

Superconductor Technologies Inc.

Annual Shareholder Meeting
June 6, 2019



Safe Harbor Provisions

Statements in this presentation regarding our business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. Forward-looking statements are not guarantees of future performance and are inherently subject to uncertainties and other factors, which could cause actual results to differ materially from the forward-looking statements. These factors and uncertainties include, but are not limited to: our limited cash and a history of losses; our need to materially grow our revenues from commercial operations and/or to raise additional capital (which financing may not be available on acceptable terms or at all) in the very near future, before cash reserves are depleted (which reserves are expected to be sufficient into the third quarter of 2019), to implement our current business plan and maintain our viability; the performance and use of our equipment to produce wire in accordance with our timetable; overcoming technical challenges in attaining milestones to develop and manufacture commercial lengths of our HTS wire; the possibility of delays in customer evaluation and acceptance of our HTS wire; the limited number of potential customers and customer pressures on the selling prices of our products; the limited number of suppliers for some of our components and our HTS wire; there being no significant backlog from quarter to quarter; our market being characterized by rapidly advancing technology; the impact of competitive products, technologies and pricing; manufacturing capacity constraints and difficulties; the impact of any financing activity on the level of our stock price; the dilutive impact of any issuances of securities to raise capital; the steps required to maintain the listing of our common stock with a U.S. national securities exchange and the impact on the liquidity and trading price of our common stock if we fail to maintain such listing; the cost and uncertainty from compliance with environmental regulations; and local, regional, and national and international economic conditions and events and the impact they may have on us and our customers.

Forward-looking statements can be affected by many other factors, including, those described in the "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of STI's Annual Report on Form 10-K for the year ended December 31, 2018, and in STI's other public filings. These documents are available online at STI's website, www.supotech.com, or through the SEC's website, www.sec.gov. Forward-looking statements are based on information presently available to senior management, and STI has not assumed any duty to update any forward-looking statements.

Superconducting Wire Transforms the Power Industry

Superconducting wire is to power, as fiber optics was to telecom

Conductus® wire fully aligned with Next Generation Electric Machines (NGEM) and Superconductor Magnet applications:

- Capitalizing on several accelerating energy megatrends: Commercialize NGEMs that are *Powerful, Compact, Clean, Efficient, with disruptive economics*
- Conductus wire meets market requirements: *NOW focused on Ramping Production*

Sustainable Conductus advantages: Demonstrated performance backed by robust patent portfolio

- Two recent awards on STI core technology and manufacturing system design

Commercial scale production in place

- Selected by multiple superconductor magnet application customers – Initial orders total 1000's meters
- Shipments planned to begin by end of Q2/2019
- Ramping to 10's of km in 2019 to 100's km in 2020
- Customer demand far exceeds capacity – 10,000 km needed in coming years
- State of the art factory, *expandable by 5X*

DOE awarded \$4.5M to STI and partners

- Delivered 1.5X the critical current electrical performance and a 2X increase in in-field magnetic performance during Period One

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Large Addressable Market: ~\$40B by 2030*

Industry stake holders: Advanced Superconducting Manufacturing Institute (ASMI)*



Figure 1.1. ASMI draws broad support from partners across the nation in industry, academia, and government.

* ASMI estimates \$40B market opportunity by 2030

Superconductor Magnet Application: Fusion

Delivering on the promise of;
clean, efficient, powerful, safe energy



Transitioning from theoretical physics to the creation of a commercially viable fusion power generation facility

- 2G HTS materials creating a path to the construction of a magnet powerful enough for the application yet compact enough to make the overall device a manageable size
- Fusion can be operated 24/7 and offers an excellent way to provide load balancing for the power grid.
- Strong Investments from world leaders; Bill Gates, Jeff Bezos, Jack Ma into fusion companies are game changer

