

Notice of Annual Meeting of Stockholders and Stockholders' Update

June 26, 2018, 10:00 AM CDT

SOLICITATION OF PROXIES

The Board of Directors (the "Board") of Signal Advance, Inc (the "Company") is soliciting the accompanying proxy in connection with matters to be considered at the Annual Meeting of Stockholders (the "Annual Meeting") to be held at our offices at 2520 County Road 81, Rosharon, Texas 77583 on 26 day of June, 2018 at 10:00 AM CDT. The individuals named on the proxy card will vote all shares represented by proxies in the manner designated or, if no designation is made, they will vote as follows:

1. FOR each of the four (4) nominees named in this proxy statement for election to the Board;
2. FOR ratification of the selection of LBB and Associates, Ltd, as the Company's independent registered public accounting firm;
3. TO authorize the board to 1) transfer assets, liabilities, etc. to a new private entity in which current shareholders acquire pro-rata number of shares in the new entity and 2) enter into a share exchange/purchase and merger agreement for 100% of the outstanding shares of the current public company.
4. TO approve the minutes of the previous annual stockholders' meeting.
5. FOR ratification of the Board of Directors' actions and decisions since the last stockholders' meeting; and

In their best judgment, with respect to any other matters that properly come to a vote at the Annual Meeting, the individuals who act as proxies will not vote shares that are the subject of a proxy card on a particular matter if the proxy card instructs them to abstain from voting on that matter or to the extent the proxy card is marked to show that some of the shares represented by the proxy card are not to be voted on that matter.

Record Date Only stockholders of record at the close of business on June 1, 2018 will be entitled to notice of, or to vote at, this Annual Meeting or any adjournment of the Annual Meeting. June 26, 2018 is the approximate date of distribution for this cover letter and Notice of Annual Meeting of Stockholders, proxy card, minutes of the previous stockholders' meeting and a copy of our Annual Report and financial statements for the years ended December 31, 2017 and 2016.

Shares Outstanding and Voting Rights We have one (1) class of voting stock outstanding: Common Stock, no par value ("Common Stock"). As of December 31, 2017, 14,285,342 shares of Common Stock were outstanding. Each outstanding share of Common Stock entitles the holder to one (1) vote.

A list of stockholders entitled to vote at the meeting will be available at the meeting, and for ten (10) days prior to the meeting, at our office at 2520 County Road 81, Rosharon, Texas 77583, between the hours of 9:00 a.m. and 4:00 p.m. local time.

Proxies and Voting Procedures Holders of Common Stock entitled to vote may vote their shares by completing and returning a proxy card pursuant to the directions on the proxy card. You can revoke your proxy at any time before it is exercised by timely delivery of a properly executed, later-dated proxy or by voting in person at the Annual Meeting. All shares entitled to vote and represented by properly completed proxies received prior to the Annual Meeting and not revoked will be voted at the Annual Meeting in accordance with your instructions.

If your shares are registered directly in your name with Nevada Agency and Transfer Company, our transfer agent, you are considered a stockholder of record. As a stockholder of record at the close of business on April 30, 2018, you can vote in person at the Annual Meeting or you can provide a proxy to be voted at the Annual Meeting by signing and returning the enclosed proxy card pursuant to its instructions. If you submit a proxy card, we will vote your shares as you direct.

If you submit a proxy card without giving specific voting instructions, those shares will be voted as recommended by the Board. If your shares are held in a stock brokerage account or otherwise by a nominee, you are considered the beneficial owner of those shares, and your shares are held in "street name". If you hold your shares in "street name", you will receive instructions from your broker or other nominee describing how to vote your shares. If you do not instruct your broker or other nominee how to vote such shares, they may vote your shares as they decide as to each matter for which they have discretionary authority under the applicable law. On those matters as to which those rules do not permit brokers or other nominees to vote in the absence of instructions from the account holder, the broker or other nominee will not vote the shares on the matter (this is a "broker non-vote").

All proxies must be received by the Company's Secretary on or before 10:00 am (CDT) on 22 day of June, 2018. If you do not indicate your voting preferences, your shares will be voted as recommended by the Board. Complete, sign and date the proxy card you received and return by:

- Mail: Mail or otherwise deliver your completed proxy to: Signal Advance, Inc.,
Attn: Corporate Secretary, 2520 County Road 81, Rosharon, Texas 77583.
- Fax: Fax your completed proxy to (253) 252 8631
- Email: Convert your completed proxy card into a format deliverable via email to: info@signaladvance.com.

If any other matters are properly presented at the Annual Meeting for consideration, including, among other things, consideration of a motion to adjourn the Annual Meeting to another time or place, the individuals named as proxies and acting thereunder will have discretion to vote on those matters according to their best judgment to the same extent as the person delivering the proxy would be entitled to vote. If the Annual Meeting is postponed or adjourned, your proxy will remain valid and may be voted at the postponed or adjourned meeting. You will still be able to revoke your proxy until it is voted. At the date this proxy statement went to press, we did not anticipate any other matters would be raised at the Annual Meeting.

