

**SIGNAL ADVANCE, INC.**  
**2022 ANNUAL SHAREHOLDERS' MEETING MINUTES**  
**15 APRIL 2022**

The meeting is called to order at 10:00 AM CDT.

Dr. Hymel presided as the Chairman of the Meeting and introduced Officers/Directors (and nominees) in attendance: Chris Hymel, Richard Seltzer, Ron Stubbers, Stan Dubyn.

The Chair appointed Mr. Seltzer as Secretary for the meeting.

The Chair appointed Mr. Stubbers as Inspector of the Elections

Attestation was made as to the delivery, to the email or mailing addresses of record, commencing on or about February 15, 2022, based on the shareholders lists provided by the Company's Transfer Agent, Nevada Agency and Transfer Company as well as Broadridge and Mediant providing contact information for holders with shares held in brokerage firms.

The following materials relating to this Annual Meeting to all stockholders of record of common stock of the Company as of the close of business on the Record Date (January 3, 2022) - incorporated herein by reference. The following items establishing such notice are to be filed with the Company's corporate records:

- 1) A list of the holders of Common Stock of Signal Advance as of the close of business on the Record Date based on the records provided by Nevada Agency and Transfer Company, the Company's Transfer Agent and Broadridge and Mediant (for shares held under brokerage firms);
- 2) Confirmation that, commencing on or about February 15, 2022, holders of record of Common Stock as of the close of business on the Record Date, were notified by regular or electronic mail, regarding the availability of Annual Shareholder's Meeting proxy materials (dated February 1, 2022). Those materials included:
  - A) Annual Shareholders Meeting Notice Proxy Statement.
  - B) Shareholders' update for the preceding year;
  - C) Proxy Form for each holder of Common Stock in the Company;
  - D) Minutes of the 2021 Signal Advance, Inc. Annual Shareholders' Meeting

The Chair confirmed that properly executed proxies, received timely, were examined and, in conjunction with the shares represented by attendees, a total of 26,821,470 shares of the Company's common stock (68.58% of a total of 39,108,575 issued and outstanding shares) were represented at the Meeting, constituting a quorum.

Elections and proposals:

- 1) To elect four Directors to serve for the coming year & until their successors are elected.
- 2) To approve minutes of the previous Annual Shareholders' Meeting.
- 3) To ratify all proceedings of the corporation and actions of the Officers since the last Shareholders' Meeting.

Dr. Hymel entered a motion to waive the reading of the 2021 Annual Shareholder's Meeting Minutes.

The motion was seconded by Mr. Stubbers and was passed with no objections.

Mr. Stubbers explained the voting standards for the election of Directors and approval of the proposals as follows:

For Proposal 1, the election of Directors, the nominees were Chris Hymel, Richard Seltzer, Ron Stubbers and Stan Dubyn. The four persons receiving the greatest numbers of votes would be elected Directors of the Company.

Proposals 2 and 3 would be adopted if approved by the affirmative vote of a majority (>50%) of the shares of the Company's stock represented and voting at the Meeting.

The polls were then declared open.

The Meeting was opened for discussion of the proposals followed by voting.

The Polls were then declared to be closed following discussion and voting.

The following topics were then presented/discussed:

1. Financials

Dr. Hymel explained that the Company's association with Mr. Dubyn and the new subsidiary (PIC) had provided the necessary resources to allow the Company to focus on and devote full-time development activity to the Company's Analog Encryption Project – Analog Guard.

2. Analog Guard, analog encryption technology development

Dr. Hymel and Mr. Stubbers discussed the key advantages of the Company's approach to cybersecurity.

- a) Signal is developing physical analog signal encryption (vs. digital data encryption) against which digital attack strategies will not work and analog hacking tools are not yet developed.
- b) The technology exploits the Company's proprietary temporal advance technology, termed Phase-Linked Temporal Non-linear Modulation (PLTNM) a new form of signal modulation.
- c) Analog Guard technology is being developed, not to replace, but to be used in addition as an adjunct to existing digital encryption methods. As an adjunct, augmenting digital security as an additional layer of protection – essentially a "bolt-on" solution.

