CYBERLUX CORP
Form 10QSB
May 21, 2004

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10QSB

(Mark One)

[X] Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2004

[ ] Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from ____________ to ______________

For the Period Ended March 31, 2004

Commission file number 000-33415

CYBERLUX CORPORATION
(Name of Small Business Issuer in Its Charter)

Nevada	91-2048178
(State of Incorporation)	(IRS Employer Identification No.)

4625 Creekstone Drive
Suite 100
Research Triangle Park
Durham, NC 27703

(Address of Principal Executive Offices)

(919) 474-9000

Issuer's Telephone Number

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [x] No [ ]

As of March 31, 2004, the Company had 11,944,905 shares of its par value $0.001 common stock issued and outstanding.

Transitional Small Business Disclosure Format (check one):

Yes [ ] No [X]

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CYBERLUX CORPORATION

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CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
CONDENSED BALANCE SHEETS
(UNAUDITED)

	Unaudited March 31 ,2004	Audited December 31 ,2
ASSETS		
Current assets:		
Cash and cash equivalents	$ 19,233	$ 16,247
Accounts receivable	9,816	--
Total current assets	29,049	16,247
Property, plant and equipment, net of accumulated depreciation of $ 62,941 and $ 44,649 respectively	55,727	68,845
Other assets- deposits	--	236,000
Total Assets	$ 84,776	$ 321,092
LIABILITIES AND (DEFICIENCY) IN STOCKHOLDERS' EQUITY		
Current liabilities:		
Accued interest	$ 51,716	$ 104,976
Other accrued liabilities	207,206	296,388
Management fees payable - related party	311,838	996,508
Advance deposits	32,403	--
Short term notes payable - shareholders	122,845	207,845
Short term notes payable	120,000	320,000
Total current liabilities	846,008	1,925,717
Long Term liabilities - warrants payable - convertible preferred	347,610	347,610
(Deficiency) in Stockholders' Equity:		
Convertible preferred stock	800,001	1
Common stock	11,945	8,049
Additional paid-in capital	2,820,756	2,337,736
Subscription receivable	--	(276,186
Deficit accumulated during development stage	(4,741,544)	(4,021,835

(Deficiency) in stockholders' equity	(1,108,842)	(1,952,235
Total liabilities and (Deficiency) in Stockholders' Equity	$ 84,776	$ 321,092

See accompanying notes to the unaudited condensed financial information.

CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended		For the (date o
	March 31, 2004	March 31, 2003	
Revenue	$ 9,968	$ --	
Cost of goods sold	8,395	--	
Gross profit (loss)	1,573	--	
Operating Expenses			
Depreciation and amortization	18,291	5,125	
General and administrative expenses	268,798	203,933	
Total Operating Expenses	287,089	209,058	
(Loss) from Operations	(285,516)	(209,058)	
Other Income (expense)	15,000	--	
Interest Income	(49,193)	--	
Interest Expense	--	(20,917)	
Income Taxes	--	--	
Net Loss Before Preferred Dividend	(319,709)	(229,975)	
Preferred dividend - beneficial conversion discount on convertible preferred	400,000	--	
Net Loss	$ (719,709)	$ (229,975)	
Weighted average number of common shares outstanding - basic and fully diluted	11,907,762	6,736,322	
Net (loss) per share - basic & fully diluted	$(0.06)	$(0.03)	

See accompanying notes to the unaudited condensed financial information.

CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF DEFICIENCY IN STOCKHOLDER'S EQUITY FOR THE
PERIOD MAY 17, 2000 (DATE OF INCEPTION) THROUGH MARCH 31, 2004
(UNAUDITED)

	COMMON STOCK		PREFERRED STOCK		ADDITIONAL
	SHARES	AMOUNT	SHARES	AMOUNT	PAID IN CAPITAL
Common shares issued in May, 2000 to founders in exchange for cash at $0.01 per share	1,640,000	$1,640	-	-	$56
Common shares issued in May, 2000 in exchange for research and development services valued at $.09 pers share	750,000	750	-	-	68,00
Common shares issued in May, 2000 in exchange for services valued @ $.05 per share	875,000	875	-	-	35,71
Common shares issued in July, 2000 in exchange for convertible debt at $.15 per share	288,000	288	-	-	39,71
Capital contributed by principal shareholders	-	-	-	-	16,00
Common shares issued in November , 2000 in for cash in connection with private placement $.15 per share	640,171	640	-	-	95,38
Common shares issued in November , 2000 in exchange for services valued @$.15 per share issued for consulting services	122,795	123	-	-	18,29

Net loss	-	-	-	-	
	---------	--------	--------	--------	-------
BALANCE, DECEMBER 31, 2000	4,315,966	4,316	-	-	273,66
Common shares issued in January , 2000 in exchange for convertible debt at $.15 per share	698,782	699	-	-	104,11
Stock options issued in May, 2001 valued @ $.15 per option in exchange for services	-	-	-	-	52,50
Warrant issued in May 2001, valued at $015 per warrant in exhange for placement of debt	-	-	-	-	75,00
Common shares issued in September 2001 in excercise for warrant at $.15 per share	3,000	3	-	-	44
Common shares issued in September 2001 for cash in connection with excercise of warrant at $.10 per share	133,000	133	-	-	13,16
Common shares issued in November 2001 for cash in connection with excercise of warrant at $.0001 per share	500,000	500	-	-	
Common shares issued in Nov , 01 in on excercise of options at $.0001 per share	350,000	350	-	-	

