

**Conference Title: Mechanical Technology, Incorporated Annual Meeting**

**Date: 10<sup>th</sup> June, 2021**

Operator: Good day and welcome to Mechanical Technology Incorporated. 2021 Annual Meeting of Stockholders. I would now like to turn the conference over to Jessica Thomas. Please go ahead.

Jessica Thomas: Good morning. We are pleased to welcome everyone to MTI's annual stockholder meeting. My name is Jessica Thomas. I'm the CFO for Mechanical Technology Incorporated. I will be conducting the welcome message and the formal portion of the meeting. I would like to review the following items. Today's meeting is being recorded and will be posted on the MTI website. [www.mechtech.com](http://www.mechtech.com) once it is available. If you are experiencing technical difficulties, please call 1-844-986-0822 or 303-562-9302. In order to be able to ask questions or vote during the meeting, please make sure you are logged in as a stockholder with your control number. Please also don't forget to leave your contact information like an updated email or phone number. Refer to the link for the rules of conduct and procedure. Please note the agenda for today's meeting, we will first cover introductions of presenters and participants followed by the proposals presented, then the business updates, results of the balloting, concluding with a short break prior to ending with the questions and answers period.

Presenting in today's meeting will be our CEO, Michael Toporek covering general business updates, Moshe Binyamin, presenting an update for MTI instruments and myself covering the formal portion of the meeting and financial update. Also participating in today's meeting are the members of the board of directors. A warm welcome to the newest members of the board of directors, Will Hayslip [?] and Ali Mondavi [?] Additional participants from MTI include Lisa Brennan, corporate controller, Kellie-Ann Aubin, accounting manager. Also in attendance are Alex Zhang, partner at UHY LLP, Eric Hennessey, partner at UHY LLP, [inaudible] counsel at the firm of Baker Donelson, Bearman Caldwell and Berkowitz PC. Attending from Sullivan and

Worcester, Scott Miller, Natalie Lederman, and Caroline Lambert. And attending from PCG Advisory Inc and Kirin Smith.

I will begin by reading our legal disclosures. The statements made today and in the presentation include forward-looking statements within the meaning of the private securities litigation reform act that reflect our current views with respect to, among other things, our operations business strategy, interpretation of prior development activity, plans to develop and commercialize our products and services, potential market opportunity, financial performance, and need for additional financing. We have used words like anticipate, belief, could, estimate, expect, future and intent, may, plan, potential, project, will, and similar terms and phrases to identify forward-looking statements in this presentation. The forward-looking statements are based on management's current expectations and are subject to substantial risks, uncertainties and changes in circumstances. Actual results may differ from those expressed by these expectations due to risks and uncertainties, including among others, those related to our ability to obtain additional capital on favorable terms to us or at all the success, timing and cost of ongoing or future operations, the lengthy and unpredictable nature of project development and technology process and business in which we currently engage or may engage.

These risks and uncertainties include, but may not be limited to those described in our filings to the SEC. Forward-looking statements speak only as of the date of this presentation and we undertake no obligation to review or update any forward-looking statements, except as it may be required by applicable law. I will now call the formal portion of today's meeting to order. Good morning, ladies and gentlemen. Will the meeting please come to order? I am Jessica Thomas, chief financial officer at Mechanical Technology Incorporated, and it is my pleasure to welcome all of you. It is 10:07 Eastern time. In accordance with the notice of the meeting, I called the order of the company's 2021 virtual annual meeting of stockholder. It is our intention to conduct this meeting in accordance with the agenda in the presentation. You will note that in the agenda an opportunity is provided for questions and discussion. We ask that any stockholder who wishes to

address the meeting does so during that segment of the meeting or in response to matters addressed in the formal portion of the meeting. As chief financial officer, I will serve as secretary of this meeting to report the minutes. Ms. Kellie-Ann Aubin and Ms. Lisa Brennan have been appointed as inspectors of elections for the meeting. Broadridge Tabulation Services has previously provided the company with a certificate indicating the number of votes present by proxy at this meeting. In addition to the shares already identified by Broadridge, if any stockholder or proxy holder present has not registered his or her presence, please do so by following the instructions on this webcast for registration.

