. This amount was equivalent to 20 months' salary and benefits.

Other Provisions and Change of Control Definitions

Named Executive Officer Employment Agreements

The employment agreements of each of Helix's Named Executive Officers also include: (a) non-solicitation covenants in favour of Helix continuing for 24 months following termination of the Named Executive Officer's employment with Helix; (b) non-disclosure covenants requiring the Named Executive Officer maintain the confidentiality of Helix's confidential information and prohibiting its use other than on behalf and for the benefit of Helix, both during employment and for an indefinite period thereafter; and (c) provisions providing that intellectual property created or developed by the officer during or, in certain circumstances, after termination of, his employment with Helix are the property of Helix.

The employment agreements of each of Photios (Frank) Michalargias and Heman Chao define a "change of control" of Helix as being: (a) a change in the composition of the Board occurring within any two-year period, as a result of which fewer than a majority of such directors are incumbent directors; (b) the completion of any merger, arrangement or amalgamation involving Helix, provided that upon such completion a majority of the directors are not incumbent directors; (c) when a control person or any person acting jointly or in concert with a control person votes against any proposal put before Shareholders by the Board, and such proposal is in fact defeated by the requisite majority of votes of Shareholders; (d) when any control person or any person acting jointly or in concert with a control person votes in favour of any proposal put before the Shareholders other than by the Board and such proposal is in fact approved by the requisite majority of votes of Shareholders; or (e) under certain circumstances, when the Common Shares listed on certain stock exchanges are delisted.

For the purposes of such employment agreements, a "control person" means any person that holds or is one of a combination of persons that holds more than 20% of the outstanding voting securities of Helix and an "incumbent director" is a director who is: (x) a director of Helix as of the date of the employment agreement in question; or (y) elected or nominated for election as a director of Helix by at least a majority of the incumbent directors at the time of the election or nomination.

The employment agreement of Robert A. Verhagen defines a "change of control" of Helix as being: (a) a change in the composition of the Board occurring within any two-year period, as a result of which fewer than a majority of such directors are incumbent directors (and incumbent directors has the same meaning as noted above); (b) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than Helix or its affiliates) acquires the direct or indirect beneficial ownership of, or acquires the right to exercise control or direction over, securities of Helix representing 50% or more of the then issued and outstanding voting securities of Helix in any manner whatsoever; (c) the sale, assignment or other transfer of all or substantially all of the assets of Helix (other than the Rivex Pharma division) to a person or any group of two or more persons acting jointly or in concert (other than Helix or its affiliates); (d) the dissolution or liquidation of Helix except in connection with the distribution of assets of Helix to one or more persons which were affiliates of Helix prior to such event; (e) the occurrence of a transaction requiring approval of Helix's shareholders whereby Helix is acquired through consolidation, merger, an exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other person or any group of two or more persons acting jointly or in concert (other than a short form amalgamation or an exchange of securities with an affiliate of Helix); or (f) the Board passes a resolution to the effect that for the purposes of Mr. Verhagen's employment agreement, a change of control has occurred, subject to certain exceptions.

Equity Compensation Plan

Under the Equity Compensation Plan, in the event of the termination, other than for cause, of a Named Executive Officer, all Options or other equity awards then held by the Named Executive Officer will terminate on the earlier of the original expiry date(s) of such awards or one year following termination of employment of the applicable Named Executive Officer. In the case of termination of any Named Executive Officer for cause, all Options or other equity awards then held by such executive terminate on the date of termination for cause.

Under the Equity Compensation Plan, all Options and other equity compensation granted under the Equity Compensation Plan vests immediately upon a change of control, notwithstanding any contingent vesting provision to which such equity compensation may otherwise have been subject, except for any awards granted to consultants on or after October 20, 2010, which continue to vest according to the terms and conditions of the award agreement with Helix evidencing such award. A "change of control" for purposes of the Equity Compensation Plan will occur if: (a) a person or a combination of persons holds: a sufficient number of securities of Helix so as to affect materially the control of Helix; or holds more than 20% of the outstanding voting securities of Helix, except where there is evidence satisfactory to the Board showing that the holding of those securities does not affect materially the control of Helix; or (b) a majority of directors elected at any annual,

special or extraordinary general meeting of shareholders of Helix are not individuals nominated by Helix's Board as constituted immediately prior to such election.

Compensation of Directors

After carefully considering a number of factors, including Helix's financial condition, the practices of Helix's comparator group, and following a recommendation of the Governance and Compensation Committee, the Board approved a change in the compensation of Helix's directors in the fourth quarter of fiscal 2014.

Following this review, directors that are not employed by Helix continue to be paid a fee of \$2,000 per month for acting as a director of Helix and all directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of the Board and its committees. Helix also continues to pay the Chair of the Board, at his election, an additional \$40,000 per year in cash or \$50,000 per year in equity compensation. However, directors of Helix that are not employed by Helix, who had previously been entitled to a payment of \$1,500 for meetings lasting four hours or more and an hourly rate of \$210 for meetings lasting less than four hours, are now entitled to a fixed payment of \$1,500 for each meeting of the Board or its committees that they attend (whether in person or telephonically) that lasts for more than 30 minutes. Directors now receive no compensation for such meetings lasting less than 30 minutes.

Compensation paid to the Chairs and members of the committees of the Board has also changed. Helix had previously only paid the Chair of each committee of the Board an additional \$1,000 per month. However, in recognition of the additional time required by each member of such committees to discharge their respective duties as members of such committees, this monthly payment to the committee Chairs has been replaced by a fixed payment of an additional \$3,000 per year for the Chair and each member of the committees of the Board for acting in those capacities. The Board has retained its discretion to award special remuneration to any director undertaking any special services on behalf of Helix other than services ordinarily required of a director, but now requires that any such special services, and the related consideration to be received, be set out in a written contract with Helix.

Directors also continue to be eligible to participate in the Equity Compensation Plan but, based on the results of the Options Review (as defined below), and in order to promote the ongoing alignment of the interests of the Board with those of the Shareholders, the Governance and Compensation Committee has also recommended to the Board that it consider the grant of a further 50,000 Options to each member of the Board following each annual meeting of the Shareholders (commencing following the Meeting) and/or following the appointment of a new director in between such meetings. The Board has accepted this recommendation in principal, though each such grant will continue to be at the discretion of the Board at the relevant time.