	DEFECIENCY ACCUMALATED DURING DEVELOPMENT STAGE 2004	TOTAL IN SHAREHOLDERS EQUITY
Common shares issued in May, 2000 to founders in exchange for cash at $0.01 per share	-	$2,200
Common shares issued in May, 2000 in exchange for research and development		

services valued at $.09 pers share	-	68,753
Common shares issued in May, 2000 in exchange for services valued @ $.05 per share	-	36,585
Common shares issued in July, 2000 in exchange for convertible debt at $.15 per share	-	40,000
Capital contributed by principal shareholders	-	16,000
Common shares issued in November , 2000 in for cash in connection with private placement $.15 per share	-	96,026
Common shares issued in November , 2000 in exchange for services valued @$.15 per share issued for consulting services	-	18,419
Net loss	(454,651)	(454,651)
	--------	--------
BALANCE, DECEMBER 31, 2000	(454,651)	(176,668)
Common shares issued in January , 2000 in exchange for convertible debt at $.15 per share	-	104,817
Stock options issued in May, 2001 valued @ $.15 per option in exchange for services	-	52,500
Warrant issued in May 2001, valued at $015 per warrant in exhange for placement of debt	-	75,000
Common shares issued in September 2001 in excercise for warrant at $.15 per share	-	450
Common shares issued in September 2001 for cash in connection with excercise of warrant at $.10 per share	-	13,300

Common shares issued in November 2001 for cash in connection with excercise of warrant at $.0001 per share	-	500
Common shares issued in Nov , 01 in on excercise of options at $.0001 per share	-	350

See accompanying notes to the unaudited condensed financial information.

CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF DEFICIENCY IN STOCKHOLDER'S EQUITY FOR THE
PERIOD MAY 17, 2000 (DATE OF INCEPTION) THROUGH MARCH 31, 2004
(UNAUDITED)

	COMMON STOCK		PREFERRED STOCK		ADDITIONAL
	SHARES	AMOUNT	SHARES	AMOUNT	PAID IN CAPITAL
Common shares issued in December, 2001 in exchange for convertible debt at $.50 per share	133,961	134	-	-	66,84
Common shares issued in December, 2001 in exchange for debt at $.50 per share	17,687	17	-	-	8,82
Net loss	-	-	-	-	
	---------	---------	---------	---------	--------
BALANCE AT DECEMBER 31, 2001	6,152,396	6,152	-	-	594,57
Common shares issued in May, 2002 in exchange for services valued at $.70 per share	70,000	70	-	-	49,92
Common shares issued in November, 2002 in exchange for services valued at $.25 per share	150,000	150	-	-	37,35
Common shares issued in December, 2002 as rights offerings at $0.25 per share	256,000	256	-	-	63,74
Subscription receivable for 10,000 shares issued	-	-	-	-	

Net loss	-	-	-	-	
	---------	---------	---------	---------	--------
BALANCE AT DECEMBER 31, 2002	6,628,396	6,628	-	-	745,59
Common shares issued in March , 2003 in connection with excercise of options at $.0001 per share	250,000	250	-	-	
Funds received for stock subscription	-	-	-	-	
Common shares issued to Cornell Capital Partners in March 2003 in connection with Loan Commitment valued at $0.75 per share	300,000	300	-	-	224,70
Common shares issued in March , 2003 in exchange for services valued at $0.75 per share	13,333	14	-	-	9,98

	DEFECIENCY ACCUMALATED DURING DEVELOPMENT STAGE	TOTAL IN SHAREHOLDERS EQUITY
Common shares issued in December, 2001 in exchange for convertible debt at $.50 per share	-	66,981
Common shares issued in December, 2001 in exchange for debt at $.50 per share		8,842
Net loss	(636,274)	(636,274)
	---------	---------
BALANCE AT DECEMBER 31, 2001	(1,090,925)	$(490,202)
Common shares issued in May, 2002 in exchange for services valued at $.70 per share	-	49,998
Common shares issued in November, 2002 in exchange for services valued at $.25 per share	-	37,500
Common shares issued in December, 2002 as rights offerings at $0.25 per share	-	64,000

Subscription receivable for 10,000 shares issued		-	(2,500)
Net loss	-	(700,104)	(700,104)
		---------	---------
BALANCE AT DECEMBER 31, 2002		(1,791,029)	(1,041,308)
Common shares issued in March , 2003 in connection with excercise of options at $.0001 per share		-	250
Funds received for stock subscription		-	2,500
Common shares issued to Cornell Capital Partners in March 2003 in connection with Loan Commitment valued at $0.75 per share		-	225,000
Common shares issued in March , 2003 in exchange for services valued at $0.75 per share		-	10,001

See accompanying notes to the unaudited condensed financial information.

CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF DEFICIENCY IN STOCKHOLDER'S EQUITY FOR THE
PERIOD MAY 17, 2000 (DATE OF INCEPTION) THROUGH MARCH 31, 2004

	COMMON STOCK		PREFERED STOCK		ADDITIONAL	S
	SHARES	AMOUNT	SHARES	AMOUNT	PAID IN CAPITAL	
Robrady Design Note was converted into 196,120 shares @.25 per share	196,120	196	-	-	48,833	
Common Shares issued to Mark Schmidt for services in June 2003. The 200,000 shares wer issued at $0.25 per share	200,000	200	-	-	49,800	
Common shares issued to Capital Funding Solutions September 2003, 450,000 shares were issued at						

