September 17, 2007

Oculus Innovative Sciences Provides Update of Phase II Study for Microcyn(R) Technology in Mildly Infected Diabetic Foot Ulcers

Phase II Update Conference Call Scheduled for Monday, Sept. 17 at 9:00 am EDT

CHICAGO--(BUSINESS WIRE)--

Oculus Innovative Sciences, Inc. (NASDAQ:OCLS) today announced that it held an investigator meeting yesterday at the Interscience Conference on Antimicrobial Agents and Chemotherapy in Chicago. The meeting included a review of the ongoing Phase II clinical study underway, a review of potential trial design and plans for the Phase III trials.

Sixteen medical centers and clinics across the United States are participating in the current Phase II trial, which is a 60-patient, randomized and open-label Phase II study to evaluate the preliminary safety and efficacy of topical Microcyn(R) Technology for the treatment of mildly infected diabetic foot infections. The primary efficacy endpoint of the trial is clinical cure or improvement of infection. This study is designed as a proof of concept that the company expects will provide the required basis for taking Microcyn Technology into Phase III clinical trials.

The company has enrolled and randomized 42 patients of the total 60 targeted patients. Over the past month, enrollment has increased with three to five new patients enrolled each week on average. Oculus now expects to announce completion of the trial in Q4 of this year followed by the final results from the Phase II study to be announced in Q1 of 2008. To date, there have been no reports of serious adverse events in patients in the Phase II trials requiring expedited reporting to FDA.

Phase II and Phase III Protocols

The design of the Phase II study was endorsed by an independent board of advisors who met in Seattle in July to discuss design options for the Phase III program. The independent advisory board recommended that essentially the same design as the Phase II trial should be pursued in the Phase III studies.

"We look forward to the successful completion of this trial and what we believe to be the clear validation of the Microcyn Technology to the investor community," said Hoji Alimi, Oculus president and CEO.

Phase II Conference Call

Oculus president and CEO, Hoji Alimi, will hold a conference call on Monday, September 17, 2007 at 9:00 a.m. (EDT) to update investors on the Phase II study and the clinical development plan. To participate in the conference call, please call 1-877-407-4018 (domestic/toll-free) or 1-201-689-8471 (international). A telephone replay will be available for 48 hours after the call at 1-877-660-6853 (domestic/toll-free), or 1-201-612-7415 (international). Please enter account number 3055 and conference identification number 255635.

About Oculus

Oculus Innovative Sciences is a biopharmaceutical company that develops, manufactures and markets a family of products based upon the Microcyn(R) Technology platform, which is intended to help prevent and treat infections in chronic and acute wounds. The Microcyn Technology platform is a controlled slow-release solution containing active chlorine and other gases resulting in a biocompatible technology to treat a wide range of pathogens, including antibiotic-resistant strains of bacteria, viruses, fungi and spores. The technology has demonstrated significant wound healing in chronic and acute wounds. It has been commercialized outside of the U.S. for the treatment of infected wounds. It is currently under evaluation for the treatment of mildly infected diabetic ulcers in the U.S.

Oculus' principal operations are in Petaluma, California, and it conducts operations in Europe, Latin America and Japan through its wholly owned subsidiaries, Oculus Innovative Sciences Netherlands B.V., Oculus Technologies of Mexico, S.A. de C.V. and Oculus Japan K.K. Oculus' website is 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 our ability to replicate the results of the test in clinical trials, if at all, or for such trials or other tests to establish the conclusions suggested by the results of the test. These forward-looking statements are identified by the use of words such as "believe" "suggest," "could involve," "could be considered," "intended," "goal" and "designed," among others. These forward-looking statements are based on Oculus Innovative Sciences, Inc.'s current expectations. Investors are cautioned that such forward-looking statements in this press release are subject to certain risks and uncertainties inherent in the Company's business including risks inherent in the development and commercialization of potential products, the risk that scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or approvals, risks that revenues will not reach expected levels, the risk that additional time may be required to achieve evaluable enrollment that is consistent with the Phase II study design, 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 quarterly report on Form 10-Q for the quarter ended June 30, 2007 and Form 10-K for the fiscal year ended March 31, 2007. Oculus Innovative Sciences disclaims any obligation to update these forward-looking statements.

Source: Oculus Innovative Sciences, Inc.