Following a review by the Compensation Committee (as it then was) of the frequency and extent of stock options granted to members of the boards of directors of comparable companies in the biotechnology sector that are similar to Helix in terms of market capitalization and stage of growth (the "**Options Review**"), and considering that no grants of Options had been made to members of the Board since its reconstitution in March 2012, the Board approved a grant of 50,000 Options to each of Mario Gobbo, Slawomir Ludwikowski, Slawomir Majewski, Marek Orłowski, Stacy L. Wills and Robert Verhagen, being the members of the board at the time such options were granted. These Options have a term of five years, vested on November 1, 2014 (being one year following the date on which they were granted) and have an exercise price of \$1.34, being the closing market price of the Common Shares on the TSX on the trading day prior to the effective date of the grant. On the same date, the Board approved a further grant of 50,000 Options to Slawomir Majewski. These Options have a term of two years, vested immediately and also have a strike price of \$1.34. Subsequent to July 31, 2014, the Board approved a grant of 50,000 Options to each of Yvon Bastien, Sylwester Cacek and Sven Rohmann. These Options have a term of five years, vest in three equal instalments (one third vested on the date of grant and the remainder will vest equally on the first and second anniversaries of the date of grant) and have an exercise price of \$1.65, being the closing market price of the Common Shares on the trading day prior to the effective date of the grant. The Governance and Compensation Committee is currently reviewing Helix's policy regarding awarding options to directors with the intention of creating a formal policy for granting options to directors.

Robert A. Verhagen is the only director of Helix that is employed by Helix. Mr. Verhagen is Helix's President and Chief Executive Officer and he has received no cash compensation for his service as a director for the period in which he has also been an employee of Helix. Mr. Andreas Kandziora was appointed as an observer to the Board in March 2014 and Mr. Kandziora receives no compensation for his service in that capacity.

Director Compensation Table

The following table details the compensation provided to the non-management directors of Helix for the fiscal year ended July 31, 2014.

Name ⁽¹⁾	Fees Earned (\$) ⁽²⁾	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension Value (\$)	All other compensation (\$)	Total (\$)
Mario Gobbo ⁽³⁾	\$41,520	\$0	\$39,880	\$0	\$0	\$0	\$81,400
Slawomir Ludwikowski ⁽⁴⁾	\$24,065	\$0	\$39,880	\$0	\$0	\$0	\$63,945
Slawomir Majewski	\$49,637	\$0	\$79,761	\$0	\$0	\$0	\$129,398
Marek Orłowski	\$49,882	\$0	\$39,880	\$0	\$0	\$0	\$89,762
Stacy L. Wills	\$35,220	\$0	\$39,880	\$0	\$0	\$0	\$75,100
Yvon Bastien ⁽⁵⁾	\$44,530	\$0	\$0	\$0	\$0	\$0	\$44,530
Sven Rohmann ⁽⁶⁾	\$33,714	\$0	\$0	\$0	\$0	\$0	\$33,714
Sylwester Cacek ⁽⁷⁾	\$12,548	\$0	\$0	\$0	\$0	\$0	\$12,548
Total	\$291,116	\$0	\$239,281	\$0	\$0	\$0	\$530,397

(1) Mr. Verhagen is Helix's President and Chief Executive Officer. See "Summary Compensation Table – Named Executive Officers", above, for details of compensation for fiscal 2014 for Mr. Verhagen.

(2) Includes fixed monthly and the per-meeting fee components, together with a variable fee component including compensation for additional time spent working on issues on behalf of Helix during fiscal 2014. Mr. Gobbo served as Chair of the Board between July 31, 2013 and December 16, 2013 and he received a pro-rated amount of the consideration to which he was entitled for his service as Chair of the Board for that period. Mr. Gobbo elected to receive cash compensation for his service as Chair. Mr. Verhagen served as Interim Chair of the Board for the period between December 18, 2013 and July 17, 2014 and received no consideration for his service as Interim Chair. Mr. Bastien served as Chair for the balance of fiscal 2014 and he received a pro-rated amount of the consideration to which he was entitled for his service of Chair of the Board for that period. These amounts also reflect amounts to which Chairs and/or members of the committees of the Board were paid, pro-rated where applicable.

(3) Mr. Gobbo voluntarily resigned from the Board with effect from December 16, 2013.

(4) Mr. Ludwikowski voluntarily resigned from the Board with effect from March 11, 2014.

(5) Mr. Bastien was elected to the Board on December 18, 2013 and he was appointed as Chair of the Board on July 27, 2014.

(6) Mr. Rohmann was elected to the Board on December 18, 2013.

(7) Mr. Cacek was appointed to the Board on March 11, 2014.

The non-management directors of Helix do not receive benefits upon termination or resignation from their respective positions as directors, but these directors are generally entitled to exercise all awards made to them under the Equity Compensation Plan that have vested prior to such termination or resignation until the earlier of: (a) the original expiry date of each such award; and (b) one year following termination or resignation.

Outstanding Share-Based and Option-Based Awards – Non-Management Directors

The following table details the option-based awards outstanding for the non-management directors as of July 31, 2014. Helix does not have any outstanding share-based awards.

Name	Option - based awards			
	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiry date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Mario Gobbo ⁽²⁾	50,000	1.34	December 16, 2014	\$30,000
Slawomir Ludwikowski ⁽³⁾	50,000	1.34	March 11, 2015	\$30,000
Slawomir Majewski	50,000	1.34	November 1, 2015	\$30,000
	50,000	1.34	November 1, 2018	\$30,000
Marek Orłowski	50,000	1.34	November 1, 2018	\$30,000
Stacy L. Wills	50,000	1.34	November 1, 2018	\$30,000
Yvon Bastien ⁽⁴⁾	Nil	----	----	\$0
Sven Rohmann ⁽⁵⁾	Nil	----	----	\$0
Sylwester Cacek ⁽⁶⁾	Nil	----	----	\$0

(1) Calculated as the difference between the market value of the common shares subject to option at the end of the last fiscal year, July 31, 2013, and the Option exercise price for Common Shares. Helix's closing July 31, 2014 Common Share price was \$1.94.

(2) Mr. Gobbo voluntarily resigned from the Board with effect from December 16, 2013.

(3) Mr. Ludwikowski voluntarily resigned from the Board with effect from March 11, 2014.

(4) Mr. Bastien was elected to the Board on December 18, 2013

- (5) Mr. Rohmann was elected to the Board on December 18, 2013
(6) Mr. Cacek was appointed to the Board on March 11, 2014.

Incentive Plan Awards – Value Vested or Earned During the Year – Non-Management Directors

The following table sets out the value of the option-based awards and non-equity incentive plan compensation vested to or earned by each non-management director as of July 31, 2014. Helix does not have any outstanding share-based awards.