$0.20 per share. Shares secure a sales factoring agreement	450,000	450	-	-	89,550
Common shares issued in November 2003 for consulting services valued at $0.50 per share	11,292	11	-	-	5,634
Convertible Preferred Shares issued in December 2003 valued at $5,000 per share, Class A	-	-	155	1	774,999
Warrants on convertible preferred shares	-	-	-	-	(347,610)
Beneficial converion discount on convertible preferred shares	-	-	-	-	736,250
Net (Loss)	-	-	-	-	-
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BALANCE AT DECEMBER 31, 2003	8,049,141	8,049	155	1	2,337,736
Issuance of convertible preferred shares Class B in January 2004 for accrued management fees at $1 per share	-	-	800,000	800,000	-
Proceeds from subscriptions Receivable	-	-	-	-	-
Common Shares issued in January, 2004 in exchange for services at $0.10 per share	260,000	260	-	-	25,740
Common Shares issued in January 2004 in ex-change for services at $0.001 per share	225,000	225	-	-	-
Common Shares issued in January 2004 in ex-change for services valued at $0.01 per share	2,100,000	2,100	-	-	18,900

	DEFICIENCY ACCUMULATED DURING DEVELOPEMENT STAGE - 2004	TOTAL IN SHAREHOLDERS EQUITY
Robrady Design Note was		

converted into 196,120 shares @.25 per share	-	49,029
Common Shares issued to Mark Schmidt for services in June 2003. The 200,000 shares wer issued at $0.25 per share	-	50,000
Common shares issued to Capital Funding Solutions September 2003, 450,000 shares were issued at $0.20 per share. Shares secure a sales factoring agreement	-	90,000
Common shares issued in November 2003 for consulting services valued at $0.50 per share	-	5,645
Convertible Preferred Shares issued in December 2003 valued at $5,000 per share, Class A	-	498,814
Warrants on convertible preferred shares	-	(347,610)
Beneficial converion discount on convertible preferred shares	-	736,250
Net (Loss)	(2,230,806)	(2,230,806)
	----------	-----------
BALANCE AT DECEMBER 31, 2003	(4,021,835)	(1,952,235)
Issuance of convertible preferred shares Class B in January 2004 for accrued management fees at $1 per share	-	800,000
Proceeds from subscriptions Receivable	-	276,186
Common Shares issued in January, 2004 in exchange for services at $0.10 per share	-	26,000
Common Shares issued in January 2004 in ex-change for services at $0.001 per share	-	225
Common Shares issued in January 2004 in ex-change		

for services valued at $0.01 per share	-	21,000

See accompanying notes to the unaudited condensed financial information.

CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF DEFICIENCY IN STOCKHOLDER'S EQUITY FOR THE
PERIOD MAY 17, 2000 (DATE OF INCEPTION) THROUGH MARCH 31, 2004
COMMON STOCK PREFERED STOCK ADDITIONAL STOCK DEFICIENCY TOTAL IN

	SHARES	AMOUNT	SHARES	AMOUNT	PAID IN CAP
Shares issued for note payable at $0.25 in January 2004	110,764	111	-	-	
Shares issued for consulting services at $0.01 per share	1,200,000	1,200	-	-	
Beneficial conversion discount-preferred stock dividend with respect to convertible preferred shares	-	-	-	-	4
Net loss	-	-	-	-	
BALANCE AT MARCH 31, 2004	11,944,905	$ 11,945	800,155	$800,001	$2,8

	ACCUMILATED DURING DEVELOPEMENT STAGE - 2004	SHAREHOLDERS EQUTIY
Shares issued for note payable at $0.25 in January 2004	-	27,691
Shares issued for consulting services at $0.01 per share	-	12,000
Beneficial conversion discount-preferred stock dividend with respect to convertible preferred shares	-	400,000

Net loss	(719,709)	(719,709)
BALANCE AT MARCH 31, 2004	$(4,741,544)	$ (1,108,842)

See accompanying notes to the unaudited condensed financial information.

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	For the Three Months Ended		For the 2000 (d Through
	2004	2003	
CASH FLOW FROM OPERATING ACTIVITIES:			
Net (loss)	$ (719,709)	$ (229,971)	
Depreciation and amortization	18,291	5,124	
Strock options issued for consulting services	--	10,000	
Shares issued for previosuly incurred debt	27,692	--	
Loan extension write off	--	--	
Preferred shares issued for conversion of accrued management fees	723,670	--	
Beneficial conversion discount -- preferred stock dividend	400,000	--	
Preferred shares issued for previously incurred debt	76,330	--	
Accrued expenses relating to escrow deposits	--	--	
Shares issued for consulting services	47,225	--	
Shares issued for research and development	--	--	
Shares issued for factoring agreement	--	--	
Increase in accounts receivable	(9,816)	--	
Decrease in deposits	236,000	--	
Increase (decrease) in accrued interest	(53,260)	5,638	
(Decrease) increase in mfee payable-- related party	(684,670)	121,500	
Increase in other accrued liabilities	(89,182)	46,962	
Net cash used in operating activities	(27,429)	(40,747)	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of fixed assets	(5,174)	--	
Net cash provided (used in) investing activities	(5,174)	--	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net (payments for) short-term notes payable	(200,000)	--	
(Payments for)proceeds from short-term notes payable - shareholders - net	(85,000)	29,500	
Proceeds from advance deposits	32,403	--	
Proceeds from issuance of preferred stock	--	--	
Proceeds from issuance of common stock	288,186	2,750	
NET CASH PROVIDED BY FINANCING ACTIVITIES	35,589	32,250	
Net increase in cash	2,986	(8,497)	
Cash - beginning	16,247	26,086	
Cash - ending	$ 19,233	$ 17,589	

Supplemental disclosures:		
Cash paid for Interest expenses	$ 66,314	$ 9,427
Cash paid for income taxes	--	--

See accompanying notes to the unaudited condensed financial information.

CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
CONDENSED STATEMENT OF CASH FLOWS
(UNAUDITED)

Non Cash investing and financing activities:		
Shares issued for research and development and consulting	47,225	10,000
Shares issued for conversion of debt	27,692	--
Warrants issued in connection with financing	--	--
Warrants issued detachable with convertible preferred shares	--	--
Beneficial conversion discount on convertible preferred shares	400,000	--
Options issued in connection with services	--	--
Shares issued in connection with services	--	--
Shares issued in connection with factoring	--	--
Shares issued in connection with loan	--	--
Convertible preferred shares issued for note payable and accrued interest	76,330	--
Convertible preferred shares issued for accrued management fees	723,670	--

See accompanying notes to the unaudited condensed financial information

CYBERLUX CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE A - SUMMARY OF ACCOUNTING POLICIES

GENERAL

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-QSB. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Accordingly, the results from operations for the three-month period ended March 31, 2004, are not necessarily indicative of the results that may be expected for the year ended December 31, 2004. The unaudited condensed consolidated financial statements should be read in conjunction with the consolidated December 31, 2003 financial statements and footnotes thereto included in the Company's SEC Form 10-KSB.

BUSINESS AND BASIS OF PRESENTATION

Cyberlux Corporation (the "Company") is in the development stage and its effort have been principally devoted to seeking profitable business opportunities. To date the Company has incurred expenses and has sustained losses. Consequently, its operations are subject to all risks inherent in the establishment of a new business enterprise. For the period from inception through March 31 2004, the Company has accumulated losses of $4,741,544.

Stock Based Compensation

In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure-an amendment of SFAS 123." This statement amends SFAS No. 123, "Accounting for Stock-Based Compensation," to provide alternative methods of transition for a voluntary charge to the fair value based method of accounting for stock-based employee compensation. In addition, this statement amends the disclosure requirements of SFAS No. 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The Company has chosen to continue to account for stock-based compensation using the intrinsic value method prescribed in APB Opinion No. 25 and related interpretations. Accordingly, compensation expense for stock options is measured as the excess, if any, of the fair market value of the Company's stock at the date of the grant over the exercise price of the related option. The Company has adopted the annual disclosure provisions of SFAS No. 148 in its financial reports for the year ended December 31, 2002 and subsequent years.

CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE A - SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Had compensation costs for the Company's stock options been determined based on the fair value at the grant dates for the awards, the Company's net loss and losses per share would have been as follows (transactions involving stock options issued to employees and Black-Scholes model assumptions are presented in Note D):

	For the three months ended March 31, 2004	2003
Net loss - as reported	$(719,709)	$(229,975)
Add: Total stock based employee compensation expense as reported under intrinsic value method (APB. No. 25)	--	--
Deduct: Total stock based employee compensation expense as reported under fair value based method (SFAS No 123)	--	--
Net loss - Pro Forma	$(719,709)	$(229,975)
Net loss attributable to common stockholders - Pro forma	$(719,709)	$(229,975)
Basic (and assuming dilution) loss per share - as reported	$ (.06)	$ (.03)
Basic (and assuming dilution) loss per share - proforma	$ (.06)	$ (.03)

RECENT ACCOUNTING PRONOUNCEMENTS

In April 2003, the FASB issued Statement No.149, "Amendment of Statement of 133 on Derivative Instruments and Hedging Activities ", which amends Statement 133, Accounting for Derivative Instruments and Hedging Activities. The adoption of this statement did not have a material impact on the Company's financial position.

In May 2003, the FASB issued Statement No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. The adoption of this statement did not have a material impact on the Company's financial position.

In December 2003, the FASB issued SFAS No. 132 (revised), EMPLOYERS' DISCLOSURES ABOUT PENSIONS AND OTHER POSTRETIREMENT BENEFITS - AN AMENDMENT OF FASB STATEMENTS NO. 87, 88 AND 106. This statement retains the disclosure requirements contained in FASB statement no. 132, Employers' Disclosures about Pensions and Other Postretirement Benefits, which it replaces. It requires additional disclosures to those in the original statement 132 about the assets, obligations, cash flows, and net periodic benefit cost of defined benefit pension plans and other defined benefit postretirement plans. The required information should be provided separately for pension plans and for other postretirement benefit plans. The revision applies for the first fiscal or annual interim period ending after December 15, 2003 for domestic pension plans and June 15, 2004 for foreign pension plans and requires certain new disclosures related to such plans. The adoption of this statement will not have a material impact on the Company's results of operations or financial positions.

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CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE B - COMMON STOCK

In January, 2004 , the Company issued 260,000 shares of its common stock in exchange for services totaling $26,000. The stock issued was valued at approximately $.10 per share, which represents the fair value of the stock issued, which did not differ materially from the value of the services rendered.

In January, 2004 , the Company issued 225,000 shares of its common stock in exchange for services totaling $225. The stock issued was valued at approximately $.001 per share, which represents the fair value of the stock issued, which did not differ materially from the value of the services rendered.

In January, 2004 , the Company issued 2,100,000 shares of its common stock in exchange for services totaling $21,000. The stock issued was valued at approximately $.01 per share, which represents the fair value of the stock issued, which did not differ materially from the value of the services rendered.

In January, 2004, the holder of a $27,691 note payable exchanged the unpaid principal together with accrued interest for 110,764 shares at $0.25 per share of the Company's common stock.

In January, 2004, the Company issued 1,200,000 shares of its common stock for cash at $0.01 per share for $12,000.

In January, 2004, the Company collected the balance of its subscriptions receivable of $276,186.

NOTE C - PREFERRED STOCK

In January, 2004 , the Company issued 800,000 shares of its preferred stock B in lieu of certain accrued management services fee payable and notes payable including interest payable thereon totaling $8,00,000 to officers of the company The stock issued was valued at approximately $1.00 per share, which represents the fair value of the stock. The Company recorded beneficial conversion discount of $400,000 - preferred dividend relating to the issuance of convertible preferred stock.

NOTE D - STOCK OPTIONS

Class A Warrants

The following table summarizes the changes in warrants outstanding and the related prices for the shares of the Company's common stock issued to shareholders at March 31, 2004.