Voting Requirements The presence, in person or by proxy, of the majority of the outstanding shares entitled to vote at the Annual Meeting shall constitute a quorum, which is required in order to transact business at the Annual Meeting. You may vote in favor of, or against, any or all of the director nominees and/or proposals. You may also withhold your vote as to any or all of the nominees and/or proposals. The affirmative vote of a majority of the votes cast by the shares entitled to vote in the election at the Annual Meeting, at which a quorum is present, is required for the election of directors. For purposes of the vote on this matter, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote, although each type of vote will count toward the presence of quorum.

Cost of Proxy Distribution and Solicitation The Company will pay the expenses of the preparation of the proxy materials and the solicitation by the Board of proxies. Proxies may be solicited on behalf of the Company in person or by telephone, e-mail, facsimile or other electronic means by directors, officers or employees of the Company, who will receive no additional compensation for soliciting. If required by the rules of the Securities and Exchange Commission (the "SEC"), we will reimburse brokerage firms and other custodians, nominees and fiduciaries for their expenses incurred in sending proxies and proxy materials to beneficial owners of Common Stock.

PROPOSAL 1 - ELECTION OF DIRECTORS

The current Bylaws of the Company provide that the Board shall consist of not less than three (3) or more than five (5) members. Currently, the membership of the Board consists of four (4) members. Our Bylaws give the Board the authority to establish, increase or decrease the number of directors. In a meeting of the Board of Directors held on May 14, 2018, the Board elected to amend the bylaws to increase the maximum number of Directors to seven (7) members and, further, to add two (2) independent Directors to meet federal regulatory requirements, including those related to audit committee requirements.

The Company is recommending the following four (4) nominees for election to the Board at the Annual Meeting: Chris Hymel, Richard Seltzer, Malcolm Skolnick and Ron Stubbers, all of whom currently serve on the Board and all of whom have advised the Company of their willingness to continue to serve as a member of the Board if elected.

You can find information about each of the nominees below under the Section entitled "Biographies of Director Nominees". There are no arrangements or understandings between the persons named as nominees for director at the Annual Meeting and any other person pursuant to which such nominee was selected as a nominee.

If elected, the nominees will serve as directors until the Company's 2019 Annual Meeting of Stockholders, or until their successors are elected and qualified to serve. If a nominee declines to serve as a director becomes unavailable for any reason, the proxies may be voted for such substitute nominee as the proxy holders may designate.

THE BOARD RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF EACH OF THE ABOVE NOMINEES TO THE SIGNAL ADVANCE, INC. BOARD OF DIRECTORS

PROPOSAL 2 - TO RATIFY THE APPOINTMENT OF OUR INDEPENDENT AUDITORS

If the Company elects to resume SEC reporting, either for its own benefit, or to facilitate a potential merger or acquisition, financial reports for the intervening periods must be audited and filed. Therefore, the Company has retained its relationship with our current auditor LBB and Associates, LTD, LPP ("LBB") given the firm's familiarity with the Company.

Stockholder ratification of the appointment of our independent auditors is not required by the Company's Bylaws or otherwise. However, we are submitting this proposal to the stockholders as a matter of good corporate practice. Approval of this proposal requires the affirmative vote of a majority of the votes represented at the Annual Meeting and entitled to vote thereat. If the appointment of LBB is not ratified, the Board may reconsider the appointment. Even if the appointment is ratified, the Board in its discretion may direct the appointment of a different independent audit firm at any time during the year if it is determined that such change would be in best interests of the Company and its stockholders.

THE BOARD RECOMMENDS THAT YOU VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF LBB AND ASSOCIATES, LTD, LPP, AS THE COMPANY'S INDEPENDENT AUDITORS FOR THE FISCAL YEAR 2017.

PROPOSAL 3 – AUTHORIZATION FOR THE BOARD TO 1) TRANSFER ASSETS TO A NEW PRIVATE ENTITY IN WHICH CURRENT SHAREHOLDERS ACQUIRE PRO-RATA NUMBER OF SHARES IN THE NEW ENTITY AND 2) ENTER INTO A SHARE EXCHANGE/PURCHASE AND MERGER AGREEMENT FOR 100% OF THE ISSUED AND OUTSTANDING SHARES OF THE CURRENT PUBLIC COMPANY.

Stakeholders are being asked to provide to the Board of Directors the authority to restructure the Company such that assets of the Company are transferred into a new, private, entity. The current stakeholders will receive a pro-rata equity position in the new entity thereby mitigating any tax consequences for the Company and its stakeholders (IRC 355, 368). This "split-off" restructure is referred to as a divisive Type D business reorganization that allows the current stakeholders to retain their equity positions in the Company's assets, etc. that will be transferred to the new private entity.

This action facilitates a merger with, or acquisition of, the public entity which could provide needed capital, and possibly up to 10% equity in the newly formed/merged public company. Management believes that the company reorganization and subsequent share exchange and merger agreement is in the best interest of the shareholders. As such, the shareholders are also being asked to authorize the board to enter in such a share exchange and merger agreement.

