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Press Release

HELIX BIOPHARMA CORP. ANNOUNCES FISCAL THIRD QUARTER 2020 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 third quarter ended April 30, 2020.

OVERVIEW

The Company reported a consolidated net loss and total comprehensive loss of $2,594,000 ($0.02 loss per common share) and $7,060,000 ($0.05 loss per common share), respectively for the three and nine-month period ended April 30, 2020. For the three and nine-month periods ended April 30, 2019, consolidated net loss and total comprehensive loss of totalled $2,071,000 ($0.02 loss per common share) and $5,358,000 ($0.05 loss per common share), respectively. This includes a net loss from discontinued operations related to the Company's plan to fully divest of its Polish subsidiary. Helix Immuno-Oncology S.A. ("HIO"), totalling $198,000 and $465,000, respectively for the three and nine-month period ended April 30, 2020.

During the year, the Company disposed of a 49.0% ownership in HIO, bringing the Company's total ownership interest as at April 30, 2020 to 51.0%. Subsequent to the Company's third fiscal quarter on June 25, 2020, the Company made the following announcements relating to its Polish subsidiary:

- Entered into agreements with HIO, pursuant to which the Company cancelled an aggregate amount of approximately $2.7 million of intercompany debt owed to the Company by HIO. As a result, all transferred assets related to Biphasix and V-DOS47 have been automatically reassigned and transferred from HIO back to the Company without any formality. The Company has also ceased financing HIO with immediate effect.

- The Company approved an increase in share capital of HIO and the issuance of up to 2.2 million Series B ordinary shares in the capital of HIO to enable it to issue up to 2.2 million Series B ordinary shares by way of a private placement financing for aggregate gross proceeds of approximately 2.97 million Polish zloty. HIO completed the private placement on July 8, 2020 and as a result the Company's shareholding in HIO has been reduced to approximately 42.5% of the outstanding shares of HIO.

- The Company accepted a non-binding term sheet offer from CAIAC Fund Management AG, in its capacity as designated trustee of an alternative investment fund that is currently in the process of being established and authorized by the Financial Market Authority in Liechtenstein ("FMA"). The terms of the offer provide for the Company to sell its remaining holdings in HIO for gross proceeds of 6.7 million Polish zloty (approximately $2.3 million). The transaction is scheduled to close on August 31, 2020, and is subject to a number of conditions, including the approval of the fund by the FMA; the raising of a minimum 7.3 million Polish zloty by the fund as well as regulatory approval of the transaction, if required. There can be no assurance that the closing of the divestment will occur on the terms set out herein or at all.

The Company has also been in discussions with various capital market firms, both in the U.S. and Canada, with the goal of raising additional capital to further advance the Company's clinical development programs and to qualify for a NASDAQ listing.

Research and development

Research and development costs for the three and nine-month periods ended April 30, 2020 totalled $1,523,000 and $4,601,000, respectively ($1,331,000 and $3,631,000 respectively for the three and nine-month periods ended April 30, 2019).

The following table outlines research and development expenditures for the Company's significant research and development projects:

	For the three-month periods ended April 30		For the nine-month periods ended April 30	
	2020	2019	2020	2019
L-DOS47	$ 1,141,000	$1,054,000	$ 3,616,000	$2,703,000
CAR-T	54,000	–	54,000	333,000
Corporate research and development expenses	180,000	155,000	441,000	380,000
Trademark and patent related expenses	126,000	110,000	364,000	178,000
Depreciation expense	13,000	12,000	38,000	37,000
Stock-based compensation expense	9,000	–	88,000	–
	$ 1,523,000	$1,331,000	$ 4,601,000	$3,631,000

L-DOS47 research and development expenses for the three and nine-month periods ended April 30, 2020 totalled $1,141,000 and $3,616,000, respectively (April 30, 2019 - $1,054,000 and $2,703,000, respectively). L-DOS47 research and development expenditures relate primarily to the Company's LDOS001 Phase I clinical study in the U.S., the LDOS003 Phase II clinical study in Poland and the Ukraine and the Company's new LDOS006 Phase Ib/II pancreatic clinical study in the U.S. The increase in L-DOS47 expenditures in Q3 fiscal 2020 when compared to Q3 fiscal 2019 reflects an increase of approximately $161,000 in manufacturing activity to produce additional drug substance along with an increased spend of approximately $386,000 in the Company's newly launched pancreatic clinical study in the U.S. The Company commenced enrollment in the new pancreatic clinical study in December 2019. Offsetting the increased spend in the quarter was a reduction in spending of $279,000 related to the Company's LDOS001 clinical study of L-DOS47 in combination with pemetrexed/carboplatin in the U.S. and a further reduction of $133,000 related to a research collaboration project that ended involving the H. Lee Moffitt Cancer Centre & Research Institute ("Moffitt"). The Company's LDOS001 clinical study has completed enrollment and the Company is working on finalizing data for reporting. The LDOS003 clinical study had little impact on spending in the quarter. The Company had previously made the decision to not advance the study without entering a co-development partnership with a third party and therefore previously made the decision to terminate further recruitment and proceed to data analysis.

