June 16, 2015

Oculus Innovative Sciences Announces Sale of 1.65 Million Shares of Ruthigen Stock for $4.5 Million in Non-Dilutive Funding

- **Ruthigen/Pulmatrix merger closed on June 15, 2015, enabling Oculus' sale of Ruthigen shares to close on or before June 18, 2015**
- **Sale provides non-dilutive funding to support sales growth of dermatology products via Oculus' direct sales force**

PETALUMA, Calif., June 16, 2015 (GLOBE NEWSWIRE) -- Oculus Innovative Sciences, Inc. (Nasdaq:OCLS) (Nasdaq:OCLSW), a specialty pharmaceutical company that develops and markets solutions for the treatment of dermatological conditions and advanced tissue care, today announced the sale of its remaining 1.65 million shares of Ruthigen (Nasdaq:RTGN) stock to an investor group at $2.75 per share for non-dilutive funding of $4.5 million. The sale is expected to close three days after the consummation of the merger between Ruthigen and Pulmatrix, a clinical-stage biotechnology company. This merger was approved by Ruthigen and Pulmatrix shareholders on June 12, 2015, and consummated on June 15, 2015. The final transfer of the Ruthigen shares and funds is expected to be completed on or before June 18, 2015. Dawson James Securities, Inc. acted as the exclusive agent for this transaction.

Ruthigen was a wholly owned subsidiary of Oculus that was spun out as a separate company upon its initial public offering on the NASDAQ Capital Market on March 26, 2014. In this process, Ruthigen was granted a license to some of Oculus' Microcyn®-based drug assets and had been pursuing a clinical program to evaluate one such formulation for use in prevention of infection associated with abdominal surgery. As part of this licensing agreement, Oculus was to receive milestone payments and royalties.

With completion of the merger, Oculus' management anticipates one of three outcomes relative to these milestones and royalties:

1. Ruthigen/Pulmatrix will continue to move the clinical study forward and be responsible for future milestone and royalty payments.

2. Ruthigen/Pulmatrix would sell these licensing rights to another company, which would then be accountable to Oculus for the same milestone payments and royalties. Ruthigen/Pulmatrix has until August 31, 2016, to complete the sale or initiate the clinical program.

3. If neither of the above alternatives are completed and/or initiated, then the drug

formulations license will revert back to Oculus.

For more information on the Ruthigen/Pulmatrix merger, visit www.ruthigen.com. For more information about Oculus' agreements with Ruthigen and Pulmatrix, please see the 8-K dated March 16, 2015, at http://ir.oculusis.com/sec.cfm.

About Oculus Innovative Sciences, Inc.

Oculus Innovative Sciences is a specialty pharmaceutical company that develops and markets solutions for the treatment of dermatological conditions and advanced tissue care. The company's products, which are sold throughout the United States and internationally, have improved outcomes for more than five million patients globally by reducing infections, itch, pain, scarring and harmful inflammatory responses. The company's headquarters are in Petaluma, California, with manufacturing operations in the United States and Latin America. European marketing and sales are headquartered in Roermond, Netherlands. More information can be found at www.oculusis.com.

Forward-Looking Statements

Except for historical information herein, 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 commercial and technology progress and future financial performance of Oculus Innovative Sciences, Inc. and its subsidiaries (the "Company"). These forward-looking statements are identified by the use of words such as "expects," "continue," "anticipates," and "complete," 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 such risks that regulatory clinical and guideline developments may change, scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or approvals, clinical results may not be replicated in actual patient settings, protection offered by the Company's patents and patent applications may be challenged, invalidated or circumvented by its competitors, the available market for the Company's products will not be as large as expected, the Company's common stock and warrants may be delisted from NASDAQ, the Company's products will not be able to penetrate one or more targeted markets, revenues will not be sufficient to fund further development and clinical studies, the Company may not meet its future capital needs, the Company may not be able to obtain additional funding, as well as uncertainties relative to varying product formulations and a multitude of diverse regulatory and marketing requirements in different countries and municipalities, and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission including its annual report on Form 10-K for the year ended March 31, 2014. The Company disclaims any obligation to update these forward-looking statements, except as required by law.

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Source: Oculus Innovative Sciences, Inc.