UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended June 30, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report _____

Commission file number 001-35428

Prima BioMed Ltd

(Exact name of Registrant as specified in its charter and translation of Registrant's name into English)

Australia
(Jurisdiction of incorporation or organization)

Level 7, 151 Macquarie Street, Sydney 2000, New South Wales, Australia
(Address of principal executive offices)

Marc Voigt, Chief Executive Officer
Level 7, 151 Macquarie Street, Sydney, 2000 New South Wales, Australia
Phone +61 (0)2 9276 1224 Fax: +61 (0)2 9276 1284

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Name of each exchange on which registered
Ordinary Shares	**NASDAQ Global Market (for listing purposes only)**
American Depositary Shares, each representing 30 Ordinary Shares	**NASDAQ Global Market**

Securities registered or to be registered pursuant to Section 12(g) of the Act. **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act. **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report.

The number of ordinary shares outstanding as of June 30, 2015 was 1,751,494,601.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☐ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. ☐ Item 17 ☐ Item 18

If this is an Annual Report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

TABLE OF CONTENTS

		PAGE
INTRODUCTION		1
PART I		1
Item 1	Identity of Directors, Senior Management and Advisers	1
Item 2	Offer Statistics and Expected Timetable	1
Item 3	Key Information	1
	A. Selected Financial Data	1
	B. Capitalization and Indebtedness	3
	C. Reasons for the Offer and Use of Proceeds	3
	D. Risk Factors	3
Item 4.	Information on the Company	20
	A. History and Development of the Company	20
	B. Business Overview	23
	C. Organizational Structure	34
	D. Property, Plants and Equipment	34
Item 4A.	Unresolved Staff Comments	34
Item 5.	Operating and Financial Review and Prospects	35
	A. Operating Results	35
	B. Liquidity and Capital Resources	40
	C. Research and Development, Patents and Licenses	42
	D. Trend Information	42
	E. Off-Balance Sheet Arrangements	42
	F. Tabular Disclosure of Contractual Obligations	42
Item 6.	Directors, Senior Management and Employees	43
	A. Directors and Senior Management	43
	B. Compensation	45
	C. Board Practices	52
	D. Employees	55
	E. Share Ownership	55
Item 7.	Major Shareholders and Related Party Transactions	56
	A. Major Shareholders	56
	B. Related Party Transactions	56
	C. Interests of Experts and Counsel	57
Item 8.	Financial Information	57
	A. Consolidated Statements and Other Financial Information	57
	B. Significant Changes	57
Item 9.	The Offer and Listing	57
	A. Offer and Listing Details	57
	B. Plan of Distribution	58
	C. Markets	58
	D. Selling Shareholders	58
	E. Dilution	58
	F. Expenses of the Issue	58
Item 10.	Additional Information	58
	A. Share Capital	58
	B. Memorandum and Articles of Association	59

PAGE

C. Material Contracts 60
D. Exchange Controls 60
E. Taxation 61
F. Dividends and Paying Agents 66
G. Statement by Experts 66
H. Documents on Display 66
I. Subsidiary Information 67

Item 11. Quantitative and Qualitative Disclosures About Market Risk **67**

Item 12. Description of Securities Other than Equity Securities **67**

A. Debt Securities 67
B. Warrants and Rights 67
C. Other Securities 67
D. American Depositary Shares 68

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies **69**

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds **69**

Item 15. Controls and Procedures **69**

Item 15T. Controls and Procedures **69**

Item 16. Reserved **69**

Item 16A. Audit Committee Financial Expert **69**

Item 16B. Code of Ethics **69**

Item 16C. Principal Accountant Fees and Services **70**

Item 16D. Exemptions from the Listing Standards for Audit Committees **70**

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers **71**

Item 16F. Change in Registrant's Certifying Accountant **71**

Item 16G. Corporate Governance **71**

Item 16H. Mine Safety Disclosure **71**

PART III

Item 17. Financial Statements **71**

Item 18. Financial Statements **71**

Item 19. Exhibits

INTRODUCTION

Prima BioMed Ltd was incorporated under the laws of the Commonwealth of Australia on May 21, 1987. The principal listing of our ordinary shares and listed options to purchase our ordinary shares is the Australian Securities Exchange, or ASX. We filed a registration statement on Form 20-F with the U.S. Securities Exchange Commission that was declared effective on April 12, 2012 and our American Depositary Shares, or ADSs, were listed on the NASDAQ Global Market, or NASDAQ, under the symbol "PBMD" on April 16, 2012. The Bank of New York Mellon acts as our depositary, and registers and delivers our ADSs, each of which represents 30 of our ordinary shares. As used in this Annual Report on Form 20-F, the terms "we," "us," "our," "Prima BioMed," "Prima" and the "Company" mean Prima BioMed Ltd and its subsidiaries, unless otherwise indicated.

FINANCIAL AND OTHER INFORMATION

Our consolidated financial statements appearing in this Annual Report on Form 20-F are prepared in Australian dollars and in accordance with the International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. Our consolidated financial statements appearing in this Annual Report on Form 20-F comply with both the IFRS and Australian Accounting Standards. In this Annual Report, all references to "U.S. dollars" or "US$" are to the currency of the United States of America, all references to "euro", "€" or "EUR" are to the currency of certain states of the European Union, and all references to "Australian dollars" or "A$" are to the currency of Australia.

Statements made in this Annual Report on Form 20-F concerning the contents of any contract, agreement or other document are summaries of such contracts, agreements or documents and are not complete descriptions of all of their terms. If we filed any of these documents as an exhibit to this Annual Report or to any registration statement that we previously filed, you may read the document itself for a complete description of its terms.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Except for the historical information contained in this Annual Report on Form 20-F, the statements contained in this Annual Report on Form 20-F are "forward-looking statements" which reflect our current view with respect to future events and financial results. We urge you to consider that statements which use the terms "anticipate," "believe," "do not believe," "expect," "plan," "intend," "estimate," and similar expressions are intended to identify forward-looking statements. We remind investors that forward-looking statements are merely predictions and therefore inherently subject to uncertainties and other factors and involve known and unknown risks that could cause the actual results, performance, levels of activity, our achievements or industry results, to be materially different from any future results, performance, levels of activity, or our achievements expressed or implied by such forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Except as required by applicable law, including the securities laws of the United States, we undertake no obligation to publicly release any update or revision to any forward-looking statements to reflect new information, future events or circumstances, or otherwise after the date hereof. Please see the Risk Factors section that appears in "Item 3. Key Information – D. Risk Factors."

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Selected Financial Data

Our consolidated financial statements appearing in this Annual Report on Form 20-F comply with both the International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, and Australian equivalents to IFRS, as issued by the Australian Accounting Standards Board ("AASB").

The following selected consolidated financial data as of June 30, 2015 and 2014 and for the fiscal years ended June 30, 2015, 2014 and 2013 have been derived from our audited consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 20-F. The selected consolidated financial data as of June 30, 2013,2012, and 2011 and for the fiscal years ended June 30, 2013, 2012 and 2011 have been derived from our audited consolidated financial statements and notes thereto which are not included in this Annual Report on Form 20-F. This data should be read together with, and is qualified in its entirety by reference to, "Item 5. Operating and Financial Review and Prospects" as well as our consolidated financial statements and notes thereto appearing in "Item 18. Financial Statements" of this Annual Report on Form 20-F.

The selected financial data are presented in Australian dollars (A$) (except as otherwise noted).

Consolidated Statement of Operations Data:

	Year Ended June 30,				
	2015	2014	2013	2012	2011
	(in A$, except share amounts)				
Other income	2,092,867	3,140,066	4,005,394	4,202,567	1,066,196
Depreciation & amortization	(1,341,202)	(446,360)	(254,024)	(377,299)	(64,287)
Research & development and intellectual property	(8,952,447)	(11,930,857)	(14,005,259)	(15,118,816)	(9,531,163)
Corporate administrative expenses	(5,723,106)	(4,092,623)	(4,851,195)	(5,977,619)	(5,600,988)
Loss on foreign exchange	—	—	—	(1,181,049)	—
Finance costs	(18,364,804)	—	—	—	(6,395,818)
Impairment of assets	—	—	—	—	(555,107)
Changes in fair value of derivative financial instruments	—	—	(33,714)	(1,488,744)	—
Net loss on financial liabilities at fair value through profit or loss	—	—	—	—	—
Loss on disposal of assets	(5,160)	—	—	—	—
Income tax expense	142,156	(13,607)	(86,873)	—	—
Net loss	(32,151,696)	(13,343,381)	(15,225,671)	(19,940,960)	(21,081,167)
Loss per share – basic and diluted	(0.0202)	(0.0093)	(0.0142)	(0.0192)	(0.0374)
Weighted average number of ordinary shares outstanding – basic and diluted	1,591,116,220	1,439,768,245	1,075,381,168	1,037,618,752	563,696,560

Consolidated Balance Sheet Data:

	As of June 30,				
	2015	2014	2013	2012	2011
			(in A$)		
Cash and cash equivalents	6,759,615	14,200,042	22,023,143	16,991,716	45,918,552
Working capital	3,643,408	21,912,972	28,248,167	36,458,512	54,525,711
Total assets	30,983,445	25,377,955	32,814,298	41,612,671	57,640,661
Long-term debt	—	—	—	—	—
Total shareholders' equity	24,689,743	22,592,320	29,248,418	37,157,871	55,099,130
Contributed equity	179,878,436	149,014,372	142,326,977	136,712,525	134,895,001

Exchange Rate Information:

The following tables set forth, for the periods and dates indicated, certain information regarding the rates of exchange of A$1.00 into US$ based on the historical daily exchange rates of the Australian dollar by the Reserve Bank of Australia (RBA).

Exchange rate as of September 30, 2015: A$1.00 is US$0.7010

Year Ended June 30,	At Period End US$	Average Rate US$	High US$	Low US$
2011	1.0670	0.9870	1.0958	0.8323
2012	1.0191	1.0319	1.1055	0.9500
2013	0.9275	1.0271	1.0593	0.9202
2014	0.9420	0.9187	0.9672	0.8716
2015	0.7680	0.8382	0.9458	0.7114

Month	High	Low
	US$	US$
April 2015	0.7993	0.7590
May 2015	0.8122	0.7663
June 2015	0.7799	0.7649
July 2015	0.7713	0.7289
August 2015	0.7397	0.7114
September 2015	0.7209	0.6924
October 2015 (through October 26, 2015)	0.7332	0.7038

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

The following risks relate specifically to our business and should be considered carefully. Our business, financial condition and results of operations could be harmed by any of the following risks. As a result, the trading price of our ordinary shares and our American Depositary Shares, or ADSs, could decline and the holders could lose part or all of their investment.

Risks Related to Our Business

We have a history of operating losses and may not achieve or maintain profitability in the future.

We are at an early stage in the development of pharmaceutical products and its success is therefore uncertain. At this point we do not have any substantial products that generate significant revenue. For the years ended June 30, 2014 and 2015, we had a net loss of approximately $13.3 million and $32.2 million, respectively. The significant increase in net loss for the year ended June 30, 2015 was primarily attributable to finance costs of $18.4 million incurred in our procurement of funding from the Bergen Global Opportunity Fund, LP for our acquisition of Immutep SA, a French privately owned and venture capital backed company. In addition, since the year ended June 30, 2013, our total other income has continued to decrease. For the year ended June 30, 2013, total other income was approximately $4.0 million. For the year ended June 30, 2014, total other income was approximately $3.1 million, with such decrease being primarily attributable to fluctuations in foreign exchange rates. For the year ended June 30, 2015, total other income was approximately $2.1 million, with such decrease being primarily attributable to a decrease in grant income. Other income comprises license income, grants received, foreign exchange gains and interest income.

We will continue to incur losses from operations and expects the costs of drug development to increase in the future as more patients are recruited to the planned trials. In particular, we will continue to incur significant losses in carrying out clinical trials of IMP321 necessary for regulatory approval and ongoing research in terms of immunotherapy product candidates. Because of the numerous risks and uncertainties associated with the development, manufacturing, sales and marketing of therapeutic products, we may experience larger than expected future losses and may never become profitable.

There is a substantial risk that we or our development partners may not be able to complete the development of our current product candidates or develop other pharmaceutical products. It is possible that none of them will be successfully commercialised, which would prevent us from ever achieving profitability.

While the decision to consolidate the CVac clinical trial program and to cease the patient recruitment has led to a significant decrease of costs, the clinical trial program of IMP321 will generate new expenses, especially once clinical trials have been started. There can also be no guarantee that CVac will successfully be partnered or ever generate future revenues or that the cell therapy related logistics and manufacturing platform will be successfully commercialised.

We have no medicinal products approved for commercial sale and no source of material revenue.

Currently, we have no products approved for commercial sale and to date have not generated material revenue from product sales. We are largely dependent on the success of our product candidates, especially the LAG-3 related ones.

The LAG 3 product candidates were acquired by us through the acquisition of the French privately owned and venture capital backed company Immutep SA, a biopharmaceutical company in the rapidly growing field of Immuno-Oncology, in December 2014. This acquisition significantly expanded Prima's clinical development product portfolio to other categories of immunotherapies. It has also provided Prima with partnerships with several of the world's largest pharmaceutical companies.

Immutep has three products candidates in development. They are based on a specific target called lymphocyte activation gene 3 or LAG-3, which is involved in the regulation of T cells in immune responses. Two of those products are fully partnered with Novartis and GSK. Their most advanced product candidate, IMP321, will be developed by the Prima group for commercialisation in the world's major markets.

IMP321 is a recombinant protein that could be used in conjunction with chemotherapy to amplify a patient's immune response. The development and manufacturing of IMP321 is being conducted in conjunction with Eddingpharm, which has licenced the rights for IMP321 for China and Taiwan.

Immutep's other products include IMP701, an antagonist antibody that acts to stimulate T cell proliferation in cancer patients, licensed to CoStim (Novartis) and IMP731, a depleting antibody that removes T cells involved in autoimmunity, licensed to GSK.

In addition to these products Immutep also has a dedicated R&D laboratory outside Paris with other research candidates in development. Immutep also currently generates modest revenues from sales of LAG-3 research reagents.

After having expended significant efforts in the development of CVac, we have recently prioritized our efforts to develop the IMP321 compound. There can be no assurance that our ability to develop either product candidate, or any other product candidate, will be successful or our ability to obtain the necessary regulatory approvals with respect to any of the foregoing will be successful.

We anticipate that as the clinical trials for IMP321 progress and associated costs increase, we will require additional funds to achieve our long-term goals of commercialisation and further development of IMP321 and other product candidates. In addition, we will require funds to pursue regulatory applications, defend intellectual property rights, increase manufacturing capacity, develop marketing and sales capability and fund operating expenses. We intend to seek such additional funding through public or private financings and/or through licensing of our assets or other arrangements with corporate partners. However, such financing, licensing opportunities or other arrangements may not be available from any sources on acceptable terms, or at all. Any shortfall in funding could result in us having to curtail or cease our operations including research and development activities, thereby harming our business, financial condition and results of operations.

Our ability to generate product revenue depends on a number of factors, including our ability to:

- successfully complete clinical development of, and receive regulatory approval for, our product candidates;
- set an acceptable price for our products, if approved, and obtain adequate coverage and reimbursement from third-party payors;
- obtain commercial quantities of our products, if approved, at acceptable cost levels; and
- successfully market and sell our products, if approved.

In addition, because of the numerous risks and uncertainties associated with product candidate development, we are unable to predict the timing or amount of increased expenses, or when, or if, we will be able to achieve or maintain profitability. Our expenses could increase beyond current expectations if the applicable regulatory authorities require further studies in addition to those currently anticipated and even if our product candidates are approved for commercial sale, we anticipate incurring significant costs associated with the commercial launch of such products and there can be no guarantee that we will ever generate significant revenues.

We may require additional financing and may be unable to raise sufficient capital, which could have a material impact on our research and development programs or commercialisation of our products or product candidates.

We have historically devoted most of our financial resources to research and development, including pre-clinical and clinical development activities. To date, we have financed a significant amount of our operations through public and private financings. The amount of our future net losses will depend, in part, on the rate of our future expenditures and our ability to obtain funding through equity or debt financings or strategic collaborations. The amount of such future net losses, as well as the possibility of future profitability, will also depend on our success in developing and commercialising products that generate significant revenue. Our failure to become and remain profitable would depress the value of our ordinary shares or ADSs and could impair our ability to raise capital, expand our business, maintain our research and development efforts, diversify our product offerings or even continue our operations.

We anticipate that our expenses will increase substantially for the foreseeable future if, and as, we:

- continue our research and preclinical and clinical development of our product candidates;
- expand the scope of our current proposed clinical studies for our product candidates;
- initiate additional preclinical, clinical or other studies for our product candidates;
- change or add additional manufacturers or suppliers;
- seek regulatory and marketing approvals for our product candidates that successfully complete clinical studies;
- seek to identify and validate additional product candidates;
- acquire or in-licences other product candidates and technologies;
- maintain, protect and expand our intellectual property portfolio;
- attract and retain skilled personnel;
- create additional infrastructure to support our operations as a publicly quoted company and our product development and planned future commercialisation efforts;
- add an internal sales force; and
- experience any delays or encounters issues with any of the above.

Until our products become commercially available, we will need to obtain additional funding in connection with the further development of our products and product candidates. Our ability to obtain additional financing will be subject to a number of factors, including market conditions, our operating performance and investor sentiment. As such, additional financing may not be available to us when needed, on acceptable terms, or at all. If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, reduce or eliminate our research and development programs or any future commercialisation efforts or obtain funds by entering agreements on unattractive terms. Our resource allocation decisions and the elimination of development programs may result in the failure to capitalise on profitable market opportunities. Furthermore, any additional equity fundraising in the capital markets may be dilutive for stockholders and any debt-based funding may bind us to restrictive covenants and curb our operating activities and ability to pay potential future dividends even when profitable. We cannot guarantee that future financing will be available in sufficient amounts or on acceptable terms, if at all. If we are unable to raise additional capital in sufficient amounts or on acceptable terms, we will be prevented from pursuing research and development efforts. This could harm our business, operating results and financial condition and cause the price of our common stock to fall.

If we are unable to secure sufficient capital to fund our operations, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to third parties to develop and market products or product candidates that we would otherwise prefer to develop and market ourselves. For example, additional strategic collaborations could require us to share commercial rights to our product candidates with third parties in ways that we do not intend currently or on terms that may not be favourable to us. Moreover, we may also have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us.

We may not be able to achieve the benefits we expected at the time of the Immutep acquisition. Any failure to implement our business strategy with respect to the Immutep acquisition could negatively impact our business, financial condition and results of operations.

We completed our acquisition of Immutep, in December 2014 for consideration of up to US$28m in cash and stock. We have partially completed the integration of Immutep's business into our own. We have not yet achieved, and may never achieve, the full benefit of the clinical development expectations, product portfolio enhancements or revenue generations we expected at the time of the acquisition. In addition, even if we achieve the expected benefits, we may be unable to achieve them within the anticipated time frame. Also, there may be unexpected costs incurred in integrating Immutep, increases in other expenses, or problems in the business unrelated to the Immutep acquisition that have a negative effect on our business. If the integration is not successful, or if we fail to implement our business strategy with respect to the acquisition, we may be unable to achieve expected results and our business, financial condition and results of operations may be materially and adversely affected.

Specific risks associated with the remaining integration include the following:

- the potential loss of licensors, licensees, other business partners or independent contractors;
- failure to effectively continue the clinical trials or integrate Immutep's product portfolio with ours;
- failure to effectively consolidate functional areas, which may be impeded by inconsistencies in, or conflicts between, standards, controls, procedures, policies, business cultures and compensation structures;
- potential future impairment charges, write-offs, write-downs or restructuring charges that could adversely affect our results of operations;

- significant deficiencies or material weaknesses in internal controls over financial reporting;
- exposure to unknown liabilities or other obligations of Immutep, which may include matters relating to employment, labor and employee benefits, litigation, accident claims and environmental issues, and which may affect our ability to comply with applicable laws;
- the coordination of resources across broad geographical areas; and
- the challenges of moving toward a single brand and market identity.

We may not make acquisitions in the future, or if we do, we may not be successful in integrating the acquired company, either of which could have a materially adverse effect on our business.

Immutep was our only significant acquisition in the recent history of Prima. Identifying strategic acquisitions is part of our business plan and may become an increasingly important part of our growth. There is, however, no assurance that we will be successful in identifying, negotiating, or consummating any future acquisitions. If we fail to make any future acquisitions, our growth rate could be materially and adversely affected. Any additional acquisitions we undertake could involve the dilutive issuance of equity securities, incurring indebtedness and/or incurring large one-time expenses. In addition, acquisitions involve numerous risks, including difficulties in assimilating the acquired company's operations, the diversion of our management's attention from other business concerns, risks of entering into markets in which we have had no or only limited direct experience, and the potential loss of customers, key employees and drivers of the acquired company, all of which could have a materially adverse effect on our business and operating results. If we make acquisitions in the future, we cannot guarantee that we will be able to successfully integrate the acquired companies or assets into our business, which would have a materially adverse effect on our business, financial condition, and results of operations.

Ongoing and future clinical trials of product candidates may not show sufficient safety or efficacy to obtain requisite regulatory approvals for commercial sale.

Phase I and Phase II clinical trials are not primarily designed to test the efficacy of a product candidate but rather to test safety and to understand the product candidate's side effects at various doses and schedules. Furthermore, success in preclinical and early clinical trials does not ensure that later large-scale trials will be successful nor does it predict final results. Acceptable results in early trials may not be repeated in later trials. Further, Phase III clinical trials may not show sufficient safety or efficacy to obtain regulatory approval for marketing. In addition, clinical results are frequently susceptible to varying interpretations that may delay, limit or prevent regulatory approvals. Negative or inconclusive results or adverse medical events during a clinical trial could require that the clinical trial be redone or terminated. The length of time necessary to complete clinical trials and to submit an application for marketing approval by applicable regulatory authorities may also vary significantly based on the type, complexity and novelty of the product candidate involved, as well as other factors. If we suffer any significant delays, setbacks or negative results in, or termination of, our clinical trials, it may be unable to continue the development of our products or product candidates or generate revenue and our business may be severely harmed.

If we do not obtain the necessary regulatory approvals we will be unable to commercialise our products.

The clinical development, manufacturing, sales and marketing of our products are subject to extensive regulation by regulatory authorities in the United States, the United Kingdom, the European Union, Australia and elsewhere. Despite the substantial time and expense invested in preparation and submission of a Biologic License Application or equivalents in other jurisdictions, regulatory approval is never guaranteed. The number, size and design of preclinical studies and clinical trials that will be required will vary depending on the product, the disease or condition for which the product is intended to be used and the regulations and guidance documents applicable to any particular product. The FDA or other regulators can delay, limit or deny approval of a product for many reasons, including, but not limited to, the fact that regulators may not approve our or a third-party manufacturer's processes or facilities or that new laws may be enacted or regulators may change their approval policies or adopt new regulations requiring new or different evidence of safety and efficacy for the intended use of a product.

IMP321 will undergo clinical trials; however, successful results in the trials and in the subsequent application for marketing approval are not guaranteed. Currently it is planned that the clinical development of CVac will only continue provided that a partnering transaction can be secured. Without additional clinical trials CVac and any other product in the current portfolio cannot obtain a regulatory approval. If we are unable to obtain regulatory approvals, we will not be able to generate revenue from this product. Even if we receive regulatory approval for any product candidate, our profitability will depend on our ability to generate revenues from the sale of those product candidates or the licensing of our technology.

Even if our product candidates receive regulatory approval, it may still face development and regulatory difficulties that may delay or impair future sales of product candidates.

Even if we or our licensing partners receive regulatory approval to sell IMP321 or any other product candidate, the relevant regulatory authorities may, nevertheless, impose significant restrictions on the indicated uses, manufacturing, labelling, packaging, adverse event reporting, storage, advertising, promotion and record keeping or impose ongoing requirements for post-approval studies. In addition, regulatory agencies subject a marketed product, its manufacturer and the manufacturer's facilities to continual review and periodic inspections. Previously unknown problems with the product candidate, including adverse events of unanticipated severity or frequency, may result in restrictions on the marketing of the product, and could include withdrawal of the product from the market. In addition, new statutory requirements may be enacted or additional regulations may be enacted that could prevent or delay regulatory approval of our products.

We have limited manufacturing experience with our product candidates.

We have no manufacturing capabilities and is dependent on third parties for the development of cost effective manufacture and manufacturing process for the company's product candidates. Problems with third party manufacturers or the manufacturing process, or the scaling up of manufacturing activities as such may delay clinical trials and commercialization of our product candidates.

Biological product candidates like CVac, IMP731, IMP701 or IMP321 usually have more complicated manufacturing procedures than chemically produced therapies. The change of manufacturing partners, manufacturing process changes or changes of other nature could impact the product quality and affect the comparability of different product batches. A lack of comparability could significantly impact the development timelines and could even lead to a situation where regulatory bodies require additional or new pre-clinical or clinical development.

The clinical development of autologous dendritic cell cancer vaccines such as CVac is complex and more costly to produce than most other biologicals such as IMP321. Biologicals like IMP321 offer greater commercial potential based on cost of goods alone. Hence, we decided to focus our clinical trial resources internally on developing IMP 321 whilst seeking a partner to develop CVac. With our repositioning of the CVac program, the manufacturing uncertainties surrounding CVac will transfer to a new partner should one be secured. Successful approval of CVac by regulatory authorities and the manufacturing of CVac will therefore be beyond the control of Prima. Any revenues from sales of CVac will be dependent on the success of the collaboration partner. In principle the same applies to IMP731 and IMP701 or any other partnered product candidate.

To the extent we rely significantly on contractors, we will be exposed to risks related to the business and operational conditions of our contractors.

We are a small company, with few internal staff and limited facilities. We are and will be required to rely on a variety of contractors to manufacture and transport our products, to perform clinical testing and to prepare regulatory dossiers. Adverse events that affect one or more of our contractors could adversely affect us, such as:

- a contractor is unable to retain key staff that have been working on our product candidates;
- a contractor is unable to sustain operations due to financial or other business issues;
- a contractor loses their permits or licenses that may be required to manufacture our products or product candidates; or
- errors, negligence or misconduct that occur within a contractor may adversely affect our business.

We depend on, and will continue to depend on, collaboration and strategic alliances with third partners. To the extent we are able to enter into collaborative arrangements or strategic alliances, we will be exposed to risks related to those collaborations and alliances.

An important element of our strategy for developing, manufacturing and commercialising our product candidates is entering into partnerships and strategic alliances with other pharmaceutical companies or other industry participants. For example, we currently have material collaborative arrangements with Eddingpharm for the development of IMP321 for China and Taiwan.

Any partnerships or alliance we have or may have in the future may be terminated for reasons beyond our control or we may not be able to negotiate future alliances on acceptable terms, if at all. These arrangements may result in us receiving less revenue than if it sold its products directly, may place the development, sales and marketing of its products outside of its control, may require it to relinquish important rights or may otherwise be on unfavourable terms. Collaborative arrangements or strategic alliances will also subject us to a number of risks, including the risk that:

- we may not be able to control the amount and timing of resources that our strategic partner/collaborators may devote to the product candidates;

- strategic partner/collaborators may experience financial difficulties;
- the failure to successfully collaborate with third parties may delay, prevent or otherwise impair the development or commercialization of our product candidates or revenue expectations;
- products being developed by partners/collaborators may never reach commercial stage resulting in reduced or even no milestone or royalty payments;
- business combinations or significant changes in a collaborator's business strategy may also adversely affect a collaborator's willingness or ability to complete their obligations under any arrangement;
- a collaborator could independently move forward with a competing product developed either independently or in collaboration with others, including our competitors; and
- collaborative arrangements are often terminated or allowed to expire, which would delay the development and may increase the cost of developing product candidates.

Our research and development efforts will be jeopardised if we are unable to retain key personnel and cultivate key academic and scientific collaborations.

Our success depends largely on the continued services of our senior management and key scientific personnel and on the efforts and abilities of our senior management to execute our business plan. During the fiscal year ended June 20, 2015, we experienced significant changes in our senior management team with Mr. Marc Voigt becoming our Chief Executive Officer in July 2014 and Prof. Dr. Frédéric Triebel becoming our Chief Scientific Officer and Chief Medical Officer in December 2014, as a result of our acquisition of Immutep. Additionally, as a consequence of our decision to cease recruitment into all ongoing CVac studies and strategic redirection towards our LAG-3 portfolio, Dr. Sharron Gargosky, our Chief Technical Officer and past CVac program manager will cease to be employed by us effective 30 November 2015.

Changes in our senior management may be disruptive to our business and may adversely affect our operations. For example, when we have changes in senior management positions, we may elect to adopt different business strategies or plans. Any new strategies or plans, if adopted, may not be successful and if any new strategies or plans do not produce the desired results, our business may suffer.

For all new employees, including senior management, there may be reduced levels of productivity as recent additions or hires are trained or otherwise assimilate and adapt to our organization and culture. The significant turnover in our senior management team during fiscal year 2015 may make it difficult to attract new employees and retain existing employees. These changes may also make it difficult to execute on our business plan and achieve our planned financial results.

Moreover, competition among biotechnology and pharmaceutical companies for qualified employees is intense and as such we may not be able to attract and retain personnel critical to our success. Our success depends on our continued ability to attract, retain and motivate highly qualified management, clinical and scientific personnel, manufacturing personnel, sales and marketing personnel and on our ability to develop and maintain important relationships with clinicians, scientists and leading academic and health institutions. If we fail to identify, attract, retain and motivate these highly skilled personnel, we may be unable to continue our product development and commercialisation activities.

Research and development efforts will be jeopardised if we are unable to secure critical components and reagents necessary for manufacture of key components of our product candidates.

Problems with third party supply (e.g. critical material) may delay clinical trials and commercialization of our product candidates.

Future potential sales of our products may suffer if they are not accepted in the marketplace by physicians, patients and the medical community.

There is a risk that IMP321 may not gain market acceptance among physicians, patients and the medical community, even if they are approved by the regulatory authorities. The degree of market acceptance of any of our approved products will depend on a variety of factors, including:

- timing of market introduction, number and clinical profile of competitive products;

- our ability to provide acceptable evidence of safety and efficacy and our ability to secure the support of key clinicians and physicians for our products;
- cost-effectiveness compared to existing and new treatments;
- availability of coverage, reimbursement and adequate payment from health maintenance organizations and other third-party payers;
- prevalence and severity of adverse side effects; and
- other advantages over other treatment methods.

Physicians, patients, payers or the medical community may be unwilling to accept, use or recommend our products which would adversely affect our potential revenues and future profitability.

If healthcare insurers and other organizations do not pay for our products or impose limits on reimbursement, our future business may suffer.

Our product candidate may be rejected by the market due to many factors, including cost. The continuing efforts of governments, insurance companies and other payers of healthcare costs to contain or reduce healthcare costs may affect our future revenues and profitability. In Australia and certain foreign markets the pricing of pharmaceutical products is already subject to government control. We expect initiatives for similar government control to continue in the United States and elsewhere. The adoption of any such legislative or regulatory proposals could harm our business and prospects.

Successful commercialization of our product candidate will depend in part on the extent to which reimbursement for the cost of our products and related treatment will be available from government health administration authorities, private health insurers and other organizations. Our product candidate may not be considered cost-effective and reimbursement may not be available to consumers or may not be sufficient to allow our products to be marketed on a competitive basis. Third-party payers are increasingly challenging the price of medical products and treatment. If third party coverage is not available for our products the market acceptance of these products will be reduced. Cost-control initiatives could decrease the price we might establish for products, which could result in product revenues lower than anticipated. If the price for our product candidate decreases or if governmental and other third-party payers do not provide adequate coverage and reimbursement levels our potential revenue and prospects for profitability will suffer.

We are currently taking advantage of certain exemptions from having to comply with the Sarbanes-Oxley Act due to our status as an "emerging growth company".

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. Accordingly, this allows us to postpone the date by which we must comply with some of the laws and regulations that are otherwise applicable to public companies and to reduce the amount of information we provide in our reports filed with the SEC, which could undermine investor confidence in our company and adversely affect the market price of our ordinary shares or ADSs.

For so long as we remain an "emerging growth company," we may take advantage of certain exemptions from various requirements that are applicable to public companies that are not "emerging growth companies," including, but not limited to, the provisions of Section 404(b) of the Sarbanes-Oxley Act requiring that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting. As a result, our independent registered public accounting firm will not be required to provide an attestation report on the effectiveness of our internal control over financial reporting for so long as we qualify as an "emerging growth company," which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected. Similarly, so long as we qualify as an "emerging growth company," we may elect not to provide investors with certain information, including certain financial information and certain information regarding compensation of our executive officers, that we would otherwise have been required to provide in filings we make with the SEC, which may make it more difficult for investors and securities analysts to evaluate our company.

We may take advantage of these exemptions until we are no longer an "emerging growth company." We would cease to be an "emerging growth company" upon the earliest of: (i) the last day of our fiscal year following the fifth anniversary of the date of the first sale of our common equity securities pursuant to an effective registration statement under the Securities Act of 1933, as amended; (ii) the last day of the first fiscal year in which our annual gross revenues are $1 billion or more; (iii) the date on which we have, during the previous three-year period, issued more than $1 billion in non-convertible debt securities; or (iv) as of the end of any fiscal year in which the market value of our ordinary shares or ADSs held by non-affiliates exceeded $700 million as of the end of the second quarter of that fiscal year.

We cannot predict if investors will find our ordinary shares or ADSs less attractive because we may rely on these exemptions. If some investors find our ordinary shares or ADSs less attractive as a result, there may be a less active trading market for such shares, and our stock price may be more volatile and may decline.

Risks Related to Intellectual Property

Our success depends on our ability to protect our intellectual property and our proprietary technology.

Any future success will depend in large part on whether we can obtain and maintain patents to protect our own products and technologies; obtain licenses to the patented technologies of third parties; and operate without infringing on the proprietary rights of third parties. Biotechnology patent matters can involve complex legal and scientific questions, and it is impossible to predict the outcome of biotechnology and pharmaceutical patent claims. Any of our future patent applications may not be approved, or we may not develop additional products or processes that are patentable. Some countries in which we may sell our product candidate or license our intellectual property may fail to protect our intellectual property rights to the same extent as the protection that may be afforded in the United States or Australia. Some legal principles remain unresolved and there has not been a consistent policy regarding the breadth or interpretation of claims allowed in patents in the United States, the United Kingdom, the European Union, Australia or elsewhere. In addition, the specific content of patents and patent applications that are necessary to support and interpret patent claims is highly uncertain due to the complex nature of the relevant legal, scientific and factual issues. Changes in either patent laws or in interpretations of patent laws in the United States, the United Kingdom, the European Union or elsewhere may diminish the value of our intellectual property or narrow the scope of our patent protection. Even if we are able to obtain patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner.

Moreover, any of our pending applications may be subject to a third-party preissuance submission of prior art to the U.S. Patent and Trademark Office, or USPTO, the European Patent Office, or EPO, the Australian Patent and Trademark Office and/or any patents issuing thereon may become involved in opposition, derivation, reexamination, inter partes review, post grant review, interference proceedings or other patent office proceedings or litigation, in the United States or elsewhere, challenging our patent rights. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, our patent rights, and allow third parties to commercialize our technology or products and compete directly with us, without payment to us. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to exploit our intellectual property or develop or commercialize current or future product candidate.

The issuance of a patent is not conclusive as to the inventorship, scope, validity or enforceability, and our patents may be challenged in the courts or patent offices in the U.S., the EU, Australia and elsewhere. Such challenges may result in loss of ownership or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit the duration of the patent protection of our technology and products. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

In addition, other companies may attempt to circumvent any regulatory data protection or market exclusivity that we obtain under applicable legislation, which may require us to allocate significant resources to preventing such circumvention. Such developments could enable other companies to circumvent our intellectual property rights and use our clinical trial data to obtain marketing authorizations in the EU, Australia and in other jurisdictions. Such developments may also require us to allocate significant resources to prevent other companies from circumventing or violating our intellectual property rights.

Our attempts to prevent third parties from circumventing our intellectual property and other rights may ultimately be unsuccessful. We may also fail to take the required actions or pay the necessary fees to maintain our patents.

Intellectual property rights of third parties could adversely affect our ability to commercialize our products, such that we could be required to litigate with or obtain licenses from third parties in order to develop or market our products. Such litigation or licenses could be costly or not available on commercially reasonable terms.

Our commercial success may somewhat depend upon our future ability and the ability of our potential collaborators to develop, manufacture, market and sell our product candidates without infringing valid intellectual property rights of third parties.

If a third-party intellectual property right exists that requires the pursuit of litigation or administrative proceedings to nullify or invalidate the third-party intellectual property right concerned, or enter into a license agreement with the intellectual property right holder, which may not be available on commercially reasonable terms, if at all.

Third-party intellectual property right holders, including our competitors, may bring infringement claims against us. We may not be able to successfully settle or otherwise resolve such infringement claims. If we are unable to successfully settle future claims or otherwise resolve such claims on terms acceptable to us, we may be required to engage in or continue costly, unpredictable and time-consuming litigation and may be prevented from, or experience substantial delays in, marketing our product candidate.

If we fail to settle or otherwise resolve any such dispute, in addition to being forced to pay damages, we or our potential collaborators may be prohibited from commercializing any product candidates we may develop that are held to be infringing, for the duration of the patent term. We might, if possible, also be forced to redesign our formulations so that we no longer infringe such third-party intellectual property rights. Any of these events, even if we were ultimately to prevail, could require us to divert substantial financial and management resources that we would otherwise be able to devote to our business.

