

October 22, 2021

Dear CYBL Community,

Yesterday, the Cyberlux Corporation Board of Directors met and approved a plan for me and our CFO, David Downing, to contribute our 420 million shares of common stock back to the Company's Treasury. These shares of common stock were previously issued to Management as Incentive Award shares, and both Dave and I will each contribute 210 million shares of restricted common stock back to the Company. These shares will then be deducted from the Company's Outstanding Share count in order to help offset and balance the Company's aggressive Business Roadmap, as was detailed in the recent Investor Relations presentation.

Given the significant number of potential acquisitions in the Cyberlux pipeline, with well over 20 companies and projects under review, it is important to recognize that each acquisition requires some related common stock issuance and certain related financing activities to drive the business forward, to close the acquisition and to further incent the incoming management team to grow exponentially. This is one of the key underlying requirements to deliver the revenue growth in our Business Unit Forecast and how Cyberlux grows from \$5 million in revenue in 2021 to well over \$100 million in revenue by 2024.

With a current market value of close to \$16 million, we believe our 420 million share contribution is an important re-investment in the Cyberlux company and a demonstration of our belief in the Company's mission, as defined by the Operation Alpha execution plan. Going forward, we will be issued new Management Incentive Award shares to replace this \$16 million in share value, at the incentive price levels of \$0.10 and \$0.25 as share price milestones. We anticipate an approximate \$8 million in share issuance at the \$0.10 share price level and \$8 million at the \$0.25 share price level, but this will also reduce the number of Management shares issued by almost 75% for the same dollar value.

Both Dave and I are committed in word and deed to the exponential growth of the Cyberlux business platform. We believe our contribution of these previously issued Management Incentive Award shares will result in a 30X to 50X return in Company growth over the coming years. This is the best investment we can make now to grow the bottom-line earnings and keep the share denominator as low as possible. Our goal is to maintain our Outstanding Share level between the current 5.64 billion to 6 billion shares over the next 12 months, including our growth and acquisition plans.

Thank you for your ongoing support, CYBL community!

Let's Go!

Best –

Mark D. Schmidt

Mark Schmidt
President & CEO
Cyberlux Corporation