



October 4, 2017

Celsion Corporation Announces Gross Proceeds of \$15.6 Million from the Exercise of Existing Common Stock Warrants

Financing Accomplished with Minimal New Equity Issuance

Operating Runway Extended through 2018

LAWRENCEVILLE, N.J., Oct. 04, 2017 (GLOBE NEWSWIRE) -- Celsion Corporation (the "Company") (NASDAQ:CLSN) today announced that it has entered into Exercise Agreements with the holders of existing warrants previously issued. On July 6, 2017, the Company entered into a Securities Purchase Agreement with certain investors pursuant to which the Company agreed, among other things, to issue 2,435,000 Series AAA Warrants at an exercise price of \$2.07 per share and 2,435,000 Series BBB Warrants at an exercise price of \$4.75 per share, each to purchase one share of common stock of the Company to such investors in a private placement.

The Exercise Agreements entered into on October 4, 2017 amend the Series AAA Warrants to permit their immediate exercise. Prior to the execution of the Exercise Agreements, the Series AAA Warrants were not exercisable until January 11, 2018. Pursuant to the Exercise Agreements, the warrant holders and the Company agreed that the warrant holders would exercise all of their existing Series AAA and Series BBB Warrants with respect to 4,665,000 shares of common stock. The Series AAA Warrants and Series BBB Warrants will be exercised at a price of \$2.07 per share and \$4.75 per share, respectively, which were their respective original exercise prices. The Company expects to receive aggregate gross proceeds of approximately \$15.6 million from the exercise of the Series AAA and Series BBB Warrants by the warrant holders. The Company intends to use the net proceeds for general corporate purposes.

"This significant capital infusion from the exercise of existing outstanding warrants at their original exercise prices is an example of our strategic approach to financing and is expected to extend the Company's operating horizon through full patient enrollment of our Phase III OPTIMA Study and likely through the first pre-planned efficacy assessment, anticipated now in late 2018, or early 2019," stated Michael H. Tardugno, Celsion's chairman, president and CEO. "The Exercise Agreements eliminate the immediate financing overhang that the Company has faced over the past several years. We hope that our shareholders find this approach to financing our important clinical programs most satisfactory."

The Exercise Agreements also provide for the issuance of 1,166,250 Series DDD Warrants, each to purchase one share of Common Stock. The Series DDD Warrants are initially exercisable no sooner than six months following issuance, and terminate six months following when the Series DDD Warrants are initially exercisable. The Series DDD Warrants have an exercise price no than less than \$6.07. The Series DDD Warrants and the shares of our Common Stock issuable upon the exercise of the Series DDD Warrants are not being registered under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered pursuant to the exemption provided in Section 4(a)(2) under the Securities Act and Rule 506(b) promulgated thereunder. Pursuant to the Exercise Agreements, the Series DDD Warrants shall be substantially in the form of the Series AAA and Series BBB Warrants and the Company will be required to register for resale the shares of common stock underlying the Series DDD Warrants.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

Additional Information:

Statements made in this press release include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, but not limited to, the amount and use of proceeds the Company expects to receive from the sale of the shares of the securities offered, market conditions, and the closing of the transaction described in this press release, which is subject to customary conditions. Forward-looking statements can be identified by the use of words such as "may," "will," "expect," "anticipate," "estimate," "continue," or comparable terminology. Such forward-looking statements are inherently subject to certain risks, trends and uncertainties, many of which the Company cannot predict with accuracy and some of which the Company might not even anticipate, and involve factors that may cause actual results to differ materially from those projected or suggested. Readers are cautioned not to place undue reliance on these forward-looking statements and are advised to consider the

factors listed above together with the additional factors under the heading "Forward-Looking Statements" and "Risk Factors" in the Company's Annual Report on Form 10-K, dated March 24, 2017, and Quarterly Report on Form 10-Q, dated May 12, 2017 and August 14, 2017. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.

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