

CYTRX CORP  
Form 424B5  
May 11, 2018

**Filed Pursuant to Rule 424(b)(5)**

**Registration No. 333-217184**

**PROSPECTUS SUPPLEMENT**

(To Prospectus dated April 21, 2017)

**5,600,000 Shares of Common Stock**

We are offering 5,600,000 shares of our common stock, par value \$0.001 per share, at an offering price of \$1.25 per share.

Our common stock is listed on the Nasdaq Capital Market under the symbol "CYTR." On May 9, 2018, the closing price of our common stock as reported on the Nasdaq Capital Market was \$2.01 per share.

As of the date of this prospectus supplement, the aggregate market value of our outstanding common stock held by non-affiliates, or public float, was approximately \$50.6 million, based on 25,179,899 shares of outstanding common stock held by non-affiliates as of the date of this prospectus supplement, at a price of \$2.01 per share, which was the last reported sale price of our common stock on the Nasdaq Capital Market on May 9, 2018. Pursuant to General Instruction I.B.6 of Form S-3, in no event will we sell securities registered on the registration statement of which this prospectus supplement is a part in a primary offering with a value exceeding more than one-third of our public float in any 12-month period so long as our public float remains below \$75.0 million. Other than the securities offered by this prospectus supplement, we have not sold any securities pursuant to General Instruction I.B.6 of Form S-3 during the 12 calendar months prior to and including the date of this prospectus supplement.

**Investing in our shares involves a high degree of risk. Please read "Risk Factors" beginning on page S-6 of this prospectus supplement and in the documents incorporated by reference into this prospectus supplement.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

	Per Share	Total
Offering price	\$ 1.25	\$7,000,000
Placement agent fees <sup>(1)</sup>	\$ 0.075	\$420,000
Proceeds to CytRx Corporation before expenses	\$ 1.175	\$6,580,000

<sup>(1)</sup> In addition, we have agreed to reimburse the placement agent for certain expenses as described in the “Plan of Distribution” section of this prospectus supplement.

We have engaged H.C. Wainwright & Co., LLC (“Wainwright” or the “Placement Agent”) to act as our exclusive placement agent in connection with this offering. Wainwright is not purchasing or selling the shares offered by us, and is not required to sell any specific number or dollar amount of shares, but will use its reasonable best efforts to arrange for the sale of the shares offered. We have agreed to pay to the Placement Agent the placement agent fees set forth in the table above, which assumes that we sell all of the common stock offered by this prospectus supplement. See “Plan of Distribution” on page S-14 of this prospectus supplement for more information regarding these arrangements. We estimate total expenses of this offering, excluding the placement agent fees, will be approximately \$60,000. Because there is no minimum offering amount required as a condition to closing in this offering, the actual offering amount, placement agent fees and proceeds to us, if any, are not presently determinable and may be substantially less than the total amounts set forth above. We have not arranged to place the funds from investors in an escrow, trust or similar account.

Delivery of the shares of common stock is expected to be made on or about May 15, 2018, subject to customary closing conditions.

**H.C. Wainwright & Co.**

**Prospectus Supplement dated May 11, 2018**

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## **ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is part of the registration statement that we filed with the Securities and Exchange Commission, or the SEC, using a “shelf” registration process and consists of two parts. The first part is this prospectus supplement, including the documents incorporated by reference, which describes the specific terms of this offering. The second part, the accompanying prospectus, including the documents incorporated by reference, gives more general information, some of which may not apply to this offering. Generally, when we refer only to the “prospectus,” we are referring to both parts of this document combined. This prospectus supplement may add to, update or change information in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement or the accompanying prospectus.

If information in this prospectus supplement is inconsistent with the accompanying prospectus or with any document incorporated by reference that was filed with the SEC before the date of this prospectus supplement, you should rely on this prospectus supplement. This prospectus supplement, the accompanying prospectus and the documents incorporated into each by reference include important information about us, the shares being offered and other information you should know before investing in our shares. You should also read and consider information in the documents we have referred you to in the sections of this prospectus supplement and the accompanying prospectus entitled “Where You Can Find More Information.”