Warrants Outstanding		
Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighed Average Exercise Price

Exercise Prices			
$ 0.25	7,750,000	5	$ 0.25
	7,750,000	5	$ 0.25

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CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE D - STOCK OPTIONS (CONTINUED)

Class B Warrants

The following table summarizes the changes in warrants outstanding and the related prices for the shares of the Company's common stock issued to shareholders at March 31, 2004.

	Warrants Outstanding		
	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighed Average Exercise Price
Exercise Prices			
$ 1.05	7,750,000	3	$ 1.05
	7,750,000	3	$ 1.05

Transactions involving the Company's warrant issuance are summarized as follows:

	Number of Shares	W
Outstanding at December 31, 2003	$15,500,000	
Granted	--	
Exercised	--	
Canceled or expired	--	
Outstanding at March 31, 2004	$15,500,000	

Employee Stock Options

The following table summarizes the changes in options outstanding and the related prices for the shares of the Company's common stock issued to employees of the Company under a non-qualified employee stock option plan.

	Options Outstanding			
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	N Exe
$0.2125	2,000,000	6.00	$ 0.2125	
$0.2125	2,000,000	6.00	$ 0.2125	

Transactions involving stock options issued to employees are summarized as follows:

	Number of Shares	W
Outstanding at December 31, 2003		$ 2,
Granted		
Exercised		
Canceled or expired		
Outstanding at March 31, 2004		$ 2,

CYBERLUX CORPORATION
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2004
(UNAUDITED)

NOTE D - STOCK OPTIONS (CONTINUED)

Employee Stock Options (continued)

The weighted-average fair value of stock options granted to employees during the period ended March 31, 2004 and 2003 and the weighted-average significant assumptions used to determine those fair values, using a Black-Scholes option pricing model are as follows:

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Significant assumptions (weighted-average):
Risk-free interest rate at grant date
Expected stock price volatility
Expected dividend payout
Expected option life-years (a)
(a) The expected option life is based on contractual expiration dates.

If the Company recognized compensation cost for the stock options and warrants for the non-qualified employee stock option plan in accordance with SFAS No. 123, the Company's pro forma net loss and net loss per share would have been $(719,709) and $(0.06) for the period ended March 31, 2004 and $(229,975) and $(0.03) for the period ended March 31, 2003, respectively.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion contains forward-looking statements that are subject to significant risks and uncertainties about us, our current and planned products, our current and proposed marketing and sales, and our projected results of operations. There are several important factors that could cause actual results to differ materially from historical results and percentages and results anticipated by the forward-looking statements. The Company has sought to identify the most significant risks to its business, but cannot predict whether or to what extent any of such risks may be realized nor can there be any assurance that the Company has identified all possible risks that might arise. Investors should carefully consider all of such risks before making an investment decision with respect to the Company's stock. The following discussion and analysis should be read in conjunction with the financial statements of the Company and notes thereto. This discussion should not be construed to imply that the results discussed herein will necessarily continue into the future, or that any conclusion reached herein will necessarily be indicative of actual operating results in the future. Such discussion represents only the best present assessment from our Management.

GENERAL OVERVIEW

The Company is in the development stage and its efforts have been principally devoted to designing, developing manufacturing and marketing advanced lighting systems that utilize white (and other) light emitting diodes as illumination elements.

We are developing and marketing new product applications of diodal illumination(TM) that demonstrate added value over traditional lighting systems. Using proprietary technology, we are creating a family of products for emergency and security lighting offer extended light life and greater cost effectiveness than other existing forms of illumination. We are expanding our marketing activity into channels of retail, commercial and institutional sales.

Our target markets include long-term interim lighting needs in hotels, hospitals, nursing homes, airports, shopping centers and multiple family complexes; long-term evacuation solutions for theaters, office and public buildings; reduced maintenance cost solutions for property managers as applied to walkway, corridor or landscape lighting; and certain sensitive applications for the military.

Shortly after the power outage blackout that occurred from the Midwest to Northeastern United States and parts of Canada in August 2003, we were invited to propose an emergency lighting redundancy system for the City of Cleveland, Ohio where the power outage darkened most of the City's buildings. We reviewed existing systems and demonstrated our Emergency Lighting Augmentation System (ELAS (TM)) over a three month period beginning in December 2003. In March 2004, we were awarded a Non-Competitive Bid Contract by the City to begin implementation of the Elas product in Cleveland's Public Utilities Building. The nature and purpose of ELAS is its ability to provide up to 40 hours of light in bathrooms, stairwells, elevators, corridors, equipment rooms and interior offices from its custom constant charge battery pack and expandable lighting element configuration. The system retrofits into existing fluorescent fixtures where its patented sensor differentiates between power off at a wall switch and a power outage in the building's electrical system. We view the Cleveland implementation as a beta site that underwrites a marketing campaign to other major cities in North America and Europe.

Our common stock began trading on the Over-the-Counter Bulletin Board under the symbol ,,CYBL.OB" on July 13, 2003. The table below sets forth by quarter the sales information for our common stock as reported on the Over-the-Counter Bulletin Board in our past fiscal year. This information reflects inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

	SALE PRICES	
	HIGH	LOW
2002:		
First Quarter	N/A	N/A
Second Quarter	N/A	N/A
Third Quarter	N/A	N/A
Fourth Quarter	N/A	N/A
2003:		
First Quarter	N/A	N/A
Second Quarter	N/A	N/A
Third quarter	1.05	0.10
Fourth quarter	0.55	0.12
2004		
First Quarter	0.53	0.19

On May 18, 2004, the closing price of our common stock on the Over-the-Counter Bulletin Board was $0.40 per share. We urge you to obtain current market quotations for shares of our common stock.