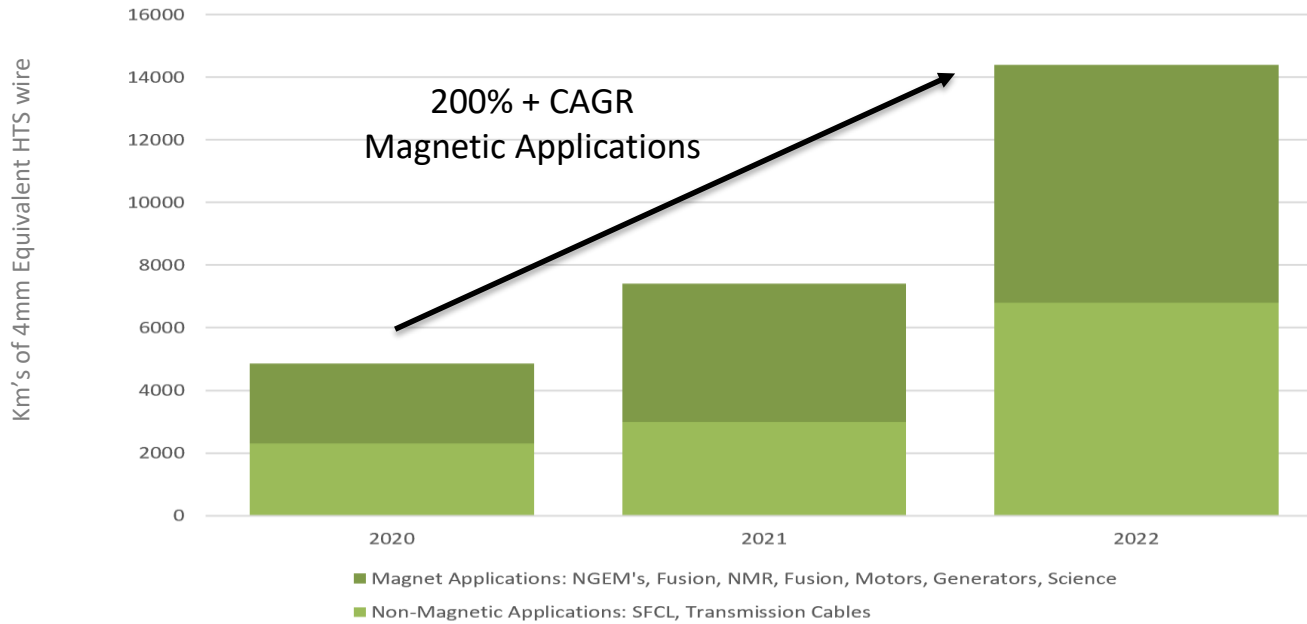
Institute for Plasma Research, India, (IPR) selected STI's Conductus® wire for use in IPR's next generation Tokamak fusion development

- IPR is a well-respected Tokamak research center
- Selection process included rigorous analysis of many leading suppliers, with a focus on wire performance, the company's experience in superconductivity and local support.

Customers Signal Strong Demand for HTS Wire

STI estimates customers' needs exceed initial production capacity by more than 10X

Demand Chart by Application



- Facilities are in place to scale capacity 5X
- Modular production process




Conductus High Volume Production System





Tape Product Width:	3mm	4mm	10mm	12mm
Batch Size: (meters)	3000	2150	1000	850
Annual Capacity: (Km)	950	750	300	250

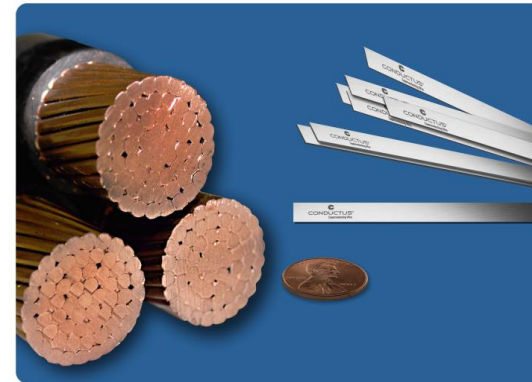
Validation of the Gained Knowledge

2G HTS Superconducting Wire vs Conventional Copper

	 CONDUCTUS[®] Superconducting Wire	Conventional Copper
Capacity	100X	Low
Efficiency	Extremely High	Poor - Significant Heat Loss
Size, Weight	Compact, Light Weight	Large and Heavy
Economics	Improving	Static, Limited
Design	Enabling New Devices	Limited







NGEM Technology

Heavy Industry: Highly efficient motors and generators

Energy: Fusion, new high efficiency large scale wind turbines, new energy storage

