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NEWS RELEASE

HELIX BIOPHARMA PRODUCT DEVELOPMENT UPDATE, QUARTERLY HIGHLIGHTS AND FINANCIAL RESULTS FOR FISCAL Q3 2008

(AURORA, Ontario) – Helix BioPharma Corp. (TSX, FSE: "HBP"), a biopharmaceutical company specializing in the field of cancer therapy, today announced its product development progress, quarterly highlights and financial results for the three and nine month periods ended April 30, 2008.

"During the quarter, we made significant advancements in the development of our lead clinical compounds," said John Docherty, President of Helix Biopharma. "We are currently developing plans for Topical Interferon to enter expanded Phase II/III clinical trials and we are anticipating L-DOS47 entering the clinic in a Phase I study."

HIGHLIGHTS

The Company's highlights for the quarter included the following events:

Clinical Development

- Helix met with the German Federal Institute for Drugs and Medical Devices (BfArM) as a preliminiary step toward filing its CTA for a planned large, randomized, placebo-controlled, double-blind Phase III European clinical trial of Topical Interferon Alpha-2b in patients with low-grade cervical lesions ("LSIL");

- Helix received approval from the Swedish Medical Products Agency for a clinical protocol amendment to expand its Topical Interferon Alpha-2b AGW clinical trial to sites in Germany;

- The Prominent German dermatologist, Professor Dr. med. Eggert Stockfleth of the Department of Dermatology, Skin Cancer Center Charité, Universitätsmedizin Berlin, was engaged by Helix to act as the German co-ordinating investigator for the expanded AGW clinical trial in Germany;

GMP Manufacturing

- Contract Pharmaceuticals Limited Niagara was engaged by Helix to further scale-up the Topical Interferon Alpha-2b GMP production process in anticipation of conducting clinical trials in the U.S. and Europe in patients with LSIL;

- Signed a second, more definitive agreement with BioVectra dcl to further scale-up the GMP production of the L-DOS47 active drug substance for purposes of producing clinical trial batches.

Investor and Media Relations

- Appointed New York based Russo Partners as both investor and media relations group.

RESULTS FROM OPERATIONS

Three and nine month periods ended April 30, 2008 compared to the same period in the previous year

Loss for the period

The Company recorded losses of $1,139,000 and $4,309,000 for the three and nine month periods ended April 30, 2008, respectively, for a loss per common share of $0.03 and $0.11, respectively. In the comparative three and nine month periods ended April 30, 2007, the Company recorded losses of $1,523,000 and $4,765,000, respectively, for a loss per common share of $0.04 and $0.13, respectively.

Revenues

Total revenues for the three month period ended April 30, 2008 totaled $1,018,000 compared to $864,000 for the same period in 2007, resulting in an increase of $154,000 or 17.8%. Total revenues, for the nine month period ended April 30, 2008 totaled $2,694,000, compared to $2,582,000 for the same period in 2007, resulting in an increase of $112,000 or 4.3%.

Product Revenue

Product revenue totaled $775,000 and $2,181,000 for the three and nine month periods ended April 30, 2008, respectively, and represent an increase of $173,000 (28.7%) and $126,000 (6.1%) when compared to the three and nine month periods ended April 30, 2007, respectively. Higher revenues, specifically from the sale of Klean-Prep™ in Canada and to a lesser extent Orthovisc®, contributed to the higher product revenues in the three month period end April 30, 2008 when compared to the three month period ended April 30, 2007. The increase in product revenue for the nine month period ended April 30, 2008 is solely the result of higher Klean-Prep™ in Canada offsetting slightly lower sales of Orthovisc® when compared to the nine month period ended April 30, 2007.

License Fees and Royalty Revenue

License fees and royalties totaled $243,000 and $513,000 for the three and nine month periods ended April 30, 2008 and represent an increase of $129,000 (113.2%) and $134,000 (35.4%) when compared to the three and nine month periods ended April 30, 2007, respectively. The increase in both the three and nine month periods ended April 30, 2008 when compared to April 30, 2007 reflects a receipt of royalty in the quarter of US$100,000 from the sub-licensing of technology to Lumera Corporation.

Research and Development Contract Revenue
Research and development contract revenue totaled $nil respectively for both the three and nine month periods ended April 30, 2008. For both the three and nine month periods ended April 30, 2007, research and development contract revenue totaled $148,000. The research and development contract was completed in the third quarter ended April 30, 2007.