I would like to introduce two of our current directors who are standing for reelection. The directors who are present via teleconference who are candidates for reelection are Edward Hirschfeld, has served as director of the company since October, 2016 and is a member of the company's audit committee and is chairman of the company's governing and nominating committee. Please see page five of the proxy statement now on or about May 25th, 2021 for summary of Mr. Hirschfeld's employment and educational backgrounds, as well as a list of any other publicly reporting company for which he serves as a director. William Fallon has served as a director of the company since December, 2004 and is a member of the company's audit committee and compensation committee. Please see page six of the proxy statement for summary of Mr. Fallon's employment and educational background, as well as a list of any other publicly reporting companies for which he served as a director.

We will now report on the mailing of the notice of this meeting and the presence of a quorum. This meeting is virtually held pursuant to the printed notice first mailed on or about May 25th, 2021 to each stockholder of record on April 14th, 2021, who is entitled to vote. All documents concerning the call and notice of the meeting will be filed with the records of the meeting. The count of shares indicates that 8,002,520 shares of the company's voting capital stock are present via webcast or by proxy. This is approximately 80.91% of the issued and outstanding voting capital stock of the company as of April 14th, 2021, the record date and qualifies for a quorum

under Nevada corporate law and the company's bylaws. I hereby declare a quorum present at the meeting. On behalf of the board of directors of the company, I would like to express my appreciation to all of the stockholders who returned their proxies. I would also like to point out that most of you who returned proxies authorized the person's names in the proxies to vote on all propositions coming before the meeting.

Those of you who have already voted by proxy, as well as those of you who have not returned the proxy, may vote electronically at this virtual meeting, using the instructions provided. However, we urge stockholders who have previously voted by proxy to allow their proxy to stand. If you previously provided your proxy and you vote electronically at this live webcast meeting, your previous proxies will be canceled and replaced by your vote at this meeting. The first matter to be acted upon by the stockholders is the reelection of the class of directors to serve a three-year term ending at the company's annual meeting of stockholders to be held in 2024. As described beginning on page four of the proxy statement mailed on or about May 25th, 2021, the company's board is divided into three classes, each having a term of three years. The terms of the two directors nominated for election of this meeting expire as of this meeting and if approved will be reelected to serve until the annual meeting of stockholders in 2024. The remaining six directors served for terms expiring in 2022 and 2023 respectively. I will now put in and nomination and the names of the directors listed in the proxy statements for election at this annual meeting. I hereby nominate for reelection as directors of the company to serve for the terms expiring on the date of the company's annual meeting of stockholders to be held in 2024 and until their respective successors are duly elected qualified, Mr. Edward R. Hirschfeld and Mr. William P. Fallon, named as nominees for director on page four of the proxy statement. You have heard the motion. Is there a second?

Speaker: I second.

Jessica Thomas: Are there any other nominations? Noting none, I declare the nominations closed. Are there any questions or discussion? I suggest that the stockholders voting electronically on this webcast meeting now submit their votes. After voting has been completed on all matters on the agenda, all votes will be collected and counted. I will now move on to proposal number two. I would like to recognize David C. Michaels, the chair of the audit committee of the company board to discuss the next proposal.

