



## UPDATE ON MYOCONDA SALE AND AMTI SHARE SUBSCRIPTION

**Sydney, NSW, 9 March 2010** - Giaconda Limited (ASX:GIA) (the "Company") today announced that it has agreed with Australian Medical Therapy Investments Pty Limited ("AMTI") to vary the terms of the Asset Purchase Agreement and the Share Subscription Agreement.

The entry into those agreements was announced to market on 18 February 2010. That announcement disclosed that the Asset Purchase Agreement contemplated the sale of the Myoconda intellectual property to AMTI for a purchase price of \$1,500,000 plus 5% of the net sales earned by AMTI from a commercialised treatment. It also disclosed that the Share Subscription Agreement contemplated the issue of 17.6 million ordinary shares in the Company to AMTI at an issue price of 3 cents per share.

Since the Company made its announcement on 18 February 2010, the Company has decided to cancel the issue of 17.6 million ordinary shares on a partly paid basis to AMTI following the receipt of guidance from the ASX. That cancellation was announced to the market on 2 March 2010 and the reasons for doing so are more fully explained within that announcement. The Company intends to requisition an extraordinary general meeting to obtain shareholder approval for that cancellation.

Since that time the Company has held discussions with AMTI. The Company and AMTI have agreed to amend the Share Subscription Agreement and Asset Purchase Agreement. The Share Subscription Agreement has been amended to permit AMTI to subscribe for a new issue of 17.6 million ordinary shares at an issue price of 6.25 cents per shares subject to Giaconda obtaining shareholder approval for that issue. The Asset Purchase Agreement has been amended to reduce the sale price of the Myoconda intellectual property to \$928,000 (ex GST) plus 5% of the net sales earned by AMTI from a commercialised treatment.

Those amendments will not affect the overall amount which AMTI had originally agreed to pay the Company. That amount remains \$2,028,000 subject to the Company's shareholders approving the proposed share issue at the proposed extraordinary general meeting. AMTI also remains liable to pay Giaconda 5% of the net sales earned by AMTI from a commercialised treatment of Myoconda.

The Company will make a further announcement once the Asset Purchase Agreement has been completed and it is in a position to requisition the extraordinary general meeting.

### CONTACTS:

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#### GIACONDA LIMITED