If we infringe the intellectual property rights of third parties, it may increase costs or prevent it from the commercialisation of product candidates.

There is a risk that we are, or may in the future, infringe proprietary rights of third parties. There has been substantial litigation and other proceedings regarding patent and other intellectual property rights in the pharmaceutical and biotechnology industries. To date, we have not been involved in any such third-party claims and, except as noted below, we are not aware that our product candidates infringe, or may in the future infringe, the intellectual property rights of any third party. As a result of intellectual property infringement claims, or to avoid potential claims, we might be:

- prohibited from selling or licensing any product candidate that we may develop unless the patent holder licenses the patent to us;
- required to expend considerable amounts of money in defending the claim;
- required to pay substantial royalties or grant a cross license to our patents to another patent holder;
- required to redesign the formulation of a product so that it does not infringe, which may not be possible or could require substantial funds and time; or
- required to pay substantial monetary damages.

To mitigate this risk, we have a patent strategy and monopoly around many of the technical areas we operate in with little room for others to achieve freedom to operate. From time to time we engage the advice of patent counsel to conduct checks on the freedom to operate position of our business with respect to claims protecting our product development candidates and our clinical and manufacturing strategies.

We may become involved in lawsuits to protect and defend our patents or other intellectual property, which could be expensive, time consuming and unsuccessful.

Competitors may infringe our patents or other intellectual property. To counter infringement or unauthorized use, we may be required to file claims, and any related litigation and/or prosecution of such claims can be expensive and time consuming. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their intellectual property. In addition, in a patent infringement proceeding, a court may decide that a patent of ours is invalid in whole or in part, unenforceable, or construe the patent's claims narrowly allowing the other party to commercialize competing products on the grounds that our patents do not cover such products.

Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our technical and management personnel from their normal responsibilities. Such litigation or proceedings could substantially increase our operating losses and reduce our resources available for development activities. We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their substantially greater financial resources. The effects of patent litigation or other proceedings could therefore have a material adverse effect on our ability to compete in the marketplace.

Confidentiality and invention assignment agreements with our employees, advisors and consultants may not adequately prevent disclosure of trade secrets and protect other proprietary information.

We consider proprietary trade secrets and/or confidential know-how and unpatented know-how to be important to our business. We may rely on trade secrets and/or confidential know-how to protect our technology, especially where patent protection is believed by us to be of limited value. However, trade secrets and/or confidential know-how can be difficult to maintain as confidential.

To protect this type of information against disclosure or appropriation by competitors, our policy is to require our employees, advisors and consultants to enter into confidentiality and invention assignment agreements with us. However, current or former employees, advisors and consultants may unintentionally or willfully disclose our confidential information to competitors, and confidentiality and invention assignment agreements may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. Enforcing a claim that a third-party obtained illegally and is using trade secrets and/or confidential know-how is expensive, time consuming and unpredictable. The enforceability of confidentiality and invention assignment agreements may vary from jurisdiction to jurisdiction.

Failure to obtain or maintain trade secrets and/or confidential know-how trade protection could adversely affect our competitive position. Moreover, our competitors may independently develop substantially equivalent proprietary information and may even apply for patent protection in respect of the same. If successful in obtaining such patent protection, our competitors could limit our use of our trade secrets and/or confidential know-how.

If we are unable to keep pace with technological change or with the advances of our competitors, our technology and products may become non-competitive.

The biotechnology and pharmaceutical industries are subject to rapid and significant technological change. Our product candidates may be or become uncompetitive. To remain competitive, we must employ and retain suitably qualified staff that are continuously educated to keep pace with changing technology, but may not be in a position to do so.

Intellectual property rights do not address all potential threats to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, or permit us to maintain our competitive advantage. The following examples are illustrative:

- Others may be able to make products that are similar to IMP321 but that are not covered by our intellectual property rights.
- Others may independently develop similar or alternative technologies or otherwise circumvent any of our technologies without infringing our intellectual property rights.
- We or any of our collaboration partners might not have been the first to conceive and reduce to practice the inventions covered by the patents or patent applications that we own, license or will own or license.
- We or any of our collaboration partners might not have been the first to file patent applications covering certain of the patents or patent applications that we or they own or have obtained a license, or will own or will have obtained a license.
- It is possible that any pending patent applications that we have filed, or will file, will not lead to issued patents.
- Issued patents that we own may not provide us with any competitive advantage, or may be held invalid or unenforceable, as a result of legal challenges by our competitors.
- Our competitors might conduct research and development activities in countries where we do not have patent rights, or in countries where research and development safe harbor laws exist, and then use the information learned from such activities to develop competitive products for sale in our major commercial markets.
- Ownership of our patents or patent applications may be challenged by third parties.
- The patents of third parties or pending or future applications of third parties, if issued, may have an adverse effect on our business.

If healthcare insurers and other organisations do not pay for our products or product candidates or impose limits on reimbursement, our future business may suffer.

Our product candidates may be rejected by the market due to many factors, including cost. The continuing efforts of governments, insurance companies and other payers of healthcare costs to contain or reduce healthcare costs may affect our future revenues and profitability. In Australia and certain foreign markets the pricing of pharmaceutical products is already subject to government control.

Successful commercialisation of our product candidates will depend in part on the extent to which reimbursement for the cost of our products and related treatment will be available from government health administration authorities, private health insurers and other organisations. Our product candidates may not be considered cost-effective and reimbursement may not be available to consumers or may not be sufficient to allow our products to be marketed on a competitive basis. Third-party payers are increasingly challenging the price of medical products and treatment. If third party coverage is not available for our products, the market acceptance of these products will be reduced.

We may be exposed to product liability claims which could harm our business.

The testing, marketing and sale of therapeutic products entails an inherent risk of product liability. We may face product liability exposure related to the testing of our product candidates in human clinical trials. If any of our products are approved for sale, we may face exposure to claims by an even greater number of persons than were involved in the clinical trials once marketing, distribution and sales of our products begin. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for our products and product candidates;
- injury to our reputation;
- withdrawal of clinical trial participants;
- costs of related litigation;
- substantial monetary awards to patients and others;
- loss of revenues; and
- the inability to commercialise products and product candidates.

We rely on a number of third party researchers and contractors to produce, collect, and analyse data regarding the safety and efficacy of our product candidates. We have quality control and quality assurance in place to mitigate these risks, as well as professional liability and clinical trial insurance to cover financial damages in the event that human testing is done incorrectly or the data is analysed incorrectly. If a claim is made against us in conjunction with these research testing activities, the market price of our ordinary shares or ADSs may be negatively affected. We could also face additional liability beyond insurance limits if testing mistakes were to endanger any human subjects.

Changes in patent laws or patent jurisprudence could diminish the value of patents in general, thereby impairing our ability to protect our products or product candidate.

As is the case with other biopharmaceutical companies, our success is heavily dependent on intellectual property, particularly patents. Obtaining and exploiting patents in the biopharmaceutical industry involve both technological and legal complexity. Therefore, obtaining and exploiting biopharmaceutical patents is costly, time-consuming and inherently uncertain. The U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. Such examples include:

- Nautilus, Inc. v. Biosig Instruments, Inc. (2014), where the Court imposed a stricter requirement for clarity of claim language than previously applied by the Federal Circuit, thereby making it easier to invalidate patents for insufficiently apprising the public of the scope of the invention.
- Limelight Networks, Inc. v. Akamai Technologies, Inc. (2014), where the Court articulated a standard for inducement of infringement that makes it more difficult to establish liability for inducing infringement of a multi-step method claim that is performed by multiple parties.

- Association for Molecular Pathology v. Myriad Genetics, Inc. (2013), where the Court held that isolated naturally-occurring DNA is patent ineligible subject matter.
- KSR v. Teleflex (2007), where the Court decided unanimously that the Federal Circuit Court had been wrong in taking a narrow view of when an invention is "obvious" and thus cannot be patented.
- EBay Inc. v. MercExchange, LLC (2006), where the Court heightened the standard for an injunction after a finding of patent infringement.
- Merck KGgA v. Integra Lifesciences (2004), where the Court adopted an expansive interpretation of the activities associated with regulatory approval exempt from patent infringement.

In addition, the America Invents Act, or AIA, has been recently enacted in the United States, resulting in significant changes to the U.S. patent system. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, the combination of the U.S. Supreme Court decisions and AIA has created uncertainty with respect to the value of patents, once obtained. A few highlights of changes to U.S. patent law under the AIA are:

- Under the AIA, a patent is awarded to the "first-inventor-to-file" rather than the first to invent.
- There is a new definition of prior art which removes geographic and language boundaries found in the pre-AIA law. At the same time, certain categories of "secret" prior art have been eliminated.
- The AIA introduced new procedures for challenging the validity of issued patents: post-grant review and inter partes review.
- Patent owners under the AIA may now request supplemental examination of a patent to consider, reconsider, or correct information believed to be relevant to the patent.
- The AIA allows third parties to submit any patent, published application, or publication relevant to examination of a pending patent application with a concise explanation for inclusion during prosecution of the patent application.

The "first-inventor-to-file" system and the new definitions of prior art apply to U.S. patent applications with claims having an effective filing date on or after March 16, 2013. Until at least 2034, patent practice will involve both pre-AIA and AIA laws.

Depending on decisions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could weaken our ability to obtain new patents or to exploit our existing patents and patents that we might obtain in the future. Similarly, the complexity and uncertainty of European patent laws has also increased in recent years. In addition, the European patent system is relatively stringent in the type of amendments that are allowed during prosecution. Changes in patent law or patent jurisprudence could limit our ability to obtain new patents in the future that may be important for our business.

We may face difficulties with protecting our intellectual property in certain jurisdictions, which may diminish the value of our intellectual property rights in those jurisdictions.

The laws of some jurisdictions do not protect intellectual property rights to the same extent as the laws in the U.S. and the EU, and many companies have encountered significant difficulties in protecting and defending such rights in such jurisdictions. If we or our collaboration partners encounter difficulties in protecting, or are otherwise precluded from effectively protecting, the intellectual property rights important for our business in such jurisdictions, the value of these rights may be diminished and we may face additional competition from others in those jurisdictions.

Many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired and our business and results of operations may be adversely affected.

Risks Relating to Our Securities

Our stock price may be volatile and could decline significantly.

The market price of our ordinary shares historically has been, and we expect will continue to be, subject to significant fluctuations over short periods of time. These fluctuations may be due to factors specific to us, to changes in analysts' recommendations and earnings estimates, to arbitrage between our Australian listed shares and our ADSs, to changes in exchange rates, or to factors affecting the biopharmaceutical industry or the securities markets in general. Market fluctuations, as well as general political and economic conditions, such as a recession, interest rate or currency fluctuations, could adversely affect the market price of our securities.

For example, during the last two fiscal years, the market price for our ordinary shares on the Australian Securities Exchange has ranged from as low as A$0.02 to a high of A$0.19. We may experience a material decline in the market price of our shares, regardless of our operating performance. Therefore, a holder of our ordinary shares or ADSs may not be able to sell those ordinary shares or ADSs at or above the price paid by such holder for such shares or ADSs. Price declines in our ordinary shares or ADSs could result from a variety of factors, including many outside our control. These factors include:

- the results of pre-clinical testing and clinical trials by us and our competitors;
- unforeseen safety issues or adverse side effects resulting from the clinical trials or the commercial use of our product candidate;
- regulatory actions in respect of any of our products or the products of any of our competitors;
- announcements of the introduction of new products by us or our competitors;
- market conditions, including market conditions in the pharmaceutical and biotechnology sectors;
- increases in our costs or decreases in our revenues due to unfavorable movements in foreign currency exchange rates;
- developments or litigation concerning patents, licenses and other intellectual property rights;
- litigation or public concern about the safety of our potential products;
- changes in recommendations or earnings estimates by securities analysts;
- actual and anticipated fluctuations in our quarterly operating results;
- deviations in our operating results from the estimates of securities analysts;
- rumors relating to us or our competitors;
- additions or departures of key personnel;
- changes in third-party reimbursement policies; and
- developments concerning current or future strategic alliances or acquisitions.

We may be a passive foreign investment company (PFIC) which would subject our U.S. investors to adverse tax rules.

Holders of our ADSs who are U.S. residents face income tax risks. There is a substantial risk that we are currently a passive foreign investment company, or PFIC, which could result in a reduction in the after-tax return to a "U.S. Holder" of our ADRs and reduce the value of our ADSs. For U.S. federal income tax purposes, we will be classified as a PFIC for any taxable year in which (i) 75% or more of our gross income is passive income, or (ii) at least 50% of the average value of all of our assets for the taxable year produce or are held for the production of passive income. For this purpose, cash is considered to be an asset that produces passive income.

The determination of whether we are a PFIC is made on an annual basis and depends on the composition of our income and the value of our assets. Therefore, it is possible that we could be a PFIC in the current year as well as in future years. If we are classified as a PFIC in any year that a U.S. Holder owns ADSs, the U.S. Holder will generally continue to be treated as holding ADSs of a PFIC in all subsequent years, notwithstanding that we are not classified as a PFIC in a subsequent year. Dividends received by the U.S. Holder and gains realized from the sale of our ADSs would be taxed as ordinary income and subject to an interest charge. We urge U.S. investors to consult their own tax advisors about the application of the PFIC rules and certain elections that may help to minimize adverse U.S. federal income tax consequences in their particular circumstances.

We have never paid a dividend and we do not intend to pay dividends in the foreseeable future which means that holders of shares and ADSs may not receive any return on their investment from dividends.

To date, we have not declared or paid any cash dividends on our ordinary shares and currently intend to retain any future earnings for funding growth. We do not anticipate paying any dividends in the foreseeable future. Dividends may only be paid out of our profits. Payment of cash dividends, if any, in the future will be at the discretion of our board of directors. Our holders of shares and ADSs may not receive any return on their investment from dividends. The success of your investment will likely depend entirely upon any future appreciation of the market price of our ordinary shares, which is uncertain and unpredictable. There is no guarantee that our ordinary shares will appreciate in value or even maintain the price at which you purchased your ordinary shares.

Currency fluctuations may adversely affect the price of the ADSs relative to the price of our ordinary shares.

The price of our ordinary shares is quoted in Australian dollars and the price of our ADSs will be quoted in U.S. dollars. Movements in the Australian dollar/U.S. dollar exchange rate may adversely affect the U.S. dollar price of our ADSs and the U.S. dollar equivalent of the price of our ordinary shares. In the last two years, the Australian dollar has as a general trend appreciated against the U.S. dollar. Any continuation of this trend may positively affect the U.S. dollar price of our ADSs and the U.S. dollar equivalent of the price of our ordinary shares, even if the price of our ordinary shares in Australian dollars increases or remains unchanged. However, this trend may not continue and may be reversed. If the Australian dollar weakens against the U.S. dollar, the U.S. dollar price of the ADSs could decline, even if the price of our ordinary shares in Australian dollars increases or remains unchanged.

The requirements of being a public company may strain our resources and divert management's attention and if we are unable to maintain effective internal control over financial reporting in the future, the accuracy and timeliness of our financial reporting may be adversely affected.

As a publicly-traded company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Act, the listing requirements of the NASDAQ Global Market and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources. The Exchange Act requires, among other things, that we file certain reports with respect to our business and results of operations. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight are required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business and results of operations.

The Sarbanes-Oxley Act requires, among other things, that we assess the effectiveness of our internal control over financial reporting annually and disclosure controls and procedures quarterly. In particular, beginning with fiscal year ended on June 30, 2013, we have performed system and process evaluation and testing of our internal control over financial reporting to allow our management to report on the effectiveness of our internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act. We have in prior fiscal years identified material weaknesses that have been remediated. If we identify material weaknesses in future periods or we are not able to comply with the requirements of Section 404 in a timely manner, our reported financial results could be restated, we could be subject to investigations or sanctions by regulatory authorities, which would require additional financial and management resources, and the market price of our stock could decline.

Our ordinary shares are listed on three separate stock markets and investors seeking to take advantage of price differences between such markets may create unexpected volatility in our share price; in addition, investors may not be able to easily move shares for trading between such markets.

Our ordinary shares are listed and traded on the ASX, NASDAQ and the Frankfurt Stock Exchange. Price levels for our ordinary shares could fluctuate significantly on either market, independent of our share price on the other market. Investors could seek to sell or buy our shares to take advantage of any price differences between the three markets through a practice referred to as arbitrage. Any arbitrage activity could create unexpected volatility in our share prices on either exchange and the volumes of shares available for trading on either exchange. In addition, holders of shares in either jurisdiction will not be immediately able to transfer such shares for trading on the other markets without effecting necessary procedures with our transfer agent. This could result in time delays and additional cost for our shareholders. Further, if we are unable to continue to meet the regulatory requirements for listing on the ASX, NASDAQ or the Frankfurt Stock Exchange, we may lose our listing on any of these exchanges, which could impair the liquidity of our shares.

Risks Relating to Our Location in Australia

Currency fluctuations may expose us to increased costs and revenue decreases.

Our business is affected by fluctuations in foreign exchange rates. Currency fluctuations could, therefore, cause our costs to increase and revenues to decline. Our expenses will be denominated in Australian dollars, U.S. dollars and European euro. Last year, the Australian dollar has, as a general trend, depreciated against the U.S. dollar and European euro, whereas two years ago, the Australian dollar had appreciated against the U.S. dollar and European Euro. We conduct clinical trials in many different countries and we have manufacturing of our product candidate undertaken outside of Australia, which exposes us to potential cost increases resulting from fluctuations in exchange rates. In fiscal 2015, we made foreign exchange gains as a result of currency fluctuations of A$0.5 million. In fiscal 2014, we made foreign exchange gains as a result of currency fluctuations of A$0.4 million. In fiscal 2013 our foreign exchange gain was A$1.4 million.

Australian takeovers laws may discourage takeover offers being made for us or may discourage the acquisition of large numbers of our shares.

We are incorporated in Australia and are subject to the takeovers laws of Australia. Amongst other things, we are subject to the Corporations Act 2001 (Commonwealth of Australia). Subject to a range of exceptions, the Corporations Act prohibits the acquisition of a direct or indirect interest in our issued voting shares (including through the acquisition of ADSs) if the acquisition of that interest will lead to a person's or someone else's voting power in us increasing from 20% or below to more than 20%, or increasing from a starting point that is above 20% and below 90%. Exceptions to the general prohibition include circumstances where the person makes a formal takeover bid for us, if the person obtains shareholder approval for the acquisition or if the person acquires less than 3% of the voting power of us in any rolling six month period. Australian takeovers laws may discourage takeover offers being made for us or may discourage the acquisition of large numbers of our shares.

Rights as a holder of ordinary shares are governed by Australian law and our Constitution and may differ from the rights of shareholders under U.S. law. Holders of our ordinary shares or ADSs may have difficulty in effecting service of process in the United States or enforcing judgments obtained in the United States.

We are a public company incorporated under the laws of Australia. Therefore, the rights of holders of our ordinary shares are governed by Australian law and our Constitution. These rights differ from the typical rights of shareholders in U.S. corporations. The rights of holders of ADSs are affected by Australian law and our Constitution but are governed by U.S. law. Circumstances that under U.S. law may entitle a shareholder in a U.S. company to claim damages may also give rise to a cause of action under Australian law entitling a shareholder in an Australian company to claim damages. However, this will not always be the case. Holders of our ordinary shares or ADSs may have difficulties enforcing, in actions brought in courts in jurisdictions located outside the U.S., liabilities under U.S. securities laws. In particular, if such a holder sought to bring proceedings in Australia based on U.S. securities laws, the Australian court might consider:

- that it did not have jurisdiction; and/or
- that it was not an appropriate forum for such proceedings; and/or
- that, applying Australian conflict of laws rule, U.S. law (including U.S. securities laws) did not apply to the relationship between holders of our ordinary shares or ADSs and us or our directors and officers; and/or
- that the U.S. securities laws were of a public or penal nature and should not be enforced by the Australian court.

Holders of our ordinary shares and ADSs may also have difficulties enforcing in courts outside the U.S. judgments obtained in the U.S. courts against any of our directors and executive officers or us, including actions under the civil liability provisions of the U.S. securities laws.

As a foreign private issuer whose shares are listed on the NASDAQ Global Market, we may follow certain home country corporate governance practices instead of certain NASDAQ requirements.

As a foreign private issuer whose shares are listed on the NASDAQ Global Market, we are permitted to follow certain home country corporate governance practices instead of certain requirements of The NASDAQ Marketplace Rules. As an Australian company listed on the NASDAQ Global Market, we may follow home country practice with regard to, among other things, the composition of the board of directors, director nomination process, compensation of officers and quorum at shareholders' meetings. In addition, we may follow Australian law instead of the NASDAQ Marketplace Rules that require that we obtain shareholder approval for certain dilutive events, such as for the establishment or amendment of certain equity based compensation plans, an issuance that will result in a change of control of the company, certain transactions other than a public offering involving issuances of a 20% or more interest in the company and certain acquisitions of the stock or assets of another company. As a foreign private issuer that has elected to follow a home country practice instead of NASDAQ requirements, we have submitted to NASDAQ a written statement from our independent counsel certifying that our practices are not prohibited by Australian laws. In addition, a foreign private issuer must disclose in Annual Reports filed with the U.S. Securities and Exchange Commission each such requirement that it does not follow and describe the home country practice followed by the issuer instead of any such requirement. Accordingly, our shareholders may not be afforded the same protection as provided under NASDAQ's corporate governance rules. Please see "Item 6. Directors, Senior Management and Employees – C. Board Practices" for further information.

Risks Related to an Investment in Our ADSs

Our ADS holders are not shareholders and do not have the same rights as our shareholders.

The Bank of New York Mellon, as depositary, registers and delivers our American Depositary Shares, or ADSs. Our ADS holders will *not* be treated as shareholders and do not have the rights of shareholders. The depositary will be the holder of the shares underlying our ADSs. Holders of our ADSs will have ADS holder rights. A deposit agreement among us, the depositary and our ADS holders, and the beneficial owners of ADSs, sets out ADS holder rights as well as the rights and obligations of the depositary. New York law governs the deposit agreement and the ADSs. For a description of ADS holder rights, see "Item 12. Description of Securities Other than Equity Securities – D. American Depositary Shares." Our shareholders have shareholder rights. Australian law and our constitution govern shareholder rights. For a description of our shareholders' rights, see "Item 10. Additional Information – B. Memorandum and Articles of Association." Our ADS holders do not have the same voting rights as our shareholders. Shareholders are entitled to our notices of general meetings and to attend and vote at our general meetings of shareholders. At a general meeting, every shareholder present (in person or by proxy, attorney or representative) and entitled to vote has one vote on a show of hands. Every shareholder present (in person or by proxy, attorney or representative) and entitled to vote has one vote per fully paid ordinary share on a poll. This is subject to any other rights or restrictions which may be attached to any shares. ADS holders may exercise voting rights with respect to the underlying ordinary shares only in accordance with the provisions of the deposit agreement. Under the deposit agreement, ADS holders vote by giving voting instructions to the depositary. Upon receipt of instructions, the depositary will try to vote in accordance with those instructions. Otherwise, ADS holders will not be able to vote unless they withdraw the ordinary shares underlying their ADSs. ADS holders may not learn of ordinary shareholders' meetings in time to instruct the depositary or withdraw underlying ordinary shares. If we ask for our ADS holders' instructions, the depositary will notify our ADS holders of the upcoming vote and arrange to deliver our voting materials and form of notice to them. The depositary will try, as far as practical, subject to Australian law and the provisions of the depositary agreement, to vote the shares as our ADS holders instruct. The depositary will not vote or attempt to exercise the right to vote other than in accordance with the instructions of the ADS holders. We cannot assure our ADS holders that they will receive the voting materials in time to ensure that they can instruct the depositary to vote their shares. This means that there is a risk that our ADS holders may not be able to exercise voting rights and there may be nothing they can do if their shares are not voted as they requested.

Our ADS holders do not have the same rights to receive dividends or other distributions as our shareholders.

Subject to any special rights or restrictions attached to a share, the directors may determine that a dividend will be payable on a share and fix the amount, the time for payment and the method for payment (although we have never declared or paid any cash dividends on our ordinary stock and we do not anticipate paying any cash dividends in the foreseeable future). Dividends may be paid on shares of one class but not another and at different rates for different classes. Dividends and other distributions payable to our shareholders with respect to our ordinary shares generally will be payable directly to them. Any dividends or distributions payable with respect to ordinary shares will be paid to the depositary, which has agreed to pay to our ADS holders the cash dividends or other distributions it or the custodian receives on shares or other deposited securities, after deducting its fees and expenses. Our ADS holders will receive these distributions in proportion to the number of shares their ADSs represent. In addition, there may be certain circumstances in which the depositary may not pay to our ADS holders amounts distributed by us as a dividend or distribution.

There are circumstances where it may be unlawful or impractical to make distributions to the holders of our ADSs.

The deposit agreement with the depositary generally requires the depositary to convert foreign currency it receives in respect of deposited securities into U.S. dollars and distribute the U.S. dollars to ADS holders, provided the depositary can do so on a reasonable basis. If it does not convert foreign currency, the depositary may distribute the foreign currency only to those ADS holders to whom it is possible to do so. If a distribution is payable by us in Australian dollars, the depositary will hold the foreign currency it cannot convert for the account of the ADS holders who have not been paid. It will not invest the foreign currency and it will not be liable for any interest. If the exchange rates fluctuate during a time when the depositary cannot convert the foreign currency, our ADS holders may lose some of the value of the distribution. The depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADS holders. This means that our ADS holders may not receive the distributions we make on our shares or any value for them if it is illegal or impractical for us to make them available.

Nasdaq may delist our ADSs from trading on the exchange which could limit investors' ability to make transactions in our ADSs and subject us to additional trading restrictions.

We may in the future fail to comply with the Nasdaq Global Market regulations and listing requirements as to minimum stockholders' equity, minimum market value, minimum total assets and revenue, minimum bid price, minimum public float and other requirements (the "**Nasdaq Listing Requirements**"), and as a result Nasdaq may initiate procedures to delist our ordinary shares from the Nasdaq Global Market.

In the past 52-weeks, our ADSs have been trading in a range from $0.42 to $6.48 per share, and the longest period below $1.00 was for 129 business days from November 12, 2014 through May 19, 2015, inclusive. Under Nasdaq's Marketplace Rule 5450(a)(1) (the "**Rule**"), any company whose shares have a closing bid price less than $1.00 for 30 consecutive business days may be subject to a delisting proceeding by Nasdaq. On December 23, 2014, we received a deficiency letter from NASDAQ that we were not in compliance with NASDAQ Listing Rule 5450(a)(1) for failing to have a bid price for our ADS of at least US$1.00 per share for the prior thirty trading days. Our share price rose significantly in May 2015 following some positive market announcements released by us, including the securing of A$15m in funding from a sophisticated US investor and positive overall survival benefit data for CVac. On June 3, 2015, we received a letter from NASDAQ advising that as the bid price for our ADS had risen above US$1.00 for the required period of time, we had regained compliance with NASDAQ Listing Rule 5450(a)(1) and the matter was closed. See "Item 4.A—Fiscal 2014."

If we fail to meet the continued listing criteria under the Rule or any of the Nasdaq Listing Requirements, our ordinary shares may be delisted from trading on the Nasdaq Global Market.

Delisting from the Nasdaq Global Market could have an adverse effect on our business and on the trading of our ADSs. If a delisting of our ADSs were to occur, such shares may trade in the over-the-counter market such as on the OTC Bulletin Board or on the "pink sheets". The over-the-counter market is generally considered to be a less efficient market, and this could diminish investors' interest in our ADSs as well as significantly impact the price and liquidity of our ADSs. Any such delisting may also severely complicate trading of our ADSs by our shareholders, or prevent them from re-selling their ADSs at/or above the price they paid. Furthermore, our relatively low trading volume on the Nasdaq Global Market may make it difficult for shareholders to trade ADSs or initiate any other transactions. Delisting may also make it more difficult for us to issue additional securities or secure additional financing.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Our legal and commercial name is Prima BioMed Ltd. We were incorporated under the laws of the Commonwealth of Australia on May 21, 1987.

Our registered office is located at Level 7, 151 Macquarie Street, Sydney 2000 New South Wales, Australia and our telephone number is +61 (0)2 9276 1224. Our address on the Internet is www.primabiomed.com.au. The information on, or accessible through, our website is not part of this Annual Report on Form 20-F. We have included our website address in this Annual Report on Form 20-F solely as an inactive textual reference.

Fiscal 2014

In September 2013, we announced top-line results of our CAN-003 phase 2 trial of CVac for the treatment of epithelial ovarian cancer patients in remission after first or second line treatment. Results indicated that CVac was well tolerated by patients, with only one serious adverse event considered possibly related to CVac treatment. The majority of adverse events were considered mild and transient in nature. Evaluation of immunological responses to CVac indicated no humoral or antibody responses as expected and importantly CVac induced a cellular T cell response in patients. The estimate of median progression-free survival at that time resulted in no observed difference between the CVac treated patients and the control arm on the CAN-003 study when looking at the first and second remission patients as a single group. The efficacy of CVac was evaluated by determining the progression free survival (PFS) and overall survival (OS). PFS was measured from the date of randomization to the earlier of the date of documented disease progression or death from any cause. Initial top line PFS data indicated divergent trends for the first and second remission populations. It was too early to make conclusions about CVac's effect on overall survival. As of the date of analysis, eight study patients out of 63 were confirmed to be deceased. OS data updates were provided on 6 November 2014 and 19 May 2015 as described in fiscal 2015.

The phase 2/3 CANVAS trial was a trial in first remission patients who in the CAN-003 top line data appeared to show no benefit with respect to PFS and an unknown benefit with respect to OS. Additionally the CANVAS trial evaluates PFS as the primary efficacy endpoint. Prima BioMed suspended enrolment of new patients in the CANVAS trial while the CAN-003 data was reconciled and data queried and cleaned to permit amendment of the CANVAS trial based on accurate data from the CAN-003 trial. Patients screened and enrolled into the trial were permitted to remain in the trial.

In November 2013 we announced updated progression-free survival data from the CAN-003 protocol. In 20 patients in second remission on the CAN-003 trial, CVac conferred approximately a 50% increase in progression free survival as compared to patients receiving observation only (7.69 months versus 5.14 months; HR=0.41; p=0.09).

Based on these results we announced plans to move forward with an amended CAN-004 trial protocol in 210 patients for the maintenance treatment of platinum sensitive, epithelial ovarian cancer in patients in second line remission. We also announced our plans to move forward with an up to 40-patient pilot, multicenter, single-arm trial of CVac for the maintenance treatment of resected pancreatic cancer patients.

In January and February 2014, the Company announced the approval by regulators of the amended CAN-004 protocol initially in Belgium and then subsequently in multiple jurisdictions including Latvia, Lithuania, Bulgaria, Ukraine and Belarus.

On the 21 February 2014, the first commercial transaction for Prima BioMed and CVac was announced with the signing of a Licensing and Distribution Agreement with the Neopharm Group in Israel.

In March 2014 the company received an AU$1.6 Million dollar Research and Development tax incentive refund from the Australian Government to offset the expenses of research and development conducted within Australia in the 2013 financial year.

In March 2014, Prima BioMed was removed from the S&P ASX 300 listing after S&P's March Quarterly Rebalancing review.

In May, it was announced that Prima BioMed had been awarded fast track designation for CVac by the US Food and Drug Administration. The FDA's "fast track" process is a process designed to facilitate the development, and expedite the review of drugs to treat serious conditions and fill an unmet medical need. However, there can be no assurance that CVac will be reviewed or approved (if at all) more expeditiously than would otherwise have been the case. Please see the section titled "Regulatory Authorities—Fast Track Designation."

The final progression free-survival (PFS) data was accepted for oral presentation at the 2014 American Society for Clinical Oncology (ASCO) Conference on 31st May 2014. ASCO is among the world's largest annual scientific events in the oncology community. It was reported that CVac demonstrated a clinically meaningful improvement in progression free survival (PFS) over standard of care in second remission ovarian cancer patients in the CAN-003 protocol. Final PFS analysis from CAN-003 indicated even stronger trends toward improved clinical outcomes for CVac treated patients than topline data announced in September 2013 had suggested. In second remission patients (n=20) from CAN-003, median PFS for CVac was estimated to be greater than 12.91 months, compared to median PFS of 4.94 months for the control group (hazard ratio=0.32; p=0.04). Consistent with conclusions drawn from the previous top-line data analysis PFS was not improved for CVac patients in first remission (hazard ratio=1.18; p=0.69).

In late May, Prima BioMed received notification from the US patent office that the patent for treating patients with CVac had been allowed. This patent proceeded to be granted in July 2014 and was given a patent term extension of almost 4 years providing for patent protection in the US for this patent until at least August 2022.

Interim overall survival (OS) for CAN-003 was announced in June 2014 In second remission patients (n=20) from CAN-003, median OS for control group patients was 26.25 months while a median for CVac patients was not yet reached after 30 months (hazard ratio=0.17; p=0.07). Medians for the control group and CVac treated patients had not yet been reached for first remission patients. OS data updates were provided on 6 November 2014 and 19 May 2015 as described below.

Fiscal 2015

On 8 July 2014 Prima BioMed was granted US Patent 8,771,701 from the US patent office, covering the company's CVac cancer immunotherapy. This patent was given a term extension of almost 4 years providing for patent protection in the US for this patent until at least August 2022.

On 9 July 2014, it was announced that Mr. Marc Voigt would replace Mr. Matthew Lehman as the CEO of Prima BioMed. Mr. Voigt has been with Prima BioMed since 2012 as the Chief Financial Officer and Chief Business Officer and an employee of the company's German subsidiary since 2011, where he serves as a Managing Director. The shift in focus of the operations of the company to Germany due to the SAB grant support made it more practicable for Mr. Voigt to take over as CEO. In addition, Mr Voigt has over the past three years as the head of our European Operations, forged strong relationships within the European medical industry. During his role as CBO and CFO he has gained an excellent knowledge of both the operational and financial aspects of the business and he has a strong investment and transactional background within the biotechnology sector. Based in Germany, he is ideally placed to assume the responsibilities as CEO.

On 2 October 2014 Prima announced the acquisition of Immutep SA, a French biotechnology company based in Paris, for US$28m in cash and stock. Immutep brings a number of programs to Prima based on the LAG-3 immune control mechanism. Prima announced that the deal would be funded via an investment agreement with Bergen Global Opportunity Fund LP. The acquisition of Immutep was completed on 17 December 2014.

On 2 October 2014 Prima announced the securing of a US$37.4m investment agreement with Bergen Global Opportunity Fund LP, or Bergen. Under the agreement, Bergen made an initial upfront investment of US$2.5m by way of a 36-month interest-free unsecured convertible security and had the right to invest US$360k per month in Prima's equity over the following 24 months after their initial investment, with the option to increase each of the monthly tranches to an amount not exceeding US$1.5m by mutual consent of Bergen and the Company. Bergen had the right to convert the convertible note into shares at any time at a conversion price equal to the average of the daily VWAP per share for a period of five days (for which Bergen will have the right to specify) during twenty consecutive actual trading days immediately prior to the selected conversion date. Bergen was also issued options to purchase 19,800,000 shares at an exercise price of A$0.05475 per share at any time before October 2, 2017, plus an additional 17,800,000 shares as collateral for Prima's obligations under the investment agreement.

On 6 November 2014 Prima reported that the median for Overall Survival (OS) in the second remission patients in the CVac CAN-003 study had not been reached after 36 months, which compared favourably with a median OS for standard-of-care patients of 25.5 months. This analysis, for which the p value was 0.07, provided further evidence that CVac represented a good solution for second-line patients.

On 15 December 2014 Prima announced that it had received regulatory approvals to commence a single-arm pilot trial of CVac in post-resection pancreatic cancer that would recruit up to 40 patients.

On 29 December 2014 Prima received a 'Notice of Bid Price Deficiency' from Nasdaq, advising the company that the company had until 22 June 2015 to increase the Bid Price to over US$1.00 per ADR for a minimum of ten consecutive business days, or the ADRs would be removed from trading on the Nasdaq Global Market. Nasdaq advised on 3 June 2015 that compliance with the Minimum Bid Price Rule had been regained.

On 20 January 2015 Prima announced that it had received A$777,000 in a cash rebate from the Australian Federal Government's R&D tax incentive program.

On 27 January 2015 Prima announced that it has received a milestone payment from GlaxoSmithKline (GSK) related to the first dosing in a clinical trial of GSK2831781, a monoclonal antibody for autoimmune disease.

On 27 February 2015 Prima advised that it had ceased recruitment into their outstanding CVAc studies and was prioritising development of the IMP321 compound that it had acquired with Immutep.

On 11 May 2015 Prima announced a collaboration with NEC Corporation and Yamaguchi University in Japan in which IMP321 would be used to adjuvant a peptide vaccine that had been developed by Yamaguchi University for the treatment of hepatocellular carcinoma.

On 15 May 2015 Prima announced that Ridgeback Capital Investments LP, or Ridgeback, a US-based specialist healthcare investor, would be investing A$15m in Prima BioMed via a share placement at A$0.0173 cents (to raise A$1.25m) to be followed, after

shareholder approval, by a Convertible Note in the principal amount of A$13,750,828 with a fixed conversion price of A$0.02 (to raise A$13.75m). The Convertible Note was subject to shareholder approval, which was obtained on 31 July 2015. The Convertible Note has a ten-year term, accrues interest at 3% per annum (which is payable at maturity) and is convertible at Ridgeback's election. As part of this investment, Ridgeback also received two warrants: (i) a warrant to purchase 8,475,995 ordinary shares A$0.025 per share, exercisable at any time, which expires on 4 August 2025 and (ii) a warrant to purchase 371,445,231 ordinary shares at A$0.0237 per share, exercisable at any time, which expires on 4 August 2020. The share price of each warrant is subject to standard adjustments in accordance with the ASX Listing Rules. Subsequent to this investment, we gave Ridgeback the right to subscribe for another 28,000,000 shares at a subscription price of A$0.02 as a result of the conversion of the convertible note held by Bergen Global Opportunity Fund, LP. The subscription was completed on 27 May 2015.

