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## EDGAR Submission Header Summary

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Submission Type	10-Q
Live File	on
Return Copy	on
Exchange	NONE
Confirming Copy	off
Filer CIK	0000000000
Period of Report	04/22/08
Smaller Reporting Company	off
Notify via Filing website Only	off
Emails	edgar@tpelectronicfilings.com

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### Documents

10-Q	f10q0308_kraig.htm
	Quarterly Report for the Period Ending 03/08
EX-31.1	f10q0308ex31_kraig.htm
	Certifications pursuant to Section 302 of Sarbanes Oxley Act of 2002
EX-32.1	f10q0308ex32_kraig.htm
	Certifications pursuant to Section 906 of Sarbanes Oxley Act of 2002

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### Module and Segment References

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2008

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

**KRAIG BIOCRAFT LABORATORIES, INC.**

(Exact name of registrant as specified in Charter)

WYOMING  
(State or other jurisdiction of  
incorporation or organization)

333-146316  
(Commission File No.)

83-0459707  
(IRS Employee Identification No.)

120 N. Washington Square, Suite 805, Lansing, Michigan 48933  
(Address of Principal Executive Offices)

(517) 336-0807  
(Issuer Telephone number)

(Former Name or Former Address if Changed Since Last Report)

Check whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act (Check one):

Large Accelerated Filer  Accelerated Filer  Non-Accelerated Filer  Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act.  
Yes  No

State the number of shares outstanding of each of the issuer's classes of common equity, as of as of May 12, 2008: 49,974,850 shares of Class A Common Stock.

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**KRAIG BIOCRAFT LABORATORIES, INC.**

**FORM 10-Q**

**March 31, 2008**

**INDEX**

**PART I-- FINANCIAL INFORMATION**

Item 1.	Financial Statements
Item 2.	Management's Discussion and Analysis of Financial Condition
Item 3.	Quantitative and Qualitative Disclosures About Market Risk
Item 4T.	Control and Procedures

**PART II-- OTHER INFORMATION**

Item 1	Legal Proceedings
Item 1A	Risk Factors
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds
Item 3.	Defaults Upon Senior Securities
Item 4.	Submission of Matters to a Vote of Security Holders
Item 5.	Other Information
Item 6.	Exhibits and Reports on Form 8-K

**SIGNATURE**

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**Kraig Biocraft Laboratories, Inc.**  
**(A DEVELOPMENT STAGE COMPANY)**

**CONTENTS**

PAGE	1	CONDENSED BALANCE SHEETS AS OF MARCH 31, 2008 (UNAUDITED) AND AS OF DECEMBER 31, 2007 (AUDITED).
PAGE	2	CONDENSED STATEMENTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007 AND FOR THE PERIOD APRIL 25, 2006 (INCEPTION) TO MARCH 31, 2008 (UNAUDITED).
PAGES	3	CONDENSED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT FOR THE PERIOD FROM APRIL 25, 2006 (INCEPTION) TO MARCH 31, 2008 (UNAUDITED).
PAGE	4	CONDENSED STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007 AND FOR THE PERIOD APRIL 25, 2006 (INCEPTION) TO MARCH 31, 2008 (UNAUDITED).
PAGES	5 - 16	NOTES TO CONDENSED FINANCIAL STATEMENTS (UNAUDITED).

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**Kraig Biocraft Laboratories, Inc.**  
**(A Development Stage Company)**  
**Condensed Balance Sheets**

**ASSETS**

	<b>March 31, 2008</b>	<b>December 31,</b>
	<b>(Unaudited)</b>	<b>2007</b>
	<b>_____</b>	<b>_____</b>
<b>Current Assets</b>		
Cash	\$ 68,502	\$ 105,818
Prepaid Expenses	450	12,500
<b>Total Assets</b>	<b>\$ 68,952</b>	<b>\$ 118,318</b>
	<b>_____</b>	<b>_____</b>
<b><u>LIABILITIES AND STOCKHOLDERS' DEFICIENCY</u></b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 32,770	\$ 22,121
Accounts Payable- related party	120,000	
Payroll Tax Payable	-	10,352
Royalty agreement payable - related party		120,000
Accrued Expenses	203,985	148,042
<b>Total Current Liabilities</b>	<b>356,755</b>	<b>300,515</b>
	<b>_____</b>	<b>_____</b>
<b>Commitments and Contingencies</b>		
	-	-
<b>Stockholders' Deficiency</b>		
Preferred stock, no par value; 10,000,000 shares authorized, none issued and outstanding	-	-
Common stock Class A, no par value; 60,000,000 shares authorized, 49,974,850 and 49,934,850 shares issued and outstanding at March 31, 2008 and December 31, 2007, respectively	779,050	779,050
Common stock Class B, no par value; 25,000,000 shares authorized, no shares issued and outstanding	-	-
Common Stock Issuable	4,000	
Additional paid-in capital	42,060	42,060
Deficit accumulated during the development stage	(1,112,913)	(1,003,308)
<b>Total Stockholders' Deficiency</b>	<b>(287,803)</b>	<b>(182,198)</b>
	<b>_____</b>	<b>_____</b>
<b>Total Liabilities and Stockholders' Deficiency</b>	<b>\$ 68,952</b>	<b>\$ 118,317</b>
	<b>_____</b>	<b>_____</b>

See accompanying notes to condensed financial statements.

