ASTROTECH COMPLETED SUCCESSFUL 1ST DETECT DEMO WITH DHS AND TSA PERSONNEL

- To Demonstrate TRACER 1000 MS-ETD at Annual Meeting on December 7th -

Austin, Texas – Dec. 4, 2017 – Astrotech Corporation (NASDAQ: ASTC) is excited to announce that – following a successful demonstration with Department of Homeland Security (DHS) and Transportation Security Administration (TSA) personnel – 1st Detect's TRACER 1000 MS-ETD will be available for demonstration at Astrotech's annual meeting of shareholders, to be held on Dec. 7, 2017 at 9:00 a.m. CT at the JW Marriott, 110 E. 2nd St., Austin, TX.

The TRACER 1000 is a mass spectrometry-based explosives trace detector (ETD), custom-developed for the TSA as an improvement over and replacement for the ion mobility spectrometry (IMS) ETD systems currently deployed at aviation checkpoints worldwide.

These antiquated IMS systems have many shortcomings – most notably their limited library of detectable compounds, inability to adapt to emerging threats, and significant false positive rates that extend security wait times. The TRACER 1000 overcomes all of these shortcomings, and also provides significant enhancements, including:

- Considerably expanded list of explosives, narcotics and other compounds of interest;
- Target library that can be instantaneously updated or expanded in the field without requiring hardware configuration changes;
- Near-zero false positive rates;
- Improved passenger satisfaction due to increased throughput at checkpoints; and
- Similar market cost to current IMS ETDs.

"We believe the TRACER 1000 will address the TSA's current and future ETD needs, and we are excited to begin testing with the Department of Homeland Security's Transportation Security Laboratory in the coming weeks," said Thomas B. Pickens III, CEO of 1st Detect and Astrotech. "The TRACER 1000 will significantly augment airport security by resolving the problems the TSA has with current IMS-based ETD systems. The demonstration of the TRACER 1000 at our annual meeting will showcase the results of years of investment, dedicated hard work, and numerous technological breakthroughs to enhance our nation's security."

About Astrotech

Astrotech Corporation (NASDAQ: ASTC) is an innovative science and technology company that invents, acquires, and commercializes technological innovations sourced from research institutions, laboratories, universities, and internally, and then funds, manages, and builds proprietary, scalable start-up companies for profitable divestiture to market leaders to maximize shareholder value. Sourced from Oak Ridge Laboratory's chemical analyzer research, **1st Detect** develops, manufactures, and sells chemical analyzers for use in the security, defense, healthcare, food and beverage, and environmental markets. Sourced from decades of image research from the laboratories of IBM and Kodak, **Astral Images** sells film-to-digital image enhancement, defect removal and color correction software, and post processing services providing economically feasible conversion of television and feature 35mm and 16mm films to the new 4K ultra-high definition (UHD), high-dynamic range (HDR) format necessary for the new generation of digital distribution. Sourced from NASA's extensive microgravity research, **Astrogenetix** is applying a fast-track, on-orbit discovery platform using the International Space Station to develop vaccines and other therapeutics. Demonstrating its entrepreneurial strategy, Astrotech management sold its state-of-the-art satellite servicing operations to Lockheed Martin in August 2014. Astrotech has operations throughout Texas and is headquartered in Austin. For information, please visit **www.astrotechcorp.com**.

This press release contains forward-looking statements that are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks, trends, and uncertainties that could cause actual results to be materially different from the forward-looking statement. These factors include, but are not limited to, whether we can successfully develop our proprietary technologies and whether the market will accept our products and services, as well as other risk factors and business considerations described in the Company's Securities and Exchange Commission filings including the annual report on Form 10-K. Any forward-looking statements in this document should be evaluated in light of these important risk factors. The Company assumes no obligation to update these forward-looking statements.

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