



Giaconda Receives European Patent for Heliconda®

Sydney, NSW, 9 November, 2006 – Giaconda Limited (ASX: GIA), today announced that the European Patent Office has granted its patent for the combination of rifabutin, amoxicillin and a proton pump inhibitor for the treatment of resistant *Helicobacter Pylori* infection. This patent is part of a wider PCT application (priority date 30 April 1998) that has already been granted in Australia and the United States.

The issued patent entitled "Improved Method for Eradication of *H. pylori*" (European patent no: 1073436) provides further protection for Heliconda®, Giaconda's resistant *Helicobacter pylori* infection therapy. Heliconda® is a combination of three compounds, rifabutin, amoxicillin and a stomach acid suppressant known as a proton pump inhibitor.

The grant of this patent allows Giaconda to ratify the patent in Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Monaco, Portugal, Spain, Sweden, Switzerland and Liechtenstein, The Netherlands, and the United Kingdom. Giaconda will begin proceedings to validate this patent in all of the above territories.

"This is another step in securing Giaconda's intellectual property in key territories and completes coverage for Heliconda® in our target markets" said Rosa Surace, Giaconda's Chief Operating Officer. "As we advance our development and licensing activities the intellectual property associated with our product portfolio is a key priority." she continued.

About Heliconda® – A Combination Therapy for the Treatment of Resistant *Helicobacter pylori* infection

Heliconda® is designed to address resistant *H. pylori* infection by incorporating the antibiotic rifabutin which has reported eradication rates of 79-80% in patients where all other available antibiotic regimens have failed. In addition to rifabutin, the Heliconda combination includes amoxicillin and a stomach acid suppressant known as a proton pump inhibitor.

In a Phase II study of 130 patients with resistant *H. pylori* infection, Giaconda demonstrated successful eradication of the infection in 90.9% of patients treated with Heliconda® who had failed one or more *H. pylori* eradication attempts using standard triple antibiotic therapy. The presence of clarithromycin or metronidazole resistant strains had no significant impact on the eradication rates.

About *Helicobacter Pylori* (*H. pylori*):

Helicobacter pylori (*H. pylori*) is a bacterium believed to infect around 50% of the population worldwide. *H. pylori* lives in the mucosal lining of the stomach and causes up to 90% of peptic ulcer disease. Current treatment for *H. pylori* infection focuses on eradicating the bacteria using a combination of antibiotics and a stomach acid suppressant. With the increased use of antibiotics to treat infections and the resultant prevalence of antibiotic resistance, it has become more difficult to treat *H. pylori* resistant strains. As a result, up to 30% of people fail these treatments.

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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 Crohn's Disease and Heliconda® for the treatment of resistant *Helicobacter pylori* infection. Both of these products are ready for Phase III clinical trials, with a Phase IIIa already complete for Myoconda.

For more information please visit www.giacondalimited.com

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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