Cost of sales and margins
Cost of sales totaled $326,000 and $908,000 for the three and nine month periods ended April 30, 2008 compared with $249,000 and $849,000 for the three and nine month periods ended April 30, 2007, respectively. Margins, on percentage basis, have remained relatively stable in both the three and nine month periods ended April 30, 2008 when compared to the same period in 2007.

Research & development
Research & development costs for the three and nine month periods ended April 30, 2008 totaled $1,068,000 and $2,879,000 compared with $1,113,000 and $3,086,000 for the three and nine month periods ended April 30, 2007, respectively. In the three and nine month periods ended April 30, 2008, research & development expenditures for both L-DOS47 and Topical Interferon Alpha-2b were less than in the comparative three and nine month periods ended April 30, 2007. Higher research and development expenditures for L-DOS47 in the current quarter were offset by reduced expenditures related to Topical Interferon Alpha-2b.

L-DOS47
L-DOS37 research and development expenditures have increased in the three month period ended April 30, 2008 when compared to the three month period ended April 30, 2007. When compared to the nine month period ended April 30, 2007, research and development expenditures for the nine month period ended April 30, 2008 related to L-DOS47, have decreased slightly with the decrease solely being the result of the various stages of completion associated with the multiple projects within the L-DOS47 program. The Company expects higher L-DOS47 expenditures going forward into the fourth quarter of fiscal 2008 and into fiscal 2009 as it continues to progress towards an IND filing for its planned Phase I study.

Building upon an already successful smaller-scale GMP production program, Helix has recently signed a second agreement with BioVectra dcl to further advance GMP production of the L-DOS47 active drug substance to a scale that is suitable for human clinical testing. In addition, Helix's program with US-based KBI Biopharma Inc. to develop a process for preparing L-DOS47 in a lyophilized vial format is nearing completion. While all activities for the planned Phase I study are progressing, the Company has experienced some delays with respect to its GMP manufacturing scale-up program, which has impacted its previously projected timelines. The Company now expects to file its Phase I IND before the end of Helix's fiscal fourth quarter ending July 31, 2009.

Topical Interferon Alpha-2b
Research and development expenditures related to the Phase II trial in Sweden for AGW were slightly higher in the three month period ended April 30, 2008 when compared to the three month period ended April 30, 2007. For the nine month period ended April 30, 2008 the expenditures associated with the Swedish trial have not met the Company's original projections and is due to a lower patient enrollment rate. However, the Company expects to increase spending going forward through to July 31, 2009, as it expands the trial to include centers in Germany. In light of the recruitment challenges to date, the Company is revising the time projected to complete patient enrollment to the end of the Company's fiscal fourth quarter ending July 31, 2009.

Research and development expenditures related to clinical development for low-grade cervical lesions were lower in the three and nine month period ended April 30, 2008 when compared to the same periods ended April 30, 2007. However, the Company expects to increase spending going forward as work continues to advance towards IND and CTA filings for planned Phase IIb and Phase III trials in Europe and the U.S. respectively.

Helix's objective is to perform two, parallel confirmatory pivotal efficacy trials, requiring approximately 400 patients per trial over a two-year period, intended to support marketing authorizations. Building upon the completed German Phase II trial, Helix is pursuing a Phase IIb designation for the U.S. trial, since there has not been any previous clinical experience with the product in North America, and a Phase III designation for the European trial. Helix intends to conduct the European trial at centers in Germany and Austria, and has recently completed a scientific advice meeting with the German regulatory authority, BfArM, to obtain guidance concerning CTA preparation and submission. Furthermore, it is Helix's intent to conduct a small European pharmacokinetic study in human subjects prior to initiating its planned Phase IIb/III trials in order to gather further evidence of the product's absorption and elimination profile prior to proceeding with clinical testing, on a mass scale. Helix intends to conduct a pre-IND meeting with the U.S. Food and Drug Administration ("FDA") similar to the scientific advice meeting that the Company has completed with the German regulatory authority, however, the timing of this meeting has not yet been established.

Moving forward, Helix is advancing its preparations for both IND and CTA filings and has recently signed an agreement with a U.S. contract manufacturing organization, Contract Pharmaceuticals Limited Niagara, to further scale-up the Topical Interferon Alpha-2b GMP production process, in anticipation of the Phase IIb and III trials in the U.S. and Europe respectively. Although all activities for the planned Phase IIb/III trials are progressing, the Company has experienced some delays with the GMP manufacturing scale-up program and expects further delays as a result of its intention to perform the pending human pharmacokinetic study before commencing the planned Phase IIb/III trials. The Company expects both Phase IIb/III IND/CTA filings to occur before the end of the Company's fiscal fourth quarter ending July 31, 2009.

