



PRIMA BIOMED LTD

Market Update - February 2007

ACN: 009 237 889

ASX: PRR

*Cell Therapy – A new paradigm
for the treatment of cancer*

Important Notice

The "Prima Biomed Ltd Market Update - February 2007" has been prepared as a presentation for institutional investors. The purpose of the presentation is to provide an update of the business of Prima Biomed Ltd ACN 009 237 889 (ASX:PRR) ("Prima") and, in particular, the changes to the business which may result from the variation of a licence agreement to which Prima is a party.

These slides have been prepared as a presentation aid only and the information they contain may require further explanation and/or clarification. Accordingly, these slides and the information they contain should be read in conjunction with past and future announcements made by Prima and should not be relied upon as an independent source of information. Please contact Prima and/or refer to the Company's website for further information.

Key investment highlights

- Moving towards internationally focused biotechnology company
- Large and growing oncology market - increasing dependence on “immune-based” therapeutics
- Clinical evidence demonstrates disease intervention
- Lead product candidate CVac™, targets ovarian cancer market, large unmet medical need
- Underlying technology behind CVac™ has potential to deliver in multiple oncology indications and all geographies

Shift to international focus

What has changed?

- Renegotiation of the licence agreement with Biomira for the international commercialisation of CVac™
 - Access to global oncology market rather than ANZ market
 - Estimated US\$1.9bn vs A\$100m for ovarian cancer (CY2006)
- Prima's clinical development program is being designed to align to international registration rather than the limited Australian/New Zealand market
- Prima's clinical results indicate proof of concept for immunotherapy platform
 - Lead candidate, CVac™, for Ovarian Cancer demonstrates disease intervention suggesting a potential product in the making
- Growing awareness among global regulators and capital markets of demonstrated clinical results for cancer immunotherapy -
 - Dendreon's BLA decision May 07 for Provenge, DC Therapy for Prostate Cancer

Biomira licence variation

- Freedom to operate internationally for a key tumour specific antigen “mucin-1” using Prima’s dendritic cell therapy platform CVac™
- Biomira receives reduced milestones payments
 - Milestone payments are “back-ended” on FDA drug marketing approvals
- Reduced royalties
- Improved sublicensing arrangements
- Licence variation reflects recent change in Biomira’s oncology product development strategy
 - Appointment (Aug 2006) of new Chairman and CEO
 - Acquisition of small molecule program, ProIX (Oct 2006)

Growing market focused on immune-based therapy

- The size of the global oncology market has doubled in the last 5 years, valued in excess of US\$31bn in 2006⁽¹⁾
 - Oncology market is growing 3x faster than the entire pharmaceutical market
- Oncology market growth reflects:
 - 77% of oncology sales derived from products launched in the past 10 years
 - Growth in the last 5 years driven by target therapeutics such as antibodies and new chemotherapeutics based on tumour typing
 - Respected industry sources predict future growth will be promoted by new products including, cancer vaccines (Gardasil) and immunotherapeutics (Provenge®)
- Prima BioMed's lead program is an immunotherapy-based oncology therapeutic - CVac™ with potential to treat a variety of cancers

Mucin-1 – a key immunotherapy antigen

- Mucin-1 is an antigen that exhibits a tumour-specific post-translational modification
 - Characterised as an altered glycosylation in cancer cells, creating neoantigenic sites by exposing protein sequences on the cell surface that are normally masked
- Antigen is expressed in a majority of solid-tumours
 - Ovarian (90% incidence)
 - Prostate (85% incidence)
 - Renal (100% incidence)
 - Pancreatic (65% incidence)
 - Breast (85% incidence)
 - Colon (60% incidence)
 - Lung (60% incidence)

Clinical evidence demonstrates disease intervention

- **Phase Ib - CVac™**

- 14 patients with terminal cancer (3-6mths life expectancy), broad range of adenocarcinomas including renal, breast, ovarian, fallopian tube, colon, lung and oesophageal
- Objectives:
 - Primary: assess toxicity
 - Secondary: assess anti-tumour efficacy, immune response and procedure feasibility
- Results:
 - No treatment related toxicity
 - All patients produced desired cellular immune response
 - Patient's cells could be successfully cryopreserved
 - Four patients – disease remained stable over assessment period
 - Two patients received ongoing therapy for >40mths

Why target Ovarian cancer?