THE BOARD RECOMMENDS THAT THE STOCKHOLDERS AUTHORIZE THE BOARD TO 1) TRANSFER ASSETS TO A NEW PRIVATE ENTITY IN WHICH CURRENT SHAREHOLDERS ACQUIRE PRO-RATA NUMBER OF SHARES IN THE NEW ENTITY AND 2) ENTER INTO A SHARE EXCHANGE/PURCHASE AND MERGER AGREEMENT FOR 100% OF THE ISSUED AND OUTSTANDING SHARES OF THE CURRENT PUBLIC COMPANY.

PROPOSAL 4 - APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL SHAREHOLDERS' MEETING

Attached find a copy of the Minutes of the Previous Annual Shareholders' meeting. The stockholders are being asked to review the attached Minutes and approve the Minutes of the last Annual Shareholders' Meeting.

THE BOARD RECOMMENDS THAT THE STOCKHOLDERS VOTE "FOR" APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL SHAREHOLDERS' MEETING.

PROPOSAL 5 - RATIFICATION OF THE BOARD OF DIRECTORS' ACTIONS AND DECISIONS SINCE THE LAST STOCKHOLDER'S MEETING

Stockholders are being asked to ratify the actions and decisions of the Board of Directors since the last stock-holders' meeting as well as financial reports published on the Signal Advance website for the periods following voluntary suspension of SEC reporting.

THE BOARD RECOMMENDS THAT THE STOCKHOLDERS VOTE "FOR" RATIFICATION OF THE BOARD OF DIRECTORS' ACTION AND DECISIONS SINCE THE LAST STOCKHOLDERS' MEETING.

ANNUAL REPORT TO STOCKHOLDERS

Signal Advance management is supplementing the Company's annual report on the Company's activity since the previous shareholders' meeting.

Losses from Hurricane Harvey flooding

The corporate officers of Signal Advance, Inc. were flooded during Hurricane Harvey at the end of August 2017. The Company incurred significant losses in terms of the office assets (the office structure, furniture, computers, etc) estimated at over \$30,000. Given insufficient capital to fully recover from these losses has severely limited the Company's ability to execute our business plan.

Through the personal efforts of our President during the hurricane and the resulting flood, all intellectual property, experimental results, prototypes, business information, etc. were saved. The Company's President continues to provide alternate office space during reconstruction. We are very slowly recovering from these losses and look forward to again making progress in achieving our business goals.

Joint Venture (Biodyne Development, LLC)

The Company entered into a joint venture to develop a Neural Training delivery system in which it plans to implement Signal Advance technology to improve training efficacy and efficiency. The license agreement with the venture (operating under Biodyne Development, LLC) is royalty-free during the research and development (R&D) phase, followed by royalty payments on commercialization. Signal Advance, Inc. is providing scientific and engineering consulting services during the R&D phase and receives compensation in the form of equity in the venture in which Signal Advance currently owns the majority equity position. Additional information regarding the venture can be found under the heading "Neural Training Project."

Management believes this first venture, that includes technology licensing and the provision of consulting services is a model for future ventures as the Company continues to seek to implement our proprietary technology in various application areas.

Share Exchange and Merger

Recall that management elected to voluntarily suspend its SEC reporting obligations, effectively deregistering the Company's Common Stock. Management has since been approached by firms interested in a merger with the public Company in exchange for cash and/or equity in the surviving public entity. In such a share exchange/purchase and merger agreement, 100% of the issued and outstanding shares currently held by our shareholders would be exchanged for cash and up to 10% of the outstanding shares of surviving public entity.

In order to complete such a merger/acquisition, the Company plans to transfer assets (including the intellectual property license), liabilities, net operating losses, etc. to a new private firm. Shareholders will receive a pro-rata portion of the equity in the new private entity - in other words, each shareholder will continue to own the exact same percentage interest of the new private company as they previously owned in the Signal Advance public entity.

To facilitate such a transaction, the Company may elect to have its financial statements audited and delinquent reports will be submitted to the SEC in order to facilitate the acquiring firm to pursue listing on the Pink Sheets, the OTCQB market and/or resume SEC reporting. The expenses incurred for the audits of the Company's financial statements and filing of the delinquent SEC reports are to be paid from the cash portion of such a share exchange/purchase and merger agreement. Management strongly believes that the reorganization of the Company and pursuit of such a reorganization and is in the best interest of our shareholders.

Capital Investment

An independent valuation of the Company, by First Principals, Inc., concluded that the present value of the technology, based on the patent application, exceeded \$10 million dollars for only two (2) of a number of medical and non-medical applications. We have continued to add value by pursuing specific applications for the technology as well as developing new technology that will expand our patent portfolio.