Operating, general & administration

Operating, general & administration expenses totaled $1,060,000 and $3,618,000 respectively for the three and nine month periods ended April 30, 2008 compared to $1,012,000 and $3,459,000 for the three and nine month periods ended April 30, 2007, respectively.

Slightly higher operating, general and administration expenses for the three month period ended April 30, 2008, were mainly the result of higher costs associated with consulting services, investor relations and a royalty expense incurred in the quarter, all of which, were offset by lower accounting and audit fees and wages.

For the nine month period ended April 30, 2008, operating, general and administration expenses were higher due to investor relations, consultancy services and wages. Offsetting these increases were lower costs associated with the Company's annual shareholder meeting which was held in the second quarter of fiscal 2008.

Amortization of intangible and capital assets

Amortization of capital assets in the three and nine month period ended April 30, 2008 totaled $61,000 and $190,000 respectively, compared to $70,000 and $220,000 for the three and nine month periods ended April 30, 2007, respectively. Capital asset purchases have been minimal in the nine month period ended April 30, 2008.

Amortization of intangible assets in the three and nine month periods ended April 30, 2008 totaled $3,000 and $13,000 respectively, compared to $40,000 and $119,000 for the three and nine month periods ended April 30, 2007, respectively. The variance is due to certain intangibles assets which have now been fully amortized.

Stock-based compensation

Stock-based compensation expense in the three and nine month periods ended April 30, 2008 totaled $12,000 and $36,000 respectively compared to $12,000 and $36,000 for the three and nine month periods ended April 30, 2007, respectively. The stock-based compensation expense relates to the ongoing amortization of compensation costs of stock options granted on June 30, 2005, over their vesting period.

Interest income

Interest income in the three and nine month periods ended April 30, 2008 totaled $180,000 and $465,000 respectively, compared to $127,000 and $371,000 for the three and nine month periods ended April 30, 2007, respectively. The increase in interest income is the result of higher cash balances.

Foreign exchange gain

The Company realized foreign exchange gains in the three and nine month periods ended April 30, 2008 of $220,000 and $265,000, respectively compared with a $1,000 loss and a $126,000 gain in the same periods ending April 30, 2007, respectively. The foreign exchange gain mainly reflects the foreign exchange translation of the Company's net assets in Europe, which consist mainly of Euro dollar denominated cash and cash equivalents.

Income taxes

Income tax expense in the three and nine months ended April 30, 2008 totaled $27,000 and $89,000, respectively, compared to $17,000 and $75,000 for the same periods ending April 30, 2007, respectively. All income taxes are attributable to the Company's operations in Ireland.

CASH FLOW

Operating activities

For the three month period ended April 30, 2008 and 2007, cash used in operating activities totaled $2,167,000 and $1,874,000 respectively. For the nine month period ended April 30, 2008, cash used in operations was relatively unchanged when compare to the nine months ended April 30, 2007.

Financing activities

Financing activities in the three and nine month periods ended April 30, 2008 totaled $nil and $14,614,000, respectively, compared to $nil and $6,480,000 for the same periods ended April 30, 2007. All financing activities relate to separate private placements in the given periods.

Investing activities

Use of cash in investing activities for the three and nine month periods ended April 30, 2008 as well as the three month period ended April 30, 2007 totaled $42,000, $101,000 and $12,000 respectively. For the nine month period ended April 30, 2007 investing activities were a source of cash totaling $6,602,000 of which $6,640,000 represents the redemption of short-term investments. Excluding the redemption of short-term investments, all use of funds in investing activities represents capital acquisitions in the particular period.

LIQUIDITY, CAPITAL RESOURCES AND OUTLOOK

Since inception, the Company has financed its operations from public and private sales of equity, the exercise of warrants and stock options, interest income on funds available for investment, government grants, investment tax credits, and revenues from distribution, licensing and contract services. Since the Company does not have net earnings from its operations, the Company's long-term liquidity depends on its ability to access the capital markets, which depends substantially on the Company's ongoing research and development programs.

At April 30, 2008, the Company had cash and cash equivalents totaling $21,274,000 compared to $11,379,000 as of July 31, 2007. The increase in cash and cash equivalents is the result of a private placement completed on December 19, 2007 where the Company issued 10,040,000 common shares for gross proceeds totaling $16,867,200. The total number of common shares issued as of April 30, 2008 was 46,375,335 compared to 36,335,335 as of July 31, 2007.

