



“The rescue therapy company”

July 2007

Patrick McLean – Chief Executive Officer

Company Background

- Formed in 2004 to develop and commercialise the Borody / Centre for Digestive Diseases patents
- Listed in September 2005 (ASX:GIA)
- Focus on Gastroenterology
- Product pipeline containing 5 late stage products
- Based on the premise that infection plays a key role in a number of digestive diseases
- Giaconda has first right of refusal on additional patents and new products generated at CDD



Advanced Pipeline

Product	Indication	Pre-clinical	Phase I	Phase II	Phase III
Myoconda	Crohn's Disease	→			
Hepaconda	Hepatitis C	→			
Heliconda	Resistant <i>H. pylori</i> infection	→			
Ibaconda	Irritable Bowel Syndrome (constipation predominant)	→			
Picoconda	Bowel Preparation for colonoscopy	→			



Significant Target Markets

Product	Market Size (patients - millions)	Giaconda's Target Market (patients - millions)
Myoconda	1.0	0.426
Hepaconda	360	78
Heliconda	63	24.2
Ibaconda	466	466
Picoconda	14	14



Myoconda

- Triple antibiotic therapy for Crohn's Disease
- The bacterium *Mycobacterium avium paratuberculosis* (MAP) is the lead candidate as an infectious cause of Crohn's Disease
- Highest Clinical Remission rates published
 - 6 clinical studies
 - 65+% complete remission
 - 95% showed marked improvement*
 - one patient in remission for 10+ years
- Science continues to prove hypothesis
 - February 2007 - peer reviewed journal recommends redefinition of clinical response based on paper demonstrating longitudinal scarring and complete healing in some patients

* defined as a reduction in Crohn's Disease Activity Index of 70 or more points and/or a significant reduction in inflammation in the mucosa of the colon



Treating MAP in Crohn's Disease – the New Paradigm

- Patients who may be compromised with a genetic abnormality are susceptible to MAP infection. The NOD2/CARD15 defect is an example of this.
- MAP pathogen enters the system undetected by the NF-kB and thus not eradicated by the required cytokines.
- Infection is established with resulting release of cytokines like TNF- α which creates chronic inflammation.
- The new biologics are used to neutralize the TNF but do not arrest the causative factor – the MAP infection. Anti-MAP therapy does this.

Anti-MAP treatment

Anti-TNF- α treatment

~~M~~AP \rightarrow NOD2 \rightarrow NF-kB activation \rightarrow TNF- α \rightarrow chronic inflammation



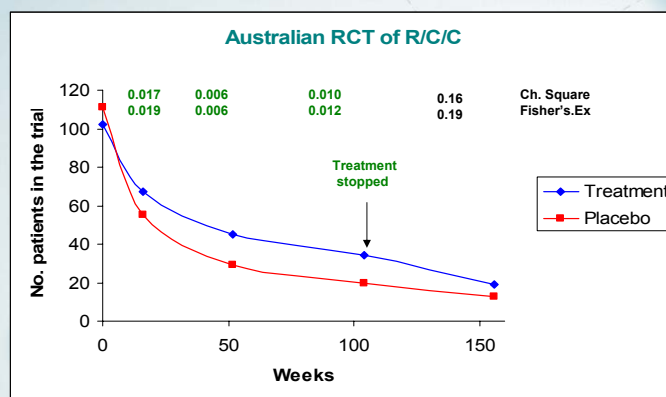
Phase III data

- Randomized, double blinded trial across 22 centres with 213 moderate to severe CD patients.
- Recently published in *Gastroenterology*
- Significant issues with Phase III trial
 - under dosing
 - capsule technology unsuitable
 - end point relapse, not remission
 - lack of MAP testing
- Active therapy patients achieved a remission level of 66% at 16 weeks versus a placebo response of 50% generating a significance of $p=0.0187$. These are the highest reported levels of remission for this patient group.



Phase III data (cont'd)

- On an ITT* (Intention to treat) basis, the active arm maintained a significant benefit over the placebo in remission throughout the treatment period, losing this once treatment ceased.



*ITT analysis calculated by Giaconda based upon published data



Recent MAP Detection in Australian Children

- Royal Children's Hospital / Murdoch Children's Research Institute – Melbourne
- “The worldwide increase in Crohn's Disease far exceeds anything that can be explained by genetics alone...”
- 60 naive pediatric patients tested for MAP
 - 32 Crohn's
 - 40% positive
 - 4.3% of controls positive

Fridge link to food bacteria

WORLD-first Australian research shows storing food in cold conditions could be the cause of a dramatic rise in immune disorders in children. The research found a bacteria which grows in freezing cold temperatures in nearly half of Victoria's childhood cases of chronic inflammatory bowel disease. Experts at Melbourne's Murdoch Children's Research Institute and Royal Children's Hospital have proven Mycobacterium avium paratuberculosis (MAP) lives in the digestive system of nearly half of newly-diagnosed cases of the modern epidemic Crohn's Disease. Researcher Dr Anthony Catto-Smith said a theory is that much of the food we eat is refrigerated. Refrigeration has been an effective means of preserving food but all food in the fridge will eventually go off, and that's because certain organisms like cold temperatures and can still grow and flourish in these conditions," he said.