You should rely only on this prospectus supplement, the accompanying prospectus and any free writing prospectus we may provide to you in connection with this offering and the information incorporated or deemed to be incorporated by reference therein. We have not authorized anyone to provide you with information that is in addition to or different from that contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. We are not offering to sell these shares in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than as of the date of this prospectus supplement or the accompanying prospectus, as the case may be, or in the case of the documents incorporated by reference, the date of such documents regardless of the time of delivery of this prospectus supplement and the accompanying prospectus or any sale of our shares. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

## **NOTE ON FORWARD-LOOKING STATEMENTS**

Some of the statements contained or incorporated by reference in this prospectus supplement or in the accompanying prospectus may include forward-looking statements that reflect our current views with respect to our research and development activities, business strategy, business plan, financial performance and other future events. These statements include forward-looking statements both with respect to us, specifically, and the biotechnology sector, in

general. Statements that include the words “expect,” “intend,” “plan,” “believe,” “project,” “estimate,” “may,” “should,” “anticipate” and similar statements of a future or forward-looking nature identify forward-looking statements for purposes of the federal securities laws or otherwise.

All forward-looking statements involve inherent risks and uncertainties, and there are or will be important factors that could cause actual results to differ materially from those indicated in these statements. We believe that these factors include, but are not limited to, those factors set forth under the caption “Risk Factors” in this prospectus supplement and under the captions “Business,” “Risk Factors,” “Legal Proceedings,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Quantitative and Qualitative Disclosures About Market Risk” and “Controls and Procedures” in our most recent Annual Report on Form 10-K, all of which you should review carefully. Please consider our forward-looking statements in light of those risks as you read this prospectus supplement. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

If one or more of these or other risks or uncertainties materializes, or if our underlying assumptions prove to be incorrect, actual results may vary materially from what we anticipate. All subsequent written and oral forward-looking statements attributable to us or individuals acting on our behalf are expressly qualified in their entirety by this Note. Before purchasing any of our shares, you should consider carefully all of the factors set forth or referred to in this prospectus supplement that could cause actual results to differ.

## **INDUSTRY DATA**

Unless otherwise indicated, information contained or incorporated by reference in this prospectus supplement concerning our industry, including our general expectations and market opportunity, is based on information from our own management estimates and research, as well as from industry and general publications and research, surveys and studies conducted by third parties. Management estimates are derived from publicly available information, our knowledge of our industry and assumptions based on such information and knowledge, which we believe to be reasonable. In addition, assumptions and estimates of our and our industry's future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those referred to under "Risk Factors" beginning on page S-6 of this prospectus supplement. These and other factors could cause our future performance to differ materially from our assumptions and estimates.

## **TRADEMARKS**

CytRx and LADR are some of our trademarks used in this prospectus supplement. This prospectus supplement also includes trademarks, trade names and service marks that are the property of other organizations. Solely for convenience, trademarks and trade names referred to in this prospectus supplement sometimes appear without the ® and ™ symbols, but those references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights, or that the applicable owner will not assert its rights, to these trademarks and trade names.

## SUMMARY OF PROSPECTUS SUPPLEMENT

### Company Overview

CytRx Corporation (“we,” “us,” “our,” “CytRx” or the “company”) is a biopharmaceutical research and development company specializing in oncology. Our focus is on the discovery, research and clinical development of novel anti-cancer drug candidates that employ novel linker technologies to enhance the accumulation and release of cytotoxic anti-cancer agents at the tumor. Since 2008, we have worked to develop aldoxorubicin. In July 2017, we entered into an exclusive worldwide license under which NantCell, Inc. took over development of aldoxorubicin, invested in our common stock and agreed to make future milestone and royalty payments upon the successful development and commercialization of aldoxorubicin. We are now actively pursuing new anti-cancer compounds through our drug discovery and research operation at our laboratory facilities in Freiburg, Germany led by Felix Kratz, Ph.D., Vice President of Drug Discovery and inventor of aldoxorubicin.

### *LADR Drug Discovery Platform*

The LADR™ (Linker Activated Drug Release) technology platform is a discovery engine combining our expertise in linker chemistry and albumin biology to create a pipeline of anti-cancer molecules that will avoid unacceptable systemic toxicity while delivering highly potent agents directly to the tumor. We have created a “toolbox” of linker technologies that have the ability to significantly increase the therapeutic index of ultra-high potency drugs (10-1,000 times more potent than traditional chemotherapies) by controlling the release of the drug payloads and improving drug-like properties.

Our current efforts are focused on two classes of ultra-high potency albumin-binding drug conjugates. These drug conjugates combine our proprietary LADR™ linkers with novel derivatives of the auristatin and maytansinoid drug classes. These payloads historically have required a targeting antibody for successful administration to humans. Our drug conjugates eliminate the need for a targeting antibody and provide a small molecule therapeutic option with potential broader applicability.

