

ASX/Media Release
21 January 2011

QUARTERLY ACTIVITY REPORT
For Quarter ending 31 December 2010

Australian health care company Prima BioMed (Prima) (ASX: PRR) is pleased to provide the following Quarterly Report on its activities for the three month period ending 31 December 2010.

Highlights:

- **\$2.5 million placement and early termination of SpringTree funding facility**
 - **Lucy Turnbull appointed as Chairman**
 - **Plans to list on the NASDAQ market in the United States**
 - **Marketing and preparation for NASDAQ listing**
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\$2.5 million placement and early termination of SpringTree funding facility

Subsequent to the end of the December quarter, on 10 January 2011, the Company announced that it had reached an agreement for the early termination of its convertible loan funding facility with New York-based investment fund SpringTree Special Opportunities Fund, LP (SpringTree), by mutual consent of Prima and SpringTree. The termination is to take effect no later than on 29 March 2011.

Prima also advised that SpringTree would undertake an additional one-off investment of \$2.5 million in Prima.

Of this \$2.5 million, \$1.25 million is to be by way of a subscription for shares at \$0.20 per share and the other \$1.25 million will be by way of a convertible security, convertible on or before 29 March 2011 (at 90% of the average of the VWAPs per share during a specified period prior to the date of the conversion). See ASX announcement of 10 January 2011.

Prima entered into the funding agreement with SpringTree in July 2009. Under the agreement, SpringTree agreed to provide Prima with \$25.5 million in funding. To date, SpringTree has provided an aggregate amount of \$12.2 million in funding. The funds have been invaluable to Prima, and have been utilised to attract top industry talent and continue its work to develop and commercialise its CVac™ immunotherapy vaccine for the treatment of ovarian cancer.

Prima is currently preparing for its upcoming listing on the NASDAQ, and anticipates that this will result in an increased level of exposure and interest from US investors. With that in mind, both Prima and SpringTree agreed that the early termination of the SpringTree funding facility would be in the best interests of Prima and its shareholders. SpringTree has agreed to waive the termination fee that would have otherwise been due under the agreement.

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Lucy Turnbull appointed as Chairman

On 7 October, Prima announced the appointment of Ms Lucy Turnbull as the Company's new Chairman. She replaced interim Chairman, Mr Albert Wong, who has remained on the Board as Deputy Chairman.

Ms Turnbull has strong links to the healthcare sector. She was previously the Chairman of the New South Wales Government's Ministerial Advisory Committee on Biotechnology from 2001-2, a Director of the Sydney Cancer Foundation from 2002-6 and Director and Chair of the Sydney Children's Hospital Foundation from 1993-2000. She is currently on the Board of the Cancer Institute NSW.

Ms Turnbull also has a strong depth of experience in commercial legal practice and investment banking. During her career she has held a number of high profile positions, including Lord Mayor of the City of Sydney from 2003-2004 and, prior to that, Deputy Lord Mayor of Sydney from 1999-2003.

She is also a Board member of urban renewal organisation, the Waterloo Redfern Authority and the Sydney Metropolitan Development Authority.

Ms Turnbull is active in the not for profit sector and is currently Deputy Chairman of the Committee for Sydney, a board member of the US Studies Centre at Sydney University and the Centre for Independent Studies. She is also a board member of the Biennale of Sydney and the Redfern Foundation.

Plans to list on the NASDAQ market in the United States

In September 2010, the Company announced plans to list on the NASDAQ Global Market (NASDAQ) in the United States. Subject to approval of Prima's listing application by NASDAQ, the Company will have dual listings of its securities on both the Australian Securities Exchange (ASX) and NASDAQ.

The Company has lodged all the requisite paper work (including a 20-F Form) with the United States Securities Exchange Commission, and now expects to be in a position to confirm a NASDAQ listing date in the near future. NASDAQ is the largest electronic screen-based equity securities trading market in the US.

Prima's proposed NASDAQ listing will be a Level II ADR compliance listing, and is being managed by Bank of New York Mellon and US broking house National Securities Corporation. The NASDAQ listing will aim to provide a listed structure to better meet the needs of both the Company's Australian and US investors, and to provide increased liquidity for Prima's securities.

Marketing and preparation for NASDAQ listing

During the quarter, the Company continued with its ongoing marketing plans in preparation for its upcoming NASDAQ, and presented at a number of major biotech and health care conferences in the US to increase the exposure of Prima and the CVac™ ovarian cancer immunotherapy vaccine in US market.

