16 October 2009 ASX Release Stock Code: PRR

Dear Shareholder

Share Purchase Plan Offer

The Board of Prima Biomed Limited (**Prima**) continues to be delighted with the ongoing progress of the Company's goal to commercialise its core product, the CVac™ ovarian cancer therapy vaccine treatment.

The Board is now pleased to offer eligible shareholders a further opportunity to share in this progress by subscribing for up to $15,000 in new shares in Prima through a new Share Purchase Plan (**SPP**).

Prima has continued to work diligently on the commercialisation of CVac™ over the course of 2009, and in recent months has made a number of notable advancements, which include:

- **$25.5 million funding secured through New York based investment fund SpringTree**
- **Former Pfizer Director of Global Medical appointed full time to manage Prima's US operations**
- **Clearance received from US FDA to commence CVac™ Phase IIb Clinical Trial in the USA**
- **Phase IIb trial to be conducted using 60 patients at the world-leading Fred Hutchinson Cancer Centre in Seattle and Stanford University**
- **Work is progressing well and trial is scheduled to commence in near future**

Prima's goal is to provide a therapy vaccine for ovarian cancer sufferers across the globe to improve quality of life and extend life expectancy, and to generate significant revenues for the Company for the benefit of our shareholders.

The global market for ovarian cancer treatment products is massive. In 2007 it was valued at US$2.1 billion and this is expected to rise to US$3.6 billion by 2010 with the CVac™ vaccine product, Prima aims to become an active participant in this market.

The principle purpose for the SPP is to raise additional funds for Prima's upcoming US FDA Pivotal Trials.

Participation in the SPP is optional and is open to eligible shareholders who were holders of ordinary shares in Prima at 7.00pm (AEST) on 15 October 2009 and whose registered address is in Australia or New Zealand. The SPP will open on 23 October 2009 and is expected to close at 5.00pm (AEST) on 25 November 2009.

To participate in the SPP please apply for shares using the SPP Application Form enclosed or by making a BPAY payment using the personalised reference number shown on your Application Form.

Full details of the SPP are set out in the attached SPP Terms and Conditions and it is important to ensure that you read the SPP Terms and Conditions and SPP Application Form carefully.

Eligible shareholders should seek independent legal and/or financial advice before applying for shares.

Should you require further assistance, please contact the Shareholder Information Line on (02) 8256 3370.

Yours sincerely

Martin Rogers
Executive Director

Terms and Conditions

1. Share Purchase Plan

Prima Biomed Limited (**Prima**) is pleased to provide eligible Prima shareholders with the opportunity to participate in the Prima Share Purchase Plan (**SPP**) by subscribing for new ordinary shares in Prima (**Shares**) with a value of up to $15,000 without incurring brokerage or other transaction costs. Details of this offer and how to participate are set out below.

2. Key Dates

The following dates are indicative only. Prima reserves the right to alter the Key Dates at any time in its discretion.

Date	Event	Description
15 October 2009	Record Date	The date used to determine who is an eligible Prima shareholder.
23 October 2009	Opening Date	The date on which the SPP is expected to open.
25 November 2009	Closing Date	The date on which the SPP is expected to close.
30 November 2009	Allotment Date	The date on which the Shares are expected to be allotted.
1 December 2009	Despatch Date	The date on which confirmation advices are expected to be dispatched.
4 December 2009	Trading Date	The date on which the Shares are expected to begin trading on ASX.

The Company may place any shortfall under the SPP on or before the date three months after the Annual General Meeting to be held on Friday, 20 November 2009 (or a longer period, if allowed by ASX).

3. Objective of the SPP

The objective of the SPP is to raise funds:

- to assist Prima meet the costs associated with its upcoming Phase IIb/III Pivotal clinical trials in the US of its **CVac**™ therapy treatment for ovarian cancer; and

- for ongoing working capital in moving towards commercialisation.

