



Finance Facility Repaid

Sydney, NSW, 5 February, 2010 – Giaconda Limited (ASX: GIA), today announced that subsequent to the repayment of the \$250,000 Financing Facility arranged by Sydney Capital Partners, the facility has now been retired and the Fixed and Floating Charge which relates to that loan has been released.

As a condition of the granting of the facility and as previously reported to the ASX on 4 May 2009, Giaconda issued the funders with an option to acquire ordinary shares up to the facility limit. The terms of that option has been re-negotiated so that the funder, Corporate Governance Australia Pty Ltd as the trustee for the Maguire Superannuation Fund, has rights to acquire not less than 7,500,000 ordinary shares in Giaconda at an issue price which is the lower of 2.5 cents or 40% of the lowest issue price of ordinary share issues undertaken by Giaconda during the period from 1 January 2010 to 3 July 2012. Further information about the terms of those options can be found in Appendix 3B lodged by Giaconda with the ASX today.

The Finance Facility was repaid using non-interest bearing and unsecured loans provided by the Giaconda Directors in an attempt to reduce the Company's borrowing costs and free up the Intellectual Property for continued efforts to sell or license its therapies.

Chief Executive Officer, Patrick McLean, stated, "I would like to thank the Directors who contributed to this for their ongoing confidence in the Company and our efforts to commercialize our therapies."

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About Giaconda Limited

Giaconda Limited is a biotechnology company involved in developing and licensing innovative and cost effective medical therapies in the field of gastroenterology. Giaconda's products are targeted towards the treatment of serious conditions that are not adequately addressed by any existing therapy. In this way, Giaconda's products are intended to satisfy these significant unmet medical needs of the gastrointestinal market. The Giaconda portfolio consists of five products, all of which are novel combinations of known compounds. Giaconda has two lead products; Myoconda[®] for the treatment of MAP (*Mycobacterium avium ss paratuberculosis*) infection in Crohn's Disease and Heliconda[®] for the treatment of resistant *Helicobacter pylori* infection.

Except for historical information, this news release may contain forward-looking statements that reflect the Company's current expectation regarding future events. These forward looking statements involve risk and uncertainties, which may cause but are not limited to, changing market conditions, the successful and timely completion of clinical studies, the establishment of corporate alliances, the impact of competitive products and pricing, new product development, uncertainties related to the regulatory approval process, and other risks detailed from time to time in the Company's ongoing quarterly and annual reporting.

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