Defense: High power density systems, electric aircraft

Transportation: Ship propulsion, MagLev

Medical: Ultra sensitive Imaging Techniques

Science: 3X the magnetic performance over low temperature superconducting for magnets

Conductus Proprietary Wire Process

Simple, Repeatable, Commercially Proven

\$200M + investment to develop STI's proprietary manufacturing process

Utilizes simplified wire architecture

- High performance
- Configurable to meet NGEM and magnet applications

Leverages STI assets

- \$37M on Conductus wire development
- Manufacturing facility - \$11M in CapEx invested

Extensive IP portfolio - Developed over 100 patents

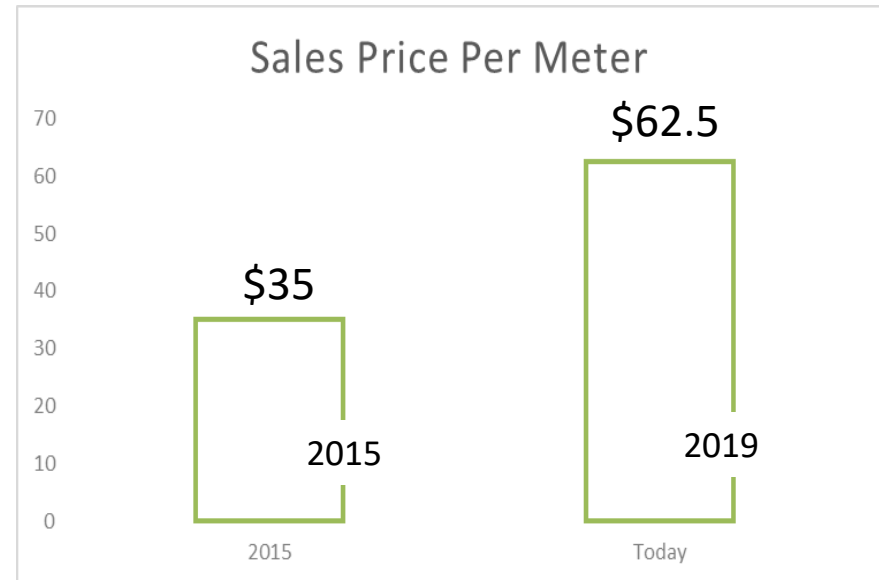
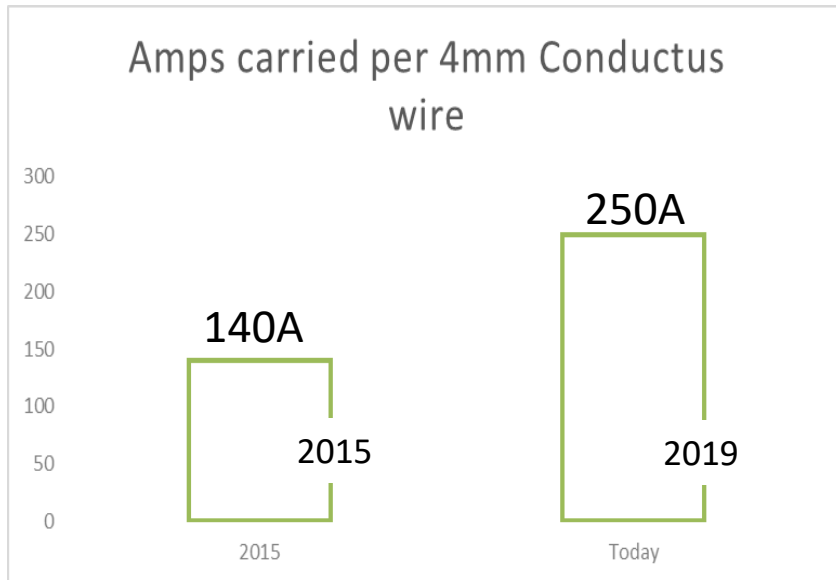
Provides sustainable production advantage

- Increased performance - Robust and flexible design
- Low cost - Simplicity of manufacturing process



