October 9, 2008

Oculus Innovative Sciences Provides Clinical and Business Update

PETALUMA, Calif.--(BUSINESS WIRE)--

Oculus Innovative Sciences, Inc. (NASDAQ:OCLS), today provided a clinical and business update on recent developments and activities.

"Oculus continues to make progress both in developing its commercial business and advancing the Microcyn(R) Technology platform via the U.S. clinical program," said Hoji Alimi, CEO of Oculus.

Recent highlights and upcoming events include:

-- The company's clinical team held a successful End-of-Phase-II meeting with the Food and Drug Administration (FDA) in Washington, D.C., on August 29. After review of the Phase II data on Microcyn(R) for the treatment of mildly diabetic foot ulcers, the FDA agreed Oculus may move forward into the pivotal phase of its U.S. clinical program for its Microcyn Technology. Oculus announced it would undertake this next phase once a partner is secured.

-- On September 2-3, Microcyn was introduced at the Health Tech Forum 2008 and New Drugs China Expo 2008 held in Yantai City, Shandong Province. The Microcyn technology is initially being sampled to Chinese hospitals in as many as 10 provinces for treatment of various acute and chronic wounds, including ulcers, cuts, contusions and burns.

-- Amar Pal Sing Suri, DPM, a Harvard graduate and director of the Diabetic Footcare Center in New Delhi, will present a poster at this year's ICAAC/IDSA joint meeting in Washington, D.C., on October 25-28, entitled "The Effect of Neutral-pH Super-Oxidized Solution for the Treatment of Infected Diabetic Foot Wounds." Both type I and type II diabetic patients with solitary infected foot ulcers 2 to 15 centimeters were randomized into two groups in this study.

-- An independent U.S. research group presented the poster "Topical Oxidizing Agents Effect On Collagen And Dermal Equivalents" at the 18th Symposium on Advanced Wound Care and Wound Healing Society in San Diego. The authors concluded that collagen degradation and fibroblast migration are not affected by Microcyn-based products. Hydrogen peroxide on the other hand severely retarded the function of fibroblasts or killed them, depending on the dilution used. These results further support the safety of Microcyn Technology-based solutions.

-- Oxum, a wound-care product containing the Microcyn Technology, demonstrated a significant reduction in wound size and signs

of inflammation in venous ulcers from the first week of therapy. The study was conducted in 30 patients with venous ulcers testing positive for pathogenic microbial flora at entry. No adverse events were recorded. The trial was published in the May issue of the Journal of the Indian Medical Association.

-- Oxum, which is also used as an oral rinse, was shown to be a safe and effective prophylaxis and treatment for orodental complaints, and better than povidone iodine solution, as reported in the Indian Medical Gazette. The study investigated 41 patients receiving either Oxum or povidone iodine in the management of mouth pain, swelling and redness in areas where orodental procedures were performed. After seven days of regular treatment, pain scores were significantly lower in the Oxum group than in the povidone iodine group.

-- The company presented at the Southern California Investor Conference in Newport Beach and in the Next Generation Small and MidCap Investor Conference in New York in September.

-- Mr. Alimi appeared on Fox Business News' primetime program America's Nightly Scorecard in July to discuss both the formation of the company and the Microcyn Technology. Video footage of the broadcast is available for viewing at http://www.oculusis.com/us/news/.

About Oculus

Oculus Innovative Sciences develops, manufactures and markets a family of products based upon the Microcyn Technology platform, which is intended to help prevent and treat infections in chronic and acute wounds. The Microcyn Technology platform features a biocompatible, shelf-stable solution containing active oxychlorine compounds that is currently commercialized primarily in Europe, India, China and Mexico for the treatment of infected wounds. The solutions derived from this platform have demonstrated, in a variety of research and investigational studies, the ability to treat a wide range of pathogens, including antibiotic-resistant strains of bacteria (including MRSA and VRE), viruses, fungi and spores. A recent Phase II clinical trial of Microcyn Technology conducted in the U.S. met its primary endpoints of safety and efficacy for the treatment of mildly infected diabetic foot ulcers.

Oculus also develops, manufactures and markets a number of devices and products under 510(k) regulatory clearances to professionals and consumers. The company's headquarters are in Petaluma, California, with operations in Europe, Latin America and Japan. More information can be found at www.oculusis.com.

Forward-Looking Statements

Except for historical information herein, some matters set forth in this press release are forward-looking within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including statements about the company's commercial and technology progress. These forward-looking statements are identified by the use of words such as "continues," "developing," and "advancing," among others. Forward-looking statements in this press release are subject to certain risks and uncertainties inherent in the Company's business that could cause actual results to vary, including risks inherent in the development and commercialization of potential products, the risk that regulatory clinical and

guideline developments may change, the risk that scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or approvals, the risk that clinical results may not be replicated in actual patient settings, the risk that protection offered by our patents and patent applications may be challenged, invalidated or circumvented by our competitors, the risk that present trends will continue and that the available market for our products will not be as large as expected, the risk that our products will not be able to penetrate one or more targeted markets, the risk that revenues will not be sufficient to fund further development and clinical studies, the Company's future capital needs, and its ability to obtain additional funding and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission, including the annual report on Form 10-K for the year ended March 31, 2008. Oculus Innovative Sciences disclaims any obligation to update these forward-looking statements.

Source: Oculus Innovative Sciences, Inc.