Name	Number of securities underlying options vested	Option-based awards - Value vested during the year⁽¹⁾	Non-equity incentive plan compensation - Value earned during the year⁽²⁾
Mario Gobbo ⁽³⁾	Nil	\$0	\$0
Slawomir Ludwikowski ⁽⁴⁾	Nil	\$0	\$0
Slawomir Majewski	50,000	\$0	\$0
Marek Orlowski	Nil	\$0	\$0
Stacy L. Wills	Nil	\$0	\$0
Yvon Bastien ⁽⁵⁾	Nil	\$0	\$0
Sven Rohmann ⁽⁶⁾	Nil	\$0	\$0
Sylwester Cacek ⁽⁷⁾	Nil	\$0	\$0

- (1) Calculated as the difference between the market value of the Common Shares subject to option at close on the day of vesting, and the option exercise price for Common Shares.
(2) Helix does not offer a non-equity incentive compensation plan for its non-management directors.
(3) Mr. Gobbo voluntarily resigned from the Board with effect from December 16, 2013.
(4) Mr. Ludwikowski voluntarily resigned from the Board with effect from March 11, 2014.
(5) Mr. Bastien was elected to the Board on December 18, 2013
(6) Mr. Rohmann was elected to the Board on December 18, 2013
(7) Mr. Cacek was appointed to the Board on March 11, 2014.

No non-management directors exercised Options in the course of fiscal 2014 and no gains were realized as a result of any such exercise. For additional information relating to Helix’s Equity Compensation Plan, see “*Executive Compensation – Compensation Discussion and Analysis – Compensation Elements and Mix*”, above.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides details of compensation plans under which equity securities of Helix are authorized for issuance as of the fiscal year ended July 31, 2014. The Equity Compensation Plan under which such securities are issued was originally approved by the Shareholders on December 9, 2010 and reapproved, as amended, on December 18, 2013.

Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
3,338,084	\$2.12	4,149,842

See “*Executive Compensation – Compensation Discussion and Analysis – Compensation Elements and Mix*” for a detailed description of Helix’s Equity Compensation Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

To Helix’s knowledge, none of the directors, proposed directors or executive officers of Helix, nor any associates or affiliates of such persons, are or have been indebted to Helix at any time since the beginning of Helix’s last completed financial year.

CORPORATE GOVERNANCE

Helix and the Board acknowledge the importance of corporate governance to the effective management of Helix and Helix’s corporate governance practices have been designed to comply with applicable Canadian corporate governance requirements and guidelines. The Board, through its Governance and Compensation Committee, monitors the ongoing changes to the regulatory environment with respect to corporate governance practices and will continue to update Helix’s corporate governance practices to reflect evolutions in governance expectations, regulations and best practices.

The Board fulfils its corporate governance mandate directly and through its standing Audit, Governance and Compensation and Business Development and Science Committees, in each case at regularly scheduled meetings or otherwise as the circumstances, opportunities or risks facing Helix may require. The Board is kept apprised of Helix's business and operations at these meetings as well as through regular updates received from management on a formal and informal basis. Helix has no standing Board committees other than the Audit Committee, Governance and Compensation Committee and Business Development and Science Committee. The Board has no formal retirement policy.

Board of Directors

Independence

Composition of Current Board

The Board is currently comprised of seven members. Of these, six are independent within the meaning of National Policy 58-201 – *Corporate Governance Guidelines* (“NP 58-201”). The independent directors are Yvon Bastien, Sylwester Cacek, Sławomir Majewski, Marek Orłowski, Sven Rohmann and Stacy L. Wills. Only Robert A. Verhagen is not independent, as he is an officer of Helix. The Board maintained a majority of independent directors throughout fiscal 2014.

Mr. Andreas Kandziora has been appointed as an observer to the Board. In that capacity, Mr. Kandziora has the right to receive notice of and attend at meetings of the Board and its committees but he does not have the right to vote on any matter or to table any proposals for a vote by the Board or any of its committees, nor does Mr. Kandziora have the right to receive notice of or attend at any *in camera* meetings or sessions of meetings of the independent members of the Board or any of its committees. Mr. Kandziora is not entitled to any payment for his service as an observer unless the Board determines otherwise. Mr. Kandziora is not independent of Helix as a result of his interest in ACM Alpha Management Consulting Est., which provides investor relations and financial advisory services to Helix. See “*Compensation of Directors*” and “*Position Descriptions – Observer*” for additional information.

Composition of Proposed Board

If the nominees for election as directors of Helix are elected at the Meeting, the Board will be comprised of seven members. Of these, six will be independent within the meaning of NP 58-201. The independent directors will be Yvon Bastien, Sylwester Cacek, Sławomir Majewski, Marek Orłowski, Sven Rohmann and Stacy L. Wills. Robert A. Verhagen will continue to be the only director who is not independent, as he is an officer of Helix. The Board expects Mr. Kandziora to continue to serve as an observer to the Board following the Meeting and for him to continue not to be independent of Helix.

Chair and Independent Directors

Yvon Bastien, Chair of the Board, is considered independent. Prior to Mr. Bastien's appointment as the Chair of the Board, he acted as Helix's Lead Independent Director between December 18, 2013 and July 17, 2014 (the date on which Mr. Bastien was appointed as Chair) as Mr. Verhagen, who is not independent of Helix, served as the Interim Chair of the Board during that period. Helix's independent directors do not have regularly scheduled meetings, but do meet independently of management on occasion and are encouraged to meet following each Board meeting, and more often as they see fit. The Governance and Compensation and Audit Committees of the Board are each comprised entirely of independent directors, while the Business Development and Science Committee is comprised of two independent directors, together with Mr. Verhagen and Heman Chao, Helix's President and Chief Executive Officer and Chief Science Officer, respectively, neither of whom is independent of Helix. The Board's independent directors have historically discussed, and will be encouraged to continue to discuss, a broad range of issues at committee meetings, including matters relating to Helix's business and operations more generally, with matters being referred to the full Board for consideration as appropriate. Where members of management are present at some or all of a Board committee meeting, the independent directors sitting on that committee are encouraged to meet without management present following each such meeting.

Service on other Boards

The following nominees for election as directors of Helix are also directors of the reporting issuers listed opposite their names. Of Helix's current directors, none currently sit on the board of another publicly traded company.