On 19 May 2015 Prima announced final Overall Survival numbers from CVac's CAN-003 study. In this analysis the median survival number for CVac second remission patients had still not been reached at 42 months, and the p value remained 0.07 when compared to 25.5 months for Standard-of-Care.

On 25 May 2015 Prima announced that it was collaborating with Database Integrations Inc on commercialising the iCAN software platform that powers CVac.

On 29 May 2015 Prima announced that it had filed for patent protection over the use of IMP321 with checkpoint inhibitors.

On 11 June 2015 Prima announced that it received a €226,055 rebate from the French government under France's Crédit d'Impôt Recherche (research tax credit) scheme.

In or around May 2015, Bergen exercised the options and the conversion right under the convertible note. Subsequently, the investment agreement was terminated by mutual consent of the parties. The table below summarizes the shares issued to Bergen during the term of the investment agreement:

	Number of shares issued	Issue price per share
Commencement fee	11,792,588	A$ 0.04
Collateral shares	17,800,000	A$ 0.04
First tranche investment	13,163,514	A$ 0.04
Second tranche investment	15,214,606	A$ 0.03
Third tranche investment	15,323,414	A$ 0.03
Fourth tranche investment	22,936,950	A$ 0.02
Exercise of options	19,800,000	A$ 0.05
Conversion of convertible note	166,097,263	A$ 0.12

During fiscal 2015, Prima recorded finance costs in the aggregate amount of A$18.3m in connection with the Bergen investment agreement.

B. Business Overview

Background

Prima BioMed is striving to become a leader in the development of immunotherapeutic products for cancer. Our key product is IMP321 which is a recombinant protein in clinical trials for the treatment of cancer. Our former lead product candidate in development was CVac™, an autologous dendritic cell based product in clinical trials for late stage epithelial ovarian cancer patients in complete remission; Prima is currently seeking a development partner to take CVac forward in additional clinical trials.

Operations Summary

Prima BioMed has administrative offices in Sydney, Australia and Berlin, Germany. With the acquisition of Immutep in December 2014, we also have a small office and laboratory located in Paris for the conduct of research and development relating to the LAG-3 program. We have access to a facility in Leipzig, Germany for management of our supply chain and logistics and manufacturing of CVac.

As of June 30, 2015, we employed 21 people. Our internal staff manages finances, business development, intellectual property, investor relations, CVac product development, manufacturing, and clinical development and also IMP321 manufacturing and clinical development. We make extensive use of outside contractors and consultants to help manage manufacturing and clinical trials.

Strategic Refocus

In February 2015, the Company announced a decision to strategically refocus the clinical development program in order to save costs. The costs of developing personalized cellular therapeutics are extremely high and the timelines for developing CVac were starting to become unrealistic due to recruitment and regulatory setbacks. A decision was made to consolidate the data from all of the trials and that on the back of upcoming CAN-003 overall survival data, a partner would be sought to try to continue these clinical trials. In addition, the supply chain and logistics platform developed throughout the clinical trials of CVac would also be of commercial value and partners would be sought to out-license the iCAN software platform developed in conjunction with Database Integration Software Inc (DBI) in the US.

The Company believes the future focus of their clinical development programs lies in the LAG-3 assets. With a number of these assets already partnered, there is less risk attached to the development of these products. The IMP321 product is a less expensive and labor intensive product to develop and we believe it will have a faster development time thereby potentially realizing shareholder value sooner.

IMP321 Clinical Development

Prima BioMed's lead program is the development of IMP321 in partnership with Eddingpharm for China, including Macau and Hong Kong, and Taiwan. As part consideration for the collaboration agreement with Eddingpharm, GMP grade IMP321 material has been manufactured at no cost to Prima in preparation for two clinical trials: one termed AIPAC in metastatic breast cancer in conjunction with chemotherapy and the second in combination with an undisclosed immune checkpoint inhibitor. The trials are expected to commence in late 2015 or in 2016. Meetings have taken place with the European Medicines Agency (EMA) in regard to protocol design of the AIPAC study and the EMA have shown their support of the design, although a scientific advice is not legally binding.

IMP731 *Clinical Development*

In January 2015, Prima announced a single digit million USD milestone payment by GlaxoSmithKline (GSK) for the development of GSK2831781 in first time in human clinical trials (see NCT02195349 at clinicaltrials.gov). Prima's subsidiary Immutep licensed IMP731 to GSK in 2010 for the development of depleting antibodies that target LAG-3. The technology has potential application foremost in autoimmunity.

IMP701 Clinical Development

IMP701 is an antagonist antibody targeting the LAG-3 molecule and has applications for the treatment of cancer. It works to block the negative signal that cancer cells can give cytotoxic T cells to stop them from responding to the cancer. In 2012, Prima's subsidiary Immutep licensed the IMP701 technology to Costim Pharmaceuticals. In 2014, Costim was acquired by Novartis for an undisclosed sum. Novartis have been conducting pre-clinical development of IMP701 and a Phase I started in August 2015.

CVac Clinical Development for the Treatment of Ovarian Cancer Patients in Remission

Prior to the acquisition of Immutep, Prima BioMed's lead program was the treatment of epithelial ovarian cancer patients who were in complete second remission. This disease represents a significant unmet medical need due to the high relapse rates and high morbidity associated with the disease. Prima BioMed had obtained orphan indication designation in both the United States and Europe. Fast Track designation was also granted in the United States in May 2014. Please see the sections titled "Regulatory Authorities—Fast Track Designation" and "—Orphan Drug Designations."

After completing a strategic review of the assets of the Company after acquiring Immutep last year, a decision was made to consolidate the data collected in the CVac clinical trial program and to seek a development partner to continue the programs. Please see the section titled "Strategic Refocus"

CAN-003 Phase 2 Study

In October and November 2012, we reported encouraging interim data from our ongoing phase II trial of CVac as maintenance treatment of epithelial ovarian cancer (the CAN-003 study). Data suggested that CVac has minimal side effects and none of the toxicity one would expect with more traditional cancer therapies. We saw encouraging trends of increasing progression free survival (PFS) as assessed by "days on study" as the data was too immature for full Kaplan Meier analysis. In the immune monitoring completed for the first cohort of seven patients tested, we assessed a CVac-induced killer T cell response that was specific to mucin 1 (this is the antigen target on the cancer cells).

In September 2013, we announced top-line results of our CAN-003 trial. Results indicated that CVac was well tolerated by patients, with only one serious adverse event marked as possibly related to CVac treatment. The majority of adverse events were considered mild and transient in nature. While there was expected biological variability, trial data indicated that CVac induced a T cell response specific to mucin 1. This is considered to be a positive signal of the immune activity of CVac. The estimate of progression-free survival of the entire ovarian cancer patient trial population resulted in no observed difference between the CVac treated patients and the control arm on the CAN-003 study, however analysis of the stratified population (first remission patients and second remission patients) indicated a positive trend in the Kaplan Meier (HR=0.5, p =0.2) in PFS for the second remission patients.

In May 2014, Prima reported final PFS data confirming that second remission patients experienced a clinically meaningful disease free period of at least 8 months compared with standard of care patients. There was also a suggestion at this time that there was some benefit to overall survival in the treatment arm. No PFS benefit was seen by first remission patients. Final OS data was reported in May 2015, confirming that second remission patients receiving CVac experienced a trend towards improved median OS with greater than 16 months OS experienced by the treatment arm. The trial concluded that CVac was safe and well tolerated and showed clear signs of clinical efficacy.

CAN-004 Phase 2/3 Study ("CANVASCAN-004 Phase 2/3 Study ("CANVAS")

The CANVAS trial was designed to assess CVac in patients in first remission and to evaluate PFS as the primary endpoint. Based on the topline CAN-003 data indicating that first remission patients showed no measurable benefit with respect to PFS and an unknown benefit with respect to OS, Prima BioMed suspended enrollment of new first remission patients on to that trial. The protocol was reviewed by advisors and key opinion leaders and amended to focus on second line remission patients based on the CAN-003 data. In order to minimize costs while maintaining sufficient ability to service patients for our clinical trials, we consolidated our operations and manufacturing into Europe. The amended protocol was submitted to the relevant regulators within each country we were intending to conduct our clinical trials and ethics committees for approval, clinical centers were re-educated and trained on the new protocol.

Recruitment throughout 2014 was unfortunately much slower than anticipated in the second remission cohort. Regulatory delays for ethics approvals were experienced and political instability in the Ukraine during this period also hindered patient recruitment. A decision to terminate the trial was made in February 2015. Patients were assessed for a final safety visit, the database locked in May 2015 and the CSR filed to all relevant authorities in August 2015. Due to the incomplete enrolment there is no efficacy analysis but CVac continues to show an excellent safety profile.

CAN-301 Phase 2 Pancreatic Trial

In November 2013, we announced our plans to move forward with a 40-patient pilot, multicenter, single-arm trial of CVac for the maintenance treatment of resected pancreatic cancer patients to assess OS, PFS, adverse events, and immune monitoring. CAN-301was a pilot Phase 2 Trial of CVac (in patients with Resected Stage I or Stage II Adenocarcinoma (Cancer) of the Pancreas, which has been designed as a pilot study to initially assess: a) the safety and tolerability of CVac; b) duration of PFS and OS following the initiation of CVac administration; c) to evaluate the time to next treatment (TTNT); d) to evaluate immunologic response to CVac administration in this patient population; e) to investigate biomarkers, including tumor and immune characteristics, of clinical efficacy of CVac in this patient population; and f) to assess the change in quality of life (QoL) following the initiation of CVac administration in this patient population.

Regulatory approval to commence the trial was received in 2014 and the trial initiated in December 2014 to recruit patients at a number of sites in Europe. With the decision to consolidate the CVac clinical program in February 2014, and with no patients screened or randomized, this trial was terminated early.

Personalized Immunocellular Therapeutics

To successfully produce and develop a personalized immunocellular therapeutic such as CVac, we have made significant investments in the technology and manufacturing processes that underpin our business. During fiscal 2015, we continued our efforts to optimize our operational platform. Whilst we have made significant progress in reducing the cost of manufacturing for CVac over the years and have developed expertise in the highly specialized area of manufacturing for personalized immunocellular therapeutic products, our plan is to now source a business development partner to continue with the progress we have made to date.

A significant part of the costs of these optimization testing programs have been co-funded by collaboration partners, most importantly the SAB in Germany.

Intellectual Property

The Immutep patent portfolio is extensive with 11 families at the time of the acquisition in December 2014. Five patent families are licensed from Merck Serono and cover the background LAG-3 intellectual property. One family is licensed from a Paris University and another family is jointly owned with the *Institut national de la santé et de la recherche médicale* (INSERM) in Paris and is licensed to GSK. The remaining families are fully owned by Immutep and two new provisional applications have been filed since the acquisition of Immutep. The portfolio provides strong protection for the use of IMP321 and the licensed assets.

CVac is protected in the major markets and a number of other countries by one patent family licensed from the Burnet Institute in Melbourne, Australia. The patents provide claims for producing dendritic cells treated with mannan fusion protein (M-FP) and reinjecting the treated cells back into patients.

In addition, CVac's designation as an orphan product in ovarian cancer indications in the United States and Europe could provide market exclusivity for 7 and 10 years, respectively, in those regions. During the seven-year period in the United States, the FDA may not finally approve any other applications to market the same drug for the same disease, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity. Orphan drug exclusivity does not prevent FDA from approving a different drug for the same disease or condition, or the same drug for a different disease or condition. Please see the section titled "Regulatory Authorities—Orphan Drug Designations."

In addition to patent protection for all of our assets, we rely on unpatented trade secrets, know-how and other confidential information as well as proprietary technological innovation and expertise that are protected in part by confidentiality and invention assignment agreements with our employees, advisors and consultants.

Patent matters in biotechnology are highly uncertain and involve complex legal and factual questions. The availability and breadth of claims allowed in biotechnology and pharmaceutical patents cannot be predicted. Statutory differences in patentable subject matter may limit the protection Prima BioMed can obtain on some or all of their licensed inventions or prevent us from obtaining patent protection either of which could harm our business, financial condition and results of operations. Since patent applications are not published until at least 18 months from their first filing date and the publication of discoveries in the scientific literature often lags behind actual discoveries, we cannot be certain that we, or any of our licensors, were the first creator of inventions covered by pending patent applications, or that we or our licensors, were the first to file patent applications for such inventions. Additionally, the grant and enforceability of a patent is dependent on a number of factors that may vary between jurisdictions. These factors may include the novelty of the invention, the requirement that the invention not be obvious in the light of prior art (including prior use or publication of the invention), the utility of the invention and the extent to which the patent clearly describes the best method of working the invention. In short, this means that claims granted in various territories may vary and thereby influence commercial outcomes.

While we have applied and will continue to file for protection as appropriate for our therapeutic products and technologies, we cannot be certain that any future patent applications filed by the company, or licensed to us, will be approved, or that Prima BioMed will develop additional proprietary products or processes that are patentable or that we will be able to license any other patentable products or processes. Prima BioMed cannot be certain that others will not independently develop similar products or processes, duplicate any of the products or processes developed or being developed by the company or licensed to us, or design around the patents owned or licensed by us, or that any patents owned or licensed by us will provide us with competitive advantages.

Furthermore, we cannot be certain that patents held by third parties will not prevent the commercialization of products incorporating the technology developed by us or licensed to us, or that third parties will not challenge or seek to narrow, invalidate or circumvent any of the issued, pending or future patents owned or licensed by us.

Our commercial success will also depend, in part, on our ability to avoid infringement of patents issued to others. If a court determines that we were infringing any third party patents, we could be required to pay damages, alter our products or processes, obtain licenses or cease certain activities. We cannot be certain that the licenses required under patents held by third parties would be made available on terms acceptable to us or at all. To the extent that we are unable to obtain such licenses, we could be foreclosed from the development, export, manufacture or commercialization of the product requiring such license or encounter delays in product introductions while we attempt to design around such patents, and any of these circumstances could have a material adverse effect on our business, financial condition and results of operations. We may have to resort to litigation to enforce any patents issued or licensed to us or to determine the scope and validity of third party proprietary rights. Such litigation could result in substantial costs and diversion of effort by us. We may have to participate in opposition proceedings before the Australian Patent and Trademark Office or another foreign patent office, or in interference proceedings declared by the United States Patent and Trademark Office, to determine the priority of invention for patent applications filed by competitors. Any such litigation interference or opposition proceeding, regardless of outcome, could be expensive and time consuming, and adverse determinations in any such proceedings could prevent us from developing, manufacturing or commercializing our products and could have a material adverse effect on our business, financial condition and results of operations.

CVac is a registered trademark in Australia, the United States, Europe, New Zealand, China, and the UAE. Immutep is a registered trademark in France. The Company owns both of these trademarks in these jurisdictions.

Patent Portfolio

The following table presents our portfolio of patents and patent applications, including their status (as at June 30, 2015) and a brief description of their respective subject matter.

Patent Family	Title	Status	Expires
Family 251 (Serono)	Proteins produced by human lymphocytes, DNA sequences coding these proteins and pharmaceutical and biological uses thereof	Granted x2 USA	June 2015 and Feb 2016
Family 299 (Serono)	LAG-3 protein soluble polypeptide fractions, methods of production, therapeutic composition and anti-idiotype antibody	Granted: Australia, Sth Africa, Norway, Europe, Japan, Republic of Korea, Mexico, Canada, China, Israel, Russian Federation, Singapore, USA x3	2015-2016
Family 308 (Serono)	Methods for detecting, isolating and selectively labelling and targeting TH1 lymphocytes by means of LAG-3 protein	Australia, Europe, Israel, USA	2019
Family 338 (Serono)	Mutants of LAG-3 proteins, products of the expression of these mutants and use	Granted USA	2025
Family 356 (Serono)	Use of MHC Class II ligands as adjuvant for vaccination and of LAG-3 in cancer treatment	Granted Europe x2, Canada x2, Israel, Japan, Republic of Korea, Singapore, Australia, China, Hong Kong, Mexico, USA x 2	2023
Family 400 (IGRD and Paris XI)	Molecules binding to Glu-Pro motifs, therapeutical compositions containing them and their applications	Granted Europe	2019
Family 500 (Immutep)	Vaccine composition comprising a class II MHC ligand couples with an antigen, method for the preparation and the use thereof	Granted Canada, Europe, Japan, USA (pending)	2024
Family 550 (Joint with INSERM)	Cytotoxic anti-LAG-3 monoclonal antibody and its use in the treatment or prevention of organ transplant rejection and autoimmune disease	Pending Canada, China, Europe, Japan, USA	2027
Family 600 (Immutep	Compositions containing LAG-3 and cells that secrete GM-CSF and the methods of use	Granted USA	2028
Family 650	Use of recombinant LAG-3 or the derivatives thereof for eliciting monocyte immune response	Granted Australia, Europe. Pending China, Europe (x4), Japan x2, USA	2028
Family 660	Combined preparations for the treatment of cancer	Provisional	N/A
Family 670	Undisclosed	Provisional	N/A
Family 3			
Ex vivo cell therapy	Method of producing dendritic cells pulsed with MFP (family 1).	Granted in Australia, Austria, Belgium, Canada, Denmark, France, Germany, Italy, Ireland, Japan (x2), Luxemburg, Spain, Sweden, Switzerland, Netherlands, Canada, USA and UK.	2018 (expires 2022 in USA)

Material Contracts Related to Intellectual Property and Commercialization

Serono License Agreement

On 9 December 2002, Ares Trading SA (a fully owned subsidiary of Serono, now Merck Serono) and Immutep SA entered into an exclusive Licence Agreement for the development of the LAG-3 technology. The license covers use of background patents and know-how necessary for the development of certain LAG-3 products. Confidential milestones and royalties are payable to Serono while the patent or know-how license is in force. As the license is exclusive it provides a greater level of protection to the development of LAG-3 products. The license is sub-licensable and has been sublicensed in Agreements with GSK, Co-Stim and Eddingpharm. Improvements to the technology and new developments in intellectual property covered by the license are the property of Immutep.

INSERM Transfert License Agreement

On 5 July 2010, Immutep SA and the *Institut national de la santé et de la recherche médicale* (INSERM) entered into a Commercial Co-ownership and Exploitation Agreement relating to cytotoxic LAG-3 antibodies that were co-developed by the parties. Immutep has full commercial development rights to the antibodies and will pay INSERM Transfert an undisclosed royalt*y* and a single milestone in the event of commercialization of these antibodies that have now been licensed to GSK.

GSK License Agreement

On 13 December 2010, Immutep SA entered into a License and Research Collaboration Agreement with Glaxo Smith Kline (GSK) in the UK for the development of cytotoxic depleting antibodies to LAG-3. The exclusive license provides rights to the depleting antibody and access to the Serono IP and know-how. It also provides potential future milestone payments to Immutep totalling up to £64 million and royalties if all objectives are achieved.

CoStim/Novartis License Agreement

On 28 September 2012, Immutep SA and CoStim Pharmaceuticals (now a fully owned subsidiary of Novartis) entered an exclusive license and collaboration agreement for development of humanized antagonist antibodies to LAG-3. The Agreement also provides a sub-license to the know-how and IP from the Serono Agreement. Undisclosed milestones and royalties are payable on the successful achievement of development milestones.

Eddingpharm License Agreement

In May 2013, Eddingpharm and Immutep entered an exclusive License Agreement for the development of the IMP321 product for China, including Macau and Hong Kong, and Taiwan. In part consideration for the transaction, Eddingpharm has paid for the manufacture of IMP321 GMP grade material for the conduct of further clinical trials of IMP321. Immutep will provide expertise to assist Eddingpharm to achieve registration of IMP321 in the Asian territories. Further milestones and royalties are payable on the successful achievement of specific development milestones.

Third party licensing and distribution agreements

Immutep has entered into a number of purchase agreements and licensing and distribution agreements with third parties that relate to the manufacturing of research reagent useful for research and development related to LAG-3 by scientists. In some instances, the third party has a license for manufacturing these products themselves while in other cases, Immutep provides the manufactured material and the third party distributes the products. These licenses are based on a sub-license of the Serono background patents and therefore milestones and royalties on sales of these products will return to Serono. These third parties include R&D Systems, Innoxis and Enzo. These agreements have generated modest revenues that collectively amount to approximately €100,000 per year.

Biomira License Agreement

In March 2004, Cancer Vac Pty Ltd (then a wholly owned subsidiary of Prima BioMed Ltd, which has since been deregistered) entered into a Licence and Development Agreement with a Canadian company, Biomira Inc. (now known as Oncothyreon Inc.), regarding a license under mucin 1 peptide patents. These mucin 1 peptide patents are owned by the Imperial Cancer Research Technology (ICRT) Limited, an English Research Organisation, and were exclusively licensed to Biomira. As partial consideration for the Agreement, Biomira became a shareholder of Cancer Vac Pty Ltd and milestones and royalties as per the Licence Development Agreement were agreed. The original Agreement was subsequently amended on several occasions.

In October 2013, the Biomira License Agreement was terminated. As of the termination date, we had no further obligations to Oncothyreon Inc.

Burnet/ARI License Agreement

In May 2001, a Technology License Agreement between the Burnet Institute (the Austin Research Institute at that time) and its wholly-owned subsidiary Ilexus Pty Ltd and Prima BioMed and Cancer Vac Pty Ltd. was executed. A number of variations and novations have occurred with the most significant changes made in August 2005. The 2005 variation provides Cancer Vac (subsequently novated to Prima BioMed Ltd in April 2012) with an exclusive worldwide right to conduct research and development on the licensed technology and to commercialize the background technology in the field of cancer. Improvements to the background technology and research results arising from Prima BioMed's own development programs will be owned by Prima BioMed.

The Burnet Institute is entitled to receive a single digit royalty on any income received by Prima BioMed through the commercialization of the background technology, or research results and background technology improvements that arose out of a specific research and development program while the patents remain in force. In the event that there is a trade sale of the technology, the Burnet Institute will be entitled to a single digit percentage of the consideration. Unless terminated earlier, this agreement will continue in force for the duration of the patents/patent applications. Either party may terminate this agreement upon written notice to the other party for the other party's uncured material breach, bankruptcy or cessation of business.

Neopharm Supply and Distribution Agreement

In February 2014, Neopharm and Prima entered into an exclusive supply and manufacturing Agreement whereby Prima granted Neopharm the exclusive right to distribute the CVac product in Israel and Palestine for treatment of cancer. Prima will provide support and data for Neopharm to obtain marketing authorisation of CVac in these territories. Upon approval, Prima will then manufacture CVac for Neopharm for treatment of patients. Prima and Neopharm will share net profits 50/50.

Competition

We expect to face competition from other pharmaceutical companies and academic institutions that are developing comparable products including LAG-3 antibodies, cell therapies and ovarian cancer maintenance therapies in second remission patients. We believe the competitive position of Prima BioMed in the face of such competition will be driven by a number of factors including the safety and efficacy of IMP321 and CVac compared with competing products, the price value analysis, adoption by patients and physicians, timing of entry into the market in each indication, and the timing of regulatory approvals and influence of regulatory approvals such as orphan designation. The need to continuously improve and optimize manufacturing costs is also expected to be crucial to remaining competitive.

Current treatments for metastatic breast cancer include chemotherapies/cytotoxics, parp inhibitors, angiogenesis inhibitors and immunotherapies. The competitive space for checkpoint inhibitors, including LAG-3, is constantly growing. IMP321 is a first in class molecule with limited direct competition. The Company believes there is significant potential for combining an immune activator with other treatment modalities including chemotherapies and checkpoint inhibitors to achieve enhanced therapeutic success.

There are a number of companies developing LAG-3 antibodies that are more advanced than that being developed by Novartis but the safety and efficacy of these candidates remains to be seen.

Treatments for ovarian cancer include chemotherapeutics, angiogenesis inhibitors and antibody therapies. In the ovarian cancer maintenance therapy space, there is currently only one approved treatment known as Olaparib® for platinum sensitive patients however this is for a subgroup of patients that possess a specific genetic mutation in the BRCA gene and is not the group of patients that CVac is targeting. In Australia, there is an approval for Avastin® for the maintenance therapy of recurrent ovarian cancer patients that are platinum sensitive however in Europe and the US this approval is limited for platinum resistant patients due to the side effects from this treatment.

Regulatory Authorities

Our ongoing research and development activities, production, and marketing of our pharmaceutical product is subject to regulation by numerous governmental authorities, including (i) in Australia, principally the Therapeutics Goods Administration, or TGA; (ii) in the United States, principally the Food and Drug Administration, or FDA; and (iii) in Europe, principally the European Medicines Agency, or EMEA.

United States

Government oversight of the pharmaceutical industry is usually classified into pre-approval and post-approval categories. Most of the therapeutically significant innovative products marketed today are the subject of New Drug Applications, or NDAs, or Biologics License Applications, or BLAs. Preapproval activities, based on these detailed applications, are used to assure the product is safe and effective before marketing.

In the United States, The Centre for Biologics Evaluation and Research, or CBER, is the FDA organization responsible for vaccines, blood and biologics evaluation and approval. The FDA may inspect and audit the development facilities, planned production facilities, clinical trial sites and laboratory facilities. After the product is approved and marketed, the FDA uses different mechanisms for assuring that firms adhere to the terms and conditions of approval described in the application and that the product is manufactured in a consistent and controlled manner. This is done by periodic unannounced inspections of production and quality control facilities by FDA's field investigators and analysts.

Federal Food, Drug and Cosmetic Act and Public Health Service Act

Prescription drug and biologic products are subject to extensive pre- and post-market regulation by the FDA, including regulations that govern the testing, manufacturing, safety, efficacy, labeling, storage, record keeping, advertising and promotion of such products under the Federal Food, Drug and Cosmetic Act, the Public Health Service Act, and their implementing regulations. The process of obtaining FDA approval and achieving and maintaining compliance with applicable laws and regulations requires the expenditure of substantial time and financial resources. Failure to comply with applicable FDA or other requirements may result in refusal to approve pending applications, a clinical hold, warning letters, civil or criminal penalties, recall or seizure of products, partial or total suspension of production or withdrawal of the product from the market. FDA approval is required before any new drug or biologic, including a new use of a previously approved drug, can be marketed in the United States. All applications for FDA approval must contain, among other things, information relating to safety and efficacy, stability, manufacturing, processing, packaging, labeling and quality control.

Biologic License Applications (BLAs)

The FDA's BLA approval process generally involves:

- completion of preclinical laboratory and animal testing in compliance with the FDA's good laboratory practice, or GLP, regulations;
- submission to the FDA of an IND for human clinical testing, which must become effective before human clinical trials may begin in the United States;
- performance of adequate and well-controlled human clinical trials to establish the safety, purity and potency of the proposed biologic product for each intended use;
- satisfactory completion of an FDA pre-approval inspection of the facility or facilities at which the product is manufactured to assess compliance with the FDA's cGMP regulations; and
- submission to and approval by the FDA of a BLA.

The manufacturing and quality, as well as preclinical and clinical testing and approval process requires substantial time, effort and financial resources, and we cannot guarantee that approval for our product candidate will be granted on a timely basis, if at all. Preclinical tests include laboratory evaluation of toxicity and immunogenicity in animals. The results of preclinical tests, together with manufacturing information and analytical data, are submitted as part of an IND application to the FDA. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns. Further, an independent institutional review board, or IRB, covering each medical center proposing to conduct clinical trials must review and approve the plan for any clinical trial before it commences at that center and it must monitor the study until completed. The FDA, the IRB or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the subjects or patients are being exposed to an unacceptable health risk. Clinical testing also must satisfy extensive Good Clinical Practice, or GCP, regulations, which include requirements that all research subjects provide informed consent and that all clinical studies be conducted under the supervision of one or more qualified investigators.

For purposes of an NDA submission and approval, human clinical trials are typically conducted in the following sequential phases, which may overlap:

- Phase I: Trials are initially conducted in a limited population to test the product candidate for safety and dose tolerance.
- Phase II: Trials are generally conducted in a limited patient population to identify possible adverse effects and safety risks, to determine the initial efficacy of the product for specific targeted indications and to determine dose tolerance and optimal dosage. Multiple Phase II clinical trials may be conducted by the sponsor to obtain information prior to beginning larger and more extensive Phase III clinical trials.
- Phase III: These are commonly referred to as pivotal studies. When Phase II evaluations demonstrate that a dose range of the product is effective and has an acceptable safety profile, Phase III clinical trials are undertaken in large patient populations to further evaluate dosage, to provide substantial evidence of clinical efficacy and to further test for safety in an expanded and diverse patient population at multiple, geographically-dispersed clinical trial sites. Generally, replicate evidence of safety and effectiveness needs to be demonstrated in two adequate and well-controlled Phase III clinical trials of a product candidate for a specific indication. These studies are intended to establish the overall risk/benefit ratio of the product and provide adequate basis for product labeling.
- Phase IV: In some cases, the FDA may condition approval of a BLA on the sponsor's agreement to conduct additional clinical trials to further assess the product's safety, purity and potency after BLA approval. Such post-approval trials are typically referred to as Phase IV clinical trials.

Progress reports detailing the results of the clinical studies must be submitted at least annually to the FDA and safety reports must be submitted to the FDA and the investigators for serious and unexpected adverse events. Concurrent with clinical studies, sponsors usually complete additional animal studies and must also develop additional information about the product and finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, the manufacturer must develop methods for testing the identity, strength, quality and purity of the final product. Moreover, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

The results of product development, preclinical studies and clinical trials, along with the aforementioned manufacturing information, are submitted to the FDA as part of a BLA. BLAs must also contain extensive manufacturing information. Under the Prescription Drug User Fee Act, or PDUFA, the FDA agrees to specific goals for BLA review time through a two-tiered classification system, Standard Review and Priority Review. Standard Review is applied to products that offer, at most, only minor improvement over existing marketed therapies. Standard Review BLAs have a goal of being completed within a ten-month timeframe, although a review can take a significantly longer amount of time. A Priority Review designation is given to products that offer major advances in treatment, or provide a treatment where no adequate therapy exists. A Priority Review means that the time it takes the FDA to review a BLA is six months. It is likely that our product candidate will be granted a Standard Review. The review process is often significantly extended by FDA requests for additional information or clarification. The FDA may refer the application to an advisory committee for review, evaluation and recommendation as to whether the application should be approved. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendations.

The FDA may deny approval of a BLA if the applicable regulatory criteria are not satisfied, or it may require additional clinical data or additional pivotal Phase III clinical trials. Even if such data are submitted, the FDA may ultimately decide that the BLA does not satisfy the criteria for approval. Data from clinical trials are not always conclusive and the FDA may interpret data differently than we do. Once issued, product approval may be withdrawn by the FDA if ongoing regulatory requirements are not met or if safety problems occur after the product reaches the market. In addition, the FDA may require testing, including Phase IV clinical trials, Risk

Evaluation and Mitigation Strategies, or REMS, and surveillance programs to monitor the effect of approved products that have been commercialized, and the FDA has the power to prevent or limit further marketing of a product based on the results of these post-marketing programs. Products may be marketed only for the approved indications and in accordance with the provisions of the approved label. Further, if there are any modifications to the drug, including changes in indications, labeling or manufacturing processes or facilities, approval of a new or supplemental BLA may be required, which may involve conducting additional preclinical studies and clinical trials.

Other U.S. Regulatory Requirements

After approval, products are subject to extensive continuing regulation by the FDA, which include company obligations to manufacture products in accordance with GMP, maintain and provide to the FDA updated safety and efficacy information, report adverse experiences with the product, keep certain records and submit periodic reports, obtain FDA approval of certain manufacturing or labeling changes and comply with FDA promotion and advertising requirements and restrictions. Failure to meet these obligations can result in various adverse consequences, both voluntary and FDA-imposed, including product recalls, withdrawal of approval, restrictions on marketing, and the imposition of civil fines and criminal penalties against the BLA holder. In addition, later discovery of previously unknown safety or efficacy issues may result in restrictions on the product, manufacturer or BLA holder.

We, and any manufacturers of our products, are required to comply with applicable FDA manufacturing requirements contained in the FDA's GMP regulations. GMP regulations require, among other things, quality control and quality assurance as well as the corresponding maintenance of records and documentation. The manufacturing facilities for our products must meet GMP requirements. We, and any third-party manufacturers, are also subject to periodic inspections of facilities by the FDA and other authorities, including procedures and operations used in the testing and manufacture of our products to assess our compliance with applicable regulations.

With respect to post-market product advertising and promotion, the FDA imposes a number of complex regulations on entities that advertise and promote pharmaceuticals, which include, among others, standards for direct-to-consumer advertising, promoting products for uses or in patient populations that are not described in the product's approved labeling (known as "off-label use"), industry-sponsored scientific and educational activities, and promotional activities involving the Internet. Failure to comply with FDA requirements can have negative consequences, including adverse publicity, enforcement letters from the FDA, mandated corrective advertising or communications with doctors and civil or criminal penalties. Although physicians may prescribe legally available drugs for off-label uses, manufacturers may not market or promote such off-label uses.

Changes to some of the conditions established in an approved application, including changes in indications, labeling, or manufacturing processes or facilities, require submission and FDA approval of a new BLA or BLA supplement before the change can be implemented. A BLA supplement for a new indication typically requires clinical data similar to that in the original application, and the FDA uses the same procedures and actions in reviewing BLA supplements as it does in reviewing BLAs.

Adverse event reporting and submission of periodic reports is required following FDA approval of a BLA. The FDA also may require post-marketing testing, known as Phase IV testing, risk mitigation strategies, and surveillance to monitor the effects of an approved product or place conditions on an approval that could restrict the distribution or use of the product.

European Union

In addition to regulations in the United States, we are subject to a variety of foreign regulations governing clinical trials and commercial sales and distribution of our products. Whether or not we obtain FDA approval for a product, we must obtain approval of a product by the comparable regulatory authorities of foreign countries before we can commence clinical trials or marketing of the product in those countries. The approval process varies from country to country and the time may be longer or shorter than that required for FDA approval. The requirements governing the conduct of clinical trials vary greatly from country to country.

Under European Union regulatory systems, we must submit and obtain authorization for a clinical trial application in each member state in which we intend to conduct a clinical trial. After we have completed our clinical trials, we must obtain marketing authorization before we can market our product. We may submit applications for marketing authorizations either under a centralized or decentralized procedure. The centralized procedure provides for the grant of a single marketing authorization that is valid for all European Union member states. The decentralized procedure provides for mutual recognition of national approval decisions. Under this procedure, the holder of a national marketing authorization may submit an application to the remaining member states. Within 90 days of receiving the applications and assessment report, each member state must decide whether to recognize approval. If a member state objects to the approval, an arbitration process is initiated and the final decision is made by the European Commission on the basis of an opinion of the Committee for Proprietary Medicinal Products for Human Use, or CHMP. The mutual recognition procedure may be used more than once for subsequent applications to other member states in relation to the same product candidate.

The European Medicines Agency, or EMA, is a decentralized body of the European Union located in London. The EMA is responsible for the scientific evaluation of medicines developed by pharmaceutical companies for use in the European Union. The EMA is involved in the scientific evaluation of medicines that fall within the scope of the centralized procedure. However, other medicines that do not fall within this scope are marketed in the European Union either in individual member states, in accordance with their national authorization procedures, or in multiple member states through the decentralized or mutual-recognition procedures. The EMA only becomes involved in the assessment of such medicines when they have been referred to the EMA due to a disagreement between two or more member states about the authorization or use of the medicine, or due to some other issue that requires resolution in the interest of protecting public health. Like the FDA there is a harmonization between regulators and the EMA may inspect and audit the development facilities, planned production facilities, clinical trial sites and laboratory facilities. Additionally, after the product is approved and marketed, the EMA uses different mechanisms for assuring that firms adhere to the terms and conditions of approval described in the application and that the product is manufactured in a consistent and controlled manner. This is done by periodic unannounced inspections of production and quality control facilities.

Australia

In Australia, the relevant regulatory body responsible for the pharmaceutical industry is the Therapeutics Goods Administration, or TGA. Blood, blood components, plasma derivatives, tissue and cellular products, and tissue and cell based derivatives are regulated under the Therapeutic Goods Act 1989. As with the EMA and FDA there is a harmonization and collaboration between regulatory authorities. The CTN filing in Australia references the US FDA IND but separately requires a TGA manufacturing authorization to permit manufacture of products in Australia.

Third-Party Payer Coverage and Reimbursement

Although our product candidate has not been commercialized for any indication, if they are approved for marketing, commercial success of our product candidate will depend, in part, upon the availability of coverage and reimbursement from third-party payers at the federal, state and private levels.

Fast Track Designation

In May 2014, the FDA granted fast track designation to the CVac clinical development program at Prima BioMed. Established under the FDA Modernization Act of 1997, fast track is a process designed to facilitate the development, and expedite the review of drugs to treat serious conditions and fill an unmet medical need. The purpose is to get important new drugs to the patient earlier. Fast track designation is reserved for therapies that attempt to treat diseases where no other therapy is available or where the Fast track therapy shows some advantages over available therapy.