David C. Michaels: Thank you, Jessica. The next matter of meeting submitted to the shareholders for action is the ratification of the appointment by the company's board of UHY, LLP as the company's independent registered public accounting firm, beginning on April 28th, 2021 and continuing through the fiscal year ending December 31st, 2021. The company engaged UHY as a result of its termination of the engagement of its prior auditor with [inaudible] company, CPA, PC also on April 28th, 2021. The audit committee was assigned responsibility of recommending an independent registered public accounting firm to be appointed by the company's board. The audit committee, since its inception, has consisted entirely of directors who are independent of corporate management. The committee has had direct access to both outside accounting firms and the internal managers in charge of the audit function. I move for the ratification of the appointment of UHY, LLP to audit the financial statements of the company and its subsidiaries for the year ended December 31st, 2021. You have heard the motion. Is there a second?

Speaker: I second.

David C. Michaels: Thank you. Are there any questions or discussion? Noting none, I suggest that those shareholders voting electronically on this webcast meeting now submit their votes. After voting has been completed on matters on the agenda, all votes will be collected and counted. I will now turn over the meeting to Jessica Thomas.

Jessica Thomas: Thank you, David. I will now move on to proposal number three, approval of an amendment to the company's articles of incorporation to increase the maximum number of directors, constituting the entire board of directors of the company from nine to 10. The matter being submitted to stockholders for action is the approval of an amendment to the company's articles of incorporation to increase the maximum number of directors, constituting the entire board from nine to 10 directors. Further details of this amendment to the company's articles and the increase in the number of directors serving on the board can be found on page 15 of the proxy statement. As described in greater detail in the proxy statement, the company's board believes this amendment will attract and retain individuals with background and expertise in the blockchain area that the board believes should be represented on the board as they anticipate cryptocurrency mining becoming an increasing component of the company's business and operations. In addition, the company's board believes that this amendment will attract and retain individuals that will diversify the board as to gender and/or ethnic background. I move for a vote on the proposal to approve the adoption of the amendment to the articles to increase the maximum number of directors, constituting the entire board of the company from nine to 10 directors. You have heard the motion. Is there a second?

Speaker: I second.

Jessica Thomas: Are there any questions or discussions? I suggest that those stockholders voting electronically on this webcast meeting now submit their votes. After voting has been completed on all matters on the agenda, all those will be collected and counted. I will now move on to proposal number four. The next matter being submitted to stockholders for action is a nonbinding advisory vote on the compensation paid to the company's named executive officers. This nonbinding advisory vote is submitted to the stockholders at the company's annual meeting once every three years as required. Details of this proposal can be found on page 16 of the proxy statements. I move for an advisory vote on the compensation paid to the company's named

executive officers, although such votes will not be binding. You have heard the motion. Is there a second?

Speaker: I second.

Jessica Thomas: I suggest that those stockholders voting electronically on this webcast meeting now submit their votes. After voting has been completed on all matters on the agenda, all votes will be collected and counted. I will now move on to proposal number five. The next matter being submitted to stockholders for action is a nonbinding advisory vote on the preferred frequency for holding a nonbinding advisory vote on the compensation paid to the company's named executive officers. This nonbinding advisory vote is submitted to the stockholders at the company's annual meeting once every six years as required. Details of this proposal can be found on page 17 of the proxy statements. I move for an advisory vote on the preferred frequency for holding a nonbinding advisory vote on the compensation of our named executive officers. You have heard the motion. Is there a second?

Speaker: I second.

Jessica Thomas: I suggest that those stockholders voting electronically on this webcast meeting now submit their votes. After voting has been completed on all matters of the agenda, all matters will be collected and counted. I would like to introduce our CEO and member of the board, Michael Toporek.

Michael Toporek: First, thank you for attending our meeting. Thank you, Jessica, for the introduction. I'd like to thank our stockholders' confidence they place in us to be responsible stewards of your capital. As you know, 2020 was a year that we had in nearly a decade. More importantly than a one-year result, we set the groundwork for continued rapid growth of the company. I'd like to outline for you. Some of our guiding principles- we will highlight some of our achievements for

the year. There are three key themes we focus on as we grow the company. First is alignment and transparency. Members of our board of directors directly or indirectly control about 30% of the company's equity. That alone aligns our interests with those of stockholders as we grow the company. But in addition to this alignment, we'd also like to bring a new paradigm of increased transparency of the company that includes posting on our website frequent stockholder communications and substantive updates.

