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): April 23, 2020 (April 20, 2020)

Celsion Corporation
(Exact Name of Registrant as Specified in Charter)

Delaware	**001-15911**	**52-1256615**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

997 Lenox Drive, Suite 100, Lawrenceville, NJ 08648
(Address of Principal Executive Offices, and 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 communication 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 communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	CLSN	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2 of this chapter).

Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Item 1.01. Entry into Material Definitive Agreement

On April 21, 2020, Celsion Corporation (the "Company") received $632,220 in loan funding from the Paycheck Protection Program (the "PPP"), established pursuant to the recently enacted Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") and administered by the U.S. Small Business Administration ("SBA"). The unsecured loan (the "PPP Loan") is evidenced by a promissory note of the Company dated April 20, 2020 (the "Note") in the principal amount of $632,220, to Silicon Valley Bank (the "Bank"), the lender.

Under the terms of the Note and the PPP Loan, interest accrues on the outstanding principal at the rate of 1.0% per annum. The term of the Note is two years, though it may be payable sooner in connection with an event of default under the Note. To the extent the loan amount is not forgiven under the PPP, the Company is obligated to make equal monthly payments of principal and interest, beginning seven months from the date of the Note, until the maturity date.

The CARES Act and the PPP provide a mechanism for forgiveness of up to the full amount borrowed. Under the PPP, the Company may apply for and be granted forgiveness for all or part of the PPP Loan. The amount of loan proceeds eligible for forgiveness is based on a formula that takes into account a number of factors, including the amount of loan proceeds used by the Company during the eight-week period after the loan origination for certain purposes including payroll costs, interest on certain mortgage obligations, rent payments on certain leases, and certain qualified utility payments, provided that at least 75% of the loan amount is used for eligible payroll costs; the employer maintaining or rehiring employees and maintaining salaries at certain levels; and other factors. Subject to the other requirements and limitations on loan forgiveness, only loan proceeds spent on payroll and other eligible costs during the covered eight-week period will qualify for forgiveness. The Company intends to use the entire Loan amount for qualifying expense, though no assurance is provided that the Company will obtain forgiveness of the PPP Loan in whole or in part.

The Note may be prepaid in part or in full, at any time, without penalty. The Note provides for certain customary events of default, including (i) failing to make a payment when due under the Note, (ii) failure to do anything required by the Note or any other loan document, (iii) defaults of any other loan with the Bank, (iv) failure to disclose any material fact or make a materially false or misleading representation to the Bank or SBA, (v) default on any loan or agreement with another creditor, if the Bank believes the default may materially affect the Company's ability to pay the Note, (vi) failure to pay any taxes when due, (vii) becoming the subject of a proceeding under any bankruptcy or insolvency law, having a receiver or liquidator appointed for any part of the Company's business or property, or making an assignment for the benefit of creditors, (viii) having any adverse change in financial condition or business operation that the Bank believes may materially affect the Company's ability to pay the Note, (ix) if the Company reorganizes, merges, consolidates, or otherwise changes ownership or business structure without the Bank's prior written consent, or (x) becoming the subject of a civil or criminal action that the Bank believes may materially affect the Company's ability to pay the Note. Upon the occurrence of an event of default, the Bank has customary remedies and may, among other things, require immediate payment of all amounts owed under the Note, collect all amounts owing from the Company, and file suit and obtain judgment against the Company.

The foregoing description of the Note is qualified in its entirety by reference to the full text of the Note, a copy of which will be filed as an Exhibit to the Company's annual Report on Form 10-Q for the three months ending June 30, 2020.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The information disclosed in Item 1.01 above is incorporated herein by reference.

