

13 July 2015

Ms Stephanie So  
Senior Adviser, Listings Compliance (Sydney)  
ASX Compliance Pty Ltd  
20 Bridge Street  
SYDNEY NSW 2000

Dear Ms So,

**Prima BioMed Limited – ASX aware query**

I refer to your letter dated 8 July 2015 in relation to the ASX aware query.

Prima BioMed Limited (“Prima”) provides the following responses to the questions in your letter.

**1. Does the Entity consider the information contained in the SPP Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes, however, given Prima had previously announced its intention to offer a SPP on 14 May 2015 and is seeking to raise only \$5m, up to a maximum of \$10m, the share price reaction, if attributed solely to the SPP Announcement, seems disproportionate given the prior notice of Prima’s intention to offer a SPP and the size of the raising.

**2. If the answer to question 1 is “no”, please advise the basis for that view.**

Not applicable.

**3. If the answer to question 1 is “yes”, when did the Entity first become aware of the information.**

Prima first became aware of the information after board approval was received in response to an email sent by the CEO to the Board at 3.36pm on 7 July 2015, which recommended announcing the SPP that day so that the pricing could be determined based on the previous 5 days’ VWAP, subject to consultation with external advisors. The decision to release the SPP Announcement on 7 July 2015 was not made until after market close that day, after Prima had consulted with external advisors and calculated the SPP price based on the previous 5 day’s VWAP.

**4. If the answer to question 1 is “yes” and the Entity first became aware of the information before the relevant date and time, did the Entity make any announcement prior to the relevant date and time which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay. In**

**answering this question, please also address why the SPP Announcement was not released at the same time as the Scientific Advice Announcement.**

Prima previously announced its intention to offer an SPP on 14 May 2015 so the market was already expecting an SPP to be announced.

Due to the increased share price volatility since 14 May 2015, the decision to proceed with the SPP was deferred as Prima thought it would be best to price the SPP once the volatility had subsided. Also Prima had applied for an ASX waiver in relation to the SPP pricing to increase the maximum allowable discount in order to provide its existing shareholders with pricing as close to those provided to Ridgeback Capital Investments L.P as possible. This ASX waiver application was however rejected by the ASX.

Prima released the Scientific Advice Announcement as soon as it was ready to be released in compliance with Listing Rule 3.1, which was on the morning of 7 July 2015.

Following the greater than anticipated increase in share price after the release of the Scientific Advice Announcement, Prima became concerned that if the SPP was not announced immediately that the SPP price would become worse for its shareholders, given the SPP price must be at least 80% of the VWAP for the 5 days before the day on which the SPP is announced. Also, there was little time left to further postpone the launch of the SPP in order to allow the share price volatility to subside given Prima wanted to close the SPP prior to the EGM so that shareholders could be more fully informed of Prima's funding status before voting at the upcoming EGM on 31 July 2015.

Accordingly, board approval was received to announce the SPP, in response to an email sent by the CEO to the Board at 3.36pm on 7 July 2015, which recommended the announcement. The decision to release the SPP Announcement on 7 July 2015 was not made until after market close that day, after Prima had consulted with external advisors and calculated the SPP price based on the previous 5 day's VWAP.

The SPP Announcement was then immediately drafted and released as soon as it was finalised, promptly and without delay after market close on 7 July 2015. Prima notes that ASX Guidance Note 8 states that "a period of time will necessarily pass between when an entity first becomes obliged to give information to ASX under Listing Rule 3.1 and when it is able to give that information to ASX in the form of a market announcement."

**5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

Prima confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

If you have any further questions, please do not hesitate to contact me.

Yours sincerely



Deanne Miller  
General Counsel & Company Secretary



8 July 2015

Ms Deanne Miller  
Prima Biomed Ltd  
Company Secretary  
Level 7  
151 Macquarie Street  
Sydney NSW 2000

By email: [deanne.miller@primabiomed.com.au](mailto:deanne.miller@primabiomed.com.au)

Dear Ms Miller,

**Prima Biomed Ltd (the "Entity"): ASX aware query**

ASX Limited ("ASX") refers to the following:

1. The Entity's share price which closed at \$0.059 on Monday, 6 July 2015.
2. The Entity's announcement lodged with ASX Market Announcements Platform and released at 09:59am on Tuesday 7 July 2015 entitled "Prima Biomed receives positive scientific advice from the European Medicines Agency for its lead product, IMP321" (the "Scientific Advice Announcement"), disclosing the Entity had received positive Scientific Advice from the European Medicines Agency on the development path for its lead product, IMP321 in metastatic breast cancer.
3. The 44.07% increase in the Entity's share price on Tuesday 7 July 2015 to a high of \$0.085 following release of the Scientific Advice Announcement. We also note an increase in the trading volume of the Entity's securities.
4. The Entity's announcement lodged with ASX Announcements Platform and released at 06:47pm on Tuesday 7 July 2015 entitled "Prima Biomed announces share purchase plan" (the "SPP Announcement"), disclosing the Entity's intention to offer up to 100,000,000 new fully paid shares in the Entity under a share purchase plan to eligible shareholders at an issue price of \$0.05 per share.
5. The Entity's share price which opened at \$0.061 on Wednesday 8 July 2015 and traded to a low of \$0.057, down 31.76% on the closing share price of the previous trading day. We also note an increase in the trading volumes of the Entity's securities.
6. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
7. The definition of "aware" in Chapter 19 of the Listing Rules. This definition states that:

*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity."*

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information"*.

8. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*"3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:*

3.1A.1 *One or more of the following applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

5. ASX's policy position on the concept of "confidentiality" which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B "Listing Rule 3.1A.2 – the requirement for information to be confidential"*. In particular, the Guidance Note states that:

*"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."*

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the information contained in the SPP Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.
3. If the answer to question 1 is "yes", when did the Entity first become aware of the information.
4. If the answer to question 1 is "yes" and the Entity first became aware of the information before the relevant date and time, did the Entity make any announcement prior to the relevant date and time which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay. In answering this question, please also address why the SPP Announcement was not released at the same time as the Scientific Advice Announcement.
5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

## When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (i.e. before 9.30 a.m. AEST) on Monday 13 July 2015. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

## Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

## Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Stephanie So  
Senior Adviser, Listings Compliance (Sydney)

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