Our intention is to communicate with stockholders regularly on our goals and the company's progress in meeting those goals. So for example, we will communicate the revenue and contribution margin results by location for our eco chain business within 10 days of the close of business every month. This allows our stockholder owners to get contemporaneous useful information about our performance. Second, high velocity execution. In all aspects of our business, we're increasing the urgency and velocity of our execution. That means increased frequency of your product introductions, fast and efficient facility build-out and equipment deployment to rapid response, to changes in the environment and customer requirements. Third, focus on returns on invested capital. [inaudible] management's goal is to earn strong returns on investor's capital. You're going to see clear communications from us on our expectations and results in this regard.

The eco chain business during 2020, we set up a new cryptocurrency mining facility and scaled it up with strong success. We anticipate that by the end of June or so of this year, the net income generated from this facility, since it commenced operations will equal all capital we invested to get that facility up and running and under 12-month payback. Last year, we also set the groundwork to achieve our target goal for eco chain in 2021, deploying over 50 megawatts of electricity in operation by the end of 2021. Most importantly, I'd like to thank all the people who've worked tirelessly for success of our company, many working late in weekends [inaudible] to make this happen. I'd also like to thank the professionals that helped us get here, our accountants and technology partners. Our success will continue to be a team effort. This year is going to be an

exciting landmark for the company. I can't wait to communicate with our shareholders again, next year at this meeting. Thank you for your support and your confidence. This concludes my remarks. I would like to recognize Moshe Binyamin, president of the MTI instruments business to tell you in more detail about that business.

Moshe Binyamin: Thank you, Michael. Hello everyone. My name is Moshe Binyamin. I'm the president of MTI instruments, and I'll be providing the operation [inaudible] for MTI instruments today. My update will consist of three sections. I will first briefly discuss our 2020 business highlights and the operational adjustments we've made to respond to the rapidly changing operating environment during the pandemic. I will then review our first quarter performance and highlight the emerging trends that contributed to that portfolio. I will conclude with a summary of our strategy and priorities going forward and where we're seeing the most potential and opportunity for the business. So let's get started. As we communicated in our year-end update, MTI instruments revenues for 2020 totaled 9 million. We had 70% contribution margin or \$6.3 million.

During 2020, we capitalized the two major relationships that allowed us to offer the challenging business environment caused by the pandemic. The first one was the longstanding US Air Force relationship and the record order we received. The order consisted of 52 PTS units that totaled 3.3 million. The order was a clear vote of confidence and commitment by our partnership with the US Air Force in reaffirmation of our technology. The second notable agreement was our relationship with GE. During 2020 and through Q1 of 2021, we continued to deliver shipments of our wind turbine air duct system for the six megawatts offshore wind turbine project. The contract value of this project was over 300,000 US dollars. To get a more holistic view of our business however, and the adjustments we've made to our operations in 2020, I would like to take a minute to share with you our deal flow dynamics during the year. And looking at deal flow dynamics, we saw the following market behavior.

In the second quarter of 2020, we noticed a sharp decline in our leads metric, which not surprisingly resulted in a soft Q3. And it was the beginning of the pandemic. Incidentally Q2 2020 was also the time we were awarded the US Air Force contract. In response to these sharp declining leads, we transitioned our sales and marketing efforts to focus mainly on online activity and shifted our marketing efforts to creating electronic content. We have had numerous product articles, application notes, as well as video. Looking at our lead quote and order counts, we saw a modest but noticeable increase, which validated that our marketing efforts were having an impact. By the middle of Q4, we saw early signs of the recovery in our instruments business, primarily from Asia. As I look at the revenue drivers in 2020, we can see the key revenue sources for PBS where our US military freight aviation and [inaudible] operations. What is clearly missing is commercial aviation, which experienced New York total shutdown. On the instrument side, we saw business activity, which intensified in Q4 from our semiconductor manufacturers. We also filled orders for GE's six megawatts air duct system and finally, we filled the number of prototype requests from material manufacturers. More on that later.