Fast track designation confers some or all of the following benefits: more frequent meetings with FDA to discuss the drug's development plan and ensure collection of appropriate data needed to support drug approval, more frequent written correspondence from FDA about such things as the design of the proposed clinical trials and use of biomarkers, eligibility for Accelerated Approval and Priority Review, if relevant criteria are met, and Rolling Review, which means that a drug company can submit completed sections of their Biological License Application (BLA) or New Drug Application (NDA) for review by FDA, rather than waiting until every section of the application is completed before the entire application can be reviewed. However, there can be no assurance that a drug that has been granted fast track designation will be reviewed or approved (if at all) more expeditiously than would otherwise have been the case.

Orphan Drug Designations

CVac was granted orphan drug designation by the FDA in September 2010. Under the Orphan Drug Act, the FDA may grant orphan drug designation to drugs intended to treat a rare disease or condition—generally a disease or condition that affects fewer than 200,000 individuals in the U.S. Orphan drug designation is intended to provide incentives to encourage companies to pursue cures and treatments for rare diseases by providing major benefits during the product commercialisation process. Orphan drug designation must be requested before submitting an NDA. After the FDA grants orphan drug designation, the generic identity of the drug and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process. The first NDA applicant to receive FDA approval for a particular active ingredient to treat a particular disease with FDA orphan drug designation is entitled to a seven-year exclusive marketing period in the U.S. for that product, for that indication. During the seven-year exclusivity period, the FDA may not finally approve any other applications to market the same drug for the same disease, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity. Orphan drug exclusivity does not prevent FDA from approving a different drug for the same disease or condition, or the same drug for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the NDA application user fee.

In June 2010 CVac was also granted "Orphan Medicinal Product Designation" by the European Medicines Agency (EMA). This designation also provides major benefits during product commercialisation. Key incentives include the exclusive rights to the cure or treatment for a specific condition for 10 years post approval to commercially market CVac and the provision of tax reductions.

Inflation and Seasonality

Management believes inflation has not had a material impact on our operations or financial condition. Management further believes that our operations are not currently subject to seasonal influences due to our current lack of marketed products. Moreover, cancer, which is the target of our products, is not a seasonal disease. Accordingly, once we have marketed products, management does not expect that our business will be subject to seasonal influences.

Manufacturing and Raw Materials

Prima BioMed has no manufacturing capabilities and is dependent on third parties for cost effective manufacture and manufacturing process development of their product candidates. Problems with third party manufacturers or the manufacturing process as such may delay clinical trials and commercialization of Prima BioMed's product candidates.

Biological product candidates like CVac, IMP731, IMP701 or IMP321 usually have more complicated manufacturing procedures than chemically produced therapies. The change of manufacturing partners, manufacturing process changes or changes of other nature could impact the product quality and affect the comparability of different product batches. A lack of comparability could significantly impact the development timelines and could even lead to a situation where regulatory bodies require additional or new pre-clinical or clinical development.

With consolidation of the CVac program, we have terminated all contracts for the manufacture of CVac, including our contracts with Cell Therapies Pty Ltd in Australia, Fraunhofer Institute for Cell Therapy and Immunology ("FIZI") in Germany, and Progenitor Cell Therapy LLC ("PCT") in the United States.

C. Organizational Structure

Our research and development activities were initially conducted via four of our wholly owned Australian subsidiaries but as these activities ceased in July 2010 we deregistered three of these subsidiaries. Oncomab Pty Ltd, Panvax Pty Ltd and Arthron Pty Ltd were deregistered on July 31, 2013.

In October 2009, Prima BioMed Europe Limited, a 100% owned subsidiary of Prima BioMed Ltd, was incorporated in the United Kingdom. In April 2010, Prima BioMed USA Inc., a 100% owned subsidiary of Prima BioMed Ltd, was incorporated in the United States. In September 2010, Prima BioMed GmbH, a 100% owned subsidiary of Prima BioMed Ltd, was incorporated in Germany, and also in May 2011, Prima BioMed Middle East FZ LLC, a 100% owned subsidiary of Prima BioMed Ltd, was incorporated in the United Arab Emirates. These subsidiaries were established to allow us to conduct commercial and clinical operations in Europe, the United States, and the UAE. However, Prima BioMed Europe Limited was dissolved in June 2012 and Prima BioMed Middle East FZ LLC is in the process of being dissolved. In November 2011, Prima BioMed Australia Pty Ltd, a 100% owned subsidiary of Prima BioMed Ltd, was incorporated in Australia, and—in November 2011, Prima BioMed IP Pty Ltd, a 100% owned subsidiary of Prima BioMed Ltd, was incorporated in Australia. In December 2014, Immutep S.A.S, incorporated in France was acquired to become a 100% owned subsidiary of Prima BioMed Ltd.

D. Property, Plants and Equipment

We own computer equipment, office furniture and laboratory equipment placed at our own offices and laboratories and to a much smaller extent our contract manufacturers' facilities.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

A. Operating Results

Foreign Currency Risk

We operate internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Euro.

We seek to minimise potential adverse effects arising from exchange rate fluctuations on our financial performance. We consider using derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures from time to time. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. There were no derivative financial instruments held by us as at 30 June 2015.

Governmental Policies

Our ongoing research and development activities, production, and marketing of our pharmaceutical product is subject to regulation by numerous governmental authorities: (i) in Australia, principally the Therapeutics Goods Administration, or TGA; (ii) in the United States, principally the Food and Drug Administration, or FDA; and (iii) in Europe, principally the European Medicines Agency, or EMEA. Also, our ability to commercially exploit our products successfully will depend in part on the extent to which reimbursement for the cost of our products and related treatment will be available from government health administration authorities, private health coverage insurers and other organizations.

The Australian Government tax incentive scheme relating to eligible research and development activities is expected to provide us with significant benefits in future years. Such eligible R&D activities include but are not limited to:

a. Core activities, which are experimental activities whose outcome cannot be known or determined in advance, but can only be determined by applying a systematic progression of work;

b. Core activities conducted for the purpose of generating new knowledge (including new knowledge in the form of new or improved processes and materials); or

c. Supporting activities that are directly related and designed to support the above (a) and (b).

For further information regarding governmental economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, our operations or our shareholders' investments, see Item 3.D "Risk Factors – Risks Related to Our Business," "– Risks Relating to Our Location in Australia" and "Item 10.E Additional Information – Exchange Controls" and "– Taxation."

Background

Prima BioMed is a globally active biotechnology company that is striving to become a leader in the development of immunotherapeutic products for the treatment of cancer. Prima BioMed is dedicated to leveraging its technology and expertise to bring innovative treatment options to market for patients and to maximize value to shareholders.

Prima's main pipeline of products is based on the LAG-3 immune control mechanism which plays a vital role in the regulation of the T cell immune response. The most clinically advanced product is a T cell immunostimulatory factor (APC activator), IMP321, for cancer chemoimmunotherapy which has completed early Phase II trials. A number of additional LAG-3 products including antibodies for immune response modulation in autoimmunity and cancer are being developed by large pharmaceutical partners.

In addition, Prima has significantly developed infrastructure for a cell-based therapy manufacturing platform and taken CVac™, an autologous dendritic cell-based product through Phase II clinical trials for ovarian cancer patients in remission. For a description of the milestones that we have achieved since inception and through June 2014, see "Item 4. Information on the Company – A. History and Development of the Company."

Overview

We are a development stage enterprise at an early stage in the development of our product candidate. We have incurred net losses since inception and expect to incur substantial and increasing losses for the next several years as we expand our research and

development activities and move our product candidate into later stages of development. The process of carrying out the development of our products to later stages of development may require significant additional research and development expenditures, including pre-clinical testing and clinical trials, as well as for obtaining regulatory approval. To date, we have funded our operations primarily through the sale of equity securities, proceeds from the exercise of options, grants and interest income. For details of the business overview, see "Item 4. Information on the Company – B. Business Overview."

Critical Accounting Policies and Estimates

We prepare our financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). As such, we are required to make certain estimates, judgments, and assumptions that management believes are reasonable based upon the information available. These estimates, judgments and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. The significant accounting policies listed in Note 1 to the consolidated financial statements that management believes are the most critical to aid in fully understanding and evaluating our financial condition and results of operations under IFRS are discussed below.

Income taxes

We have recognised deferred tax assets of A$1.5m which related to carried forward tax losses in the Immutep subsidiary acquired during the period. On acquisition, we have recognised significant amortising IP intangibles for which there will be no corresponding tax deduction, giving rise to a future taxable temporary difference and required the recognition of a deferred tax liability as part of the business combination accounting. The entity had previously unrecognised tax losses which management is satisfied will continue to be available to be utilised by the subsidiary after the acquisition. As such, we have recognised a deferred tax asset to the extent of the deferred tax liability recognised on acquisition. We have concluded that the deferred assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the subsidiary.

All other remaining deferred tax assets relating to carried forward tax losses and taxable temporary differences have not been recognised since we are currently in a loss making position and unable to generate taxable income to utilise the carried forward tax losses and taxable temporary differences. The utilization of the tax losses also depends on the ability of the entity to satisfy certain tests at the time the losses are recouped. Income tax expenses in financial years 2013 and 2014 arose in Prima BioMed USA, Inc. as a result of the transfer pricing arrangement it has with Prima BioMed Ltd. In the financial year 2015, income tax expenses arose in Prima BioMed USA, Inc. as a result of the transfer pricing arrangement is had with Prima BioMed Ltd as well as an income tax benefit recognised in relation to the amortisation of intangible assets arising from the acquisition of Immutep S.A.S. Significant judgement is required in determining the worldwide provision for income taxes. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. We estimate our its tax liabilities based on our understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Share-based Payment Transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next Annual Reporting period but may impact profit or loss and equity.

Research and Development

We have expensed all internal research and development expenditures incurred during the year as the costs relate to the initial expenditure for research and development of biopharmaceutical products and the generation of future economic benefits is not considered probable given the stage of development It was considered appropriate to expense the research and development costs as they did not meet the criteria to be capitalized under AASB 138 (IAS 38).

Impairment of Assets

We assess impairment of non-financial assets at each reporting date by evaluating conditions specific to the consolidated entity and parent entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value- in-use calculations, which incorporate a number of key estimates and assumptions.

Fair Value of Derivative Financial Instrument

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract. These fair values are provided by independent third parties.

Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, liabilities incurred to the former owners of the acquired business and the equity interests issued by us. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration agreement, and the fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. We recognise and non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred and the amount of any non-controlling interests in the acquiree over the fair value of our share of the net identifiable assets acquired is required as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit and loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit and loss.

Results of Operations

Comparison of Fiscal Year Ended June 30, 2015 to Fiscal Year Ended June 30, 2014

Other Income

Other income increased to A$2.1 million for fiscal year 2015 from A$3.1 million for fiscal year 2014, a decrease of A$1m, or 32%. Other income consists of license income, interest income, grant income, and gain on foreign exchange. The license income for fiscal year 2015 was A$0.2 million and A$0.02 million for fiscal year 2014. The interest income for fiscal year 2015 was A$0.2 million and A$0.7 million for fiscal year 2014. The decrease in interest income in fiscal year 2015 is due to the significant decrease in the level of cash held on term deposits and a decrease in interest rates on term deposits. Grant income related to eligible research and development expenditures consists of A$1.2 million and A$2 million for fiscal year 2015 and fiscal year 2014, respectively. The foreign exchange gains of A$0.5 million for fiscal year 2015 and A$0.4 million for fiscal year 2014 was driven by the impact of changes in our U.S. and Euro cash holdings.

Research & Development and Intellectual Property Expenses

Research and development and intellectual property expenses decreased to A$9.0 million for fiscal year 2015 from A$12 million for fiscal year 2014, a decrease of A$3.0 million, or 25%. The decrease in research and development and intellectual property expenses in the fiscal year 2015 was the result of consolidating our research and development work into Europe.

Corporate Administrative Expenses

Corporate administrative expenses increased to A$5.7 million for fiscal year 2015 from A$4.1 million for fiscal year 2014, an increase of A$1.6 million, or 39%. The increase in corporate administrative expenses was attributable to the acquisition of Immutep S.A. in this past fiscal year.

Depreciation and Amortization Expenses

Depreciation and amortization expenses were A$1.34 million for fiscal year 2015, compared to $0.4 million in fiscal year 2014. The increase is attributable to the amortization of acquired intellectual property assets.

Changes in Fair Value of Derivative Financial Instruments

Changes in fair value of derivative financial instruments expenses was nil for fiscal year 2015, which was roughly equivalent to fiscal year 2014. There were no foreign hedging contracts entered into as at June 30, 2015.

Finance cost

Finance costs of A$18.3 million were incurred during fiscal year 2015 compared to no costs in fiscal year 2014. The increase was attributable to our procurement of funding from Bergen Global Opportunity Fund, LP for the acquisition of Immutep.

Net Loss

Net loss increased to A$32.2 million for fiscal year 2015 from A$13.3 million for fiscal year 2014.

Comparison of Fiscal Year Ended June 30, 2014 to Fiscal Year Ended June 30, 2013

Other Income

Other income decreased to A$3.1 million for fiscal year 2014 from A$4.0 million for fiscal year 2013, a decrease of A$0.9 million, or 23%. Other income consists of interest income, grant income, and gain on foreign exchange. The interest income for fiscal year 2014 was A$0.7 million and A$0.9 million for fiscal year 2013. The decrease in interest income in fiscal year 2014 is due to the significant decrease in the level of cash held on term deposits and a decrease in interest rates on term deposits. Grant income related to eligible research and development expenditures consists of A$2 million and A$1.6 million for fiscal year 2014 and fiscal year 2013, respectively. The foreign exchange gains of A$0.4 million for fiscal year 2014 and A$1.4 million for fiscal year 2013 was driven by the impact of changes in our U.S. and Euro cash holdings.

Research & Development and Intellectual Property Expenses

Research and development and intellectual property expenses decreased to A$12 million for fiscal year 2014 from A$14 million for fiscal year 2013, a decrease of A$2 million, or 14%. The decrease in research and development and intellectual property expenses in the fiscal year 2014 was the result of consolidating our research and development work into Europe.

Corporate Administrative Expenses

Corporate administrative expenses decreased to A$4.1 million for fiscal year 2014 from A$4.9 million for fiscal year 2013, a decrease of A$0.8 million, or 16%. The decrease in corporate administrative expenses is attributable to cost control measures implemented in this past fiscal year resulting in a reduction of discretionary expenses, such as travel expenses

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased to A$0.4 million for fiscal year 2014 from A$0.3 million for fiscal year 2013, an increase of A$0.1 million, or 33.33%. The increase in depreciation and amortization expenses is attributable to additional plant and equipment in the aggregate to the amount of A$0.5 million was purchased during the 2013 fiscal year.

Changes in Fair Value of Derivative Financial Instruments

Changes in fair value of derivative financial instruments expenses decreased to nil for fiscal year 2014 down from A$0.03 million for fiscal year 2013. There were no foreign hedging contracts entered into as at June 30, 2014.

Net Loss

Net loss decreased to A$13.3 million for fiscal year 2014 from A$15.2 million for fiscal year 2013.

New Accounting Standards and Interpretations Not Adopted

New and amended standards adopted by us

We have applied the following standards and amendments for first time for their annual reporting period commencing 1 July 2014:

- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting
- Interpretation 21 Accounting for Levies
- AASB 2014-1 Amendments to Australian Accounting Standards

The adoption of AASB 2013-3 had a small impact on the impairment disclosures and AASB 2014-1 has required additional disclosures in our segment note. Other than that, the adoption of these standards did not have any impact on the current period or any prior period and is not likely to affect future periods.

We also elected to adopt the following two standards early:

- Amendments made to Australian Accounting Standards by AASB 2015-1 (Improvements 2012-2014 cycle), and
- Amendments made to AASB 101 by AASB 2015-2 (Disclosure initiative).

As these amendments clarify the existing requirements, they do not affect our accounting policies or any of the disclosure.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods and have not been early adopted by us. Our assessment of the impact of these new standards and interpretations is set out below.

Title of standard	Nature of change	Impact	Mandatory application date/ Date of adoption by group
AASB 9 (IFRS 9) Financial Instruments	AASB 9 (IFRS 9) addresses the classification, measurement and derecognition of financial assets and financial liabilities. Since December 2013, it also sets out new rules for hedge accounting.	When adopted, the standard will not have any significant impact as on the financial statements unless the Company acquires financial assets and liabilities. There will be no impact on our accounting for financial assets, as the new requirements only affect the accounting for available-for-sale financial assets and we do not have any such assets. There will be no impact on the group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and we do not have any such liabilities.	Must be applied for financial years commencing on or after January 01, 2018.
AASB 15 *Revenue from Contracts with Customers*	The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.	Management has completed its assessment of the impact of AASB 15 and has not identified any instances at this point of time where the new standard requirements will have a material impact on the financial statements of the Company. The Company will continue to monitor this assessment.	Mandatory for financial years commencing on or after 1 January 2018. Expected date of adoption by us: 1 July 2018.

Title of standard	Nature of change	Impact	Mandatory application date/ Date of adoption by group
	The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (e.g. 1 July 2017), i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.		

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

B. Liquidity and Capital Resources

Since our inception, our operations have mainly been financed through the issuance of equity securities. Additional funding has come through convertible loans, operating grants and interest earned from cash on term deposit.

Equity Issuances

The following table summarizes our issuances of ordinary shares for cash, excluding share-based payments, executive and employee compensation in the last five fiscal years.

	Fiscal Year	Number of Shares/Options	Net Proceeds (in A$)
Ordinary Shares – private placement, share purchase plan, repayment of convertible loans and exercise of options	2010	278,662,654	21,430,975
Ordinary Shares – private placement, share purchase plan, repayment of convertible loans and exercise of options	2011	280,428,034	55,067,573
Ordinary Shares – exercise of options and share issuance	2012	85,047,759	1,820,455
Ordinary Shares – share purchase plan	2013	77,083,450	6,166,676
Listed Options – option entitlement offer	2013	77,378,699	1,547,574
Ordinary Shares – share purchase plan	2014	85,562,503	6,845,001
Ordinary Shares – private placement, share purchase plan, repayment of convertible loans and exercise of options	2015	522,785,260	31,028,380

Capital Requirements

As of June 30, 2015, we had year-end cash and cash equivalents of A$6.8 million, and other financial assets being term deposits of between 90 days and 180 days of Nil. Subsequent to year end the company has raised A$10 million from a Share Purchase Plan and has raised approximately A$14 million from an investment by Ridgeback Capital. We anticipate that our current cash and cash equivalents will be sufficient to fund our operations for more than 12 months. However, our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement that involves risks and uncertainties, and actual results could vary materially. If we are unable to raise additional capital when required or on acceptable terms, we may have to significantly delay, scale back or discontinue one or more of our clinical trials or our operations.

We anticipate that we will require substantial additional funds in order to achieve our long-term goals and complete the research and development of our current principal pharmaceutical product candidates. We do not expect to generate significant revenue until we obtain regulatory approval to market and sell our product candidate and sales of our product candidate have commenced. We therefore expect to continue to incur substantial losses in the near future. Our future capital requirements are difficult to forecast and will depend on many factors, including:

- the cost of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights;
- the scope, results and timing of preclinical studies and clinical trials;
- the costs and timing of regulatory approvals; and
- the costs of establishing sales, marketing and distribution capabilities.

Cash Flows

The following table summarizes our cash flows for the periods presented:

	Fiscal Year Ended June 30,		
	2015	2014	2013
	A$	A$	A$
Net cash used in operating activities	(7,786,982)	(14,227,161)	(16,037,126)
Net cash provided by (used in) investing activities	(11,961,411)	(1,103,675)	12,537,499
Net cash provided by financing activities	11,268,429	6,687,395	7,162,026
Net increase (decrease) in cash and cash equivalents	(8,479,964)	(8,643,441)	3,662,399
Effect of exchange rate on cash and cash equivalents	1,039,537	820,340	1,369,028
Cash and cash equivalents at beginning of period	14,200,042	22,023,143	16,991,716
Cash and cash equivalents at end of period	6,759,615	14,200,042	22,023,143

Operating Activities

Net cash used in operating activities was A$7.8 million, A$14.2 million, and A$16 million during fiscal years 2015, 2014 and 2013, respectively. Payments to suppliers and employees accounted for almost all of the amounts above for R&D and administrative purposes. During fiscal years 2015, 2014 and 2013, our payments to suppliers and employees were offset by interest income received of A$0.2 million, A$0.7 million, and A$0.9 million, respectively.

Investing Activities

Net cash used in investing activities was A$11.9 million during fiscal year 2015, while net cash provided and used by investing activities was A$1.1 million, and A$12.5 million during fiscal years 2014 and 2013, respectively. The net cash outflow for fiscal year 2015 increased as a result of the acquisition of Immutep S.A.S. For fiscal years 2014 the net cash outflow was lower due to net funds received on matured term deposits being lower than funds invested in term deposits and payments for plant and equipment, and for fiscal year 2013 we recorded net cash inflow due to net funds received on matured term deposits being higher than funds invested in term deposits.

Financing Activities

Net cash provided by financing activities was A$11.3 million, A$6.7 million, and A$7.2 million for fiscal years 2015, 2014 and 2013. Cash flow provided by financing activities during fiscal 2015 was primarily attributable to the exercise of warrants and conversion of convertible notes by certain investors (A$6.6 million). During fiscal 2014, cash flow was primarily attributable to the issuance of securities under a share purchase plan (A$6.8 million), and during fiscal 2013, cash flow was primarily attributable to the issuance of securities under a share purchase plan and option entitlement offer (A$7.7 million).

At June 30, 2015 we had A$6.8 million in cash and cash equivalents compared with 2014, where we had A$14 million in cash and cash equivalents plus A$9 million on a term deposit. At June 30, 2013, we had A$22 million in cash and cash equivalents plus A$8 million on a term deposit.

C. Research and Development, Patents and Licenses

For a description of the amount spent during each of the last three fiscal years on company-sponsored research and development activities, as well as the four components of research and development expenses, see "Item 5. Operating and Financial Review and Prospects – A. Operating Results – Results of Operations."

D. Trend Information

We are a development stage company and it is not possible for us to predict with any degree of accuracy the outcome of our research or commercialization efforts.

Our research and development expenditure is our primary expenditure. Increases or decreases in research and development expenditure are attributable to the level of clinical trial activity and the amount of expenditure on those trials. The main clinical trials that we are focusing on are a 210 patient Phase IIb study in second remission ovarian cancer and a pilot study in resectable pancreatic cancer in up to 40 patients, neither of which has been started as at the date of filing of this Form 20-F.

It is expected that as we activate new clinics and recruit more patients for our current clinical trials, that our R&D expenses will increase over the coming year.

E. Off-Balance Sheet Arrangements

During fiscal years 2012, 2013, 2014 and 2015, we did not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

F. Tabular Disclosure of Contractual Obligations

As of June 30, 2015 our contractual obligations were as set forth below:

	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Contractual Obligations					
Trade and other payables	2,770,049	2,770,049	—	—	—
Borrowings	1,508,473	1,508,473			
Total	4,278,522	4,278,522	—	—	—

We have agreements with clinical sites and contract research organizations. We make payments to these sites and organizations based upon the number of patients enrolled and the period of follow-up in the trial.

G. Safe Harbor

Special note regarding forward-looking statements

This Annual Report contains forward-looking statements within the meaning of section 27A of the Securities Act and section 21E of the Exchange Act, including assumptions, anticipations, expectations and forecasts concerning our future business plans, products, services, financial results, performance, future events and information relevant to our business, industries and operating environments. When used in this document, the words 'anticipate', 'believe', 'estimate', 'assume', 'could', 'should',

'expect' and similar expressions, as they relate to us or our management are intended to identify forward-looking environments. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. The forward-looking statements contained herein represent a good-faith assessment of our future performance for which we believe there is a reasonable basis. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expresses or implied by such forward-looking statements, including, among others, adverse changes or uncertainties in economic conditions that affect the markets we serve and the risks as described in Item 3D. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected.

These forward-looking statements represent our view only as of the date they are made and we disclaim any obligation to update forward-looking statements contained herein, except as may be otherwise required by law.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth our directors and senior management, their age and the positions they held as of September 1, 2015.

Name	Age	Position
Lucy Turnbull AO[1][2]	57	Non-Executive Chairman
Albert Wong [1] [2]	56	Non-Executive Deputy Chairman
Pete Meyers [1]	45	Non-Executive Director
Russell Howard, Ph.D.[2]	65	Non-Executive Director
Marc Voigt	42	Executive Director, Chief Executive Officer, Chief Financial Officer and Chief Business Officer
Frédéric Triebel	60	Chief Scientific Officer & Chief Medical Officer
Sharron Gargosky, Ph.D.[3]	51	Chief Technical Officer
Deanne Miller	38	General Counsel & Company Secretary

(1) Member of the Audit Committee.
(2) Member of the Remuneration Committee.
(3) In September 2015, Dr. Gargosky's employment agreement was terminated, which will be effective 30 November 2015. See Item 3.D "Risk Factors—We depend on, and will continue to depend on, collaboration and strategic alliances with third partners. To the extent we are able to enter into collaborative arrangements or strategic alliances, we will be exposed to risks related to those collaborations and alliances" and Item 6.B "Service Agreements."

Ms. Lucy Turnbull AO. Ms. Turnbull has served as Chairman of our Board of Directors since October 2010. From 2001 to 2002, Ms. Turnbull was the Chairman of the New South Wales Government's Ministerial Advisory Committee on Biotechnology, from 2002 to 2006 she was a Director of the Sydney Cancer Foundation and from 1993 to 2000 she was Director and Chair of the Sydney Children's Hospital Foundation. She was a member of the board of the Board of the Cancer Institute NSW from 2008 to 2014. Ms. Turnbull has experience in commercial legal practice and investment banking. During her career Ms. Turnbull has held a number of position including Lord Mayor of the City of Sydney from 2003 to 2004 and, prior to that, Deputy Lord Mayor of Sydney from 1999 to 2003. Ms. Turnbull served as a Director of Sealink Travel Group Ltd from 2013 to 2015. She chaired ASX listed WebCentral Ltd from 2004-06 when it was acquired by ASX listed Melbourne IT Limited. She was a director of Melbourne IT from 2006-2010. She chairs the Committee for Sydney and was Deputy Chair of the COAG Reform Council's Cities Expert Panel advising on its Metropolitan Strategic Planning. She has been a member of the board of the Australian Technology Park, Redfern from 2005. In 2012 she was awarded an Honorary Doctorate of Business by the University of NSW for her contribution to business, philanthropy and local government. In 2011 she became an Officer of the Order of Australia for distinguished service to the community, local government and business.

Mr. Albert Wong. Mr. Wong has served as a Director of Prima BioMed since April 2010. He became Non-Executive acting Chairman of our Board of Directors in July 2010 and served in that position until being appointed to his current position in October 2010. Mr. Wong has been involved in the stockbroking and investment banking industry for over 30 years. He was admitted as a Member of the Australian Securities Exchange in 1988 and was the principal of Intersuisse Limited until 1995 when he established the Barton Capital group of companies, including eStar Online, both companies were listed on the Australian Securities Exchange. Mr. Wong was a Founding Director of Gujarat NRE Resources NL and Pluton Resources Limited. He has been the business partner of former NSW Premier, The Hon. Neville Wran AC QC at Wran Partners from 2004-2011. He served as Chairman of Winmar

Resources Ltd from 2009-2014 and Deputy Chairman of Kimberly Diamonds Limited from 2011- 2014. Mr. Wong has been widely involved in philanthropic activities including his directorships on UNSW Foundation, Ian Thorpe's Fountain for Youth Foundation and Honorary Life Governor and President of the Physics Foundation at The University of Sydney. Mr. Wong is a Fellow of the Financial Services Institute of Australasia, a Master Stockbroker of the Securities & Derivatives Industry Association and a Fellow of the Australian Institute of Company Directors. Mr. Wong is also currently a director of the Children's Medical Research Institute and the CMRI Foundation

Dr. Russell Howard, Ph.D. Dr. Russell Howard has served as a Director of Prima BioMed since May 2013. He is an Australian scientist, former CEO, and entrepreneur. He was recently the overall winner of the 2013 Advance Global Australian Award for his global impact on the biotechnology field and green chemistry. He was a pioneer in the field of molecular parasitology and in leading the commercialization of one of the most important methods used widely in molecular biology today called "DNA shuffling" or "molecular breeding." He is listed as the inventor on five patents and is the author of over 140 scientific publications. After earning his Ph.D in biochemistry from the University of Melbourne, Dr. Howard has held positions at a number of leading research laboratories around the world, including the Immunoparasitology Laboratory at the Walter & Eliza Hall Institute in Melbourne and the National Institutes of Health in Bethesda, Maryland, where he became a tenured investigator. In industry, Dr. Howard worked at Schering-Plough's DNAX Research Institute of Molecular and Cellular Biology in Palo Alto, California; he was the President and Scientific Director of Affymax, Inc.; and he was the co-founder and CEO of Maxygen, Inc. after its spin-out of Affymax-GlaxoWellcome. As Maxygen's CEO, Dr. Howard led its initial public offering and a secondary offering raising a total of US$260 million in capital. Under Dr. Howard, Maxygen successfully developed and partnered dozens of technology applications and products. After leaving Maxygen in 2008, Dr. Howard started the clean technology company Oakbio, Inc. and remains involved in a number of other innovative biotechnology companies. Dr. Howard is also currently Chairman of NeuClone Pty Ltd and was appointed as a Director of Circadian Technologies Ltd in 2013.

Mr. Pete Meyers. Mr. Meyers has served as a Director of Prima BioMed since February 2014. He is currently the Chief Financial Officer of TetraLogic Pharmaceuticals Corporation, where he led the execution of their successful IPO in December 2013. Prior to his role at TetraLogic, Mr. Meyers was an accomplished health care investment banker, holding positions of increasing responsibility at Dillon, Read & Co., Credit Suisse First Boston LLC and, most recently, as Co-Head of Global Health Care Investment Banking at Deutsche Bank Securities Inc. in New York. Mr. Meyers earned a Bachelor of Science degree in finance from Boston College and a Master of Business Administration degree from Columbia Business School. Mr. Meyers is currently also the Chairman and President of the Thomas M Brennan Memorial Foundation, Inc.

Mr. Marc Voigt. Mr. Voigt has served as our Chief Financial Officer and Chief Business Officer since 2012 and was appointed as CEO and Executive Director in July 2014. He has extensive experience in the corporate and biotechnology sectors. He joined Prima BioMed's management team in 2011 as the General Manager of our European operations at Prima BioMed GmbH, where he currently serves as the Managing Director. He has previously worked as an investment manager for Allianz Insurance biotech venture fund, and as a personal assistant to a member of the Executive Board of Allianz Insurance. Mr. Voigt has also worked for German investment bank, net.IPO.AG, in the area of business development and German securities offerings. In the biotech sector, he has held the positions of CFO/CBO at Revotar Biopharmaceuticals AG and Medical Enzymes AG. He has a Masters Degree in Business Administration from the Freie Universität of Berlin, and is a member of the pharma licensing club Germany and a member of the judging panel of Germany's largest business plan competition.

Dr. Frédéric Triebel, MD Ph.D., Dr Triebel is our Chief Scientific Officer and Chief Medical Officer and has been with Prima BioMed since December 2014, following the completion of the acquisition of Immutep. Dr Triebel was the scientific founder of Immutep S.A. (2001) and served as the Scientific and Medical Director at Immutep from 2004. Before starting Immutep, he was Professor in Immunology at Paris University. While working at Institut Gustave Roussy (IGR), a large cancer centre in Paris, he discovered the LAG-3 gene in 1990 and continued working on this research program since then, identifying the functions and medical usefulness of this molecule. He headed a research group at IGR while also being involved in the biological follow-up of cancer patients treated in Phase I/II immunotherapy trials. He was Director of an INSERM Unit from 1991 to 1996. First trained as a clinical haematologist, Prof. Triebel holds a Ph.D. in immunology (Paris University) and successfully developed several research programs in immunogenetics and immunotherapy, leading to 144 publications and 16 patents.

Dr. Sharron Gargosky, Ph.D. Dr. Gargosky is our Chief Technical Officer and has been with Prima BioMed since August 2010. Dr. Gargosky has over 19 years' experience in the biotechnology and pharmaceutical industries, and has worked in senior positions in organizations that have successfully received FDA approval for orphan drugs. She is responsible for managing the clinical team working on the CVac immunotherapy cancer vaccine. Prior to joining Prima BioMed, Dr. Gargosky was a member of ILMU consulting LLC, where she provided project management and operational expertise on pharmaceutical drug and biologic development – from early research to Phase IV Trials and the FDA approval process. Dr. Gargosky has also previously held the positions of Chief Scientific Officer at Pulse Health LLC in Portland in the USA, and Chief Scientific Officer and Senior Vice President of Corporate Development at Hyperion Therapeutics Inc. in San Francisco. At Ucyclyd Pharma she managed the approval of orphan drug products

(Ammonul) and the development of the NCE, and within Medics Pharmaceuticals, the successful BLA submission and approval for Reloxin. As Vice President of Business Development for Diagnostic System Laboratories she was responsible for business expansion through evaluation and implementation of new growth opportunities and patent portfolio management. Dr. Gargosky has a Postdoctoral Fellowship in Pediatric Endocrinology from Stanford University in California, a Ph.D in biochemistry from University of Adelaide in Australia (in collaboration with CSIRO Divisions of Human Nutrition, South Australia), First Class Honors in Biochemistry from University of Adelaide, and a Bachelor of Science, Biochemistry (Distinction), Microbiology, Immunology & Virology (Distinction) from University of Adelaide.

Ms. Deanne Miller. Ms. Miller joined Prima BioMed as General Counsel and Company Secretary in October 2012. She has over 15 years of broad commercial experience having held legal, investment banking, regulatory compliance and tax advisory positions, including, Legal Counsel at RBC Investor Services, Associate Director at Westpac Group, Legal & Compliance Manager at Macquarie Group, Regulatory Compliance Analyst at the Australian Securities and Investment Commission, and Tax Advisor at KPMG. She has a Combined Bachelor of Laws (Hons) and Bachelor of Commerce degree from the University of Sydney. She is admitted as a solicitor in NSW and member of the Law Society of NSW.

B. Compensation

Remuneration Principles

Remuneration of all executive and non-executive directors and officers is determined by the Remuneration Committee.

We are committed to remunerating senior executives and executive directors in a manner that is market-competitive and consistent with “Best Practice” including the interests of shareholders. Remuneration packages are based on fixed and variable components, determined by the executives’ position, experience and performance, and may be satisfied via cash or equity.

Non-executive directors are remunerated out of the aggregate amount approved by shareholders and at a level that is consistent with industry standards. Non-executive directors do not receive performance based bonuses and prior shareholder approval is required to participate in any issue of equity. No retirement benefits are payable other than statutory superannuation, if applicable.

Our remuneration policy is not directly based on our financial performance, rather on industry practice, given we operate in the biotechnology sector and our primary focus is research activities with a long term objective of developing and commercializing the research and development results.

We envisage our performance in terms of earnings will remain negative while we continue in the research and development phase.

The purpose of a performance bonus is to reward individual performance in line with our objectives. Consequently, performance based remuneration is paid to an individual where the individual’s performance clearly contributes to a successful outcome. This is regularly measured in respect of performance against key performance indicators.

We use a variety of key performance indicators to determine achievement, depending on the role of the executive being assessed. These include:

- Successful contract negotiations.
- Achievement of research project milestones within scheduled time and/or budget.
- Our share price reaching a targeted level on the ASX over a period of time.

Executive Compensation

The following table sets forth all of the compensation awarded to, earned by or paid to each individual who served as directors and executive officers in fiscal 2015.

June 30, 2015	Short-term Benefits			Post Employment Benefits	Long-term Benefits		Share-based Payments		Total
	Cash salary and fees A$	Cash bonus A$	Non Monetary A$	Super-annuation A$	Long service leave A$	Termi-nation benefits A$	Performance rights A$	Equity-settled A$	A$
Non-Executive Directors									
Ms. L. Turnbull, AO	137,520	—	—	13,064	—	—	—	—	150,585
Mr. A. Wong	84,040	—	—	7,984	—	—	—	—	92,024
Dr. R. Howard	90,000	—	—	—	—	—	—	—	90,000
Mr. P. Meyers[2]	—	—	134,439	—	—	—	—	—	134,439
Mr. M. Voigt[1]	285,666	60,180	—	—	—	—	213,085	5,999	564,930
Other Key Management Personnel									
Dr. S. Gargosky	356,153	—	—	—	—	—	119,295	5,939	481,387
Mr. F. Triebel[3]	130,213	—	—	—	—	—	—	—	130,213
Ms. D. Miller	181,666	50,000	—	22,008	6,231	—	119,295	3,389	382,589
	1,265,258	110,180	134,439	43,056	6,231	—	451,675	15,327	2,026,166

1 Mr Marc Voigt replaced Mr Matthew Lehman as Executive Director and Chief Executive Officer on 9 July 2014.

2 Mr Pete Meyers was issued 7,720,588 performance rights in lieu of cash for his services as a non-executive director, in accordance with shareholder approval received at the AGM on 14 November 2014.