In our opinion, Signal Advance, Inc. meets all of the Qualifying Small Business (QSB) requirements. As such, the Company's stock may qualify as Internal Revenue Code Section 1202 stock, which provides a significant tax benefit (up to 100% credit) with respect to future capital gains recognition. For long-term investors (5 year minimum), acquiring shares directly from the Company, required for Section 1202 qualification, could be in their best interest. Notwithstanding the foregoing, the Company cannot provide tax advice and it suggests each shareholder consult with a qualified tax expert regarding the possible Section 1202 effects on their individual Company holdings.

Shares are available directly from the Company of \$0.10/share until such time as any Company reorganization and/or merger terms are reached. Buying directly from the Company allows for Section 1202 tax treatment as well as provide needed capital to the Company. Management believes that this is a unique opportunity to increase one equity position while we are recovering from these devastating losses.

Intellectual Property

Patents have been issued in the U.S., China, Mexico and Europe. For a nine month period after the publication of the European patent grant in January 2017, a notice could be filed opposing the patent grant. In November, 2017, we were notified that no notice of opposition had been received. Based on available funds as well as each country's per capita income and healthcare spending, we validated intellectual property protection in the France, Germany, Ireland, Italy, Spain, Switzerland (and Liechtenstein) and the United Kingdom. Annual renewal fees for the European countries and China, totaling just under \$4,000, were due in March, 2018. Given the Company's limited capital, the Company has not yet been able to renew the patents in all of the European countries and surcharges are being incurred.

The India patent application is under examination of our patent application and we have responded to their first office action. Further, based on a recent trademark renewal application, the USPTO provided Notices of Acceptance and Acknowledgement (under Sections 8 and 15, respectively, of the Trademark Act).

Neural Training Project

Hardware development of personal, self-administered, Neural Training (NT) delivery system prototypes has been completed. These systems incorporate a brainwave (EEG) sensor which controls the delivery of sensory (audio/visual) and direct neurostimulation based on the individual's brain activity. The current, laptop-based, system requires two third party software packages and significant training to operate the NT system. In the first development phase, the overall cost of the NT units was reduced from \$5,000 to just under \$2,000, by eliminating one of the most expensive hardware components. However, the system operation needs to 1) be simplified to allow for self-administration and 2) shift from a laptop-based delivery system to a smart-phone "app".

In Phase II, the hardware components for a smart-phone based NT delivery system have been developed and tested further reducing the hardware costs. The goal is to reduce the overall hardware cost (not including the user's smart-phone) to less than \$200.

The next Phase is the development of the proprietary software algorithms to analyze the brainwaves and "fine-tune" the sensory and/or direct stimulation based on the individual user's brain activity. Users will be able to simply initiate a training session through an application package on their phone, tablet or computer, put on the NT gear and begin the training. This will be followed by the development of network based user monitoring and subscription management software allowing the NT delivery system to be commercialized based on an affordable revolving subscription business model.

In the NT system, the sensory and direct stimuli are constantly adjusted based on each individual's brainwaves to promote mental 'agility', enhancing cognition and memory, and avoiding "accommodation" (the brain learning to ignore sensory inputs that do not vary). The increased brain activity promotes increased blood flow, oxygenation, glucose uptake, and the availability of neurotrophins - all essential to "exercise" the brain, facilitating neuronal "repair" and "remodeling". Ultimately, the incorporation of our proprietary Signal Advance technology to offset EEG detection and processing delays is expected to enhance training efficacy and efficiency.

Our initial Neural Training applications are focused on 1) enhancing memory and cognitive ability of the elderly to help them maintain their independence, and 2), as an adjunct to cancer therapy, to reduce stress and anxiety in order to lower cortisol levels, reduce its immunosuppressive effects and improve immune function. These development efforts have already yielded intellectual property which we believe is patentable.

We continue to pursue funding opportunities in collaboration with University of Texas Medical Branch (UTMB) in Galveston, Texas and a neurology group to investigate the effect of Neural Training on elderly subjects diagnosed with mild cognitive impairment (MCI). The Company has also been in discussions with a Cancer Center in the Texas Medical Center in Houston, Texas to pursue the use of Neural Training as an adjunct to cancer treatment. The Neural Training project is being developed under Biodyne Development, LLC (www.bdvco.com) in which Signal Advance, Inc. currently holds a majority interest.

Executive Officers / Board of Directors

The following table sets forth the names, positions and ages of the current SAI Directors and Officers. Directors are elected during the Annual Shareholders' Meeting and serve for one (1) year and until their successors are elected and qualified to serve. Officers are elected by our Board of Directors and their terms of office are at the discretion of our Board. There are no family relationships

among our directors, executive officers, director nominees or significant employees. None of our Directors are considered independent per NASDAQ listing standards.