**Kraig Biocraft Laboratories, Inc.**  
**(A Development Stage Company)**  
**Statements of Operations**  
**(Unaudited)**

	For the Three Months Ended		For the Period from April 25, 2006(Inception)	
	March 31, 2008	March 31, 2007	to March 31, 2008	(Inception) to 12/31/2007
<b>Revenue</b>	\$ -	\$ -	\$ -	
<b>Operating Expenses</b>				
General and Administrative	24,891	5,385	73,533	48,642
Professional Fees	15,628	-	65,387	49,759
Officer's Salary	51,967	49,024	497,835	445,868
Contract Settlement	-	-	107,143	107,143
Payroll Taxes	3,975	5,613	13,163	9,188
Research and Development	15,925	50,000	357,857	341,932
<b>Total Operating Expenses</b>	<u>112,386</u>	<u>110,022</u>	<u>1,114,918</u>	<u>1,002,532</u>
<b>Loss from Operations</b>	(112,386)	(110,022)	(1,114,918)	(1,002,532)
<b>Other Income/(Expenses)</b>				
Other income	2,781	-	2,005	(776)
Other expense	-	(122)	-	-
<b>Total Other Income/(Expenses)</b>	<u>2,781</u>	<u>(122)</u>	<u>2,005</u>	<u>(776)</u>
<b>Net Loss before Provision for Income Taxes</b>	<u>(109,605)</u>	<u>(110,144)</u>	<u>(1,112,913)</u>	
<b>Provision for Income Taxes</b>	-	-	-	
<b>Net Loss</b>	<u>\$ (109,605)</u>	<u>\$ (110,144)</u>	<u>\$ (1,112,913)</u>	<u>(1,003,308)</u>
<b>Net Loss Per Share - Basic and Diluted</b>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>		<u>\$ (0.03)</u>
<b>Weighted average number of shares outstanding during the period - Basic and Diluted</b>	<u>49,966,938</u>	<u>35,466,128</u>		<u>32,950,041.00</u>

See accompanying notes to condensed financial statements.

**Kraig Biocraft Laboratories, Inc.**  
**(A Development Stage Company)**  
**Condensed Statement of Changes in Stockholders Deficit**  
**For the period from April 25, 2006 (inception) to March 31, 2008**  
**(Unaudited)**

	Preferred Stock		Common Stock - Class A		Common Stock - Class B		APIC	Deficit Accumulated during Development Stage	Total
	Shares	Par	Shares	Par	Shares	Par			
Balance, April 25, 2006	-	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ -
Stock issued to founder	-	-	33,229,200	180	-	-	-	-	180
Stock issued for services (\$08/share)	-	-	1,750,000	140,000	-	-	-	-	140,000
Stock issued for services (\$08/share)	-	-	70,000	5,600	-	-	-	-	5,600
Stock contributed by shareholder	-	-	(1,166,650)	-	-	-	-	-	-
Stock issued for cash (\$2.00/share)	-	-	400	200	-	-	-	-	200
Stock issued for cash (\$2.00/share)	-	-	400	200	-	-	-	-	200
Fair value of warrants issued	-	-	-	-	-	-	126,435	-	126,435
Net Loss	-	-	-	-	-	-	-	(530,322)	(530,322)
Balance, December 31, 2006	-	-	33,883,350	146,180	-	-	126,435	(530,322)	(257,707)
Stock issued for cash (\$09/share)	-	-	175,000	15,000	-	-	-	-	15,000
Stock issued for cash (\$09/share)	-	-	1,200,000	103,000	-	-	-	-	103,000
Stock issued for cash (\$003/share)	-	-	900,000	3,000	-	-	-	-	3,000
Stock issued for cash (\$08/share)	-	-	187,500	15,000	-	-	-	-	15,000
Stock issued for cash (\$08/share)	-	-	187,500	15,000	-	-	-	-	15,000
Stock issued for services (\$08/share)	-	-	200,000	16,000	-	-	-	-	16,000
Stock issued for cash (\$08/share)	-	-	1,312,500	105,000	-	-	-	-	105,000
Stock issued for cash (\$03/share)	-	-	8,049,500	241,485	-	-	-	-	241,485
Stock issued for cash (\$03/share)	-	-	20,000	600	-	-	-	-	600
Stock issued for cash (\$03/share)	-	-	830,000	24,900	-	-	-	-	24,900
Stock issued for cash (\$03/share)	-	-	2,500	75	-	-	-	-	75
Stock issued for cash (\$03/share)	-	-	12,000	360	-	-	-	-	360
Stock issued for cash (\$03/share)	-	-	102,500	3,075	-	-	-	-	3,075
Stock issued in connection to cash offering	-	-	2,812,500	84,375	-	-	(84,375)	-	-
Stock issued for services (\$010/share)	-	-	60,000	6,000	-	-	-	-	6,000
Net loss, for the year ended December 31, 2007	-	-	-	-	-	-	-	(472,986)	(472,986)
Balance, December 31, 2007	-	-	49,934,850	779,050	-	-	42,060	(1,003,308)	(182,198)
Stock issuable for services (\$010/share)	-	0	40,000	4,000	-	-	-	-	4,000
Net loss, for the period ended March 31, 2008	-	0	-	-	-	-	-	(109,605)	(109,605)
<b>Balance, for the period ended March 31, 2008</b>	<b>-</b>	<b>\$ -</b>	<b>49,974,850</b>	<b>\$ 783,050</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 42,060</b>	<b>\$ (1,112,913)</b>	<b>\$(287,803)</b>

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See accompanying notes to condensed financial statements.

