



Notice of Annual General Meeting 2010

The sixth Annual General Meeting of Giaconda Limited will be held on Tuesday 30 November 2010 at 7:00pm at the Centre for Digestive Diseases, First Floor, 299 Great North Road, Five Dock.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

Items of Business

A. Financial Statements and Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2010 and the related Directors' Report, Directors' Declaration and Auditor's Report on the Financial Report, as accompanying this Notice of Annual General Meeting.

B. Resolutions

Resolution 1:

To consider and, if thought fit, to pass the following ordinary resolution:

That, Prof. Tom Borody, who was elected to the Board of Directors on 16 November 2005 be elected as an Executive Director

Resolution 2:

To consider and, if thought fit, to pass the following ordinary resolution:

That the Remuneration Report for the Company (which forms part of the Directors' Report) for the year ended 30 June 2010 be adopted.

In accordance with section 250R of the *Corporations Act* (Cth) 2001 the vote on this resolution is advisory only and does not bind the Directors of the Company

C. Other Business

Any other business which may be brought forward in conformity with the Constitution of the Company.

Explanatory Memorandum

Members are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

Entitlement to Vote

The Directors have determined that any Member registered at 7:00pm (Sydney time) on Friday 26 November 2010 is entitled to attend and vote at the Annual General Meeting.

Proxies

Proxies may be appointed by using the Proxy Form accompanying this Notice of Meeting.

Please note that:

- a member who is entitled to attend and vote is entitled to appoint not more than two proxies;
- where more than one proxy is appointed, the proxy may be appointed to represent a specified proportion of the member's voting rights;
- a proxy need not be a member; and
- forms of proxy must be lodged as indicated on the Proxy Form at least 48 hours prior to the meeting (being no later than **3:00pm Friday 26 November 2010**).

If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:

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E: giaconda@giacondalimited.com W: www.giacondalimited.com ABN 68 108 088 517



- (a) The proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
- (b) If the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands;
- (c) If the proxy is the Chair, the proxy must vote on a poll and must vote that way; and
- (d) If the proxy is not the Chair, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

The Chair intends to vote any undirected proxies in favour of the resolutions.

Voting by Corporate Representative

A corporation may elect to appoint a representative in accordance with section 250D of the Corporations Act 2001 (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the Annual General Meeting.

By order of the Board.
Dated 26 October 2010

Mr Patrick L. McLean
CEO / Acting Chairman



Giaconda Limited

Explanatory Memorandum

This Explanatory Memorandum should be read with, and forms part of Giaconda Limited's Notice of Annual General Meeting 2010. For the benefit of Members, each of the resolutions referred to in the Notice of Meeting 2010 is explained below.

Introduction

This Explanatory Memorandum is an explanation of, and contains information, to assist Members to determine how they wish to vote on the resolutions set out in the Notice of Meeting to the Annual General Meeting to be held on:

Tuesday, 30 November 2010 at 7:00pm at the Centre for Digestive Diseases, First Floor, 229 Great North Road, Five Dock

A. Financial Statements and Reports

The Financial Report, Directors' Report and Auditor's Report of Giaconda Limited for the financial year ended 30 June 2010 will be laid before the meeting, as required under the *Corporations Act 2001* (Cth). There is no requirement for a formal resolution on this item of business. The Auditor will be present to answer any questions regarding the conduct of the audit by Members.

B. Resolutions

Resolution 1 – Election of Prof. Tom Borody as an Executive Director

The Giaconda Limited Constitution states that:

11.3 Rotation of Directors

At each annual general meeting one-third of the Directors for the time being, or, if their number is not three nor a multiple of three, then the number nearest one-third, and any other Director who has held office for three years or more since last being elected, must retire from office.

11.5 Directors to retire

The Directors to retire at any annual general meeting must be those who have been longest in office since their last election, but, as between persons who were last elected as Directors on the same day, those to retire must be determined by lot, unless they otherwise agree among themselves.

11.6 Director elected at general meeting

The Company may, at a general meeting at which a Director retires or otherwise vacates office, by resolution fill the vacated office by electing a person to that office.

Prof. Borody has been in office for three years and is due to retire. He has agreed to stand for re-election to the Board.

Details on Professor Borody

Prof. Thomas Borody MBBS, MD, PhD, FRACP, FACG, FACP, AGAF holds a doctorate in medicine from the University of New South Wales and is the founder and current Medical Director of the Centre for Digestive Diseases.