Nominee	Name of Reporting Issuer
Yvon Bastien	<i>Bioniche Life Sciences Inc.</i> (Toronto Stock Exchange, Australian Stock Exchange)
Sywester Cacek	<i>Sfinks Polska S.A.</i> (Warsaw Stock Exchange)

Meeting Attendance

Since the beginning of the most recently completed financial year to July 31, 2014, the Board held a total of 12 meetings. The following sets out the attendance records of Helix's Board members.

Name	Number of Board Meetings Held	Number of Board Meetings Attended
Mario Gobbo ⁽¹⁾	5	5 of 5 (100%)
Mr. Andreas Kandziora ⁽²⁾	4	4 of 4 (100%)
Slawomir Ludwikowski ⁽³⁾	8	5 of 8 (63%)
Slawomir Majewski	12	12 of 12 (100%)
Marek Orlowski	12	11 of 12 (92%)
Robert A. Verhagen	12	12 of 12 (100%)
Stacy L. Wills	12	10 of 12 (83%)
Yvon Bastien ⁽⁴⁾	7	6 of 7 (86%)
Sven Rohmann ⁽⁴⁾	7	7 of 7 (100%)
Sylwester Cacek ⁽²⁾	4	2 of 4 (50%)

(1) Mr. Gobbo voluntarily resigned from the Board with effect from December 16, 2013.

(2) Mr. Kandziora was appointed as an observer to the Board, and Mr. Cacek was appointed to the Board as a director, on March 11, 2014.

(3) Mr. Ludwikowski voluntarily resigned from the Board with effect from March 11, 2014.

(4) Mr. Bastien and Mr. Rohmann were each elected to the Board on December 18, 2013

Board Mandate

The Board's mandate has been formalized in a written charter, the text of which is attached as Appendix B and is available on Helix's website at www.helixbiopharma.com. The Board discharges its mandate directly and through its standing Audit, Governance and Compensation Committees.

The Board's mandate sets out specific responsibilities of the Board, which include:

- (a) satisfying itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout Helix;
- (b) adopting a strategic planning process and approving a strategic plan, on at least an annual basis;
- (c) identifying the principal risks facing Helix and reviewing and assessing the internal controls and management information systems for managing such risks;
- (d) succession planning, including senior management development and reviewing the performance of senior management against their annual objectives;
- (e) adopting and periodically reviewing Helix's disclosure and communication policies;
- (f) developing Helix's approach to corporate governance, and annually reviewing Helix's corporate governance; and
- (g) managing, or supervising the management of, the business and affairs of Helix.

Other functions and responsibilities of the Board are included in the charter or have been delegated to the Board's committees.

The Board met 12 times in fiscal 2014. Over the course of the year, the Board focused on further defining Helix's strategy, advancing Helix's European Phase I/II clinical trial of its L-DOS47 drug candidate in Poland and securing additional capital to fund Helix's ongoing research and development activities. Over the past year, the Board:

- (a) Completed a private placement of units, each consisting of one Common Share and one whole warrant to purchase one Common Share, for net proceeds in excess of \$5.4 million;
- (b) Completed a private placement of units, each consisting of one Common Share and one whole warrant to purchase one Common Share, for net proceeds in excess of \$4.6 million;
- (c) Announced, on October 15, 2013, the completion of an initial interim review of data collected for the first four cohorts in Helix's ongoing European Phase I/II clinical study of its L-DOS47 drug candidate in Poland. The data as of that date showed that L-DOS47 was well-tolerated for all patients within all cohorts. None of the treatment-related adverse events reported as of that date had met the definition of dose-limiting toxicity and the duration of treatment increased with each dose escalation, including one patient that was dosed for approximately 18 weeks without disease progression;
- (d) Announced, on September 30, 2014, the completion of a second interim review of data collected for the first eight cohorts in Helix's ongoing European Phase I/II clinical study of its L-DOS47 drug candidate in Poland. The data as of that date showed that L-DOS47 was well-tolerated for all patients within all cohorts. Duration of treatment has increased with each dose escalation, including two patients that were dosed for approximately 18 weeks without disease progression; and
- (e) Completed the change of Helix's auditors from KPMG LLP to BDO Canada LLP.

Position Descriptions

The Board has developed formal position descriptions for the Chair of the Board, the Lead Independent Director, the Chair of each of the Audit, Governance and Compensation Committees, the Observer to the Board and the Chief Executive Officer that clearly delineate their respective roles and responsibilities.

Chair of the Board and Committee Chairs

The Chair of the Board is responsible for identifying and presenting matters for review by the Board, setting the agenda for meetings of the Board and serving as a liaison between the Board and management of Helix. The Chair of the Board also has responsibility for ensuring that Helix's corporate governance guidelines are followed.

Each of the committee chairs is responsible for, among other things, providing effective leadership to the applicable committee, including taking all reasonable steps to ensure that the responsibility and duties of the committee, as outlined in its charter, are understood by each member of the committee and overseeing the structure, composition and membership of, and the activities delegated to, the committee. The chair of each committee also has administrative responsibility for ensuring that the committee meets at least twice annually, or more often as may be required to carry out its duties effectively, together with establishing the agenda for each meeting of the committee and chairing all such meetings.

This Board also adopted a position description for the Lead Independent Director as a result of Mr. Verhagen's service as interim Chair of the Board in fiscal 2014, prior to Mr. Bastien's election to the role of Chair. The Independent Lead Director position was held by Mr. Bastien, from December 18, 2013 until his appointment as Chair of the Board.

Observer to the Board

In connection with Mr. Andreas Kandziora's appointment as an observer to the Board on March 11, 2014, the Board adopted a formal position description for the role of observer. It provides that the observer has the right to receive notice of and attend at all meetings of the Board and its committees and to receive copies of materials provided to the Board and its committees, provided that the observer does not have any right to receive notice of, or to attend at *in camera* meeting or session of a meeting of the Board or any of its committees, to vote on any matter submitted for a vote by the members of the Board or any of its committees, nor may the observer propose any matter for such a vote. The observer is also not entitled to receive any payment for his or her service as an observer unless the Board determines otherwise. The observer is also required to, among other things, act honestly and good faith with a view to the best interest of Helix in carrying out his or her responsibilities as an observer to the Board.

Chief Executive Officer

The Chief Executive Officer has full responsibility for the day-to-day operation of the business of Helix in accordance with the strategic direction, operating plans and budgets approved by the Board, but is required to consult with

the Board on matters of significance to Helix, including relating to corporate governance, and to obtain prior approval of the Board for actions where required.