2x Product Performance = Increase Price per Meter

Conductus performance superiority expected to command premium price



75% improvement in sales price

- Price assumes \$250/kA-m
- Conductus roadmap targets both cost and performance

NGEM Enabling Technology Developed in 2018

New refined wire requirements match commercial needs

- 2018 Executed on key milestones for DOE program
 - 1.5X performance improvement in electrical current carried by individual Conductus wire
 - 2X improvement in performance of in-field electrical performance
 - Applicable to ALL superconductor magnet applications
 - Improved economics for commercial customers
 - Improved margin – increased performance = increased price
- Superconductor magnet application demand takes off in Q4 2018
- Testing and evaluation occurs for new low temperature, high performance applications
- Selection process complete on initial superconductor magnet customers in Q1 2019
- Second phase of DOE project to begin after commercial customers requirements are met

DOE Focused on Enabling Technology for NG Machines

\$4.5M Award	Began Work June 2017
Provider	U.S. Department of Energy's (DOE) Office of Energy Efficiency and Renewable Energy (EERE) on behalf of the Advanced Manufacturing Office (AMO)
Prime Recipient	Superconductor Technologies Inc.
Muti-year Project	Period 1: Improve critical current capacity at 65K in the presence of an operating magnetic field of 1.5 Tesla Period 2: Budget Period 2: Focus on optimizing the design and fabrication of 'best-in-class' wire in quantity, improve yield Period 3: Build and validate an NGEM component that includes cryogenic testing



“Advancing these enabling technologies has the potential to boost the competitiveness of American manufacturers and take the development of more efficient electric machines a giant step further. These technology R&D projects aim to significantly improve industrial motors for manufacturing, helping companies who use these motors in manufacturing save energy and money over the long run.”

- Mark Johnson, director of the EERE Advanced Manufacturing Office

Our Best-in-class Partners for DOE Project



“TWMC recognized the immense value of superconductor technology for high-power electric machines early, and we are committed to their commercialization. We look forward to collaborating to develop the transformational technology needed to achieve commercial viability of high power superconducting next-generation electric machines.”

- Pat Rogers, President, TWMC



“STI’s goal of high performance at low cost can be a game changer for a wide range of applications, not only at temperatures near liquid nitrogen, but also at lower temperatures.”

- Joseph V. Minervini, Plasma Science and Fusion Center Assistant Director, MIT



“By bringing together university knowledge and capabilities from MIT and UNT with STI, a world class manufacturer of superconducting materials, and TWMC, the end user and device maker with over 100 years of experience in motor design and application, the full range of research and development to product manufacturing and wide scale commercialization of superconducting materials will be achieved.”

- Dr. Marcus L. Young, Assistant Professor Materials & Science Engineering, UNT

Leadership



Jeff Quiram

President & CEO
14 Years at STI



Bob Johnson

SVP, Operations
19 Years at STI



Ken Pfeiffer

VP, Engineering
6 Years at STI



Bill Buchanan

CFO
21 Years at STI



Adam Shelton

VP, Product Management & Marketing
13 Years at STI

Goals

- Provide the world's most efficient, high-performance and cost effective superconducting wire for high field low temperature applications
- Improve our long-term competitiveness
- Reach profitability
- Deliver value to our shareholders and customers

Financial Highlights

Key Metrics:

- 95% of CapEx for initial production of Conductus wire has been invested
 - 750km capacity
- Additional production suites – 1500km increments
 - \$12.5M in CapEx expected to deliver \$75M in estimated revenue at current market prices
- On March 31, 2019 STI had \$3.6M cash and cash equivalents.
- Zero debt
- Average trailing 12-month cash used to fund operations: \$1.83M per QTR
- Cash reserves are expected to be sufficient to fund planned operations into the fourth quarter of 2019

Pathway to Conductus Success

Superconductor wire is to power, as fiber optics was to telecom.

NEW high performance Conductus completes design win for superconductor magnets applications in 1H2019

- Moving quickly to fulfill initial customer demand – Kilometers in Q3 2019
 - Transitioning from R&D to Operations 1H2019
 - Only two process steps remain to be certified for full production
- Ramp capacity to 10's of Km in 2019 to 100's Km in 2020
- Developing plan in 2019 to meet customer requirements in 2020 and beyond -1000's Km
- Customers ready to place large commercial orders, supply agreements once supply chain has been proven.
- Utilizing scalable modular production plan
- Driving down production cost with manufacturing experience