Let's now take a look at Q1 performance and the trends we saw during that period. MTI instruments revenues for Q1 2021 totaled 1.3 million. The contribution margin was 68% or 886,000 US dollars. Looking at deals flows as our direction of dashboard, we can see that the volume of leads, quotes, and orders continue to improve from quarter to quarter. While from the amount quarter perspective, we also saw a noticeable improvement over Q3 and Q4 of 2020, we're still not as high as pre-COVID period, but certainly heading that way. As we look at the revenue drivers in Q1 2021, we can see the key revenue sources for PBS were much the same as in 2020 with one important addition. And it is the recovering commercial aviation segment, which is generating meaningful inquiries and business activity. On the instrument side, we continue to see business activity from our semiconductor manufacturers, not just from Asia but also from the Americas. We also continued to fill orders for GE's six megawatts air duct system, and finally, we filled additional prototype requests for material manufacturers, including system

integrators targeting EV battery manufacturers. So let's take a look at the balance of 2021 as it relates to our priorities and focus.

As we look at our focus in the anticipated growth in the business, we can say that for PBS product line, we see an incremental opportunity on the commercial aviation side. For our metrology tools, we're seeing growth potential around the inspection of new wafer types, including silicon carbide, as well as other exotic combinations targeting EV-related wafers. And for our instruments or our sensors product line, we're seeing growing activity around EV battery manufacturing and EV-related electronics manufacturing. I would like to zoom out for a minute to give you a broader view of the larger opportunity we see for our instruments business. In looking at the direction precision manufacturing is heading, we see an industry 4.0 is being adopted by more and more organizations. The term has three key components, and those are big data, connectivity of systems, and ever increasing customer expectations for higher quality products at a lower cost. Big data manufacturing, which also means the sensorization of systems and connectivity are at the core of what MTI has been doing for years. What this translates to are new requests for precision material manufacturers that need tight monitoring and control over various aspects of the manufacturing process. This includes material thickness monitoring and machine alignment monitoring, just to name a few examples.

The adoption of industry 4.0 is ROI driven and can be quantified by improved productivity of both systems and employees, reduced risk of systems of product failures and improved retention of highly skilled employees. To ensure we remain competitive in this rapidly developing market, we accelerated the product development and innovation efforts. On our instrument side, we finalized third-party review of our pico meter resolution sensor and we currently are in customer engagement phase. On the industrial self-contained cost optimized sensors, we are in application qualification phase. On the PBS side, we launched our commercial version of PBS gen four during Americas MRO conference earlier this year. And we're working on finalizing and

testing the military version of this model. We expect to have the ruggedized military version ready sometime in Q3 of this year.

Last but not least, our popular 1510A signal generator is getting completely designed. We concluded the industrial design aspect and worked continuously on electronics and software aspects. In conclusion, our focus for the balance of 2021 is around three key initiatives. First, accelerating the qualification phases for multiple projects we are currently engaged in that are for EV battery manufacturing and material manufacturing. Second, upgrading our instruments with the latest technology and support of industry 4.0 standards. Third, identifying to implement the capabilities that will make MTI instruments more OEM friendly. Our singular measure of success is accelerated growth. And I look forward to providing you future updates with regards to our performance. This concludes the operational updates for MTI instruments. I want to thank you for your time and will now pass it onto Jessica Thomas, our chief financial officer, who will deliver the financial update. Jessica.