Orientation and Continuing Education

The Governance and Compensation Committee is responsible for the orientation and education of new directors, and for continuing education of existing directors, including ensuring that such orientation and continuing education programs are periodically evaluated and updated. New members of the Board are provided with extensive information regarding the business of Helix, its Board, committees of the Board, and its internal policies, including its “whistleblower” policy, code of business conduct and ethics and other corporate governance policies and practices.

Continuing education helps directors keep up to date on changing governance issues and practices, industry developments and generally assists in helping directors to understand the issues facing Helix in the context of its business. The Board provides both initial and ongoing education to the directors by arranging presentations at board meetings and the submission from time to time of reports to the Board by management, Helix’s auditors, and other outside consultants and advisors on particular topics and on an as-needed basis. In fiscal 2014 the Board arranged for two presentations on matters relating to Helix’s corporate governance by Helix’s legal counsel, Osler, Hoskin & Harcourt LLP.

Ethical Business Conduct

As part of its commitment to maintaining the highest standards of business and personal ethics, the Board has adopted a written code of business conduct and ethics (the “Code”). A copy of the Code is available on Helix’s website at www.helixbiopharma.com or by contacting Helix’s Chief Financial Officer. The Code provides guidelines designed to ensure, among other things, ethical and honest conduct, the reporting of any conflicts of interest, compliance with applicable laws, the protection and proper use of any corporate opportunities available to Helix and the protection of Helix’s confidential information.

The Board takes steps to ensure compliance with the Code, including by ensuring that all directors, officers and employees of Helix are aware of the Code and by promoting a culture of honesty and accountability. The Board also ensures that directors, officers and employees of Helix are aware that the Board retains a broad discretion to punish any transgressions of the Code.

The Governance and Compensation Committee is responsible for investigating all reported transgressions of the Code. All transgressions are required to be promptly reported to the Chair of the Board or of any Committee, who in turn, is to report them to the Governance and Compensation Committee. Any findings of the Governance and Compensation Committee are to be reported to the Board, which will take such action as it deems proper.

Helix and its directors are subject to and comply with the requirements under the common law and the CBCA regarding disclosure of interests of directors and abstention from voting on any transaction in which a director has a material interest. Where a director has a material interest in a proposed transaction involving Helix, that director does not participate in, and is not present for, Board deliberation or voting in respect of such transaction.

The Board also seeks to promote ethical conduct through Helix’s “whistleblower” policy, pursuant to which employees are required to report certain complaints, including unethical business conduct in violation of any policy of Helix, to the Chair of the Audit Committee or to any supervisor or member of management whom he or she is comfortable approaching. The policy provides a process for the investigation of complaints and states that Helix will not tolerate retaliation against any employee who makes a complaint or assists in an investigation. The policy provides that Helix will, at least annually, communicate reminders to employees for reporting under the policy.

Governance and Compensation Committee; Nomination of Directors

The Governance and Compensation Committee is responsible for, among other things, making recommendations to the Board as to candidates for election to the Board at the annual meetings of shareholders and, if applicable, to fill vacancies on the Board or appoint additional directors. The mandate of the Governance and Compensation Committee has been formalized in a written charter. In making its recommendations, the Governance and Compensation Committee’s charter mandates the consideration of the current size of the Board, the competencies and skills of the proposed candidate in the context of the competencies and skills of each existing director and those of the Board as a whole, the ability of a candidate to devote sufficient time and resources to the director position, the character, judgment, business experience and acumen of the proposed candidate, and any other factors the Governance and Compensation Committee deems appropriate. All directors

are encouraged to provide names of potential candidates to the Governance and Compensation Committee for consideration. The size and composition of the Board is considered prior to each annual meeting of shareholders as part of the nomination of directors. The Governance and Compensation Committee currently consists of Yvon Bastien (Chair), Slawomir Majewski and Marek Orłowski.

The Governance and Compensation Committee also has responsibility for matters related to executive and director compensation. A full discussion of compensation matters is provided under the heading “*Executive Compensation – Compensation Discussion and Analysis – Compensation Committee and Oversight*”, above.

In connection with discharging its mandate, the Governance and Compensation Committee is reviewing and considering the implications for Helix of the amendments to NI 58-101 released by the Canadian Securities Administrators on October 14, 2014. The amendments come into force on December 31, 2014, will apply to all proxy circulars filed after that date and will require that, among other things, listed issuers such as Helix disclose their policies and procedures relating to the representation of women on the board and in executive officer positions, together with policies relating to board term limits or other board renewal initiatives, or to disclose why no such policies have been adopted. Helix currently has no such policies, but the Board had identified diversity in particular as an area for review as part of its annual assessment exercise for fiscal 2014 and the Governance and Compensation Committee expects to make a recommendation to the Board on both diversity and renewal policies in fiscal 2015.

Audit Committee

The Board’s Audit Committee is responsible for, among other things, making recommendations to the Board regarding the engagement of the external auditors of Helix and reviewing with the external auditors the scope and results of Helix’s audits, financial reporting procedures, internal controls, and the professional services provided by independent auditors to Helix, together with evaluating and making recommendations to the Board with respect to the performance of Helix’s external auditors. The Audit Committee is also responsible for reviewing the annual and quarterly financial statements and accompanying management discussion and analysis prior to their approval by the full Board. The mandate of the Audit Committee has been formalized in a written charter, a copy of which is attached as Appendix E.

The Audit Committee is currently comprised of three members: Sven Rohmann (Chair), Yvon Bastien and Stacy L. Wills. All of the members of the Audit Committee are independent directors. Mr. Orłowski, who is also independent, had served on the Audit Committee for fiscal 2014 and he continued to serve on the committee until his voluntary resignation from the Audit Committee on October 20, 2014. Mr. Bastien was appointed to the committee on that same date.

The Board has determined that all members of the audit committee are financially literate, meaning they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Helix’s financial statements. A brief description of the education, experience and background of each current member of the Audit Committee is set under the heading “*Nominees for Election as Directors – Biographical Information*”.

See “*Other Business of the Meeting – Appointment and Remuneration of Auditors*”, above, and “*Audit Committee Disclosure*” in Helix’s most recent Annual Information Form filed under its profile on SEDAR at www.sedar.com for additional information regarding the Board’s Audit Committee, including with respect to the remuneration of Helix’s external auditors.

Science and Business Development Committee

The Science & Business Development Committee is responsible for, among other things, assisting the Board in its oversight of matters relating to Helix’s science and business development activities, including its oversight of how Helix’s scientific developments and direction may affect the business development opportunities available to it, together with the direction, focus and operation of Helix’s research and development activities themselves and business development opportunities generally, including in connection with licensing, collaboration and financing opportunities.

