

April 2, 2014



Oculus Innovative Sciences Announces Board of Directors Restructuring Following Ruthigen IPO

- **Board Committees Restructured**
- **Election of Lead Independent Director**
- **Changes to Corporate Governance and Compensation Practices**
- **First in a Series of Modifications Based Upon Shareholder Feedback**

PETALUMA, Calif., April 2, 2014 (GLOBE NEWSWIRE) -- Oculus Innovative Sciences, Inc. (Nasdaq:OCLS), today announced the closing of its subsidiary, Ruthigen, Inc.'s (Nasdaq:RTGN), initial public offering on the NASDAQ Capital Market on March 26, 2014. As part of the companies' agreements, Ruthigen repaid to Oculus \$1.5 million, which Oculus provided to Ruthigen to fund its IPO-related expenses and certain operational activities during its start-up period.

As a result of the IPO and the separation of the companies, Oculus has made a number of modifications to its corporate governance. As previously announced, the board of directors recently appointed Russ Harrison and Sharon Barbari to serve as independent directors on the board. Effective March 26, 2014, Hojabr Alimi and Richard Conley each tendered their resignation as members of the Oculus board of directors and respective committee appointments. Oculus thanks them for their years of service and wishes them well in their future endeavors.

Concurrently, Oculus' board of directors eliminated the chairman of the board position. In lieu of this post, independent members of Oculus' board elected Jerry McLaughlin to serve as lead independent director of the company's board of directors. McLaughlin has served as a member of the company's board of directors since March 2013. The company believes the position will assist the board in carrying out its primary duties, which are to monitor and challenge company management to create long-term value on behalf of shareholders.

McLaughlin was also appointed as the new chairperson of the company's compensation committee and stepped down from his role as chairperson of the nominating and corporate governance committee. As well, the board appointed Russ Harrison as chairperson of the company's nominating and corporate governance committee. Finally, Sharon Barbari was elected to chair the audit committee.

As part of the board's commitment to adopt the best practices in corporate governance, the board has undertaken to review Oculus' corporate governance policies annually and implement modifications to the company's written charters and policies to remain current with best practices. The first of these planned governance changes occurred with the appointment of two highly qualified independent directors to the board in the last month.

Additionally, replacing the chairman of the board position with a lead independent director, and the appointment of McLaughlin to that role, is intended to improve board performance by facilitating board discussions, empowering independent board members and improving board focus.

"The views of our shareholders are critically important to the board, Oculus management and personally to me," said McLaughlin. "As a result of our ongoing review of the company's governance and compensation practices, as well as feedback received from both our retail and institutional investors, the board of directors is implementing the first of several changes to come that address our shareholders' concerns."

In an effort to bring fresh perspectives and thinking to the board's standing committees, the board has also approved new committee assignments for the other board members. Under the new committee structure, the board now has three committees: audit, compensation, and nominating and corporate governance. The audit committee members are Sharon Barbari (chair), Russ Harrison and Jay Birnbaum. The compensation committee members are Jerry McLaughlin (chair) and Russ Harrison. The nominating and corporate governance members are Russ Harrison (chair) and Sharon Barbari.

About Oculus Innovative Sciences

Oculus Innovative Science is a global healthcare company that designs, manufactures and markets prescription and non-prescription products in 31 countries. The company's products are used to treat patients in surgical/advanced wound management, dermatology, women's health and animal health; addressing the unmet medical needs of these markets, while raising the standard of patient care and lowering overall healthcare costs. The company's headquarters are in Petaluma, California, with manufacturing operations in the United States and Latin America. 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 "anticipates," "believes," "expects," "may," "plans," and "will," 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 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, 2013. The Company disclaims any obligation to update these forward-looking statements, except as required by law.

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