4. Who is eligible to participate in the SPP?

You are eligible to participate in the SPP if you were registered as a holder of ordinary shares in Prima at 7.00pm (AEDT) on 15 October 2009 (**Record Date**) with a registered address in Australia or New Zealand.

Prima has determined that it is not practical, and may be unlawful, for holders of ordinary shares in Prima with registered addresses in other jurisdictions to participate in the SPP.

To the extent you hold ordinary shares in Prima on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that by participating in the SPP you comply with all applicable foreign laws.

5. How much can you invest?

The amount you may invest under the SPP is limited. You may only apply for a parcel of Shares valued at $1,000, $2,000, $3,000, $5,000, $7,500, $10,000 or $15,000.

If:

- you receive more than one SPP Application Form; or
- you hold ordinary shares in Prima in more than one capacity (for example, if you are both a sole and joint holder),

the maximum amount you may invest under the SPP in all capacities is $15,000.

If you were issued shares in Prima under the Prima Share Purchase Plans (**Previous SPPs**) announced on 4 December 2008 and 15 May 2009, the maximum amount you may invest under the SPP in all capacities is $15,000 **less** the aggregate application price of the shares issued to you under the Previous SPPs. By way of example, if the aggregate application price of the shares issued to you under the Previous SPPs was:

- $5,000, the maximum amount you may invest under the SPP in all capacities is $10,000;
- $4,000, the maximum amount you may invest under the SPP in all capacities is $11,000;
- $3,000, the maximum amount you may invest under the SPP in all capacities is $12,000;
- $2,000, the maximum amount you may invest under the SPP in all capacities is $13,000; or
- $1,000, the maximum amount you may invest under the SPP in all capacities is $14,000.

By submitting the SPP Application Form or making a BPAY payment, you certify that you have not exceeded this $15,000 limit. Prima reserves the right to reject any application under the SPP to the extent it considers that the application does not comply with these requirements.

6. Offer Price

The offer price for each Share to be issued under the SPP is the lesser of:

(a) $0.15, being less than the market price of ordinary shares in Prima traded on the ASX during the 30 days before 16 October (being the date that the SPP was announced to the ASX); and

(b) a 10% discount to the volume weighted average price of ordinary shares in Prima traded on ASX during the 5 trading days up to, and including, 25 November (being the date on which the SPP is scheduled to close), rounded down to the nearest $0.01.

It is important to note that the market price of ordinary shares in Prima may rise or fall between the date of this offer and the date when the Shares are allotted under the SPP. Therefore, the market price of the Shares you receive on the date they are allotted to you under the SPP may be more or less than the price paid for them.

7. How will Prima calculate the number of shares to be issued to you?

In the absence of scale back (see section15), the number of Shares to be issued to you will be calculated by dividing the value of Shares that you apply for by the offer price, then rounding up to the nearest whole number of Shares.

For example, if you apply for Shares to the value of $15,000 and the offer price is $0.15 per share, in the absence of scale back (see section15), you will be allotted 100,000 Shares.

8. How do you apply for Shares?

If you would like to participate in the SPP, you may either:

- complete the enclosed SPP Application Form and return it together with your cheque in the required amount to Registries Limited, GPO Box 3993, Sydney, NSW, 2001. Cheques should be made payable to 'Prima Biomed Limited – Share Purchase Plan Account'; or

- make a BPAY payment by using the personalised reference number shown on your Application Form which is required to identify your holding. If you make a payment using BPAY you do not need to return your Application Form. New Zealand holders will not be able to make a payment using BPAY.

All payments and applications must be received by no later than **5.00pm (AEDT)** on **25 November 2009**. Applications and payments received after that time will not be accepted. Applications and payments may not be withdrawn once received by Prima.

9. When will the shares issued under the SPP be allotted?

It is anticipated that the date of allotment for all Shares issued under the SPP will be 30 November 2009.

