

CYBERLUX



## Cyberlux Q1: The Art of Saying Nothing With Numbers

### Description

*This article is a direct response to Cyberlux Corporation's Q1 2025 filing. It addresses the systemic misrepresentation of a terminated defense contract, financial misconduct, and the ongoing public deception enabling it.*

First, the move.

Cyberlux filed the K8 subcontract and termination settlement agreement in open court.

Then they realized what they'd done.

They tried to reel them back in filing motions to seal the documents they themselves submitted.

Too late.

The judge told them to go away.

Now we all get to see what they were trying to hide:

- A contract that was **terminated for convenience**
- A settlement that exists to **dispose of leftover inventory**, not deliver new product
- A record that proves Cyberlux isn't shipping under an active contract they're clearing out the warehouse

According to sources, the gear is moving to CRANE Naval Surface Warfare Center in Indiana. Which means the termination settlement Cyberlux signed with HII was likely **approved by the U.S.**

**Government.**

[Atlantic\\_Wave\\_Holdings\\_LLC\\_et\\_v\\_Cyberlux\\_Corporation\\_et\\_al\\_txsdc-25-01689\\_0001.2-2-1](#)  
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Shipments doesn't validate Cyberlux's story. It confirms it's over. And yet they're still using that agreement to convince investors the contract lives on.

This isn't spin. It's a sanctioned cleanup **and Cyberlux is spinning it as a comeback.**

They didn't just lose the contract. They got away with the grift at the public's expense. This wasn't just a betrayal of investors; it was a misuse of taxpayer funds. Every inflated invoice, every vanished dollar, every boxed-up drone that never flew it all came from public trust, and it was squandered.

According to multiple sources including individuals with direct knowledge of the negotiations Cyberlux allegedly offered **significant percentages of contract revenue** in violation of federal laws governing Foreign Military Financing (FMF) acquisitions.<sup>1</sup>

That's not sloppy contracting. That's a breach of procurement integrity. If true, it means Cyberlux didn't just game the system they corrupted it.

They overcharged the government, misused the funds, and are now collecting more money under the guise of a terminated settlement all while allegedly offering illegal incentives behind the scenes.

This isn't a red flag. It's a siren.

And it leads directly into yet another financial misrepresentation: the line of credit.

Last October, Legalist the provider of the original line of credit submitted a document in court stating that Cyberlux was already in **default** and owed approximately **\$7.3 million**, with interest accruing at nearly **\$4,000 a day**.

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Cyberlux didn't disclose this in their 2024 annual report, even though they were obligated to report material financial events. Then, in their Q1 2025 filing, they casually admit the default but immediately pivot to say that in **April 2025**, some **seven months after the default began**, they amended the line and expanded it to **\$12.3 million**.

Effective March 31, 2025, the line of credit (discussed in Note M, above) matured, and default interest was imposed. In April 2025, the Company amended the agreement to, among other items, extend the term through July 28, 2025, but the Company is incurring default interest through the term of such amendment.

Page 45 of 46

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In April 2025, the Company amended its line of credit increasing the limit under the agreement to \$12.3 million and extending the term through July 2025.

The timeline makes no sense. You don't expand a credit line after half a year of default **unless you're offering new collateral.**

Which leads to the most likely explanation:

They didn't amend the original line. They got a **second**, or **stacked**, line of credit.

And the only thing left to pledge was **Datron.**

With no other assets left, Cyberlux likely further encumbered Datron's only functioning subsidiary with real contracts and operations. In practical terms, that means pledging Datron's assets—its contracts, equipment, or receivables—as security for new debt.

The twist? **They still owe the previous owner over \$4 million.** And public records show at least **two UCC filings** already in place against the assets of Datron. They're trying to extract value from an asset that's already been claimed multiple times.

09/13/2023	2,000,000	2,092,753	09/13/2026	90% of 15 Day VWAP	0	632,802,494	Datron Holdings, Inc. Arthur Barter	Acquisition note
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Page 13 of 46

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09/13/2023	2,000,000	2,154,589	09/13/2026	85% of 15 Day VWAP	0	689,823,890	Datron Holdings, Inc. Arthur Barter	Acquisition note
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They've burned through over **\$50 million** in public and private funding. Their Spring, Texas facility—once the heartbeat of their drone story—was reportedly padlocked for unpaid rent. And they still can't pay vendors.

And here's problem: **the math doesn't add up.**

Sources—including public filings, individuals familiar with the matter, and individuals raising serious concerns—indicate the actual cost of goods sold (COGS) for each K8 drone was around **\$5,000**—but Cyberlux charged the U.S. government nearly **\$40,000** per unit.

That's an 8x markup for a platform that never completed delivery—and ultimately got boxed up and sent to storage.

And let's be clear: that **\$40,000 price tag didn't even include explosives** (since Cyberlux doesn't appear to have a Federal Explosives License). Meanwhile, Ukrainian forces are fielding

effective FPV drones **with payloads for under \$5,000**. Often times much less.

**And that makes this even worse, because the government is now warehousing 2000 drones that only cost about \$10m to make, but they (taxpayers) paid nearly \$78.8 million to acquire.**

So not only was Cyberlux charging a premium for incomplete tech they were doing it with a product that lacked the very thing that makes these systems mission-relevant. There is no evidence that any Cyberlux K8s have gone to Ukraine. No one I have been able to speak with has been able to confirm that Cyberlux drones have been used in combat in Ukraine. Quite the opposite, one source indicated that Cyberlux's reputation with Ukrainian officials was **poor** to put it politely.

And through all this, some of you keep clapping.

Some of you pretend this is normal, and that getting sued is just a part of doing business.

Cyberlux knows exactly what to say to make the pumpers pump. They don't need facts. They need phrasing just enough to light up the echo chamber.

They don't tell lies in plain text. They package collapse as continuity, and let retail investors do the rest.

This isn't investor communication.

It's narrative manipulation.

Some of you are letting your names be used to shield a failing penny stock from the scrutiny it deserves.

**OKSI. TrellisWare.** Ask yourselves this:

How much longer will you allow Cyberlux to wrap your credibility around its chaos?

How long before your integration becomes your indictment?

At what point do you realize your reputations are worth more than whatever cash Cyberlux managed to squeeze out of the already empty toothpaste tube?

And because Cyberlux doesn't have credibility left to offer. All they can do now is **borrow yours**.

And when the collapse is fully visible and it will be you won't look loyal.

You'll look **complicit**.

Because this isn't about innovation anymore. It's about enabling deception.

And to the pumpers still accusing critics of conspiracies: where did all the money go?

You had your contract. You had your cash. You had your shot.

You even filed for an injunction against Atlantic Wave to stop enforcement of a judgment you already lost.

The court reviewed your motion and **denied it outright.**

[Prelim OrderDownload](#)

Another legal stunt. Another misrepresentation. Another lie.

Now you have lawsuits, locked doors, and liabilities.

You don't get to call that success.

You don't get to call that patriotic.

You call that what it is:

**A grift with a flag.**

And if you're still defending it after the defaults, the padlocks, the fake shipments, the failed injunctions, and the flagrant lies then you're not just part of the problem.

**You are the problem.**

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### **Category**

1. Cyberlux

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