RESULTS OF OPERATIONS

The Company is in the development stage and is seeking to develop, manufacture and market advanced lighting systems that utilize white (and other) light emitting diodes as illumination elements. The risks specifically discussed are not the only factors that could affect future performance and results. In addition the discussion in this quarterly report concerning our business our operations and us contain forward-looking statements. Such forward-looking statements are necessarily speculative and there are certain risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. We do not have a policy of updating or revising forward- looking statements and thus it should not be assumed that silence by our Management over time means that actual events or results are occurring as estimated in the forward-looking statements herein.

As a result of limited capital resources and no revenues from operations from its inception, the Company has relied on the issuance of equity securities to non-employees in exchange for services. The Company's management enters into equity compensation agreements with non-employees if it is in the best interest of the Company under terms and conditions consistent with the requirements of Financial Accounting Standards No. 123, Accounting for Stock Based Compensation. In order conserve its limited operating capital resources, the Company

anticipates continuing to compensate non-employees for services during the next twelve months. This policy may have a material effect on the Company's results of operations during the next twelve months.

REVENUES

We have generated operating revenues from operations of $83,354 from our inception. We believe we will begin earning revenues from operations in our second year of actual operation as the Company transitions from a development stage company to that of an active growth and acquisition stage company

COSTS AND EXPENSES

From our inception through March 31, 2004, we have generated revenues of $83,354 from operations. We have incurred losses of $4,741,545 during this period. These expenses were associated principally with equity-based compensation to employees and consultants, product development costs and professional services.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2004, we had a working capital deficit of $816,959. As a result of our operating losses from our inception through March 31, 2004, we generated a cash flow deficit of $1,287,994 from operating activities. Cash flows used in investing activities was $118,668 during the period May 17, 2000 (date of Company's inception) through March 31, 2004. We met our cash requirements during this period through the private placement of $475,000of preferred stock, $528,192through the issuance of common stock, and $ 155,248from the issuance of notes payable to Company officers and shareholders and advances.

While we have raised capital to meet our working capital and financing needs in the past, additional financing is required in order to meet our current and projected cash flow deficits from operations and development.

By adjusting its operations and development to the level of capitalization , management believes it has suffucient capital resources to meet projected cash flow deficits through the next twelve months . However, if thereafter, we are not successful in generating sufficient liquidity from operations or in raising sufficient capital resources, on terms acceptable to us, this could have a material adverse effect on our business, results of operations , liquidity and financial condition.

The Company's independent certified public accountant has stated in his report included in the Company's December 31, 2003 Form 10-KSB, as amended, that the Company has incurred operating losses in the last two years, and that the Company is dependent upon management's ability to develop profitable operations. These factors among others may raise substantial doubt about the Company's ability to continue as a going concern.

Recent Accounting Pronouncements

Statement of Financial Accounting Standards No. 141, "Business Combinations" (SFAS No. 141), and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" (SFAS No. 142). The FASB also issued Statement of Financial Accounting Standards No. 143, "Accounting for Obligations Associated with the Retirement of Long-Lived Assets" (SFAS No. 143), and Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" (SFAS No. 144) in August and October 2001, respectively.

SFAS No. 141 requires the purchase method of accounting for business combinations initiated after June 30, 2001 and eliminates the pooling-of-interest method. The adoption of SFAS No. 141 had no material impact on the Company's consolidated financial statements.

Effective January 1, 2002, the Company adopted SFAS No. 142. Under the new rules, the Company will no longer amortize goodwill and other intangible assets with indefinite lives, but such assets will be subject to periodic testing for impairment. On an annual basis, and when there is reason to suspect that their values have been diminished or impaired, these assets must be tested for impairment, and write-downs to be included in results from operations may be necessary. SFAS No. 142 also requires the Company to complete a transitional goodwill impairment test six months from the date of adoption.

Any goodwill impairment loss recognized as a result of the transitional goodwill impairment test will be recorded as a cumulative effect of a change in accounting principle no later than the end of fiscal year 2002. The adoption of SFAS No. 142 had no material impact on the Company's consolidated financial statements

SFAS No. 143 establishes accounting standards for the recognition and measurement of an asset retirement obligation and its associated asset retirement cost. It also provides accounting guidance for legal obligations associated with the retirement of tangible long-lived assets. SFAS No. 143 is effective in fiscal years beginning after June 15, 2002, with early adoption permitted. The Company expects that the provisions of SFAS No. 143 will not have a material impact on its consolidated results of operations and financial position upon adoption. The Company plans to adopt SFAS No. 143 effective January 1, 2003.

SFAS No. 144 establishes a single accounting model for the impairment or disposal of long-lived assets, including discontinued operations. SFAS No. 144 superseded Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" (SFAS No. 121), and APB Opinion No. 30, "Reporting the Results of Operations - Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions". The Company adopted SFAS No. 144 effective January 1, 2002. The adoption of SFAS No. 144 had no material impact on Company's consolidated financial statements.

In April 2002, the FASB issued Statement No. 145, "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections." This Statement rescinds FASB Statement No. 4, "Reporting Gains and Losses from Extinguishment of Debt", and an amendment of that Statement, FASB Statement No. 64, "Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements" and FASB Statement No. 44, "Accounting for Intangible Assets of Motor Carriers". This Statement amends FASB Statement No. 13, "Accounting for Leases", to eliminate an inconsistency between the required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that a similar to sale-leaseback transactions. The Company does not expect the adoption to have a material impact to the Company's financial position or results of operations.