Myoconda in 2007

REGULATORY/MANUFACTURING PATHWAY ESTABLISHED

- FDA IND for Phase II/III trial in MAP positive Crohn's Disease patients
- Pharmacokinetic data on new product
- APIs and manufacturing arrangements to FDA standards secured
- Formulation, manufacturing and stability complete
- All-in-one capsule / New dosages

LICENSING

- LOIs for Ireland, UK, Benelux, Australia, ASEAN, South Africa and Namibia
- Negotiating for other countries



Myoconda's First GMP Batch



Hepaconda

- Dual therapy for chronic Hepatitis C infection (bezafibrate and chenodeoxycholic acid)
- Targets HCV genotype 1 Interferon – Ribavirin treatment failures
 - 70-75% of all infections are G1
 - 58% fail INF / RIB treatment
- Hepatitis C Virus is a leading cause of liver disease and hepatic cancers
- Commenced Phase IIa clinical trial in June 07
 - Results expected in early 2008



Picoconda

- Capsule dosing of bowel preparation with electrolytes
- 14 million colonoscopies worldwide
 - All require bowel prep
- Current preparations are not patient friendly
- A recent Phase IIa trial demonstrated that Picoconda was well tolerated and effective in bowel clearance
- Ready to commence Phase IIb



Heliconda

- Triple therapy for resistant *Helicobacter pylori* (*Hp*)
- *Hp* infection causes up to 90% of peptic ulcer disease and many gastric cancers
- Phase II trial :
 - *Hp* eradication in 90.8% of 130 patients failing one or more eradication attempts
 - Mild side effects
 - Resistant strains had no significant impact on eradication rates.
- Ready to commence Phase IIb

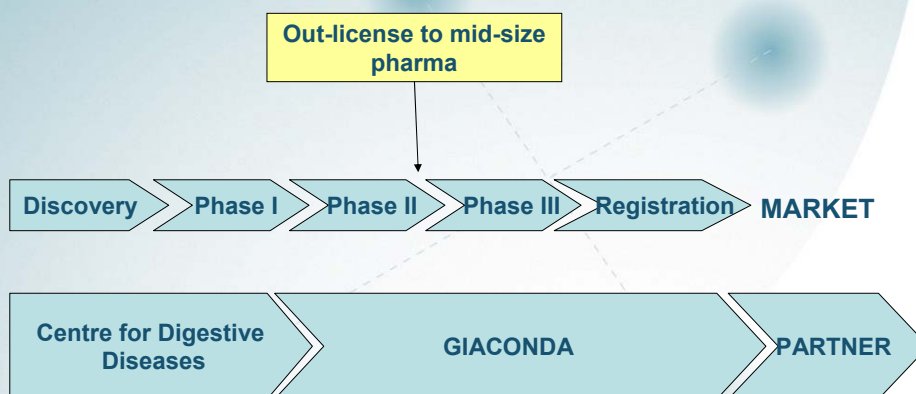


Ibaconda

- Dual therapy to treat constipation predominant Irritable Bowel Syndrome
- 10-15% of population suffers from IBS
- Cause unknown, no currently effective treatment
- IBS market \$US4.9B worldwide (Rx only)
- Ready to commence Phase IIa



Business Model



Milestones – met and upcoming

MILESTONE	STATUS
Secure APIs and manufacturing to FDA standards	Complete
Obtain IND for Myoconda	Complete
Commence Hepaconda Phase II clinical program in Hepatitis C	Complete
Commence Phase II/III clinical trial for Myoconda	Expected by end of 2007
Secure licensee for Myoconda in US territory	In negotiations
Secure licensee for second product	In negotiations
Results on Hepaconda Phase IIa study in Hepatitis C	Expected Q1, 2008



Intellectual Property

- Composition and first/second medical use patents covering broad range of doses, formats & drug families
- 23 patents granted & 15 pending

Product	Granted	Pending
Myoconda	US, Australia, NZ, S. Africa, Israel	7 territories
Hepaconda	Australia, NZ	4 territories
Heliconda	US, Australia, EU	1 territories
Ibaconda	US, Australia, S. Africa, EU	1 territories
Picoconda	US, Australia, NZ	2 territories



Financial Summary (ASX: GIA)

• Share Price: (at 20 July 07)	\$0.44
• Market Cap: (at 20 July 07)	\$32.08M
• Cash: (at June 07)	\$1.66M
• Total Shares	72,981,509
• Shares in ESCROW:	55,674,000



Investment Summary

- “Biotech’s best kept secret” according to a sector analyst
- Advanced product pipeline – risk reduced
- Large high growth market
- Faster path to market with combined pre-existing compounds
- Robust IP protection due to novel combinations and applications
- Internationally experienced management



Management Team

Patrick McLean 	Chief Executive Officer	Extensive industry experience
Prof. Tom Borody 	Chief Medical Officer	Clinical Experience - Founder and current Medical Director of the CDD
Kirilli Parker 	Chief Operations Officer & Company Secretary	Business management experience in biotech



Board

Richard Woods	Chairman	Legal, financial & investment management experience
Trevor Moore	Non-Executive Director	Extensive pharmaceutical industry experience
Prof. Tony Moon	Non-Executive Director	Intellectual Property expertise
Prof. Tom Borody	Executive Director	Extensive clinical, scientific experience
Patrick McLean	Executive Director	Extensive commercial experience