Jessica Thomas: Thank you, Moshe. I will now conclude with key financial highlights. Highlights for the year ended 2020 include 9.6 million in revenue, which includes a 37% increase of product revenue. MTI realized 1.9 million in net income for the year. Key to the longterm growth strategy was the establishment of the eco chain line of business, the successful launch and subsequent operations of the cryptocurrency mine located in Washington state and the strategic investment in and partnership with Soluna. These established the groundwork for growth in 2021. We are pleased to report the 2.3 million in revenue for the first quarter. This is driven by the establishment of the eco chain business line versus prior year first quarter. Eco chain revenues were 995,000 for the first quarter, which is an increase of 141% over the fourth quarter of 2020.

The TNT mine is now a capacity and was for the quarter. The public offering proceeds will position us well to achieve our strategic plan of growing our eco chain line of business as discussed in the offering with new construction and leasing opportunities. Overall, the SG&A

expenses increased to 1 million in the first quarter versus prior year. Of that 1 million, 761,000 was expected to be a one-time expense. These expenses were also critical and paramount in the strategic direction of the company. I will now report the results of the balloting, which reflects all votes by proxies received prior to the meeting. The votes have been counted and the following number of shares of common stock of the company on the record date have now voted in favor of and with respect to the election of each of the nominees whose names are set forth in the proxy statement. Edward Hirshfield, shares in favor, 5,475,819. Shares withheld, 62,590. William Fallon, shares in favor, 5, 167,017. Shares withheld, 371,392.

Plurality of the voting common stock of the company voting together on the record date has been voted for the election of each of the two directors named in the proxy statement for a three-year term ending at the company's annual meeting of stockholders to be held in 2024. Additionally, for proposal number two, 7,878,555 shares, being a majority of the shares of the common stock of the company outstanding on the record date have been voted in favor of, 113,576 shares have been voted against and 10,394 shares have abstained from voting on the ratification of the appointment of UHY, LLP as the company's independent registered public accounting firm beginning on April 28th, 2021, and continuing through the fiscal year ending December 31st, 2021. Additionally for proposal number three, 7,574,072 shares being a majority of the shares of the common stock of the company outstanding on the record date have been voted in favor of, 4,23,040 shares have been voted against and 5,408 shares have abstained from voting on the approval of an amendment to the company's articles of incorporation to increase the maximum number of directors, constituting the entire board of directors of the company from nine to 10 directors.

Additionally, for proposal number four, 5,383,280 shares, being a majority of the shares of the common stock of the company outstanding on the record date have been voted in favor of, 148,385 such shares have been voted against, 6,744 such shares have abstained from voting on the approval of the nonbinding advisory proposal to approve the compensation paid to the

company's named executive officers. Finally, for proposal number five, 5,463,021 shares being a majority of the shares of common stock of the company outstanding on the record date, have been voted in favor of frequency of stockholder vote on executive compensation being every year, 20,941 such shares have been voted in favor of the frequency of stockholder vote on executive compensation being every two years, 48,505 such shares have been voted in favor of frequency of stockholder vote on executive compensation being every three years, and 5,942 such shares have abstained from voting on nonbinding advisory proposal on the frequency of the stockholder advisory vote on executive compensation. I hereby declare that each of the nominees for director have been duly elected and the appointment of UHY, LLP as the company's independent registered public accounting firm beginning on April 28th, 2021 and continuing through the fiscal year ending December 31st, 2021 has been duly ratified, and the stockholders have approved amendments to the company's articles of incorporation.

If there is no other business, this concludes our meeting. I would like again, to express my sincere appreciation to the stockholders who attended the meeting as well as those submitted their proxies, but were not able to present in-person. The meeting is adjourned. We will take a short break and return to address questions submitted during the meeting. Anyone wishing to submit a question or comment should do so using the instruction provided for this webcast meeting. Please include your name and city of residence and indicate whether you are a stockholder or a proxy for stockholder. There have been no questions submitted. Thank you for your attendance. And we look forward to our stockholders meeting next year. Thank you.

Operator: The conference has now concluded. Thank you for attending today's meeting. You may now disconnect.