

Monday, 12 May 2008

Dear Shareholder,

As you may be aware there have been major changes at Prima over the last few months. A new board, with significant commercial experience, has been appointed to rejuvenate the company and drive its turn-around, we have appointed world-leading cancer specialist, Professor Ian Frazer, as scientific advisor, and the Gap analysis report on CVac™ has been received.

Your new board is

Mr. Ata Gokyildirim (Chairman)

Dr. Richard Hammel

Mr. Martin Rogers

We have also recently received the initiating coverage report on Prima, which I have enclosed with this letter for your information.

I'm pleased to report that our subsidiary, Oncomab, has had a patent granted for the use of therapeutic antibodies that target the tumour antigen, cripto-1, in the treatment of cancer, more details about this patent are outlined below.

You will have recently received a notice of an Extraordinary General Meeting (EGM) to be held on June 4. There are several important resolutions to be considered at this EGM, and I encourage you to read the explanatory statement carefully.

In essence there are three main issues before the EGM, the issue of options to the new board to ensure alignment of their and shareholders interests, the issue of shares in payment of services by the company to a number of parties, and the adoption of a new constitution.

If you have any questions about the explanatory statement please feel free to call me on 0408 685 548 or Martin Rogers, Non-Executive Director on 0428 268 357.

Gap Analysis Report

As announced to ASX on March 19 we have received the requisite Gap Analysis of CVac™, an important step toward securing a preIND meeting with the US Food and Drug Administration Investigational New Drug Application (FDA IND)

CVac™ is being developed as a maintenance therapy for ovarian cancer that is most likely to be administered post-surgery and post-chemotherapy to delay relapse and control metastases. The global market for ovarian cancer therapeutics has shown consistent growth and in 2007 was valued at US\$2.1 billion and this is expected to total US\$3.6 billion by 2010. Regulatory approval for CVac™ over the next 6-9 months is the core focus for Prima.

The Gap Analysis was undertaken by the global drug development company, PharmaNet Inc("Pharmanet"). PharmaNet provided Prima with experienced scientists, senior management and has facilitated relationships with the appropriate US regulators. The

PharmaNet Oncology team has experience in all stages of development up to and including the registration process, as well as expertise in therapeutic modes including chemotherapy, radiotherapy, biologics, and medical devices.

CVac™ is also potentially useful in the treatment of several other solid tumours including lung, breast, colon, renal and prostate cancer, as it targets a tumour protein, mucin-1, which all these tumours express at relatively high levels.

US Patent granted for Oncomab

In January, a patent was granted for Prima's subsidiary, Oncomab Pty Ltd ("Oncomab"). Oncomab is an antibody development company and The United States Patent and Trademark Office granted and issued US Patent Number 7,318,924 to Oncomab.

The patent describes the use of therapeutic antibodies that target the tumour antigen, cripto-1, in the treatment of cancer. The patent specifically claims:

A method of treating cancer in a patient whose cancer cells over-express Cripto-1 by administering a therapeutically effective amount of a monoclonal antibody that binds a Cripto-1 and inhibits growth or spread of the cancer cells either by:

- a) Inducing apoptosis as a result of the binding of the antibody to the Cripto-1 on cancer cells; or*
- b) Inducing cell death by delivery to cancer cells of a cytotoxic compound conjugated to the monoclonal antibody*

The patent also claims chimeric and human antibodies as well as antibody fragments. A Patent Term Adjustment has also been issued, extending the patent term by an additional 467 days from 26 March 2022, thus providing patent protection through until 6 July 2023.

Prima is in confidential discussions with a number of international pharmaceutical and biotechnology companies regarding the sale or sublicensing of Oncomab.

Thank you for taking the time to read this letter, I hope you find the attached research report useful, and that you are as excited by the potential for Prima as I am.

Yours sincerely



Ata Gokyildirim
Non-Executive Chairman
Prima BioMed Ltd

About Prima Biomed Ltd

Prima Biomed (ASX: PRR) is a biotechnology company based in Sydney, Australia. The Company is focused on technologies in the fields of immunology and cancer immunotherapy. Prima is focused on developing a dendritic-cell based immunotherapy targeting mucin-1 tumour expressed antigen. Prima's lead product, CVac™ has completed Phase IIa clinical development in Ovarian Cancer. For further information, visit www.primabiomed.com.au