



**FOR IMMEDIATE RELEASE**

April 28, 2011

Dear Fellow Cyberlux Shareholder:

I would like to provide an update to you on Cyberlux Corporation and on the ongoing challenges facing the Company as we move into 2nd Quarter 2011.

As I've said before but want to reiterate, the Company is grateful for the ongoing support you as shareholders have shown Cyberlux Corporation and Management's direction for the Company. Cyberlux Corporation is truly thankful to have you as an investor.

The Cyberlux Management team is continuing the challenging turnaround and restructuring necessary for the Company to continue Operations, but there are significant, foundational challenges still to overcome. While the 2010 financial performance for Cyberlux Corporation has not yet been released, we expect to do so in the very near future. As we push ahead, the Company does its best to be as transparent as possible and will provide material updates whenever it can, always acting in the mutual best interest of the Company and you, its shareholders.

As previously disclosed, the Company has substantial levels of debt resulting from early convertible debt investments that were toxic in nature. In order to continue Operations, we entered into a settlement agreement with our largest investor which resulted in a fixed payable on our balance sheet and eliminated a costly and strategically limiting bottomless convertible debt. As a fixed debt, this payable no longer represents the limitless dilution and uncertain risk of a toxic convertible debt, and the settlement gives the Company the option of satisfying the debt by either issuing stock or making cash payments. Given the maturity of our business and the cash flow required to operate the Company, Management has relied on stock to satisfy this payable in a non-toxic but nonetheless dilutive means. For the foreseeable future, the Company will continue to require the issuance of equity as the ongoing means of satisfying this debt settlement.

In effect, this debt repayment will be an ongoing dilutive event and the CYBL share price will continually reflect the increasing amount of stock outstanding, as more equity is issued to satisfy the payable. Faced with the choice of not having the cash flow to operate Cyberlux or issuing stock, we believe the best mutual interests of both shareholders and the Company are being served by satisfying this fixed debt with equity in order for the Company to move forward. Ultimately, Management is concerned that value of the stock will reach a lower limit which will have an unavoidable effect on shareholders.

Given these circumstances, Management has reached a very difficult decision and has concluded that the Company can no longer afford the enormous relative expense associated with remaining on the Over-The-Counter Bulletin Board (OTCBB) trading exchange, including the significant expenses associated with the accounting, audit, personnel, operations and Sarbanes-Oxley requirements. To provide our shareholders with a means for trading our stock, we will be moving the trading of Cyberlux equity to the OTC Pink Markets. This move alone will save the Company a significant amount of ongoing operating expense, which we cannot afford if the Company is to continue.

While Cyberlux Corporation is moving to the OTC Pink Markets trading exchange, we will continue to be fully transparent with material information and we will continue to file quarterly and annual financial reports in full compliance with the OTC Pink Market requirements. Going forward, our annual reports will be unaudited, as our current quarterly reports have been, allowing the Company to significantly reduce ongoing operating expense. We will provide further information on our website regarding the change in trading exchanges so that all shareholders, including your Management, have a thorough understanding of the transition from the OTCBB exchange. Also, please see <http://www.otcmarkets.com/otc-pink/home> for more general information on the OTC Pink Markets.

As a stated principle, Management has an unchanging ethical belief that markets drive share price and we will never interfere with the performance of the Company's stock. As the Company grows and legacy issues are resolved over time, we will inform the market of material events and the share price should rise accordingly. For the foreseeable future, Cyberlux will continue to experience dilution, but like most public companies, Management's objective is to become profitable with minimal dilution, so all investors benefit from the relative growth in stock value to Company growth.

As previously disclosed, Cyberlux secured its first significant Department of Defense (DoD) contracts during 2010 for \$4.0M in BrightEye System revenue. For a company our size, this significant accomplishment allowed the Company to continue to operate as well as begin the restructuring and turnaround efforts. We expect to continue this effort in 2011 as well.

Thank you for your continued support, and

Best Regards,

*Mark D. Schmidt*

Mark D. Schmidt  
President/CEO  
Cyberlux Corporation



### **About Cyberlux Corporation**

Cyberlux Corporation (OTC Bulletin Board: CYBL), a leader in solid-state lighting innovation, has developed breakthrough LED lighting technology that provides the most energy efficient and cost effective portable lighting solutions available today for military and commercial uses. The Military and Homeland Security products provide tactical covert and visible lighting capability and are designed as highly mobile, battery-powered lighting systems ideal for threat detection, force and asset protection and general expeditionary lighting needs. For more information, please visit [www.cyberlux.com](http://www.cyberlux.com).

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*This news release contains forward-looking statements. Actual results could vary materially from those expected due to a variety of risk factors, including, but not limited to, the Company's ability to expand its production capabilities concurrent with product orders. The Company's business is subject to significant risks and uncertainties discussed more thoroughly in Cyberlux Corporation's SEC filings, including but not limited to, its report on Form 10-KSB for the year ended December 31, 2009 and its 10-Q for the quarter ended September 30, 2010. The Company undertakes no obligation to publicly release the result of any revisions to these forward-looking statements, which may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.*