<u>Director/Officer</u>	<u>Age</u>	<u>Title</u>
Chris Hymel	60	Director, President/Treasurer (Nominee)
Malcolm Skolnick	82	Director, Secretary (Nominee)
Ron Stubbers	54	Director, Vice-President (Nominee)
Richard Seltzer	63	Director (Nominee)

Biographies of Director Nominees

Chris M. Hymel, MEEE, PhD (President/Treasurer, Director) an experienced entrepreneur, founded the Company in 1992 and has served as a Director and its President and Treasurer since its inception. Dr. Hymel previously founded a computer systems/network consulting and technology development firm, and later, a medical-legal firm which developed over 60 animations used in litigation support. He also served on the board of directors of a non-profit corporation, Educational Enrichment Center through 2009. Professional experience also includes technology development at the University of Texas, Neurophysiology Research Center, including the development of proprietary neurostimulation, signal generation and data acquisition systems, and control systems engineering for Shell Oil & Shell Development Companies and Johnson Controls, Inc. Dr. Hymel holds a doctorate in biomedical sciences from the University of Texas Health Science Center, Houston as well as Bachelor's and Master's degrees in electrical engineering from Texas A&M University.

Dr. Hymel holds multiple patents and has authored a number of scientific/technical publications. Dr. Hymel developed the proprietary Signal Advance technology and successfully demonstrated temporally advanced detection of a range of analog (including bioelectric) signals in his doctorate research completed at the University of Texas Health Science Center in August, 2010. Under his leadership, the Company was awarded first place in the 2011 Goradia Innovation Prize competition. Dr. Hymel was recognized as the 2012 Innovator of the Year by the Intellectual Property Section of the Oklahoma Bar Association and was also named the 2015 Inventor of the Year by the State Bar of Texas Intellectual Property Section.

Malcolm Skolnick, PhD, JD (Secretary, Director) received his Ph.D. in Physics from Cornell University and J.D. from the University of Houston Law Center. He retired in 2008 after ten years as a Director, President/CEO of CytoGenix, Inc., a public biotechnology firm in Houston Texas. Prior to joining CytoGenix, Dr. Skolnick, a tenured professor, held academic positions in the Medical School, the Graduate School of Biomedical Sciences and the School of Public Health (SPH) of the University of Texas Health Science Center, Houston (UTHSC).

In addition to his service as a Department Chair in the Medical School and his professorial duties, Dr. Skolnick directed the UTHSC Office of Technology Management, overseeing the University's activities in protecting and licensing its technology portfolio. He also headed the Neurophysiology Research Center and served as principal investigator of several clinical trials in pain management, smoking cessation and reduction of withdrawal symptoms in drug addiction.

Dr. Skolnick also served as Director and Vice President of the Southwest Health Technology Foundation, Resolution Forum, Inc., Responsible Community Design International, Inc., and Hudson Forest Homeowners' Association. He has served as an expert witness in intellectual property, product liability, and accident reconstruction matters. Dr. Skolnick is a registered patent attorney, patented inventor and is licensed to practice law in the State of Texas. In addition to his service on various corporate boards, since his retirement from CytoGenix, Inc., he has been active in patent prosecution and licensing for selected clients and has been an invited lecturer at several local universities.

Ron A Stubbers, BS, MBA, (Vice-President, Director) has been developing and manufacturing electronic biomedical devices for over 20 years, much of it while serving as VP of Engineering and VP of Operations for Neuroscan, Inc. and its successor, Compumedics, USA from 1991-2003, and aDEPTas, Inc. and its successor InGeneron, Inc. from 2004-Present. His experience includes development and production of medical devices ranging from neurostimulation systems to EEG acquisition and analysis systems. He has also worked in the areas of product design and manufacturing engineering, quality, regulatory and technical support for startup companies. Mr. Stubbers has managed corporate ISO/EN/QSR quality management systems requirements and compliance and European CE and FDA 510K Class II as well as other regulatory approvals for world-wide medical device distribution. Mr. Stubbers received his bachelor's degree in electrical engineering from the University of Idaho in 1985, completed graduate coursework at the University of Texas, Graduate School of Biomedical Sciences and at Rice University, and completed his MBA at the University of Houston (2013).

Richard C Seltzer, JD, LL.M. (Director) Mr. Seltzer received his J.D. from South Texas College of Law in 1981 and his LL.M. in Taxation from the University of Florida in 1982. Mr. Seltzer has been in private practice for more than thirty-five (35) years representing both established and startup businesses in acquisitions and mergers, financial and tax issues, contractual matters, shareholder disputes, real estate acquisitions and general business litigation in Texas State Courts. His practice includes arranging viable capital infusions for ongoing businesses, negotiating business and real estate related contracts. He has handled the licensing of proprietary information for a non-profit organization in Texas. He also continues to successfully represent numerous taxpayer corporations and individuals before the Internal Revenue Service, including both its Appellate and Collection Divisions as well as representing taxpayers for matters filed with the U.S. Tax Court. For more than fifteen (15) years Mr. Seltzer has been a frequent invited speaker covering general business topics for the People's Law School in conjunction with the University of Houston Law School. He is also an approved mediator in the State of Texas, having been certified in 2008.