3. Intellectual Property

- a. The Company has successfully registered the following new Trademarks:
  - i. Analog Guard®
  - ii. Signal Advance® (Class 9) (previously registered Signal Advance® for Class 10)
- b. The Company has prepared and expects to submit a new Analog Guard patent application to provide intellectual property protection for the technology under development within the next week.

4. Capital funding:

5. Dr. Hymel discussed the recent activities of the Company in preparing "White Papers" for submission to a number of different services (DARPA (Defense Advanced Research Projects Agency), Army, Navy, Air Force, etc.) in the Dept. of Defense, all in response to multiple solicitations seeking cybersecurity innovation. The funding sought by the Company conforms to 10 U.S.C. § 2371b (other transaction for prototype projects) that provides a means for federal agencies to enter into transactions other than FAR-based (Federal Acquisition Regulations) contracts, grants or cooperative agreements.

The key advantage of such funding is that it is non-dilutive; the government cannot take an equity position of the Company. The project timeframe is 2-3 years

Further, the Company has established a relationship with a consulting firm to assist in directly accessing the individuals within the government with direct authority to enter into such agreements as well as to assist in traversing the complicated morass of the paperwork and official approvals required.

Mr. Dubyn discussed his experience with government funding over multiple decades, and reiterated the non-dilutive aspects of the funding pursued. He also discussed how quickly the government can and will respond when there is an urgent need for the developing technology. Cybersecurity innovation is just such a need as fundamentally different and asymmetric means for cybersecurity. He also discussed his motivations for becoming involved with the Company based on his strong interest and enthusiasm regarding the technology under development.

The meeting opened again for general questions and comments.

Questions submitted:

Q: Would Analog Guard be a universally available tool available to friend/foe alike; or available only to favored entities in light of how cyber security is now a major part of modern warfare?

A: Dr. Hymel: As the government is expected to be the customer of the Company's newest technology, the government will likely determine what aspects of the technology under development would be made available to the general public. The proposals are to develop technology that will be focused on the protection of U.S. interests, specifically. In addition, the technology provides multiple levels or degrees of encryption "Strength". As such, some forms may be made available commercially and others retained for defense use only.

Mr. Dubyn: If successful in getting the US government onboard as a funding partner, the Company would work with the government customer(s) on any non-US interest in the technology and capability. We expect there will be some constraints imposed regarding the specifics of how it works, as well as potential vulnerabilities and how the technology might be compromised.

Q: How fast or slow is the development process. Can you give a broad general idea of how many weeks / months / years are ahead before it's ripe and ready?

A: Addressed previously: 2-3 years following full funding.

Set forth below are the matters acted upon by the shareholders at the Annual Meeting, and the final voting results of each proposed resolution.

### 1) Election of Directors

The shareholders elected the four nominees to serve as directors.

The results of the vote were as follows:	<u>For</u>	<u>Withheld</u>
Chris Hymel	26,799,450 (68.53%)	22,020 (0.06%)
Richard Seltzer	26,799,450 (68.53%)	22,020 (0.06%)
Ron Stubbers	26,799,450 (68.53%)	22,020 (0.06%)
Stan Dubyn	26,799,450 (68.53%)	22,020 (0.06%)

### 2) To approve the minutes of the previous annual shareholders meeting

The results of the vote were as follows:	<u>For</u>	<u>Against</u>	<u>Abstain</u>
	26,809,470 (68.55%)	12,000 (0.03%)	-0- (0%)

**3) To ratify all proceedings of the corporation and actions of the Officers since the last shareholders' Meeting**

The results of the vote were as follows:	<u>For</u>	<u>Against</u>	<u>Abstain</u>
	26,809,470 (68.55%)	12,000 (0.03%)	-0- (0%)

The shareholder's meeting was adjourned at 10:32 AM CDT.

A Meeting of the Board of Directors was called immediately thereafter to appoint officers.

The results are as follows:

Dr. Hymel was appointed CEO.

Mr. Seltzer was appointed Corporate Secretary.

Mr. Stubbers was appointed COO

Respectfully submitted



Richard C. Seltzer, Secretary

Submitted: April 18, 2022