**Kraig Biocraft Laboratories, Inc.**  
**(A Development Stage Company)**  
**Condensed Statement of Cash Flows**  
**(Unaudited)**

	<b>Fro the Three Months Ended</b>		<b>For the Period</b>
	<b>March 31,</b>		<b>from April 25,</b>
	<b>2008</b>	<b>2007</b>	<b>2006</b>
			<b>(Inception) to</b>
			<b>3/31/08</b>
<b>Cash Flows From Operating Activities:</b>			
Net Loss	\$ (109,605)	\$ (110,144)	\$ (1,112,913)
Adjustments to reconcile net loss to net cash used in operations			
Stock issuable for services	4,000	-	171,780
Warrants issued to employees	-	-	126,435
Changes in operating assets and liabilities:			
Decrease in prepaid expenses	12,050	-	(450)
Increase in accrued expenses and other payables	46,189	58,000	203,985
Increase in royalty agreement payable - related party	-	-	120,000
Increase in accounts payable	10,050	(5,000)	32,770
<b>Net Cash Provided by (Used In) Operating Activities</b>	<b>(37,316)</b>	<b>(57,144)</b>	<b>(458,393)</b>
<b>Cash Flows From Financing Activities:</b>			
Proceeds from Notes Payable - Stockholder	-	-	10,000
Repayments of Notes Payable - Stockholder	-	(10,000)	(10,000)
Proceeds from issuance of common stock	-	121,000	526,895
<b>Net Cash Provided by Financing Activities</b>	<b>-</b>	<b>111,000</b>	<b>526,895</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(37,316)</b>	<b>53,856</b>	<b>68,502</b>
Cash at Beginning of Period/Year	105,818	390	-
<b>Cash at End of Period/Year</b>	<b>\$ 68,502</b>	<b>\$ 54,246</b>	<b>\$ 68,502</b>
<b>Supplemental disclosure of cash flow information:</b>			
Cash paid for interest	\$ -	\$ -	\$ -
Cash paid for taxes	\$ -	\$ -	\$ -

**SUPPLEMENTAL DISCLOSURE OF NON CASH ITEMS**

During the period ended December 31, 2006, the principal stockholder contributed 1,166,650 shares of common stock to the Company as an in kind contribution of stock. The shares were retired by the Company.

In accordance with the May 2007 stock purchase agreement which contains an anti-dilution clause which requires the Company to issue additional common shares under the stock purchase agreement for any subsequent issuance at a price below \$.08 per share for a period of 12 months. The Company has issued 2,812,500 additional shares through September 2007 as a result of the subsequent stock issuances in the amount of \$84,375 (\$.03/share).

See accompanying notes to condensed financial statements.

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION**

**(A) Basis of Presentation**

The accompanying unaudited condensed financial statements have been prepared in accordance with accounting principles generally accepted in The United States of America and the rules and regulations of the Securities and Exchange Commission for interim financial information. Accordingly, they do not include all the information necessary for a comprehensive presentation of financial position and results of operations. The interim results for the period ended March 31, 2007 are not necessarily indicative of results for the full fiscal year. It is management's opinion, however that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statements presentation.

**(B) Organization**

Kraig Biocraft Laboratories, Inc. (a development stage company) (the "Company") was incorporated under the laws of the State of Wyoming on April 25, 2006. The Company was organized to develop high strength, protein based fiber, using recombinant DNA technology, for commercial applications in the textile and specialty fiber industries.

Activities during the development stage include developing the business plan, negotiating intellectual property agreements and raising capital.

**(C) Use of Estimates**

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

**(D) Cash**

For purposes of the cash flow statements, the Company considers all highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents.

**(E) Loss Per Share**

Basic and diluted net loss per common share is computed based upon the weighted average common shares outstanding as defined by Financial Accounting Standards No. 128, "Earnings per Share." As of March 31, 2008 and 2007, the Company does not have any dilutive securities outstanding.

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

**(F) Research and Development Costs**

The Company expenses all research and development costs as incurred for which there is no alternative future use. These costs also include the expensing of employee compensation and employee stock based compensation.

**(G) Income Taxes**

The Company accounts for income taxes under the Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("Statement 109"). Under Statement 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under Statement 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

**(H) Stock-Based Compensation**

The Company has adopted the provisions of SFAS No. 123R and related interpretations as provided by SAB 107. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Common stock, stock options and common stock warrants issued to other than employees or directors are recorded on the basis of their fair value, as required by SFAS No. 123(R), which is measured as of the date required by EITF Issue 96-18, "Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services." In accordance with EITF 96-18, the stock options or common stock warrants are valued using the Black-Scholes option pricing model on the basis of the market price of the underlying common stock on the "valuation date," which for options and warrants related to contracts that have substantial disincentives to non-performance is the date of the contract, and for all other contracts is the vesting date. Expense related to the options and warrants is recognized on a straight-line basis over the shorter of the period over which services are to be received or the vesting period. Where expense must be recognized prior to a valuation date, the expense is computed under the Black-Scholes option pricing model on the basis of the market price of the underlying common stock at the end of the period, and any subsequent changes in the market price of the underlying common stock up through the valuation date is reflected in the expense recorded in the subsequent period in which that change occurs.

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

**(I) Business Segments**

The Company operates in one segment and therefore segment information is not presented.