The Science & Business Development Committee is currently comprised of three members of the Board: Sven Rohmann (Chair), Marek Orłowski and Robert Verhagen. Heman Chao, Helix’s Chief Science Officer, is also a member of this Committee. Mr. Chao is not a director, nor is he independent of Helix as a result of his service as Helix’s Chief Science Officer.

Assessments

The Governance and Compensation Committee is responsible for assessing, on an annual basis, the effectiveness and contribution of: (a) the Board as a whole; (b) each Committee; and (c) each individual director, and for assisting the Board and the other committees in establishing performance criteria to be used in conducting self-evaluations. In fiscal 2014 the Governance and Compensation Committee conducted a formal self-assessment process involving the completion of a questionnaire by each director providing feedback on the performance of the Board, each committee and committee chair, the Chair of the Board, and a “360” peer review on the performance of the individual directors. The focus of these reviews was on continuous improvement. Each director was asked to consider how to improve overall Board and Committee effectiveness.

These evaluations were compiled by the Chair of the Governance and Compensation Committee and a summary of the results of these evaluations was submitted to the Governance and Compensation Committee for its review and consideration. Following the committee’s review, the summary was submitted to the Board for its consideration and key areas in which it was noted improvements could be made were identified and discussed with a focus on steps that could be taken by directors individually and by the Board collectively to promote more effective and efficient operation of the Board.

OTHER MATTERS

Other Business

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

Interests of Persons in Matters to be Acted Upon

Except as otherwise disclosed in this Circular, to the knowledge of Helix, no director or executive officer of Helix, nor any person who held such a position since the beginning of the last completed fiscal year of Helix, no nominee nor any respective associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any matter to be acted upon at the Meeting.

Interest of Persons in Material Transactions

Except as otherwise disclosed in this Circular, to the knowledge of Helix, no informed person of Helix, nor any proposed nominee for election as a director of Helix, nor any associate or affiliate of any informed person or proposed director, has or had any material interest, direct or indirect, in any material transaction since the commencement of Helix’s last completed financial year, or in any proposed transaction which in either such case has materially affected or will materially affect Helix.

Shareholder Proposals for the Next Annual General Meeting

Shareholders who wish to submit a proposal for consideration at the next annual meeting of shareholders must do so by submitting same to the attention of the Secretary of Helix on or before August 20, 2015 in the manner and subject to the limitations prescribed by the CBCA.

Additional Information

Additional information regarding Helix is available under Helix’s profile on SEDAR at www.sedar.com and on Helix’s website at www.helixbiopharma.com. Financial information respecting Helix is provided in Helix’s comparative financial statements and management’s discussion and analysis for its most recently completed fiscal year are also available under Helix’s profile on SEDAR at www.sedar.com. This information is also available to Shareholders free of charge by written request to the Chief Financial Officer of Helix at 305 Industrial Parkway South, Unit 3, Aurora, Ontario L4G 6X7.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular and the sending thereof to the Shareholders of Helix have been approved by the Board of Directors.

DATED at Aurora, Ontario this 18th day of November, 2014.

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to be 'R. Verhagen', written in a cursive style.

Robert A. Verhagen
President and Chief Executive Officer

APPENDIX A

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Circular:

“**BDO**” has the meaning given under “*Business of the Meeting – Appointment and Remuneration of Auditors*”;

“**Board**” means the board of directors of Helix;

“**CBCA**” means the *Canada Business Corporations Act*, as amended from time to time;

“**Circular**” means this management proxy circular dated November 18, 2014;

“**Code**” has the meaning given under “*Corporate Governance – Ethical Business Conduct*”;

“**Common Shares**” or “**Shares**” means common shares of Helix;

“**DSUs**” has the meaning given under “*Executive Compensation – Compensation Discussion and Analysis – Long-Term Incentives*”;

“**Election Meeting**” has the meaning given under “*Business of the Meeting – Election of Directors*”;

“**Equity Compensation Plan**” has the meaning given under “*Executive Compensation – Compensation Discussion and Analysis – Long-Term Incentives*”;

“**forward-looking statements**” has the meaning given under the heading “*Forward-Looking Information and Statements*”;

“**Free-Standing SARs**” has the meaning given under “*Executive Compensation – Compensation Discussion and Analysis – Long-Term Incentives*”;

“**Helix**” means Helix BioPharma Corp.;

“**intermediary**” has the meaning given under the heading “*Questions and Answers About Voting Rights and the Solicitation of Proxies – How do I vote?*”;

“**KPMG**” has the meaning given under “*Business of the Meeting – Appointment and Remuneration of Auditors*”;

“**Majority Withheld Vote**” has the meaning given to it under “*Business of the Meeting – Election of Directors*”;

“**Meeting**” means the annual general meeting of Shareholders to be held on December 18, 2014 at 10:00 a.m. (Toronto time) at the offices of Osler, Hoskin & Harcourt LLP, Suite 6300, 1 First Canadian Place, Toronto, Ontario, M5X 1B8;

“**Named Executive Officer**” has the meaning given under “*Executive Compensation – Summary Compensation Table – Named Executive Officers*”;

“**Named Proxyholder**” has the meaning given under “*Questions and Answers About Voting Rights and the Solicitation of Proxies – Who will act as my proxyholder to vote my shares?*”;

“**Non-Registered Shareholder**” has the meaning given under the heading “*Questions and Answers About Voting Rights and the Solicitation of Proxies – How do I vote?*”;

“**Notice of Meeting**” means the Notice of the Annual General Meeting of Shareholders accompanying this Circular;

“**NP 58-201**” has the meaning given under “*Corporate Governance – Board of Directors – Independence – Composition of Current Board*”;

“**Options**” has the meaning given under “*Executive Compensation – Compensation Discussion and Analysis – Long-Term Incentives*”;

“**Record Date**” means the close of business (Toronto time) on November 17, 2014;

“**Registered Shareholder**” has the meaning given under the heading “*Questions and Answers About Voting Rights and the Solicitation of Proxies – How do I vote?*”;

“**Related SARs**” has the meaning given under “*Executive Compensation – Compensation Discussion and Analysis – Long-Term Incentives*”;

“**Risk Factors**” has the meaning given under “*Forward-Looking Information and Statements*”;

“**Rivex Transaction**” means the sale of Helix’s Rivex Pharma division to Pharmascience Inc. on January 25, 2013;

“**RSUs**” has the meaning given under “*Executive Compensation – Compensation Discussion and Analysis – Long-Term Incentives*”;

“**Shareholder**” means a holder of Common Shares;

“**Transfer Agent**” means Computershare Investor Services Inc.; and

“**TSX**” means the Toronto Stock Exchange.

