

Identity, Security and Access Management Solutions Provider

BIO-key Completes \$24.8 Million Public Offering

Wall, NJ, July 23, 2020 - [BIO-key International, Inc.](http://www.bio-key.com) (NASDAQ: BKYI), an innovative provider of identity, security and access management solutions with biometric expertise, announced today the completion of an underwritten public offering of 38,214,500 shares of its common stock (or pre-funded warrants to purchase common stock in lieu thereof) and warrants to purchase up to an aggregate of 38,214,500 shares of its common stock, inclusive of the full exercise of the underwriters' overallotment option. Gross proceeds before deducting underwriting discounts, commissions and other offering expenses were approximately \$24.8 million.

Each share of common stock or pre-funded warrant was sold together with one common warrant to purchase one share of common stock at a combined price of \$0.65. The warrants are immediately exercisable at a price of \$0.65 per share and expire five years from the date of issuance.

Maxim Group LLC acted as sole book-running manager for the offering. Fox Rothschild LLP acted as counsel to BIO-key in the offering.

The offering was conducted pursuant to the Company's registration statements on Form S-1 (File No. 333-239782), as amended, previously filed with and subsequently declared effective by the Securities and Exchange Commission ("SEC"), and on Form S-1MEF (File No. 333-239966). A final prospectus relating to the offering was filed with the SEC and is available on the SEC's website at <http://www.sec.gov>. Electronic copies of the final prospectus relating to this offering, when available, may be obtained from Maxim Group LLC, 405 Lexington Avenue, 2nd Floor, New York, NY 10174, at (212) 895-3745.

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 centric, multi-factor identity and access management (IAM) solutions that provide convenient and secure access to devices, information, applications and high-value transactions. BIO-key's proprietary software and hardware solutions enable large-scale on-premise and Identity-as-a-Service (IDaaS) solutions as well as customized enterprise and cloud solutions.

BIO-key Safe Harbor Statement

All statements contained in this press release other than statements of historical facts are "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 not guarantees of future performance or events and

are subject to risks and uncertainties that may cause actual results to differ materially from those included within or implied by such forward-looking statements. These risks and uncertainties include, without limitation, our history of losses and limited revenue; our ability to raise additional capital; our ability to protect our intellectual property; changes in business conditions; changes in our sales strategy and product development plans; changes in the marketplace; continued services of our executive management team; security breaches; competition in the biometric technology industry; market acceptance of biometric products generally and our products under development; our ability to execute and deliver on contracts in Africa; our ability to expand into Asia, Africa and other foreign markets; our ability to integrate the operations and personnel of PistolStar into our business; the duration and severity of the current coronavirus COVID-19 pandemic and its effect on our business operations, sales cycles, personnel, and the geographic markets in which we operate; delays in the development of products and statements of assumption underlying any of the foregoing as well as other factors set forth under the caption see "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2019 and 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. Except as required by law, the Company undertakes no obligation to disclose any revision to these forward-looking statements whether as a result of new information, future events, or otherwise. Additionally, there may be other factors of which the Company is not currently aware that may affect matters discussed in forward-looking statements and may also cause actual results to differ materially from those discussed. In particular, the consequences of the coronavirus outbreak to economic conditions and the industry in general and the financial position and operating results of our company in particular have been material, are changing rapidly, and cannot be predicted.

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