



GIACONDA HAS COMMENCED NEXT ROUND OF FUNDRAISING

Sydney, Australia 7 February 2008. Giaconda Ltd (ASX: GIA) today announced that it has commenced a new round of fundraising. This round of fundraising is intended to procure funds necessary for Giaconda to complete the regulatory and clinical program for its lead product Myoconda[®] (for the treatment of MAP infection in Crohn's disease) and to bring this product to market in Europe and the USA. The Company is working with US advisors and the intention is to complete fundraising in Q2 2008.

"This is a major step in the evolution of our company – one that will secure a path to market for Myoconda[®] and allow us to retain a significant portion of the revenue from the sales of our products," said Patrick McLean, CEO of Giaconda.

"We attended the JP Morgan conference in the US last month and there was significant interest in Giaconda due to our late stage pipeline. We are currently in discussion with a number of firms in the US, Europe and Australia, with preliminary due diligence already underway in a number of instances."

ENDS

About Giaconda Limited

Giaconda Limited is a life sciences company involved in developing and commercialising 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.

For more information please visit www.giacondalimited.com

About Myoconda[®] – A Combination Antibiotic Therapy for the Treatment of Crohn's Disease

Myoconda[®], the Company's Anti-MAP therapy for the treatment of Crohn's Disease is a combination of three registered anti-mycobacterial drugs - rifabutin, clarithromycin and clofazimine. These three drugs are widely marketed world-wide for the treatment of mycobacterial and other infections. Myoconda[®] presents these three compounds in a specific patented combination in a unique format. The combination has undergone a Phase III trial in Australia across 22 centres and has demonstrated the highest remission rates of any major trial published to date with fully 66% of all patients in remission at 16 weeks. Giaconda has completed formulation development, manufactured clinical trial product material under cGMP conditions and has just completed a pharmacokinetic study in health humans. The FDA has approved a Phase II/III clinical study as part of the regulatory path toward registration in the US.

Myoconda[®] is based on the proposition that MAP infection is a significant factor in Crohn's Disease. Prof. Borody has long been at the forefront of this approach, which is gaining increasing acceptance among gastrointestinal specialists worldwide. Prof. Borody has published significant data

GIACONDA LIMITED

Ground Floor, 44 East Street, Five Dock NSW 2046 Phone: [612] 9370 0069 Fax: [612] 9712 1469
email: info@giacondalimited.com ABN 68 108 088 517 www.giacondalimited.com

demonstrating that patients treated with anti-MAP combination therapy such as that found in Myoconda[®] experience long-term remission of clinical symptoms and inflammation, some for up to nine years.

About Crohn's Disease

Crohn's Disease is a chronic inflammatory disease of the gastrointestinal tract. The disease most commonly affects the lower small intestine and the large intestine. Symptoms of Crohn's Disease include abdominal pain, diarrhoea, fever and weight loss. In severe cases, the intestine can become blocked or obstructed, requiring surgery. Young patients with Crohn's Disease may also suffer growth retardation. Patients suffering Crohn's Disease are conventionally treated with drugs aimed at reducing inflammation and other associated symptoms. The cause of Crohn's Disease is unknown, thus the standard treatments aim to treat symptoms rather than the cause of the disease. The bacterium *Mycobacterium avium ss. paratuberculosis* (MAP) is the lead candidate as an infectious cause of Crohn's Disease. By targeting the MAP infection, Myoconda[®] is designed to address a possible source of the disease, rather than attempting to merely alleviate its symptoms.

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.

CONTACTS:

Company	Media & Investor Relations
Patrick McLean – Chief Executive Officer	Fay Weston – Talk Biotech
T: +61 (0)2 9370 0069	T: +61 422 206036
E: pmclean@giacondalimited.com	E: fayweston@talkbiotech.com.au

GIACONDA LIMITED