APPENDIX B

HELIX BIOPHARMA CORP. (the “Corporation”)

BOARD OF DIRECTORS MANDATE AND CORPORATE GOVERNANCE GUIDELINES

(As amended on October 20, 2014)

I. Mandate

Pursuant to the *Canada Business Corporations Act*, the Board of Directors (the “Board”) is required to manage, or supervise the management of, the business and affairs of the Corporation.

The Board shall be responsible for the overall management, control and stewardship of the Corporation in accordance with good board practice and in compliance with all applicable laws.

In so doing, the Board shall be responsible for:

- satisfying itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the Corporation;
- adopting a strategic planning process and approving a strategic plan, on at least an annual basis;
- identifying the principal risks of the Corporation and reviewing and assessing the internal controls and management information systems for managing such risks;
- succession planning, including senior management development and reviewing the performance of senior management against their annual objectives;
- adopting and periodically reviewing the Corporation’s disclosure and communication policies;
- developing the Corporation’s approach to corporate governance, and annually reviewing the Corporation’s corporate governance; and
- managing, or supervising the management of, the business and affairs of the Corporation.

II. Board Independence

The Board shall ensure that adequate structures and processes are in place to facilitate its exercise of independent judgment in carrying out its responsibilities.

The majority of the Board should be Directors who are “independent” within the meaning of applicable securities laws.

The independent board members are encouraged to meet among themselves without the presence of the non-independent directors or management after every in-person Board meeting, and more often as they see fit. The independent directors shall convey to the Chair any issues that they determine of importance.

III. Expectations and Responsibilities of each Director

Each Director is expected to review available meeting materials in advance, to attend, whenever possible, all meetings of the Board and of each Board Committee of which the Director is a member, and to devote the necessary time and attention to effectively carry out the Director’s responsibilities as a director and, if applicable, such Committee member.

Every Director in exercising his or her powers and discharging his or her duties shall:

- act honestly and in good faith with a view to the best interests of the Corporation;
- exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and

- comply with all applicable laws and with the Corporation's Articles and By-laws.

IV. Nomination of Directors

Prior to nominating or appointing individuals as Directors, the Board will:

- (a) consider what competencies and skills the Board, as a whole, should possess;
- (b) assess what competencies and skills each existing Director possesses;
- (c) consider the appropriate size of the Board, with a view to facilitate decision-making; and
- (d) consider the advice and input of the Governance Committee.

V. Director Orientation and Continuing Education

The Governance Committee shall have the responsibility to develop and periodically evaluate the initial orientation program for each new member of the Board and to regularly update each member of the Board regarding his or her responsibilities as a Director generally and as a member of any applicable Board Committee. The Board shall ensure that management updates are regularly provided to the Board in order that the knowledge and understanding of all Board members regarding the Corporation's business remains current.

VI. Committees of the Board of Directors

There are three standing committees of the Board: the Audit Committee, the Compensation Committee and the Governance Committee.

The Audit Committee assists the board in fulfilling its oversight responsibilities in the following principal areas: (1) accounting policies and practices, (2) the financial reporting process and financial statements released to the public, (3) risk management including systems of accounting and financial controls, (4) appointing, overseeing and evaluating the work and independence of the external auditors, and (5) compliance with applicable legal and regulatory requirements. The Audit Committee has adopted a written charter that is available on the Corporation's website or upon request to the Secretary or Chief Financial Officer.

The Governance & Compensation Committee sets and administers the policies and programs that govern compensation programs for directors and senior management of the Corporation; assists the board in its responsibilities relating to good corporate governance, and also recommends Board nominees. The Committee also provides oversight with regard to the Corporation's various programs of compensation, including all incentive plans and equity compensation plans. The Committee has the responsibility to develop and periodically evaluate the initial orientation program for each new member of the Board and to regularly update each member of the Board regarding his or her responsibilities as a Director generally and as a member of any applicable Board Committee. The Committee has adopted a written charter that is available on the Corporation's website or upon request to the Secretary or Chief Financial Officer.

The Science & Business Development Committee assists the board in fulfilling its oversight responsibilities in matters of scientific and clinical research. The Committee periodically meets with Management to 1) review planning and proposals with respect to research, pre-clinical, and clinical development, 2) provides support and review for the initiation of collaborations with other industrial partners and/or academic institutions, and 3) reviews results of research against plans and corporate goals. The Committee reports to the Board with recommendations on scientific plans and their integration with the corporate development activities of the Company. The Committee has adopted a written charter that is available on the Corporation's website or upon request to the Secretary or Chief Financial Officer.

VII. Matters Requiring Approval by the Board

The following matters shall require the approval of the Board (or the approval of a Board Committee to which the Board has delegated authority with respect to such matters):

- matters in respect of which Board approval is required by *the Canada Business Corporations Act*, by applicable securities legislation, policies and rules, or by applicable rules and policies of any stock exchange on which the Corporation's securities are listed;

- all decisions which are outside of the ordinary course of the business of the Corporation (including, without limitation, major financings, major acquisitions, and major dispositions);
- the appointment of officers;
- matters referred to in this Board of Directors Mandate and Corporate Governance Guidelines as requiring Board approval; and
- such other matters as the Board may determine from time to time.

VIII. Code of Business Conduct and Ethics

The Corporation has adopted a Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics is available on the Corporation’s website or upon request to the Secretary or Chief Financial Officer. The Board shall be responsible for monitoring compliance with the Corporation’s Code of Business Conduct and Ethics. Any waivers from the Code for the benefit of any director or officer may be granted only by the Board.

IX. Management

The Board expects management of the Corporation to conduct the business in accordance with the Corporation’s ongoing strategic plan and to meet or surpass the annual goals of the Corporation set by the Board in consultation with management. As part of its annual strategic planning process, the Board will set expectations of management over the next financial year and in the context of the Corporation’s future goals. Each quarter, or more frequently as the Board determines from time to time is necessary or advisable, the Board will review management’s progress in meeting these expectations.

X. Stakeholder Feedback

The Board has the responsibility to verify that the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other stakeholders and the public generally.

XI. Assessments

At least annually, the Board, its Committees and each individual Director will be assessed regarding his, her or its effectiveness and contribution. Assessments will consider:

- (a) in the case of the Board or a Board Committee, its Mandate or Charter; and
- (b) in the case of an individual Director, the applicable position description, if any, as well as the competencies and skills each individual Director is expected to bring to the Board.

