

U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 12b-25 SEC File No:  
NOTIFICATION OF LATE FILING

Form 10-Q

For Period Ended June 30, 1998  
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Nothing in this form shall be construed to imply that the commission has verified any information contained herein.

If the notification relates to a portion of the filing checked above, identify the Item(s) to which the notification relates:

Not applicable. The filing relates to the entire form 10-Q.

Part I--Registrant Information

Full Name of Registrant: Celsion Corporation  
Address of Principal Executive Office: 10220-I Old Columbia Road  
City, State and Zip Code: Columbia, Maryland 21046-1705

Part II--Rules 12b-25-(b) and (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate)

(a) The reasons described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense;

(b) The subject annual report or semi-annual report/portion thereof will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report/portion thereof will be filed on or before the fifth calendar day following the prescribed due date; and

(c) The accountant's statement or other exhibit required by Rule 12b-25(C) has been attached if applicable.

Part III--Narrative

State below in reasonable detail the reasons why Form 10-Q or 10-QSB or portion thereof could not be filed within the prescribed time period.

Due to the heavy electronic traffic on the last day for filing for the subject period, the registrant was unable to file by the 3:30PM deadline.

Part IV--Other Information

(1) The person to contact in regard to this notification is:

John Mon, Secretary/Treasurer 410-290-5390

(2) Have all other periodic reports required under section 13 or 15(d) of the Securities Exchange Act of 1934 or section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If the answer is no, identify report(s).

Yes  No

(3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes  No

If so: attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of results cannot be made.

Celsion Corporation

has caused this notification to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 14, 1998

By: /s/ John Mon

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John Mon, Secretary/Treasurer

Instruction: The form may be signed by an executive officer of the registrant or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the registrant by an authorized representative (other than an executive officer), evidence of the representative's authority to sign on behalf of the registrant shall be filed with the form.

CELSION CORPORATION

BALANCE SHEETS

June 30, 1998 and September 30, 1997

ASSETS

	6/30/1998	9/30/1997
	-----	-----
Current assets:		
Cash and cash equivalents	\$26,241	\$267,353
Accounts receivable	28,130	5,891
Inventories	236,003	329,741
Prepaid expenses	8,417	8,207
Other current asset	41,888	26,755
	-----	-----
Total current assets	340,679	637,947
	-----	-----
Property and equipment - at cost:		
Furniture and office equipment	195,794	180,348
Laboratory and shop equipment	47,047	92,228
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	242,841	272,576
Less accumulated depreciation	208,761	213,885
	-----	-----
Net value of property and equipment	34,079	58,691
Other assets:		
Patent licenses (net of amortization )	128,147	126,571
	-----	-----
Total other assets	128,147	126,571
	-----	-----
Total assets	\$502,905	\$823,209
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

	6/30/1998	9/30/1997
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Current liabilities:		
Accounts payable - trade	\$1,272,706	\$614,173
Notes payable-other	140,542	1,369,800
Notes payable - related parties	82,148	221,943
Accrued interest payable - related parties	46,105	245,784
Accrued interest payable - other	162,384	116,604
Accrued compensation	439,524	331,715
Accrued professional fees	212,151	256,301
Other accrued liabilities	20,626	15,504
Deferred revenues	112,031	112,031
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Total current liabilities	2,488,217	3,283,855
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Long term liabilities:		
Long term debt	-	-
Total long-term liabilities	6,002	-
	-----	-----
Total liabilities	2,494,219	3,283,855
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Stockholders' equity:		
Capital stock - \$.01 par value; 100,000,000 shares authorized, 37,285,722 and 29,095,333 issued and outstanding for 6/30/1998 and 9/30/1997, respectively.	372,857	290,953
Additional paid-in capital	16,421,178	12,511,923
Accumulated deficit	(18,785,349)	(15,263,522)
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Total stockholders'(deficit) equity	(1,991,314)	(2,460,646)
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Total liabilities and shareholders' equity	\$502,905	\$823,209
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CELSION CORPORATION  
 STATEMENTS OF OPERATIONS  
 (UNAUDITED)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	1998	1997	1998	1997
Revenue:				
Hyperthermia sales and parts	\$ -	\$3,675	\$110,260	\$116,968
Total revenue	-	3,675	110,260	116,968
Cost of sales	-	2,029	45,500	46,141
	-	-----	-----	-----
Gross profit	-	1,646	64,760	70,828
Operating expenses:				
Selling, general and administrative	898,224(1)	732,784(2)	2,239,292(3)	1,709,454(2)
Research and development	697,060	102,843	1,298,168	144,945
Total operating expenses	1,595,284	835,627	3,537,460	1,854,399
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(Loss) Income from operations	(1,595,284)	(833,981)	(3,472,700)	(1,783,572)
Loss in investment fund	-	-	-	(40,000)
Other(expense) income				
Interest income (expense)	(12,362)	(41,752)	(55,367)	(120,633)
Miscellaneous income-non operating	-	8,448	6,241	33,313
(Loss) Income before income taxes	(1,607,646)	(867,285)	(3,521,826)	(1,910,892)
Income taxes	-	-	-	-
Net (loss) income	(\$1,607,646)	(\$867,285)	(\$3,521,826)	(\$1,910,892)
	=====	=====	=====	=====
Net (loss)income per common share	(\$0.04)	(\$0.03)	(\$0.10)	(\$0.07)
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Weighted average shares outstanding	36,609,733	26,495,072	33,952,060	26,007,435
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CELSION CORPORATION  
 STATEMENTS OF CASH FLOWS  
 (UNAUDITED)

	Nine Months Ended June 30,	
	1998	1997
Cash flows from operating activities:		
Net (loss) income	(\$3,521,826)	(\$1,910,892)
Noncash items included in net (loss) income:		
Depreciation and amortization	17,066	17,269
Bad debt expense	-	1,170
Net changes in:		
Accounts receivable	(22,239)	(14,877)
Inventories	93,737	(36,597)
Accrued interest receivable	-	(24,810)
Other current assets	(15,132)	-
Prepaid expenses	(210)	(1,049)
Accounts payable-trade	658,533	462,860
Accrued interest payable - related parties	(199,679)	(84,238)
Accrued interest payable - other	45,779	48,813
Accrued compensation	107,808	133,984
Accrued professional fees	(44,149)	142,000
Other accrued liabilities	4,084	(84,129)
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Net cash (used) provided by operating activities	(2,876,226)	(1,350,496)
Cash flows from investing activities:		
Purchase of property and equipment	15,967	(3,806)
Funds returned - investment contract	-	40,000
	-	-----
Investment in patents	(10,000)	0
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Net cash provided (used) by investing activities	5,967	36,194
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Cash flows from financing activities:		
Payment on notes (net)	(41,804)	283,000
Proceeds - capital equipment lease	7,039	-
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Proceeds of stock issuances	2,663,914	904,920
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Net cash provided by financing activities	2,629,147	1,187,920
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Net increase(decrease) in cash	(241,112)	(126,382)
Cash at beginning of period	267,353	246,931
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Cash at end of the period	\$26,241	120,549
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Schedule of noncash investing and financing transactions:		
Conversion of debt and accrued interest payable, and compensation through issuance of common stock	\$1,877,308	\$ -
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