**(J) Recent Accounting Pronouncements**

In June 2007, the Emerging SEC's Issues Task Force ("EITF") issued EITF No. 07-3, *Accounting for Nonrefundable Advance Payments for Goods or Services to Be Used in Future Research and Development Activities*, ("EITF 07-3"). EITF 07-3 provides guidance for upfront payments related to goods and services of research and development costs and is effective for fiscal years beginning after December 15, 2007. The Company is currently evaluating the impact of EITF 07-3 on its financial statements.

In June 2007, the EITF issued EITF No. 07-01, *Accounting for Collaborative Arrangements*, ("EITF 07-1"). EITF 07-1 provides guidance for companies in the biotechnology or pharmaceutical industries that may enter into agreements with other companies to collaboratively develop, manufacture, and market a drug candidate (Collaboration Agreements) and is effective for fiscal years beginning after December 15, 2007. The Company does not expect that EITF 07-01 will have an effect on its financial condition or results of operations.

In September 2006, the FASB issued Statement No. 157, *Fair Value Measurements* ("FAS 157"), which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. FAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company does not expect the adoption of FAS 157 to significantly affect its financial condition or results of operations.

In February 2007, the FASB issued Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities, Including an amendment of SFAS 115* ("FAS 159"), which permits companies to choose to measure many financial instruments and certain other items at fair value. FAS 159 is effective for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The Company is currently evaluating the effect FAS 159 will have on our consolidated financial position and results of operations

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

In December 2007, the Financial Accounting Standards Board (FASB) issued SFAS No. 160, "*Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51*". This statement improves the relevance, comparability, and transparency of the financial information that a reporting entity provides in its consolidated financial statements by establishing accounting and reporting standards that require; the ownership interests in subsidiaries held by parties other than the parent and the amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income, changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary be accounted for consistently, when a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary be initially measured at fair value, entities provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS No. 160 affects those entities that have an outstanding noncontrolling interest in one or more subsidiaries or that deconsolidate a subsidiary. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Early adoption is prohibited. The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133" (SFAS 161). This statement is intended to improve transparency in financial reporting by requiring enhanced disclosures of an entity's derivative instruments and hedging activities and their effects on the entity's financial position, financial performance, and cash flows. SFAS 161 applies to all derivative instruments within the scope of SFAS 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133) as well as related hedged items, bifurcated derivatives, and nonderivative instruments that are designated and qualify as hedging instruments. Entities with instruments subject to SFAS 161 must provide more robust qualitative disclosures and expanded quantitative disclosures. SFAS 161 is effective prospectively for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application permitted. We are currently evaluating the disclosure implications of this statement.

**(K) Reclassification**

The 2007 financial statements have been reclassified to conform to the 2008 presentation.

**NOTE 2 GOING CONCERN**

As reflected in the accompanying unaudited financial statements, the Company is in the development stage, has a working capital deficiency and stockholders deficiency of \$287,803 and used \$458,393 of cash in operations from inception. This raises substantial doubt about its ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company's ability to raise additional capital and implement its business plan. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Management believes that actions presently being taken to obtain additional funding and implement its strategic plans provide the opportunity for the Company to continue as a going concern.

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

**NOTE 3 STOCKHOLDERS' DEFICIT**

***(A) Common Stock Issued for Cash***

On January 8, 2007 the Company issued 175,000 shares of common stock for \$15,000 (\$0.09/share). This agreement was subsequently terminated effective May 23, 2007.

On January 22, 2007 the Company issued 1,200,000 shares of common stock for \$103,000 (\$0.09/share). In addition, 900,000 shares were issued for \$3,000 (\$0.0033/share).

On April 4, 2007, the Company issued 187,500 shares of common stock for cash of \$15,000 (\$0.08 per share).

On April 20, 2007, the Company issued 187,500 shares of common stock for cash of \$15,000 (\$0.08 per share).

On April 28, 2006, the Company issued 800 shares of common stock for cash of \$400 (\$0.50 per share).

On May 18, 2007, the Company issued 1,312,500 shares of common stock for cash of \$105,000 (\$0.08 per share).

On August 28, 2007 the Company entered into a stock purchase agreement to issue 8,049,500 shares common stock in the amount of \$241,485 (\$0.03/share).

On August 29, 2007 the Company entered into a stock purchase agreement to issue 20,000 shares common stock in the amount of \$600 (\$0.03/share).

On August 29, 2007 the Company entered into a stock purchase agreement to issue 830,000 shares common stock in the amount of \$24,900 (\$0.03/share).

On September 1, 2007 the Company entered into a stock purchase agreement to issue 2,500 shares common stock in the amount of \$75 (\$0.03/share).

On September 5, 2007 the Company entered into a stock purchase agreement to issue 12,000 shares common stock in the amount of \$360 (\$0.03/share).

On September 12, 2007 the Company entered into a stock purchase agreement to issue 102,500 shares common stock in the amount of \$3,075(\$0.03/share).

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

In accordance with the May 2007 stock purchase agreement which contains an anti-dilution clause which requires the Company to issue additional common shares under the stock purchase agreement for any subsequent issuance at a price below \$.08 per share for a period of 12 months. The Company has issued 2,812,500 additional shares through September 2007 as a result of the subsequent stock issuances \$.03/share.

