August 1, 2016

Onconova Closes Oversubscribed Rights Offering with Gross Proceeds of $17.4 Million

NEWTOWN, Pa., Aug. 01, 2016 (GLOBE NEWSWIRE) -- Onconova Therapeutics, Inc. (NASDAQ:ONTX) ("Onconova" or the "Company"), a Phase 3 clinical-stage biopharmaceutical company focused on discovering and developing novel products to treat cancer, today announced the closing of its oversubscribed rights offering ("Rights Offering") for aggregate gross proceeds to the Company of approximately $17.4 million, which is the maximum amount allowable under the terms of this Rights Offering.

Although the number of units able to be sold was capped at a maximum of 4,256,186 units (or approximately $17.4 million in gross proceeds), there was a total demand for approximately 4.9 million units in the Rights Offering. As a result, offering participants who exercised their oversubscription privilege were allocated units in excess of their basic subscription rights on a pro-rata basis, according to the formulas described in the offering prospectus relating to the Rights Offering.

Onconova sold an aggregate of 4,256,186 units consisting of a total of 3,599,786 shares of common stock, pre-funded warrants to purchase an additional 656,400 shares of common stock at an exercise price of $0.01 per share, and 3,192,022 tradable warrants, with each tradable warrant exercisable for a period of five years for one share of common stock at an exercise price of $4.92 per share. The shares of common stock and warrants issuable in the Rights Offering are expected to be distributed to applicable offering participants through the Company's transfer agent or through the clearing systems of the Depository Trust Company, commencing Monday, August 1, 2016. The warrants are anticipated to commence trading on The NASDAQ Stock Market under the symbol "ONTXW" on Wednesday, August 3, 2016.

Maxim Group LLC acted as sole DealerManager for the Rights Offering.

If you have questions about the Offering, please contact Maxim Group LLC, 405 Lexington Avenue, New York, NY 10174, Attention Syndicate Department, email: syndicate@maximgrp.com or telephone 2128953745.

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

About Onconova Therapeutics, Inc.

Onconova Therapeutics is a Phase 3 clinical-stage biopharmaceutical company focused on discovering and developing novel products to treat cancer. Onconova's clinical and pre-clinical stage drug development candidates are derived from its extensive chemical library and are designed to work against specific cellular pathways that are important in cancer cells, while causing minimal damage to normal cells. In addition to rigosertib, the Company's most advanced product candidate, two other candidates are clinical stage, and several candidates are in pre-clinical stages. For more information, please visit http://www.onconova.com

Safe Harbor

Some of the statements in this release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, which involve risks and uncertainties. These statements relate to future events or Onconova Therapeutics, Inc.'s future operations, clinical development of Onconova's product candidates and presentation of data with respect thereto, regulatory approvals, expectations regarding the sufficiency of Onconova's cash and other resources to fund operating expenses and capital expenditures, Onconova's anticipated milestones and future expectations and plans and prospects. Although Onconova believes that the expectations reflected in such forward-looking statements are reasonable as of the date made, expectations may prove to have been materially different from the results expressed or implied by such forward-looking statements. Onconova has attempted to identify forward-looking statements by terminology including "believes," "estimates," "anticipates," "expects," "plans," "intends," "may," "could," "might," "should," "approximately" or other words that convey uncertainty of future events or outcomes. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors, including Onconova's need for additional financing and current plans and future needs to scale back operations if adequate financing is not obtained, the success and timing of Onconova's clinical trials and regulatory approval of protocols, and those discussed under the heading "Risk Factors" in Onconova's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q. You should however review additional disclosures we make in our registration statement on Form S-1 for this Offering that has been filed with the

Securities and Exchange Commission.

Any forward-looking statements contained in this release speak only as of its date. Onconova undertakes no obligation to update any forward-looking statements contained in this release to reflect events or circumstances occurring after its date or to reflect the occurrence of unanticipated events.

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