

Friday, 30 January 2009

Quarterly Activity Report ending 31 December 2008

ASX Release Stock Code: PRR

Highlights

- Successful pre-Investigational New Drug Application (pre-IND) meeting with the US Food and Drug Administration(FDA).
- Shareholder Share Purchase Plan complete

During the quarter Australian cancer treatment development company Prima Biomed (Prima, the Company) (ASX: PRR) is pleased to provide the following update on advances in its cancer treatment technologies and programs.

Update on US FDA Pre-IND Meeting for CVac™ Cancer Treatment

Prima is pleased this quarter to have completed a successful pre-Investigational New Drug Application (preIND) meeting with the US Food and Drug Administration (FDA) for the company's CVac™ ovarian cancer treatment.

The successful FDA preIND meeting is a major milestone in the commercialisation process for CVac™.

This now paves the way for Prima to have its CVac™ cancer treatment approved as an Investigational New Drug Application (IND) by FDA and then conduct a Stage II Pivotal Trial in the US, which is one of the major milestones in the development pathway to commercialisation of CVac™ into the multi-billion global ovarian cancer therapy market.

The preIND meeting was held with Prima and the FDA in Washington DC on Friday 17 October, and is the end result of a stringent and rigorous assessment process set to the world's highest regulatory standards. Minutes from the meeting are released by the FDA within 30 days, following which the company will submit its paperwork for an IND.

As a result of the successful outcome of the FDA meeting, Prima can look forward with confidence to achieving the regulatory requirements to complete commercialisation of its flagship cancer treatment product.

CVac™ is a therapy treatment for ovarian cancer administered post-surgery and post-chemotherapy to delay relapse and control metastases. There is a large un-met medical need for new treatments for ovarian cancer which has a very high morbidity rate, and there are currently no maintenance based therapy products available.

The Stage II Pivotal Trial will be lead by the Fred Hutchinson Cancer Centre in Seattle in the USA, which is a leading world class cancer institute with three Nobel Laureates on staff.

Canadian Patent Granted for Ovarian Cancer Vaccine

Prima's subsidiary, Cancer Vac Pty Ltd, has been granted a patent covering its ovarian cancer immunotherapy product, MFP, by the Canadian Patent Office.

The patent titled, Antigen carbohydrate compounds and their use in immunotherapy, Patent Number 2135833 claims priority from November 1994 and expires in November 2014

The granted patent claims protect the manufacture of an immunotherapy comprising the patient's own dendritic cells that have been pulsed with a tumour antigen conjugated to mannan fusion protein (MFP). The granting of the Canadian patent strengthens Prima's development pipeline as the granted claims cover multiple antigens that may potentially be conjugated to MFP, not just those antigens associated with ovarian cancer.

Sale of Unmarketable Parcels of Shares

Prima has received applications for \$198,000 with support from Shareholders in the Shareholder Share Purchase Plan. This provides the ability for shareholders to further support the work in development of the ovarian cancer vaccine and for them to capture the upside in future success.

Corporate Development

Prima will update the market as further information becomes available, and it is the consistent commitment of the board and management to take every opportunity to generate and maximise wealth for the company and its investors.

The company intends principally to do this via the pursuit of a US FDA IND for **CVacTM** and successful partnering of the future clinical trials.

Cash Flow

The Net Operating Cash Flow for the December quarter was negative \$452k and in accordance with planned operating cash flows. The Company has continued to reduce operating expenditure as it concentrates its executive resources on a narrow range of synergistic activities likely to provide funds to increase development activities of the ovarian cancer vaccine CVac and divest other non-core technologies. During the quarter the company raised \$198k via a SPP through the support of Shareholders. It is likely the company will provide Shareholders with another opportunity to acquire shares under an SPP during the next 6 months as regulations provide, as well as consider alternative funding facilities. Cash at 31 December amounted to \$485k and the company has today received \$125k from a convertible loan facility with another \$125k to be received shortly. Based on current operations and planned funding activities, the company is able to continue to meet its business objectives.

For further information please contact

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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

This release may contain forward-looking statements. Various factors could cause actual results to differ materially from those projected in forward-looking statements, including those predicting the timing and results of clinical trials, interpretation and implications of such results, availability or adequacy of financing, the sales and marketing of commercial products or the efficacy of products. Although the Company believes that the forward - looking statements contained herein are reasonable, it can give no assurance that the Company's expectations are correct. All forward - looking statements are expressly qualified in their entirety by this cautionary statement.

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Appendix 4C – 2nd Quarter

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

Prima Biomed Limited

ABN

90 009 237 889

Quarter ended ("current quarter")

31st December 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) staff costs	(131)	(215)
(b) advertising and marketing	(26)	(75)
(c) research and development	(96)	(178)
(d) leased assets	-	-
(e) other working capital	(203)	(364)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	31
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - grants received	-	-
Net operating cash flows	(452)	(801)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(452)	(801)
Cash flows related to investing activities		
1.9 Payment for acquisition of:	-	-
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:	-	-
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.14 Total operating and investing cash flows	(452)	(801)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	193	193
1.16 Transfer of shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other - capital raising costs	(5)	(5)
Net financing cash flows	188	188
Net increase (decrease) in cash held	(264)	(613)
1.21 Cash at beginning of quarter/year to date	749	1,098
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	485	485

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	130
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Directors' fees and consulting fees at normal commercial rates
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Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material affect on consolidated Assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	56	153
4.2 Deposits at call	429	596
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	485	749

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: _____
Company secretary

Date: 30th January 2009

Print name: Robert Kleine

The CFO Solution

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.