The first tranche of his performance rights vested to him i.e. 1,715,686 converted to ordinary shares immediately after the shareholder approval was received. (Being for service from date of appointment to 30 September 2014). The remaining tranches vests as follows: 2,573,529. 1 October 2015. (Being service from 1 October 2014 to 30 September 2015); 2,573,529. 1 October 2016. (Being service from 1 October 2015 to 30 September 2016); 857,844. 1 October 2017. (Being service from 1 October 2016 to 31 January 2017)

3 Dr Frederic Triebel joined the company as Chief Scientific Officer and Chief Medical Officer on 12 December 2014.

Service Agreements

The following members of key personnel have service agreements as follows:

Mr. Marc Voigt	• **Chief Executive Officer, Chief Business Officer and Chief Financial Officer**
Agreement commenced:	• July 9, 2014
Details	• The initial term is for a period of 3 years. Each party is to provide at least 6 months' notice of its intention to extend the term of the contract. The contract can be terminated by either party upon at least 3 months' notice if notice is provided within the first 6 months' of the commencement date. Thereafter it can be terminated by either party upon 6 months' notice. Prima BioMed may make payments in lieu of the period of notice, or for any unexpired part of that notice period. The agreement can be terminated with 3 months' notice. The termination terms are payment of base salary in lieu of notice period.
Base salary including superannuation	• EUR 215,000
Mr. Matthew Lehman	• **Former Executive Director & Chief Executive Officer**
Agreement commenced:	• September 1, 2012
Details	• Mr Lehman's position as Executive Director and Chief Executive Officer was terminated on 9 July 2014. The effective termination date of his employment agreement was August 10, 2015. Mr. Lehman was entitled to receive 6 months' severance pay to be paid monthly over the 6 month period following his termination.
Base salary including superannuation	• US$335,760
Dr. Sharron Gargosky	**Chief Technical Officer**
Agreement commenced:	• June 1, 2011
Details	• In September 2015, Dr Gargosky's employment agreement was terminated, with such termination being effective 30 November 2015. • In accordance with her employment agreement, Dr Gargosky is entitled to receive 3 months' severance pay to be paid monthly over the 3 month period following the effective date of her termination.
Base salary including superannuation	• US$300,000
Dr Frédéric Triebel	**Chief Scientific Officer & Chief Medical Officer**
Agreement commenced:	• October 01, 2014

Details	• Each of the parties may terminate the employment contract and the present Amendment, subject to compliance with the law and the CBA and notably to a 3-month notice period as set forth in the CBA. • The party which fails to comply with the notice period provisions shall be liable to pay the other an indemnity equal to the salary for the remainder of the notice period. • Dr Triebel is subject to a non-competition clause which shall apply for 12 months, starting on the last effective day of work, and covers the territory of European Union. A non-competition indemnity of 33% of the average monthly gross basic remuneration paid to Mr Triebel within 12 months preceding the notification of the termination will be paid on a monthly basis to the Employee during the entirety of the non-competition period, unless the Company releases Mr Triebel from such non-competition clause, in which case the payment period will be 3 months.

Base salary including superannuation	• EURO 160,000
Ms. Deanne Miller	**General Counsel & Company Secretary**
Agreement commenced:	• October 13, 2012
Details	• The agreement can be terminated with 3 months' notice. The termination terms are payment of base salary in lieu of notice period.
Base salary including superannuation	• A$219,000

Global Employee Share Option Plan

Any person considered to be a full time employee by our Board of Directors is eligible to participate in our Global Employee Share Option Plan, or GESOP, each an Eligible Employee. Under the GESOP, the Board of Directors may issue options to subscribe for our ordinary shares, or GESOP Options, on such terms as it determines.

The maximum number of options available to be issued under the GESOP is 20,000,000. Subject to certain exceptions, the total number of ordinary shares issued as a result of exercise of GESOP Options must not exceed 5% of our issued share capital. The vesting date of a GESOP Option must not be a date less than 12 months following the issue date, or such other period as may be determined by the Board of Directors in its discretion. Any vesting conditions determined by the Board of Directors must be satisfied before the options vest and become exercisable. Options are generally granted for no consideration. When exercisable, each option issued under the GESOP entitles the holder to subscribe for one fully paid ordinary share in us. GESOP Options will expire three years after their issue date. Each ordinary share issued on exercise of an option will rank equally with all other ordinary shares then on issue.

The exercise price of each GESOP Option must be not less than 150% of the price equal to the volume weighted average price of Shares traded on ASX during the 7 trading days immediately prior to the date of grant of the option.

GESOP Options will immediately lapse on the first to occur of:

- the last day of the relevant exercise period;
- a determination by the Board of Directors that the option should lapse because the option holder:
    - has been dismissed or removed from office for a reason which entitled us to dismiss the option holder without notice;
    - has committed an act of fraud, dishonesty or gross misconduct in relation to our affairs;
    - has done an act with brings us into disrepute; or
    - has ceased to be employed by us prior to the option being exercisable, other than because of the termination or cessation of the option holder's employment with us as a result of total and permanent disablement, death or retirement after 55 years of age.

GESOP Options will not confer a right to notices of general meetings (except as may be required by law) or a right to attend, speak or vote at general meeting. A holder of GESOP options may only participate in new issues of securities in respect of GESOP options which have been exercised and ordinary shares issued prior to the record date for the entitlements to the new issue.

In the event that, prior to the vesting of any GESOP Options, there is a reorganization (including a consolidation, subdivision, reduction or return) of our issued capital, then the number of GESOP Options and shares to which each Eligible Employee is entitled on exercise will be reorganized in the manner permitted by the ASX Listing Rules.

If a person acquires a relevant interest in more than 50% of our issued capital or the Board of Directors determines that a person who previously had not been in a position to do so, is in the position, either alone or with associates, to remove more than 50% of the Board of Directors, before the vesting date of a GESOP Option, the GESOP Option becomes exercisable irrespective of the vesting date and vesting conditions attaching to the GESOP Option.

Each GESOP Option is personal to the Eligible Employee and is not transferable, transmissible or assignable, except with the prior written consent of the Board of Directors.

The Board will be able to amend the GESOP rules subject to the requirements of the ASX Listing Rules. The GESOP is administered by the Board of Directors.

Set out below are summaries of options granted under the GESOP up to June 30, 2015.

Grant Date	Expiry Date	Exercise Price	Balance at Start of the Period	Issued During the Period	Exercised During the Period	Lapsed During the Period	Balance at End of the Period
August 26, 2011	December 6, 2014	lower of A$0.10 or the price equal to the volume weighted average price of Shares traded on ASX during the 30 trading days immediately prior to the date of grant of the ESOP Options.	500,000	—	—	(500,000)	—
November 3, 2011	November 3, 2014	the price equal to the volume weighted average price of Shares traded on ASX during the 7 trading days immediately prior to the date of grant of the GESOP Options.	100,000	—	—	(100,000)	—
January 3, 2012	January 3, 2015	the price equal to the volume weighted average price of Shares traded on ASX during the 7 trading days immediately prior to the date of grant of the GESOP Options.	100,000	—	—	(100,000)	—
August 1, 2012	August 1, 2015	the price equal to the volume weighted average price of Shares traded on ASX during the 7 trading days immediately prior to the date of grant of the GESOP Options.	—	1,600,000	—	—	1,600,000
November 16, 2012	August 1, 2015	the price equal to the volume weighted average price of Shares traded on ASX during the 7 trading days immediately prior to the date of grant of the GESOP Options.	—	1,200,000	—	—	1,200,000
February 20, 2013	February 20, 2015	the price equal to the volume weighted average price of Shares traded on ASX during the 7 trading days immediately prior to the date of grant of the GESOP Options.	—	200,000	—	—	200,000

Executive Incentive Plan

A new Executive Incentive Plan, or EIP, was approved by shareholders at the Annual General Meeting in November 2012.The key terms of the EIP are as follows:

Operation

The Board is responsible for administering the EIP in accordance with the EIP Rules. A grant of performance rights and/or options under the EIP will be subject to both the EIP Rules and the terms and conditions of the specific grant.

Eligibility

The EIP is open to employees (including Directors employed in an executive capacity) of the Company who are invited by the Board to participate in the EIP. The EIP is not open to non-executive directors of the Company. All non-executive directors are ineligible to participate in any current employee incentive scheme of the Company. The Board may invite employees to apply for performance rights and/or options under the EIP in its absolute discretion.

Grant

No payment is required on the grant of a performance right and no exercise price is payable upon the performance right vesting. No payment is required on the grant of an option. The exercise price of an option will be determined by the Board in its discretion and specified in the participant's invitation letter.

Vesting

The vesting of a performance right will be conditional on the satisfaction of any performance conditions attaching to the performance right. Performance conditions will be determined by the Board in its discretion and specified in the participant's invitation letter. Where relevant performance conditions are met, then the performance right will vest and be automatically be exercised into Shares. The vesting of an option will be conditional on the satisfaction of any performance conditions attaching to the option. Performance conditions will be determined by the Board in its discretion and specified in the participant's invitation letter.

Where a participant ceases to be an employee of the Company because of total and permanent disability, death, or any other circumstance determined by the Board in its discretion, the Board may determine that any of the performance rights and/or options granted to a participant will vest, whether or not any performance conditions attaching to the performance right and/or option have been met. Notwithstanding this and subject to the ASX Listing Rules:

(i) the Board may vest some or all of a participant's performance rights and/or options even if a performance condition has not been met, if the Board considers that to do so would be in the interests of the Company; and

(ii) the vesting of a participant's performance rights and/or options may be made subject to further conditions as determined by the Board.

Lapse of Performance Rights and Options

All performance rights and options that have not vested on or before the fifth anniversary of their grant date will automatically lapse. Performance rights and options will also lapse if the applicable performance conditions attaching to them are not met within a prescribed period determined by the Board in its discretion. If a participant ceases to be an employee of the Company (other than in the circumstances referred to in paragraph (d) above), the participant's performance rights and/or options will lapse automatically on cessation of the participant's employment unless the Board determines otherwise within 60 days of the date of cessation of the participant's employment.

Conversion

A participant may at any time request the Board to convert any or all of the participant's unvested performance rights to Options, or vice versa, at a rate of conversion determined by the Board in its absolute discretion. Any converted performance rights or Options will be subject to the same terms and conditions of the original performance rights or options (as applicable) granted to the participant unless otherwise determined by the Board in its discretion.

Dealing with Performance Rights and Options

Performance rights and Options are not transferable, except on the participant's death, to their legal personal representative.

Shares

Each performance right will entitle a participant to one share upon vesting. Each option will entitle a participant upon vesting to subscribe for one share at the exercise price specified by the Board in the participant's invitation letter. Shares issued as a result of the vesting of a performance right or vesting and exercise of an option will rank equally with the shares currently on issue.

Maximum Number of Performance Rights and Options

The Board may grant such number of performance rights and/or options under the EIP as the Board determines so long as no limit specified, imposed or calculated by any relevant policy or guideline of ASIC, including any regulatory guide, class order or condition for relief, is exceeded.

Takeovers

If the event of a takeover bid (as defined in the Corporations Act), a participant's performance rights and options will vest immediately to the extent that the performance conditions attaching to those performance rights and/or options have been satisfied and the remaining performance rights and/or options will lapse.

Reconstruction of Capital

If the Company makes a bonus issue, then a participant will become entitled to a proportionately greater number of shares on vesting of the performance rights and/or options held, as if the performance rights and/or options had vested before the bonus issue. If there is any other form of capital reconstruction, the number of performance rights and/or options will be adjusted in accordance with the ASX Listing Rules. A participant is not entitled to participate in any new issue of securities in the Company other than as described above.

Amendment of Incentive Plan

Subject to the ASX Listing Rules, the Board may amend the rules of the EIP, but no amendment may materially reduce the rights of participants generally in respect of the performance rights and/or options granted to them, except an amendment made primarily to enable compliance with the law governing or regulating the EIP, to correct a manifest error or mistake, to take into account changes in development in taxation law or to enable compliance with the Corporations Act or the ASX Listing Rules.

Number of securities issued under the EIP since the date of last approval.

Set out below are summaries of options granted under the EIP up to June 30, 2015.

Grant Date	Expiry Date	Exercise Price	Balance at Start of the Period	Issued During the Period	Exercised During the Period	Lapsed During the Period	Balance at End of the Period
December 23, 2013	June 30, 2018	The Options are exercisable at an exercise price of A$ 0.0774 per Share at any time after vesting and prior to 5pm on June 30, 2018 (Expiry Date).	1,515,752	—	—	—	1,515,752
January 24, 2014	June 30, 2018	The Options are exercisable at an exercise price of A$ 0.0774 per Share at any time after vesting and prior to 5pm on June 30, 2018 (Expiry Date).	165,116	—	—	—	165,116

C. Board Practices

Introduction

Our Board of Directors is elected by and accountable to our shareholders. It currently consists of five directors, including four non-executive directors, of which one is the non-executive Chairman of our Board of Directors. The Chairman of our Board of Directors is responsible for the management of the Board of Directors and its functions.

Election of Directors

Directors are elected at our annual general meeting of shareholders. Under our Constitution, a director, other than a managing director, must not hold office for more than three years or beyond the third annual general meeting following his appointment (whichever is the longer period) without submitting himself for re-election. Our Board of Directors has the power to appoint any person to be a director, either to fill a vacancy or as an additional director (provided that the total number of directors does not exceed the maximum allowed by law), and any director so appointed may hold office only until the next annual general meeting when he or she shall be eligible for election.

Corporate Governance

ASX Corporate Governance Principles

In Australia there are no defined corporate governance structures and practices that must be observed by a company listed on the ASX. Instead, the ASX Corporate Governance Council has published the Corporate Governance Principles and Recommendations, which contains what are called the Recommendations which articulate eight core principles which are intended to provide a reference point for companies about their corporate governance structures and practices. Under ASX listing Rule 4.10.3, companies are required to provide a statement in their Annual Report to shareholders disclosing the extent to which they have followed the Recommendations in the reporting period and where they have not followed all the Recommendations, identify the Recommendations that have not been followed and the reasons for not following them. It is not mandatory to follow the Recommendations. We believe we are in material compliance with the Recommendations. Set forth below are the material provisions of the Recommendations together with the reasons, where applicable, for variations therefrom.

1. *Lay solid foundations for management and oversight.* Companies should establish and disclose the respective roles and responsibilities of board and management. During the year ended June 30, 2015, we varied from the Recommendations in the following area:

    - At present the Board does not have a formal diversity policy as recommended by the ASX Corporate Governance Council's Principles and Recommendations. The Board believes that the Company does not have a workforce size which is significant enough to require a formal diversity policy. A diversity policy will be formalised as the Company develops and grows. At present the Board ensures that appropriate procedures and measures are introduced and responsibilities delegated to the Remuneration committee to ensure that the both the Board's and the Company's diversity objectives are met.

2. *Structure the Board to add value.* Companies should have a board of an effective composition, size, and commitment to adequately discharge its responsibilities and duties. During the year ended June 30, 2015, we varied from the Recommendations in the following area:

    - The Board believes that we are not of a size, nor are our financial affairs of such complexity, to justify the establishment of a Nomination Committee of the Board of Directors. All matters which might be properly dealt with by a Nomination Committee are considered by the full Board of Directors. The Board considers the necessity to establish a Nomination Committee annually.

3. *Promote ethical and responsible decision-making.* Companies should actively promote ethical and responsible decision-making.

4. *Safeguard integrity in corporate reporting.* Companies should have a structure to independently verify and safeguard the integrity of their corporate reporting.

5. *Make timely and balanced disclosure.* Companies should promote timely and balanced disclosure of all material matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

6. *Respect the rights of shareholders.* Companies should respect the rights of shareholders and facilitate the effective exercise of those rights.

7. *Recognize and manage risk.* Companies should establish a sound system of risk oversight and management and internal control.

8. *Remunerate fairly and responsibly.* Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

Non-Executive and Independent Directors

Australian law does not require a company to appoint a certain number of independent directors to its board of directors or audit committee. However, under the Corporate Governance Principles and Recommendations, the ASX recommends, but does not require, that a ASX-listed company have a majority of independent directors on its board of directors and that the audit committee be comprised of independent directors, within the meaning of the rules of the ASX. Our Board of Directors currently has five directors, of which four are non-executive directors within the meaning of the Corporate Governance Principles and Recommendations, and our audit committee consists of three such non-executive directors. Accordingly, we currently comply with the Recommendations.

Under NASDAQ Marketplace Rules, in general a majority of our Board of Directors must qualify as independent directors within the meaning of the NASDAQ Marketplace Rules and our audit committee must have at least three members and be comprised only of independent directors, each of whom satisfies the respective "independence" requirements of NASDAQ and the U.S. Securities and Exchange Commission.

The Board of Directors does not have regularly scheduled meetings at which only independent directors are present. The Board of Directors does meet regularly and independent directors are expected to attend all such meetings. Our practices are consistent with the Recommendations, in that the Recommendations do not provide that independent directors should meet separately from the Board of Directors.

Our Board of Directors has determined that each of Lucy Turnbull, Albert Wong, Pete Meyers, and Russell Howard qualifies as an independent director under the requirements of the ASX, NASDAQ Marketplace Rules and U.S. Securities and Exchange Commission.

Committees of the Board of Directors

Audit Committee. NASDAQ Marketplace Rules require us to establish an audit committee comprised of at least three members, each of whom is financially literate and satisfies the respective "independence" requirements of the U.S. Securities and Exchange Commission and NASDAQ and one of whom has accounting or related financial management expertise at senior levels within a company.

Our Audit Committee assists our Board of Directors in overseeing the accounting and financial reporting processes of our company and audits of our financial statements, including the integrity of our financial statements, compliance with legal and regulatory requirements, our independent public accountants' qualifications and independence, the performance of our internal audit function and independent public accountants, and such other duties as may be directed by our Board of Directors. The Audit Committee is also required to assess risk management.

Our Audit Committee currently consists of three board members, each of whom satisfies the "independence" requirements of the U.S. Securities and Exchange Commission, NASDAQ Marketplace Rules and ASX Rules. Our Audit Committee is currently composed of Albert Wong, Lucy Turnbull and Pete Meyers. The audit committee meets at least two times per year.

Remuneration Committee. Our Board of Directors has established a Remuneration Committee, which is comprised solely of independent directors, within the meaning of NASDAQ Marketplace Rules. The Remuneration Committee is responsible for reviewing the salary, incentives and other benefits of our directors, senior executive officers and employees, and to make recommendations on such matters for approval by our Board of Directors. The Remuneration Committee is also responsible for overseeing and advising our Board of Directors with regard to the adoption of policies that govern our compensation programs. Lucy Turnbull, Russell Howard and Albert Wong are the current members of the Remuneration Committee, each of whom qualifies as an "independent director" within the meaning of NASDAQ Marketplace Rules.

Nominations Committee. Our Board of Directors has not established a Nominations Committee. The Recommendations provide that the Nominations Committee of a company should have a charter that clearly sets out its roles and responsibilities, composition, structure, membership requirements and the procedures for inviting non-committee members to attend meetings. We have not established a Nominations Committee as we do not believe the size of our financial affairs justify the establishment of a separate committee at this time.

Corporate Governance Requirements Arising from Our U.S. Listing — the Sarbanes-Oxley Act of 2002, SEC Rules and the Nasdaq Global Market Marketplace Rules.

Our shares in the form of ADRs are quoted on the Nasdaq Global Market. The Sarbanes-Oxley Act of 2002, as well as related new rules subsequently implemented by the SEC, require companies which are considered to be foreign private issuers in the U.S., such as us, to comply with various corporate governance practices. In addition, Nasdaq has made certain changes to its corporate governance requirements for companies that are listed on the Nasdaq Global Market. These changes allow us to follow Australian "home country" corporate governance practices in lieu of the otherwise applicable Nasdaq corporate governance standards, as long as we disclose each requirement of Rule 5600 that we do not follow and describe the home country practice we follow in lieu of the relevant Nasdaq corporate governance standards. We intend to take all actions necessary to maintain compliance with applicable corporate governance requirements of the Sarbanes-Oxley Act of 2002, rules adopted by the SEC and listing standards of Nasdaq. We follow Australian corporate governance practices in lieu of the corporate governance requirements of the Nasdaq Marketplace Rules in respect of:

- Nasdaq requirement under Rule 5620(c) that a quorum consist of holders of 33 1/3% of the outstanding ordinary shares — The ASX Listing Rules do not have an express requirement that each issuer listed on ASX have a quorum of any particular number of the outstanding ordinary shares, but instead allow a listed issuer to establish its own quorum requirements. Our quorum is currently two persons who are entitled to vote. We believe this quorum requirement is consistent with the requirements of the ASX and is appropriate and typical of generally accepted business practices in Australia.
- The Nasdaq requirements under Rules 5605(b)(1) and (2) relating to director independence, including the requirements that a majority of the board of directors must be comprised of independent directors and that independent directors must have regularly scheduled meetings at which only independent directors are present — The Nasdaq and ASX definitions of what constitute an independent director are not identical and the requirements relating to the roles and obligations of independent directors are not identical. The ASX, unlike Nasdaq, permits an issuer to establish its own materiality threshold for determining whether a transaction between a director and an issuer affects the director's status as independent and it does not require that a majority of the issuer's board of directors be independent, as long as the issuer publicly discloses this fact. In addition, the ASX does not require that the independent directors have regularly scheduled meeting at which only independent directors are present. We believe that our Board composition is consistent with the requirements of the ASX and that it is appropriate and typical of generally accepted business practices in Australia.
- The Nasdaq requirements under Rule 5605(c)(1) and (2) relating to the composition of the audit committee and the audit committee charter — The Nasdaq and ASX audit committee requirements are not identical. Moreover, differences in the requirements of Nasdaq and ASX also arise because of the differences in the definitions of who constitutes an independent director, as discussed above. We have an audit committee and audit committee charter that are consistent with the requirements of the ASX Listing Rules and which we believe are appropriate and typical of generally accepted business practices in Australia.
- The Nasdaq requirements under Rules 5605(d) that compensation of an issuer's officers must be determined, or recommended to the Board for determination, either by a majority of the independent directors, or a compensation committee comprised solely of independent directors, and that director nominees must either be selected, or recommended

for the Board's selection, either by a majority of the independent directors, or a nominations committee comprised solely of independent directors. The Nasdaq compensation committee requirements are not identical to the ASX remuneration and nomination committee requirements. Issuers listed on the ASX are recommended under applicable listing standards to establish a remuneration committee consisting of a majority of independent directors and an independent chairperson, or publicly disclose that it has not done so. We have a Remuneration Committee that is consistent with the requirements of the ASX and which we believe is appropriate and typical of generally accepted business practices in Australia.

Directors' Service Contracts

For details of directors' service contracts providing for benefits upon termination of employment, see "Item 6. Directors, Senior Management and Employees – B. Compensation – Service Agreements."

Indemnification of Directors and Officers

Our Constitution provides that, we may indemnify a person who is, or has been, an officer of our company, to the full extent permissible by law, out of our property against any liability incurred by such person as an officer in defending proceedings, whether civil or criminal, and whatever their outcome.

In addition, our Constitution provides that to the extent permitted by law, we may pay, or agree to pay, a premium in respect of a contract insuring a person who is or has been an officer of our company or one of our subsidiaries against any liability:

- incurred by the person in his or her capacity as an officer of our company or a subsidiary of our company, and
- for costs and expenses incurred by that person in defending proceedings relating to that person acting as an officer of Prima BioMed, whether civil or criminal, and whatever their outcome.

We maintain a directors' and officers' liability insurance policy. We have established a policy for the indemnification of our directors and officers against certain liabilities incurred as a director or officer, including costs and expenses associated in successfully defending legal proceedings.

D. Employees

As of June 30, 2015, we had 21 employees. Of such employees, 13 were employed in research and development, one in intellectual property management and seven in general management and administration. Of these 21 employees, one was located in the United States, six were located in Australia, three were located in France and 11 were located in Germany. As at the end of fiscal years 2013 and 2014 we had 30 and 31 employees, respectively. The consolidation of our CVac program and the prioritization of IMP321 led to a change in staff structure, which resulted in a reduction of employees during fiscal year 2015 by approximately 30%.

Each of our full-time employees has entered into an agreement with a term of employment of between one to four years or for an unlimited term. We also engage part-time employees. We may only terminate the employment of any of our employees in accordance with the relevant employee's contract of employment.

Our standard contract of employment for full time and part-time employees provides that we can terminate the employment of an employee without notice for serious misconduct or with between one to three months' notice without cause (as set out in the relevant employee's contract of employment). We can terminate the employment of a casual employee without notice. For a summary of the key terms of employment of each of our senior management, see "Item 6. Directors, Senior Management and Employees – B. Compensation – Service Agreements."

E. Share Ownership

For a description of arrangements involving the employees in the capital of the company, including any arrangement that involves the issue or grant of options or shares or securities of the company, see "Item 6. Directors, Senior Management and Employees – B. Compensation – Global Employee Share Option Plan," "– Employee Share Option Plan" and "– Executive Incentive Plan."

Beneficial Ownership of Senior Management and Directors

Beneficial ownership is determined in accordance with the rules of the U.S. Securities and Exchange Commission, and generally includes voting or investment power with respect to securities. Ordinary shares relating to options currently exercisable or exercisable within 60 days of the date of the above table are deemed outstanding for computing the percentage of the person holding such securities but are not deemed outstanding for computing the percentage of any other person. Except as indicated by footnote, and subject to community property laws where applicable, the persons named in the table below have sole voting and investment power with respect to all shares shown as beneficially owned by them.

The following table sets forth certain information as of June 30, 2015 regarding the beneficial ownership of our ordinary shares by each of our directors and senior management and by all of our directors and senior management as a group. The shares are beneficially owned, held directly or via an entity related to the individual. The percentages shown are based on 1,751,494,601 ordinary shares issued and outstanding as of June 30, 2015.

Name	Number of Ordinary Shares Beneficially Owned	Percentage of Ownership
Lucy Turnbull	20,059,576	1.15%
Albert Wong	3,537,500	*
Russell Howard	—	*
Pete Meyers	1,715,686	*
Matthew Lehman***	1,617,763	*
	32,706**	1.07%
Sharron Gargosky	—	*
Marc Voigt	870,000	*
	150**	
Deanne Miller	20,924	*
Frédéric Triebel	9,311,383	*
All directors and executive officers as a group (9 persons) – Ordinary shares	37,132,832	2.12%
	32,856**	1.07%

* Less than 1%.
** Shares held in the form of American Depositary Receipts (ADRs) listed on the NASDAQ Global Market.
*** Mr Lehman ceased being the CEO on 9 July 2014.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

Only one shareholder, Ridgeback Capital Investments LP, or Ridgeback, owned more than 5% or more of our ordinary shares as of June 30, 2015. Ridgeback held 100,206,500 ordinary shares, being 5.72% of the total issued share capital of the Company as at June 30, 2015. The ordinary shares are registered in the name of its custodian HSBC Custody Nominees (Australia) Limited, with Ridgeback being the underlying holder and entitled to be registered as the holder. Each share ranks pari passu with existing ordinary shares and entitles the holder to one vote. The voting rights of Ridgeback are no different than the voting rights of other holders of our ordinary shares. The associates of Ridgeback (Ridgeback Associates) are Ridgeback Capital Management L.P. (which has the power to control the right to vote and the disposal of the securities) and Wayne Holman (as the controlling party of Ridgeback Capital Management L.P.).

As of June 30, 2015, 7.45% of our ordinary shares were held in the United States by 13 holders of record, and 30.33% of our ordinary shares were held in the form of ADRs by eight holders of record.

To our knowledge, we are not directly or indirectly controlled by another corporation, by any foreign government or by any other natural or legal person severally or jointly. There are no agreements known to us, the operation of which may at a subsequent date result in a change in control of Prima BioMed.

See also the description of Ridgeback's investment under the heading "Fiscal 2015" in Item 4.A.

B. Related Party Transactions

We operate inter-company loan accounts with our wholly owned subsidiaries. The net amount of such intercompany loans at June 30, 2015 was A$ nil, as all inter-company transactions are eliminated on consolidation.

Ridgeback is a major shareholder of the Company. In connection with the Ridgeback investment described in Item 4.A under the heading "Fiscal 2015," Ridgeback received a convertible note. The convertible note was subject to shareholder approval, with such approval being obtained on 31 July 2015. See Item 4.A "Fiscal 2015" and Note 28 to the consolidated financial statements.

During the year, Dr Frédéric Triebel provided an unsecured loan to the company of $1,071,523. Interest is charged on this loan at the rate of 10% per annum and is repayable on 30 September 2015. Interest payable with respect to the loan for the year ended 30 June 2015 was $28,206.

Apart from the loan described above, there were no other related party transactions, other than employment matters.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

Our audited consolidated financial statements for the fiscal years ending June 30, 2013, 2014 and 2015 are included in Item 18 of this Annual Report on Form 20-F, which is found immediately following the text of this Annual Report on For 20-F The audit report of PricewaterhouseCoopers as of June 30, 2015 and 2014, and for each of the three years in the period ended June 30, 2015, is included therein immediately preceding the financial statements.

Export Sales

The Company had no export sales in its latest financial year ended June 30, 2015.

Legal Proceedings

We are not involved in any legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings and those involving any third party, which may have, or have had in the recent past, significant effects on our financial position or profitability. The company is not involved in any governmental proceedings pending or known by us to be contemplated.

Dividend Distribution Policy

We have never paid cash dividends to our shareholders. We intend to retain future earnings for use in our business and do not anticipate paying cash dividends on our ordinary shares in the foreseeable future. Any future dividend policy will be determined by the Board of Directors and will be based upon various factors, including our results of operations, financial condition, current and anticipated cash needs, future prospects, contractual restrictions and other factors as the Board of Directors may deem relevant. There is no assurance that dividends will ever be paid. See "Special Note Regarding Forward Looking Statements".

Recent Developments

On August 28, 2015 we released to the market and filed with the Australian Stock Exchange our Appendix 4E for the fiscal year ended June 30, 2015. Our audited financial statements for the fiscal year ended June 30, 2015 are included in Item 18 of this Annual Report on Form 20-F. There have been no other recent developments.

B. Significant Changes

There have been no significant changes since the date of the annual financial statements included herein.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Australian Securities Exchange

Our ordinary shares have traded on the ASX since our initial public offering on July 9, 2001. The following table sets forth, for the periods indicated, the high and low market quotations for our ordinary shares as quoted on the ASX.

	Per Ordinary Share (A$)		Per ADS (US$)	
	High A$	Low A$	High US$	Low US$
Fiscal Year Ended June 30				
2010	0.28	0.05	—	—
2011	0.42	0.08	—	—
2012	0.32	0.09	7.65	2.21
2013	0.20	0.06	6.96	1.70
2014	0.11	0.03	3.43	0.82
2015	0.19	0.02	6.48	0.42

	Per Ordinary Share (A$)		Per ADS (US$)	
	High	Low	High	Low
	A$	A$	US$	US$
Fiscal Year Ended June 30, 2014:				
First Quarter	0.11	0.04	3.43	1.10
Second Quarter	0.05	0.03	1.90	0.82
Third Quarter	0.07	0.04	1.95	1.02
Fourth Quarter	0.06	0.04	1.56	0.95
Fiscal Year Ended June 30, 2015:				
First Quarter	0.05	0.04	1.29	0.9
Second Quarter	0.05	0.03	1.08	0.74
Third Quarter	0.04	0.03	1.03	0.62
Fourth Quarter	0.19	0.02	6.48	0.42
Month Ended:				
April 2015	0.03	0.02	0.75	0.5
May 2015	0.19	0.02	6.48	0.42
June 2015	0.10	0.06	2.44	1.38
July 2015	0.09	0.05	1.78	1.14
August 2015	0.06	0.05	1.80	0.93
September 2015	0.07	0.05	1.73	1.14
October 2015 (through October 28)				

For a description of the rights of our ADSs, see "Item 12. Description of Securities Other Than Equity Securities – D. American Depositary Shares."

B. Plan of Distribution

Not applicable.

C. Markets

Our ordinary shares are listed and traded on the Australian Securities Exchange Ltd., or ASX, on the NASDAQ Global Market where our ordinary shares in the form of ADSs are traded on the NASDAQ Global Market and on the Entry Standard of the Frankfurt Stock Exchange.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

General

Our constituent document is a Constitution. The Constitution is subject to the terms of the Listing Rules of ASX Limited and the Corporations Act 2001. The Constitution may be amended or repealed and replaced by special resolution of shareholders, which is a resolution of which notice has been given and that has been passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution.

Purposes and Objects

As a public company we have all the rights, powers and privileges of a natural person. Our Constitution does not provide for or prescribe any specific objects or purposes.

The Powers of the Directors

Under the provision of our Constitution our directors may exercise all the powers of our company in relation to:

Management of Company

The business is managed by the directors who may exercise all the powers of our company that are not by the Corporations Act or by this constitution required to be exercised by shareholders in general meeting subject nevertheless to any provision of this constitution and to the provisions of the Corporations Act.

Members Approval to Significant Changes

The directors must not make a significant change (either directly or indirectly) to the nature and scale of our activities except after having disclosed full details to ASX in accordance with the requirements of the Listing Rules of the ASX and the directors must not sell or otherwise dispose of the main undertaking of our company without the approval of shareholders in general meeting in accordance with the requirements of the Listing Rules.

Rights Attached to Our Ordinary Shares

The concept of authorized share capital no longer exists in Australia and as a result, our authorized share capital is unlimited. All our outstanding ordinary shares are validly issued, fully paid and non-assessable. The rights attached to our ordinary shares are as follows:

Dividend Rights. The directors may declare that a dividend be paid to the members according to the shareholders' pro rata shareholdings and the directors may fix the amount, the time for payment and the method of payment. No dividend is payable except in accordance with the Corporations Act as amended from time to time and no dividend carries interest as against the Company.

Voting Rights. Holders of ordinary shares have one vote for each ordinary share held on all matters submitted to a vote of shareholders. Such voting rights may be affected by the grant of any special voting rights to the holders of a class of shares with preferential rights that may be authorized in the future.

The quorum required for an ordinary meeting of shareholders consists of at least two shareholders present in person, or by proxy, attorney or representative appointed pursuant to our Constitution. A meeting adjourned for lack of a quorum generally is adjourned to the same day in the following week at the same time and place. At the reconvened meeting, the required quorum consists of any two members present in person, or by proxy, attorney or representative appointed pursuant to our Constitution. The meeting is dissolved if a quorum is not present within 15 minutes from the time appointed for the meeting.

An ordinary resolution, such as a resolution for the declaration of dividends, requires approval by the holders of a majority of the voting rights represented at the meeting, in person, by proxy, or by written ballot and voting thereon. Under our Constitution, a special resolution, such as amending our Constitution, approving any change in capitalization, winding-up, authorization of a class of shares with special rights, or other changes as specified in our Constitution, requires approval of a special majority, representing the holders of no less than 75% of the voting rights represented at the meeting in person, by proxy or by written ballet, and voting thereon.

Rights in Our Profits. Our shareholders have the right to share in our profits distributed as a dividend and any other permitted distribution.

Rights in the Event of Liquidation. In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of ordinary shares in proportion to the capital at the commencement of the liquidation paid up or which ought to have been paid up on the shares held by them respectively. This right may be affected by the grant of preferential dividend or distribution rights to the holders of a class of shares with preferential rights, such as the right in winding up to payment in cash of the amount then paid up on the share, and any arrears of dividend in respect of that share, in priority to any other class of shares.

Changing Rights Attached to Shares

According to our Constitution, the rights attached to any class of shares, unless otherwise provided by the terms of the class, may be varied with either the written consent of the holders of not less than 75% of the issued shares of that class or the sanction of a special resolution passed at a separate general meeting of the shares of that class.

Annual and Extraordinary Meetings

Our directors must convene an annual meeting of shareholders at least once every calendar year, within five months of our last fiscal year-end balance sheet data. Notice of at least 28 days prior to the date of the meeting is required. A general meeting may be convened by any director, or one or more shareholders holding in the aggregate at least 5% of our issued capital. A general meeting must be called not more than 21 days after the request is made. The meeting must be held not later than two months after the request is given.

Limitations on the Rights to Own Securities in Our Company

Subject to certain limitations on the percentage of shares a person may hold in our company, neither our Constitution nor the laws of the Commonwealth of Australia restrict in any way the ownership or voting of shares in our company.

Changes in Our Capital

Pursuant to the Listing Rules, our directors may in their discretion issue securities to persons who are not related parties of our company, without the approval of shareholders, if such issue, when aggregate with securities issued by our company during the previous 12 month period would be an amount that would not exceed 15% of our issued capital at the commencement of the 12 month period. Other allotments of securities require approval by an ordinary resolution of shareholders.

C. Material Contracts

Please see "Item 4. Information on the Company – B. Business Overview – Material Contracts Related to Intellectual Property and Commercialization Rights."

D. Exchange Controls

Australia has largely abolished exchange controls on investment transactions. The Australian dollar is freely convertible into U.S. dollars. In addition, there are currently no specific rules or limitations regarding the export from Australia of profits, dividends, capital or similar funds belonging to foreign investors, except that certain payments to non-residents must be reported to the Australian Cash Transaction Reports Agency, which monitors such transaction, and amounts on account of potential Australian tax liabilities may be required to be withheld unless a relevant taxation treaty can be shown to apply.

The Foreign Acquisitions and Takeovers Act 1975

Under Australian law, in certain circumstances foreign persons are prohibited from acquiring more than a limited percentage of the shares in an Australian company without approval from the Australian Treasurer. These limitations are set forth in the Australian Foreign Acquisitions and Takeovers Act, or the Takeovers Act.

Under the Takeovers Act, as currently in effect, any foreign person, together with associates, or parties acting in concert, is prohibited from acquiring 15% or more of the shares in any company having total assets of A$231 million or more (or A$1,078 million or more in case of U.S. investors). "Associates" is a broadly defined term under the Takeovers Act 1975 and includes:

- spouses, lineal ancestors and descendants, and siblings;
- partners, officers of companies, the company, employers and employees, and corporations;
- their shareholders related through substantial shareholdings or voting power;
- corporations whose directors are controlled by the person, or who control a person; and
- associations between trustees and substantial beneficiaries of trust estates.