In June 2002, the FASB issued Statement No. 146, "Accounting for Costs Associated with Exit or Disposal Activities." This Statement addresses financial accounting and reporting for costs associated with exit or disposal activities and nullifies Emerging Issues Task Force (EITF) Issue No. 94-3, "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)." The provisions of this Statement are effective for exit or disposal activities that are initiated after December 31, 2002, with early application encouraged. The Company does not expect the adoption to have a material impact to the Company's financial position or results of operations.

In October 2002, the FASB issued Statement No. 147, "Acquisitions of Certain Financial Institutions-an amendment of FASB Statements No. 72 and 144 and FASB Interpretation No. 9", which removes acquisitions of financial institutions from the scope of both Statement 72 and Interpretation 9 and requires that those transactions be accounted for in accordance with Statements No. 141, Business Combinations, and No. 142, Goodwill and Other Intangible Assets. In addition, this Statement amends SFAS No. 144, Accounting for the Impairment or Disposal of

Long-Lived Assets, to include in its scope long-term customer relationship intangible assets of financial institutions such as depositor- and borrower-relationship intangible assets and credit cardholder intangible assets. The requirements relating to acquisitions of financial institutions are effective for acquisitions for which the date of acquisition is on or after October 1, 2002. The provisions related to accounting for the impairment or disposal of certain long-term customer-relationship intangible assets are effective on October 1, 2002. The adoption of this Statement did not have a material impact to the Company's financial position or results of operations as the Company has not engaged in either of these activities.

In December 2002, the FASB issued Statement No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure", which amends FASB Statement No. 123, Accounting for Stock-Based Compensation, to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, this Statement amends the disclosure requirements of Statement 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The transition guidance and annual disclosure provisions of Statement 148 are effective for fiscal years ending after December 15, 2002, with earlier application permitted in certain circumstances. The interim disclosure provisions are effective for financial reports containing financial statements for interim periods beginning after December 15, 2002. The adoption of this statement did not have a material impact on the Company's financial position or results of operations as the Company has not elected to change to the fair value based method of accounting for stock-based employee compensation.

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities." Interpretation 46 changes the criteria by which one company includes another entity in its consolidated financial statements. Previously, the criteria were based on control through voting interest. Interpretation 46 requires a variable interest entity to be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns or both. A company that consolidates a variable interest entity is called the primary beneficiary of that entity. The consolidation requirements of Interpretation 46 apply immediately to variable interest entities created after January 31, 2003. The consolidation requirements apply to older entities in the first fiscal year or interim period beginning after June 15, 2003. Certain of the disclosure requirements apply in all financial statements issued after January 31, 2003, regardless of when the variable interest entity was established. The Company does not expect the adoption to have a material impact to the Company's financial position or results of operations.

On March 31, 2004, the Financial Accounting Standards Board (FASB) issued a proposed Statement, Share-Based Payment, an amendment of FASB Statements No. 123 and 95, that would require companies to account for stock-based compensation to employees using a fair value method as of the grant date. The proposed statement addresses the accounting for transactions in which a company receives employee services in exchange for equity instruments such as stock options, or liabilities that are based on the fair value of the company's equity instruments or that may be settled through the issuance of such equity instruments, which includes the accounting for employee stock purchase plans. This proposed statement would eliminate a company's ability to account for share-based awards to employees using APB Opinion 25, Accounting for Stock Issued to Employees but would not change the accounting for transactions in which a company issues equity instruments for services to non-employees or the accounting for employee stock ownership plans. The proposed statement, if adopted, would be effective for awards that are granted, modified, or settled in fiscal years after December 15, 2004. The Company is in the process of assessing the potential impact of this proposed statement to the financial statements.

PRODUCT RESEARCH AND DEVELOPMENT

We anticipate performing further research and development for our exiting products during the next twelve months. Those activities include the ReliaBright Emergency Lighting Augmentation System, ReliaBright Solo, Bright Owl Home Safety Light, Bright Owl Mini, Night Owl Power Outage Adapter and VersaBright Area Light These projected expenditures are dependent upon our generating revenues and obtaining sources of financing in excess of our existing capital resources. There is no guarantee that we will be successful in raising the funds required or generating revenues sufficient to fund the projected costs of research and development during the next twelve months

ACQUISITION OF PLANT AND EQUIPMENT AND OTHER ASSETS

We do not anticipate the sale of any material property , plant or equipment during the next 12 months. We do not anticipate the acquisition of any material property, plant or equipment during the next 12 months. We do not own any real property. Our corporate headquarters are located at 4625 Creekstone Drive, Suite 100, Research Triangle Park, Durham, NC 27703. We lease 2,405 square feet of office space from a non affiliated landlord. The lease expires on December 31, 2008. The monthly rent is presently $3,457.

NUMBER OF EMPLOYEES

From our inception through the period ended March 31, 2004, we have relied on the services of outside consultants for services and have five (5) employees. In order for us to attract and retain quality personnel, we anticipate we will have to offer competitive salaries to future employees. We anticipate that it may become desirable to add additional full and or part time employees to discharge certain critical functions during the next 12 months. This projected increase in personnel is dependent upon our ability to generate revenues and obtain sources of financing. There is no guarantee that we will be successful in raising the funds required or generating revenues sufficient to fund the projected increase in the number of employees. As we continue to expand, we will incur additional cost for personnel.

TRENDS, RISKS AND UNCERTAINTIES

We have sought to identify what we believe to be the most significant risks to our business, but we cannot predict whether, or to what extent, any of such risks may be realized nor can we guarantee that we have identified all possible risks that might arise. Investors should carefully consider all of such risk factors before making an investment decision with respect to our Common Stock.

CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

Our annual report on December 31, 2003, Form 10-KSB, as amended, includes a detailed list of cautionary factors that may affect future results. Management believes that there have been no material changes to those factors listed, however other factors besides those listed could adversely affect us. That annual report can be accessed on EDGAR.

