

FOR IMMEDIATE RELEASE

Cyberlux Corporation Provides Key Operational Updates on Legal Matters, Current Backlog Fulfillment and Revenue Pipeline Progress

Research Triangle Park, NC -- January 15, 2026 -- Cyberlux Corporation (OTC: CYBL), a leading developer of innovative unmanned aircraft systems (UAS), military communications platforms, and mission-critical integrated defense technologies, today announced the status and progress on its legal, operational, and commercial initiatives, supporting the Company's path toward sustainable profitability and the execution of its 2026 plans.

The Company has resolved the underlying garnishment action in Virginia, which has now been fully paid. This matter represented the core basis for most of the Company's outstanding legal issues. The Company is actively working to resolve the remaining legal matters in Texas and the related Virginia interpleader and expects positive outcomes.

Operationally, Cyberlux is focused on product order fulfillment and is currently operating at near break-even. With a current backlog of \$17 million, which is approximately \$2 million lower than the previously reported \$18 million level, due to over \$1.6 million in Q4 2025 order fulfillment activity, along with the addition of nearly \$1 million in new sales since the last update. The Company expects to resume generating positive cash flow from operations starting in March 2026, subject to order fulfillment timing and working capital requirements, reflecting improved execution and working capital management.

The Company also has a near-term new order pipeline of approximately \$15 million, primarily associated with awards pending fulfillment of the existing backlog. Further, the Cyberlux qualified revenue pipeline, subject to contract awards and funding, has increased to over \$43 million, which the Company expects to convert into backlog in the normal course of operations.

In addition, Cyberlux is participating in the new U.S. Department of War (DOW) Drone Dominance program and submitted its 'Gauntlet Phase 1' request for proposal last week. The Drone Dominance Program is a new, roughly \$1 billion DOW initiative to mass-produce inexpensive, expendable attack and reconnaissance drones and make them central to the future U.S. warfighting doctrine. It is the flagship implementation of President Trump's "Unleashing American Drone Dominance" policy, which aims to build a domestic drone industrial base and flood U.S. forces with small unmanned aerial systems (sUAS) over the next several years. The DOW plans to place about \$1 billion in fixed-price orders over multiple 'Gauntlet' phases that lead to production contracts. With the experience of delivering 2,000 sUAS platforms to the DOW under prior contracting and the Company's defense industry ISO 9000 manufacturing capabilities, Cyberlux is well-positioned for participation in the Drone Dominance program.

"These developments mark an important inflection point for Cyberlux," said Mark D. Schmidt, Chief Executive Officer of Cyberlux Corporation. "With the primary legal constraint now addressed and an end in sight for any other constraining legal matters, our manufacturing operations are delivering on order fulfillment and we have a solid, growing pipeline in front of us. We are operationally focused on translating this momentum into consistent cash flow and

long-term value creation for our shareholders, including our participation in significant UAS opportunities, such as the DOW's Drone Dominance program."

Cyberlux intends to provide additional updates on its legal resolutions, operational performance, and revenue conversion, from backlog and pipeline order activity, as material developments occur. The Company expect to publish an updated Investor Relations presentation this month, January 2026.

About Cyberlux Corporation

Cyberlux Corporation (OTC: CYBL) is a leading provider of advanced defense technology solutions, specializing in tactical unmanned aerial systems (UAS), military communications and mission-critical solutions for global military markets. The Company develops next-generation military capabilities designed to enhance operational effectiveness for U.S. military, government, and global defense partners.

For more information, visit www.cyberlux.com.

SAFE HARBOR STATEMENT

This Press Release may contain forward-looking statements that can be identified by terminology such as "believes," "expects," "potential," "plans," "suggests," "may," "should," "could," "intends," or similar expressions within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All forward-looking statements are inherently uncertain as they are based on current expectations and assumptions concerning future events or future performance of the Company.

The forward-looking statements in this release include statements regarding pipeline conversion, the timing of cash flow generation, the Company's ability to resolve outstanding legal matters, and the ultimate realization of backlog and pipeline opportunities. These forward-looking statements are subject to significant risks and uncertainties, including but not limited to: (i) risks associated with pipeline conversion, including contract award delays and the failure to convert qualified pipeline opportunities into revenue; (ii) litigation uncertainties and the risk that pending legal matters in Texas and Virginia may not be resolved favorably or as anticipated; and (iii) assumptions regarding cash flow timing and operating performance, which depend on order fulfillment execution and the availability of adequate working capital.

Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. In evaluating such statements, prospective investors should review carefully various risks and uncertainties identified in this release and matters set forth in the Company's OTC/SEC filings. These risks and uncertainties could cause the Company's actual results to differ materially from those indicated in the forward-looking statements.

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