Wednesday, 30 April 2008

Quarterly Activity Report ending 31 March 2008

ASX Release Stock Code: PRR

Highlights

- Lead product **CVac™**, a treatment for ovarian cancer, Gap Analysis Report Received; an important step in securing a preIND meeting with the US Food and Drug Administration.
- **CVac™** has potential to fill void in large un-met medical need for new treatments for ovarian cancer which has a very high morbidity rate
- Global market for ovarian cancer therapeutics was US$2.1bn in 2007 and is expected to grow to US$3.6bn by 2010
- US FDA grants Special Protocol Assessment for Phase III for Dendreon, a US company developing similar technology for prostate cancer
- Significant US Patent granted for Prima subsidiary, antibody development company, Oncomab Pty Ltd
- Leading cancer/oncology and immunology expert Professor Ian Frazer engaged as a scientific advisor to the Company

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

Gap Analysis Report of CVac™ Received

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

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 of the disease, 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 the competitive advantage of its product features, the therapeutic approach and the 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 and this is expected to total US$3.6 billion by 2010. Regulatory approval over the next 6-9 months of **CVac™** is of considerable importance and 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 its successful approach to enabling 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.

The team also has the depth and breadth of experience to develop **CVac™** which 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.

Plan for submission to US FDA for a pre-IND meeting is being formulated with Pharmanet

US FDA and Dendreon - Large step forward for Dendreon and for Prima

During the quarter US company Dendreon received was granted Special Protocol Assessment by the US FDA for its prostate cancer treatment. Dendreon is a US company listed on the NASDAQ with a market capitalisation in excess of $500M,which specialises in the discovery, development and commercialisation of therapeutic treatments to fight cancer.

Dendreon uses a technology similar to Prima, but for applications with prostate cancer not ovarian cancer, and as such Prima views the Dendreon US FDA approval as a significant step forward for its own ovarian cancer treatment.

The Special Protocol Assessment granted by the US FDA for Dendreon accelerates the timing of the final results and a pathway to commercialisation for the treatment of prostate cancer patients.

US Patent granted for Oncomab

In January, a very significant and attractive 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.

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, which works by protecting women from Human papillomavirus.

The US FDA approved cervical cancer vaccine (**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.

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 maximize wealth for the company and its investors.

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

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 – 3rd 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 March 2008

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (9 months) $A'000
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) staff costs	(187)	(559)
	(b) advertising and marketing	-	-
	(c) research and development	(61)	(237)
	(d) leased assets	-	-
	(e) other working capital	(130)	(451)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	19	33
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other - grants received	-	-
	Net operating cash flows	(359)	(1,214)

+ See chapter 19 for defined terms.

		Current quarter $A'000	Year to date (9 months) $A'000
1.8	Net operating cash flows (carried forward)	(359)	(1,214)
	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**	(359)	(1,214)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	207	2,188
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	(37)	(169)
	Net financing cash flows	170	2,019
	Net increase (decrease) in cash held	(189)	805
1.21	Cash at beginning of quarter/year to date	1,666	672
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	1,477	1,477

+ 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	192
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, administration fees and consulting fees at normal commercial rates

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

During the quarter the Company issued 40,000,000 listed options to a consultant as payment for corporate advisory services. The options were offered pursuant to a placement offer and are exercisable at $0.02 on or before 31 December 2011.

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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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	89	56
4.2	Deposits at call	1,388	1,610
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	1,477	1,666

Acquisitions and disposals of business entities

		Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
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: .... Date: Wednesday 30Th April 2008

Company secretary

Print name: Robert Kleine

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www.thecfo.com.au

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.