Mr. Seltzer continues to serve as a member of the Board of Directors of Bridges to Life, a nonprofit organization in Houston, since 2003. He was appointed in 2011 as a member of the Board of Directors of STARBASE, Inc., a federally funded educational program working in conjunction with the Department of Defense and the National Guard that works with upper elementary school students particularly interested in math, science, engineering and technology related programs. In addition, Mr. Seltzer serves on the Boards of Directors of the following Texas corporations: Atlas Management, Inc. (appointed in 2000), Innovative Tooling and Accessories, Inc. (appointed in 2007), Intuitec, Inc. (appointed in 2003), Milsob Properties, Inc. (appointed in 2008). He has also served on the Board of Directors of Delta Shaver Company, Inc., a Delaware corporation since 2011.

Corporate Governance and Board Members

Family Relationships There are no family relationships by and between or among the Directors or other officers. None of our Directors or officers is a director or executive officer of any company that files reports with the SEC except as set forth in the "Biographies of Director Nominees" section above.

Election of Directors and Officers Directors hold office until the next succeeding annual meeting and the election/qualification of their respective successors. Officers are elected annually by our Board and hold office at the discretion of our Board. Our Bylaws permit our Board to fill any board member vacancy and such newly elected director may serve until the next annual meeting of stockholders and the due election and qualification of their successor.

Legal Proceedings To the knowledge of management, no director, executive officer or affiliate of the Company, or owner of record, or beneficially, of more than five percent (5%) of the Company's common stock is a party adverse to the Company or has a material interest adverse to the Company in any legal proceeding.

To the knowledge of management, during the past five (5) years, no present or former director, executive officer, affiliate or person presently nominated to become a director or an executive officer of the Company:

- (1) Filed a petition under the federal bankruptcy laws or any state insolvency law, nor had a receiver, fiscal agent or similar officer appointed by a court for the business or property of such person, or any partnership in which he or she was a general partner at or within two (2) years before the time of such filing, or any corporation or business association of which he or she was an executive officer at or within two (2) years before the time of such filing;
- (2) Was convicted in a criminal proceeding or named the subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);
- (3) Was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him or her from or otherwise limiting his or her involvement in any type of business, commodities, securities or banking activities;
- (4) Was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting him or her for more than sixty (60) days from engaging in, or being associated with any person engaging in, any type of business, commodities, securities or banking activities;
- (5) Was found by a court of competent jurisdiction in a civil action or by the SEC to have violated any federal or state securities law, and the judgment in such civil action or finding by the SEC has not been subsequently reversed, suspended, or vacated.

Promoters and Control Persons None.

Board Leadership and Role in Risk Oversight Our Board recognizes that the leadership structure and combination or separation of the President and Chairman roles is driven by the needs of the Company at any point in time. The Company has no policy requiring

combination or separation of leadership roles and our governing documents do not mandate any particular structure. This has allowed our Board the flexibility to establish the most appropriate structure for the Company at any given time.

The Board oversees our stockholders' interest in the long-term health and the overall success of the Company and its financial strengths. The full Board is actively involved in overseeing risk management for the Company done so in part through discussion and review of our business, financial and corporate governance practices and procedures. The Board, as a whole, reviews the risks confronted by the Company with respect to its operations and financial condition, and establishes limits of risk tolerance with respect to the Company's activities.

Meetings of the Board and Stockholder Communications Our Board conducted all of its business and approved all corporate action during the fiscal year ended December 31, 2015 and from January 1, 2016 to present, by the unanimous consent of its members, in the absence of formal board meetings. Holders of the Company's securities can send communications to the Board via mail or telephone to the Secretary at the Company's principal executive offices. The Company has not yet established a policy with respect to Board members' attendance at the annual meetings. A stockholder who wishes to communicate with our Board may do so by directing a written request addressed to our President at the address appearing on the first page of this proxy statement.

Code of Business Conduct and Ethics Policy We have adopted a Code of Business Conduct and Ethics that applies to our employees, officers and directors. This document was provided to the SEC as Exhibit 14.1 with Registration Statement submitted November 18, 2013 (available at <http://www.sec.gov/search/search.htm>).

Committees of the Board of Directors The Company is forming an audit committee that will include two (2) independent Members of the Board of Directors. As such, the Company Bylaws have been amended, by the current Board of Directors, to increase the maximum number of Directors from five (5) to seven (7).

The Company has not adopted any formal procedures by which security holders may recommend nominees to our Board, however proposals may be submitted for consideration in the annual shareholders' meeting as described the section entitled "Stockholder Proposals for the 2018 Annual Meeting" found on the last page of this document.

We do not presently have a separately constituted compensation, nominating, executive or any other committees of our Board of Directors. Our Board does not believe that it is necessary to have such committees as the functions of such committees can be adequately performed by the Board.

Audit Committee Financial Expert(s): The financial expert currently serving on the audit committee is Dr. Chris Hymel who has served as Treasurer and CFO for a number of companies, both private and public and was responsible for the financial reporting and annual and quarterly audits and reviews. Nominees for the Board of Directors include committee include Steve Kurzet and John Fulbright both possessing requisite financial expertise based on their respective years of finance and investment experience.

