

**GIACONDA LIMITED
(ADMINISTRATOR APPOINTED)**

RELEASE OF REGISTERED SECURITIES

Sydney, NSW, 16 March 2011 – The administrator of Giaconda Limited (ASX:GIA) (the "Company"), Mr Nicholas Crouch of Crouch Amirbeaggi Insolvency Accountants, today announced that the registered securities held by RedHill Biopharma Ltd ("RedHill") over the Company had been released.

Those securities were a first ranking fixed and floating charge over the entire assets and undertakings of the Company and a first ranking fixed charge over certain intellectual property assets.

The release was granted by RedHill after Professor Thomas Borody paid \$37,916.03 to FB Rice & Co (the Company's patent attorney) in order to satisfy the Company's obligation under the Asset Purchase Agreement to pay the patent attorney fees associated with the transfer of ownership in the Myoconda, Heliconda, and Picoconda patents. The material terms of that sale was disclosed to the market on 17 August 2010.

Professor Borody made that payment on the condition that his loan to the Company is repaid in full as part of the deed of company arrangement ("DOCA") to be proposed by Minimum Risk Pty Ltd and submitted to the Company's creditors at the second creditors meeting.

A further announcement about the proposed DOCA will be made once the details of that proposal have been finalised and the notice of the second creditors meeting has been issued.

For further information please contact Steve Naidenov on (02) 8262 9333.

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a scheme approved
under Professional
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Suite 403, 55 Lime St, King St Wharf, Sydney NSW 2000
Tel: 02 8262 9333 | Fax: 02 8262 9300
admin@crouch.com.au | www.crouch.com.au
ABN: 26 131 856 169