



Appendix 4E Preliminary Financial Report

for the year ended
30 June 2008
(and previous corresponding period: year ended 30 June 2007)

In compliance with Listing Rule 4.3A

Appendix 4E for the Year Ended 30 June 2008

Results for announcement to the market

Current Reporting Period - Year Ended 30 June 2008

Previous Reporting Period - Year Ended 30 June 2007

Revenues	down	62.89%	to	\$57,940
Loss after tax attributable to members	reduced by	39.87%	to	(\$1,887,356)
Net loss for the period attributable to members	reduced by	39.87%	to	(\$1,887,356)

Dividends (distribution)	Amount per Security	Franked Amount
Final dividend	Nil	Nil
Previous corresponding period	Nil	Nil

Net Tangible Asset per Security (cents per security)

As at 30 June 2008 0.67

As at 30 June 2007 1.74

Record date for determining entitlements to the dividend,
(in the case of a trust, distribution)

n/a

Explanation of the above information:

Refer to the directors' Report - Review of Operations.

DIRECTORS' REPORT

Your directors present their report on the economic entity consisting of Prima Biomed Ltd and the entities it controlled at the end of, or during, the year ended 30 June 2008.

Directors

The following persons were directors of Prima Biomed Ltd during the financial year and up to the date of this report:

Mr Ata Gokyildirim	Chairman	Appointed	20-Dec-07	
Mr Martin Rogers	Executive Director	Appointed	16-Oct-07	
Dr Richard Hammell	Non-Executive Director	Appointed	01-Feb-05	
Mr Eugene Kopp	Executive Chairman & Acting CEO	Resigned	20-Dec-07	
Dr John Sime	Non-Executive Director	Resigned	03-Sep-07	
Mr Phillip Hains	Finance Director	Appointed	04-Sep-07	Retired 29-Nov-07

Review of Operations

On behalf of the Board and Management of Australian cancer treatment development company Prima Biomed ("Prima", "the Company") (ASX: PRR) I am pleased to provide the following review of operations in its cancer treatment technologies and programs.

Key Objectives and Achievements for FY 2007/2008

- Final Clinical Study Report (CSR) of CVac™ confirms findings - shows that there was a statistically significant clinical benefit in patients treated with CVac™
- GAP analysis received for US FDA IND
- Leading cancer/oncology and immunology expert Professor Ian Frazer engaged as a scientific advisor to the Company
- Australian & US Patents granted to Prima's subsidiary, Oncomab Pty Ltd
- Successfully completed underwritten Pro-Rata Share and Options issue
- Change of constitution to enable the sale of unmarketable parcels of shares

Final Clinical Study Report of CVac™

The final Clinical Study Report ("CSR") of CVac™ for the Phase IIa trial in 21 late stage ovarian cancer patients was completed in September 2007. The results confirm the results of the initial report prepared for the Phase IIa trial of CVac™, announced in March 2007, which showed that there was a statistically significant clinical benefit in patients treated with CVac™.

The CSR is an essential document for inclusion in the regulatory package required to commercialise CVac™.

GAP Analysis Report of CVac™ Received and US FDA preIND Meeting Request

CVac™ is a treatment for ovarian cancer and is Prima's lead product. The Company received in March 2008 the requisite Gap Analysis of CVac™, which is an important step toward securing a preIND meeting with the US Food and Drug Administration Investigational New Drug Application (FDA IND).

Prima aims to secure the grant of an FDA IND for its next clinical trial of CVac™ as part of the Company's long-term strategic goal of developing commercial cancer treatments.

Prima views CVac™ as being of key importance as there is a large un-met medical need for new treatments for ovarian cancer, which has a very high morbidity rate. The insidious nature of the disease generally results in late diagnosis, and of the 70% of patients diagnosed with stage III or IV disease, the five year survival rate is only 10-20%.

The CVac™ product is being developed as a maintenance therapy that is most likely to be administered post-surgery and post-chemotherapy to delay relapse and control metastases. There are currently no products available as maintenance based therapies for ovarian cancer, and CVac™ has a competitive advantage because of its therapeutic approach and high barriers to entry generated by intellectual property and licensing agreements.