Director Independence Two (2) nominees for members of the Company Board of Directors, Steve Kurzet and John Fulbright are independent based on the SEC Rule § 240.10A-3 as well as NASDAQ independence standards.

Executive Compensation In the annual reports, the Company provides compensation disclosure that satisfies the requirements that apply to emerging growth companies, as defined in the JOBS Act. The summary compensation table below shows certain compensation information paid for services rendered in all capacities to us by our principal executive officer and by each other executive officer whose total annual salary and bonus exceeded \$100,000 during the years ending December 31, 2017 and 2016.

Other than as set forth below regarding the Company's President, Chris M. Hymel, PhD, no executive officer's total annual compensation exceeded \$100,000 during our last fiscal period. The Company entered into a consulting agreement with Dr. Chris M. Hymel, the Company President, whereby his annual compensation was \$108,000 per year (paid in the form of equity), plus limited reimbursement of professional development and medical expenses. Dr. Hymel is expected to devote essentially full-time (at least 40 hours/week) on activities related to the Company. The term of the agreement is year-to-year but may be terminated by giving one (1) month's written notice. Eligible medical and professional development expenses are either paid or reimbursed in cash and annual compensation for services rendered has been in the form of equity, specifically common stock.

Other than as described above, all other directors and executive officers received no more than \$5,000 compensation in the same period, also in the form of equity in exchange for their services. No executive officers received a bonus or deferred compensation. There are no employment contracts, compensatory plans or arrangements (except as referenced above for the Company President), including payments to be received from the Company with respect to any executive officer of the Company which would result in payments to any such person due to his or her resignation, retirement or other termination of employment with the Company or its subsidiaries, any change in control of the Company or a change in the person's responsibilities following a change in control of the Company. Nor are there any agreements or understandings for any director or officer to resign at the request of another person. None of the Company's directors or executive officers is acting on behalf of or will act at the direction of any other person.

Compensation Pursuant to Plans There is no retirement, pension, profit-sharing, or other plan covering any of our officers and directors. The Company has adopted no formal stock option plans for our officers, directors and/or employees. SAI reserves the right to adopt one or more stock options plans in the future. Presently, there is no plan to issue additional equity in the Company or options to acquire the same to our officers, directors or their affiliates or associates except for compensation of Director and Officers as described previously.

Security Ownership of Certain Beneficial Owners

The Company is authorized to issue 100,000,000 shares of common stock, with no par value. Holders of common stock are entitled to one (1) vote per share on all matters subject to shareholder vote. The common stock has no cumulative, preemptive or other subscription rights. All of the presently issued shares of common stock are fully paid and non-assessable. The Board of Directors may declare dividends payable to holders of common stock out of legally available funds. If the Company is liquidated or dissolved, holders of shares of common stock will be entitled to share ratably in any assets of the Company remaining after satisfaction of all of its liabilities. As of December 31, 2017, 14,285,342 shares had been issued to 185 shareholders.

The following table sets forth the number of shares of common stock that are beneficially owned as of December 31, 2017 by (i) each person known by us to be the beneficial owner of more than five percent (5%) of the outstanding shares of our common stock, (ii) each of our directors and executive officers, (iii) all officers and directors as a group and, (iv) all officers and directors and each person known by us to be the beneficial owner of more than five percent (5%) of the outstanding shares of our common stock as a group.

The persons and entities named in the table have sole voting and sole investment power with respect to the shares set forth opposite the stockholder's name, subject to community property laws, where applicable.

Name of Beneficial Owner	Title of Class	Amount/Nature of Beneficial Ownership	Percent of Class
Chris Hymel, Officer/Director	Common	7,224,030	47.3%
Malcolm Skolnick, Officer/Director	Common	358,334	2.3%
Ron Stubbers, Officer/Director	Common	238,750	1.6%
Richard C. Seltzer, Director	Common	422,265	2.8%
Cede & Co.	Common	1,547,251	10.1%
Officers/Directors as a group (4 total)	Common	8,333,379	54.0%
Officers/Directors & >5% Shareholders	Common	9,101,329	64.1%

Certain Relationships and Related Transactions As of December 31, 2017, the Company owed its President, Dr. Hymel, \$31,223, in the form of an unsecured Line-of-Credit. The note is due on demand and carries a simple interest rate of 2.5% per quarter. The Company currently leases office space, from its President, on a month-to-month basis at a rate of \$700 per month. The Company obtained rights to the intellectual property through an assignment agreement with its President in exchange for equity (common stock).

Other than the President's compensation and related transactions, discussed previously, since the company's inception, there has not been, nor is there currently proposed, any transaction or series of similar transactions with related parties to which the Company was or will be a party 1) in which the amount involved exceeds \$120,000; and 2) in which any director, executive officer, shareholder who beneficially owns five percent (5%) or more of SAI common stock, or any member of their immediate family, had or will have a direct or indirect material interest.