In January 2011, the Company presented at JP Morgan's Healthcare Conference in the US to US institutional investors, and in December 2010 it presented at the Deutsche Bank BioFEST Conference in Boston. The BioFEST conference hosted a number of leading global biotech companies and was made up of an audience of the sector's key analysts, fund managers and institutions. Prima was one of a select number of biotech companies invited by Deutsche Bank to present at this conference.

Also, In October, Prima presented at the MD Becker Vaccines Conference in New York. MD Becker Partners is a management and strategy consulting firm which focuses on companies in the life sciences industry.

Prima also conducted a highly successful road show to brokers and other investor groups in Australia in December.

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About CVac™

CVac™ is Prima BioMed's core product. It is a vaccine therapy treatment for ovarian cancer sufferers that is administered post-surgery and post-chemotherapy to delay the relapse and control the metastases of the cancer. 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 commercially available.

The Company has commenced its Phase IIb Trial for CVac™ with the US FDA and plans to commence a Phase III Clinical Trial for CVac™ in Europe in 2011. The Phase IIb and Phase III Trials aim to further confirm the ability of CVac™ to reduce the instance of relapse in ovarian cancer patients, control the metastases of the cancer and increase the life expectancy of patients.

Prima's ultimate goal is to commercialise CVac™ into the multi-billion dollar global pharmacy oncology market. The global market for ovarian cancer therapeutics was valued at US\$2.1b in 2007 and is expected to total US\$3.6b this year.

About Prima BioMed

Prima BioMed is an ASX listed Australian health care company. The Company is focused on technologies in the fields of cancer immunotherapy and immunology. Prima's lead product is the CVac™ ovarian cancer therapy treatment. It has completed two successful clinical trials and is in the final stages of US FDA approval and eventual commercialisation.

The Company's broader, long term goal is to develop commercial cancer treatment technologies and programs for global markets.

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 (ASX:PRR)

ABN:

90 009 237 889

Quarter Ended ("Current Quarter")

31 December 2010

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	(182)	(672)
(b) advertising and marketing	-	(10)
(c) research and development	(1,809)	(3,805)
(d) leased assets	-	-
(e) other working capital	(574)	(1,089)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	747	786
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(1,818)	(4,790)

+ See chapter 19 for defined terms.

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

	Current Quarter	Year-to-Date
	\$A'000	(6 months)
		\$A'000
1.8 Net operating cash flows (carried forward)	(1,818)	(4,790)
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	-	(23)
(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	-	(23)
1.14 Total operating and investing cash flows	(1,818)	(4,813)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	79	146
1.16 Transfer of shares	-	-
1.17 Proceeds from borrowings net finance costs (*1)	1,400	3,462
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other - capital raising costs	(12)	(26)
Net financing cash flows	1,467	3,582
Net increase (decrease) in cash held	(351)	(1,231)
1.21 Cash at beginning of quarter/year to date	4,758	5,638
1.22 Exchange rate adjustments to item 1.21	-	-
1.23 Cash at end of quarter (*2)	4,407	4,407

Note:

- 1) 1.17 includes funds received from convertible loans that are repaid via equity issue and finance cost in connection with convertible loans that are repaid via equity issue.
- 2) 1.23 does not include \$10m cash invested in a not-less-than three month term deposit.

+ 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	60
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	

Non-Cash Financing and Investing Activities

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

Repayments have been made towards convertible loans by the issue of ordinary fully paid shares (PRR) and unlisted options.

- 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 (*1)	26,000	11,500
3.2	Credit standby arrangements (*2)	-	-

Note:

- 1) 3.1 includes \$12 million equity drawdown facility with Foretrend Securities Pty Ltd and \$14 million unused convertible loan facility under SpringTree agreement as at 31 December 2010.

As announced on 10 January 2011, the Company and SpringTree have reached an agreement for the early termination of the convertible loan funding facility. The Termination is to take effect no later than on 29 March 2011.

- 2) \$11.5 million Convertible loan amounts used have been converted to equity.

+ See chapter 19 for defined terms.

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	893	651
4.2	Deposits at call	3,514	4,107
4.3	Bank overdraft	-	-
4.4	Other – (provide details)	-	-
	Total: Cash at End of Quarter (item 1.23)	4,407	4,758

Note:

The company invested \$10m cash in a not-less-than three month term deposit, which is not included in item 1.23.

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	-	-

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: 21 January 2011

Print Name: Phillip Hains



The CFO Solution

21.01.2011

+ See chapter 19 for defined terms.

30/9/2001

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.