**(B) Common Stock Issued for Intellectual Property**

On April 26, 2006, the Company issued 33,229,200 shares of common stock to its founder having a fair value of \$180 (\$0.000005/share) in exchange for intellectual property. The fair value of the patent was determined based upon the historical cost of the intellectual property contributed by the founder.

**(C) Common Stock Issued for Services**

On January 15, 2008 the Company issued 40,000 shares of common stock for consulting services rendered with a fair value of \$4,000 (\$.10/share).

On May 8, 2006, the Company entered into a license agreement for research and development. Pursuant to the terms of the agreement, the Company issued 1,750,000 of common stock upon execution of the agreement. The Company also received a five-year call option from the license holder to repurchase 700,000 common shares at an exercise price of \$150,000 or \$.21 per share. The option gives the Company the right, but not the obligation to repurchase the shares of common stock. The call option expires May 4, 2011. As of March 31, 2008 the fair value of the call option was less than the exercise price of the option and no value has been recorded for the option (See Note 4).

On July 1, 2006 the Company entered into a five year consulting agreement for research and development. Pursuant to the terms of the agreement, the Company paid 70,000 shares of common stock upon execution. These shares had a fair value of \$5,600 (\$.08/share) based upon the recent cash offering price. Additionally, 200,000 shares of common stock were issued on May 18, 2007 with a fair value of \$16,000 (\$.08/share). As of March 31, 2008 the Company issued 1,000,000 shares of common stock for consulting services rendered with a fair value of \$10,000 (\$.10/share).

**(D) Cancellation and Retirement of Common Stock**

On December 29, 2006, the Company's founder returned 1,166,650 shares of common stock to the Company. These shares were cancelled and retired. Accordingly, the net effect on equity is \$0.

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

**(E) Common Stock Warrants**

During 2006, the Company issued 4,200,000 warrants to an officer under his employment agreement. The Company recognized an expense of \$126,435 for the period from inception to December 31, 2006. The Company recorded the fair value of the warrants based on the fair value of each warrant grant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2006, dividend yield of zero, expected volatility of 183%; risk-free interest rates of 4.98%, expected life of one year. The warrants vested immediately. The options expire between 5 and 9 years from the date of issuance and have an exercise price of between \$.21 and \$.40 per share. During November 2006, the Company and the officer entered into an amendment to the employment agreement whereby all the warrants were retired.

**NOTE 4 COMMITMENTS AND CONTINGENCIES**

**(A) Employment Agreement**

On April 26, 2006, the Company entered into a five-year employment agreement with the Company's Chairman and Chief Executive Officer. The agreement renews annually so that at all times, the term of the agreement is five years. Pursuant to this agreement, the Company will pay an annual base salary of \$185,000 for the period May 1, 2006 through December 31, 2006. Base pay will be increased each January 1<sup>st</sup>, for the subsequent twelve month periods by six percent. The officer will also be entitled to life, disability, health and dental insurance. In addition, the officer received 700,000 five year warrants at an exercise price of \$.21 per share, 1,500,000 eight year warrants at an exercise price of \$.33 per share and 2,000,000 nine year warrants at an exercise price of \$.40 per share (See Note 3(E)). The warrants fully vested on the date of grant. The agreement also calls for the issuance of warrants and increase in the officer's base compensation upon the Company reaching certain milestones:

1. Upon the Company's successful laboratory development of a new silk fiber composed of one or more proteins that are exogenous to a host, the Company will issue 500,000 eight year warrants at an exercise price of \$.20 per share and raise executive's base salary by 14%.
2. Upon the Company's successful laboratory development of a new silk fiber composed of two or more proteins that are exogenous to a host, the Company will issue 600,000 eight year warrants at an exercise price of \$.18 per share and raise executive's base salary by 15%.
3. Upon the Company's successful laboratory development of a new silk fiber composed of at least in part of one or more synthetic proteins, the Company will issue 900,000 eight year warrants at an exercise price of \$.18 per share and raise executive's base salary by 18%.

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**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

4. Upon the Company's successful laboratory development of a new silk fiber composed of at least in part of one or more proteins that are genetic modifications or induced mutations of a host silk protein, the Company will raise the executive's base salary by 8%.
5. Upon the Company becoming either a registered company or upon its stock trading and the company achieving a market capitalization in excess of \$35 million for over 120 calendar day period, the executive's base salary will increase to \$225,000.
6. Upon the Company becoming either a registered company or upon its stock trading and the company achieving a market capitalization in excess of \$65 million for over 91 calendar day period, the executive's base salary will increase to \$260,000.
7. Upon the Company becoming either a registered company or upon its stock trading and the company achieving a market capitalization in excess of \$100 million for over 91 calendar day period, the executive's base salary will increase to \$290,000.
8. Upon the Company becoming either a registered company or upon its stock trading and the company achieving a market capitalization in excess of \$200 million for over 120 calendar day period, the executive's base salary will increase to \$365,000.
9. Upon the Company becoming either a registered company or upon its stock trading and the company achieving a market capitalization in excess of \$350 million for over 150 calendar day period, the executive's base salary will increase to \$420,000.

On November 6, 2006, the Company entered into an addendum to the employment agreement whereby the officer agreed to retire all stock warrants issued or to be issued under his employment agreement in return for an increase in his severance allowance to \$600,000 or seventy five percent of total salary due under the remaining term of the employment agreement, which ever is greater and a death benefit of \$300,000 or thirty five percent of the total salary due under the remaining term of the employment agreement.