Our postulated mechanism of action for the albumin-binding drug conjugates is as follows:

after administration, the linker portion of the drug conjugate forms a rapid and specific covalent bond to the cysteine-34 position of circulating albumin;

circulating albumin preferentially accumulates at the tumors, bypassing concentration in other non-tumor sites, including the heart, liver and gastrointestinal tract due to a mechanism called “Enhanced Permeability and Retention”;

once localized at the tumor, the acid-sensitive linker is cleaved due to the specific conditions within the tumor and in the tumor microenvironment; and

free active drug is then released.

Our strategy across these programs is to generate additional pre-clinical data that will allow them to make informed decisions regarding the selection of one or both programs for moving into human clinical trials either independently or on a partnered basis.

We recently entered into an agreement with Destum Partners, Inc., a leading strategic advisory firm serving companies in the life sciences industry, to assist in our pharma partnering activities. Destum will be our exclusive advisor for the identification of partnership opportunities for LADR™ ultra-high potency drug conjugates.

During 2017, our discovery laboratory synthesized and tested over 75 rationally designed drug conjugates with highly potent cytotoxic payloads, and two distinct classes of compounds have been created. To date, four lead candidates have been selected based on *in vitro* and animal preclinical studies, stability, and manufacturing feasibility.

Additional animal efficacy and toxicology testing of these lead candidates is underway.

### *Aldoxorubicin*

Until July 2017, we were focused on the research and clinical development of aldoxorubicin, our modified version of the widely-used chemotherapeutic agent, doxorubicin. Aldoxorubicin combines the chemotherapeutic agent doxorubicin with a novel linker-molecule that binds specifically to albumin in the blood to allow for delivery of higher amounts of doxorubicin (3½ to 4 times) without several of the major dose-limiting toxicities seen with administration of doxorubicin alone.

On July 27, 2017, we entered into an exclusive worldwide license with NantCell, Inc. (“NantCell”), granting to NantCell the exclusive rights to develop, manufacture and commercialize aldoxorubicin in all indications, and our company is no longer directly working on development of aldoxorubicin. As part of the license, NantCell made a strategic investment of \$13 million in CytRx common stock at \$6.60 per share (adjusted to reflect our 2017 reverse stock split), a premium of 92% to the market price on that date. We also issued NantCell a warrant to purchase up to 500,000 shares of common stock at \$6.60 over the following 18 months. We are entitled to receive up to an aggregate of \$343 million in potential milestone payments contingent upon achievement of certain regulatory approvals and commercial milestones. We are also entitled to receive ascending double-digit royalties for net sales for soft tissue sarcomas and mid to high single digit royalties for other indications.

Aldoxorubicin is a conjugate of the commonly prescribed chemotherapeutic agent doxorubicin that binds to circulating albumin in the bloodstream and is believed to concentrate the drug at the site of the tumor. Aldoxorubicin, our lead clinical candidate, has been tested in over 600 patients with various types of cancer. Specifically, it is comprised of (6-maleimidocaproyl) hydrazine, an acid-sensitive molecule that is conjugated to doxorubicin. The initial indication for aldoxorubicin is for patients with advanced soft tissue sarcomas (STS).

Aldoxorubicin has received Orphan Drug Designation (ODD) by the U.S. FDA for the treatment of STS. ODD provides several benefits including seven years of market exclusivity after approval, certain R&D related tax credits, and protocol assistance by the FDA. European regulators granted aldoxorubicin Orphan designation for STS which confers ten years of market exclusivity among other benefits.

In the first quarter of 2018, we announced that NantCell was expanding aldoxorubicin’s use by combining it with immunotherapies and cell-based treatments, specifically in metastatic pancreatic cancer and in advanced squamous cell carcinoma of the head and neck or non-small cell lung cancer.

**Corporate Information**

We are a Delaware corporation, incorporated in 1985. Our corporate offices are located at 11726 San Vicente Boulevard, Suite 650, Los Angeles, California 90049, and our telephone number is (310) 826-5648. Our web site is located on the worldwide web at <http://www.cytrx.com>. We do not incorporate by reference into this prospectus supplement the information on, or accessible through, our website, and you should not consider it as part of this prospectus supplement.

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## THE OFFERING

Common stock offered by us 5,600,000 shares.