Notification of allotment should be sent to shareholders on 1 December 2009. Notification will be in the form of a confirmation advice.

Applications may only be made for parcels of Shares in the amounts designated on the SPP Application Form. Subject to the qualifications on participation for those who were issued Shares under the Previous SPPs referred to in paragraph 5 above, if the amount of the cheque tendered with your SPP Application Form or your BPAY payment is:

- less than $1,000, Prima will not allot any Shares to you and will refund your application money;

- greater than $15,000, Prima will allot the maximum number of Shares to you and will refund the excess application money; or

- between $1,000 and $15,000 and not one of the designated amounts, Prima will allot to you the number of Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your cheque, and will refund the excess application money.

10. Participation

Participation in the SPP is optional.

11. Can I transfer my offer to a third party?

The offer is non-renounceable. This means that you cannot transfer your right to participate in the SPP to a third party.

12. Costs

No brokerage, commission or other participation costs are payable by you in respect of the acquisition of Shares under the SPP.

13. What rights will the shares carry?

The Shares to be issued under the SPP will be ordinary shares and rank equally with all other ordinary shares on issue in Prima.

14. Class order relief

The offer of Shares under the SPP is made in accordance with ASIC Class Order [09/425]. That Class Order grants relief from the requirement to prepare a disclosure document for this offer.

15. Scaleback

A Scaleback is a reduction in the allotments of Shares (compared to parcels applied for) that Prima will undertake if it receives applications under the SPP for more Shares than it wishes to issue.

Prima may, in its discretion, undertake a Scaleback to the extent and in the manner it sees fit.

If there is a Scaleback you may receive less than the parcel of Shares for which you have applied.

If a Scaleback produces a fractional number of Shares when applied to your parcel, the number of Shares you will be allocated will be rounded up to the nearest whole number of Shares.

In the event of a Scaleback the excess application money will be refunded to you by direct credit or cheque as soon as practicable, without interest.

16. Other relevant matters

If you apply to participate in the SPP:

- your application, on these terms and conditions, will be irrevocable and unconditional;
- you warrant that you are an eligible to participate in the SPP;
- you certify that you have not applied for Shares with an aggregate application price in excess of $15,000 under the SPP, the Previous SPPs or any similar arrangements in the 12 months prior to your application (including the Previous SPPs), even if you have received more than one offer from Prima or an offer in more than one capacity under the SPP;
- you acknowledge that Prima has not provided you with investment advice or financial product advice; and
- you acknowledge that you are lawfully permitted to accept the offer to acquire shares under the SPP and participate in the SPP in accordance with the laws applicable in Australia and any other applicable laws in the jurisdiction in which you and/or the beneficial owner of your shares are situated.

This document does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Distribution of the SPP outside Australia and New Zealand may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Prima may withdraw the SPP at any time up to the date when the Shares are allotted under the SPP

These terms and conditions are governed by the laws in force in New South Wales, Australia and are to be interpreted in accordance with their spirit, intention and purpose.

17. Binding terms

By accepting the offer to acquire Shares under the SPP, you agree to be bound by these terms and conditions, and by Prima's constitution.

18. Do you require further information?

For further information on the SPP, please contact Prima's share registry:

Registries Limited
Level 7, 207 Kent Street
Sydney NSW 2000
GPO Box 3993
Sydney NSW 2001
Telephone: (02) 8256 3370

PRIMABioMed LIMITED

Prima BioMed Limited

ABN: 90 009 237 889

Share Purchase Plan - Application Form

«Investor_Detail_1»
«Investor_Detail_2»
«Investor_Detail_3»
«Investor_Detail_4»
«Investor_Detail_5»
«Investor_Detail_6»

Record Date:	15 October 2009
Close Date:	25 November 2009

A Offer Choice

Indicate your choice below by marking one box only:

☐ **Offer A** A$1,000.00 worth of Prima Shares

☐ **Offer B** A$2,000.00 worth of Prima Shares

☐ **Offer C** A$3,000.00 worth of Prima Shares

☐ **Offer D** A$5,000.00 worth of Prima Shares

☐ **Offer E** A$7,500.00 worth of Prima Shares

☐ **Offer F** A$10,000.00 worth of Prima Shares

☐ **Offer G** A$15,000.00 worth of Prima Shares

B Payment Details

Payment may only be made by BPAY or cheque. Cash will not be accepted via the mail or at the Prima BioMed Limited Share Registry.
Payments cannot be made at any bank.