In addition, upon expiration or termination of the employment agreement, the Company agrees to keep the officer employed as a consultant for a period of six years at a rate of \$4,000 per month with annual increases of 3%. The agreement also calls for certain increases based on milestones reached by the company, including:

1. If the company achieves gross sales exceeding \$10 million or net income exceeding \$1 million for any two years within the ten year period after the date of this agreement or a market capitalization in excess of \$45 million for over 180 calendar days within six years from the date of this agreement, the term of the consulting agreement will be extended to 10 years.

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

2. If the company achieves gross sales exceeding \$19 million or net income exceeding \$3 million for any two years within the twelve year period after the date of this agreement or a market capitalization in excess of \$65 million for over 180 calendar days within six years from the date of this agreement, the term of the consulting agreement will be extended to 20 years or the life of the officer and his spouse at a rate of \$6,500 per month with a 3% annual increase.
3. If the company achieves gross sales exceeding \$38 million or net income exceeding \$6 million for any two years within the twelve year period after the date of this agreement or a market capitalization in excess of \$120 million for over 180 calendar days within six years from the date of this agreement, the term of the consulting agreement will be extended to 20 years or the life of the officer and his spouse at a rate of \$10,000 per month with a 3% annual increase.
4. If the company achieves gross sales exceeding \$59 million or net income exceeding \$9 million for any year within the twelve year period after the date of this agreement or a market capitalization in excess of \$210 million for over 180 calendar days within six years from the date of this agreement, the term of the consulting agreement will be extended to 20 years or the life of the officer and his spouse at a rate of \$15,000 per month with a 3% annual increase.
5. If the company achieves gross sales exceeding \$78 million or net income exceeding \$12 million for any year within the twelve year period after the date of this agreement or a market capitalization in excess of \$320 million for over 180 calendar days within six years from the date of this agreement, the term of the consulting agreement will be extended to 20 years or the life of the officer and his spouse at a rate of \$20,000 per month with a 3% annual increase.

**(B)License Agreement**

On May 8, 2006, the Company entered into a license agreement. Pursuant to the terms of the agreement, the Company paid a non-refundable license fee of \$10,000. The Company will pay a license maintenance fee of \$10,000 on the one year anniversary of this agreement and each year thereafter. The Company will pay an annual research fee of \$13,700 with first payment due January 2007, then on each subsequent anniversary of the effective date commencing May 4, 2007. Pursuant to the terms of the agreement the Company may be required to pay additional fees aggregating up to a maximum of \$10,000 a year for patent maintenance and prosecution relating to the licensed intellectual property. (See Note 3(C))

**KRAIG BIOCRAFT LABORATORIES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2008**  
**(UNAUDITED)**

**(C)Royalty and Research Agreements**

On December 26, 2006, the Company entered into an addendum to the intellectual property transfer agreement with an officer. In consideration of the Company issuing either 200,000 preferred shares with the following preferences; no dividends and voting rights equal to 100 common shares per share of preferred stock or the payment of \$120,000, the officer agreed to terminate the royalty payments due under the agreement and give title to the exclusive license for the non protective apparel use of the intellectual property to the Company. On the date of the agreement, the Company did not have any preferred stock authorized with the required preferences. In accordance with SFAS 150, the Company determined that the present value of the payment of \$120,000 that was due on December 26, 2007, the one year anniversary of the addendum, should be recorded as an accrued expense until such time as the Company has the ability to assert that it has preferred shares authorized. As of March 31, 2008, the Company has recorded \$120,000 in accrued expenses- related party. On December 21, 2007 the officer extended the due date to July 30, 2008.

On February 1, 2007 the Company entered into a consulting agreement for research and development for a period of one year. As of March 31, 2008, all payments under the consulting agreement totaling \$150,000 were fully paid and expensed. The agreement terminated on January 31, 2008.

On February 26, 2007 the Company entered into a five year consulting agreement for research and development. Pursuant to the terms of the agreement, the Company paid 200,000 shares of common stock upon execution. These shares had a fair value of \$16,000 (\$0.08/share) based upon the recent cash offering price. Additionally, the Company will be required to pay \$1,000 per month, or at the Company's option, the consulting fee may be paid in the form of Company common stock based upon the greater of \$0.10 per share or the average of the closing price of the Company's shares over the five days preceding such stock issuance. As of March 31, 2008 the Company issued 100,000 shares of common stock for consulting services rendered with a fair value of \$10,000 (\$0.10/share). The agreement also requires the Company to issue up to 450,000 additional shares to the consultant upon the consultant reaching certain milestone events. As of March 31, 2008, the consultant has not reached the milestone events and no additional shares are earned.

**NOTE 5 RELATED PARTY TRANSACTION**

On January 1, 2007, the company entered into a one year lease agreement with an officer for office space. The agreement calls for monthly rent of \$100 plus the reimbursement to officer for internet services at \$50 per month. Payments under the agreement totaled \$600 for the period ended March 31, 2008.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Caution Regarding Forward-Looking Information

Certain statements contained herein, including, without limitation, statements containing the words "believes", "anticipates", "expects" and words of similar import, constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such factors include, among others, the following: international, national and local general economic and market conditions; demographic changes; the ability of the Company to sustain, manage or forecast its growth; the ability of the Company to successfully make and integrate acquisitions; raw material costs and availability; new product development and introduction; existing government regulations and changes in, or the failure to comply with, government regulations; adverse publicity; competition; the loss of significant customers or suppliers; fluctuations and difficulty in forecasting operating results; changes in business strategy or development plans; business disruptions; the ability to attract and retain qualified personnel; the ability to protect technology; and other factors referenced in this and previous filings.