In addition, a foreign person may not acquire shares in a company having total assets of A$231 million or more (or A$1,078 million or more in case of U.S. investors) if, as a result of that acquisition, the total holdings of all foreign persons and their associates will exceed 40% in aggregate without the approval of the Australian Treasurer. If the necessary approvals are not obtained, the Treasurer may make an order requiring the acquirer to dispose of the shares it has acquired within a specified period of time. The same rule applies if the total holdings of all foreign persons and their associates already exceeds 40% and a foreign person (or its associate) acquires any further shares, including in the course of trading in the secondary market of the ADSs. At present, we do not have total assets of A$231 million or more. At this time, our total assets do not exceed any of the above thresholds and therefore no approval would be required from the Australian Treasurer. Nonetheless, should our total assets exceed the threshold in the future, we would will be mindful of the number of ADS that can be made available, and monitor the 40% aggregate shareholding threshold for foreign persons (together with the associates) to ensure that it will not be exceeded subject to the Australian Treasurer's approval.

Each foreign person seeking to acquire holdings in excess of the above caps (including their associates, as the case may be) would need to complete an application form setting out the proposal and relevant particulars of the acquisition/shareholding. The Australian Treasurer then has 30 days to consider the application and make a decision. However, the Australian Treasurer may extend the period by up to a further 90 days by publishing an interim order. The Australian Treasurer has issued a guideline titled *Australia's Foreign Investment Policy* which provides an outline of the policy. As for the risk associated with seeking approval, the policy provides that the Treasurer will reject an application if it is contrary to the national interest.

If the level of foreign ownership exceeds 40% at any time, we would be considered a foreign person under the Takeovers Act. In such event, we would be required to obtain the approval of the Australian Treasurer for our company, together with our associates, to acquire (i) more than 15% of an Australian company or business with assets totaling over A$231 million; or (ii) any direct or indirect ownership in Australian residential real estate and certain non-residential real estate.

The percentage of foreign ownership in our company would also be included determining the foreign ownership of any Australian company or business in which it may choose to invest. Since we have no current plans for any such acquisition and do not own any property, any such approvals required to be obtained by us as a foreign person under the Takeovers Act will not affect our current or future ownership or lease of property in Australia.

Our Constitution does not contain any additional limitations on a non-resident's right to hold or vote our securities.

Australian law requires the transfer of shares in our company to be made in writing. No stamp duty will be payable in Australia on the transfer of ADSs.

E. Taxation

The following is a discussion of Australian and United States tax consequences material to our shareholders. To the extent that the discussion is based on tax legislation which has not been subject to judicial or administrative interpretation, the views expressed in the discussion might not be accepted by the tax authorities in question or by court. The discussion is not intended, and should not be construed, as legal or professional tax advice and does not exhaust all possible tax considerations.

Holders of our ADSs should consult their own tax advisors as to the United States, Australian or other tax consequences of the purchase, ownership and disposition of ADSs, including, in particular, the effect of any foreign, state or local taxes.

E.1. AUSTRALIAN TAX CONSEQUENCES

In this section we discuss the material Australian tax considerations that apply to non-Australian tax residents with respect to the acquisition, ownership and disposal of the absolute beneficial ownership of ADSs, which are evidenced by ADSs. This discussion is based upon existing Australian tax law as of the date of this Annual Report, which is subject to change, possibly retrospectively. This discussion does not address all aspects of Australian income tax law which may be important to particular investors in light of their individual investment circumstances, such as ADSs or shares held by investors subject to special tax rules (for example, financial institutions, insurance companies or tax exempt organizations). In addition, this summary does not discuss any foreign or state tax considerations, other than stamp duty. Prospective investors are urged to consult their tax advisors regarding the Australian and foreign income and other tax considerations of the purchase, ownership and disposition of the ADSs or shares.

Nature of ADSs for Australian Taxation Purposes

Holders of our ADSs are treated as the owners of the underlying ordinary shares for Australian income tax and capital gains tax purposes. Therefore, dividends paid on the underlying ordinary shares will be treated for Australian tax purposes as if they were paid directly to the owners of ADSs, and the disposal of ADSs will be treated for Australian tax purposes as the disposal of the underlying ordinary shares. In the following analysis we discuss the application of the Australian income tax and capital gains tax rules to non-Australian resident holders of ADSs.

Taxation of Dividends

Australia operates a dividend imputation system under which dividends may be declared to be "franked" to the extent of tax paid on company profits. Fully franked dividends are not subject to dividend withholding tax. Dividends that are not franked or are partly franked and are paid to non-Australian resident stockholders are subject to dividend withholding tax, but only to the extent the dividends are not franked.

Dividends paid to a non-resident stockholder are subject to withholding tax at 30%, unless the stockholder is a resident of a country with which Australia has a double taxation agreement. In accordance with the provisions of the Double Taxation Convention between Australia and the United States, the maximum rate of Australian tax on unfranked dividends to which a resident of the United States is beneficially entitled is 15%, where the U.S. resident holds less than 10% of the voting rights in our company, or 5% where the U.S. resident holds 10% or more of the voting rights in our company. The Double Taxation Convention between Australia and the United States does not apply to limit the tax rate on dividends where the ADSs are effectively connected to a permanent establishment or a fixed base carried on by the owner of the ADSs in Australia through which the stockholder carries on business or provides independent personal services, respectively.

Tax on Sales or other Dispositions of Shares—Capital Gains Tax

Australian capital gains derived by non-Australian residents in respect of the disposal of capital assets that are not taxable Australian property will be disregarded. Non-Australian resident stockholders will not be subject to Australian capital gains tax on the capital gain made on a disposal of our shares, unless they, together with associates, hold 10% or more of our issued capital, tested either at the time of disposal or over any continuous 12 month period in the 24 months prior to disposal, and the value of our shares at the time of disposal are wholly or principally attributable to Australian real property assets.

Australian capital gains tax applies to net capital gains at a taxpayer's marginal tax rate but for certain stockholders a discount of the capital gain may apply if the shares have been held for 12 months or more. For individuals, this discount is 50%. Net capital gains are calculated after reduction for capital losses, which may only be offset against capital gains.

Tax on Sales or other Dispositions of Shares—Stockholders Holding Shares on Revenue Account

Some non-Australian resident stockholders may hold shares on revenue rather than on capital account, for example, share traders. These stockholders may have the gains made on the sale or other disposal of the shares included in their assessable income under the ordinary income provisions of the income tax law, if the gains are sourced in Australia.

Non-Australian resident stockholders assessable under these ordinary income provisions in respect of gains made on shares held on revenue account would be assessed for such gains at the Australian tax rates for non-Australian residents, which start at a marginal rate of 29% for non-Australian resident individuals. Some relief from the Australian income tax may be available to such non-Australian resident stockholders under the Double Taxation Convention between the United States and Australia, for example, because the stockholder does not have a permanent establishment in Australia.

To the extent an amount would be included in a non-Australian resident stockholder's assessable income under both the capital gains tax provisions and the ordinary income provisions, the capital gain amount would generally be reduced, so that the stockholder would not be subject to double tax on any part of the income gain or capital gain.

Dual Residency

If a stockholder were a resident of both Australia and the United States under those countries' domestic taxation laws, that stockholder may be subject to tax as an Australian resident. If, however, the stockholder is determined to be a U.S. resident for the purposes of the Double Taxation Convention between the United States and Australia, the Australian tax applicable would be limited by the Double Taxation Convention. Stockholders should obtain specialist taxation advice in these circumstances.

Stamp Duty

A transfer of shares of a company listed on the Australian Stock Exchange is not subject to Australian stamp duty except in some circumstances where one person, or associated persons, acquires 90% or more of the shares.

Australian Death Duty

Australia does not have estate or death duties. No capital gains tax liability is realized upon the inheritance of a deceased person's shares. The disposal of inherited shares by beneficiaries, may, however, give rise to a capital gains tax liability.

Goods and Services Tax

The issue or transfer of shares will not incur Australian goods and services tax and does not require a stockholder to register for Australian goods and services tax purposes.

Research and Development Tax Incentives

The Australian Government tax incentive scheme, introduced on July 1, 2011, replaces the former R&D Tax Concession scheme for research and development activities in income years commencing on or after July 1, 2011. Subject to certain exclusions, the new scheme provides benefits for eligible research and development activities (R&D activities). Such eligible R&D activities include but are not limited to:

Under the R&D Tax incentive scheme, entities will be entitled to either (i) a 45% refundable tax offset for eligible companies with an aggregated turnover of less than $20 million per annum; or (ii) a non-refundable 40% tax offset for all other eligible companies. Our turnover is less than $20 million, and will therefore be entitled to claim a 45% refundable tax offset for costs relating to eligible R&D activities during the year.

- Core activities, which are experimental activities whose outcome cannot be known or determined in advance, but can only be determined by applying a systematic progression of work;
- Core activities conducted for the purpose of generating new knowledge (including new knowledge in the form of new or improved processes and materials); or
- Supporting activities that are directly related and designed to support (a) and (b).

Under the R&D Tax incentive scheme, entities will be entitled to either (i) a 45% refundable tax offset for eligible companies with an aggregated turnover of less than $20 million per annum; or (ii) a non-refundable 40% tax offset for all other eligible companies. Our turnover is less than $20 million, and will therefore be entitled to claim a 45% refundable tax offset for costs relating to eligible R&D activities during the year.

E.2 UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of material U.S. federal income tax consequences that generally apply to U.S. Holders (as defined below) who hold ADSs as capital assets. This summary is based on the United States Internal Revenue Code of 1986, as amended, or the Code, Treasury regulations promulgated thereunder, judicial and administrative interpretations thereof, and the bilateral taxation convention between Australia and the United States, or the Tax Treaty, all as in effect on the date hereof and all of which are subject to change either prospectively or retroactively. If you are a U.S. Holder and subject to special rules, including broker-dealers, financial institutions, certain insurance companies, investors liable for alternative minimum tax, tax-exempt organizations, regulated investment companies, non-resident aliens of the United States or taxpayers whose functional currency is not the U.S. dollar, persons who hold the ADSs through partnerships or other pass-through entities, persons who acquired their ADSs through the exercise or cancellation of any employee stock options or otherwise as compensation for their services, investors that actually or constructively own 10% or more of our voting shares, and investors holding ADSs as part of a straddle or appreciated financial position or as part of a hedging or conversion transaction you are strongly advised to consult your personal tax advisor. This summary does not address any state, local and foreign tax considerations or any U.S. federal estate, gift or alternative minimum tax considerations relevant to the purchase, ownership and disposition of our ADSs.

If a partnership or an entity treated as a partnership for U.S. federal income tax purposes owns ADSs, the U.S. federal income tax treatment of its partners will generally depend upon the status of the partner and the activities of the partnership. A partnership should consult its tax advisors regarding the U.S. federal income tax consequences applicable to it and its partners of the purchase, ownership and disposition of ADSs.

For purposes of this summary, the term "U.S. Holder" means an individual who is a citizen or, for U.S. federal income tax purposes, a resident of the United States; a corporation or other entity taxable as a corporation that is created or organized in or under the laws of the United States or any political subdivision thereof; an estate whose income is subject to U.S. federal income tax regardless of its source; or a trust if (a) a court within the United States is able to exercise primary supervision over administration of the trust, and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

Distributions

For U.S. federal income tax purposes, a U.S. Holders of ADSs will be treated as owning the underlying ordinary shares, or ADSs. Subject to the passive foreign investment company rules discussed below, the gross amount of any distribution received by a U.S. Holder with respect to the underlying ordinary shares, including the amount of any Australian taxes withheld there from, will be included in gross income as a dividend to the extent the distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Distributions in excess of our earnings and profits will be treated first as a non-taxable return of capital to the extent of a U.S. Holder's tax basis in the ADSs and thereafter will be treated as gain from the sale or exchange of the ADSs. We have not maintained and do not plan to maintain calculations of earnings and profits for U.S. federal income tax purposes. As a result, a U.S. Holder may need to include the entire amount of any such distribution in income as a dividend.

The U.S. dollar value of any distribution on the ADSs made in Australian dollars generally should be calculated by reference to the exchange rate between the U.S. dollar and the Australian dollar in effect on the date of receipt of such distribution by the U.S. Holder regardless of whether the Australian dollars so received are in fact converted into U.S. dollars. A U.S. Holder who receives payment in Australian dollars and converts those Australian dollars into U.S. dollars at an exchange rate other than the rate in effect on such day may have a foreign currency exchange gain or loss, which would generally be treated as ordinary income or loss from sources within the United States for U.S. foreign tax credit purposes.

Subject to complex limitations and certain holding period requirements, a U.S. Holder may elect to claim a credit for Australian tax withheld from distributions against its U.S. federal income tax liability. The limitations set out in the Code include computational rules under which foreign tax credits allowable with respect to specific classes of income cannot exceed the U.S. federal income taxes otherwise payable with respect to each such class of income. Dividends generally will be treated as foreign-source passive category income for U.S. foreign tax credit purposes. A U.S. Holder that does not elect to claim a U.S. foreign tax credit may instead claim a deduction for Australian tax withheld. Dividends will not however be eligible for the "dividends received deduction" generally allowed to corporate shareholders with respect to dividends received from U.S. corporations.

Subject to certain limitations, dividends received by a non-corporate U.S. Holder in tax years beginning on or before December 31, 2010 are subject to tax at a reduced maximum tax rate of 15 percent. Distributions taxable as dividends generally qualify for the 15 percent rate provided that: (i) the issuer is entitled to benefits under the Tax Treaty or (ii) the shares are readily tradable on an established securities market in the United States and certain other requirements are met. We believe that we are entitled to benefits under the Tax Treaty and that the ADSs currently are readily tradable on an established securities market in the United States. However, no assurance can be given that the ADSs will remain readily tradable. However, the reduced rate does not apply to dividends received from PFICs. As noted below, we believe there is a material risk that we are a PFIC.

The U.S. Treasury has expressed concerns that intermediaries in the chain of ownership between the holder of an ADS and the issuer of the security underlying the ADS may be taking actions (including pre-release transactions that may be undertaken by the depositary as described in "Description of American Depositary Shares – Pre-release of ADSs") that are inconsistent with the claiming of foreign tax credits for U.S. holders of ADSs. Such actions would also be inconsistent with the claiming of the reduced rated of tax, described below, applicable to dividends received by certain non-corporate holders. Accordingly, the analysis of the creditability of Australian taxes and the availability of the reduced tax rate for dividends received by certain non-corporate holders, each described below, could be affected by actions taken by intermediaries in the chain of ownership between the holder of an ADS and our Company.

Disposition of ADSs

If you sell or otherwise dispose of ADSs, you will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realized on the sale or other disposition and your adjusted tax basis in the ADSs. Subject to the passive foreign investment company rules discussed below, such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if you have held the ADSs for more than one year at the time of the sale or other disposition. In general, any gain that you recognize on the sale or other disposition of ADSs will be gain from U.S. sources for purposes of the foreign tax credit limitation; losses will generally be allocated against U.S. source income. The deduction of capital losses is subject to certain limitations under the Code.

In the case of a cash basis U.S. Holder who receives Australian dollars in connection with the sale or other disposition of ADSs, the amount realized will be calculated based on the U.S. dollar value of the Australian dollars received as determined on the settlement date of such exchange. A U.S. Holder who receives payment in Australian dollars and converts Australian dollars into U.S. dollars at a conversion rate other than the rate in effect on the settlement date may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss from sources within the United States for U.S. foreign tax credit purposes.

An accrual basis U.S. Holder may elect the same treatment required of cash basis taxpayers with respect to a sale or disposition of ADSs, provided that the election is applied consistently from year to year. Such election may not be changed without the consent of the Internal Revenue Service, or the IRS. In the event that an accrual basis U.S. Holder does not elect to be treated as a cash basis taxpayer (pursuant to the Treasury regulations applicable to foreign currency transactions), such U.S. Holder may have a foreign currency gain or loss for U.S. federal income tax purposes because of differences between the U.S. dollar value of the currency received prevailing on the trade date and the settlement date. Any such currency gain or loss would be treated as ordinary income or loss from sources within the United States for U.S. foreign tax credit purposes.

Passive Foreign Investment Companies

There is a substantial risk that we are a passive foreign investment company, or PFIC, for U.S. federal income tax purposes. Our treatment as a PFIC could result in a reduction in the after-tax return to the U.S. Holders of our ADSs and may cause a reduction in the value of such securities.

For U.S. federal income tax purposes, we will be classified as a PFIC for any taxable year in which (i) 75% or more of our gross income is passive income, or (ii) at least 50% of the average value of all of our assets for the taxable year produce or are held for the production of passive income. For this purpose, cash is considered to be an asset which produces passive income. Passive income generally includes dividends, interest, royalties, rents, annuities and the excess of gains over losses from the disposition of assets which produce passive income. As a result of our substantial cash position, the decline in the value of our stock and the current composition of our gross income, we believe that there is a material risk that we are currently a PFIC and that may be a PFIC in the future.

If we are a PFIC in any taxable year during which a U.S. Holder owns ADSs, such U.S. Holder could be liable for additional taxes and interest charges upon (i) certain distributions by us (generally any distribution paid during a taxable year that is greater than 125 percent of the average annual distributions paid in the three preceding taxable years, or, if shorter, the U.S. Holder's holding period for the ADSs), and (ii) any gain realized on a sale, exchange or other disposition, including a pledge, of the ADSs, whether or not we continue to be a PFIC. In these circumstances, the tax will be determined by allocating such distributions or gain ratably over the U.S. Holder's holding period for the ADSs. The amount allocated to the current taxable year and any year prior to the first taxable year in which we are a PFIC will be taxed as ordinary income (rather than capital gain) earned in the current taxable year. The amount allocated to other taxable years will be taxed at the highest marginal rates applicable to ordinary income for each such taxable year, and an interest charge, generally that applicable to underpayments of tax, will also be imposed on the amount of taxes so derived for each such taxable year.

The PFIC provisions discussed above apply to U.S. persons who directly or indirectly hold stock in a PFIC. Both direct and indirect shareholders of PFICs are subject to the rules described above. Generally, a U.S. person is considered an indirect shareholder of a PFIC if it is:

- A direct or indirect owner of a pass-through entity, including a trust or estate, that is a direct or indirect shareholder of a PFIC;
- A shareholder of a PFIC that is a shareholder of another PFIC; or
- A 50%-or-more shareholder of a foreign corporation that is not a PFIC and that directly or indirectly owns stock of a PFIC.

An indirect shareholder may be taxed on a distribution paid to the direct owner of the PFIC and on a disposition of the stock indirectly owned. Indirect shareholders are strongly urged to consult their tax advisors regarding the application of these rules.

If we cease to be a PFIC in a future year, a U.S. Holder may avoid the continued application of the tax treatment described above by electing to be treated as if it sold its ADSs on the last day of the last taxable year in which we were a PFIC. Any gain would be recognized and subject to tax under the rules described above. Loss would not be recognized. A U.S. Holder's basis in its ADSs would be increased by the amount of gain, if any, recognized on the sale. A U.S. Holder would be required to treat its holding period for its ADSs as beginning on the day following the last day of the last taxable year in which we were a PFIC.

If the ADSs are considered "marketable stock" and if a U.S. Holder elects to "mark-to-market" its ADSs, the U.S. Holder would not be subject to tax under the excess distribution regime described above. Instead, the U.S. Holder would generally include in income any excess of the fair market value of the ADSs at the close of each tax year over the adjusted tax basis of the ADSs. If the fair market value of the ADSs had depreciated below the adjusted basis at the close of the tax year, the U.S. Holder would be entitled to deduct the excess of the adjusted basis of the ADSs over their fair market value at that time. However, such deductions generally would be limited to the net mark-to-market gains, if any, the U.S. Holder included in income with respect to such ADSs in prior years. Income

recognized and deductions allowed under the mark-to-market provisions, as well as any gain or loss on the disposition of ADSs with respect to which the mark-to-market election is made, is treated as ordinary income or loss (except that loss is treated as capital loss to the extent the loss exceeds the net mark-to-market gains, if any, that a U.S. Holder included in income with respect to such ordinary shares in prior years). However, gain or loss from the disposition of ADSs (as to which a "mark-to-market" election was made) in a year in which we are no longer a PFIC, will be capital gain or loss. Our ADSs should be considered "marketable stock" if they traded at least 15 days during each calendar quarter of the relevant calendar year in more than de minimis quantities.

A U.S. Holder of ADSs will not be able to avoid the tax consequences described above by electing to treat us as a qualified electing fund. In general, a qualified electing fund is, with respect to a U.S. person, a passive foreign investment company if the U.S. person has elected to include its proportionate share of a company's ordinary earnings and net capital gains in U.S. income on an annual basis. A qualified electing fund election can only be made with respect to us if we provide U.S. Holders with certain information on an annual basis and we do not intend to prepare the information that U.S. Holders would need to make the qualified electing fund election.

Backup Withholding and Information Reporting

Payments in respect of ADSs may be subject to information reporting to the U.S. Internal Revenue Service and to U.S. backup withholding tax at a rate equal to the fourth lowest income tax rate applicable to individuals (which, under current law, is 28%). Backup withholding will not apply, however, if a U.S. Holder (i) is a corporation, (ii) satisfies an applicable exemption, or (iii) furnishes correct taxpayer identification.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules may be credited against a U.S. Holder's U.S. tax liability, and a U.S. Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the IRS.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the reporting requirements of the United States Securities and Exchange Act of 1934, as amended, or the Exchange Act, as applicable to "foreign private issuers" as defined in Rule 3b-4 under the Exchange Act. As a foreign private issuer, we are exempt from certain provisions of the Exchange Act. Accordingly, our proxy solicitations are not subject to the disclosure and procedural requirements of regulation 14A under the Exchange Act, transactions in our equity securities by our officers and directors are exempt from reporting and the "short-swing" profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we file with the U.S. Securities and Exchange Commission an Annual Report on Form 20-F containing financial statements that have been examined and reported on, with and opinion expressed by an independent registered public accounting firm, and we submit reports to the U.S. Securities and Exchange Commission on Form 6-K containing (among other things) press releases and unaudited financial information for the first six months of each fiscal year. We post our Annual Report on Form 20-F on our website promptly following the filing of our Annual Report with the U.S. Securities and Exchange Commission. The information on our website is not incorporated by reference into this Annual Report.

This document and the exhibits thereto and any other document we file pursuant to the Exchange Act may be inspected without charge and copied at prescribed rates at the U.S. Securities and Exchange Commission public reference room at 100 F Street, N.E., Room 1580, Washington D.C. 20549. You may obtain information on the operation of the Securities and Exchange Commission's public reference room in Washington, D.C. by calling the U.S. Securities and Exchange Commission at 1-800-SEC-0330.

The U.S. Securities and Exchange Commission maintains a website at www.sec.gov that contains reports, proxy and information statements and other information regarding registrants that make electronic filings with the U.S. Securities and Exchange Commission using its EDGAR (Electronic Data Gathering, Analysis, and Retrieval) system.

The documents concerning our company which are referred to in this document may also be inspected at our office located at Level 7, Macquarie St, Sydney New South Wales 2000, Australia.

I. Subsidiary Information

We currently have the following subsidiaries:

- Prima BioMed USA Inc, a 100% owned subsidiary of Prima BioMed Ltd, incorporated in the United States.
- Prima BioMed GmbH, a 100% owned subsidiary of Prima BioMed Ltd, incorporated in Germany.
- Prima BioMed Middle East FZ LLC, a 100% owned subsidiary of Prima BioMed Ltd, incorporated in the United Arab Emirates.
- Prima BioMed Australia Pty Ltd, a 100% owned subsidiary of Prima BioMed Ltd, incorporated in Australia.
- Prima BioMed IP Pty Ltd, a 100% owned subsidiary of Prima BioMed Ltd, incorporated in Australia.
- Immutep S.A.S., a 100% owned subsidiary of Prima BioMed Ltd, incorporated in France.

These subsidiaries were established to allow us to conduct commercial and clinical operations in Europe, the United States, and the UAE.

On 18 September 2014, we deregistered Cancer Vac Pty Ltd., a 100% owned subsidiary incorporated in Australia.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our cash and cash equivalents consist primarily of cash and money market funds. We invest our excess cash and cash equivalents in interest-bearing accounts and term deposits with banks in Australia. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of Australian interest rates. However, because of the short-term nature of the instruments in our portfolio, a sudden change in market interest rates would not be expected to have a material impact on our financial condition and/or results of operation.

We conduct our activities predominantly in Australia. However we are exposed to foreign currency risk via trade and other payables we hold. We are required to make certain payments in U.S. dollars, European Euro and other currencies. See “Note 2. Financial Risk Management – (a) Market Risk” to our notes to the financial statements for a further discussion of market risk and sensitivity analysis.

Our exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollar, was as follows:

	June 30, 2015		June 30, 2014	
	USD	EUR	USD	EUR
Cash in bank	839,185	1,813,642	75,802	5,273,585
Trade and other receivables	126,958	34,592	—	—
Trade and other payables	(221,097)	(201,561)	(365,450)	(17,489)
Borrowings	(822,930)	(300,000)	—	—

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

The following are fees and charges that a holder of our ADSs may have to pay to the Bank of New York Mellon, as depositary:

Persons depositing or withdrawing ordinary shares or ADS holders must pay:	***For:***
US$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	• Issuance of ADSs, including issuances resulting from a distribution of ordinary shares or rights or other property • Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates
US$0.05 (or less) per ADS	• Any cash distribution to ADS holders
A fee equivalent to the fee that would be payable if securities distributed to an ADS holder had been ordinary shares and the ordinary shares had been deposited for issuance of ADSs, i.e., US$5.00 or less per 100 ADSs (or portion of 100 ADSs)	• Distribution of securities distributed to holders of deposited securities which are distributed by the depositary to ADS holders
US$.05 (or less) per ADSs per calendar year	• Depositary services
Registration or transfer fees	• Transfer and registration of ordinary shares on our ordinary share register to or from the name of the depositary or its agent when an ADS holder deposits or withdraws ordinary shares
Expenses of the depositary	• Cable, telex and facsimile transmissions (when expressly provided in the deposit agreement) • converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian have to pay on any ADS or ordinary share underlying an ADS, for example, stock transfer taxes, stamp duty or withholding taxes	• As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	• As necessary

The depositary collects its fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may collect any of its fees by deduction from any cash distribution payable to ADS holders that are obligated to pay those fees. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

From time to time, the depositary may make payments to us to reimburse and/or share revenue from the fees collected from ADS holders, or waive fees and expenses for services provided, generally relating to costs and expenses arising out of establishment and maintenance of the ADS program. In performing its duties under the deposit agreement, the depositary may use brokers, dealers or other service providers that are affiliates of the depositary and that may earn or share fees or commissions.

ADS holders are responsible for any taxes or other governmental charges payable on its ADSs or on the deposited securities represented by any of its ADSs. The depositary may refuse to register any transfer ADSs or allow an ADS holder to withdraw the deposited securities represented by its ADSs until such taxes or other charges are paid. It may apply payments owed to an ADS holder or sell deposited securities represented by an ADS holder's ADSs to pay any taxes owed and such ADS holder will remain liable for any deficiency. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to the holders of ADSs holder any proceeds, or send to the holders of ADSs any property, remaining after it has paid the taxes.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Not applicable.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, has performed an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of June 30, 2015, as required by Rule 13a-15(b) under the Exchange Act. Based on that evaluation, our management has concluded that, as of June 30, 2015, our disclosure controls and procedures were effective.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of June 30, 2015 based on the criteria set forth in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013). Based on our evaluation under the criteria set forth in *Internal Control — Integrated Framework*, our management concluded that our internal control over financial reporting was effective as of June 30, 2015. This annual report does not include an attestation report of the Company's Registered Public Accounting Firm on the Company's internal control over financial reporting as the Company is considered a non-accelerated emerging growth company filer as at June 30, 2015.

Inherent Limitations on Effectiveness of Controls

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) for the fiscal year ended June 30, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 15T. CONTROLS AND PROCEDURES

Not applicable.

ITEM 16. RESERVED

Not applicable.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

We have an independent director that meets the definition of an "audit committee financial expert", as defined by rules of the U.S. Securities and Exchange Commission.

ITEM 16B. CODE OF ETHICS

We have adopted a code of conduct that applies to our chief executive officer and all senior financial officers of our company, including the chief financial officer, chief accounting officer or controller, or persons performing similar functions. The code of conduct is publicly available as attachment C to our Board Charter on our website at www.primabiomed.com.au. Written copies are available upon request. If we make any substantive amendment to the code of conduct or grant any waivers, including any implicit waiver, from a provision of the code of conduct, we will disclose the nature of such amendment or waiver on our website.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

We retained PricewaterhouseCoopers as our independent registered public accounting firm. Set forth below is a summary of the fees paid to PricewaterhouseCoopers services provided in fiscal 2015 and 2014.

PricewaterhouseCoopers

	Fiscal 2015	Fiscal 2014
	(in A$)	
Audit Fees	$286,000	$209,420
Audit-Related Fees	$ 66,986	$ 12,500
Tax Fees	—	—
Other Assurance Services	—	—
Total	$352,986	$221,920

Pre-Approval Policies and Procedures

Our Audit Committee has adopted policies and procedures for the pre-approval of audit and non-audit services rendered by our independent registered public accounting firm. Pre-approval of an audit or non-audit service may be given as a general pre-approval, as part of the audit committee's approval of the scope of the engagement of our independent registered public accounting firm, or on an individual basis. Any proposed services exceeding general pre-approved levels also requires specific pre-approval by our audit committee. The policy prohibits retention of the independent registered public accounting firm to perform the prohibited non-audit functions defined in Section 201 of the Sarbanes-Oxley Act or the rules of the Securities and Exchange Commission, and also requires the audit committee to consider whether proposed services are compatible with the independence of the registered public accounting firm.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Not applicable

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

Under NASDAQ Stock Market Rule 5615(a)(3), foreign private issuers, such as our company, are permitted to follow certain home country corporate governance practices instead of certain provisions of the NASDAQ Stock Market Rules. A foreign private issuer that elects to follow a home country practice instead of any such NASDAQ rules must submit to NASDAQ, in advance, a written statement from an independent counsel in such issuer's home country certifying that the issuer's practices are not prohibited by the home country's laws. We submitted such a written statement to NASDAQ. See "Item 6. Directors, Senior Management and Employees – C. Board Practices – Corporate Governance Requirements Arising from our U.S. Listing – the Sarbanes-Oxley Act of 2002, SEC Rules and the Nasdaq Global Market Marketplace Rules" for a summary of such differences.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS

We have elected to furnish financial statements and related information specified in Item 18.

ITEM 18. FINANCIAL STATEMENTS

Prima BioMed Ltd

Index to Consolidated Financial Statements

	Page
Report of Independent Registered Public Accounting Firm	F-2
Consolidated Balance Sheets as of June 30, 2015 and 2014	F-3
Consolidated Statements of Comprehensive Loss for the years ended June 30, 2015, 2014, and 2013	F-4
Consolidated Cash Flow Statements for the years ended June 30, 2015, 2014, and 2013	F-5
Consolidated Statements of Changes in Equity for the years ended June 30, 2015, 2014, and 2013	F-6
Notes to the Consolidated Financial Statements	F-7

Report of Independent Registered Public Accounting Firm

To Board of Directors and Shareholders of Prima BioMed Ltd:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of comprehensive loss, of cash flows and of changes in equity present fairly, in all material respects, the financial position of Prima BioMed Ltd and its subsidiaries at June 30, 2015 and 2014 and the results of their operations and their cash flows for each of the three years in the period ended June 30, 2015 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers

PricewaterhouseCoopers
Sydney, Australia
October 30, 2015

PRIMA BIOMED LTD
CONSOLIDATED BALANCE SHEETS
(in Australian dollars, except number of shares)

	Note	June 30, 2015 A$	June 30, 2014 A$
ASSETS			
Current Assets			
Cash and cash equivalents	7	6,759,615	14,200,042
Current receivables	8	315,453	196,407
Held-to-maturity investments	9	—	9,000,000
Other current assets	10	948,003	1,287,359
Total Current Assets		**8,023,071**	**24,683,808**
Non-Current Assets			
Plant and equipment	11	297,957	577,264
Intangibles	12	22,662,417	116,883
Total Non-Current Assets		**22,960,374**	**694,147**
TOTAL ASSETS		**30,983,445**	**25,377,955**
Current Liabilities			
Trade and other payables	14	2,770,049	2,652,277
Borrowings	15	1,508,473	—
Current tax payable		20,837	16,990
Employee benefits	16	80,304	101,569
Total Current Liabilities		**4,379,663**	**2,770,836**
Non-Current Liabilities			
Employee benefits	17	35,706	14,799
Deferred tax liability	13	1,878,333	—
Total Non-Current Liabilities		**1,914,039**	**14,799**
TOTAL LIABILITIES		**6,293,702**	**2,785,635**
NET ASSETS		**24,689,743**	**22,592,320**
EQUITY			
Contributed equity	18	179,887,135	149,014,372
Reserves	19	5,267,729	1,882,674
Accumulated losses		(160,456,422)	(128,304,726)
Equity attributable to the owners of Prima BioMed Ltd		**24,689,743**	**22,592,320**
TOTAL EQUITY		**24,689,743**	**22,592,320**

The above consolidated balance sheets should be read in conjunction with the accompanying notes

PRIMA BIOMED LTD
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in Australian dollars, except number of shares)

	Note	Years ended June 30, 2015 A$	2014 A$	2013 A$
OTHER INCOME				
License income		168,322	15,929	—
Grant income		1,167,190	2,004,198	1,648,725
Gain on foreign exchange		538,248	406,628	1,417,613
Interest income		219,107	713,311	939,056
Total other income		**2,092,867**	**3,140,066**	**4,005,394**
Expenses				
Research & development and intellectual property	5	(8,952,447)	(11,930,857)	(14,005,259)
Corporate administrative expenses	5	(5,723,105)	(4,092,623)	(4,851,195)
Depreciation and amortisation expenses	5	(1,341,202)	(446,360)	(254,024)
Finance cost	5	(18,364,804)	—	—
Loss on disposal of assets	5	(5,160)	—	—
Changes in fair value of derivative financial instruments		—	—	(33,714)
Loss before income tax expense		**(32,293,852)**	**(13,329,774)**	**(15,138,798)**
Income tax expense	6	142,156	(13,607)	(86,873)
Loss after income tax expense for the year		**(32,151,696)**	**(13,343,381)**	**(15,225,671)**
Other Comprehensive Loss				
Items that may be reclassified to profit or loss				
Exchange differences on the translation of foreign operations		(56,907)	(57,421)	(35,332)
Other comprehensive loss for the year net of tax		(56,907)	(57,421)	(35,332)
Total comprehensive loss for the year		**(32,208,603)**	**(13,400,802)**	**(15,261,003)**
Loss for the year is attributable to:				
Owners of Prima BioMed Ltd		(32,151,696)	(13,343,381)	(15,225,671)
		(32,151,696)	**(13,343,381)**	**(15,225,671)**
Total comprehensive loss for the year is attributable to:				
Owners of Prima BioMed Ltd		(32,208,603)	(13,400,802)	(15,261,003)
		(32,208,603)	**(13,400,802)**	**(15,261,003)**
		Cents	Cents	Cents
Basic earnings per share	30	(2.04)	(0.94)	(1.42)
Diluted earnings per share	30	(2.04)	(0.94)	(1.42)

The above consolidated statements of comprehensive loss should be read in conjunction with the accompanying notes

PRIMA BIOMED LTD
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in Australian dollars, except number of shares)

	Note	Years Ended June 30, 2015 A$	2014 A$	2013 A$
Cash flows related to operating activities				
Payments to suppliers and employees (inclusive of GST)		(15,276,020)	(16,928,382)	(18,921,138)
License income		168,322	15,929	—
License fee received		5,774,784	—	—
Interest received		380,650	704,778	1,295,095
Tax paid		(1,908)	(23,684)	(59,808)
Grant income		1,167,190	2,004,198	1,648,725
Net cash flows used in operating activities		**(7,786,982)**	**(14,227,161)**	**(16,037,126)**
Cash flows related to investing activities				
Payments for held-to-maturity investments		—	(9,000,000)	(8,000,000)
Cash received from held-to-maturity investments		9,000,000	8,000,000	21,045,423
Payments for plant and equipment		(48,499)	(103,675)	(507,924)
Payment for acquisition of subsidiary, net of cash acquired		(20,912,912)	—	—
Net cash flows provided by (used in) investing activities		**(11,961,411)**	**(1,103,675)**	**12,537,499**
Cash flows related to financing activities				
Proceeds from issue of shares and options		7,744,648	6,845,001	7,714,250
Proceeds from borrowings		3,925,405	—	—
Repayment of borrowings		(237,308)	—	—
Share issue transaction costs		(164,316)	(157,606)	(552,224)
Net cash flows provided by financing activities		**11,268,429**	**6,687,395**	**7,162,026**
Net (decrease) increase in cash and cash equivalents		(8,479,964)	(8,643,441)	3,662,399
Effect of exchange rate on cash and cash equivalents		1,039,537	820,340	1,369,028
Cash and cash equivalents at the beginning of the year		14,200,042	22,023,143	16,991,716
Cash and cash equivalents at the end of the year	7	**6,759,615**	**14,200,042**	**22,023,143**

* During the year convertible notes in the amount of $2,853,883 were converted into equity. No impact has been recorded on the cashflow statement for this conversion.