Item 8.01. Other Events

On April 23, 2020, the Company issued a press release regarding the foregoing matters, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release dated April 23, 2020

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

Date: April 23, 2020

By: */s/ Jeffrey W. Church*
Jeffrey W. Church
Executive Vice President
and Chief Financial Officer

Exhibit 99.1

Celsion Receives $2.5 Million in Non-Dilutive Funding from the Sale of its New Jersey State Net Operating Losses and Grant Funding Under the Paycheck Protection Program

Added Capital Strengthens Balance Sheet, Assures Cash Through Major Phase III OPTIMA Study Data Readout Events

Sale of an Additional $2.0 Million of NOL's Expected in the 4th Quarter of 2020

LAWRENCEVILLE, N.J., (April 23, 2020) – Celsion Corporation (NASDAQ: CLSN), an oncology drug development company, today announced it has received $1.82 million of net cash proceeds from the sale of approximately $1.9 million of its unused New Jersey net operating losses (NOLs) and $632,220 in funding under the Paycheck Protection Program (PPP), the federal government's main initiative to help small businesses disrupted by the COVID-19 pandemic. The NOL sales cover the tax years 2017 and 2018 and are administered through the New Jersey Economic Development Authority's (NJEDA) Technology Business Tax Certificate Transfer (NOL) Program. With this new $2.5 million funding, coupled with the $4.4 million in net proceeds from the recent registered direct equity offer completed on March 3, 2020, the Company has strengthened its balance sheet at a time of stock market uncertainty. An additional sale of $2.0 million of unused New Jersey NOLs anticipated in the second half of 2020 will further increase Celsion's cash reserves on a non-dilutive basis. In addition, the Company has initiated several cost containment measures to ensure that it has sufficient cash to fund operations and clinical development programs through the second quarter of 2021 and all major Phase III OPTIMA Study readouts.

The competitive New Jersey NOL Program enables approved companies to sell their unused New Jersey NOLs and R&D tax credits to unaffiliated, profit-generating corporate taxpayers in the state of New Jersey, up to a maximum lifetime benefit of $15 million per company. This allows technology and biotechnology companies with NOLs to turn their tax losses and credits into cash proceeds to fund more research and development (R&D), expand its workforce or cover other allowable expenditures.

Loans made under the Paycheck Protection Program have two-year terms and charge 1% interest. If borrowers follow guidelines and use at least 75% of the money for eligible payroll costs, some or all of the loan may be forgiven. Celsion anticipates meeting these guidelines for full forgiveness of its PPP loan.

"This innovative economic development program offered by the NJEDA reinforces our belief in the State of New Jersey's commitment to the biotechnology industry and to the development of new life-saving therapies. We will participate in this program again in 2020 to secure the remaining $2 million available to us under the maximum lifetime benefit of $15 million per company," said Michael H. Tardugno, Celsion Corporation's chairman, president and chief executive officer. "The $2.5 million in proceeds from the NOL sale and the PPP loan coupled with the $4.4 million in net proceeds from the recently completed registered direct equity offering strengthen our cash position and extend Celsion's cash runway through the second quarter of 2021. We are positioned to advance our development programs well beyond several expected key value inflection points, including the second interim efficacy analysis of the Phase III OPTIMA Study for ThermoDox® and, if needed, the final efficacy readout in the first quarter of 2021. We appreciate the support and commitment of the NJEDA in facilitating our continued innovation and applaud their efforts to foster continued investment and growth for businesses in New Jersey."

"Over the past two years, Celsion has sought investor friendly ways to finance our clinical development programs in some of the world's most devastating cancers. Balancing the high cost of research and drug development without losing focus on our shareholders is not only reflected in our sale of unused New Jersey NOLs and successful application for Federal grant monies, it is further demonstrated by our judicious use of venture debt on terms that give us an operating runway into mid-2021," said Jeffrey W. Church, Celsion Corporation's executive vice president and CFO. "With the continued support of our shareholders, we look forward to a promising 2020."

For more details on this funding for this year's NOL program, please visit www.njeda.com.

About Celsion Corporation

Celsion is a fully integrated oncology company focused on developing a portfolio of innovative cancer treatments, including directed chemotherapies, immunotherapies and RNA- or DNA-based therapies. The Company's lead program is ThermoDox®, a proprietary heat-activated liposomal encapsulation of doxorubicin, currently in Phase III development for the treatment of primary liver cancer. The pipeline also includes GEN-1, a DNA-based immunotherapy for the localized treatment of ovarian cancer. Celsion has two platform technologies for the development of novel nucleic acid-based immunotherapies and other anti-cancer DNA or RNA therapies. For more information on Celsion, please visit www.celsion.com.

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