The global market for ovarian cancer therapeutics has shown consistent growth and in 2007 was valued at US\$2.1 billion. It is expected to total US\$3.6 billion by 2010. Achieving US Food and Drug (FDA) IND status over the next 6-9 months is of considerable importance and is the core focus of Prima.

The Gap Analysis was undertaken by the clinical research organisation (CRO), PharmaNet Inc. ("Pharmanet").

PharmaNet provided Prima with experienced scientists, senior management and assisted in developing relationships with the US FDA. 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.

A subsequent submission to US FDA for a pre-IND meeting was lodged in August 2008.

Professor Ian Frazer advising Prima Biomed

Prima is also pleased to announce that it has engaged leading cancer/oncology and immunology expert Professor Ian Frazer as a scientific advisor to the Company.

Prof. Frazer has a wealth of experience in cancer/oncology and immunology. He is best known for his work on the development of the world's first cervical cancer vaccine, (Gardasil™), which works by protecting women from Human papillomavirus.

The US FDA approved Gardasil™ in 2006 and it is now currently available worldwide, manufactured by Merck & Co and distributed in Australia by CSL Ltd. Prof. Frazer has undertaken a body of work to transform the treatment of cancer to benefit patients and transform lives. Prof Ian Frazer is the president of the Cancer Council, was named Australian of the Year 2006 and recipient of the Florey Medal named in honour of Australian Nobel laureate Howard Florey.

Prima welcomes the experienced guidance and strength of advice that Prof. Frazer will provide.

Australia & US Patent granted for Oncomab

In August 2007 and January 2008 respectively, patents titled Antibodies Against Cancer were granted in the United States (US Patent Number 7,318,924) and Australia (Australian Patent Number 2002240719) for Prima's subsidiary, Oncomab Pty Ltd ("Oncomab"). Oncomab is an antibody development company.

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.

Financial

Revenue of \$0.058m decreased from \$0.156m in the previous year due to reductions in interest, grants and other income.

Operating costs were down compared to the previous year. The key contributors to that result came from:

- R&D expenses decreased by \$0.904m due to a reduction in expenses driven by completion of the CVac™ clinical trials and containment of costs in the other non-core R&D programs.
- Corporate Administration and Business Development expenses decreased by \$0.191m due to reduced activity.

The investment in the Trillium Therapeutics Inc (“Trillium”) was re-valued to \$1.027m to reflect the maximum exercise price of unexercised Trillium options and discounted cash flow projections. The impairment adjustment of \$1.955m was taken directly to equity as an unrealised loss arising from a reduction in fair value of this investment.

The Company raised \$1.844m after costs from a pro-rata non-renounceable rights issue of shares in November 2007 and a further \$0.141m after costs from a pro-rata non-renounceable rights issue of options in March 2008.

Overall the result was a loss of \$1.887m compared to a loss for the previous year of \$3.139m.

Personnel

In addition to the scientific advising strength of Professor Ian Frazer, Prima welcomed two additions to the Company. Mr. Ata Gokyildirim and Mr. Martin Rogers join the board to assist the Company during the current transition period and provide a fresh perspective to our technologies. Mr Eugene Kopp resigned from the role of Chairman and as a director, and Dr John Sime also resigned in this period. Mr Phillip Hains retired from the role of Finance Director and continues in the role of joint Company Secretary.

Capital Raising -Successfully completed underwritten Pro-Rata Share and Options issue

During the period Prima secured new capital to fund its priority CVac™ technology as it reviews US regulatory requirements for ongoing clinical development of CVac™ for ovarian cancer. Gross proceeds of \$1.981m were sourced from a rights issue of shares to shareholders that was fully underwritten by RM Capital Pty Ltd.

On 18th January 2008 the Company lodged a prospectus for a pro-rata non-renounceable rights issue of options on the basis of 1 option for each 3 shares held at 29 January 2008, and a placement of 40 million options. The issue price was 0.5 cents per option and the options were exercisable at 2.5 cents on or before 31 December 2011. The offer was fully underwritten by RM Capital Pty Ltd and was expected to raise a total of \$0.498m before costs, however the offer was revised on 11 February 2008 by lodgement of a replacement prospectus altering the issue price to 0.2 cents and the exercise price to 2.0 cents. The revised offer under the replacement prospectus raised a total of \$0.199m before costs.

