



BIO-key International, Inc. Announces Pricing of \$1.8 Million Offering of Common Stock and Warrants

Wall, NJ, August 22, 2018 - [BIO-key International, Inc.](#) (NASDAQ: BKYI), an innovative provider of biometric software and hardware enterprise solutions and consumer products, announced today the pricing of an underwritten offering of 1,200,000 Units consisting of 1,200,000 shares of its common stock and warrants to purchase up to an aggregate of 900,000 shares of the Company's common stock, with a purchase price price of \$1.50 per Unit. The warrants will be exercisable immediately at an exercise price of \$1.50 per share and will expire five years from the date of issuance. Gross proceeds, before underwriting discounts and commissions and estimated offering costs, are expected to be approximately \$1.8 million. BIO-key has granted the underwriter an over-allotment option, exercisable for a period of 45 days, to purchase up to 180,000 additional shares of its common stock and/or 135,000 warrants. The offering is expected to close on or about August 24, 2018, subject to satisfaction of customary closing conditions.

BIO-key intends to use the net proceeds from this offering for general corporate purposes, including working capital. Maxim Group LLC is acting as sole book-running manager for the offering.

The securities described above are being offered by BIO-key pursuant to a registration statement (File No. 333-225934) previously filed and declared effective by the Securities and Exchange Commission (SEC). The securities are being offered by means of a prospectus supplement and accompanying prospectus, forming part of the registration statement. A preliminary prospectus supplement and accompanying prospectus relating to this offering have been filed with the SEC. Electronic copies of the preliminary prospectus supplement and the accompanying prospectus relating to this offering may be obtained from Maxim Group LLC, 405 Lexington Avenue, 2nd Floor, New York, NY 10174, at 212-895-3745. Electronic copies of the preliminary prospectus supplement and accompanying prospectus are also available on the website of the SEC at www.sec.gov.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

About BIO-key International, Inc. (www.bio-key.com)

BIO-key is revolutionizing authentication with [biometric solutions](#) that enable convenient and secure access to information and high-stakes transactions. We offer software-based alternatives to passwords, PINs, tokens, and cards to make it easy for enterprises and consumers to secure their devices as well as information in the cloud. Our premium finger scanning devices offer market-leading quality, performance and price. BIO-key also brings the power and ease of use of biometric technology to its [TouchLock](#) line of biometric and Bluetooth enabled padlocks – providing more ways to BIO-key your world!

BIO-key Safe Harbor Statement

Certain statements contained in this press release may be construed as "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 (the "Act"). The words "estimate," "project," "intends," "expects," "anticipates," "believes" and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are made based on management's beliefs, as well as assumptions made by, and information currently available to, management pursuant to the "safe-harbor" provisions of the Act. These statements are subject to certain risks and uncertainties that may cause actual results to differ materially from those projected on the basis of these statements. These risks and uncertainties include, without limitation, our history of losses and limited revenue, our ability to develop new products and evolve existing ones, market acceptance of biometric solutions generally and our specific offerings, our ability to expand into the Asian market, the impact on our business of the recent financial crisis in the global capital markets, negative global economic trends and our ability to attract and retain key personnel. For a more complete description of these and other risk factors that may affect the future performance of BIO-key International, Inc., see "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2017 and its other filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to disclose any revision to these forward-looking statements to reflect events or circumstances after the date made.

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