The Company voluntarily suspended its SEC reporting obligations, as it had fewer than 300 shareholders of record, on February 6, 2017. The Company's Board of Directors considered a number of factors in making this decision, including the low liquidity of the stock, the ongoing costs of continuing fulfillment of the reporting obligations and the demands on management to comply with the reporting requirements. The Company believes that the time and expense of complying with the reporting obligations outweighs the benefits received by the Company by continuing to fulfill these obligations. Management plans to focus its time and resources on further development and commercialization of its proprietary technology in order to drive business performance and shareholder value.

The Company filed with the SEC its Quarterly (10-Q) Reports for the reporting periods ended March 31, 2015, June 30, 2015, and September 30, 2015. We have enclosed the Annual Report with the proxy statement which includes unaudited financial statements for the fiscal years ended December 31, 2017 and 2016, along with other financial information and management discussion. We urge you to read the Annual Report carefully; however, it is not to be regarded as proxy solicitation material.

We intend to announce preliminary voting results at the Annual Meeting, and publish final results within four (4) days of the Annual Meeting. You may obtain a copy of this and other reports, free of charge by:

Mail: Signal Advance, Inc., 2520 County Road 81, Rosharon, Texas 77583
Telephone: (713) 510 7445,
Fax: (253) 252 8631
Email: info@signaladvance.com

Stockholders may obtain information relating to their own share ownership by contacting the Company's stock transfer agent:

Nevada Agency and Transfer Company
50 West Liberty, Suite 880, Reno, Nevada 89501
(775) 322-0626

Other Matters

The Notice of Meeting provides for the election of directors, ratification of the selection of independent auditors, ratification of the action of the Board of Directors' actions and decisions since the last stock-holders' meeting, approval of the minutes of the previous Annual Stockholders' Meeting, and for the transaction of such other business, as may properly come before the meeting. As of the date of this proxy statement, the Board of Directors does not intend to present to the meeting any other business, and it has not been informed of any business intended to be presented by others. However, if any other matters properly come before the meeting, the persons named in the enclosed proxy will take action and vote proxies, in accordance with their judgment of such matters. Action may be taken on the business to be transacted at the meeting on the date specified in the Notice of Meeting or on any date or dates to which such meeting may be adjourned.

Stockholder Proposals for the 2018 Annual Meeting

Any stockholder who intends to present a proposal at the 2017 Annual Meeting of Stockholders must ensure that the proposal is submitted pursuant to Rule 14a-8 under the Securities Exchange Act of 1934 and received by the Corporate Secretary of the Company 120 days before we begin to print and mail our proxy materials for next year's meeting.

We still have a great deal of hard work ahead and we remain encouraged and optimistic regarding the long-term value we will provide to our shareholders. On behalf of the entire Signal Advance management team, I would like to again thank you for your continued support. We strongly believe we have the motivation, expertise, and strategic approach necessary to create the future we envision and we look forward to reporting on our progress as we continue to execute our business plans. If you have questions, comments or concerns, please contact us at the following email address: info@signaladvance.com.

By Order of the Board of Directors



By: Malcolm Skolnick
Corporate Secretary
Rosharon, Texas
June 1, 2018



SHAREHOLDER PROXY FORM

Instructions

1. Your name and address

On the envelope appears your name and address as it appears on the Company’s share register. If this information is incorrect, please mark the box and make the correction on the form. Please note that you cannot change ownership of your securities using this form.

2. Appointment of a proxy

If you wish to appoint the Chairman of the meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the meeting, please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy. A proxy need not be a security holder of the Company.

3. Votes on items of business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a second proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company’s Share Registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first and second proxy form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

5. Signing instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint holding: where the holding is in more than one name, all of the security holders should sign.
- Power of attorney: to sign under power of attorney, a copy of the executed power of attorney should accompany this form. If this proxy form is signed under power of attorney, the attorney hereby states that no notice of revocation of the power of attorney has been received.
- Companies: this form must be signed by a duly authorized officer of the Company. This officer must also indicate the office held. If a representative of the corporation other than an officer is to attend the meeting, a copy of a corporate resolution authorizing the representative to act on behalf of the corporation should accompany this form.

Submission of a proxy

This proxy form (and any power of attorney under which it is signed) must be received at the address given below no later than 10:00 am, Monday, June 25, 2018. Any proxy form received after that time will not be valid for the scheduled meeting. Documents may be lodged by U.S. mail, other delivery method, facsimile or via electronic mail to Signal Advance, Inc. If delivered by electronic mail, the completed/signed form must be scanned or otherwise converted to a format that is deliverable electronically.

Mailing Address: Signal Advance, Inc., Attn: Corporate Secretary, 2520 County Road 81, Rosharon, Texas 77583

Electronic Mail: info@signaladvance.com

Facsimile No.: 253 252 8631

[] Name Address/Contact Information (Please X box if the information has changed)

Name(s): _____

Street: _____ City: _____

State: _____ Zip or Postal Code: _____ Country: _____

Phone Number: _____ Email Address(se): _____