Change of Constitution to enable sale of unmarketable parcels of shares

The constitution was replaced in June 2008 and was updated to include many of the features of a current best practice constitution for an Australian listed public company. The new constitution enables the Company to consolidate unmarketable parcels and on 21 July 2008 the Company announced its intention to do so.

A facility has been setup by Tolhurst Ltd who will act as an execution-only broker on behalf of shareholders to affect any sales of shares of unmarketable parcels.

The cost to the Company in administrating small shareholdings and in providing annual reports, notices of meetings and other information to its shareholders is considerable. In order to reduce this cost Prima will sell shares under an Unmarketable Parcel Sale Facility executed by Tolhurst Ltd.

Consolidation Phase and Outlook

Core focus for Prima is to ensure the US FDA IND approval and review all potential funding sources once this is in place.

In line with company strategy, Prima is undergoing a consolidation phase to focus on the core assets as part of moving forward to ensure a larger company role in the cancer space. As part of this consolidation Prima is looking at non-core assets, in particular:

- The Company is currently in discussions with the founding inventor to divest its interest in the technology being developed by Panvax Pty Ltd.
- As outlined in its announcement dated 2 June 2008, its options in relation to a potential divestment of its 7% equity interest in Trillium Therapeutics Inc. Trillium Therapeutics Inc is a Canadian biotech company specialising in antibody and anti-inflammatory technologies.

- The potential sale or licensing of Oncomab technology to an international pharmaceutical or biotechnology company.

Prima is keen to unlock value for shareholders as part of this consolidation phase and is assessing all opportunities. Prima looks forward to further updating the market in relation to these programs as they develop.



Mr Ata Gokyildirim
Chairman
Sydney
Dated 29th August 2008

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

Notes	30 June 2008 \$	Economic Entity 30 June 2007 \$
Revenue	57,940	156,122
Gross Profit	57,940	156,122
Auditor's Remuneration	(45,485)	(44,260)
Depreciation	(10,925)	(13,875)
Amortisation	(41,936)	(41,936)
Research and Development	(70,146)	(974,404)
Corporate Administration	(1,362,404)	(1,503,626)
Business Development	(260,369)	(310,167)
Intellectual Property	(143,287)	(139,660)
Losses Borne by Parent Entity	-	376
Impairment of Assets	-	(267,604)
Loss on Disposal of Assets	(10,766)	-
LOSS BEFORE INCOME TAX	(1,887,378)	(3,139,034)
INCOME TAX EXPENSE	-	-
LOSS FOR THE PERIOD	(1,887,378)	(3,139,034)
LOSS ATTRIBUTABLE TO MINORITY INTEREST	22	57
LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY	(1,887,356)	(3,138,977)
	Cents	Cents
Loss per share attributable to the ordinary equity holders of the Company, from overall operations		
Basic loss per share	(0.74)	(1.68)
Diluted loss per share	(0.74)	(1.68)

The accompanying notes form part of these financial statements.

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2008

	Note	Economic Entity	
		30 June 2008	30 June 2007
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents		1,098,259	671,780
Trade and Other Receivables		46,941	32,431
Other Current Assets		36,055	70
TOTAL CURRENT ASSETS		1,181,255	704,281
NON-CURRENT ASSETS			
Other Financial Assets		1,026,571	2,981,516
Plant and Equipment		29,712	46,832
Intangible Assets		583,712	625,648
TOTAL NON-CURRENT ASSETS		1,639,995	3,653,996
TOTAL ASSETS		2,821,250	4,358,277
CURRENT LIABILITIES			
Trade and Other Payables		187,817	225,149
Provisions		-	35,942
TOTAL CURRENT LIABILITIES		187,817	261,091
NON-CURRENT LIABILITIES			
Provisions		-	17,116
TOTAL NON-CURRENT		-	17,116
TOTAL LIABILITIES		187,817	278,207
NET ASSETS		2,633,433	4,080,070
EQUITY			
Issued Capital	5	40,440,275	38,044,589
Reserves		(1,954,945)	-
Accumulated Losses		(35,851,998)	(33,964,642)
Total Parent Entity Interest in Equity		2,633,332	4,079,947
Minority Equity Interest		101	123
TOTAL EQUITY		2,633,433	4,080,070

