



APPOINTMENT OF VOLUNTARY ADMINISTRATOR

Sydney, NSW, 25 February 2011 – Following the preparation of the half yearly audited accounts and an assessment of the financial affairs and prospects of Giaconda Limited (ASX:GIA) (the “Company”), the directors have today resolved to appoint Nicholas Crouch of Crouch Amirbeaggi Insolvency Accountants, to act as voluntary administrator of the Company. The directors have also resolved to apply to the ASX for the suspension of the Company’s securities from trading.

Interim results

The interim results for the half year ended 31 December 2010 are set out in the attached audited report prepared by Walker Wayland.

Commentary on results and decision

The Company has attempted to conserve its cash and raise additional funds to support its ongoing operations until RedHill Biopharma Ltd (“RedHill”) had commenced paying royalties on one of the Myoconda, Heliconda, or Picoconda patents which were sold on 31 August 2010. However, those patents are still early stage treatments which have yet to be commercialised.

The Company had also unsuccessfully sought funding to develop the two remaining patents in its portfolio (being Hepaconda and Ibaconda) to the point where those patents could be licensed or sold. However, difficult market conditions and an inability to obtain sufficient funding have impeded the Company’s progress in attempting to commercialise those patents.

The directors have resolved to place the Company into voluntary administration as the outlook for the immediate future remains unchanged and are of the view that the Company is no longer a going concern.

Administration process

The administrator will contact creditors of the Company as part of the administration process and will explain to creditors the process and likely timeframe of the administration. Shareholders should note that any off market transfer of shares during the period of administration is void, except if the transfer is with the administrator or Courts consent.

Minimum Risk Pty Ltd (“Minimum Risk”) has agreed to fund the administration process. Minimum Risk is a creditor of the Company. It presently intends to propose a deed of company arrangement which will be put to creditors at the second creditors meeting. The provision by Minimum Risk of funding for the voluntary administration process is conditional upon its proposed deed of company arrangement being approved. A further announcement will be made once Minimum Risk provides the administrator with its proposed deed of company arrangement for approval by the creditors and the details of that proposal are known.

For further information please contact:

Patrick McLean
CEO and Acting Chairman
Giaconda Limited

GIACONDA LIMITED

Ground Floor, 44 East Street, Five Dock NSW 2046 Phone: [612] 9370 0069 Fax: [612] 9712 1469
email: info@giacondalimited.com ABN 68 108 088 517 www.giacondalimited.com

T: +61 2 9370 0069
O/S: +1 514 937 5440

Mclean278@hotmail.com

Skype: patricklockie

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