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes

PRIMA BIOMED LTD
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in Australian dollars, except number of shares)

Consolidated	Issued Equity A$	Reserves A$	Retained earnings A$	Total equity A$
Balance at July 1, 2012	**136,712,525**	**181,020**	**(99,735,674)**	**37,157,871**
Other comprehensive loss for the year, net of tax	—	(35,332)	—	(35,332)
Loss after income tax expense for the year	—	—	(15,225,671)	(15,225,671)
Total comprehensive loss for the year	**—**	**(35,332)**	**(15,225,671)**	**(15,261,003)**
Transactions with owners in their capacity as owners:	5,614,452	—	—	5,614,452
Contributions of equity, net of transactions costs	—	1,547,574	—	1,547,574
Employee options scheme	—	189,524	—	189,524
Balance at June 30, 2013	**142,326,977**	**1,882,786**	**(114,961,345)**	**29,248,418**

Consolidated	Issued Equity A$	Reserves A$	Retained earnings A$	Total equity A$
Balance at July 1, 2013	**142,326,977**	**1,882,786**	**(114,961,345)**	**29,248,418**
Other comprehensive loss for the year, net of tax	—	(57,421)	—	(57,421)
Loss after income tax expense for the year	—	—	(13,343,381)	(13,343,381)
Total comprehensive loss for the year	**—**	**(57,421)**	**(13,343,381)**	**(13,400,802)**
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	6,687,395	—	—	6,687,395
Employee options scheme	—	57,309	—	57,309
Balance at June 30, 2014	**149,014,372**	**1,882,674**	**(128,304,726)**	**22,592,320**

Consolidated	Issued Equity A$	Reserves A$	Retained earnings A$	Total equity A$
Balance at July 1, 2014	**149,014,372**	**1,882,674**	**(128,304,726)**	**22,592,320**
Other comprehensive loss for the year, net of tax	—	(56,907)	—	(56,907)
Loss after income tax expense for the year	—	—	(32,151,696)	(32,151,696)
Total comprehensive loss for the year	**—**	**(56,907)**	**(32,151,696)**	**(32,208,603)**
Transactions with owners in their capacity as owners:	—	—	—	—
Contributions of equity, net of transaction costs	30,800,584	2,201,037	—	33,001,621
Share based payment	—	565,606	—	565,606
Employee share based payment	—	738,799	—	738,799
Exercise of vested performance rights	63,480	(63,480)	—	—
Balance at June 30, 2015	**179,878,436**	**5,267,729**	**(160,456,422)**	**24,689,743**

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of the Company and its subsidiaries.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. Prima BioMed Ltd is a for-profit entity for the purpose of preparing the financial statement. These financial statements were authorized for issue by the Directors on 30 October 2015.

(i) Compliance with IFRS

The consolidated financial statements of the Prima BioMed Ltd group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning July 1, 2014 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) Early adoption of standards

Refer to note 1(v) for pronouncements which have been elected by the group to commence before their operative date in the annual reporting period beginning 1 July 2014.

(iv) Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss.

(v) Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

(b) Principles of consolidation

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker (CODM), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Prima BioMed Ltd's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement, within finance costs. All other foreign exchange gains and losses are presented in the income statement on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each income statement and statement of comprehensive loss are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive lincome.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Interest Income

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(ii) Grant Income

Grants from the governments, including Australian Research and Development Rebates and Development Rebates, France's Crédit d'Impôt Recherche, and Saxony Development Bank ("Sächsische Aufbaubank") from Germany, are recognised at their fair value when there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to operating costs are recognised in the Statements of Comprehensive Income as other income.

(iii) License revenue

License revenue is recognized on receipt or where there is reasonable assurance that the license revenue will be received.

(f) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Prima BioMed Ltd and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Prima BioMed Ltd and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, liabilities incurred to the former owners of the acquired business and the equity interests issued by the group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration agreement, and the fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises and non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred and the amount of any non-controlling interests in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is required as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit and loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit and loss.

(h) Impairment of assets

Goodwill and intangible assets that have a definite useful life are subject to amortisation and tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(j) Current receivables

Current receivables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Amount receivable in relation to Goods and Services Tax (GST) and Value Added Tax (VAT) are due from the local taxation authorities and recorded based on the amount of GST and VAT paid on purchases. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of current receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off by reducing the carrying amount. An allowance account is used when there is objective evidence that the group will not be able to collect all amounts due.

(k) Investments and other financial assets

Classification

The group classifies its financial assets in the following categories: loans and receivables, available for sale investment and held-to-maturity investments. The classification depends on the purpose for which the investments were acquired.

Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting date.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables (note 8) in the balance sheet.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the group's management has the positive intention and ability to hold to maturity. If the group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which are classified as current assets.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortized cost using the effective interest method. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within other income or other expenses in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when the group's right to receive payments is established. Interest income from these financial assets is included in the net gains / (losses).

Impairment

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there

is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets carried at amortized cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss. Impairment testing of current receivables is described in note 1(g).

(l) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses.

(m) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

- Computers – 3 years
- Plant and equipment – 3-5 years
- Furniture – 3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(g)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in corporate administrative expenses through the profit or loss.

(n) Intangible assets

(i) Intellectual property

Costs incurred in acquiring intellectual property are capitalised and amortised on a straight line basis over a period not exceeding the life of the patents, which averages 15 years. Where a patent has not been formally granted, the company estimates the life of the granted patent in accordance with the provisional application.

Costs include only those costs directly attributable to the acquisition of the intellectual property. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(g)).

(ii) Research and development

Research expenditure on internal projects is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalized comprises all directly attributable costs, including costs of materials, services, direct labor and an appropriate proportion of overheads. Other expenditures that do not meet these criteria are recognised as an expense as incurred.

As the Company has not met the requirement under the standard to capitalize costs in relation to development, these amounts have been expensed.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use on a straight line basis over its useful life.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid.

The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

(p) Finance costs

Finance costs are expensed in the period in which they are incurred.

(q) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for accumulating annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(iii) Retirement benefit obligations

The group does not maintain a group superannuation plan. The group makes fixed percentage contributions for all Australian resident employees to complying third party superannuation funds. The group has no statutory obligation and does not make contributions on behalf of its resident employees in the USA and Germany. The group's legal or constructive obligation is limited to these contributions. Contributions to complying third party superannuation funds and pension plans are recognised as an expense as they become payable.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the Executive Incentive Plan (EIP) and Global Employee Shares Option Plan (GESOP). Information relating to these schemes is set out in note 31.

The fair value of options granted under the EIP and GESOP are recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(v) Termination benefits

Termination benefits are payable when employment is terminated before the normal employment contract expiry date. The group recognises termination benefits when it is demonstrably committed to terminating the employment of current employees.

(vi) Bonus plan

The group recognises a liability and an expense for bonuses. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(r) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit or loss attributable to owners of the Company
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year. Bonus elements have been included in the calculation of the weighted average number of ordinary shares and has been retrospectively applied to the prior financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(t) Goods and Services Tax and other similar taxes ('GST')

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(s) New Accounting Standards and Interpretations not yet mandatory or early adopted

New and amended standards adopted by the group

The group has applied the following standards and amendments for first time for their annual reporting period commencing July 1, 2014:

- AASB 2013-3 *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*
- AASB 2013-4 *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting*
- Interpretatiion 21 *Accounting for Levies*
- AASB 2014-1 *Amendments to Australian Accounting Standards*

The adoption of AASB 2013-3 had a small impact on the impairment disclosures and AASB 2014-1 has required additional disclosures in our segment note. Other than that, the adoption of these standards did not have any impact on the current period or any prior period and is not likely to affect future periods.

The group also elected to adopt the following two standards early:

- Amendments made to Australian Accounting Standards by AASB 2015-1 (Improvements 2012-2014 cycle), and
- Amendments made to AASB 101 by AASB 2015-2 (Disclosure initiative).

As these amendments merely clarify the existing requirements, they do not affect the group's accounting policies or any of the disclosure.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for June 30, 2015 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below.

Title of standard	Nature of change	Impact	Mandatory application date/ Date of adoption by group
AASB 9 *Financial Instruments*	AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.	When adopted, the standard will not have any significant impact as on the financial statements unless the Company acquires financial assets and liabilities. There will be no impact on the group's accounting for financial assets, as the new requirements only affect the accounting for available-for-sale financial assets and the group does not have any such assets. There will be no impact on the group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the group does not have any such liabilities.	Must be applied for financial years commencing on or after 1 January 2018. It is expected that the date of adoption by the group will be in the financial years commencing 1 July 2018.
AASB 15 *Revenue from Contracts with Customers*	The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (e.g. 1 July 2017), i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.	Management has completed its assessment of the impact of AASB 15 and has not identified any instances at this point of time where the new standard requirements will have a material impact on the financial statements of the Company. The Company will continue to monitor this assessment.	Mandatory for financial years commencing on or after 1 January 2018. Expected date of adoption by the group: 1 July 2018.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(v) Parent entity financial information

The financial information for the parent entity, Prima BioMed Ltd, disclosed in note 30 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries are accounted for at cost in the financial statements of Prima BioMed Ltd.

(ii) Tax consolidation legislation

Prima BioMed Ltd and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. The head entity, Prima BioMed Ltd, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate for any current tax payable assumed and are compensated by the head entity for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the head entity under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement is due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax installments. Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the group. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

(iii) Share-based payments

The grant by the company of options over its equity instruments to the employees of subsidiary undertakings in the group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

NOTE 2. FINANCIAL RISK MANAGEMENT

The group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the group. The group uses derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The group hedges its foreign exchange risk exposure arising from future commercial transactions and recognised assets and liabilities using forward contracts. The group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis and cash flow forecasting in the case of foreign exchange and aging analysis for credit risk.

Risk management is carried out by senior management under policies approved by the board of directors. Management identifies, evaluates and hedges financial risks in close co-operation with the group's operating units. The board provides the principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

NOTE 2. FINANCIAL RISK MANAGEMENT *(continued)*

(a) Market risk

Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Euro. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Management has set up a policy to manage the company's exchange risk within the group companies. The group hedges its foreign exchange risk exposure arising from future commercial transactions and recognised assets and liabilities using forward contracts.

The group considers using forward exchange contracts to cover anticipated cash flow in USD and Euro periodically, as derivatives held for trading and measured through the income statement. This policy is reviewed regularly by directors from time to time. There were no outstanding foreign exchange contracts as at 30 June 2015 and 30 June 2014.

The group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollar, was as follows:

	June 30, 2015			June 30, 2014		
	USD	EUR	Other	USD	EUR	Other
Cash in bank	839,185	1,813,642	—	75,802	5,273,585	—
Trade and other receivables	126,958	34,592	—	—	—	—
Trade and other payables	(221,097)	(201,561)	—	(365,450)	(17,489)	—
Borrowings	(822,930)	(300,000)	—	—	—	—

Sensitivity

Based on the financial instruments held at June 30, 2015, had the Australian dollar weakened/ strengthened by 10% against the US dollar with all other variables held constant, the group's post-tax loss for the year would have been $10,141 higher/$10,141 lower (2014 – $28,965 higher/$28,965 lower Any impact on the equity will result from changes in retained earnings.

Based on the financial instruments held at June 30, 2015, had the Australian dollar weakened/ strengthened by 10% against the Euro with all other variables held constant, the group's post-tax loss for the year would have been $196,137higher/$196,137 lower (2014 – $525,610 higher/$525,610 lower), mainly as a result of foreign exchange gains/losses on translation of Euro denominated financial instruments and from foreign forward exchange contracts.

The group's exposure to other foreign exchange movements is not material.

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks. For banks, only independently rated parties with a minimum rating of 'A' according to Standard & Poor's are accepted.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings:

	30 June 2015 $	30 June 2014 $
Cash at bank and short-term bank deposits		
AA-	6,759,615	14,200,042
Held-to-maturity investment		
AA-	—	9,000,000
Derivative financial instruments		
AA-	—	—

Held to maturity investments represent term deposits with a maturity period greater than 3 months and less than 12 months.

NOTE 2. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet obligations when due. At the end of the reporting period the group held deposits at call of $6,759,615 (2014 –$14,200,042) that are expected to readily generate cash inflows for managing liquidity risk. Management monitors rolling forecasts of the group's liquidity reserve cash and cash equivalents (note 7) on the basis of expected cash flows. In addition, the group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these.

As outlined in Note 3, the company's monitoring of its cash requirements extends to the consideration of potential capital raising strategies and an active involvement with its institutional and retail investor base.

Maturities of financial liabilities

The tables below analyze the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

(a) all non-derivative financial liabilities, and

(b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities At June 30, 2015	Less than 6 months $	6-12 months $	Total contractual cash flows $	Carrying Amount (assets) / liabilities $
Non-Derivatives				
Trade and other payables	2,770,049	—	2,770,049	2,770,049
Borrowings	1,508,473	—	1,508,473	1,508,473
	4,278,522	**—**	**4,278,522**	**4,278,522**

Contractual maturities of financial liabilities At June 30, 2014	Less than 6 months $	6-12 months $	Total contractual cash flows $	Carrying Amount (assets) / liabilities $
Non-Derivatives				
Trade and other payables	2,652,277	—	2,652,277	2,652,277
	2,652,277	—	2,652,277	2,652,277

(d) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 7 (IFRS 7) *Financial Instruments: Disclosures* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

NOTE 2. FINANCIAL RISK MANAGEMENT *(continued)*

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table presents the group's assets and liabilities measured and recognised at fair value at June 30, 2015:

At 30 June 2015	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Comparability milestone at fair value	—	—	542,075	542,075
Total Assets	—	—	542,075	542,075
Liabilities				
Borrowings	—	—	1,508,473	1,508,473
Total liabilities	—	—	1,508,473	1,508,473

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

(i) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 instruments for the year ended 30 June 2015:

	Comparability milestone $	Borrowings $	Total $
Opening balance 1 July 2014	—	—	—
Other increases	542,075	(1,508,473)	(966,398)
(Losses)/gains recognised as an expense	—	—	—
Closing balance 30 June 2015	**542,075**	**(1,508,473)**	**(966,398)**

NOTE 2. FINANCIAL RISK MANAGEMENT *(continued)*

(ii) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant inputs used in level 3 fair value measurements:

Description	Fair value at 30 June 2015 $	Unobservable inputs	Range of inputs
Comparability milestone at fair value	542,075	Requirement to undertake Phase 1 trial before commencing Phase 2 trial	50%
Borrowings	1,508,473	Face value of borrowing	100%

NOTE 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income taxes

The group has recognised deferred tax assets of $1.5m which related to carried forward tax losses in the Immutep subsidiary acquired during the period. On acquisition, the group has recognised significant amortising IP intangibles for which there will be no corresponding tax deduction, giving rise to a future taxable temporary difference and required the recognition of a deferred tax liability as part of the business combination accounting. The entity had previously unrecognised tax losses which management is satisfied will continue to be available to be utilised by the subsidiary after the acquisition. As such, the group has recognised a deferred tax asset to the extent of the deferred tax liability recognised on acquisition. The group has concluded that the deferred assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the subsidiary.

All other remaining deferred tax assets relating to carried forward tax losses and taxable temporary differences have not been recognised since the group is currently in a loss making position and unable to generate taxable income to utilise the carried forward tax losses and taxable temporary differences. The utilisation of the tax losses also depends on the ability of the entity to satisfy certain tests at the time the losses are recouped. The group is subject to income taxes in Australia and jurisdictions where it has foreign operations. Significant judgement is required in determining the worldwide provision for income taxes. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The group estimates its tax liabilities based on the group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next Annual Reporting period but may impact profit or loss and equity. Refer to note 31—*share based payment*.

Research and development

The consolidated entity has expensed all internal research and development expenditure incurred during the year as the costs relate to the initial expenditure for research and development of biopharmaceutical products and the generation of future economic benefits is not considered certain given the current stage of development. It was considered appropriate to expense the research and development costs as they did not meet the criteria to be capitalized under AASB 138 (IAS 38) *Intangible Assets*.

NOTE 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS *(continued)*

Going Concern

The Group has experienced significant recurring operating losses and negative cash flows from operating activities since its inception. As at June 30, 2015, the Group holds cash and cash equivalents of $6,759,615 (2014: $14,200,042) and held-to-maturity investments of Nil (2014: $9,000,000). In line with the Company's financial risk management, the directors have carefully assessed the financial and operating implications of the above matters, including the expected cash outflows of ongoing research and development activities of the Company.

As detailed in Note 28, subsequent to year end the company has raised $10 million from a Share Purchase Plan and has raised approximately $14 million from an investment by Ridgeback Capital. In line with the Company's financial risk management, the directors have carefully assessed the financial and operating implications of the above matters, including the expected cash outflows of ongoing research and development activities of the Company. Based on this consideration, the directors are of the view that the Group will be able to pay its debts as and when they fall due for at least 12 months following the date of these financial statements and that it is appropriate for the financial statements to be prepared on a going concern basis.

Monitoring and addressing the ongoing cash requirements of the Group is a key focus of the directors. This involves consideration of alternative future capital raising initiatives and an active engagement with potential retail and institutional investors alike.

Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, liabilities incurred to the former owners of the acquired business and the equity interests issued by the group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration agreement, and the fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises and non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred and the amount of any non-controlling interests in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is required as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit and loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit and loss.

NOTE 4. SEGMENT REPORTING

Identification of reportable operating segments

Subsequent to the acquisition of Immutep S.A., internal reports which are reviewed and used by Management and the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) form only one segment, being Cancer Immunotherapy. This segment reporting is used to assess performance and in determining the allocation of resources. There is no aggregation of operating segments. The CODM reviews earnings/loss before tax. Prior year segment reporting information has been restated to reflect the form in which the CODM reviews financial information.

Types of products and services

The principal products and services of each of these operating segments are as follows:

- Cancer Immunotherapy

In the current fiscal year, the Company has focused on cancer immunotherapy research.

Operating segment information

June 30, 2015	Cancer Immunotherapy A$	Other R&D A$	Unallocated A$	Consolidated A$
Other income				
Revenue	168,322	—	—	168,322
Grant income	1,167,190	—	—	1,167,190
Gain on foreign exchange	—	—	538,248	538,428
Interest income	—	—	219,107	219,107
Total other income	**1,335,512**	**—**	**757,355**	**2,092,867**
Segment Result				
Depreciation and amortisation	(1,341,202)	—	—	(1,341,202)
Other expenses*	(33,045,516)	—	—	(33,045,516)
Loss before income tax expense	**(33,051,208)**	—	**737,355**	**(32,293,852)**
Income tax expense				142,156
Loss after income tax expense				**(32,151,696)**
Total segment assets	**30,983,445**	**—**	**—**	**30,983,455**
Total segment liabilities	**6,293,702**	**—**	**—**	**6,293,702**

*** net of other income**

June 30, 2014	Cancer Immunotherapy A$	Other R&D A$	Unallocated A$	Consolidated A$
Other income				
Revenue	—	—	15,929	15,929
Grant income	2,004,198	—	—	2,004,198
Gain on foreign exchange	—	—	406,628	406,628
Interest income	—	—	713,311	713,311
Total other income	**2,004,198**	**—**	**1,135,868**	**3,140,066**
Segment Result				
Depreciation and amortisation	(433,074)	—	(13,286)	(446,360)
Other expenses*	(11,386,363)	—	(1,497,051)	(12,883,414)
Loss before income tax expense	**(11,819,437)**	—	**(1,510,337)**	**(13,329,774)**
Income tax expense				(13,607)
Loss after income tax expense				**(13,343,381)**
Total segment assets	**25,377,955**	**—**	**—**	**25,377,955**
Total segment liabilities	**2,785,635**	**—**	**—**	**2,785,635**

*** net of other income**

NOTE 4. SEGMENT REPORTING *(continued)*

June 30, 2013	Cancer Immunotherapy A$	Other R&D A$	Unallocated A$	Consolidated A$
Other income				
Grant income	1,648,725	—	—	1,648,725
Gain on foreign exchange	—	—	1,417,613	1,417,613
Interest income	—	—	939,056	939,056
Total other income	**1,648,725**	**—**	**2,356,669**	**4,005,394**
Segment Result				
Depreciation and amortisation	(241,814)	—	(12,210)	(254,024)
Other expenses*	(13,914,144)	(6,317)	(964,313)	(14,884,774)
Loss before income tax expense	**(14,155,958)**	**(6,317)**	**(976,523)**	**(15,138,798)**
Income tax expense				(86,873)
Loss after income tax expense				**(15,225,671)**
Total segment assets	**32,814,298**	**—**	**—**	**32,814,298**
Total segment liabilities	**3,565,880**	**—**	**—**	**3,565,880**

*** net of other income**

NOTE 5. EXPENSES

	Consolidated		
	June 30, 2015 A$	June 30, 2014 A$	June 30, 2013 A$
Loss before income tax includes the following specific expenses:			
Research & Development and Intellectual Property			
Research and development	8,515,150	11,825,668	13,852,477
Intellectual property management	437,297	105,189	152,782
Total Research & Development and Intellectual Property	**8,952,447**	**11,930,857**	**14,005,259**
Corporate administrative expenses			
Auditor's remuneration	292,807	222,720	259,340
Directors fee and employee expenses	2,508,533	1,969,494	2,095,547
Administrative expenses	2,921,745	1,900,409	2,496,308
Total corporate administrative expenses	**5,723,105**	**4,092,623**	**4,851,195**
Depreciation			
Plant and equipment	308,719	370,237	186,940
Computers	14,523	18,987	11,039
Furniture and fittings	2,532	2,698	1,607
Total depreciation	**325,774**	**391,922**	**199,586**
Amortisation*			
* $380,776 (2014: $433,074) relates to R&D			
Patents	55,002	54,438	54,438
Intellectual Property Assets R&D	960,426	—	—
Total amortisation	**1,015,428**	**54,438**	**54,438**
Total depreciation and amortisation	**1,341,202**	**446,360**	**254,024**
Loss on disposal of assets			
Plant and equipment	5,160	—	—
Finance expenses			
Interest expenses	26,789	—	—
Other finance expenses – note 18	18,338,015	—	—
Finance expense	**18,364,804**	—	—

NOTE 6. INCOME TAX EXPENSE

	Consolidated		
	June 30, 2015 A$	June 30, 2014 A$	June 30, 2013 A$
Numerical reconciliation of income tax expense to prima facie tax payable			
Loss before income tax expense	(32,293,852)	(13,329,774)	(15,138,798)
Tax at the Australian tax rate of 30%	(9,688,156)	(3,998,932)	(4,541,639)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:			
Non-deductible expenses	6,034,418	439,652	1,022,310
Non-assessable income	(233,261)	(479,616)	(432,636)
Capital listing fee	(188,530)	(586,143)	—
Others	—	—	83,243
Difference in overseas tax rates	184,251	569	3,630
Section 40-880 deductions	—	—	—
	(3,891,278)	(4,624,471)	(3,865,092)
Net adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	3,749,122	4,638,078	3,951,965
Income tax expense*	**(142,156)**	**13,607**	**86,873**

* Income tax expense relates to tax payable in the United States and movement in deferred tax assets and liabilities for the French subsidiary.

	Consolidated		
	June 30, 2015 A$	June 30, 2014 A$	June 30, 2013 A$
Deferred tax assets not recognised			
Deferred tax assets not recognised comprises temporary differences attributable to:			
Carried forward tax losses benefit	31,262,135	27,329,078	22,562,084
Temporary differences	(196,493)	(402,644)	147,615
Total deferred tax assets not recognised	**31,065,642**	**26,926,434**	**22,709,699**

The above potential tax benefit, which includes tax losses and temporary differences has not been recognised in the consolidated balance sheet as the recovery of this benefit is not probable. There is no expiration date for the tax losses carried forward. The estimated amount of cumulative tax losses at 30 June 2015 was $104,207,118 (2014 - $91,096,926). Utilisation of these tax losses is dependent on the parent entity satisfying certain tests at the time the losses are recouped.

NOTE 7. CASH AND CASH EQUIVALENTS

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Cash on hand	1,296	1,344
Cash at bank	6,508,319	9,698,698
Cash on deposit	250,000	4,500,000
	6,759,615	**14,200,042**

The above cash and cash equivalent are held in AUD, USD, and Euro. The interest rate on these deposits range from 0% to 2.3% in 2015 (2014 – 0% to 3.05%).

NOTE 8. HELD-TO-MATURITY INVESTMENT

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Term deposits	—	**9,000,000**

Held to maturity investments represent term deposits with a maturity period greater than 3 months and less than 12 months. These term deposits are denominated in AUD and have interest rates of Nil in 2015 (2014 – 3.75%) The group's exposure to interest rate risk is discussed in note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of held to maturity investment mentioned above.

NOTE 9. CURRENT RECEIVABLES

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
GST receivable	150,143	196,047
Accounts receivable	165,310	—
	315,453	**196,407**

Due to the short term nature of these receivables, the carrying value is assumed to be their fair value and at 30 June 2015. No receivables were impaired or past due.

NOTE 10. OTHER CURRENT ASSETS

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Prepayments*	380,749	1,090,608
Security deposit	21,224	31,252
Accrued interest	3,955	165,499
Retention receivable	542,075	—
	948,003	**1,287,359**

* Prepayments are in relation to the deposits paid to organizations involved in the clinical trials.

NOTE 11. NON-CURRENT ASSETS - PLANT AND EQUIPMENT

	Plant and Equipment A$	Computer A$	Furniture and fittings A$	Total A$
At June 30, 2013				
Cost or fair value	1,119,560	59,075	12,425	1,191,060
Accumulated depreciation	(332,475)	(20,842)	(3,065)	(356,382)
Net book amount	**787,085**	**38,233**	**9,360**	**834,678**
Year ended June 30, 2014				
Opening net book amount	787,085	38,233	9,360	834,678
Exchange differences	29,565	833	435	30,833
Additions	100,568	3,107	—	103,675
Disposals	—	—	—	—
Depreciation charge	(370,237)	(18,987)	(2,698)	(391,922)
Closing net book amount	**546,981**	**23,186**	**7,097**	**577,264**
At June 30, 2014				
Cost or fair value	1,248,948	62,789	12,765	1,324,502
Accumulated depreciation	(701,967)	(39,603)	(5,668)	(747,238)
Net book amount	**546,981**	**23,186**	**7,097**	**577,264**
Year ended June 30, 2015				
Opening net book amount	546,981	23,186	7,097	577,264
Exchange differences	(681)	1,128	(22)	425
Additions	44,627	4,201	—	48,828
Disposals	(178)	(5,332)	—	(5,510)
Acquisition of subsidiary	787	1,937	—	2,724
Depreciation charge	(308,719)	(14,523)	(2,532)	(325,774)
Closing net book amount	**282,817**	**10,597**	**4,543**	**297,957**
At June 30, 2015				
Cost or fair value	605,648	28,016	7,172	640,836
Accumulated depreciation	(322,831)	(17,419)	(2,629)	(342,879)
Net book amount	**282,817**	**10,597**	**4,543**	**297,957**

NOTE 12. NON-CURRENT ASSETS - INTANGIBLES

	Patents A$	Intellectual Property Assets A$	Goodwill A$	Total A$
At June 30, 2013				
Cost	1,915,671	—	—	1,915,671
Accumulated amortization and impairment	(1,744,350)	—	—	(1,744,350)
Net book amount	**171,321**	—	—	**171,321**
Year ended June 30, 2014				
Opening net book amount	171,321	—	—	171,321
Amortization charge	(54,438)	—	—	(54,438)
Closing net book amount	**116,883**	—	—	**116,883**
At June 30, 2014				
Cost	1,915,671	—	—	1,915,671
Accumulated amortization and impairment	(1,798,788)	—	—	(1,798,788)
Net book amount	**116,883**	—	—	**116,883**
Year ended June 30, 2015				
Opening net book amount	116,883	—	—	116,883
Acquisition of Immutep S.A	—	23,451,000	109,962	23,560,962
Amortization charge	(55,002)	(960,426)	—	(1,015,428)
Closing net book amount	**61,881**	**22,490,574**	**109,962**	**22,662,417**
At June 30, 2015				
Cost or fair value	1,915,671	23,451,000	109,962	25,476,633
Accumulated amortization and impairment	(1,853,790)	(960,426)	—	(2,814,216)
Net book amount	**61,881**	**22,490,574**	**109,962**	**22,662,417**

(i) Amortisation methods and useful lives

The group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- Patents, trademark and licenses – 13 – 21 years
- Intellectual property assets – 14 – 15 years

NOTE 13. DEFERRED TAX BALANCES

(i) Deferred tax assets

The balance comprises temporary differences attributable to:

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Tax losses	1,495,603	—
Total deferred tax assets	1,495,603	—
Set-off of deferred tax liabilities pursuant to set-off provisions	(1,495,603)	—
Net deferred tax assets	—	—

NOTE 13. DEFERRED TAX BALANCES *(continued)*

(ii) Expected recovery of Deferred Tax Assets

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Deferred tax assets expected to be recovered within 12 months	—	—
Deferred tax assets expected to be recovered after more than 12 months	1,495,603	—
Net deferred tax assets	**1,495,603**	—

(iii) Deferred tax liabilities

The balance comprises temporary differences attributable to:

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Intangible assets	3,373,936	—
Total deferred tax liabilities	3,373,936	—
Set-off of deferred tax liabilities pursuant to set-off provisions	**(1,495,603)**	—
Net deferred tax liabilities	**1,878,333**	—
Deferred tax liabilities expected to be settled within 12 months	—	—
Deferred tax liabilities expected to be settled more than 12 months	1,878,333	—
	1,878,333	—

(iii) Movements in deferred tax balances

	Tax Losses A$	Intangible Assets A$	Total A$
Movement			
At 30 June 2014	—	—	—
(Charged)/credited			
- to profit or loss	—	144,064	144,064
- to other comprehensive income	—	—	—
- directly to equity	—	—	—
Acquisition of subsidiary	1,495,603	(3,518,000)	(2,022,397)
At 30 June 2015	**1,495,603**	**(3,373,936)**	**(1,878,333)**

NOTE 14. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Trade payables	2,201,864	2,216,723
Other payables	568,185	435,554
	2,770,049	**2,652,277**

NOTE 15. CURRENT LIABILITIES - BORROWINGS

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Amounts payable to related parties	1,071,523	—
Other borrowings	436,950	—
	1,508,473	**—**

Dr Frédéric Triebel provided an unsecured loan to the company of $1,071,523. Interest is charged on this loan at the rate of 10% per annum and is repayable on 30 September 2015.

Other borrowings relate to an interest-free loan advanced by France's innovation agency, ANVAR, which was repaid in full in July 2015.

NOTE 16. EMPLOYEE BENEFITS

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Annual leave	**80,304**	**101,569**

The current provision for employee benefits is in relation to accrued annual leave and covers all unconditional entitlements where employees have completed the required period of service. The entire amount of the provision is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations.

NOTE 17. EMPLOYEE BENEFITS

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Long service leave	**35,706**	**14,799**

NOTE 18. CONTRIBUTED EQUITY

		Consolidated	
	Note	June 30, 2015 A$	June 30, 2014 A$
Fully paid ordinary shares	18(a)	170,216,482	139,352,418
Options over ordinary shares		9,661,954	9,661,954
		179,878,436	**149,014,372**

(a) Ordinary Shares		June 30, 2015		June 30, 2014	
	Note	No.	No.	No.	A$
At the beginning of reporting period		1,228,709,341	139,352,418	1,143,146,838	132,665,023
Shares issued during year	(i)	284,274,073	7,365,369	85,562,500	6,845,000
Exercise of options (Shares issued during the year)	(ii)	72,413,924	3,731,339	3	1
Exercise of convertible notes (Shares issued during the year)		166,097,263	19,931,672	—	—
Transaction costs relating to share issues		—	(164,316)	—	(157,606)
At reporting date		**1,751,494,601**	**170,216,482**	**1,228,709,341**	**139,352,418**

NOTE 18. CONTRIBUTED EQUITY *(continued)*

(b) Shares issued

2015 Details	Note	Number	Issue Price A$	Total A$
Bergen commencement fee	i)	11,792,588	0.04	483,496
Bergen collateral shares	i)	17,800,000	0.04	338,200
Bergen first tranche	i)	13,163,514	0.04	526,541
Performance right exercised	i)	1,715,686	0.04	63,480
Bergen second tranche	i)	15,214,606	0.03	517,297
Consideration buyer shares to Immutep stakeholders	i)	86,120,815	0.03	2,593,959
Bergen third tranche	i)	15,323,414	0.03	505,674
Bergen fourth tranche	i)	22,936,950	0.02	527,550
Ridgeback share issued	i)	28,000,000	0.02	560,000
Ridgeback first placement	i)	72,206,500	0.02	1,249,172
Bergen option exercised	ii)	19,800,000	0.05	1,084,050
Conversion of Warrants - Immutep	ii)	52,371,500	0.05	2,628,525
Employee option exercised	ii)	242,424	0.08	18,764
Exercise of convertible note	iii)	166,097,263	0.12	19,931,672
		522,785,260		**31,028,3**

In October 2014, Prima entered into an investment agreement with the Bergen Global Opportunity Fund, LP (Bergen). Under the agreement, Bergen subscribed to a 36-month interest-free convertible security in the amount of $2,833,000, expiring on 2 October 2017. In addition, Bergen could invest in the range of $438k (US$360k) and $1.8m (US$1.5m) per month in monthly tranches, dependent on meeting certain conditions. Bergen was also issued 19,800,000 options and was issued with 17,800,000 shares as security over the investment agreement.

The investment agreement with Bergen concluded in May 2015. Upon the conclusion of the investment agreement, Bergen exercised their options, made payment for the collateral shares issued and exercised their convertible note as detailed above.

Finance costs relating to the Bergen investment agreement was $18,338,015 for the year ended 30 June 2015. The finance costs incurred relate to the following terms of the Bergen agreement.

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
Commencement fee	483,496	—
Discount to fair value on ordinary shares issued to Bergen from tranche funding	211,124	—
Discount to fair value on collateral shares issued to Bergen	151,264	—
Fair value of options issued to Bergen	414,342	—
Discount to fair value on exercise of convertible notes to ordinary shares	17,077,789	—
	18,338,015	—

1) The convertible note issued to Bergen was recorded on issuance date as a financial liability and then re-measured at fair value through the profit and loss in accordance with AASB 139. Under the Agreement the conversion price was calculated based on the average of any five daily VWAP's per share during twenty consecutive actual trading days immediately prior to the selected conversion date, at the discretion of Bergen. The conversion price was calculated at $0.0190 per share and the calculated number of shares issued to Bergen was 166,097,263. The market price on the day that the shares were issued to Bergen was $0.12 per share resulting in a fair value re-measurement loss of $17,077,789 being recorded.

NOTE 18. CONTRIBUTED EQUITY *(continued)*

2014 Details	Note	Number	Issue Price A$	Total A$
Share purchase plan	i)	85,562,500	0.080	6,845,000
Exercise of PRRO options	ii)	3	0.200	1
Transaction costs relating to share issues				(157,606)
		85,562,503		**6,687,395**

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorized capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options

Information relating to the Company's Global Employee Share Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 31.

Unlisted Options

Expiration Date	Exercise Price	Number	Code
February 01, 2016	$ 0.3390	740,741	PRRAL
August 01 , 2015	$ 0.1850	2,800,000	PRRAL
February 20, 2016	$ 0.1730	200,000	PRRAL
June 30, 2018	$ 0.0774	1,680,868	PRRAE
December 12, 2018	$ 0.05019	147,628,500	
Total		**153,050,109**	

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximize synergies.

NOTE 19. EQUITY – RESERVES AND RETAINED EARNINGS

	Consolidated	
	June 30, 2015 A$	June 30, 2014 A$
(a) Reserves		
Options issued reserve	3,748,611	1,547,574
Foreign currency translation reserve	(268,052)	(211,145)
Share-based payment reserve	1,787,170	546,245
	5,267,729	**1,882,674**
Movement in options issued reserve were as follows:		
Opening balance	1,547,574	1,547,574
Options issued during the year	2,201,037	—
Ending balance	**3,748,611**	**1,547,574**
Movement in foreign currency translation reserve were as follows:		
Opening balance	(211,145)	(153,724)
Currency translation differences arising during the year	(56,907)	(57,421)
Ending balance	**(268,052)**	**(211,145)**
Movement in share-based payment reserve were as follows:		
Opening balance	546,245	488,936
Employee options issued during the year	738,799	57,309
Exercise of vested performance rights	(63,480)	—
Share-based payments	565,606	—
Ending balance	**1,787,170**	**546,245**
(b) Retained Earnings		
Movement in retained earnings were as follows:		
Opening balance	(128,304,726)	(114,961,345)
Net loss for the year	(32,151,696)	(13,343,381)
Balance	**(160,456,422)**	**(128,304,726)**

(c) Nature and purpose of reserves

(i) *Options issued reserve*

In October 2014, the Company issued 19,800,000 options with an exercise price of $0.05475 in relation to the Bergen investment agreement. In December 2014, the Company issued 200,000,000 warrants at an exercise price of $0.05019 to the vendors of Immutep S.A. The options expire on 2 October 2017 and 12 December 2018. Each option and warrant is exercisable for one ordinary share in the capital of the Company. As at 30 June 2015, all options held by Bergen were exercised, and 52,371,500 warrants were exercised by the vendors of Immutep S.A. The options held are exercisable at any time before its expiry date.

(ii) Foreign currency translation

Exchange differences arising on translation of the foreign controlled entity a recognised in other comprehensive loss as described in note 1(d) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(iii) *Share-based payments reserve*

The options-based payments reserve is used to recognize the grant date fair value of options issued to employees but not exercised. For a reconciliation of movements in the share-based payment reserves refer to note 31.