- END -

APPENDIX C

HELIX BIOPHARMA CORP.

(THE "CORPORATION")

AUDIT COMMITTEE CHARTER

(As amended on October 20, 2014)

The Audit Committee of the Board of Directors (the "Board") of Helix BioPharma Corp. (the "Corporation") shall have the composition, responsibilities, powers, duties and authority specified in this Charter.

I. Purpose

The Audit Committee's purpose is to:

- (a) Assist the Board's oversight of:
 - (i) The integrity of the Corporation's financial statements;
 - (ii) The Corporation's financial accounting and reporting, the system of internal controls established by management, and the adequacy of internal and independent auditing relative to these activities;
 - (iii) The Corporation's compliance with legal and regulatory requirements; and
 - (iv) The qualifications, independence and performance of the independent public accounting firm auditing the Corporation's financial statements.
- (b) Prepare such reports as may be required from time to time by applicable securities laws and by the rules and regulations of applicable regulatory authorities (including any stock exchange on which the Corporation's securities are listed) (such laws, rules and regulations being hereinafter referred to, collectively, as the "Rules and Regulations").
- (c) Oversee the work of the Corporation's independent accounting firm, including the resolution of disagreements between management and the independent public accounting firm regarding financial reporting.

II. Composition, Appointment and Procedures.

- (a) The Audit Committee shall consist of at least three members of the Board, each of whom shall be, subject to such exceptions as may be permitted by the Rules and Regulations, an "independent director" and "financially literate" within the meaning of the Rules and Regulations.
- (b) No member of the Audit Committee may concurrently serve on the audit committee of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee.
- (c) The members of the Audit Committee shall be appointed by the Board and shall continue to act until their successors are appointed. Members shall be subject to removal at any time by the Board.
- (d) The Audit Committee shall meet at least four times each year. At such meetings, the Audit Committee shall discuss such audit matters as the Audit Committee deems appropriate with the Corporation's CFO and independent public accounting firm.
- (e) Periodically, the Audit Committee shall meet separately with the independent public accounting firm.

III. Duties and Responsibilities with Respect to Audit, Accounting and Financial Disclosure.

The Audit Committee shall:

- (a) Prior to filing with the applicable regulatory authorities or otherwise publicly disclosing the information, review and discuss with the Corporation's management and independent public accounting firm:
 - (i) the Corporation's annual audited financial statements, quarterly financial statements, and annual and quarterly financial press release, including the Corporation's disclosures under "Management's Discussion and Analysis"; and,
 - (ii) the scope and results of the annual audit, or any interim reporting;
- (b) Review and discuss with the Corporation's management and independent public accounting firm:
 - (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles, and major issues as to the adequacy of the Corporation's internal controls and any special audit steps adopted in light of material control deficiencies;
 - (ii) analyses prepared by management and/or the independent public accounting firm setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements;
 - (iii) the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the Corporation's financial statements; and
 - (iv) the type and presentation of information to be included in quarterly and annual financial press releases;
- (c) Review with the Corporation's independent public accounting firm any audit problems or difficulties and management's response, including:
 - (i) any restrictions on the scope of the activities of the independent public accounting firm;
 - (ii) any restriction on the independent public accounting firm's access to requested materials;
 - (iii) any significant disagreements with management; and
 - (iv) any material audit differences that the independent public accounting firm noted or proposed but for which the Corporation's financial statements were not adjusted;
- (d) Resolve any disagreements between the independent public accounting firm and Corporation's management regarding financial reporting;
- (e) Discuss with the Corporation's management, independent public accounting firm and Chief Financial Officer the adequacy of the Corporation's internal accounting, financial and operating controls;
- (f) Be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and periodically assess the adequacy of such procedures; and
- (g) Report to the Board with respect to the foregoing.

IV. Specific Responsibilities With Respect to the Corporation's Independent Public Accounting Firm

The Corporation's independent public accounting firm is ultimately accountable to the Board and shall report directly to the Audit Committee.

- (a) The Audit Committee shall recommend to the Board of Directors:
 - (i) The independent public accounting firm to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and
 - (ii) The compensation of the independent public accounting firm.
- (b) The Audit Committee shall annually evaluate the qualifications, performance and independence of the independent public accounting firm and the lead partner.
- (c) The Audit Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's independent public accounting firm.
- (d) The Audit Committee shall review and approve the compensation and terms of engagement of the Corporation's independent public accounting firm before the firm provides any audit, audit-related, tax or permitted non-audit services.
- (e) At least annually, the Audit Committee shall obtain and review a report by the independent public accounting firm describing:
 - (i) the firm's internal quality control procedures,
 - (ii) any material issues raised by the firm's most recent internal quality control review or peer review; and
 - (iii) all relationships between the firm and the Corporation.
- (f) Obtain from the independent public accounting firm assurance that they are not aware of any illegal act that has or may have occurred.
- (g) The Audit Committee shall report to the Board with respect to the foregoing.

V. Additional Powers, Duties and Authority.

The Audit Committee shall have additional powers, duties and authority to:

- (a) Monitor, review, and, if necessary or advisable, revise and update the Corporation's procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls and auditing matters; and
 - (ii) the confidential, anonymous submission by the Corporation's employees of concerns regarding accounting or auditing matters;
- (b) Discuss with the Corporation's management the Corporation's guidelines and policies with respect to risk assessment and risk management, including the Corporation's major financial risk exposures and the steps management takes to monitor and control such exposures;
- (c) Annually review the Audit Committee's performance and Charter, which shall include evaluating each member's qualifications, attendance, understanding of the Audit Committee's responsibilities and contribution to the functioning of the Audit Committee, and recommend any proposed changes to the Board for approval;
- (d) Prepare such reports as are required by the Rules and Regulations;
- (e) Review with the Corporation's General Counsel legal matters that may have a material impact on the financial statements, the Corporation's Code of Business Conduct and Ethics and any material reports or inquiries received from regulators or governmental agencies;

- (f) As the Audit Committee may deem appropriate, retain and terminate any legal, accounting or other consultants, who shall report directly to the Audit Committee, on such terms and conditions, including fees, as the Audit Committee in its sole discretion shall approve;
- (g) Request that any of the Corporation's officers, employees, outside counsel or independent public accounting firm attend any meeting of the Audit Committee or meet with any of the Audit Committee's members or consultants;
- (h) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the Corporation's present and former independent public accounting firm; and
- (i) Report to the Board with respect to the foregoing.

-- END --