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NEWS RELEASE

HELIX BIOPHARMA ANNOUNCES Q1 2008 FINANCIAL RESULTS

(Aurora, Ontario) – Helix BioPharma Corp. (TSX, FSE: “HBP”) today announced financial results for the first quarter of fiscal 2008, ended October 31, 2007.

HIGHLIGHTS

- Subsequent to the first quarter, the Company announced a CDN\$16.9 million private placement of common shares, subject to closing
- Announced management changes, with Dr. Donald H. Segal remaining the Company’s Chief Executive Officer and Mr. John Docherty assuming the role of President
- Announced University of Arizona professor, Kenneth D. Hatch, MD, as medical advisor
- Jerome F. McElroy resigned as chairman and director of the Company

RESULTS FROM OPERATIONS

Three month period ended October 31, 2007 compared to the same period in the previous year

Revenues were higher in the first quarter of fiscal 2008 when compared to the first quarter of 2007 with margins remaining relatively flat. Overall expenses in the first quarter of fiscal 2008 were higher when compared to fiscal 2007 and are mainly attributable to a one time charge related to the resignation of the Company’s Chairman which is reflective of the higher loss for the period. The Company adopted four new accounting standards in the first quarter of fiscal 2008, of which one impacted the Company resulting in a net unrealized gain on an available-for-sale investment.

Loss for the period

During the first quarter of fiscal 2008, the Company recorded a loss of \$1,644,000 or \$0.05 per common share, resulting in an increase of \$302,000 when compared to the first quarter of fiscal 2007. The Company recorded a loss of \$1,342,000, or \$0.04 per common share in the first quarter of fiscal 2007.

Revenues

Total revenues in the first quarter of fiscal 2008 totaled \$885,000 (2007 – \$826,000), resulting in an increase of \$59,000 or 7.1%.

Product Revenue

Product revenues totaled \$754,000 in the first quarter of fiscal 2008 and represent 85.2% of total revenues. When compared to the first quarter of fiscal 2007, product revenues increased by \$58,000 or 8.3% and are primarily driven by Klean-Prep™ product sales.

License fees and royalty revenue

License fees and royalties totaled \$131,000 in the first quarter of fiscal 2008 and represent 14.8% of revenues. When compared to the first quarter of fiscal 2007, license fees and royalties were higher by \$1,000 or 1.0%. The license fees and royalties in the first quarter of fiscal 2008 and 2007 were comprised solely of royalties related to sales of Klean-Prep™ outside of Canada.

Research and development contract revenue

The Company had no research and development contract revenue in both the first quarters of fiscal 2008 and 2007.

Cost of sales and margins

Cost of sales totaled \$313,000 in the first quarter of fiscal 2008 (2007 - \$290,000) with margins remaining relatively flat. Margins, on a percentage basis, in the first quarter of fiscal 2008 were 58.5% (2007 - 58.3%).

Research & development

Research and development costs in the first quarter of fiscal 2007 totaled \$782,000 (2007 - \$871,000) for a decrease of \$89,000. Lower research and development costs in the first quarter of fiscal 2008 mainly reflect timing of expenditures associated with the Company's L-DOS47 program.

Research and development expenditures related to Topical Interferon Alpha-2b remained relatively flat, with expenditures from the late stage phase II German study during the first quarter of fiscal 2007 being offset by expenditures in the first quarter of fiscal 2008 relating to patient enrollment in the phase II trial in Sweden along with costs associated with patent filings and consulting services.

The Company expects to increase its R&D spending through the remainder of fiscal 2008, as its Topical Interferon Alpha-2b and L-DOS47 product candidates continue to be developed.

Operating, general & administration

Operating, general and administration expenses in the first quarter of fiscal 2008 totaled \$1,313,000 (2007 - \$906,000), for an increase of \$407,000. The increase is mainly attributable to a one time charge of \$434,000 relating to the resignation of the Company's Chairman.

Amortization of intangible and capital assets

Amortization of intangible assets in the first quarter of fiscal 2008 totaled \$7,000 (2007 - \$40,000). The variance is due to certain intangible assets which have now been fully amortized. Amortization of capital assets in first quarter of fiscal 2008 totaled \$66,000 (2007 - \$77,000).

Stock-based compensation

Stock-based compensation expense in the first quarter of fiscal 2008 totalled \$12,000 (2007 - \$12,000). 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 first quarter of fiscal 2008 totaled \$104,000 and remained flat when compared to the first quarter of fiscal 2007 which totaled \$102,000.

Foreign exchange loss

Foreign exchange losses in the first quarter of fiscal 2008 totaled \$108,000 (2007 - \$45,000). Foreign exchange losses resulting from the foreign currency translation of the Company's integrated foreign operation in Ireland were offset by foreign exchange gains related to the Canadian dollar appreciation versus the U.S. dollar. The Company's net assets in Europe consist mainly of cash and cash equivalents, denominated in Euro currency and are used to fund clinical trials of Topical Interferon Alpha-2b in Europe.

