

Helix BioMedix Secures \$3 Million Funding Agreement

Feb 25, 2008 - Bothell, Washington

Helix BioMedix, Inc. (OTCBB: HXBM - News), a developer of bioactive peptides, announced that it has entered into a Convertible Note and Warrant Purchase Agreement with RBFSC, Inc. ("RBFSC"), a related party, resulting in gross proceeds of \$3 million.

"This financing agreement is indicative of the support and confidence within our existing shareholder base and allows us to build upon our recent success in the commercialization of our innovative bioactive peptides," stated R. Stephen Beatty, President and CEO of Helix BioMedix, Inc. "These funds will be utilized for general corporate purposes and working capital while we continue the process of expanding our presence in the consumer market and initiating our pharmaceutical program. We are currently involved in active discussions with both potential pharmaceutical and funding partners with the goal of moving our lead drug candidate into clinical trials in 2008."

Under the terms of the agreement, the Company issued RBFSC a convertible promissory note in the principal amount of \$3 million, which shall accrue interest at 8 percent per annum and is due and payable on February 14, 2010, unless converted into shares of the Company's capital stock according to the terms of the agreement as described in the Company's Form 8-K filed with the Securities and Exchange Commission on February 21, 2008. The agreement also provides that RBFSC may be entitled to receive a warrant to purchase shares of the Company's common stock under certain circumstances, as also described in the February 21, 2008 Form 8-K.

Upcoming Events

Timothy Falla, Ph.D., the Company's Chief Scientific Officer, will be presenting at three industry conferences in March:

On March 12th, Dr. Falla will present "The Evolution of the Innate Immunity Antibiotic" at The Gordon Research Conference on New Anti-bacterial Discovery and Development in Lucca, Italy. Dr. Falla is scheduled to present at 9:35 a.m. For more information please visit: www.grc.org.

On March 17, 2008, Dr. Falla will provide introductory remarks on anti-aging at 9:00 a.m. eastern time (ET) at the Grayson Associates Ingredient and Technology Conference at the Sheraton Towers Hotel in New York, New York. Also, on March 17, Dr. Falla will discuss bioactive peptides and their application in the anti-aging market during a presentation at 12:05 p.m. ET. For more information or to register to attend the conference please visit: www.graysonconferences.com/conference.cfm.

On March 18th -19th, Dr. Falla is also scheduled to present at the Invest Northwest CEO Investor Forum at the Bell Harbor International Conference Center in Seattle, Washington. For more information or to register to attend the conference please visit: www.investnorthwest.org.

About Helix BioMedix, Inc.

Helix BioMedix, Inc. is a biopharmaceutical company with over 50 patents supporting an extensive library of

peptides that are diverse in structure, sequence, and bioactivity. We are a leader in creating novel, first in class, lipohexapeptide drug candidates, with an initial focus on the large topical anti-infective market including indications such as acne, rosacea, MRSA and fungal infections. We are also focusing on the design of peptides for the consumer market where, to date, we have entered into partnerships with six companies engaged in supplying high-quality ingredients to the cosmetics and cosmeceuticals sectors.

Our core competencies include peptide design, synthesis and characterization together with assay development, screening, tissue culture and microbiology, leveraged through relationships with contract research organizations and peptide manufacturers. We have the capability to take peptide-based products from a theoretical concept to a safe and efficacious finished product.

More information about the company and its proprietary peptides may be found on the company's website at www.helixbiomedix.com.

Forward Looking Statements

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. These forward-looking statements include statements regarding activities, events or developments that the company expects, believes or anticipates may occur in the future, including statements related to its potential growth, product development and commercialization and revenue. 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, continue developing marketable peptide-based products and general economic conditions. Additional assumptions, risks and uncertainties are described in detail in the company's reports and other filings with the Securities and Exchange Commission. Such filings are available on the company's website or at www.sec.gov. Readers are cautioned that such forward-looking statements are not guarantees of future performance and 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 forward-looking statements to reflect subsequent events or circumstances.

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