



Superconductor Technologies Issues Letter to Stockholders

September 8, 2020

AUSTIN, Texas, Sept. 08, 2020 (GLOBE NEWSWIRE) -- Superconductor Technologies Inc. (STI) (Nasdaq: SCON) issues the following Letter to Stockholders

Dear Stockholder,

You recently received proxy materials relating to proposals to be voted on by stockholders of Superconductor Technologies Inc. ("STI" or the "Company" or in the third person, "we" or "our") at the Company's Annual Meeting of Stockholders (the "Annual Meeting") on September 2, 2020. **This important notice is to inform you that the Annual Meeting has been adjourned again until September 9th 2020 at 8:45 a.m. (Central Time) to allow stockholders additional time to exercise their voting rights by submitting their voting instructions. The location of the meeting remains Hill Country Galleria, 12600 Hill Country Blvd, Suite R-275, Bee Cave, Texas 78738.**

Proposal 3, the Reverse Stock Split proposal, has not received sufficient votes for passage. An additional (approximately) 1.5% of the outstanding shares is needed to vote in favor of proposal 3 to assure passage. The purpose of this proposal is to raise the Company's stock price to satisfy Nasdaq's \$1.00 minimum bid price rule, which is required to remain listed on Nasdaq. We are currently not in compliance with this rule. We encourage stockholders who have not yet voted their shares to do so, and those who voted no to switch their votes to be, **FOR proposal 3, to approve the Reverse Stock Split proposal. The Board of Directors unanimously recommends you vote FOR proposal 3.**

It is important that you vote, no matter how large or small your holdings may be. This will help save us further solicitation costs on the Annual Meeting and ensure that your shares are represented in these decisions. During the period of the adjournment, the Company will continue to solicit proxies from its stockholders. Stockholders who have already voted need not submit another vote unless they wish to change their vote.

If you have any questions or need assistance voting your shares, please call STI's proxy solicitation firm, Georgeson LLC, toll free at: (866) 295-4321.

Proposal 3 is described further in the Company's Definitive Proxy Statement filed with the Securities and Exchange Commission on August 10, 2020.

Sincerely,

Superconductor Technologies Inc.

About Superconductor Technologies Inc. (STI)

Superconductor Technologies Inc. is a global leader in superconducting innovation. Since 1987, STI has led innovation in HTS materials, developing more than 100 patents as well as proprietary trade secrets and manufacturing expertise. For more than 20 years STI utilized its unique HTS manufacturing process for solutions to maximize capacity utilization and coverage for Tier 1 telecommunications operators. Headquartered in Austin, TX, Superconductor Technologies Inc.'s common stock is listed on the NASDAQ Capital Market under the ticker symbol "SCON." For more information about STI, please visit <http://www.suptech.com>.

Forward-Looking Statements

This communication contains forward-looking statements (including within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended) concerning STI, AIU, the proposed Merger, and other matters. These statements may discuss the valuation of the Building, goals, intentions and expectations as to future plans, trends, events, results of operations or financial condition, or otherwise, based on current beliefs of the management of STI, as well as assumptions made by, and information currently available to, management. Forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "may," "will," "should," "would," "expect," "anticipate," "plan," "likely," "believe," "estimate," "project," "intend," and other similar expressions. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: the risk that stockholders do not timely approve a reverse split in order to comply with the Price Rule, which would result in immediate delisting; the risk that the pending merger with Clearday ("Merger") is not timely completed or does not result in the Company being able to be in compliance with the Price Rule, which would result in immediate delisting; the risk that the delay in consummating the merger will create increased expense to STI; the risk that the conditions to the closing of the proposed Merger are not satisfied, including the failure to obtain stockholder approval for the proposed Merger in a timely manner or at all; uncertainties as to the timing of the consummation of the proposed Merger and the ability of each of STI and AIU to consummate the Merger; risks related to STI's ability to correctly estimate and manage its operating expenses and its expenses associated with the proposed Merger pending closing; risks related to the failure or delay in obtaining required approvals from any governmental or quasi-governmental entity necessary to consummate the proposed Merger; risks associated with the possible failure to realize certain anticipated benefits of the proposed Merger, including with respect to future financial and operating results; the ability of STI or AIU to protect their respective intellectual property rights; competitive responses to the Merger and changes in expected or existing competition; unexpected costs, charges or expenses resulting from the proposed Merger; potential adverse reactions or changes to business relationships resulting from the announcement or completion of the proposed Merger; regulatory requirements or developments; changes in capital resource requirements; and legislative, regulatory, political and economic developments. The foregoing review of important factors that could cause actual events to differ from expectations should not be construed as exhaustive and should be read in conjunction with statements that are included herein and elsewhere, including the risk factors included in STI's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. STI can give no assurance that the conditions to the Merger will be satisfied. Except as required by applicable law, STI undertakes no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

Important Additional Information Will be Filed with the SEC

In connection with the proposed Merger, STI intends to file relevant materials with the SEC, including a registration statement on Form S-4 that will

contain a proxy statement/prospectus/information statement. **INVESTORS AND STOCKHOLDERS OF STI ARE URGED TO READ THESE MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT STI, THE MERGER AND RELATED MATTERS.** Investors and stockholders will be able to obtain free copies of the proxy statement, prospectus and other documents filed by STI with the SEC (when they become available) through the website maintained by the SEC at www.sec.gov. In addition, investors and stockholders will be able to obtain free copies of the proxy statement, prospectus and other documents filed by STI with the SEC by contacting STI by mail at Superconductor Technologies Inc., 15511 W. State Hwy 71, Suite 110-105 Austin, TX 78738, (512) 650-7775, Attention: Corporate Secretary. Investors and stockholders are urged to read the proxy statement, prospectus and the other relevant materials when they become available before making any voting or investment decision with respect to the Merger.

No Offer or Solicitation

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Participants in the Solicitation

STI and its directors and executive officers and AIU and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of STI in connection with the Merger. Information regarding the special interests of these directors and executive officers in the Merger will be included in the proxy statement/prospectus/information statement referred to above. Additional information about STI's directors and executive officers is included in STI's definitive proxy statement filed with the SEC on April 26, 2019. These documents are available free of charge at the SEC website (www.sec.gov) and from the Corporate Secretary of STI at the address above.

Investor Relations Contact

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Source: Superconductor Technologies Inc.