For the nine-month period ending April 30, 2020 when compared to the nine-month period ended April 30, 2019 the increase in spending mainly reflects drug substance manufacturing spend of $498,000, costs associated with the new LDOS006 pancreatic trial in the U.S. of $783,000 and costs associated to finalize and report on LDOS001 of $252,000. Offsetting the increased spend was a reduction in spending of $367,000 related to the Company's LDOS001 clinical study and a further reduction of $204,000 related to the Moffitt research collaboration.

CAR-T research and development expenses for both the three and nine-month periods ended April 30, 2020 totalled $54,000 and $54,000, respectively (three and nine-month periods ended April 30, 2019 - $333,000 and $333,000, respectively). The Company's collaboration with ProMab Biotechnologies Inc. ("ProMab") has been impacted by the Coronavirus pandemic and as such certain planned activities have been deferred.

Trademark and patent related expenses for the three and nine-month periods ended April 30, 2020 totalled $126,000 and $364,000, respectively (three and nine-month periods ended April 30, 2019 - $110,000 and $178,000, respectively). The Company continues to ensure it adequately protects its intellectual property.

Stock based compensation expense for the three and nine-month periods ended April 30, 2020 totalled $9,000 and $88,000, respectively (three and nine-month periods ended April 30, 2019 - $nil and $nil, respectively). The amount represents the expense associated with the vesting of stock options that were granted, over their vesting period.

Operating, general and administration

Operating, general and administration expenses for the three and nine-month periods ended April 30, 2020 totalled $862,000 and $1,986,000, respectively ($495,000 and $1,094,000 respectively for the three and nine-month periods ended April 30, 2019). The increase is mainly the result of higher expenses associated with various third-party advisor services such as investor and media relations, legal, business development activities and investment banking services. The Company has been in discussion with various advisory groups as it pursues a listing on a recognized U.S. stock exchange, like the Nasdaq.

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

	For the three-month periods ended April 30		For the nine-month periods ended April 30	
	2020	2019	2020	2019
Wages and benefits	$ 109,000	$ 112,000	$ 327,000	$ 320,000
Director fees	40,000	42,000	120,000	122,000
Third-party advisors	396,000	280,000	978,000	462,000
Other general and administrative	101,000	59,000	278,000	183,000
Depreciation expense	–	2	1,000	5,000
Stock-based compensation expense	216,000	–	282,000	2,000
	$ 862,000	$ 495,000	$1,986,000	$1,094,000

Stock based compensation expense for the three and nine-month periods ended April 30, 2020 totalled $216,000 and $282,000, respectively (three and nine-month periods ended April 30, 2019 - $nil and $2, respectively). The amount represents the expense associated with the vesting of stock options that were granted, over their vesting period.

LIQUIDITY AND CAPITAL RESOURCES

As at April 30, 2020 the Company had working capital of $3,826,000, shareholders' equity of $3,934,000 and a deficit of $178,427,000. As at July 31, 2019 the Company had a working capital deficiency of $3,534,000, shareholders' deficiency of $3,281,000 and a deficit of $171,531,000.

The Company experienced a working capital deficiency for several quarters until August 21, 2019 when the Company closed the first of a series of three private placements which included January 13, 2020 and March 12, 2020 for total gross proceeds of approximately $16,000,000. A portion of the private placement financings included the total disposition of a 49.0% stake of the Company's Polish subsidiary, HIO. On April 30, 2020 the Company stake in HIO was 51.0% which was subsequently reduced to 42.5% after HIO, on July 8, 2020, completed a direct private placement with an investor. The Company previously disclosed its intentions to fully divest of its interest in its Polish subsidiary in order to raise additional capital to further fund the Company's clinical development programs while still retaining licensing arrangements for future royalties and milestone payments.

On June 25, 2020, the Company announced the receipt and acceptance of a non-binding offer from CAIAC Fund Management AG, in its capacity as designated trustee of an alternative investment fund that is currently in the process of being established and authorized by the Financial Market Authority in Liechtenstein ("FMA"). The terms of the offer provide for the Company to sell its remaining holdings in HIO for gross proceeds of 6.7 million Polish zloty (approximately $2.3 million). The transaction is scheduled to close on August 31, 2020 and is subject to a number of conditions. There can be no assurance that the closing of the divestment will occur on the terms set out herein or at all.

In addition, the Company has been in discussions with various capital market firms, both in the U.S. and Canada, with the goal of raising additional capital to qualify the Company for a listing on a U.S. stock exchange such as NASDAQ in order to further advance the Company's clinical development programs.

The Company's cash reserves of $4,989,000 as at April 30, 2020 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, primarily through the issuance of equity securities of the Company, to be critical for its development needs.