Offering price \$1.25 per share of common stock

Common stock to be outstanding after this offering 33,637,501 shares.

Use of proceeds We intend to use the net proceeds from the sale of shares offered by this prospectus supplement for working capital and general corporate purposes, including possible new drug discovery activities and acquisitions or mergers. General corporate purposes also may include payment of general and administrative expenses and capital expenditures, repayment of our outstanding indebtedness and payments in connection with possible future strategic transactions. See “Use of Proceeds.”

Risk factors See “Risk Factors” beginning on page S-6 of this prospectus supplement for a discussion of factors you should read and consider carefully before investing in our shares.

Nasdaq Capital Market symbol CYTR

Except as otherwise indicated, all information in this prospectus supplement:

is based on 28,037,501 shares of common stock outstanding on March 31, 2018;

excludes 2,772,755 shares of our common stock subject to options outstanding as of March 31, 2018, having a weighted-average exercise price of \$10.86 per share; and

excludes 3,980,781 shares of our common stock reserved for issuance upon exercise of outstanding warrants as of March 31, 2018, having a weighted-average exercise price of \$4.26 per share.

## **RISK FACTORS**

*Investment in any securities offered pursuant to this prospectus supplement and the accompanying prospectus involves high degree of risk. You should carefully consider the risk factors set forth below and incorporated by reference from our Annual Report on Form 10-K for the year ended December 31, 2017 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 or Current Reports on Form 8-K that we have or will file after the date of this prospectus supplement and the accompanying prospectus, and all other information contained or incorporated by reference into this prospectus supplement and the accompanying prospectus, as updated by our subsequent filings under the Securities Exchange Act of 1934, as amended (“Exchange Act”), and any free writing prospectus that we have authorized for use in connection with this offering, before you make a decision to invest in our securities. The occurrence of any of these risks might cause you to lose all or part of your investment in the offered securities. These risks are not the only ones we face. Additional risks we are not presently aware of or that we currently believe are immaterial may also impair our business operations.*

### **Risks Associated With This Offering**

*Our management will have broad discretion as to the use of the net proceeds of this offering, and you will have no information regarding the actual use of the net proceeds.*

We have not designated the amount of net proceeds from this offering to be used for any particular purpose. Accordingly, our management will have broad discretion as to the application of the net proceeds and could use them for purposes other than those contemplated at the time of this offering. You will not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately. The net proceeds may be used for corporate purposes that do not increase our operating results or enhance the value of our common stock. Accordingly, our stockholders may not benefit from the manner in which our management actually allocates and spends the net proceeds of this offering.

*You will experience immediate and substantial dilution in the net tangible book value per share of the stock you purchase.*

You will suffer substantial dilution. See “Dilution” in this prospectus supplement for more information of the dilution you will incur in this offering.

*You may experience future dilution as a result of future equity offerings.*

In order to raise additional capital, we may in the future offer additional shares of our common stock or other securities convertible into or exchangeable for our common stock. We cannot assure you that we will be able to sell shares or other securities in any other offering at a price per share that is equal to or greater than the price per share paid by investors in this offering, and investors purchasing shares or other securities in the future could have rights superior to existing stockholders. The price per share at which we sell additional shares of our common stock or other securities convertible into or exchangeable for our common stock in future transactions may be higher or lower than the price per share in this offering.

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## **USE OF PROCEEDS**

We estimate that the net proceeds of this offering, after deducting the placement agent fees and estimated offering expenses payable by us, will be approximately \$6.5 million.

We intend to use the net proceeds from the sale of shares offered by this prospectus supplement for working capital and general corporate purposes, including possible new drug discovery activities and acquisitions or mergers. General corporate purposes also may include payment of general and administrative expenses and capital expenditures and repayment of our outstanding indebtedness. We also may use a portion of the net proceeds for payments in connection with possible future strategic transactions, although we have no understanding or agreement for any transaction.

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## **DIVIDEND POLICY**

We have never declared or paid cash dividends on our common stock, and we have agreed in the loan and security agreement relating to our outstanding term loans not to pay any cash dividend on any class of our stock. We currently intend to retain our future earnings, if any, for use in our business and therefore do not anticipate paying cash dividends in the foreseeable future. Payment of future dividends, if any, will be at the discretion of our board of directors after taking into account various factors, including our financial condition, operating results, and current and anticipated cash needs.