Income taxes

Income tax expense in the first quarter of fiscal 2008 totaled \$32,000 (2007 - \$29,000). All income taxes are attributable to the Company's operations in Europe.

Other comprehensive income

In the first quarter of fiscal 2008, the Company recorded comprehensive income of \$16,000 and accumulated other comprehensive income totaling \$148,000. The total amount of \$164,000 represents an

adjustment to fair value of available-for-sale financial instruments, which in this case, represent shares in Orchid Cellmark Inc., a Nasdaq listed company.

CASH FLOW

Operating activities

Net loss from operations totaled \$1,644,000 in the first quarter of fiscal 2008 (2007 – \$1,342,000) for an increase of \$302,000. Excluding non-cash and working capital items, the cash used in the first quarter of fiscal 2008 totaled \$1,836,000 (2007 – \$1,602,000) and represents an increase of \$234,000.

Financing activities

Financing activities in the first quarter of fiscal 2008 were nil (2007 – \$6,480,000). In the first quarter of fiscal 2007, the Company completed a private placement with net proceeds of \$6,480,000.

Investing activities

Investing activities in the first quarter of fiscal 2008 used cash of \$50,000 while in the first quarter of fiscal 2007 investing activities provided a source of cash totaling \$6,625,000. The majority of the reduction in investing activities reflects the redemption of \$6,640,000 in short term investments in the first quarter of fiscal 2007. Capital purchases were negligible in both the first quarters of fiscal 2008 and 2007 totaling \$50,000 and \$15,000, respectively.

LIQUIDITY AND CAPITAL RESOURCES

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 October 31, 2007, the Company had cash and cash equivalents totaling \$9,578,000 (July 31, 2007 – \$11,379,000), a decrease of \$1,801,000 and working capital of \$9,859,000 (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 working capital will be sufficient to finance operations through to September 2008. On the assumption that the private placement referred to below closes as planned, and then based on the same factors, the Company expects that it will have sufficient working capital to finance operations beyond the 2009 fiscal year.

Subsequent to the first quarter of fiscal 2008, the Company received subscriptions for the purchase, by way of private placement, of a total of 10,040,000 common shares at \$1.68 per share, for gross proceeds totalling CDN\$16,867,200. The Company anticipates closing the private placement before the end of December 2007.

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 first quarter fiscal 2007 and 2006 financial statements are summarized below:

<i>Consolidated Statements of Operations for the three month period ended October 31 (thousand \$, except for per share data)</i>			<i>Consolidated Statements of Cash Flows for the three month period ended October 31 (thousand \$)</i>		
	2007	2006		2007	2006
Revenue:					
Product revenue	754	696	Cash provided by (used in):		
License fees and royalties	131	130	Loss for the period	(1,644)	(1,342)
Research and development contracts	-	-	Items not involving cash:		
	<u>885</u>	<u>826</u>	Amortization of capital assets	66	77
Expenses:			Amortization of intangibles	7	40
Cost of sales	313	290	Stock-based compensation	12	12
Research and development	782	871	Foreign exchange loss	<u>108</u>	<u>45</u>
Operating, general and admin	1,313	906	Change in non-cash working capital	(192)	(260)
Amortization of intangibles	7	40	Operating activities	<u>(1,643)</u>	<u>(1,428)</u>
Amortization of capital assets	66	77	Financing activities	-	6,480
Stock-based compensation	12	12	Investing activities	(50)	6,625
Interest income, net	(104)	(102)	Effect of exchange rate changes on cash and cash equivalents	<u>(108)</u>	<u>(45)</u>
Foreign exchange loss	<u>108</u>	<u>45</u>	Increase in cash and cash equivalents	(1,801)	11,632
Loss before income taxes	(1,612)	(1,313)	Cash and cash equivalents:		
Income taxes	<u>32</u>	<u>29</u>	Beginning of the period	<u>11,379</u>	<u>4,392</u>
Loss for the period	<u>(1,644)</u>	<u>(1,342)</u>	End of the period	<u>9,578</u>	<u>16,024</u>
Loss per share:					
Basic and Diluted	(0.05)	(0.04)			
	(0.05)	(0.04)			

<i>Consolidated Balance Sheets as at (\$ thousands)</i>					
	31-Oct 2007	31-Jul 2007		31-Oct 2007	31-Jul 2007
<i>Current assets:</i>			<i>Current liabilities:</i>		
Cash and cash equivalents	9,578	11,379	Accounts payable	735	565
Accounts receivable	779	902	Accrued liabilities	<u>609</u>	<u>974</u>
Inventory	592	539		1,344	1,539
Prepaid and other	130	187			
Deferred financing costs	<u>124</u>	<u>-</u>			
	11,203	13,007			
<i>Non current assets</i>	<u>1,407</u>	<u>1,266</u>	<i>Shareholders' equity</i>	<u>11,266</u>	<u>12,734</u>
	<u>12,610</u>	<u>14,273</u>		<u>12,610</u>	<u>14,273</u>

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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