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2008

Economic Entity

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Minority Equity Interest \$	Total \$
Balance at 30 June 2006	37,141,706	-	(30,825,665)	557	6,316,598
Shares issued net of costs	1,003,182	-	-	-	1,003,182
Transfer of shares	(122,899)	-	-	-	(122,899)
Options issued	22,600	-	-	-	22,600
Net loss for the period	-	-	(3,138,977)	-	(3,138,977)
Loss attributable to minority equity interest	-	-	-	(434)	(434)
Balance at 30 June 2007	38,044,589	-	(33,964,642)	123	4,080,070
Shares issued net of costs	1,919,999	-	-	-	1,919,999
Transfer of shares	-	-	-	-	-
Options issued	475,687	-	-	-	475,687
Financial assets revaluation reserve	-	(1,954,945)	-	-	(1,954,945)
Net loss for the period	-	-	(1,887,356)	-	(1,887,356)
Loss attributable to minority equity interest	-	-	-	(22)	(22)
Balance at 30 June 2008	40,440,275	(1,954,945)	(35,851,998)	101	2,633,433

The accompanying notes form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	30 June 2008 \$	Economic Entity 30 June 2007 \$
CASH FLOWS RELATED TO OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,602,449)	(3,455,720)
Interest and other items of a similar nature received		48,113	103,518
Grant income		-	22,864
NET CASH FLOWS USED IN OPERATING ACTIVITIES	7(a)	(1,554,336)	(3,329,338)
CASH FLOWS RELATED TO INVESTING ACTIVITIES			
Payment for purchases of plant and equipment		(4,571)	(9,417)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(4,571)	(9,417)
CASH FLOWS RELATED TO FINANCING ACTIVITIES			
Proceeds from issues of securities		2,179,920	877,101
Capital raising costs		(194,534)	(77,915)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		1,985,386	799,186
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		426,479	(2,539,569)
Cash and cash equivalents at the beginning of the year		671,780	3,211,349
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7(b)	1,098,259	671,780

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensure that the financial statements and notes also comply with International Financial Reporting Standards.

The accounting policies adopted are consistent with those of the previous financial year.

Note 2. Dividends

The Company has not resolved to declare any dividends in the period ended 30 June 2008.

Note 3. Segment Information

(a) Primary Reporting Format - Business Segments

30 June 2008	Cancer Immuno- Therapy	Anti- Inflammat ory	Drug Delivery Systems	Therapeuti c Antibodies for Cancer	Elimination	Consolidat ed
	\$	\$	\$	\$	\$	\$
External Sales	50	-	132	-	-	182
Unallocated Revenue						57,758
Total Segment Revenue/income						57,940
Segment Result	(730,297)	(170,180)	(353,640)	(160,123)	1,186,148	(228,092)
Unallocated Revenue						57,758
Unallocated Expenses						(1,717,044)
Net Loss						(1,887,378)
Segment Assets	390,006	1,031,599	16,592	236,474	-	1,674,671
Unallocated Assets						1,146,579
Total Assets						2,821,250
Segment Liabilities	7,653,630	2,201,964	4,118,905	1,336,727	(15,302,967)	8,259
Unallocated Liabilities						179,558
Total Liabilities						187,817
Depreciation and Amortisation	26,118	-	-	16,152	10,591	52,861

(a) Primary Reporting Format - Business Segments (continued)

30 June 2007	Cancer Immuno- Therapy	Anti- Inflammat ory	Drug Delivery Systems	Therapeuti c Antibodies for Cancer	Elimination	Consolidat ed
	\$	\$	\$	\$	\$	\$
External Sales	1,635	7,292	22,842	22	-	31,791
Unallocated Revenue						124,331
Total Segment Revenue/income						<u>156,122</u>
Segment Result	(1,487,781)	(435,653)	(457,068)	(290,418)	1,348,763	(1,322,157)
Unallocated Revenue						124,331
Unallocated Expenses						(1,941,208)
Net Loss						<u>(3,139,034)</u>
Segment Assets	419,053	2,983,716	38,231	252,940	-	3,693,940
Unallocated Assets						664,337
Total Assets						<u>4,358,277</u>
Segment Liabilities	6,951,122	2,028,956	3,786,903	1,193,071	(13,843,238)	116,814
Unallocated Liabilities						161,393
Total Liabilities						<u>278,207</u>
Depreciation and Amortisation	26,119	-	921	16,152	12,619	55,811