Large unmet medical need

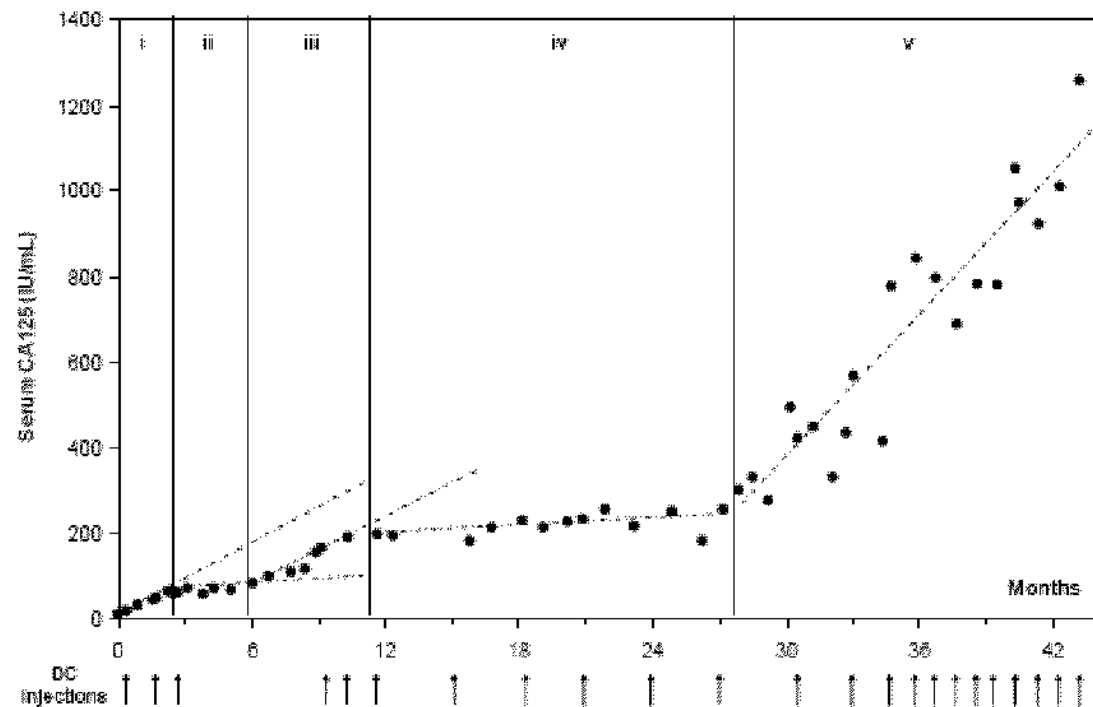
- Ovarian cancer market is large and growing, valued at US\$1.9bn in 2006
 - Seventh largest by patient numbers, but fifth most deadly
 - 20,000 new cases versus >15,000 deaths in U.S. in 2006
- Majority of patients (>75%) present with advanced/metastatic (Stage III/IV) disease
- Standard treatment: surgery and chemotherapy and/or radiotherapy
 - Limited chemotherapeutic options (first line therapies are carboplatin and paclitaxel)
- Initial response rate is high (~70%), yet recurrence is high and the number of deaths has not materially changed in 40 years
 - 5year survival rate for stage III/IV ovarian cancer sufferers is between 15-20%
- New drug development reflects line extensions of existing cancer treatments
- Progress of disease can be monitored using CA125 blood marker

Why target Ovarian cancer? (cont'd)

Phase Ib trial data

Stage III ovarian cancer patient

- Incurable recurrent disease, diagnosed by elevated CA125 marker
- CVac™ treatment demonstrates stabilisation of CA125, initially for 4mths, then for a further 18mths post further injections of CVac™



Stable disease

4mths

18mths

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Phase IIa trial demonstrates disease intervention

Final results – what to look for?

