HELIXBIOPHARMA

March 16, 2021
Press Release

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

HELIX BIOPHARMA CORP. ANNOUNCES FISCAL SECOND QUARTER 2021 RESULTS

(Richmond Hill, Ontario) – Helix BioPharma Corp. (TSX: "HBP"), a an immuno-oncology company developing drug candidates for the prevention and treatment of cancer, today announced its financial results for the fiscal second quarter ended January 31, 2021.

OVERVIEW

The Company reported a net loss and total comprehensive loss of $2,492,000 and $2,714,000 for the three and six-month periods ended January 31, 2021. For the three and six-month periods ended January 31, 2020, net loss and total comprehensive loss totalled $2,255,000 and $4,466,000, respectively. The net loss and total comprehensive loss for the three-month period ending January 31, 2021 included a net loss of $626,000 (2020 - $nil) and for the six-month period ending January 31, 2021 a net gain of $1,536,000 (2020 - $nil) as a result of the loss of control of a subsidiary and ultimately, a final tranche disposition on December 22, 2020 for gross proceeds of $2,308,000.

Subsequent to the quarter ending January 31, 2021, BDO Canada LLP resigned as the Company's auditors. The Company has engaged Marcum LLP as its new auditors.

Research and development

Research and development expense for the three and six-month periods ended January 31, 2021 totalled $1,086,000 and $2,170,000, respectively, as compared to $1,588,000 and $3,099,000 respectively for the three and six-month periods ended January 31, 2020, respectively.

Components of research and development expenses:

	For the three-month period ended January 31		For the six-month period ended January 31	
	2021	2020	2021	2020
Research & development programs (excluding below)	$ 727,000	$ 1,322,000	$ 1,416,000	$ 2,528,000
Salaries and benefits	299,000	292,000	613,000	549,000
Stock-based compensation expense	7,000	40,000	11,000	79,000
Amortization of property, plant and equipment	17,000	34,000	34,000	48,000
Amortization of right of use assets	36,000	32,000	68,000	54,000
Investment tax credits / government grants	-	(132,000)	28,000	(159,000)
	$ 1,086,000	$ 1,588,000	$ 2,170,000	$ 3,099,000

The reduction in research and development expenditures for both the three and six-month periods ended January 31, 2021 when compared to the prior year, is mainly the result of lower clinical study and intellectual property expenditures.

Lower clinical operation expenses are due to spending having occurred in the prior year related to the Company's LDOS003 Phase II clinical study in Poland and the Ukraine which has since concluded but currently awaiting reporting. The Company's new LDOS006 Phase Ib/II pancreatic clinical study in the U.S. was still in the early stages with U.S. FDA approval only having been received in August 2019 and enrollment having commenced in December 2019. COVID19 slowed down patient enrollment. The Company has added a new study site on March 12, 2021 and expects to add a third site in a months' time in order to increase the patient enrollment rate.

Lower intellectual property maintenance costs are mainly the result of the Company reclaiming certain costs incurred on behalf of its former subsidiary as per agreement.

Operating, general and administration

Operating, general and administration expenses for the three and six-month periods ended January 31, 2021 totalled $818,000 and $2,121,000, respectively, as compared to $654,000 and $1,363,000 for the three and six-month periods ended January 31, 2020, respectively.

Components of operating, general and administration expenses:

	For the three-month periods ended January 31		For the six-month periods ended January 31	
	2021	2020	2021	2020
Operating, general and administration (excluding below)	$ 618,000	$ 473,000	$1,394,000	$ 972,000
Salaries and benefits	105,000	145,000	212,000	319,000
Stock-based compensation	94,000	33,000	514,000	66,000
Amortization of property, plant and equipment	1,000	3,000	1,000	6,000
	$ 818,000	$ 654,000	$2,121,000	$1,363,000

The increase in operating, general and administration expenditures for both the three and six-month periods ended January 31, 2021 when compared to the prior year, is mainly the result of higher stock-based compensation expense associated with the vesting of stock options that were granted to directors of the Company over their vesting period in addition to higher legal costs and auditor fees. The Company has been in discussions with various groups both in the U.S. and Canada and has been incurring additional legal and audit expenses as part of the Company's objective to raise additional capital to qualify for a listing on a U.S. stock exchange such as NASDAQ.

LIQUIDITY AND CAPITAL RESOURCES

The Company reported a net loss and total comprehensive loss of $2,492,000 for the three-month period ended January 31, 2021 (2020 - $2,255,000) and $2,714,000 for the six-month period ended January 31, 2021 (2020 - $4,466,000). As at January 31, 2021 the Company had working capital of $3,639,000, shareholders' equity of $3,766,000 and a deficit of $183,230,000. As at July 31, 2020 the Company had working capital of $2,735,000, shareholders' equity of $2,981,000, a deficit of $180,516,000.

The Company experienced a working capital deficiency throughout fiscal 2018 and 2019 until August 21, 2019 when the Company closed the first of a series of private placements with a more recent financing occurring in December 2020. During the quarter ended January 31, 2021, the Company completed two rounds of private placements for gross proceeds totalling $4,100,000. On December 22, 2020 the Company disposed its remaining interest in a subsidiary for gross proceeds of $2,308,000.

The Company's cash reserves of $4,098,000 as at January 31, 2021 are insufficient to meet anticipated cash needs for working capital and capital expenditures through the next twelve months, nor are they sufficient to see planned research and development initiatives through to completion. Though the funds raised have assisted the Company in dealing with its working capital deficiency, additional funds are required to advance the Company's clinical and preclinical programs and deal with working capital requirements. To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, management considers securing additional funds, to be critical for its development needs.