(b) Secondary Reporting Format - Geographical Segments

The economic entity operated in one geographical location, being Australia in the financial years 2007 & 2008.

Note 4. Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting date.

Note 5. Issued Capital

	30 June 2008		30 June 2007	
	No.	\$	No.	\$
<u>Issued and Paid Up Capital</u>				
Fully Paid Ordinary Shares	305,079,915	39,745,331	198,053,275	37,825,332
Options over Fully Paid Ordinary Shares	185,243,302	<u>694,944</u>	11,250,000	<u>219,257</u>
Total Issued Capital		<u>40,440,275</u>		<u>38,044,589</u>

During the year ended 30 June 2008, the following movements in equity occurred:

Shares

99,026,638	Pro-rata non-renounceable rights Issue of shares
2,000,000	Shares issued as cancellation fee for facility agreement
3	Exercise of options
3,333,333	Shares issued to company secretary
2,666,666	Shares issued to consultants

Options

300,000	Options granted to employees
2,000,000	Options granted as cancellation fee for facility agreement
32,000,000	Options granted to directors
99,693,305	Pro-rata non-renounceable rights issue of options
40,000,000	Placement offer of options
(3)	Exercise of options

Note 6. Net Tangible Assets

	30 June 2008	30 June 2007
Net Tangible Assets	\$2,049,721	\$3,454,422
Shares (number)	305,079,915	198,053,275
Net Tangible Assets (cents)	0.67	1.74

Note 7. Cash Flow Reconciliation

	30 June 2008	30 June 2007
	\$	\$
(a) Reconciliation of Cash Flow from Operating Activities with Net Loss after Income Tax		
Loss after income tax expense	(1,887,356)	(3,138,977)
Add back depreciation expense	10,925	13,875
Add back amortisation expense	41,936	41,936
Add back loss borne by parent	-	(376)
Add back loss on disposal of assets	10,766	-
Add back equity issued for nil consideration	410,300	103,696
Add back minority equity interest	(22)	(57)
Add back impairment of assets	-	267,604
(Increases)/Decreases in Trade and Other Receivables	(14,510)	79,664
(Increases)/Decreases in Other Current Assets	(35,985)	68,416
Increases/(Decreases) in Trade and Other Payables	(37,332)	(749,843)
Increases/(Decreases) in Provision for Employee Leave	(53,058)	(15,276)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(1,554,336)	(3,329,338)

(b) Reconciliation of Cash and Cash Equivalents

Cash and cash equivalents at the end of the financial year as shown in the Cash Flow Statement is reconciled to items in the Balance Sheet as follows:

Cash and Cash Equivalents	1,098,259	671,780
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Note 8. Events Subsequent to Reporting Date

On 21 July 2008 the Company gave notice of its intention to sell shareholdings that are less than a marketable parcel of shares. Shareholdings with a market value less than \$500 at the close of trading of the ASX as at 5.00pm (WST) on 5 September 2008 will be consolidated by an execution-only broker and sold on ASX under an Unmarketable Parcel Sale Facility. Shareholders who wish to retain their unmarketable parcels are required to lodge a Notice of Retention of Shares by 5.00pm (WST) on 5 September 2008.

On 25 August 2008 the Company announced that it had submitted its formal request for a pre-Investigational New Drug Application (preIND) meeting with the US Food and Drug Administration (FDA) for the company's CVac™ ovarian cancer treatment.

Otherwise no matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected or may significantly affect the operations of the economic entity, the result of those operations or the state of affairs of the economic entity in subsequent financial years.

Note 9. Audit

These accounts are currently in the process of being audited. An Annual Report containing the audit report shall be provided in due course.