



What Cyberlux Isn't Telling Its Investors

Description

Here's the thing about companies that insist everything is fine.

Everything is almost never fine.

What follows isn't hidden. It isn't buried in some classified archive guarded by men named Graham with earpieces and trust issues. It's sitting in public court dockets across Virginia, Texas, North Carolina, and California — stamped, certified, and available to anyone with a PACER account and a tolerance for legal prose. Which raises an uncomfortable question before we've even started: if it's this easy to see, why weren't investors told?

Cyberlux Corporation, a publicly traded Nevada outfit that has proudly pointed to a \$78.8 million government drone contract, appears to treat disclosure the way a teenager treats vegetables. Occasionally acknowledged. Rarely consumed. Often hidden under something more appetising. There are four legal matters worth discussing. Not one unfortunate hiccup. Not a rounding error. Four separate situations, each with its own personality, all orbiting the same company — and most of them nowhere near the people whose money is on the line.

Let's start in Texas, because Texas never does anything quietly.

On 13 March 2026, Clayton Services, Inc., a Houston-based labour contractor, filed a petition in Harris County alleging Cyberlux owes it \$786,155.07 — not for something abstract or debatable, but for actual human beings who turned up and built the drones tied to that government contract. Clayton originally had a contract with a company called Catalyst Machineworks. Cyberlux acquired Catalyst in 2022 and, according to the petition, paid Clayton's invoices reliably until December 2023, when the payments stopped with the abruptness of a man who has just spotted his ex-wife across a restaurant. December 2023 is also the month HII Mission Technologies issued a stop work order on the underlying government contract. The petition doesn't draw that connection explicitly. It doesn't need to. It simply notes that the money stopped, and never started again. CEO Mark Schmidt is named as a co-defendant and has, according to the filing, repeatedly agreed to pay. The money has not materialised. Clayton is now asking a Texas court to appoint a receiver over Cyberlux's assets — a remedy

courts reserve for creditors who have concluded that waiting politely is no longer a viable strategy.

Six days later, because one crisis is never enough, a second group of plaintiffs — Pim Voortman, Thomas Venable, and Justin Thomas — filed their own receivership petition against Cyberlux in the same county, Case No. 2026-18441. Different creditors. Same target. Same general posture of increasingly urgent financial grievance. Neither case appears in Cyberlux’s public disclosures.

The third case carries the most weight, because it is not about unpaid invoices. It concerns what is alleged to have happened to a person who asked inconvenient questions and then, when those questions weren’t well received, asked them of the Government instead. James Curtin is a defense industry strategic advisor who conducted due diligence on Cyberlux in late 2023 and early 2024. What he found — court judgments, liens, ongoing lawsuits, and what his complaint describes as questionable public representations — prompted him to raise those issues first with Cyberlux executives and advisors, and subsequently with federal authorities. What followed, he alleges, was not gratitude. His complaint, transferred to the Middle District of North Carolina, Civil Action No. 1:25-cv-00782-TDS-JLW, describes a campaign of retaliation conducted by company executives and affiliates, including doxing, threats, and deliberate interference with his professional relationships. These are allegations before a court, not adjudicated findings — but they name as defendants Chuck Watts, Special Counsel to Cyberlux, his firm Watts Law PLC, Cyberlux Corporation itself, and HII Mission Technologies. Curtin is seeking damages of no less than \$20 million. Cyberlux was personally served on 26 September 2025. Six months ago. The company has said nothing to its investors.

Three cases. None of them disclosed.

The fourth is different, because Cyberlux did mention it — after a fashion. In its 2025 annual report, the company described its dispute with RB Capital Partners, Inc., a lender that provided \$5.25 million in convertible notes between 2021 and 2022, and characterised the matter as effectively concluded. The parties had — ceased legal action and reached a settlement agreement in principle, — it said, with RB Capital expected to withdraw the suit. The strong implication was that this chapter had been written, bound, and placed on the shelf, like a guest who understands they’ve overstayed.

The docket had other ideas. The settlement collapsed. In January 2026, Thompson Coburn LLP moved to withdraw as Cyberlux’s counsel in the matter. Eight days later, co-counsel Hahn Loeser & Parks did the same — two firms, in quick succession, deciding they’d quite like to be somewhere else, for reasons presented to the court under seal. Cyberlux failed to appear at the court-ordered hearing on the withdrawal motions. Both were granted. The company was left unrepresented, given thirty days to find new counsel, and warned that failure to comply would result in its answer being struck and judgment entered against it. On 27 March 2026, the court issued an Order to Show Cause with a hearing set for 9 April. Two days before that hearing, Judge Battaglia issued a further order noting that CEO Mark Schmidt had sent an unsolicited email directly to chambers. The court had not read it, would not be reading it, and felt it necessary to explain, in writing, that this is not how federal litigation works. Emailing a federal judge like you’re chasing a refund from an airline is, it turns out, not among the stronger litigation strategies available to a Nevada corporation.

Let’s take stock. Two receivership applications from different creditors in the same week. An unpaid contractor tied to a project that was already under a stop work order. A federal lawsuit alleging retaliation against someone who raised concerns about the company through proper channels. And a lending dispute described as settled that is, in reality, very much alive, currently unrepresented, and

facing a show cause hearing.

Three of these situations do not appear in Cyberlux's public disclosures. The fourth does, in a form that bears only a passing resemblance to subsequent events.

Cyberlux did not respond to requests for comment.

Cyberlux trades on the OTC markets, which carry their own disclosure obligations. OTC Markets Group requires companies on its platform to maintain current and accurate public information — including material legal proceedings — as a condition of continued listing. The standard covers not only cases omitted entirely, but cases that are mischaracterised. A settlement described as concluded when it has in fact collapsed is not a disclosure. It is a gap wearing a disclosure's clothes. And Cyberlux is not alone among OTC-listed companies in illustrating that when disclosure is effectively self-policed, some companies turn out to be enthusiastic self-examiners and others, rather less so.

Three cases that don't appear anywhere. One that appears but tells a story the docket doesn't recognise. Somewhere in that distance are investors who made decisions based on what Cyberlux chose to share — and are still waiting to be told the rest.

Why were they left to find all of this on their own?

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Date Created

April 8, 2026

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