

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	Percent	Number of	Number of	Percent
	Shares	(2)	Shares Being Offered	Shares	(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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