



Information Analysis Announces \$10,000,000 Equity Financing

Proceeds to Fund Acquisition of Gray Matters and Aggressive Growth of Blockchain-Based Secure Supply Chain Technology

FAIRFAX, VA, December 10, 2021 – Information Analysis Incorporated (NASDAQ: IAIC) (“IAI”) today announced it has obtained subscriptions for the sale of 3,289,525 Units at a price of \$3.04 per Unit in a private investment in public equity financing (“PIPE”). Each Unit consists of a share of \$0.01 par value common stock of the Company (“Common Stock”) and the right to receive a warrant exercisable for .20 shares of common stock which equates to one share for every five Units purchased. Each such warrant is exercisable commencing January 1, 2023 through December 31, 2026 at a price of \$4.50 for each whole share. The price per Unit was determined using the 5-day Volume Weighted Average Price from November 26, 2021 to and including December 2, 2021

The Company estimates net proceeds from the PIPE will be approximately \$9.9 million, after deducting attorneys fees and other expenses. No commissions were paid in connection with this financing. The financing was led by the Company’s Chairman and CEO, Mr. Jamie Benoit, and newly-appointed board member Chip DiPaula, with participation from existing investors, Company executives, and members of the IAI Board of Directors. Several limited partners of Marlinspike Capital (www.marlinspikecapital.com) also made leading investments in the PIPE.

Jamie Benoit, Chairman and CEO, noted, “We believe that IAI is in an excellent position to continue its transformation strategy and reposition the Company as a disruptive technology and commercial enablement leader in government and global private sector verticals. We were delighted that members of the management team and our Board of Directors invested in the transaction, which reflects our collective belief in the significant potential of IAI in the market.”

Mr. Benoit added, “The speed with which we closed on this financing, its significant oversubscription, the fact that this was done without incurring bankers’ fees and the broad base of new stockholders who invested today demonstrates acceptance of our thesis and belief in our management team. The proceeds from this financing positions us to close on the acquisition of Gray Matters, Inc. just three months after I joined the Company and provide the additional working capital required to aggressively deploy our unique blockchain technology to the wider government and commercial markets.”

The securities sold in this private placement have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the U.S. except pursuant to an effective

registration statement or an applicable exemption from the registration requirements. IAI has agreed to file a registration statement with the Securities and Exchange Commission registering the resale of the shares of common stock issued in these private placements.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or other 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 other jurisdiction.

About Information Analysis Incorporated

Information Analysis Incorporated (www.infoa.com), headquartered in Fairfax, Virginia, is an information technology products and services company. The Company has historically specialized in software conversions, systems modernization and security. With announcement of the reorganization of the historic government services business into its Tellenger subsidiary and the acquisition of Gray Matters, Inc. the Company will begin offering its own suite of Blockchain-enabled secure supply chain products and will begin its transformation into a software provider.

Additional information for investors

This release may contain forward-looking statements regarding the Company's business, customer prospects, or other factors that may affect future earnings or financial results. Such statements involve risks and uncertainties which could cause actual results to vary materially from those expressed in the forward-looking statements. Investors should read and understand the risk factors detailed in the Company's 10-K for the fiscal year ended December 31, 2020 and in other filings with the Securities and Exchange Commission.

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