Given these uncertainties, readers of this prospectus and investors are cautioned not to place undue reliance on such forward-looking statements.

### Plan of Operations

During the next twelve months, we expect to take the following steps in connection with the further development of our business and the implementation of our plan of operations:

- » We expect to spend approximately \$150,000 on collaborative research and development of high strength polymers at the University of Notre Dame over the next twelve months. We believe that this research is essential to our product development. If our financing will allow, management will give strong consideration to accelerating the pace of spending on research and development within the University of Notre Dame's laboratories.
- » We expect to spend approximately \$13,800 on collaborative research and development of high strength polymers and spider silk protein at the University of Wyoming over the next twelve months. We believe that this research is important to our product development. This level of research spending at the university is also a requirement of our licensing agreement with the university. If our financing will allow, management will give strong consideration to accelerating the pace of spending on research and development within the University of Wyoming's laboratories.
- » We will actively consider pursuing collaborative research opportunities with other university laboratories in the area of high strength polymers. If our financing will allow, management will give strong consideration to increasing the depth of our research to include polymer production technologies that are closely related to our core research
- » We will consider buying an established revenue producing company which is operating in the biotechnology arena, in order to broaden our financial base and increase our research and development capability. We expect to use a combination of stock and cash for any such purchase.
- » We will also actively consider pursuing collaborative research opportunities with university laboratories in areas of research which overlap the company's existing research and development. One such potential area for collaborative research which the company is considering is protein expression platforms. If our financing will allow, management will give strong consideration to increasing the breadth of our research to include protein expression platform technologies.

### Limited Operating History

We have not previously demonstrated that we will be able to expand our business through an increased investment in our research and development efforts. We cannot guarantee that the research and development efforts described in this Registration Statement will be successful. Our business is subject to risks inherent in growing an enterprise, including limited capital resources, risks inherent in the research and development process and possible rejection of our products in development.

If financing is not available on satisfactory terms, we may be unable to continue expanding our operations. Equity financing will result in a dilution to existing shareholders.

### **Results of Operations for the Quarter Ended March 31, 2008.**

Revenue for the quarter ended March 31, 2008 was \$0. This compares to \$0 in revenue for the preceding quarter ended March 31, 2007. No sales are anticipated during the next twelve months as the company will remain in the research and development stage.

Expenses for the quarter ended March 31, 2008 were \$112,386. This compares to \$110,022 in expenses during the three months ended March 31, 2007. Research and development expenses for the quarter ended March 31, 2008 were \$15,925. This compares to \$50,000 spent on research and development during the three months ended March 31, 2007. In addition, we had the following expenses during the three months ended March 31, 2008: general and administrative-\$24,981, professional fees-\$15,628, officer's salary-\$51,967 and payroll taxes-\$3,975. This compares to the same expenses during the three months ended March 31, 2007: general and administrative-\$5,385, professional fees-\$0, officer's salary-\$49,024 and payroll taxes-\$5,613.

### **Capital Resources and Liquidity**

As of March 31, 2008 we had \$68,502 in cash.

We believe we can not satisfy our cash requirements for the next twelve months with our current cash. Completion of our plan of operation is subject to attaining adequate financing. We cannot assure investors that adequate financing will be available. In the absence of such financing, we may be unable to proceed with our plan of operations.

We anticipate that our operational, and general & administrative expenses for the next 12 months will total approximately \$400,000. We do not anticipate the purchase or sale of any significant equipment. We also do not expect any significant additions to the number of employees. The foregoing represents our best estimate of our cash needs based on current planning and business conditions. The exact allocation, purposes and timing of any monies raised in subsequent private financings may vary significantly depending upon the exact amount of funds raised and our progress with the execution of our business plan.

In the event we are not successful in obtaining financing, we may not be able to proceed with our business plan for the research and development of our products. We anticipate that we will incur operating losses in the foreseeable future. Therefore, our auditors have raised substantial doubt about our ability to continue as a going concern.

### **Critical Accounting Policies**

Our financial statements and related public financial information are based on the application of accounting principles generally accepted in the United States ("GAAP"). GAAP requires the use of estimates; assumptions, judgments and subjective interpretations of accounting principles that have an impact on the assets, liabilities, revenue and expense amounts reported. These estimates can also affect supplemental information contained in our external disclosures including information regarding contingencies, risk and financial condition. We believe our use of estimates and underlying accounting assumptions adhere to GAAP and are consistently and conservatively applied. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ materially from these estimates under different assumptions or conditions. We continue to monitor significant estimates made during the preparation of our financial statements.

Our significant accounting policies are summarized in Note 1 of our financial statements. While all these significant accounting policies impact its financial condition and results of operations, we view certain of these policies as critical. Policies determined to be critical are those policies that have the most significant impact on our financial statements and require management to use a greater degree of judgment and estimates. Actual results may differ from those estimates. Our management believes that given current facts and circumstances, it is unlikely that applying any other reasonable judgments or estimate methodologies would cause effect on our results of operations, financial position or liquidity for the periods presented in this report.