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He has been a recipient of the Winthrop Travelling Fellowship, the Neil Hamilton Fairly Fellowship and the Marshall & Warren Prize, and was a Clinical Fellow in Gastroenterology at the Mayo Clinic in Rochester, Minnesota. He is a member of the Australian Medical Association, the Gastroenterological Society of Australia, the European Gastroenterology Society, the Functional Brain-Gut Research Group and Fellow of the American College of Gastroenterology and the American College of Physicians.

Professor Borody supervises a number of major research programs as well as being involved as a reviewer for the American Journal of Gastroenterology, Digestive Diseases and Sciences, Endoscopy, Journal of Gastroenterology and Hepatology, Medical Journal of Australia and Digestive and Liver Diseases. He has published in excess of 200 scientific papers. In 2004 he was appointed an Adjunct Professor of the Faculty of Science at the University of Technology, Sydney and in July 2005, Professor Borody was awarded his PhD from the University of Newcastle.

Tom is Chief Medical Officer, under a Services Agreement between the Centre for Digestive Diseases and Giaconda Limited. Tom was the initial Director at registration of the company on 23 February 2004 was re-elected by the members on 16 November 2005 at the 2005 AGM.

Recommendation: Resolution 1

The Board unanimously recommends that Members vote FOR the approval of Prof. Tom Borody as an Executive Director on the Board of Giaconda Limited.

Resolution 2 – Adoption of Remuneration Report

The Company is required to include in the Directors' Report a detailed Remuneration Report setting out certain prescribed information relating to Directors' and Executives' remuneration and submit this to the Members for adoption by resolution at each annual general meeting.

The Remuneration Report forms part of the Directors' Report which is contained in the Annual Report accompanying this Notice of Meeting 2010. The Remuneration Report sets out Giaconda's remuneration policy and the remuneration received by Directors and certain Executives in FY10 and the remuneration to be received in FY11.

A reasonable opportunity will be provided to the Members at the meeting to discuss the Remuneration Report. The vote on this resolution is advisory only and does not bind the Directors or the Company.

Recommendation: Resolution 2

The Board unanimously recommends that Members vote FOR the adoption of the Remuneration Report.

Dated 26 October 2010

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26 October 2010

Dear Shareholder

Erratum to the 2010 Annual Report

Please note the following corrections to errors in the attached 2010 Annual Report for Giaconda Limited:

- Page 2. After the first sentence of the last paragraph, the following sentence should have been added:

“Options having 7.5 million ordinary shares of the Company were granted by the Company to Corporate Governance Australia Pty Ltd (a related body corporate of Sydney Capital Partners) on the terms disclosed in the Appendix 3B lodged on 5 February 2010.”
- Page 11. The last sentence of the second paragraph should be replaced with:

“With the exception of recommendations 2.2 and 2.3, all the best practice recommendations of the ASX Corporate Governance Council have been implemented by the Company and are periodically reviewed. Recommendation 2.2 provides that the chairperson should be an independent director. Recommendation 2.3 provides that the roles of the chairperson and chief executive officer should not be exercised by the same person. Recommendations 2.2 and 2.3 have not been complied with as the Company’s former independent chairperson, Mr Richard Wood, resigned on 20 October 2008 and Mr Patrick McLean assumed the role of chairperson on a temporary basis whilst continuing to act as chief executive officer. The Company intends to appoint an independent chairperson once a suitably qualified person has been found.”
- Page 39. The Directors’ Declaration should be replaced with the signed declaration attached to this letter.

Should you have any queries, please do not hesitate to contact me.

Yours sincerely,

Patrick McLean
CEO and acting Chairman

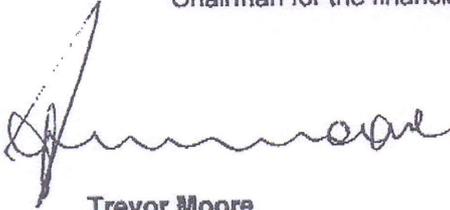
Encl.

GIACONDA LIMITED

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DIRECTORS' DECLARATION

- 1 In the opinion of the Directors of Giaconda Limited (the "Company"):
- (a) the financial statements and notes set out on pages 18 to 38 are in accordance with the Corporations Act 2001 (Cth), including:
 - (i) complying with Australian Accounting Standards and the Corporations Regulations 2001;
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2010 and of its performance for the financial year ended on that date.
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 2 The Directors have been given the declarations by Section 295A of the Corporations Act 2001 (Cth) from the Chief Executive Officer and acting Chairman for the financial year ended 30 June 2010.



Trevor Moore
Director



Patrick McLean
Chief Executive Officer and acting Chairman

Dated this 28th day of September 2010.

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