May 16, 2013

Cyclacel Pharmaceuticals Announces $20 Million Underwritten Offering

BERKELEY HEIGHTS, N.J., May 16, 2013 (GLOBE NEWSWIRE) -- Cyclacel Pharmaceuticals, Inc. (Nasdaq:CYCC) (Nasdaq:CYCCP) (Cyclacel or the Company), today announced the pricing of the underwritten offering of 6,666,667 shares of its common stock at a price to the public of $3.00 per share. Cyclacel has granted the underwriters a 30-day option to purchase up to an aggregate of 166,667 shares of Common Stock to cover over-allotments, if any. All of the shares of common stock in this offering are to be sold by Cyclacel. The common stock offering is being conducted as a public offering by means of a prospectus supplement. Cyclacel expects to receive gross proceeds of approximately $20 million from this offering, excluding the underwriters' over-allotment option and before deducting estimated expenses. The Company intends to use the proceeds from this offering to complete the SEAMLESS pivotal Phase 3 trial of its most advanced product candidate, sapacitabine, and general corporate purposes. This offering is expected to close on May 21, 2013, subject to customary closing conditions.

JMP Securities LLC is acting as the sole book-running manager and Janney Montgomery Scott LLC is acting as co-manager for this offering.

This offering is being made pursuant to an effective shelf registration statement previously filed with the U.S. Securities and Exchange Commission (the "SEC"). A preliminary prospectus supplement and accompanying prospectus describing the terms of this offering will be filed with the SEC. Before investing in this offering, interested parties should read in their entirety the prospectus supplement and the accompanying prospectus and the other documents that Cyclacel has filed with the SEC that are incorporated by reference in such prospectus supplement and the accompanying prospectus, which provide more information about Cyclacel and the offering.

This press release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or 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. Any offer, if at all, will be made only by means of a prospectus supplement and accompanying prospectus forming a part of the effective registration statement. Copies of the preliminary prospectus supplement and accompanying prospectus relating to the offering may be obtained, when available, from JMP Securities LLC, 600 Montgomery Street, 10th Floor, San Francisco, California 94111, Attention: Prospectus Department, (415) 835-8985.

Cyclacel intends to file a final prospectus supplement relating to this offering with the SEC, which will be available along with the prospectus filed with the SEC in connection with the shelf registration on the SEC's website at www.sec.gov.

About Cyclacel Pharmaceuticals, Inc.

Cyclacel is a biopharmaceutical company developing oral therapies that target the various phases of cell cycle control for the treatment of cancer and other serious diseases. Sapacitabine, Cyclacel's most advanced product candidate, is the subject of SEAMLESS, a Phase 3 trial being conducted under an SPA with the FDA as front-line treatment for acute myeloid leukemia (AML) in the elderly, and other studies for myelodysplastic syndromes (MDS), chronic lymphocytic leukemia (CLL) and solid tumors including breast, lung, ovarian and pancreatic cancer and in particular those carrying BRCA mutations. Cyclacel's strategy is to build a diversified biopharmaceutical business focused in hematology and oncology based on a development pipeline of novel drug candidates. Please visit www.cyclacel.com for additional information.

Forward-looking Statements

This news release contains certain forward-looking statements that involve risks and uncertainties that could cause actual results to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. Such forward-looking statements include statements regarding, among other things, the efficacy, safety and intended utilization of Cyclacel's product candidates, the conduct and results of future clinical trials, plans regarding regulatory filings, future research and clinical trials and plans regarding partnering activities. Factors that may cause actual results to differ materially include the risk that product candidates that appeared promising in early research and clinical trials do not demonstrate safety and/or efficacy in larger-scale or later clinical trials, trials may have difficulty enrolling, Cyclacel may not obtain approval to market its product candidates, the risks associated with reliance on outside financing to meet capital requirements, and the risks associated with reliance on collaborative partners for further clinical trials, development and commercialization of product candidates. You are urged to consider statements that include the words "may," "will," "would," "could," "should," "believes," "estimates," "projects," "potential," "expects," "plans," "anticipates," "intends," "continues," "forecast," "designed," "goal," or the negative of those words or other comparable words to be uncertain and forward-looking.

For a further list and description of the risks and uncertainties the Company faces, please refer to the Company's most recent Annual Report on Form 10-K and other periodic and other filings Cyclacel files with the Securities and Exchange Commission and are available at www.sec.gov. Such forward-looking statements are current only as of the date they are made, and Cyclacel assumes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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