

June 16, 2008



Oculus Innovative Sciences Announces Breakthrough Antimicrobial Formulation for Over-The-Counter Non-Wound Market to be Launched in U.S. Without Pre-Approval by the FDA

Clinical Program for New Drug Approval of Microcyn Technology in the Treatment of Mildly Infected Diabetic Ulcers on Track with Post-Phase II FDA Meeting Scheduled for Late Summer

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

Oculus Innovative Sciences, Inc. (Nasdaq:OCLS), 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, announced today that its research and development team has finalized a unique proprietary formulation with antimicrobial claims that allows for immediate marketing of this product in the United States within a specific medical market without the need for pre-approval by the FDA.

The company is pursuing patent protection on this unique formulation. Outside the United States, the company is moving rapidly to secure regulatory approvals, if needed, in those regions where the original Microcyn Technology formulation is already commercialized, which includes India, Europe, Mexico, and soon China. While clinical studies are not required for commercialization in the U.S., the company will sponsor a number of studies to be used for marketing purposes for these novel formulations.

Hoji Alimi, founder and CEO of Oculus said, "Our new drug approval in the United States is on the right track and continues to move forward for treatment of mildly infected diabetic ulcers. But in line with the guidance that we provided to the market most recently, this will be the year of innovation and focus on near-term opportunities. As we build our marketing and sales team in the United States, our R&D group will continue to aggressively develop an interesting array of products that can be marketed in the near-term to build both sales and the Microcyn franchise."

Jim Schutz, vice president of corporate development said, "We are exploring various partnerships and commercialization opportunities with these new and innovative formulas. We plan to market these products both domestically and via our partners outside of the United States. This breakthrough formulation provides a springboard into both professional and consumer markets that are underserved by current product offerings, allowing millions of

people worldwide immediate access to this innovative antimicrobial."

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 biocompatible, shelf-stable solution containing active oxychlorine compounds that is currently commercialized outside the United States (Europe, India and Mexico) for the treatment of infected wounds. The solutions derived from the Microcyn Technology 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.

In addition to the company's existing and under development therapeutic products, Oculus also develops, manufactures and markets a number of 510k devices and products for both professional and consumer. This includes the recently announced Oculus MDD (Microcyn Delivery Device) for dressing-free treatment of both chronic and acute wounds. As well, Dermacyn Wound Care is currently being test marketed in the U.S. for the moistening and debriding of wounds.

A recently completed U.S. Phase II clinical trial of Microcyn Technology met the primary endpoints of safety and efficacy for the treatment of mildly infected diabetic foot ulcers.

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 plans to immediately market this new formulation in the United States, our belief that we can develop an array of products that can be marketed in the near-term, or that we can secure regulatory approvals for this new formulation in regions outside of the United States. These forward-looking statements are identified by the use of words such as "allows," "pursuing," "to secure," "develop," "exploring," "plan," and "build," 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 quarterly report on Form 10-Q for the quarter ended March 31, 2008. Oculus Innovative Sciences disclaims any obligation to update these forward-looking statements.

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Source: Oculus Innovative Sciences, Inc.