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**CAPITALIZATION**

The following table sets forth our cash and cash equivalents and capitalization as of March 31, 2018:

on an actual basis; and

on an as adjusted basis to give effect to the issuance of 5,600,000 shares of our common stock at the offering price of \$1.25 per share, after deducting the placement agent fees and the estimated offering expenses payable by us.

The information set forth in the following table should be read in conjunction with and is qualified in its entirety by our “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and consolidated financial statements and notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus. See “Summary—The Offering” in this prospectus supplement for information relating to the expected number of shares of our common stock to be outstanding after this offering.

(unaudited)	As of MARCH 31, 2018	
	Actual	As Adjusted
Cash and cash equivalents	\$35,097,042	\$41,617,042
Total assets	\$43,127,483	\$49,647,483
Total liabilities	\$21,874,741	\$21,874,741
Stockholders’ equity:		
Preferred Stock, \$0.01 par value, 833,334 shares authorized, including 4,167 shares of Series A Junior Participating Preferred Stock; no shares issued and outstanding	\$—	\$—
Preferred Stock, \$1,000 stated value, 650 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.001 par value, 41,666,667 shares authorized; 28,037,501 shares issued and outstanding	\$28,037	\$33,637
Additional paid-in capital	\$469,450,756	\$475,965,156
Accumulated deficit	\$(448,226,051)	\$(448,226,051)
Total stockholders’ equity	\$21,252,742	\$27,772,742
Total liabilities and stockholders’ equity	\$43,127,483	\$49,647,483
Total capitalization	\$43,127,483	\$49,647,483

The above table is based on 28,037,501 shares of common stock outstanding on March 31, 2018 and excludes:

2,772,755 shares of our common stock subject to options outstanding as of March 31, 2018, having a weighted-average exercise price of \$10.86 per share; and

3,980,781 shares of our common stock reserved for issuance upon exercise of outstanding warrants as of March 31, 2018, having a weighted-average exercise price of \$4.26 per share.

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**DILUTION**

Purchasers of shares in this offering will suffer immediate and substantial dilution in the net tangible book value per share of our common stock. Our net tangible book value as of March 31, 2018 was approximately \$0.75 per share of our common stock. Net tangible book value per share represents the amount of total tangible assets less total liabilities divided by the number of shares of our common stock outstanding as of March 31, 2018.

Dilution in net tangible book value per share represents the difference between the amount per share paid by purchasers in this offering and the net tangible book value per share of our common stock immediately after this offering. After giving effect to the sale of 5,600,000 shares in this offering at an offering price of \$1.25 per share, and after deducting the placement agent fees and the estimated offering expenses payable by us, our as adjusted net tangible book value as of March 31, 2018 would have been approximately \$0.82 per share of our common stock. This represents an immediate increase in net tangible book value of \$0.07 per share of our common stock to our existing stockholders and an immediate dilution in net tangible book value of \$0.43 per share of our common stock to investors participating in this offering. The following table illustrates this per share dilution:

Offering price per share	\$1.25
Net tangible book value per share as of March 31, 2018	\$0.75
Increase per share attributable to this offering	\$0.07
As adjusted net tangible book value per share as of March 31, 2018 after this offering	\$0.82
Dilution per share to new investors participating in this offering	\$0.43

The above table is based on 28,037,501 shares of common stock outstanding on March 31, 2018 and excludes:

2,772,755 shares of our common stock subject to options outstanding as of March 31, 2018, having a weighted-average exercise price of \$10.86 per share; and

3,980,781 shares of our common stock reserved for issuance upon exercise of outstanding warrants as of March 31, 2018, having a weighted-average exercise price of \$4.26 per share.

To the extent that any outstanding options or warrants are exercised, new options are issued under our stock option plans or we otherwise issue additional shares of common stock in the future at a price less than the offering price, there may be further dilution to purchasers of shares in this offering.



## **DESCRIPTION OF COMMON STOCK**

We are offering 5,600,000 shares of our common stock.

### **General**

As of March 31, 2018, our authorized capital stock consisted of 41,666,667 shares of common stock, \$0.001 par value per share, of which 28,037,501 shares were outstanding; 833,334 shares of preferred stock, \$0.01 par value per share, of which 4,167 shares were designated as Series A Junior Participating Preferred Stock and no shares have been issued and outstanding; and 650 shares of preferred stock, \$1,000 stated value, of which no shares have been issued and outstanding.

We have reserved all of the shares of our Series A Junior Participating Preferred Stock for issuance upon the exercise of the rights under our Shareholder Protection Rights Agreement described below.