NOTE 20. DIVIDENDS

There were no dividends paid or declared during the current or previous financial year.

NOTE 21. BUSINESS COMBINATION

(a) Summary of acquisition

Acquisition of Immutep S.A.

On 12 December 2014, the Group acquired 100% of the issued share capital of Immutep S.A., a French biopharmaceutical company in the field of Immuno-Oncology, for consideration of $26,275,569. The acquisition has significantly increased the portfolio of Immuno-Oncology technologies for further clinical development.

The details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$
Purchase consideration	
Cash paid	15,772,737
Deferred consideration	5,685,370
Fair value of shares issued	2,593,958
Fair value of warrants issued	2,201,038
Total purchase consideration	**26,253,103**

Deferred consideration has been paid to the former owners of Immutep during the financial year. In addition, an amount of $1,084,149 was paid into a retention account held in trust by external parties representing a comparability milestone payment contingent on future events. The fair value of the amount has been estimated at $542,075. The total cash paid for the year ended 30 June 2015 taking into account this and the net cash acquired amounts to $20,912,912.

The provisionally determined fair values of the assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value $
Cash and cash equivalents	545,195
Trade and other receivables	6,077,686
Other current assets	11,614
Plant and equipment	2,802
Deferred tax asset	1,495,603
Intangible assets	23,451,000
Trade and other payables	(1,248,501)
Other financial liabilities	(674,258)
Deferred tax liability	(3,518,000)
Net identified assets acquired	**26,143,141**
Add: goodwill	**109,962**
Net assets acquired	**26,253,103**

The goodwill is attributable to Immutep's assembled workforce and other intellectual property research and development which is continuing on an on-going basis. None of the goodwill is expected to be deductible for tax purposes.

NOTE 21. BUSINESS COMBINATION *(continued)*

(i) Acquisition related costs

Acquisition related costs of $347,473 are included in corporate administrative expenses in the statement of comprehensive income.

(ii) Deferred consideration

The deferred consideration arrangement requires the Group to pay the former owners of Immutep a maximum of $5,438,724 dependent upon Immutep reaching certain milestones payable over a period of up 12 months after the acquisition date. Additional deferred consideration is payable in the amount of $246,646 relating to a working capital adjustment under the terms of the Share Sale Agreement.

(iii) Comparability milestone

An amount of $1,084,149 was paid into a retention account held in trust by external parties representing a comparability milestone payment contingent on future events. The fair value of the amount has been estimated at $542,075.

(iv) Acquired receivables

The fair value of trade and other receivables is $6,077,686 and includes trade receivables and other receivables with a fair value of $6,077,686 which are expected to be collectible.

(v) Revenue and profit contribution

The acquired business contributed revenues of $487,538 and net loss after tax of $271,697 to the group for the period from 12 December 2014 to 30 June 2015.

If the acquisition had occurred on 1 July 2014, consolidated pro-forma revenue and profit for the period ended 30 June 2015 would have been $6,532,066 and $3,928,131 respectively. These amounts have been calculated using the subsidiary's results and adjusting them for differences in the accounting policies between the group and the subsidiary.

(vi) Shares and warrants issued

The fair value of the 86,120,815 shares issued as part of the consideration paid for Immutep S.A ($2,593,958) was based on an agreed VWAP calculation under the terms of the Share Sale Agreement discounted to reflect certain escrow and volume trading restrictions placed on these shares.

The fair value of 200,000,000 warrants issued as part of the consideration paid for Immutep S.A ($2,201,038) was valued by the Black Scholes model discounted to reflect certain exercise and volume trading restrictions place upon the exercise of these warrants.

NOTE 22. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors and key management personnel compensation

	Consolidated		
	June 30, 2015 A$	**June 30, 2014 A$**	**June 30, 2013 A$**
Short-term employee benefits	1,509,877	1,533,114	1,906,670
Post-employment benefits	6,231	40,377	52,348
Termination benefits	43,056	—	149,599
Share-based payments	467,002	41,919	185,594
	2,026,166	**1,615,410**	**2,294,211**

NOTE 22. KEY MANAGEMENT PERSONNEL DISCLOSURES *(continued)*

(b) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

For details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, please refer to note 31.

(ii) Shareholding

The numbers of shares in the company held during the financial year by each director of and other key management personnel of the group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

June 30, 2015	Balance at start of the year	Received during the year on the exercise of performance rights	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Ordinary shares					
Ms. Lucy Turnbull, AO	20,059,576	—	—	—	20,059,576
Mr. Albert Wong	3,537,500	—	—	—	3,537,500
Dr. Russell Howard	—	—	—	—	—
Mr. Pete Meyers	—	1,715,686	—	—	1,715,686
Mr. Matt Lehman	1,617,763	—	—	—	1,617,763
	32,706*				32,706*
Dr. Sharron Gargosky	—	—	—	—	—
Mr. Marc Voigt	720,000	—	—	150,000	870,000
	150*			—	150*
Ms. Deanne Miller		—	242,424	(221,500)	20,924
Dr. Frédéric Triebel	—	—	—	—	—
Total ordinary shares	**25,934,839**	**1,715,686**	**242,424**	**(71,500)**	**27,821,449**
Total ADR	**32,856**	**—**	**—**	**—**	**32,856**

* American Depositary Receipts (ADR) traded on the NASDAQ

June 30, 2014	Balance at start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Ordinary shares				
Ms. Lucy Turnbull, AO	17,759,576	—	2,300,000	20,059,576
Mr. Albert Wong	3,537,500	—	—	3,537,500
Mr. Martin Rogers**	20,542,179	—	—	20,542,179
Dr. Richard Hammel**	10,444,987	—	—	10,444,987
Dr. Russell Howard	—	—	—	—
Mr. Pete Meyers	—	—	—	—
Mr. Matt Lehman	1,617,763	—	—	1,617,763
	4,400*	—	28,306*	32,706*
Dr. Sharron Gargosky	25,000*	—	(25,000)	—
Mr. Marc Voigt	620,000	—	100,000	720,000
	150*	—	—	150*
Total ordinary shares	**54,522,005**		**2,400,000**	**56,922,005**
Total ADR	**29,550**	**—**	**3,306**	**32,856**

* American Depositary Receipts (ADR) traded on the NASDAQ
** As the date of resignation

NOTE 22. KEY MANAGEMENT PERSONNEL DISCLOSURES *(continued)*

June 30, 2013	Balance at start of the year	Share Purchase Plan (SPP) and shortfall placement	Other changes during the year	Balance at end of the year
Ordinary shares				
Ms. Lucy Turnbull, AO	4,622,076	12,687,500	450,000	17,759,576
Mr. Albert Wong	3,350,000	187,500	—	3,537,500
Mr. Martin Rogers	30,834,179	187,500	[1](10,479,500)	20,542,179
Dr. Richard Hammel	10,257,487	187,500	—	10,444,987
Dr. Russell Howard	—	—	—	—
Mr. Ian Bangs	100,000	—	—	100,000
Mr. Matt Lehman	1,100,000	412,500	105,263	1,617,763
	—	—	4,400*	4,400*
Dr. Neil Frazer	112,000			112,000
	1,000*	—	—	1,000*
Dr. Sharron Gargosky	—	—	25,000*	25,000*
Mr. Marc Voigt			307,500	620,000
	—	312,500	150*	150*
Total ordinary shares	**50,375,742**	**13,975,000**	**(9,616,737)**	**54,734,005**
Total ADR	**1,000**	**—**	**29,550**	**30,550**

* American Depositary Receipts (ADR) traded on the NASDAQ
[1] related shares sold by the director to the market

(iii) Option holdings

The number of options over ordinary shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

June 30, 2015	Balance at start of the year	Granted	Exercised	Other Changes	Balance at end of the year	Vested and exercisable	Unvested
Options over ordinary shares							
Ms. Lucy Turnbull, AO	4,439,894	—	—	—	4,439,894	4,439,894	—
Mr. Albert Wong	—	—	—	—	—	—	—
Mr. Martin Rogers	—	—	—	—	—	—	—
Dr. Russell Howard	—	—	—	—	—	—	—
Mr. Pete Meyers	—	—	—	—	—	—	—
Mr. Matt Lehman	2,104,441	—	—	—	2,104,441	2,104,441	—
Dr. Sharron Gargosky	1,537,275	—	—	—	1,537,275	1,537,275	—
Mr. Marc Voigt	1,171,754	—	—	—	1,171,754	1,171,754	—
Ms. Deanne Miller	363,636	—	(242,424)	—	121,212	121,212	—
	9,617,000	**—**	**(242,424)**	**—**	**9,374,576**	**9,374,576**	**—**

NOTE 22. KEY MANAGEMENT PERSONNEL DISCLOSURES *(continued)*

June 30, 2014	Balance at start of the year	Granted	Entitlement options	Other Changes	Balance at end of the year	Vested and exercisable	Unvested
Options over ordinary shares							
Ms. Lucy Turnbull, AO	14,439,894	—	—	(10,000,000)	4,439,894	4,439,894	—
Mr. Albert Wong	7,500,000	—	—	(7,500,000)	—	—	—
Mr. Martin Rogers	12,500,000	—	—	(10,000,000)	2,500,000	2,500,000	—
Dr. Richard Hammel	5,000,000	—	—	(5,000,000)	—	—	—
Dr. Russell Howard	—	—	—	—	—	—	—
Mr. Pete Meyers	—	—	—	—	—	—	—
Mr. Matt Lehman	2,104,441	—	—	—	2,104,441	2,104,441	—
Ms. Deanne Miller	—	363,636	—	—	363,636	242,424	121,212
Dr. Sharron Gargosky	900,000	637,275	—	—	1,537,275	1,324,850	212,425
Mr. Marc Voigt	528,125	643,629	—	—	1,171,754	957,211	214,543
	42,972,460	**1,644,540**	**—**	**(32,500,000)**	**12,117,000**	**11,568,820**	**548,180**

June 30, 2013	Balance at start of the year	Granted	Entitlement options	Other Changes	Balance at end of the year	Vested and exercisable	Unvested
Options over ordinary shares							
Ms. Lucy Turnbull, AO	10,000,000	—	4,439,894	—	14,439,894	14,439,894	—
Mr. Albert Wong	7,500,000	—	—	—	7,500,000	7,500,000	—
Mr. Martin Rogers	10,000,000	—	2,500,000	—	12,500,000	12,500,000	—
Dr. Richard Hammel	5,000,000	—	—	—	5,000,000	5,000,000	—
Dr. Russell Howard	—	—	—	—	—	—	—
Mr. Matt Lehman	500,000	1,200,000	404,441	—	2,104,441	904,441	1,200,000
Dr. Neil Frazer	2,000,000	—	—	—	2,000,000	2,000,000	—
Mr. Ian Bangs	—	450,000	100,000	—	550,000	550,000	—
Ms. Deanne Miller	—	—	—	—	—	—	—
Dr. Sharron Gargosky	200,000	700,000	—	—	900,000	200,000	700,000
Mr. Marc Voigt	—	450,000	78,125	—	528,125	78,125	450,000
	35,200,000	**2,800,000**	**7,522,460**	**—**	**45,522,460**	**43,172,460**	**2,350,000**

NOTE 22. KEY MANAGEMENT PERSONNEL DISCLOSURES *(continued)*

(iii) Performance right holdings

The number of performance rights over ordinary shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

June 30, 2015	Balance at start of the year	Granted	Exercised	Other Changes	Balance at end of the year	Vested and exercisable	Unvested
Options over ordinary shares							
Ms. Lucy Turnbull, AO	—	—	—	—	—	—	—
Mr. Albert Wong	—	—	—	—	—	—	—
Mr. Martin Rogers	—	—	—	—	—	—	—
Dr. Russell Howard	—	—	—	—	—	—	—
Mr. Pete Meyers	—	7,720,588	(1,715,686)	—	6,004,902	—	6,004,902
Mr. Matt Lehman	—	6,127,451	—	—	—	—	—
Dr. Sharron Gargosky	—	—	—	—	6,127,451	—	—
Mr. Marc Voigt	—	16,323,529	—	—	16,323,529	—	16,323,529
Ms. Deanne Miller	—	6,127,451	—	—	6,127,451	—	6,127,451
Dr. Frédéric Triebel	—	—	—	—	—	—	—
	—	**36,299,019**	**(1,715,686)**	**—**	**34,583,333**	**—**	**34,583,333**

NOTE 23. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms

	Consolidated		
	June 30, 2015 A$	June 30, 2014 A$	June 30, 2013 A$
PricewaterhouseCoopers Australia			
Audit or review of the financial report	286,000	209,420	257,700
Other advisory services	—	12,500	—
	286,000	**221,920**	**257,700**
Other services			
Network firm of PricewaterhouseCoopers Australia			
Due Diligence services	66,986	—	—
Non-PwC audit firm			
Audit or review of the financial report	—	—	—
Preparation of the tax return and other consulting services	—	—	9,841
Total remuneration of non-PwC audit firm	**—**	**—**	**9,841**
	352,986	**221,920**	**267,541**

NOTE 24. CONTINGENT LIABILITIES

There were no material contingent liabilities in existence at June 30, 2015 and June 30, 2014.

NOTE 25. COMMITMENTS FOR EXPENDITURE

There were no material capital or leasing commitments at June 30, 2015 and June 30, 2014.

NOTE 26. RELATED PARTY TRANSACTIONS

Parent entity

Prima BioMed Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 27.

Key management personnel

Disclosures relating to key management personnel are set out in note 22.

Receivable from and payable to related parties

There were no trade receivables from or trade payables due to related parties at the reporting date.

Loans to/from related parties

During the year, Dr Frédéric Triebel provided an unsecured loan to the company of $1,071,523. Interest is charged on this loan at the rate of 10% per annum and is repayable on 30 September 2015. Interest payable with respect to the loan for the year ended 30 June 2015 was $28,206.

NOTE 27. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

		Equity holding	
Name of entity	Country of incorporation	June 30, 2015 %	June 30, 2014 %
Cancer Vac Pty Ltd*	Australia	—	100.00
Prima BioMed USA Inc	United States of America	100.00	100.00
PRR Middle East FZ LLC	United Arab Emirates	100.00	100.00
Prima BioMed GmbH	Germany	100.00	100.00
Prima Biomed AUSTRALIA Pty Ltd	Australia	100.00	100.00
Prima Biomed IP Pty Ltd	Australia	100.00	100.00
Immutep S.A.	France	100.00	—

* Company was deregistered on 18 September 2014. No financial impact has been recorded in the annual report for the year ended 30 June 2015 as all assets have written down to Nil value in prior years.

NOTE 28. EVENTS OCCURRING AFTER THE REPORTING DATE

Subsequent to year end, the Company issued 200,000,000 ordinary shares at a price of $0.05 to existing shareholders via a Share Purchase Plan (SPP). The total proceeds from the issuance of the ordinary shares were $10,000,000.

Also subsequent to year end, shareholders ratified the issue of further securities to Ridgeback Capital Investments L.P. at the Extraordinary General Meeting held on 31 July 2015. In accordance with the approval by shareholders, the Company issued the following securities:

- 12,136,750 ordinary shares at a price of $0.0173,
- 8,475,995 warrants exercisable at $0.025 per warrant into ordinary shares on or before 4 August 2025
- 371,445,231 warrants exercisable at $0.0237 per warrant into ordinary shares on or before 4 August 2020
- 13,750,828 Convertible Notes, each with a face value of $1.00 which is convertible into ordinary shares at a price of $0.02, which may be adjusted due to future capital raising by the company on or before 4 August 2025.

NOTE 28. EVENTS OCCURRING AFTER THE REPORTING DATE *(continued)*

Assuming that Ridgeback Capital Investments L.P. exercises all warrants and convertible notes, an additional 1,067,462,626 ordinary shares may be issued in future reporting periods.

The total proceeds from the issuance of the above securities amounted to $13,960,794.

The Company issued 31,022,181 shares to Nyenburgh Investment Partners on 13 October 2015, raising approximately A$1,500,000.

No other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations or the consolidated entity's state of affairs in future financial years.

NOTE 29. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	Consolidated		
	June 30, 2015 A$	June 30, 2014 A$	June 30, 2013 A$
Loss after income tax expense for the year	(32,151,696)	(13,343,381)	(15,225,671)
Adjustments for:			
Depreciation and amortisation	1,341,202	446,360	254,024
(Decrease)/increase in income tax payable	3,849	(10,077)	27,065
Add back share based payments	738,799	57,309	189,524
Add back loss on disposal of assets	5,160	—	—
Add back Non-cash finance expenses	18,338,016	—	—
Unrealised gain on exchange through the profit and loss	(1,039,537)	(908,594)	(1,446,771)
Change in operating assets and liabilities:			
Decrease/(increase) in trade and other receivables	5,958,640	4,071	79,907
Decrease in inventories	—	—	191,726
Decrease/(increase) in other operating assets	350,970	297,320	809,055
(Decrease)/increase in trade and other payables	(1,187,961)	(816,276)	627,971
Increase/(decrease) in employee benefits	(357)	79,821	(88,926)
(Decrease)/increase in derivative financial instruments	—	(33,714)	(1,455,030)
Decrease/(increase) in deferred tax liability	(144,064)	—	—
Net cash used in operating activities	**(7,786,979)**	**(14,227,161)**	**(16,037,126)**

NOTE 30. EARNINGS PER SHARE

	Consolidated		
	June 30, 2015 A$	June 30, 2014 A$	June 30, 2013 A$
Loss after income tax	(32,151,696)	(13,343,381)	(15,225,671)
Loss after income tax attributable to the owners of Prima BioMed Ltd	**(32,151,696)**	**(13,343,381)**	**(15,225,671)**
	Number	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	1,591,116,220	1,439,768,245	1,075,381,168
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,591,116,220	1,439,768,245	1,075,381,168
	Cents	Cents	Cents
Basic earnings per share	(2.02)	(0.93)	(1.42)
Diluted earnings per share	(2.04)	(0.94)	(1.42)

NOTE 30. EARNINGS PER SHARE *(continued)*

Information concerning other notes and options issued:

The following table summarizes the convertible notes, listed options and unlisted options that were not included in the calculation of weighted average number of ordinary shares because they are anti-dilutive for the periods presented.

	Consolidated	
	June 30, 2015 A$	**June 30, 2014 A$**
Listed options	77,378,696	77,378,696
Unlisted options and warrants	164,894,609	16,942,441

NOTE 31. SHARE-BASED PAYMENTS

a) Executive Incentive Plan (EIP)

Equity incentives are granted under the Executive Incentive Plan (EIP) which was approved by shareholders at the 2012 Annual General Meeting. In light of our increasing operations globally the Board reviewed the Company's incentive arrangements to ensure that it continued to retain and motivate key executives in a manner that is aligned with members' interests. As a result of that review, an 'umbrella' EIP was adopted to which eligible executives are invited to apply for the grant of performance rights and/or options. Equity incentives granted in accordance with the EIP Rules are designed to provide meaningful remuneration opportunities and will reflect the importance of retaining a world-class management team. The Company endeavours to achieve simplicity and transparency in remuneration design, whilst also balancing competitive market practices in the United States, Germany, and Australia.

Set out below are summaries of performance rights granted under the EIP:

2015 Grant date	Fair value	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
September 19, 2014	0.042	—	7,398,896	—	—	7,398,896	—
September 19, 2014	0.044	—	10,845,588	—	—	10,845,588	—
September 19, 2014	0.044	—	3,615,196	—	—	3,615,196	—
November 14, 2014	0.037	—	4,068,627	—	—	4,068,627	—
November 14, 2014	0.038	—	9,191,177	—	—	9,191,177	—
November 14, 2014	0.04	—	3,063,725	—	—	3,063,725	—
Total		—	38,183,209	—	—	38,183,209	—

Fair value of performance rights granted

The fair value at grant date for performance rights are determined using a Black-Scholes option pricing model that takes into account the exercise price, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for performance rights granted during the year ended 30 June 2015 included:

- grant date: 19 September 2014 and 14 November
- share price at grant date: $0.042 and $0.037
- expected price volatility of the Company's shares: 90%
- expected dividend yield: nil%
- risk-free interest rate: 2.86% and 2.55%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The fair value at grant date for long term incentives are determined using an “Up and in Call” Barrier Option Pricing Model.

NOTE 31. SHARE-BASED PAYMENTS *(continued)*

The model inputs for performance rights granted during the year ended 30 June 2015 included:

- grant date: 19 September 2014 and 14 November 2014
- measurement period – Tranche 1: 19 September 2014 to 2 October 2017
- measurement period – Tranche 2: 19 September 2014 to 1 October 2018
- barrier price: CAGR 20% per annum over measurement period
- share price at grant date: $0.042 and $0.037
- expected price volatility of the Company's shares: 90%
- expected dividend yield: nil%
- risk-free interest rate: 2.86% and 2.55%

Set out below are summaries of options granted under the EIP:

2015 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
December 23, 2013	30 June 2018	0.0774	1,758,176	—	(242,424)	—	1,515,752	1,515,752
January 24, 2014	30 June 2018	0.0774	165,116	—	—	—	165,116	165,116
Total			1,923,292	—	(242,424)	—	1,680,868	1,680,868
Weighted average exercised price		0.0774					0.0774	

No options expired during the periods covered by the above tables.

The weighted average share price at the date of exercise of options exercised during the year ended 30 June 2015 was $0.0774 (2014 – $0.0774). The weighted average remaining contractual life of share options outstanding at the end of the period was 4 years. Options vest in three equal tranches, 33.3% vested on December 31, 2013, 33.3% vested on June 30, 2014, and 33.3% to vest on June 30, 2015. Vesting is contingent upon the employee being continuously employed in good standing through the vesting period. The options are subject to accelerated vesting according to agreed terms in each person's employment contract.

242,424 share options were exercised during the year (2014 – Nil). The share price at the date of exercise of options exercised during the year ended 30 June 2015 was $0.125 (2014 – $Nil).

Fair value of options granted

The assessed fair value at grant date of options granted during the year ended 30 June 2015 were Nil (2014 – $0.028 and $0.037). The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended June 30, 2014 included:

- Vested options are exercisable for a period of 36 months after vesting
- exercise price: $0.0774
- grant date: December 23, 2013 and January 24, 2014
- expiry date: June 30, 2018
- share price at grant date: $0.04 and $0.05
- expected price volatility of the Company's shares: 112% and 116%
- expected dividend yield: nil%
- risk-free interest rate: 2.92% and 2.81%

NOTE 31. SHARE-BASED PAYMENTS *(continued)*

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Global Employee Share Option Plan (GESOP)

The establishment of the GESOP Plan was approved by shareholders at the 2011 annual general meeting. The GESOP is designed to provide long-term incentives for employees excluding directors to deliver long-term shareholder returns. Under the plan, participants are granted options based on certain performance standards being met. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Options granted under the plan carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share. The exercise price of options is based on the volume weighted average price at which the company's shares are traded on the Australian Securities Exchange (ASX) during the seven days up to and including the date of the grant.

Set out below are summaries of options granted under the GESOP:

2015 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
November 3, 2011	3 November 2014	0.279	100,000	—	—	(100,000)	—	—
January 3, 2012	3 January 2015	0.233	100,000	—	—	(100,000)	—	—
August 1, 2012	1 August 2015	0.185	1,600,000	—	—	—	1,600,000	1,600,000
November 16, 2012	1 August 2015	0.185	1,200,000	—	—	—	1,200,000	1,200,000
February 20, 2014	20 February 2016	0.173	200,000	—	—	—	200,000	200,000
Total			3,200,000	—	—	(200,000)	3,000,000	3,000,000
Weighted average exercised price		0.189		—			0.184	

2014 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
November 3, 2011	3 November 2014	0.279	100,000	—	—	—	100,000	100,000
January 3, 2012	3 January 2015	0.233	100,000	—	—	—	100,000	100,000
August 1, 2012	1 August 2015	0.185	—	1,600,000	—	—	1,600,000	450,000
November 16, 2012	1 August 2015	0.185	—	1,200,000	—	—	1,200,000	—
February 20, 2014	20 February 2016	0.173	—	200,000	—	—	200,000	—
Total			200,000	3,000,000	—	—	3,200,000	650,000
Weighted average exercised price		0.189		—			0.189	

2013 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
November 3, 2011	3 November 2014	0.279	100,000	—	—	—	100,000	100,000
January 3, 2012	3 January 2015	0.233	100,000	—	—	—	100,000	100,000
August 1, 2012	1 August 2015	0.185	—	1,600,000	—	—	1,600,000	450,000
November 16, 2012	1 August 2015	0.185	—	1,200,000	—	—	1,200,000	—
February 20, 2013	20 February 2016	0.173	—	200,000	—	—	200,000	—
Total			200,000	3,000,000	—	—	3,200,000	650,000
Weighted average exercised price		0.189		0.184			0.189	

200,000 options expired during the financial year and were forfeited as the exercise price was above the underlying share price.

There were no share options exercised during the year (2014 – $nil). The weighted average remaining contractual life of share options outstanding at the end of the period was 1 year (2014 – 1 year). Options vested after a period of twelve months from the grant

date.

Fair value of options granted

There were no options granted during the year ended 30 June 2015 (2014 - Nil). The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

NOTE 31. SHARE-BASED PAYMENTS *(continued)*

(c) Employee Share Option Plan (ESOP)

The establishment of the ESOP Plan was approved by shareholders on April 30, 2010. The company has ceased to issue options under the ESOP.

The ESOP was designed to provide long-term incentives for employees excluding directors to deliver long-term shareholder returns. Under the plan, participants were granted options based on certain performance standards being met. Participation in the plan was at the board's discretion and no individual had a contractual right to participate in the plan or to receive any guaranteed benefits. Options under the ESOP vested on grant date.

Options granted under the ESOP carried no dividend or voting rights. Each options granted under the ESOP is convertible into one ordinary share. The exercise price of options granted under the ESOP is $0.10 per option.

Set out below are summaries of options granted under the ESOP:

2015 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
August 26, 2011	August 26, 2014	0.10	500,000	—	—	(500,000)	—	—
Total			500,000	—	—	(500,000)	—	—
Weighted average exercised price		0.10					—	—

2014 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
August 26, 2011	August 26, 2014	0.10	500,000	—	—	—	500,000	500,000
Total			500,000	—	—	—	500,000	500,000
Weighted average exercised price		0.10					0.10	0.10

2013 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
August 26, 2011	August 26, 2014	0.10	500,000	—	—	—	500,000	500,000
Total			500,000	—	—	—	500,000	500,000
Weighted average exercised price		0.10					0.10	0.10

500,000 options expired during the financial year and were forfeited as the exercise price was above the underlying share price

Fair value of options granted

There were no options granted during the year ended 30 June 2015 (2012 – $nil). The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information, where options are issued to employees of subsidiaries within the group.

NOTE 31. SHARE-BASED PAYMENTS *(continued)*

d) Options issued to directors with shareholders' approval

At the 2010 annual general meeting, shareholders approved the issue of 34,500,000 options to the directors. Options granted under the plan carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share. The exercise price of options is $0.20 for 32,500,000 and $0.10 for 2,000,000.

Set out below are summaries of options granted with shareholders approvals:

2015 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
December 6, 2010*	December 6, 2014	0.10	2,000,000	—	—	(2,000,000)	—	—
Total			2,000,000	—	—	(2,000,000)	—	—
Weighted average exercised price		0.10	0.10				—	—

2014 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
December 6, 2010	December 6, 2013	0.20	32,500,000	—	—	(32,500,000)	—	—
December 6, 2010*	December 6, 2014	0.10	2,000,000	—	—	—	2,000,000	2,000,000
Total			34,500,000	—	—	(32,500,000)	2,000,000	2,000,000
Weighted average exercised price		0.194	0.194				0.10	0.10

* these options were issued to Neil Frazer and had a 4 year vesting period and were fully vested as at 30 June 2014 upon his termination of employment

(e) Performance rights issued to directors with shareholders approval

At the 2014 annual general meeting, shareholders approved the issue of 16,323,529 performance rights to the directors. Performance rights granted under the plan carry no dividend or voting rights. When exercisable, each performance right is convertible into one ordinary share. The weighted average remaining contractual life of performance rights outstanding at the end of the period was less than 1.8 years (2014 – Nil).

Set out below are summaries of performance rights granted with shareholders approval.

2015 Grant date	Fair value	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
November 14, 2014	0.037	—	4,068,627	—	—	4,068,627	—
November 14, 2014	0.038	—	9,191,177	—	—	9,191,177	—
November 14, 2014	0.04	—	3,063,725	—	—	3,063,725	—
Total		—	16,323,529	—	—	16,323,529	—

Fair value of performance rights granted

The fair value at grant date for Short Term Incentive performance rights is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the performance right. The fair value at grant date for Long Term Incentive performance rights is determined using an "Up and in Call" Barrier Option Pricing Model.

(f) Options issued to other parties

During the year, options were issued to Bergen Global Opportunity Fund, LP (Bergen) in accordance with the investment agreement entered into in October 2014.

NOTE 31. SHARE-BASED PAYMENTS *(continued)*

Set out below is a summary of the options granted to Bergen:

2015 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
October 2, 2014	October 7, 2017	0.05475	—	19,800,000	(19,800,000)	—	—	—

Fair value of options granted

There were no options granted during the year ended 30 June 2015 (2014 – $nil). The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

(g) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	Consolidated	
	June 30, 2015 A$	**June 30, 2014 A$**
Share-based payment expense	565,606	—
Employee share-based payment expense	738,799	57,309
	1,304,405	**57,309**

Share based payment expenses in relation to the investment agreement with Bergen have been recognised as part of Finance Costs. Share-based payment transactions with employees are recognised during the period as a part of employee benefit expenses.

NOTE 32. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

Statement of comprehensive loss

	Parent		
	June 30, 2015 A$	**June 30, 2014 A$**	**June 30, 2013 A$**
Loss after income tax	(29,484,263)	(15,651,281)	(15,813,154)
Total comprehensive loss	**(29,484,263)**	**(15,651,281)**	**(15,813,154)**

Statement of financial position

	Parent	
	June 30, 2015 A$	**June 30, 2014 A$**
Total current assets	6,103,199	20,313,908
Total non current assets	26,255,547	937
Total assets	**32,358,745**	**20,314,845**
Total current liabilities	1,848,136	977,777
Total non current liabilities	6,715,710	363,932
Total liabilities	**8,563,846**	**1,341,709**
Equity		
— Contributed equity	179,878,437	149,014,372
— Reserves	5,535,781	2,093,819
— Accumulated losses	(161,619,319)	(132,135,056)
Total equity	**23,794,899**	**18,973,135**

NOTE 32. PARENT ENTITY INFORMATION *(continued)*

Guarantees of financial support

There are no guarantees entered into by the parent entity.

Contingent liabilities of the parent entity

Refer to note 24 for details in relation to contingent liabilities as at June 30, 2015 and June 30, 2014.

Capital commitments—Property, plant and equipment

The parent entity did not have any capital commitments for property, plant and equipment at as June 30, 2015 and June 30, 2014.

ITEM 19. EXHIBITS

The following exhibits are filed as part of this Annual Report on Form 20-F:

EXHIBIT INDEX

Exhibit	Description	Incorporated by Reference			
		Schedule/ Form	File Number	Exhibit	File Date
1.1	Constitution of Registrant	20-F	001-35428	1.1	2/13/12
2.1	Form of Deposit Agreement between Prima BioMed, The Bank of New York Mellon, as Depositary, and owners and holders from time to time of ADSs issued thereunder, including the Form of American Depositary Shares	20-F	001-35428	2.1	4/2/12
2.2#	Subscription Agreement between Prima BioMed Ltd and Ridgeback Capital Investments L.P., dated May 14, 2015, as amended (including form warrants and notes)				
4.3*	Master Services Agreement between Prima BioMed and Cell Therapies Pty Ltd, dated April 1, 2011 (terminated effective October 1, 2013)	20-F	001-35428	4.3	10/3/12
4.4*	Technology License Agreement, among Prima BioMed, Cancer Vac Pty Ltd, Austin Research Institute and Ilexus Pty Ltd, dated May 31, 2001, as amended by Deed of Variation, dated August 24, 2005	20-F	001-35428	4.5	2/13/12
4.4.1	Deed of Novation between The MacFarlane Burnet Institute for Medical Research and Public Health Ltd, Prima BioMed and Cancer Vac Pty Ltd, dated April 18, 2012	20-F	001-35428	4.4.1	10/30/13
4.5	Cooperation Agreement between Prima BioMed GmbH and Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e. V., dated July 4, 2012	20-F	001-35428	4.5	12/3/12
4.6*	License and Development Agreement between Cancer Vac Pty Ltd and Biomira, Inc., dated March 9, 2004, as amended by Deed of Variation of License and Development Agreement, dated February 2007	20-F	001-35428	4.7	2/13/12
4.6.1	Termination Agreement between Oncothyreon Inc, Prima BioMed and Cancer Vac Pty Ltd, dated October 2, 2013	20-F	001-35428	4.6.1	10/30/13
4.7*	Collaborative Research Agreement between Prima BioMed and NewSouth Innovations Pty Limited, dated December 17, 2009	20-F	001-35428	4.8	2/13/12
4.8	Services Agreement between Prima BioMed and Progenitor Cell Therapy LLC, dated May 13, 2009, as amended November 10, 2009 and March 18, 2010	20-F	001-35428	4.11	2/13/12
4.9+	Prima BioMed Employee Share Option Plan	20-F	001-35428	4.12	2/13/12
4.10+	Prima BioMed Global Employee Share Option Plan	20-F	001-35428	4.10	10/3/12
4.11+	Prima Executive Incentive Plan	20-F	001-35428	4.11	10/30/13
4.12+	Amended Employment Agreement between Prima BioMed and Neil Frazer, effective March 31, 2013	20-F	001-35428	4.12	10/30/13
4.13+	Amended Employment Agreement between Prima BioMed and Matthew Bryson Lehman, effective September 1, 2012	20-F	001-35428	4.13	10/30/13
4.13.1+	Separation Agreement and Release between Prima BioMed and Matthew Bryson Lehman, dated July 9, 2014 and effective August 10, 2014	20-F	001-35428	4.13.1	9/24/14
4.14+	Employment Agreement between Prima BioMed and Sharron Gargosky, dated June 1, 2011	20-F	001-35428	4.14	10/3/12
4.14.1+#	Separation Agreement and Release between Prima BioMed and Sharron Gargosky, effective September 18, 2015				

Exhibit	Description	Incorporated by Reference			
		Schedule/ Form	File Number	Exhibit	File Date
4.15+	Employment Agreement between Prima BioMed and Marc Voigt, effective July 1, 2012	20-F	001-35428	4.15	10/3/12
4.15.1+	Chief Executive Officer Employment Agreement between Prima BioMed and Marc Voigt, effective July 9, 2014	20-F	001-35428	4.15.1	9/24/14
4.15.2+	Executive and Business Manager Employment Contract between Prima Biomed GmbH and Marc Voigt, effective July 9, 2014	20-F	001-35428	4.15.2	9/24/14
4.15.3+#	Variation to Executive Employment Agreement between Prima BioMed and Marc Voigt, effective June 1, 2015				
4.16+	Employment Agreement between Prima BioMed and Deanne Miller, dated October 13, 2012	20-F	001-35428	4.16	10/30/13
4.16.1+#	Variation to Executive Employment Agreement between Prima BioMed and Deanne Miller, effective June 1, 2015				
4.17+	Deed of Settlement and Release between Prima BioMed and Ian Bangs, dated October 25, 2012	20-F	001-35428	4.17	10/30/13
4.18	Transition Services Agreement between Prima BioMed and Cell Therapies Pty Ltd, dated December 1, 2013	20-F	001-35428	4.18	9/24/14
4.19	Variation 1 to Transition Services Agreement between Prima BioMed and Cell Therapies Pty Ltd, dated February 26, 2014	20-F	001-35428	4.19	9/24/14
4.20*	Supply, Distribution and Licensing Agreement between Prima BioMed and Neopharm Ltd., dated February 19, 2014	20-F	001-35428	4.20	9/24/14
4.21**#ß	Share Sale Agreement, dated October 2, 2014, by and between Prima BioMed and Immutep S.A.				
4.22#	Amendment to the Indefinite Term Employment Contract Entered Into Effect On May 1st 2004, dated 1 October 2014, by and between Immutep S.A. and Frédéric Triebel				
12.1#	Certification of Chief Executive Officer and Chief Financial Officer as required by Rule 13a-14(a) of the Securities Exchange Act of 1934				
13.1#	Certification of Chief Executive Officer and Chief Financial Officer as required by Rule 13a-14(b) of the Securities Exchange Act of 1934				

* Confidential treatment has been granted with respect to certain portions of this exhibit. Omitted portions have been submitted separately with the U.S. Securities and Exchange Commission.

** Confidential treatment has been requested with respect to certain portions of this exhibit. Omitted portions have been submitted separately with the U.S. Securities and Exchange Commission.

ß Certain schedules and annexes of this exhibit have been omitted pursuant to Item 601(b)(2) of Regulation S-K and will be furnished to the Securities and Exchange Commission upon request.

\+ Indicates management contract or compensatory plan.

\# Filed herewith.

In accordance with SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, and the instructions to Form 20-F, the certifications furnished in Exhibits 13.1 and 13.2 hereto are deemed to accompany this Annual Report on Form 20-F and will not be deemed "filed" for purpose of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that we specifically incorporates it by reference.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

PRIMA BIOMED LTD

/s/ Marc Voigt

By: Marc Voigt

Title: Chief Executive Officer, Chief Financial Officer and Chief Business Officer

Date: October 30, 2015