

CytRx Corporation

11726 San Vicente Boulevard, Suite 650
Los Angeles, California 90049

DEAR STOCKHOLDER:

As you know, CytRx Corporation (the “Company”) is holding a special meeting of its stockholders (the “Special Meeting”) on Tuesday October 17, 2017, at 10:00 a.m., local time, at the offices of Loeb & Loeb LLP, 10100 Santa Monica Blvd., 18th Floor, Los Angeles, CA 90067. The purpose of the Special Meeting is for our stockholders to consider and vote upon a proposal to approve amendments to our Restated Certificate of Incorporation (“Restated Certificate”) to (i) effect a reverse stock split with respect to the issued and outstanding common stock, \$0.001 par value per share (the “Common Stock”), (ii) if and when such reverse stock split is effected, reduce the number of authorized shares of Common Stock by one-sixth to 41,666,666 and (iii) if and when such reverse stock split is effected, reduce the number of authorized shares of preferred stock, \$0.01 par value per share (the “Preferred Stock”) by one-sixth to 833,333. We are proposing a reverse stock split with respect to our Common Stock in order to facilitate the continued listing of our Common Stock on the Nasdaq Capital Market (“Nasdaq”) by providing our Common Stock with the opportunity for higher share prices based on fewer shares outstanding. As we have previously disclosed to our stockholders, we believe that Nasdaq will delist our Common Stock if we are unable to maintain a closing bid price for our Common Stock at or in excess of \$1.00 per share for at least 10 consecutive business days. We believe that a delisting from Nasdaq would not be in the best interests of our stockholders. We are proposing proportionate reductions in our authorized Common Stock and Preferred Stock to correspond to the proposed reverse stock split of our issued and outstanding Common Stock.

On or about September 5, 2017, the Company mailed to you a detailed proxy statement that contains a description of the item on which you have been asked to vote (the “Definitive Proxy Statement”). The attached supplement contains additional information that supplements and amends the Definitive Proxy Statement. The Company urges you to read this supplement, together with the Definitive Proxy Statement previously sent to you regarding the proposed item, carefully and in its entirety. This proxy supplement (the “Supplement”) is being sent to you on or about September 13, 2017.

In the Definitive Proxy Statement, the Company proposed to amend its Restated Certificate to effect a one-for-six (1-for-6) reverse stock split whereby every six (6) shares of the Company's issued and outstanding Common Stock would be combined into one (1) share (the “Reverse Stock Split”), and (ii) if and when the Reverse Stock Split is effected, reduce the number of authorized shares of common stock by one-half to 125,000,000 shares (the “Original Proposal”). Based on feedback from stockholders received after we filed the Definitive Proxy Statement, the Company’s Board of Directors determined that it is in the best interests of the Company to amend in part the Original Proposal (the “Amended Proposal”) (i) to reduce by one-sixth to 41,666,666 shares (instead of by one-half to 125,000,000 shares) the number of authorized shares of Common Stock following the implementation of the Reverse Stock Split and (ii) to reduce by one-sixth to 833,333 shares the number of authorized shares of Preferred Stock following the implementation of the Reverse Stock Split. Our Board of Directors recommends that you vote “FOR” the Amended Proposal.

The Special Meeting is being held now for the following purposes:

1. To approve an amendment to our Restated Certificate of Incorporation to (i) effect a one-for-six (1-for-6) reverse stock split whereby every six (6) shares of the Company's issued and outstanding common stock, \$0.001 par value per share (the “Common Stock”), shall be combined into one (1) share (the “Reverse Stock Split”), (ii) if and when the Reverse Stock Split is effected, reduce the number of authorized shares of common stock by one-sixth to 41,666,666 shares and (iii) if and when the Reverse Stock Split is effected, reduce the number of authorized shares of Preferred Stock by one-sixth to 833,333 shares;

- 2 The transaction of such other business as may properly come before the Special Meeting and at any postponement or adjournment thereof.

A replacement “supplemental proxy card” setting forth the Amended Proposal for which votes can be cast is enclosed.

It is important that your shares of the Company are represented at the Special Meeting. Whether or not you plan to attend the Special Meeting, we urge you to read carefully this entire Supplement and the Definitive Proxy Statement and vote your shares. Approval of the proposed amendments to our Restated Certificate requires the affirmative vote of the holders of at least a majority of the outstanding shares of Common Stock. If you "Abstain" from voting on the Amended Proposal, it will have the same effect as an "Against" vote on the Amended Proposal.

Regardless of whether you expect to attend the Special Meeting, please complete, date and sign the accompanying replacement form of proxy and return it promptly in the enclosed return envelope, or follow the instructions on the enclosed form of proxy to vote your proxy by telephone or Internet. If you grant a proxy, you may revoke it at any time prior to the Special Meeting or nevertheless vote in person at the Special Meeting. **IF YOU SENT IN THE PRIOR WHITE PROXY CARD OR VOTED YOUR PROXY BY TELEPHONE OR INTERNET, IT WILL NOT BE COUNTED. YOU MUST SEND IN THE REPLACEMENT “SUPPLEMENTAL PROXY CARD” OR FOLLOW THE VOTING INSTRUCTIONS ON THE SUPPLEMENTAL PROXY CARD AND VOTE AGAIN BY TELEPHONE OR INTERNET, OR VOTE IN PERSON FOR YOUR VOTE TO BE COUNTED.**

We look forward to seeing you at the Special Meeting. Thank you for your continued support.

BY ORDER OF THE BOARD OF DIRECTORS,



John Caloz
Chief Financial Officer

Dated: September 13, 2017