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NEWS RELEASE

HELIX BIOPHARMA CORP. CONTRACTS KBI BIOPHARMA TO DEVELOP AN L-DOS47 CLINICAL PACKAGING FORMAT

AURORA, Ontario – Helix BioPharma Corp. (TSX: HBP/Frankfurt: WKN 918846) announced today that it has signed an agreement with KBI Biopharma Inc. ("KBI") to develop a process for preparing L-DOS47 in a lyophilized (freeze-dried powder) vial format suitable for clinical testing.

"This new arrangement advances the Company closer to its objective of initiating clinical testing with L-DOS47", said John Docherty, Helix's president. "The lyophilized packaging format will provide for optimum stability of L-DOS47 while in storage so that individual vials may be reconstituted in liquid form immediately prior to patient administration".

About L-DOS47

L-DOS47 combines Helix's proprietary DOS47 new drug candidate with a highly specific single domain antibody to form a potential new targeted drug product for the treatment of adenocarcinoma of the lung, the most common form of cancer in the world today. L-DOS47 is thought to function by leveraging a natural process in the body called the urea cycle to produce an anti-cancer effect. It is based upon a naturally occurring enzyme called urease that essentially reverses the urea cycle by breaking down urea into metabolites that include ammonia and hydroxyl ions. By doing so at the site of cancerous tissues in the body, L-DOS47 is believed to modify the microenvironmental conditions of lung cancer cells in a manner that leads to their death. Among these theorized effects, L-DOS47 is believed to stimulate an increase in the pH of the microenvironment surrounding the cancerous cells, effectively reversing the acidic extra-cellular conditions that are known to be necessary for cancer cell survival. As well, the local production of ammonia at the site of cancerous tissues is thought to readily diffuse into the cancer cells to exert a potent cytotoxic effect by interfering with their critical metabolic functions. Helix intends to seek approval in 2008 by the U.S. Food and Drug Administration ("FDA") to conduct a Phase I clinical study with L-DOS47 in lung adenocarcinoma patients.

About KBI BioPharma

KBI Biopharma Inc. is a contract biopharmaceutical development organization offering a full range of preformulation/formulation development, analytical method development and validation, full process development and clinical manufacturing (for both mammalian and microbial programs). Services are carried out in state-of-the-art laboratories housed in Durham, North Carolina. More information can be obtained from www.kbibiopharma.com.

About Helix BioPharma Corp.

Helix BioPharma Corp. is a biopharmaceutical 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 Topical Interferon Alpha-2b and its novel L-DOS47 new drug candidate. Helix is listed on the TSX under the symbol "HBP" and quoted on the Frankfurt, Berlin, Munich and Stuttgart Stock Exchanges under the same symbol.

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The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release. Helix has relied solely on KBI Biopharma for the information about KBI Biopharma provided in this News Release and Helix disclaims any liability with respect to such information. Helix disclaims responsibility for information contained in any linked or referenced website, and such links and references do not constitute an endorsement by Helix of those or any other website. This News Release contains forward-looking statements and information regarding production of L-DOS47, a planned Phase I clinical study, and products under development, which statements can be identified by the words "will", "potential", "is thought", "is believed", "intends", and "developing". Actual results or events could differ materially from these forward-looking statements and information due to numerous factors, including without limitation, the risk that the contract with KBI Biopharma may be terminated early; reliance on KBI Biopharma for performance; uncertainty whether FDA approval will be sought as anticipated or at all, or if sought, whether FDA approval will be granted; uncertainty whether the planned Phase I clinical trial will commence or complete as anticipated or will deliver positive results; research & development risks, intellectual property risks; product liability risks; the risk of unanticipated expenses, and possible changes in business strategy or plans. These and other risks and uncertainties are contained in Helix's latest Annual Information Form at www.sedar.com. Forward-looking statements and information are based on the assumptions and expectations of Helix's management at the time they are made, and Helix does not assume any obligation, except as required by law, to update any forward-looking statement or information should those assumptions or expectations, or other circumstances change.