

Helix BioMedix Reports First Quarter 2006 Financial Results Annual Meeting Webcast Scheduled for May 18

May 26, 2006 - Bothell, Washington

Helix BioMedix, Inc. (HXBM.OB), a developer of bioactive peptides, today announced financial results for the first quarter ended March 31, 2006.

For the first quarter of 2006, Helix BioMedix reported a net loss of \$822,300, or \$0.04 per diluted share, compared to a net loss of \$765,800, or \$0.05 per diluted share, in the comparable prior year period. Included in the net loss for 2006 is \$124,800 of incremental expense for stock based compensation due to the company's adoption of SFAS 123R "Share Based Payment." Revenue for the first quarter was \$18,000 compared to no revenue in the first quarter of 2005. Revenue for 2006 will be dependent on the sales of products that incorporate the company's peptides as well as Helix BioMedix's ability to enter into collaborative or licensing agreements with third parties.

On March 31, 2006, Helix BioMedix had cash and cash equivalents of approximately \$4.7 million compared to approximately \$2.8 million at December 31, 2005. Shares outstanding at March 31, 2006 were 22,788,514. In the first quarter of 2006, the company received proceeds from a private placement of common stock, raising \$2,598,000 in additional cash in exchange for 2,598,000 shares of common stock and warrants to purchase an additional 259,800 shares of common stock.

"We have begun to make progress in achieving the strategic milestones that we announced in January," commented R. Stephen Beatty, President and Chief Executive Officer. "With our first two licenses in place, we are actively seeking new product and market opportunities for our peptides. We are particularly optimistic about the potential for new personal care products resulting from our recently announced relationship with Grant Industries. Grant is currently marketing four proprietary pre-mixed product additives that contain our HB64 and HB168 peptides to cosmetics and consumer product companies. In addition, HB168, one of our anti-aging peptides, has been delivered to potential commercial partners for testing."

"The development and introduction of new peptide-based ingredients is integral to our goal of launching new Helix BioMedix peptide-based products. We are well on our way to meeting our stated objective of delivering two newly developed peptide-based ingredients to our personal care marketing and formulation partners. To date, we have delivered our first proprietary ingredient developed for use in therapeutic moisturizers. This new peptide, which is capable of reducing skin redness, is currently in formulation development. We are also on track to deliver our second peptide-based ingredient later in the year – most likely an anti-aging peptide."

"Finally, we continue to make progress in strengthening and expanding our intellectual property and technology platform. We remain optimistic about the potential for our next generation of small molecule peptides ("hexapeptides"), which are particularly applicable to the treatment of acne, dermatitis and rosacea. In addition to being smaller, more stable and active in biological environments, these new peptides exhibit many characteristics of therapeutic drugs, and some of these molecules are capable of combating the increasing number of drug-resistant bacterial and fungal infections. These new hexapeptides have also been shown to have low toxicity and are expected to be more cost-effective to manufacture than even the shortest of antimicrobial peptides currently in development. This combination of our existing peptides and our new

generation of hexapeptides should help the company to continue to attract the attention of strategic partners, which is key to our future growth," concluded Mr. Beatty.

Annual Meeting and Webcast

Helix BioMedix's Annual Stockholders Meeting is scheduled for 11:00am PT on May 18, 2006 at the Washington Athletic Club in Seattle, Washington. The meeting, which will include a presentation and overview of the company's 2005 results, 2006 milestones and other corporate developments, will be webcast live. Interested parties are invited to listen at <http://www.helixbiomedix.com>. Copies of the slides will be posted to the website just prior to the start of the meeting. A replay of the webcast will also be available on the company's website.

About Helix BioMedix

Helix BioMedix, Inc. is a biopharmaceutical company that has a portfolio of issued patents that covers six distinct classes of peptides, including over 100,000 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 applications. 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 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. 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 our 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, 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 forward-looking statements to reflect subsequent events or circumstances.

Contact:

Helix BioMedix, Inc.

David H. Kirske

425-402-8400

dkirske@helixbiomedix.com

or:

Investor Relations:
Cameron Associates
Alison Ziegler
212-554-5469
alison@cameronassoc.com

Helix BioMedix, Inc.
Statements of Operations(Unaudited)

	Three Months Ended March 31,	
	2006	2005
Revenue:		
Licensing	\$ 5,026	\$--
Peptide sales	13,000	--
Total revenue	18,026	--
Operating expenses:		
Cost of peptide sales	5,003	--
Research and development	226,206	190,041
Depreciation and amortization	44,923	42,026
Accounting, legal and professional	65,658	109,965
Consulting fees	3,048	22,009
General and administrative	509,918	408,861
Total operating expenses	854,756	772,902
Loss from operations	(836,730)	(772,902)
Interest income	(14,461)	(7,117)
Net Loss	\$ (822,269)	\$(765,785)
Basic and diluted net loss per share	\$(0.04)	\$(0.05)
Weighted average shares outstanding	20,982,058	14,112,941

Balance Sheet Highlights

	March 31, 2006	December 31, 2005
Cash and cash equivalents	\$ 4,704,879	\$ 2,827,959
Property and equipment, net	179,591	168,063
Patents pending and approved, net	489,864	505,908
Total assets	5,703,676	3,741,940
Total current liabilities	237,759	224,359

Total stockholders' equity	5,465,917	3,517,581
Total liabilities and stockholders' equity	5,703,676	3,741,940