

Celsion CORP
Form 8-K
May 29, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington , DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 27, 2015

CELSION CORPORATION

(Exact name of registrant as specified in its Charter)

Delaware **001-15911** **52-1256615**
(State or other jurisdiction **(Commission** **(IRS Employer**
of incorporation) **File Number)** **Identification No.)**

997 Lenox Drive, Suite 100, Lawrenceville, NJ 08648-2311
(Address of principal executive offices) **(Zip Code)**

(609) 896-9100

(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On May 27, 2015, Celsion Corporation, a Delaware corporation (the “Company”), entered into a Securities Purchase Agreement (the “Purchase Agreement”) with certain investors, pursuant to which the Company agreed to issue and sell, in a registered direct offering (the “Offering”), an aggregate of 3,000,000 shares (the “Shares”) of common stock, par value \$0.01 per share, of the Company (“Common Stock”) at an offering price of \$2.675 per share for gross proceeds of approximately \$8.0 million before the deduction of the placement agent fee and offering expenses. The Shares are being offered by the Company pursuant to a registration statement on Form S-3 (File No. 333-183286), which was initially filed with the Securities and Exchange Commission (the “Commission”) on August 13, 2012, as amended on August 20, 2012, and was declared effective by the Commission on September 14, 2012 (the “Registration Statement”).

In a concurrent private placement (the “Private Placement”), the Company agreed to issue to the investors certain warrants (the “Warrants” and collectively with the Shares, the “Securities”) at an exercise price of \$2.60 per share. The Warrants are exercisable to purchase 0.65 share of Common Stock for each Share purchased in the Offering for an aggregate of 1,950,000 shares of Common Stock. Each Warrant will be exercisable on the date of its issuance until the five-year anniversary of the date of issuance. Subject to limited exceptions, a holder of a Warrant will not have the right to exercise any portion of its warrants if the holder, together with its affiliates, would beneficially own in excess of 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to such exercise (the “Beneficial Ownership Limitation”); provided, however, that upon 61 days’ prior notice to the Company, the holder may increase or decrease the Beneficial Ownership Limitation, provided that in no event shall the Beneficial Ownership Limitation exceed 9.99%.

The Warrants and the shares of our common stock issuable upon the exercise of the Warrants are not being registered under the Securities Act, are not being offered pursuant to the Registration Statement and are being offered pursuant to the exemption provided in Section 4(a)(2) under the Securities Act of 1933, as amended, or the Securities Act, and Rule 506(b) promulgated thereunder. We will be required to file a registration statement on Form S-3 within 45 calendar days of the issuance of the Warrants to provide for the resale of the shares of common stock issuable upon the exercise of the Warrants and will be obligated to use our commercially reasonable efforts to keep such registration statement effective until the earliest of (i) the date on which all of the shares of common stock issuable upon the exercise of the Warrants have been sold under the registration statement or Rule 144 under the Securities Act, (ii) the date on which the shares of common stock issuable upon the exercise of the Warrants may be sold without volume or manner-of-sale restrictions pursuant to Rule 144 under the Securities Act and (iii) the termination of the Warrants.

The closing of the Offering and the Private Placement is subject to satisfaction of customary closing conditions set forth in the Purchase Agreement and is currently expected to occur on or about June 1, 2015. The Purchase Agreement also contains representations, warranties, indemnification and other provisions customary for transactions of this nature. Under the Purchase Agreement, the Company is prohibited, for a period of five months after the closing, from effecting or entering into an agreement to issue Common Stock or any other securities that are at any time convertible into, or exercisable or exchangeable for, or otherwise entitle the holder thereof to receive, Common Stock to the extent such issuance or sale involves certain variable conversion, exercise or exchange prices or such agreement provides for

sale of securities at a price to be determined in the future.

On May 27, 2015, the Company entered into a Placement Agency Agreement (the "Placement Agency Agreement") with Maxim Group LLC, pursuant to which the Company engaged Maxim Group LLC as the sole placement agent in connection with the Offering and the Private Placement. The placement agent is not purchasing or selling any Securities the Company is selling but has agreed to use its reasonable best efforts to arrange for the sale of the Securities. The Company agreed to pay the placement agent a placement agent fee in cash equal to 7% of the gross proceeds from the sale of the Securities and reimburse the expenses of the placement agent for up to \$75,000. The Placement Agency Agreement also contains representations, warranties, indemnification and other provisions customary for transactions of this nature.

The foregoing summaries of the Purchase Agreement, the Warrants and the Placement Agency Agreement do not purport to be complete and are subject to, and qualified in their entirety by, such documents attached as Exhibits 10.1, 4.1 and 1.1, respectively, to this Current Report on Form 8-K, which are incorporated herein by reference.

This Current Report on Form 8-K does not constitute an offer to sell any securities or a solicitation of an offer to buy any securities, nor shall there be any sale of any securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Item 3.02. Unregistered Sales of Equity Securities.

The information contained in Item 1.01 of this Current Report on Form 8-K in relation to the Warrants and the shares of our common stock issuable upon the exercise thereof is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit

| No. | Description |
|------------|--|
| 1.1 | Placement Agency Agreement dated as of May 27, 2015, by and between Celsion Corporation and Maxim Group LLC. |
| 4.1 | Form of Common Stock Purchase Warrant. |
| 5.1 | Opinion of Sidley Austin LLP. |
| 10.1 | Securities Purchase Agreement dated as of May 27, 2015, by and among Celsion Corporation and the purchasers named therein. |
| 23.1 | Consent of Sidley Austin LLP (included in Exhibit 5.1). |
| 23.2 | Consent of Stegman & Company, independent registered public accounting firm for Celsion Corporation. |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CELSION CORPORATION

Dated: May 29, 2015 By: */s/ Jeffrey W. Church*
Jeffrey W. Church
Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

| Exhibit No. | Description |
|------------------------|--|
| 1.1 | Placement Agency Agreement dated as of May 27, 2015, by and between Celsion Corporation and Maxim Group LLC. |
| 4.1 | Form of Common Stock Purchase Warrant. |
| 5.1 | Opinion of Sidley Austin LLP. |
| 10.1 | Securities Purchase Agreement dated as of May 27, 2015, by and among Celsion Corporation and the purchasers named therein. |
| 23.1 | Consent of Sidley Austin LLP (included in Exhibit 5.1). |
| 23.2 | Consent of Stegman & Company, independent registered public accounting firm for Celsion Corporation. |