

CYTRX CORP  
Form 424B3  
March 05, 2008

PROSPECTUS SUPPLEMENT NO. 2  
(To Prospectus Dated May 8, 2006)

**CYTRX CORPORATION**  
Common Stock  
Warrants

This Prospectus Supplement supplements our Prospectus dated May 8, 2006. This Prospectus Supplement should be read in conjunction with, and may not be delivered or utilized without, the Prospectus. This Prospectus Supplement is qualified by reference to the Prospectus, except to the extent that the information in this Prospectus Supplement supersedes the information contained in our Prospectus.

**Selling Securityholders**

The table beginning on page 23 in the Prospectus titled "Selling Securityholders" is amended by this Prospectus Supplement to reflect that on November 5, 2007, Nite Capital, L.P. transferred a warrant for the purchase of 186,330 shares of our common stock registered by this Prospectus to Fort Mason Master, L.P. and a warrant for the purchase of 12,083 shares of our common stock registered by this Prospectus to Fort Mason Partners, L.P. The beneficial ownership information for the selling securityholders listed below is as of March 4, 2008.

|                           | Beneficial Ownership Before Offering(1) |             |                                | Beneficial Ownership After Offering (1)(3) |             |
|---------------------------|---|-------------|--------------------------------|--|-------------|
|                           | Number of Shares                        | Percent (2) | Number of Shares Being Offered | Number of Shares                           | Percent (2) |
| Fort Mason Master, L.P.   | 377,205(4)                              | *           | 186,330(4)                     | 190,875                                    | *           |
| Fort Mason Partners, L.P. | 24,461(5)                               | *           | 12,083(5)                      | 12,378                                     | *           |

Less than one percent. \*

(1) Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Shares of common stock subject to options, warrants and convertible securities currently exercisable or convertible, or

exercisable or convertible within 60 days, are deemed outstanding, including for purposes of computing the percentage ownership of the person holding such option, warrant or convertible security, but not for purposes of computing the percentage of any other holder.

- (2) Included as outstanding for this purpose are 90,316,551 shares outstanding on March 3, 2008, plus, in the case of each of the selling securityholder, the shares issuable upon exercise of the options or warrants held by such selling securityholder (but not including shares issuable upon exercise or conversion of any other options, warrants or other securities held by any other person).

- (3) Assumes that all shares and warrants included in this prospectus will be sold by the selling securityholder.
- (4) Represents 377,205 shares of our common stock issuable upon exercise of warrants, which includes 186,330 shares of our common stock issuable upon exercise of warrants included in this prospectus. The shares listed herein are owned by Fort Mason Master, L.P. ( Fort Mason Master ). Fort Mason Capital, LLC serves as the general partner of Fort Mason Master and, in such capacity, exercises sole voting and investment authority with respect to such shares. Mr. Daniel German serves as the sole managing member of Fort Mason Capital, LLC. Fort

Mason Capital,  
LLC and  
Mr. German  
each disclaim  
beneficial  
ownership of  
such shares,  
except to the  
extent of its or  
his pecuniary  
interest therein,  
if any.

- (5) Represents  
24,461 shares of  
our common  
stock issuable  
upon exercise of  
warrants, which  
includes 12,083  
shares of our  
common stock  
issuable upon  
exercise of  
warrants  
included in this  
prospectus. The  
shares listed  
herein are  
owned by Fort  
Mason Partners,  
L.P. ( Fort  
Mason  
Partners ). Fort  
Mason Capital,  
LLC serves as  
the general  
partner of Fort  
Mason Partners  
and, in such  
capacity,  
exercises sole  
voting and  
investment  
authority with  
respect to such  
shares.  
Mr. Daniel  
German serves  
as the sole  
managing

member of Fort  
Mason Capital,  
LLC. Fort  
Mason Capital,  
LLC and  
Mr. German  
each disclaim  
beneficial  
ownership of  
such shares,  
except to the  
extent of its or  
his pecuniary  
interest therein,  
if any.

\* \* \* \* \*

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this Prospectus Supplement. Any representation to the contrary is a criminal offense.

The date of this Prospectus Supplement is March 5, 2008.

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