HEMISPHERx ANNOUNCES THIRD QUARTER FINANCIAL RESULTS

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Public Warrant Conversions Boost Net Worth

Philadelphia, PA, Wednesday, November 14, 2001: Hemispherx Biopharma, Inc. (AMEX: HEB), reported today that cash expenditures for operations and investment activities in the third quarter were partially offset by $903,000 in proceeds received from stock issued to warrant holders exercising publicly traded warrants. Thus, the Company's overall cash position decreased only $885,000 in the three months ended September 30, 2001. Moreover, since September 30, 2001, holders exercising Class A Warrants have produced proceeds of approximately $5.7 million. On a proforma basis the balance sheet would reflect proceeds from the exercise of warrants (during October 1 through November 6, 2001) which increased total assets to approximately $13.7 million with current proforma liabilities of approximately $1.2 million, for a net worth of approximately $12.4 million, representing a new high for the Company whose principal asset is a portfolio of intellectual properties (approximately 400 issued patents) which are booked conservatively at actual costs of prosecution and thereafter amortized based on years of remaining patent life.

The Company had a net loss of $2,145,000 or $.07 per share for the three months ending September 30, 2001 versus a net loss of $2,066,000 or $.07 per share for the same period in 2000. The $79,000 net increase in losses was mainly due to lower income.

Revenues from the Company's ME/CFS cost recovery treatment programs in Europe and North America were down for the third quarter of 2001 versus the same period in 2000 as the Company intensely focused on completing its Phase III ME/CFS clinical trials and less attention to the cost recovery treatment program. Research and Development costs were also down $275,000, reflecting the effect of lower costs associated with the reduced treatment income; lower costs associated with the ME/CFS Phase III clinical trial and reduced R&D grants to outside parties for research.

General and Administrative costs increased approximately $124,000 on a quarter to quarter basis including an increase in stock compensation expense of $78,000. Stock compensation expense reflects the fair value of the common stock including warrants granted to non-employees of the Company for services rendered. Decreased legal and professional fees totaling $97,000 were partially offset by increased public relations and other expenses of $84,000.

On November 1, 2001 the Company extended the exercise period of the publicly held warrants to November 21, 2001 due to the disruption of Wall Street caused by the events of September 11, 2001.

The Company said that it was especially gratified by the accelerated progress being made in its various advanced stage clinical trials in chronic viral disorders and immune dysfunctions, new results from which would be presented shortly at upcoming peer-reviewed international scientific forums. The Company stated that the robust conversion of publicly traded warrants into common shares reflected investor confidence in the conduct of the clinical trials and their eventual successful outcomes.

About Hemispherx Biopharma, Inc.

Hemispherx Biopharma, Inc., Philadelphia, PA, has devoted nearly three decades of exploring, understanding, and mastering the mechanism of ribonucleic acid (RNA) drug technology. The Company’s longevity as a biomedical research and drug development institution, coupled with its record of enduring scientific achievement, is evidence of long-term commitment to these promising new classes of drugs for the chronically ill and to bring new therapeutic choices to the global health care community. For more information, please visit the Company’s website at https://www.hemispherx.net.

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Information contained in this news release other than historical information, should be considered forward-looking and is subject to various risk factors and uncertainties. For instance, the strategies and operations of HEMISPHERx involve risks of competition, changing market conditions, changes in laws and regulations affecting these industries and numerous other factors discussed in this release and in the Company's filings with the Securities and Exchange Commission. Accordingly, actual results including financial results may differ materially from those in any forward-looking statements. Additionally, all the referenced investigational drugs and associated technologies of the company are experimental in nature and as such are not designated safe and effective by a regulatory authority for general use and are legally available only through clinical trials with the referenced disorders. The forward-looking statements represent the Company’s judgement as of the date of this release. The Company disclaims, however, any intent or obligation to update these forward-looking statements.