The Company's Condensed Interim Consolidated Statement of Net Loss and Comprehensive Loss for the three and nine-month periods ending April 30, 2020 and 2019 and the Condensed Interim Consolidated Statement of Cash Flows for the nine-month periods ending April 30, 2020 and 2019 are summarized below:

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

	For the three-months ended April 30		For the nine-months ended April 30	
	2020	2019	2020	2019
Expenses:				
Research and development	1,523	1,331	4,601	3,631
Operating, general, administration	862	495	1,986	1,094
Results from operating activities before finance items	(2,385)	(1,826)	(6,587)	(4,725)
Finance items	(11)	(30)	(8)	(45)
Net loss from continuing operations	(2,396)	(1,856)	(6,595)	(4,770)
Net loss from discontinuing operations	(198)	(215)	(465)	(588)
Net loss and total comprehensive loss	(2,594)	(2,071)	(7,060)	(5,358)
Add: Net loss and total comprehensive loss, attributable to non-controlling interest	105	-	164	-
Net loss and total comprehensive loss, attributable to Helix BioPharma Corp.	(2,489)	(2,071)	(6,896)	(5,358)
Loss per share	-$ 0.02	-$ 0.02	-$ 0.05	-$ 0.05

* Figures are for both basic and fully diluted

Condensed Interim Consolidated
Statement of Cash Flows
(thousand $)

	For the nine-months ended April 30	
	2020	2019
Cash flows from operating activitites:		
Net loss from continuing operations	(6,595)	(4,770)
Items not involving cash	427	84
Changes in non-cash working capital	(2,334)	830
Cash used in operating activites:		
From continuing operations	(8,502)	(3,856)
From discontinued operations	(464)	(486)
	(8,966)	(4,342)
Cash used in financing activites:		
From continuing operations	12,184	4,963
From discontinued operations	-	-
	12,184	4,963
Cash used in investing activities:		
From continuing operations	1,704	(2)
From discontinued operations	-	-
	1,704	(2)
Exchange rate changes on cash	(27)	(32)
Net increase (decrease) in cash	4,895	587
Cash beginning of the period	94	229
Cash end of the period	4,989	816

The Company's Condensed Interim Consolidated Statement of Financial Position as at April 30, 2020 and July 31, 2019 are summarized below.

Condensed Interim Consolidated Statement of Financial Position (thousand $)	April 30, 2020	July 31, 2019
Non current assets	108	253
Current assets:		
Assets held for sale	126	-
Prepaids	142	191
Accounts receivable	196	290
Cash	4,989	206
	5,453	687
Total assets	5,561	940
Shareholders' equity / (deficiency)		
Attributable to owners of the Company	4,788	(3,281)
Non-controlling interest	(854)	-
	3,934	(3,281)
Current liabilities:		
Liabilities related to assets held for sale	66	-
Deferred government grant	-	124
Accrued liabilities	471	1,057
Accounts payable	1,090	3,040
	1,627	4,221
Total liabilities & shareholders' equity	5,561	940

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

About Helix BioPharma Corp.

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

Investor Relations

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Forward-Looking Statements and Risks and Uncertainties

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

Forward-looking statements include, without limitation, statements concerning (i) the Company's ability to operate on a going concern being dependent mainly on obtaining additional financing; (ii) the Company's priority continuing to be L-DOS47; (iii) the Company's development programs for DOS47, L-DOS47, V-DOS47 and CAR-T; (iv) future expenditures, the insufficiency of the Company's current cash resources and the need for financing; and (v) future financing requirements and the seeking of additional funding. Forward-looking statements can further be identified by the use of forward-looking

terminology such as "ongoing", "estimates", "expects", or the negative thereof or any other variations thereon or comparable terminology referring to future events or results, or that events or conditions "will", "may", "could", or "should" occur or be achieved, or comparable terminology referring to future events or results.

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

The Company's actual results could differ materially from those anticipated in the forward-looking statements contained in this news release as a result of numerous known and unknown risks and uncertainties, including without limitation, the risk that the Company's assumptions may prove to be incorrect; the risk that additional financing may not be obtainable in a timely manner, or at all, and that clinical trials may not commence or complete within anticipated timelines or the anticipated budget or may fail; third party suppliers of necessary services or of drug product and other materials may fail to perform or be unwilling or unable to supply the Company, which could cause delay or cancellation of the Company's research and development activities; necessary regulatory approvals may not be granted or may be withdrawn; the Company may not be able to secure necessary strategic partner support; general economic conditions, intellectual property and insurance risks; changes in business strategy or plans; and other risks and uncertainties referred to elsewhere in this news release, any of which could cause actual results to vary materially from current results or the Company's anticipated future results. Certain of these risks and uncertainties, and others affecting the Company, are more fully described in the Company's annual management's discussion and analysis for the year ended July 31, 2019 under the heading "Risks and Uncertainty" and Helix's Annual Information Form, in particular under the headings "Forward-looking Statements" and "Risk Factors", and other reports filed under the Company's profile on SEDAR at www.sedar.com from time to time. Forward-looking statements and information are based on the beliefs, assumptions, opinions and expectations of Helix's management on the date of this new release, and the Company does not assume any obligation to update any forward-looking statement or information should those beliefs, assumptions, opinions or expectations, or other circumstances change, except as required by law.