



**ANNUAL GENERAL MEETING
15 OCTOBER 2007
CHAIRMAN'S SPEECH**

Good Afternoon. My name is Richard Woods, and it's my great privilege to serve as the Chairman of Giaconda Limited.

On behalf of the Board, I warmly welcome all shareholders, proxy holders and visitors to the 2007 Annual General Meeting of Giaconda Limited.

The last financial year has been a challenging one for the Biotech sector in Australia. In spite of that a number of Companies have made significant progress in advancing their products to market. I am told that 10 Australian Companies have products in Phase III trials. Giaconda has more than held its own and has made significant progress on advancing its products to market. I will not go into detail on that progress as our CEO will do that in a short while.

I do want to highlight why we believe Giaconda has a unique business model which will result in our products reaching the market at a fraction of the cost and risk of many in the sector.

Giaconda's strategy is to minimize risk and time to market in a number of ways. Firstly we take a novel approach to product formulation. Instead of starting from scratch with completely new molecules, we develop patent-protected, novel combinations of pre-tested drugs. This means that we can move into patients very quickly and we are using this approach to build a record of success in clinical trials. Secondly the regulatory bodies are already familiar with the constituents of the products that we formulate which removes a significant hurdle in the regulatory pathway.

Finally we have a multi product portfolio with products that are targeted at large markets. This contrasts with many in the Biotech arena which seem to have higher market caps but only one product.

The Board is fully committed to our strategy and anticipates that the strategy will create significant value for shareholders and (perhaps most importantly) will bring our products to a wide range of patients who really need our products to relieve their suffering. The Company's fundamentals remain solid, and the outlook for the coming year is positive.

I would like to express my appreciation for the Board of Directors, the executive team, and you, the shareholders of Giaconda, for your continuing support. We are committed to developing novel therapies that will change lives, and I am confident that we will, thanks to a combination of good science and solid business strategy. Thank you for helping us to make this happen.

The meeting will proceed with an update from our Chief Executive Officer on our progress and will be followed by a presentation by Professor Tom Borody, Giaconda's Chief Medical Officer about *Clostridium Difficile* and potential treatments for it and the role of anti-MAP treatment in the rising epidemic of Crohn's Disease. Then the formal business of the meeting will commence.

GIACONDA LIMITED

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Now, please welcome our Chief Executive Officer, Patrick McLean.