Our board of directors has the authority to issue shares of our authorized and unissued preferred stock in one or more series and to fix the rights of each series. These rights may include dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences, sinking fund terms, and the number of shares that constitute any series. The board of directors may exercise this authority without any further action by our stockholders.

The following summary of certain provisions of our common stock does not purport to be complete. You should refer to our amended and restated certificate of incorporation and our restated by-laws, which are filed with or incorporated by reference in the registration statement relating to this offering filed by us with the SEC. The summary below is also qualified by reference to the provisions of applicable Delaware corporation law.

### **Common Stock**

Each holder of our common stock is entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders. Common stockholders are not entitled to cumulative voting in the election of directors by our certificate of incorporation. Subject to preferences that may apply to shares of preferred stock outstanding at the

time, the holders of outstanding shares of our common stock are entitled to receive dividends out of assets legally available at the times and in the amounts that our board of directors may determine from time to time.

Upon our liquidation, dissolution or winding-up, the holders of our common stock will be entitled to share ratably in all assets remaining after payment of all liabilities and the liquidation preferences of any series of capital stock ranking senior to the common stock upon liquidation. Holders of common stock have no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of common stock are fully paid and non-assessable, and the shares of common stock to be issued under this prospectus supplement, when they are paid for, will be fully paid and non-assessable.

## **Anti-Takeover Measures**

### *Delaware Law*

Section 203 of the Delaware General Corporation Law is applicable to takeovers of certain Delaware corporations, including us. Subject to exceptions enumerated in Section 203, Section 203 provides that a corporation shall not engage in any business combination with any “interested stockholder” for a three-year period following the date that the stockholder becomes an interested stockholder unless:

prior to that date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, though some shares may be excluded from the calculation; or

on or subsequent to that date, the business combination is approved by the board of directors of the corporation and by the affirmative votes of holders of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

Except as specified in Section 203, an interested stockholder is generally defined to include any person who, together with any affiliates or associates of that person, beneficially owns, directly or indirectly, 15% or more of the outstanding voting stock of the corporation, or is an affiliate or associate of the corporation and was the owner of 15% or more of the outstanding voting stock of the corporation, any time within three years immediately prior to the relevant date. Under certain circumstances, Section 203 makes it more difficult for an interested stockholder to effect various business combinations with a corporation for a three-year period, although the stockholders may elect not to be governed by this section, by adopting an amendment to the certificate of incorporation or by-laws, effective 12 months after adoption. Our amended and restated certificate of incorporation and our restated by-laws do not opt out from the restrictions imposed under Section 203. We anticipate that the provisions of Section 203 may encourage companies interested in acquiring us to negotiate in advance with the board because the stockholder approval requirement would be avoided if a majority of the directors then in office excluding an interested stockholder approve either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder. These provisions may have the effect of deterring hostile takeovers or delaying changes in control, which could depress the market price of our common stock and deprive stockholders of opportunities to realize a premium on shares of common stock held by them.

### ***Charter and By-Law Provisions***

In addition to the board of directors' ability to issue shares of preferred stock, our amended and restated certificate of incorporation and restated by-laws contain the following provisions that may have the effect of discouraging unsolicited acquisition proposals:

our restated by-laws classify the board of directors into three classes with staggered three-year terms;

under our restated by-laws, our board of directors may enlarge the size of the board and fill the vacancies;

our restated by-laws provide that a stockholder may not nominate candidates for the board of directors at any annual or special meeting unless that stockholder notifies us of its intention a specified period in advance and provides us with certain required information;

stockholders who wish to bring business before the stockholders at our annual meeting must provide advance notice; and

our restated by-laws provide that special meetings of stockholders may only be called by our board of directors or by an officer so instructed by our board.

Our restated by-laws also provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for:

any derivative action or proceeding brought on our behalf;

any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the company to us or our stockholders;

any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law; or

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any action asserting a claim governed by the internal affairs doctrine.

Our restated bylaws further provide that any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the company is deemed to have notice of and consented to the foregoing provision.