ITEM 3. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange act reports is recorded, processed , summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate , to allow timely decisions regarding required disclosure. Managment necessarily applied its judgement in assessing the costs and benefits of such controls and procedures , which , by their nature, can provide only reasonable assurance regarding management's control objectives.

We have carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and chief financial officer of the effectiveness of the design and operation of our disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the Evaluation date)

Based upon that evaluation , the chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of the evaluation date.

CHANGES IN INTERNAL CONTROLS

There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the evaluation date.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.
See Item 3: Legal Proceedings in our annual report on Form 10-KSB for the year ended December 31, 2003 for a description of current legal proceedings.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS.

On January 2, 2004, Jonathon Mader converted a $2,500 promissory note, plus interest, dated August 18, 2003, into 10,364 shares of our Common Stock at $0.25 per share. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 2, 2004, Advanced Alloys converted a $2,500 promissory note, plus interest, dated October 16, 2003, into 10,205 shares of our Common Stock at $0.25 per share. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 2, 2004, Mary Rooks converted a $2,500 promissory note, plus interest, dated October 20, 2003, into 10,195 shares of our Common Stock at $0.25 per share. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 27,2004, we issued 700,000 shares of its Common Stock at $0.01 per share to Titan Entertainment Group pursuant to a consulting services agreement in which Titan Entertainment Group would create strategic business relationships for us. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 27, 2004, we issued 600,000 shares of its Common Stock at $0.01 per share to Michael J. Stern pursuant to a consulting services agreement in which Michael J. Stern would create strategic business relationships for us. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 27, 2004, we issued 600,000 shares of its Common Stock at $0.01 per share to KBK Ventures, Inc. pursuant to a consulting services agreement in which KBK Ventures would create strategic business relationships for us. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 27, 2004, we issued 800,000 shares of its Common Stock at $0.01 per share to 3CD Consulting, LLC pursuant to a consulting services agreement in which 3CD Consulting would create strategic business relationships for us. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 27, 2004, we issued 600,000 shares of its Common Stock at $0.01 per share to Ronald E. Gee pursuant to a consulting services agreement in which Ronald E. Gee would create strategic business relationships us. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 27, 2004, we issued 155 shares of Series A Preferred Stock (with a stated value of $5,000 per share and a conversion price of $0.10 per share) and warrants to purchase an aggregate of 15,500,000 of our common stock. This private placement was exempt from registration pursuant to Section 4(2) of the Securities Act.

On January 27, 2004, we issued 40,000 shares of its Common Stock at $0.001 per share to Donald F. Huffman in consideration of services on our behalf. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 27, 2004, we issued 10,000 shares of its Common Stock at $0.001 per share to Robert Rubin in consideration of services on our behalf. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On January 27, 2004, Brian Scott converted a $20,000 promissory note dated April 1, 2003 in the amount of $20,000 into 80,000 shares of the our Common Stock at $0.25 per share. This issuance was a private transaction pursuant to Section 4(2) of the Securities Act.

On February 19, 2004, as approved by our Board of Directors, we filed a Certificate of Designation with the Nevada Secretary of State creating a Series B Convertible Preferred Stock, par value $0.001 which ranks pari passu with our Series A Convertible Preferred Stock. The Series B Convertible Preferred Stock

will be issued to our officers in exchange for $800,000 in accrued management fees and other liabilities.

On April 29, 2004, we filed an Amendment to the Certificate of Designation with the Nevada Secretary of State to the Series B Convertible Preferred Stock, par value $0.001 to change the conversion price to common stock from$0.20 per share to $0.10 per share and to change the purchase price for First Refusal Shares from an amount equal to the liquidation amount to an average market price of shares of common stock over a 10 day period from the date of the Notice of Conversion.

On May 14, 2004, 800,000 shares of Series B Convertible Preferred stock were issued to our officers in exchange for $800,000 in accrued management fees and other liabilities.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.
None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.
None

ITEM 5. OTHER INFORMATION.
None

ITEM 6. EXHIBITS AND REPORTS ON FROM 8-K

INDEX TO EXHIBITS

EXHIBIT NO.	DESCRIPTION
3.1	Certificate of Designation of the Relative Rights and Preferences of the Series B Convertible Preferred Stock of the Registrant, dated as of February 19, 2004 (Filed herewith)
3.2	Amended Certificate of Designation of the Relative Rights and Preferences fo the Series B Convertible Preferred Stock of the Registrant, dated as of April 29, 2004 (filed herewith)
10.1	Office Lease between Highwoods Realty Limited Partnership and Cyberlux Corporation dated January 20, 2004 (filed herewith)
99.1	Certification of Donald F. Evans (Filed herewith)
99.2	Certification of David D. Downing (Filed herewith)

Reports on Form 8-K

On January 8, 2004, we announced the completion of a $775,000 equity financing transaction as of December 31, 2003.

SIGNATURES

In accordance with requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Cyberlux Corporation

(Registrant)

Date: May 20, 2004

/s/ Donald F. Evans

CEO and Chairman of the Board

CERTIFICATIONS

I, Donald F. Evans, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Cyberlux Corporation.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to

make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14 for the registrant and have:

   (a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   (b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   (c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions);

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize, and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions, with regard to significant deficiencies and material weaknesses.

Date: May 20, 2004

/s/ Donald F. Evans

Donald F. Evans
Chairman and Chief Executive Officer

CERTIFICATIONS

I, David D. Downing, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Cyberlux Corporation.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14 for the registrant and have:

   (a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   (b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   (c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions);

   c) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize, and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   d) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions, with regard to significant deficiencies and material weaknesses.

Date: May 20, 2004

/s/ David D. Downing

David D. Downing
Treasurer and Chief Financial Officer