### **Recent Accounting Pronouncements**

In June 2007, the Emerging SEC's Issues Task Force ("EITF") issued EITF No. 07-3, *Accounting for Nonrefundable Advance Payments for Goods or Services to Be Used in Future Research and Development Activities*, ("EITF 07-3"). EITF 07-3 provides guidance for upfront payments related to goods and services of research and development costs and is effective for fiscal years beginning after December 15, 2007. The Company is currently evaluating the impact of EITF 07-3 on its financial statements.

In June 2007, the EITF issued EITF No. 07-01, *Accounting for Collaborative Arrangements*, ("EITF 07-1"). EITF 07-1 provides guidance for companies in the biotechnology or pharmaceutical industries that may enter into agreements with other companies to collaboratively develop, manufacture, and market a drug candidate (Collaboration Agreements) and is effective for fiscal years beginning after December 15, 2007. The Company does not expect that EITF 07-01 will have an effect on its financial condition or results of operations.

In September 2006, the FASB issued Statement No. 157, *Fair Value Measurements* ("FAS 157"), which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. FAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company does not expect the adoption of FAS 157 to significantly affect its financial condition or results of operations.

In February 2007, the FASB issued Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities, Including an amendment of SFAS 115* ("FAS 159"), which permits companies to choose to measure many financial instruments and certain other items at fair value. FAS 159 is effective for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The Company is currently evaluating the effect FAS 159 will have on our consolidated financial position and results of operations

In December 2007, the Financial Accounting Standards Board (FASB) issued SFAS No. 160, "*Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51*". This statement improves the relevance, comparability, and transparency of the financial information that a reporting entity provides in its consolidated financial statements by establishing accounting and reporting standards that require; the ownership interests in subsidiaries held by parties other than the parent and the amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income, changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary be accounted for consistently, when a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary be initially measured at fair value, entities provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS No. 160 affects those entities that have an outstanding noncontrolling interest in one or more subsidiaries or that deconsolidate a subsidiary. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Early adoption is prohibited. The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133" (SFAS 161). This statement is intended to improve transparency in financial reporting by requiring enhanced disclosures of an entity's derivative instruments and hedging activities and their effects on the entity's financial position, financial performance, and cash flows. SFAS 161 applies to all derivative instruments within the scope of SFAS 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133) as well as related hedged items, bifurcated derivatives, and nonderivative instruments that are designated and qualify as hedging instruments. Entities with instruments subject to SFAS 161 must provide more robust qualitative disclosures and expanded quantitative disclosures. SFAS 161 is effective prospectively for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application permitted. We are currently evaluating the disclosure implications of this statement.

#### **Off-Balance Sheet Arrangements**

We do not have any outstanding derivative financial instruments, off-balance sheet guarantees, interest rate swap transactions or foreign currency contracts. We do not engage in trading activities involving non-exchange traded contracts.

#### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

The Company is subject to certain market risks including changes in interest rates. The Company does not undertake any specific actions to limit those exposures.

#### **Item 4T. Controls and Procedures**

Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 ("Exchange Act"), the Company carried out an evaluation, with the participation of the Company's management, including the Company's Chief Executive Officer ("CEO") and Chief Accounting Officer ("CAO") (the Company's principal financial and accounting officer), of the effectiveness of the Company's disclosure controls and procedures (as defined under Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, the Company's CEO and CAO concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act, 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 the Company's management, including the Company's CEO and CAO, as appropriate, to allow timely decisions regarding required disclosure.

Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of consolidated financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. There has been no change in the Company's internal control over financial reporting during the quarter ended March 31, 2008 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

There have been no significant changes in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to the date the Chief Executive Officer and the Chief Financial Officer carried out this evaluation.

## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings.

Currently we are not aware of any litigation pending or threatened by or against the Company.

### Item 1A. Risk Factors.

None.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On January 15, 2008 the Company issued 40,000 shares of common stock for consulting services rendered with a fair value of \$4,000 (\$0.10/share). Such shares were issued pursuant to an exemption from registration at Section 4(2) of the Securities Act of 1933.

### 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 of Form 8-K.

(a) Exhibits

31.1 Certifications pursuant to Section 302 of Sarbanes Oxley Act of 2002

32.1 Certifications pursuant to Section 906 of Sarbanes Oxley Act of 2002

(b) Reports of Form 8-K

None.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**KRAIG BIOCRAFT LABORATORIES, INC.**

Date: May 12, 2008

By: /s/ Kim Thompson  
Kim Thompson  
Chief Executive Officer

**CERTIFICATION  
OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Kim Thompson, certify that:

1. I have reviewed this Form 10-Q of Kraig Biocraft Laboratories, Inc.;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods present in this report;
4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the small business issuer and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding there liability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals;
  - (c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the small business issuer's internal control over financing reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: May 12, 2008

/s/ Kim Thompson  
Kim Thompson  
Chief Executive Officer

**CERTIFICATION OF  
CHIEF EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the accompanying Quarterly Report on Form 10-Q of Kraig Biocraft Laboratories, Inc. for the period ending March 31, 2008, I, Kim Thompson, Chief Executive Officer of Kraig Biocraft Laboratories, Inc. hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief, that:

1. Such Quarterly Report of Form 10-Q for the period ending March 31, 2008, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in such Quarterly Report on Form 10-Q for the period ended March 31, 2008, fairly represents in all material respects, the financial condition and results of operations of Kraig Biocraft Laboratories, Inc.

Date: May 12, 2008

**Kraig Biocraft Laboratories, Inc.**

By: /s/ Kim Thompson  
Kim Thompson  
Chief Executive Officer