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NOBEL PRIZE CONFIRMS GIACONDA'S DIRECTION

Newly listed biotechnology company, Giaconda Limited, has received a significant boost to its commercialisation strategy as it prepares for market a medication developed to treat the resistant form of the condition which earned two Australian doctors the 2005 Nobel Prize for medicine.

Giaconda's product, *Heliconda*, was developed specifically to treat resistant strains of the *Helicobacter pylori* bacterium, the discovery of which is the basis of Professor Barry Marshall and Doctor Robin Warren's award winning research.

Professor Marshall and Doctor Warren made the breakthrough when they started taking biopsies from patients presenting with peptic ulcers and gastritis and discovered bacterial inflammation of the lower stomach in about 50 per cent of cases.

What the doctors had unearthed was the previously unknown *Helicobacter pylori* bacterium which could be treated with antibiotics.

The doctors then collaborated with Sydney gastroenterologist, Professor Tom Borody to devise a treatment regimen which led ultimately to the development of *Heliconda* for the treatment of resistant strains of this infection.

Until the Nobel winners' discovery, it was thought gastritis and peptic ulcers were caused by stress and lifestyle pressures which were treated by managing the symptoms without treating the underlying cause.

Professor Borody congratulated his colleagues on winning the highest accolade in science.

"This award is official recognition these illnesses are based on infection and are therefore treatable and it will give added impetus to pharmaceutical companies to bring *Heliconda* to market," Professor Borody said.

It is planned that *Heliconda*, which is one of five gastrointestinal products being developed by Giaconda, will commence a final Phase III clinical trial for entry into the *Helicobacter pylori* market of US \$3.3 billion.

The development phase is shortened because Giaconda's products involve combinations of drugs that already have regulatory approval which underpins the company's business plan of aiming for a faster route to commercialisation.

Professor Borody is an internationally recognised authority on the diagnosis and treatment of gastrointestinal disorders, adjunct professor of the faculty of science at the University of Technology, Sydney, founder of the Sydney clinic, the Centre for Digestive Diseases (CDD) and Chief Medical Officer of Giaconda Limited.

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About Giaconda Limited

Giaconda Limited (ASX: GIA) is a biotechnology 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 Crohn's disease and Heliconda™ for the treatment of resistant *Helicobacter pylori* infection. Both of these products are entering Phase III clinical trials.

Forward-Looking Statements

Statements contained in this communication may contain forward-looking statements with respect to Giaconda's financial condition, business strategies, competitive position, growth or strategic opportunities management objectives, and other matters. Statements in these materials that are not historical facts are "forward-looking statements".

These forward-looking statements are necessarily estimates reflecting the best judgment of the senior management of Giaconda and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including without limitation those set forth in these materials, any prior announcements made by Giaconda in relation to the subject matter contained herein, and any other information communicated by Giaconda to the market or otherwise in the public domain.

Giaconda undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of the materials in which such statements are contained or to reflect the occurrence of unanticipated events.

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