At April 30, 2008, the Company's working capital was $21,911,000 (July 31, 2007 – $11,468,000). After taking into consideration the Company's anticipated revenue, planned research and development expenditures and assuming no unanticipated expenses, the Company expects that its current working capital will be sufficient to finance operations through to the end of the 2010 fiscal year.

The Company will continue to seek additional funding, primarily by way of equity offerings to carry out its business plan and to minimize risks to its operations. The market, however, for equity financings for companies such as Helix is challenging, and there can be no assurance that additional funding by way of equity financing will be available. The failure of the Company to obtain additional funding on a timely basis may result in the Company reducing or delaying one or more of its planned research, development and marketing programs and reducing related personnel, any of which could impair the current and future value of the business. Any additional equity financing, if secured, may result in significant dilution to the existing shareholders at the time of such financing. The Company may also seek additional funding from other sources, including technology licensing, co-development collaborations, and other strategic alliances, which, if obtained, may reduce the Company's interest in its projects or products. There can be no assurance, however, that any alternative sources of funding will be available.

The Company's unaudited interim consolidated balance sheet as at April 30, 2008, and audited consolidated balance sheet as at July 31, 2007, are summarized below:

Consolidated Balance Sheets as at
($ thousands)

	30-Apr 2008	(audited) 31-Jul 2007		30-Apr 2008	(audited) 31-Jul 2007
Current assets:			*Current liabilities:*		
Cash and cash equivalents	21,274	11,379	Accounts payable	497	565
Accounts receivable	851	902	Accrued liabilities	665	974
Inventory	548	539		1,162	1,539
Prepaid and other	400	187			
	23,073	13,007			
Non current assets	1,239	1,266	*Shareholders' equity*	23,150	12,734
	24,312	14,273		24,312	14,273

The Company's unaudited interim Consolidated Statements of Operations and Cash Flows for the three and nine month periods ended April 30, 2008 and 2007 are summarized below:

Consolidated Statements of Operations
for the three and nine month periods ended April 30, 2008 and 2007
(thousand $, except for per share data)

	Three months ended April 30		Nine months ended April 30	
	2008	2007	2008	2007
Revenue:				
Product revenue	775	602	2,181	2,055
License fees and royalties	243	114	513	379
Research and development contracts	-	148	-	148
	1,018	864	2,694	2,582
Expenses:				
Cost of sales	326	249	908	849
Research and development	1,068	1,113	2,879	3,086
Operating, general and admin	1,060	1,012	3,618	3,459
Amortization of capital assets	61	70	190	220
Amortization of intangible assets	3	40	13	119
Stock-based compensation	12	12	36	36
Interest income, net	(180)	(127)	(465)	(371)
Foreign exchange loss	(220)	1	(265)	(126)
	2,130	2,370	6,914	7,272
Loss before income taxes	(1,112)	(1,506)	(4,220)	(4,690)
Income taxes	27	17	89	75
Loss for the period	(1,139)	(1,523)	(4,309)	(4,765)
Loss per share:				
Basic	(0.03)	(0.04)	(0.11)	(0.13)
Diluted	(0.03)	(0.04)	(0.11)	(0.13)

Consolidated Statements of Cash Flows
for the three and nine month periods ended April 30, 2008 and 2007
(thousand $)

	Three months ended April 30		Nine months ended April 30	
	2008	2007	2008	2007
Cash provided by (used in):				
Loss for the period	(1,139)	(1,523)	(4,309)	(4,765)
Items not involving cash:				
Amortization of capital assets	61	70	190	220
Amortization of intangibles	3	40	13	119
Stock-based compensation	12	12	36	36
Foreign exchange loss	(220)	1	(265)	(126)
	(1,283)	(1,400)	(4,335)	(4,516)
Change in non-cash working capital	(884)	(474)	(548)	(116)
Operating activities	(2,167)	(1,874)	(4,883)	(4,632)
Financing activities	-	-	14,614	6,480
Investing activities	(42)	(12)	(101)	6,602
Effect of exchange rate changes on cash	220	(1)	265	126
Increase in cash	(1,989)	(1,887)	9,895	8,576
Cash:				
Beginning of the period	23,263	14,855	11,379	4,392
End of the period	21,274	12,968	21,274	12,968

The Company's unaudited interim consolidated financial statements and management's discussion and analysis of financial condition and results of operations have been filed today with Canadian securities regulatory authorities and will be available at SEDAR at www.sedar.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".

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