The Company's Interim Condensed Statement of Net Loss and Comprehensive Loss for the three and six-month periods ending January 31, 2021 and 2020 are summarized below.

Interim Condensed Statements of Net Loss and Comprehensive Loss (unaudited)

	Three-month periods ended		Six-month periods ended	
	Jan-31-2021	Jan-31-2020	Jan-31-2021	Jan-31-2020
Expenses:				
Research and development	1,086,000	1,588,000	2,170,000	3,099,000
Operating, general & administration	818,000	654,000	2,121,000	1,363,000
Results from operating activities before finance items	(1,904,000)	(2,242,000)	(4,291,000)	(4,462,000)
Finance items	38,000	(13,000)	41,000	(4,000)
Net loss from continuing operations	(1,866,000)	(2,255,000)	(4,250,000)	(4,466,000)
Net gain (loss) from discontinued operations	(626,000)	-	1,536,000	-
Net loss & total comprehensive loss	(2,492,000)	(2,255,000)	(2,714,000)	(4,466,000)
Attributable to non-controlling interest	-	24,000	-	59,000
Attributable to Helix BioPharma Corp	(2,492,000)	(2,231,000)	(2,714,000)	(4,407,000)
Loss per share continuing operations	($0.02)	($0.02)	($0.03)	($0.04)
Loss per share discontinued operations	-	-	$ 0.01	-
Loss per share - total	($0.02)	($0.02)	($0.02)	($0.04)

The Company's Interim Condensed Statement of Financial Position as at January 31, 2021 and July 31, 2020 is summarized below.

Interim Condensed Statement of Financial Position (unaudited)

	Jan-31-2021	Jul-31-2020
Current assets:		
Cash	4,098,000	4,235,000
Accounts receivable	390,000	180,000
Prepaids	386,000	90,000
Assets held for sale	-	155,000
	4,874,000	4,660,000
Non current assets		
Propert, plant and equipment	56,000	91,000
Right of use assets	71,000	155,000
	127,000	246,000
Total assets	5,001,000	4,906,000
Current liabilities:		
Accounts payable	841,000	1,416,000
Accrued liabilities	327,000	301,000
Lease liabilities	67,000	159,000
Liabilities held for sale assets	-	49,000
	1,235,000	1,925,000
Shareholders' equity		
Attributable to Helix BioPharma Corp.	3,766,000	2,394,000
Attributable to non-controlling interest	-	587,000
	3,766,000	2,981,000
Total liabilities & Shareholders' equity / (deficiency)	5,001,000	4,906,000

The Company's Interim Condensed Financial Statements (unaudited) and Management's Discussion and Analysis will be filed under the Company's profile on SEDAR at www.sedar.com, as well as on the Company's website.

About Helix BioPharma Corp.

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

Investor Relations

Helix BioPharma Corp.
9120 Leslie Street, Suite 205
Richmond Hill, Ontario, L4B 3J9
Tel: 905-841-2300 x 233
Frank Michalargias, Chief Financial Officer
ir@helixbiopharma.com

Investor Relations

Alpha Bronze, LLC
Mr. Pascal Nigen
Phone: + 1 (917) 385-2160
helix@alphabronze.net

Forward-Looking Statements and Risks and Uncertainties

This news release contains forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. Forward-looking statements are statements and information that are not historical facts but instead include financial projections and estimates, statements regarding plans, goals, objectives, intentions and expectations with respect to the Company's future business, operations, research and development, including the Company's activities relating to DOS47, and other information in future periods. Forward-looking statements can further be identified by the use of forward-looking terminology such as "ongoing", "estimates", "expects", or the negative thereof or any other variations thereon or comparable terminology referring to future events or results, or that events or conditions "will", "may", "could", or "should" occur or be achieved, or comparable terminology referring to future events or results.

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

The Company's actual results could differ materially from those anticipated in the forward-looking statements contained in this news release as a result of numerous known and unknown risks and uncertainties, including without limitation, the risk that the Company's assumptions may prove to be incorrect; the risk that additional financing may not be obtainable in a timely manner, or at all, and that clinical trials may not commence or complete within anticipated timelines or the anticipated budget or may fail; third party suppliers of necessary services or of drug product and other materials may fail to perform or be unwilling or unable to supply the Company, which could cause delay or cancellation of the Company's research and development activities; necessary regulatory approvals may not be granted or may be withdrawn; the Company may not be able to secure necessary strategic partner support; general economic conditions, intellectual property and insurance risks; changes in business strategy or plans; and other risks and uncertainties referred to elsewhere in this news release, any of which could cause actual results to vary materially from current results or the Company's anticipated future results. Certain of these risks and uncertainties, and others affecting the Company, are more fully described in the Company's annual management's discussion and analysis for the year ended July 31, 2020 under the heading "Risks and Uncertainties" and Helix's Annual Information Form, in particular under the headings "Forward-looking Statements" and "Risk Factors", and other reports filed under the Company's profile on SEDAR at www.sedar.com from time to time. Forward-looking statements and information are based on the beliefs, assumptions, opinions and expectations of Helix's management on the date of this new release, and the Company does not assume any obligation to update any forward-looking statement or information should those beliefs, assumptions, opinions or expectations, or other circumstances change, except as required by law.