

SIGNAL ADVANCE, INC.
2021 ANNUAL SHAREHOLDERS' MEETING MINUTES
06 JULY 2021

The meeting is called to order at 10:35 AM CDT (meeting delayed due to technical difficulties).

Officers/Directors in Attendance: Chris Hymel, Richard Seltzer, Ron Stubbers.

Further, Stan Dubyn, director nominee, was in attendance as well as an additional 11 shareholders.

Dr. Hymel presided as the Chairman of the Meeting and introduced the directors/officers in attendance.

The Chair introduced the principals in the P.I.C. subsidiary, Tiffany Guthrie and Stan Dubyn (director nominee)

Attestation was made as to the delivery, to the email or mailing addresses of record, commencing on or about May 21, 2021, of 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 - 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 (April 20, 2021), based on the records provided by Nevada Agency and Transfer Company, the Company's Transfer Agent and Broadridge (for shares held under brokerage firms);
- 2) Confirmation that, commencing on or about May 21, 2021, holders 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 May 18, 2021). 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 2019 Signal Advance, Inc. Annual Shareholders' Meeting

The Chair commented that the increase from less than 300 shareholders to approx. 6,500 posed significant challenges and apologized for recent disclosure regarding lapses in proper notification despite their best efforts

The Chair confirmed that properly executed proxies, received timely, were examined and, in conjunction with the shares represented by attendees, a total of 29,183,166 shares of the Company's common stock (75.11% of a total of 38,854,072 issued and outstanding shares) were represented at the Meeting, constituting a quorum.

Having established a quorum was represented, the Chair appointed Mr. Seltzer as Secretary and Mr. Stubbers as the Inspector of Elections.

The order of business for the Meeting:

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

Dr. Hymel entered a motion to waive reading of the 2019 Annual Shareholder's Meeting Minutes.

The motion was seconded by Mr. Stubbers and was passed

The proposals and the voting standards for approval of the proposals were presented 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.

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

Polls closed following discussion and voting.

Dr. Hymel discussed the following:

1. Merger between Signal Advance Technologies, Inc. and Signal Advance, Inc.

The shares held in the private Signal Advance Technologies, Inc. (SAT) were exchanged, on a one-for-one basis for shares of the public, Signal Advance, Inc. In addition, as a result of the merger, 75M shares of SAT held by Signal Advance, Inc. were relinquished resulting in the total issued and outstanding shares being reduced from over 91M to under 39M.

2. Resignation of Dr. Malcolm Skolnick – one of the founders of the company serving since 1992 and an invaluable asset, continuing to serve on the Company’s advisory board.
3. Introduction of the new board nominee, Stan Dubyn, new board nominee.
4. Consolidated Financials,

SIGNAL ADVANCE, INC.
SUMMARY OF CONSOLIDATED RESULTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2020, 2019

	2020	2019
Net revenue	<u>\$10,780,770</u>	-
Income (loss) before income taxes	10,612,862	(114,379)
Net income	10,177,362	(114,379)
Net income per common share	<u>.265</u>	(.001)
Common shares outstanding	<u>38,447,038</u>	<u>91,716,057</u>

Highlights:

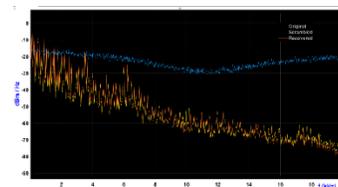
- 1) the revenues of just under \$11M,
- 2) the year-end EPS (earnings per share) that increased \$0.265 from \$0.162 (3Q20), and
- 3) the reduction in total shares issued and outstanding from 91,716,057 to 38,447,038.

It was noted that the revenues were almost entirely derived from Mr. Dubyn’s efforts under the subsidiary, P.I.C. and the funds will remain in the subsidiary to be used at their discretion for the subsidiary’s discretion for future development efforts (yet to be determined).

5. Analog Guard, current analog encryption technology development was discussed. The Company’s primary development focus is on the development of a new form of encryption that is analog (vs. digital) that incorporates the Company’s proprietary Signal Advance technology.

The following exemplar audio files were provided for participants to review providing essentially a metaphor for the technology under development:

- a) the original audio File,
- b) the “scrambled” audio file;
- c) the “recovered” audio file and
- d) a graphic depicting the frequency spectrum of each audio file.



The meeting opened again for general questions and comments.

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	29,183,716	450
Richard Seltzer	29,182,716	1,450
Ron Stubbers	29,182,716	1,450
Stan Dubyn	29,182,716	1,450

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>
	29,183,716	-0-	450

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>
	29,183,716	-0-	450

Dr. Hymel welcomed Mr. Dubyn to the Board of directors and stated that he is looking forward to a prosperous collaboration/relationship.

Dr. Hymel also acknowledged Michael Watson, thanking him for his assistance in the distribution of shareholder notices as well as setting up and moderating the virtual meeting.

The shareholder's meeting was adjourned at 10:58 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

July 8, 2021