

Helix Biomedix Announces Strategic Milestones for 2006

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Helix BioMedix, Inc. (OTC Bulletin Board: HXBM), a developer of bioactive peptides, today announced its strategic milestones for 2006, which management recently presented to the company's Board of Directors. The company believes that these milestones will be an important step in transitioning the company from primarily a research and development organization to a revenue generating commercial entity.

"With this announcement, we are outlining a comprehensive program to build the company for the longterm, with a plan to increase revenues on the consumer side of our business as well as prepare to take advantage of the significant longer-term opportunity on the pharmaceutical side," said R. Stephen Beatty, President and Chief Executive Officer of Helix BioMedix. "We have the commitment of our Board as well as our scientific staff and look forward to keeping our shareholders apprised of our progress throughout 2006."

Details of Helix BioMedix's 2006 milestones are as follows:

1. Launch five additional peptide-based products to market. Helix BioMedix intends to work directly with cosmetic and consumer product companies as well as with formulation or marketing entities to sign licenses and supply agreements to introduce the company's proprietary peptides in additional peptide-based products in the acne and anti-aging markets.
2. Deliver two newly developed peptide-based ingredients to our marketing and formulation partners. Helix BioMedix will screen for new bioactive peptide ingredients that have the potential to add value to our customers' product requirements. After safety and formulation testing is completed, human panel testing will be initiated.
3. Expand the use of our peptides into additional markets. Helix BioMedix's research and development team intends to generate data and market the company's existing peptides beyond the acne market, targeting such markets as anti-aging, oral care and deodorant, among others.
4. Invent additional peptides to expand and improve our future products. Helix BioMedix plans to expand its product portfolio and technology platform by filing patent applications on peptide classes for both pharmaceutical and consumer product applications in 2006.
5. Advance preclinical testing of our "small molecule peptide" dermatology application.

Helix BioMedix intends to perform toxicity and efficacy testing and generate and publish data on its "small molecule peptide" at a wide range of industry conferences throughout 2006. This particular peptide is currently being targeted at dermatology applications.

"Peptides are playing a growing role in the search for new active ingredients to bring added value and performance to skin care products," added Mr. Beatty. "Our peptides have been proven to kill bacteria and fungi and to stimulate aspects of healthy skin. The fact that they also consist of all natural amino acids makes them even more appealing as a source of innovation for the consumer products industry. Importantly, we have reduced the cost of manufacturing, offering an attractive return on investment to these mass market producers. While the consumer opportunity is exciting, we anticipate that there is even more future potential for our peptides in the pharmaceutical arena, where we are making strides in anti-infectives and wound healing. With today's announcement of our strategic milestones, we believe we have set the stage for a very exciting 2006."

About Helix BioMedix

Helix BioMedix, Inc. is an early-stage biopharmaceutical company that has a portfolio of issued patents that covers six distinct classes of peptides, including over 1 million unique peptide sequences. The company's mission is to become the industry leader in developing and commercializing small proteins known as bioactive peptides. The antimicrobial and wound healing properties of these peptides qualify them for inclusion in a wide range of both pharmaceutical and consumer products. The company is currently focused on the development of selected peptides as topical anti-infectives and in wound healing. Non-pharmaceutical applications being pursued by Helix BioMedix include adjuvants for cosmetics/cosmeceuticals, personal care, plant health, animal health and wide-spectrum biocides. More information about the company and its proprietary peptides can be found on the company's website at <http://www.helixbiomedix.com>.

Important Notice

This press release contains forward-looking statements (statements which are not historical facts) within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements regarding the company's 2006 strategic milestones and initiatives. These forward-looking statements involve risks and uncertainties, including activities, events or developments that the company expects, believes or anticipates will or may occur in the future. A number of factors could cause actual results to differ from those indicated in the forward-looking statements, including the company's ability to successfully raise additional capital, enter into revenue generating license agreements, continue its research and development efforts, including pre-clinical and clinical studies, and general economic conditions. Additional assumptions, risks and uncertainties are described in detail in our reports and other filings with the Securities and Exchange Commission. Such filings are available on our website or at www.sec.gov. Readers are cautioned that such forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those set forth in the forward-looking statements. The company undertakes no obligation to publicly update or revise forwardlooking statements to reflect subsequent events or circumstances.