- Enrolled 28 patients (21 evaluable), incurable ovarian cancer (life expectancy at least 6 months), rising CA125 levels defined as at least 25% over baseline within one month
- Objective:
 - Primary: CA125 response or stabilization in at least 15% patients
 - Secondary: Disease progression-free survival, immune response and safety
- Protocol:
 - Patients receive 3 injections of CVac™ at one-monthly intervals, followed by 4 injections at 10 week intervals
- Indication of disease intervention:
 - No therapy-related toxicity
 - CA125 responds to therapy, with disease response/stabilisation

Duration of response/stabilisation will indicate level of disease intervention by CVac™

Comparable oncology disease trials

Phase IIa disease intervention trials, response rates

- On completion of Phase IIa disease intervention trials of the following drugs (some of which are now FDA approved drugs) these results were among those reported
 - **Ovarian cancer**
 - Avastin (MAb): Phase II = 16% showed disease intervention ⁽¹⁾ (sales = >US\$ 1.2bn – colon cancer)
 - Aromasin (hormonal): Phase II = 36% stable disease
 - **Other**
 - Iressa/Tarceva (targeted chemotherapeutic): Phase II = 10-20% showed decrease in disease marker (sales = >US\$1bn – NSC Lung Cancer)
 - Provenge: Phase II = 19% decrease in disease markers (FDA approval – reasonably anticipated 15 May 2007)
- CVacTM interim results – 21% of patients responded to therapy

Notes: (1) Avastin trials in ovarian cancer were stopped due to unacceptable drug toxicity

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Other programs

Oncomab

- Anti-cancer antibody
- Co-development with Medarex Inc (USA)
- Target Future Milestones
 - Animal trials completed end of 2H 2007
 - Lead mAb identified to commence production work – 2H 2007
 - Candidate enters clinic in 2H 2008

Panvax

- Vaccine adjuvant for infectious disease and cancer
- Number of collaborations including Prana Biotechnology in Alzheimer's, US Army in malaria, Melbourne University in veterinary disease
- Extensive proof of concept studies in variety of diseases

Financial profile

Financials⁽¹⁾

ASX code:	PRR
Price:	\$0.050 per share
L12M High:	\$0.110 per share
L12M Low:	\$0.045 per share
Market cap:	\$9.9m
Cash:	\$2.1m ⁽²⁾
Trillium investment:	\$3.2m ⁽³⁾
Shares on issue:	198.1m
Technology value:	\$4.6m
Cash burn:	\$300k/m

Share register

Bluscan Pty Ltd	7.51%
Burnet Institute (ARI)	7.28%
Queensland Investment Corp	6.61%
Biotech Capital Ltd	3.89%
eG Capital (ANZ Nominees)	2.27%

Notes:

- (1) As at February 08, 2007
- (2) As at December 31, 2006
- (3) As at December 5, 2005

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Growth opportunities for Prima

- Proposed pathway for international registration of CVac™
 - Phase IIb Ovarian Cancer - ANZ
 - File Investigational New Drug (IND) application for international pivotal trial
 - A successful pivotal trial may then form the basis of a Biologics Licence Application for product registration
- Considering initiation of a Phase IIa trial for a second indication
- Identification of lead antibody target in the OncoMab/Medarex JV
- Potential for liquidity events for Panvax and Trillium Therapeutics Inc investments

Key investment highlights

- Shift to internationally focused biotechnology company
 - *US\$1.9bn ovarian cancer market vs A\$100m (ANZ)* ✓
- Large and growing oncology market - increasing dependence on “immune-based” therapeutics
 - *3x rate of pharmaceutical sales growth* ✓
- Clinical evidence demonstrates disease intervention
 - *Phase IIa results (interventional trial) comparable or better than FDA approved drugs* ✓
- Lead product, CVac™ targets market with an unmet medical need
 - *40yrs of research has not changed mortality rate* ✓
- Integrated platform delivers in multiple oncology markets and all geographies
 - *Mucin-1 delivers access to all major solid tumours* ✓