Payment Option 1 - BPAY

B PAY

Biller Code: XXX

Ref: «BPayCRN»

Telephone & Internet Banking - BPAY®
Contact your bank, credit union or building society to make this payment from your cheque or savings account.
More info: www.bpay.com.au
® Registered to BPAY Ltd ABN 69 079 137 518

- To pay via BPAY please contact your participating financial institution
- If paying by BPAY you do not need to return the Application Form
- If paying by BPAY the amount of your payment received in the account divided by the issue price will be deemed to be the total number of shares you are applying for. Subject to the qualifications on participation for those who were issued Shares under the Previous two SPP's, referred to in paragraph 5 of the terms and conditions of the Prima Biomed Limited Share Purchase Plan, if your BPAY payment is
  - less than $1,000, Prima will not allot any Shares to you and will refund your application money;
  - greater than $15,000, Prima will allot the maximum number of Shares to you and will refund the excess application money; or
  - between $1,000 and $15,000 and not one of the designated amounts, Prima will allot to you the number of Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your cheque, and will refund the excess application money.

Payment Option 2 - Cheque

Record cheque details below

Drawer	Cheque Number	BSB Number	Account No.	Amount A$

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to **Prima BioMed Limited – Share Purchase Plan Account and crossed Not Negotiable.**
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

C Contact Details

Please provide a telephone number and contact name in case we need to contact you regarding your application.

Home telephone number	Work telephone number	Contact name

D Declarations and Acknowledgments

By lodging this form with your cheque you acknowledge and confirm that you have read, understood and agreed to the terms and conditions of the Prima BioMed Limited Share Purchase Plan (SPP). Prima BioMed Limited may settle in any manner it deems appropriate, any dispute or anomalies which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any applicant or application of shares. The decision of Prima BioMed Limited will be conclusive and binding on all persons to whom the determination relates. Prima BioMed Limited reserves the right to waive compliance with any provision of the SPP terms and conditions. The Directors reserve the right to withdraw the offer of shares under the SPP, or reduce the amount of shares that may be subscribed for under the SPP in any manner, at any time prior to allotment. Any excess application moneys will be refunded. No interest will be paid on any refunded application money.

By submitting this application form, you make the certifications, acknowledgements, warranties and representations in the Prima Biomed Limited Share Purchase Plan Offer Document and you certify that the aggregate of the application price for the following does not exceed A$15,000:

- The new shares the subject of your application;
- Any other shares issued to you under a share purchase plan or similar arrangement, undertaken by PRR in the 12 months prior to your application;
- Any other new shares that you have instructed a custodian to acquire on your behalf under the SPP; and
- Any other shares issued to a custodian in the 12 months prior to your application as a result of any instruction given by you to the custodian to apply for shares in PRR in your behalf under a share purchase plan or similar arrangement undertaken by PRR.

NO SIGNATURE IS REQUIRED ON THIS FORM

THIS OFFER IS NON-RENOUNCEABLE

Application Forms and payments must be received no later than 5.00 pm (AEST) on 25 November 2009 at:

MAILING ADDRESS
Registries Limited
GPO Box 3993
SYDNEY NSW 2001

DELIVERY ADDRESS
Registries Limited
Level 7
207 Kent Street
SYDNEY NSW 2000

You should allow sufficient time for this to occur. The postal acceptance rule does not apply to the SPP.