### ***Shareholder Protection Rights Agreement***

Our board of directors adopted a Shareholder Protection Rights Agreement, or Rights Agreement, dated April 16, 1997, as amended, between us and American Stock Transfer & Trust Co., as Rights Agent. The Rights Agreement will expire on April 16, 2022, unless renewed or extended by our board of directors. A series of our preferred stock, designated as Series A Junior Participating Preferred Stock, par value \$0.01 per share, was created in accordance with the Rights Agreement. The Rights Agreement is designed to deter coercive takeover tactics, including the accumulation of shares in the open market or through private transactions, and to prevent an acquirer from gaining control of us without offering a fair and adequate price and terms to all of our stockholders. As such, the Rights Agreement is intended to enhance our board of directors' ability to protect stockholder interests and help to assure that stockholders receive fair and equal treatment in the event any proposed takeover of our company is made in the future. Pursuant to the Rights Agreement, our board of directors declared a dividend distribution of one preferred stock purchase right for each outstanding share of our common stock. The preferred stock purchase rights are attached to, and trade with, our common stock. The purchase rights are exercisable only upon the occurrence of certain triggering events described in the Rights Agreement.

### **Transfer Agent**

The transfer agent for our common stock is American Stock Transfer & Trust Company, 40 Wall Street, New York, New York 10005.

### **Listing**

Our common stock is listed on the Nasdaq Capital Market under the symbol "CYTR."

## PLAN OF DISTRIBUTION

We are offering up to 5,600,000 shares of our common stock. However, there is no minimum offering amount required as a condition to closing, and we may sell significantly fewer shares. We expect to deliver the shares being offered pursuant to this prospectus supplement on or about May 15, 2018, subject to customary closing conditions.

In determining the offering price of the shares, we have considered a number of factors including, but not limited to, the current market price of our common stock, trading prices of our common stock over time, the liquidity and volatility of our common stock, our current financial condition, expressions of interest from prospective investors in the offering and market and economic conditions at the time of the offering. Once the offering price is determined, the offering price for the shares will remain fixed for the duration of the offering.

H. C. Wainwright & Co., LLC, or Wainwright or the placement agent, has agreed to act as our exclusive placement agent in connection with the offering pursuant to the terms and conditions of an engagement letter. The placement agent is not purchasing or selling any shares offered by this prospectus supplement, and is not required to arrange for the purchaser or sale of any specific number or dollar amount of shares, but will use its reasonable best efforts to arrange for the sale of up to all of the shares offered by this prospectus supplement. The placement agent will arrange for the sale of the securities in the offering pursuant to this prospectus supplement to investors through a securities purchase agreement to be entered into directly between the purchasers and us, providing investors with certain representations, warranties and covenants from us.

We have agreed to pay to the placement agent the placement agent fees set forth in the table below, which assumes that we sell all of the common stock offered by this prospectus supplement. In addition, we have agreed to pay the placement agent for offering expenses in the non-accountable sum of \$25,000 and reimburse the placement agent for the actual out-of-pocket cost of the placement agent's clearing agent in connection with settlement in an amount not to exceed \$10,000, subject to compliance with FINRA Rule 5110(f)(2)(D)(i). We estimate total expenses of this offering, including the placement agent expenses, will be approximately \$60,000. The following table shows the per share and total fees we will pay to the placement agent assuming the sale of all of the shares being offered.

Per share	\$0.075
Total	\$420,000

In addition, we have granted to the placement agent a right to act as joint lead manager with respect to additional raises of funds by means of an offering or private placement of equity or debt securities using an underwriter or placement agent or financing any indebtedness using an agent or manager during the 12 months following the

completion of this offering, subject to FINRA Rule 5110(f)(2)(D)(ii).

We have agreed to indemnify the placement agent against certain liabilities, including liabilities under the Securities Act and liabilities arising from breaches of representations and warranties contained in our engagement letter with the placement agent. We have also agreed to contribute to payments the placement agent may be required to make in respect of such liabilities.

Wainwright also served as our exclusive placement agent in connection with our public offering we consummated in April 2017, for which it received compensation.

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The engagement agreement provides that we will indemnify the placement agent against specified liabilities, including liabilities under the Securities Act of 1933, as amended (the “Securities Act”). The placement agent may be deemed to be an underwriter within the meaning of Section 2(a)(11) of the Securities Act, and any commissions received by it and any profit realized on the resale of the shares sold by it while acting as principal might be deemed to be underwriting discounts or commissions under the Securities Act. As an underwriter, the placement agent would be required to comply with the Securities Act and the Exchange Act, including without limitation, Rule 10b-5 and Regulation M under the Exchange Act. These rules and regulations may limit the timing of purchases and sales of shares of common stock, overallotment purchase rights and warrants by the placement agent acting as principal. Under these rules and regulations, the placemen